

**Company Registration Number 03052242**

**Charity Number 1046624**

**HORDER HEALTHCARE  
(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS' REPORT  
FOR THE YEAR ENDED  
30 JUNE 2021**

# HORDER HEALTHCARE

## LEGAL AND ADMINISTRATIVE INFORMATION

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### **Board of directors**

The directors who served during the period were:

Dr C E Bell  
Mrs R Cunningham Thomas  
Mr S L Dance (Chair)  
Mr P A Flamank  
Mrs J Grover (nee Ebert)  
Mrs A L Parker  
Mr P J Soer (resigned 28 January 2021)  
Mr J W Turner  
Dr R J Tyler (Chief Executive)  
Dr D W Yates

### **Company secretary**

Mr H I Hatfield

### **Chief executive**

Dr R J Tyler

### **Honorary President**

Mr S C Gallannaugh

### **Registered office**

The Horder Centre  
St John's Road  
Crowborough  
East Sussex  
TN6 1XP

### **Professional advisor**

The charity's principal professional advisors include the following:

#### **Bankers**

Barclays Bank Plc  
1 Churchill Place  
London  
E14 5HP

#### **Independent auditor**

RSM UK Audit LLP  
25 Farringdon Street  
London  
EC4A 4AB

#### **Solicitor:**

Cripps Pemberton Greenish  
Number 22  
Mount Ephraim  
Tunbridge Wells  
Kent  
TN4 8AS

# HORDER HEALTHCARE

## BOARD OF DIRECTORS' REPORT AND STRATEGIC REPORT

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The Directors (who are also trustees of the charity for the purposes of the Charities Act) present their annual report together with the audited consolidated financial statements of Horder Healthcare (the Company) for the year ended 30 June 2021. The Board of Directors confirm that the Annual Report, which includes the Strategic Report, and financial statements of the Company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", (as amended for accounting periods commencing from 1 January 2019). The report and statements also comply with the Companies Act 2006 as Horder Healthcare is a company limited by guarantee.

### Status

Horder Healthcare is a charity, founded in 1954, and operates two acute hospitals – The Horder Centre in East Sussex, a renowned provider of orthopaedic and musculoskeletal (MSK) services, and The McIndoe Centre in West Sussex, which focuses on plastic reconstructive and ophthalmology services. Services at The Horder Centre are supported by clinics located in Seaford and Eastbourne.

Horder Healthcare is a charitable company limited by guarantee established under a Memorandum of Association and governed by its Articles of Association. Horder Healthcare has two wholly owned subsidiary companies:

#### McIndoe Healthcare Services Limited

Prior to the acquisition of The McIndoe Centre in 2015, the previous owners of The McIndoe Centre had registered a number of companies in order to protect the McIndoe name – McIndoe BVI Limited, McIndoe Consultants Limited, McIndoe Cosmetic Limited, McIndoe Eyes Limited, McIndoe Hospital Limited, McIndoe International Limited and McIndoe TV Limited. Horder Healthcare brought these together under the umbrella of McIndoe Healthcare Services Limited (Company Registration Number 09846138), which was incorporated on 28 October 2015. The intermediate holding company and the seven subsidiary companies remain dormant and non-trading.

#### Horder MSK Limited

Horder MSK Limited (Company Registration No. 09182301) was incorporated on 19 August 2014. Horder MSK Limited participates in a not for profit consortium comprised of Sussex Community NHS Foundation Trust, Care Unbound Limited (trading as Here) and Sussex Partnership NHS Foundation Trust. The consortium (Sussex MSK Partnership) was formed to provide musculoskeletal services to the Clinical Commissioning Groups of Central and East Sussex.

Horder MSK Limited holds a 50% share in a joint venture, SMSKP2 Limited, that holds the head contract to provide MSK services to the East Sussex CCGs of High Weald Lewes Havens and Eastbourne Hailsham & Seaford.

Based on this, these financial statements consolidate the results of the charitable company and of its wholly owned subsidiary Horder MSK Limited on a line by line basis together with its joint venture SMSKP2 Limited using the Equity method.

### Objective

Horder Healthcare's charitable purpose is to advance health, and the relief of patients suffering from ill health. Its mission is to be a leading provider of high quality healthcare services, demonstrably improving patients' health and striving to make a positive difference to people's lives. The Charity's vision is to demonstrate its purpose through the provision of outstanding healthcare, and support to the wider community through investment in training, research and community wellbeing.

The Directors have referred to the Charity Commission's general guidance on public benefit when reviewing the Company's vision and objectives and in planning future activities. In particular, the Directors consider how planned activities and the management of resources will provide maximum 'benefit'.

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## BOARD OF DIRECTORS' REPORT AND STRATEGIC REPORT

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### **Board of Directors**

Under the Articles of Association, the Board of Directors (the Board) is elected by a vote of the current members.

The members of the Board who served during the year are set out on the Legal and Administrative Information page at the front of these financial statements.

In accordance with the Articles of Association, at the General Meeting on 28 November 2020 Dr R J Tyler, Mr P J Soer and Mrs R Cunningham-Thomas retired from the Board and being eligible were re-elected. Mr Soer subsequently retired in January 2021.

Mrs A L Parker, Mr J W Turner and Dr D W Yates will retire by rotation at the next General Meeting and being eligible offer themselves for re-election. Mr P A Flamank will retire on or before the 8th March 2022, being the anniversary of his maximum term of nine years as a Director and not eligible for reselection.

### **Directors and governance**

#### Appointment, training and induction

The Board may appoint replacement or additional directors at any time. There is a detailed Recruitment Policy in place, which describes the process for publishing the vacancy, the interview and selection process, and the steps taken prior to the new Director taking up their role. These include the completion of a Disclosure and Barring Service (DBS) check; completion of a 'Fit and Proper Person' Self-Declaration; and checks of the Bankruptcy Register, the Disqualified Directors' Register and the Register of Removed Trustees. Satisfactory references are also sought.

New Directors undergo a comprehensive induction, which includes time spent at each Horder Healthcare site, meetings with members of the Executive Team and the provision of an induction 'pack' of background and guidance documents, including those relevant to a registered charity.

Training to enhance skills and knowledge is encouraged for all Directors. Details of trustee training courses (new and refresher) are circulated together with other topics of interest.

The Board meets formally usually up to nine times a year in addition to the General Meeting, a strategy/planning day and any ad-hoc workshops and meetings. Meetings continued throughout the Covid-19 pandemic albeit on a 'remote' basis, utilising Microsoft Teams. It is hoped that meetings will be able to revert to 'in person' towards the end of 2021.

The Board is responsible for setting strategy and ensuring resources to achieve those strategic aims; monitoring the performance of the Executive Team; and overseeing and ensuring that robust governance and risk management systems are in place.

#### Board Committees

In addition to the Board meeting there are Remuneration, Finance and Resource, Audit and Clinical Governance committees in place which meet up to four times a year, each working within a constitution agreed by the main body.

#### Executive Management

The Board has appointed a senior Executive Team to manage the activities of the Charity and to ensure that the Charity's operational plans are implemented. The Board has established a framework of delegated authority levels for these officers.

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### Directors' Insurance

Horder Healthcare maintains insurance policies on behalf of all the directors against liability arising from negligence, breach of duty and breach of trust in relation to the charitable Company based on the indemnity limit of £10,000,000. The total premium paid during the year in relation to this policy was £8,916.

### **Strategic Report**

#### Our Performance

2020/21 was dominated by the ongoing challenges of Covid-19. The Charity remained under the original Covid-19 NHS contract from 1 July to 31 December 2020. This was superseded by a new NHS contract which came into effect on 1 January 2021 and continued until 31 March 2021. Finally, there was a return to pre-Covid-19 trading conditions with effect from 1 April 2021, which continued for the balance of the financial year ending 30 June 2021. It should be noted that these contracts applied only to in-patient acute services. Community based musculoskeletal services (MSK) continued to be funded by local commissioners for the entirety of 2020/21.

In these circumstances, the overriding priority remained the safe provision of high quality services. Considerable effort was required to ensure that both the Horder Centre and the McIndoe Centre provided safe, Covid-19 free, environments. Additional detail is provided within the risk section of this report, but specific measures included:

- A COVID-19 management policy was developed and implemented.
- All practices were reviewed and standards were maintained throughout in line with national guidance.
- Clinical staff received additional training in the use of Personal Protective Equipment, donning and doffing.
- Staff screening was undertaken with the Infection Prevention Control Nurse supporting the Human Resources team with individual assessments.
- PCR screening for frontline staff was implemented with screening for patients becoming part of a routine pre-assessment process.
- Staff who reported Covid-19 positive were supported with regular welfare checks and advice.

These measures enabled the Charity to continue to provide its full range of existing services. By the end of 2020/21, 5,671 procedures had been performed; 21,259 outpatient consultations undertaken; and 19,152 physiotherapist and extended scope practitioner appointments held (including attendances at health and fitness classes), across Horder Healthcare's four locations in Crowborough, East Grinstead, Eastbourne and Seaford.

As well as ongoing service provision, the Charity has continued to deliver a high quality of service throughout 2020/21 with some of its key achievements including:

- Maintaining an "Outstanding" Care Quality Commission (CQC) rating for The Horder Centre, and a "Good" rating for The McIndoe Centre.
- Maintaining VTE (venous thromboembolism) exemplar status at The Horder Centre.
- 99% of patients rated their experience with Horder Healthcare as excellent or very good.
- 99% of all patients were likely or very likely to recommend Horder Healthcare to friends and family.
- Our MSK service has introduced First Contact Practitioners, advanced physiotherapists working alongside GPs in their practices, managing patients presenting with musculoskeletal problems where previously they would have needed to be seen by a GP.

*The information above has been extracted from Horder Healthcare's Quality Account for 2021. A copy of this report, which contains more information about all of the above achievements, is available from our website at <https://www.horderhealthcare.co.uk/media/3704/horder-healthcare-quality-account-2021.pdf>*

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### Key Performance Indicators

Horder Healthcare monitors its performance using a wide range of indicators from across the business. As a healthcare provider, these include quality and outcome measures, as well as financial indicators. An example of these is shown below, with additional quality indicators included in the previous section of this report.

The cessation of routine activity during March 2020 due to Covid-19 makes a year-on-year comparison difficult. The impact of the Covid-19 pandemic continued to be felt throughout the whole of the subsequent year, as detailed above, with the significant drop in Physiotherapy Appointments and Health & Fitness Class Attendances entirely due to the pandemic. Whilst contracts were maintained throughout 2020/21, the MSK team had a period of furlough between June and August 2020 followed by a period of flexi-furlough until November 2020. This reflected the activity based nature of the contract, with lower levels of activity arising from community based Covid-19 restrictions. Health and Fitness classes were resumed virtually in October 2020, with face-to-face classes being reintroduced from August 2021.

Nevertheless, the Charity continues to be a significant provider of both elective surgery and physiotherapy and maintains an excellent patient satisfaction rate.

	2020/21	2019/20*	2018/19
<b>Activity</b>			
Number of Procedures	5,671	6,099	6,874
Outpatient Consultations	21,259	20,856	23,512
Physiotherapy Appointments	19,086	27,411	28,116
Health & Fitness Class Attendances	66	17,813	18,027
<b>Quality</b>			
Patient Satisfaction Rate	99%	100%	99%
Friends & Family Recommendation Rate	99%	99%	99%
<b>Financial</b>			
Total Income	£33.4m	£29.2m	£29.2m

*\*Activity and Quality figures for the 9 months to 31 March 2020, due to Covid-19*

### Principal Risks and Uncertainties

Horder Healthcare recognises that risk management is an integral part of good management practice and is part of the organisation's culture. The Board has overall responsibility for ensuring systems and controls are in place, sufficient to mitigate any significant risks which may threaten the achievement of Horder Healthcare's organisational objectives.

In addition, the Board has appointed Crowe (UK) LLP to fulfil the internal audit function and undertake periodic reviews in line with a programme of internal audits determined by the Audit Committee. Reports are issued to and reviewed by the Audit Committee. During 2020/21 this included a review of our risk management processes.

Assurance is the bedrock of evidence that gives confidence that risk is being controlled effectively, or conversely, highlights that certain controls are ineffective or there are gaps that need to be addressed. It is important therefore that the scope of the assurances is set in the context of the organisation's strategic objectives:

1. Safe
2. Solvent
3. Sustainable

All staff have a responsibility for identifying actual or potential hazards and risks and reporting/escalating issues in accordance with the Risk Management Policy and Horder Healthcare's Incident Reporting Policy. Within Horder Healthcare, strategic risks are identified by the Board and Executive through horizon scanning and a risk review against each year's identified strategic objectives.

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Operational risks are identified from incidents or near misses reported on the Datix risk management system or from internal audits (e.g. health and safety, infection control), external audits (e.g. CQC, CCG, PLACE etc.) or risk assessments.

All risks have 'controls' and 'assurances' recorded against them, or have plans to put them in place. These are reviewed regularly by the Executive team, by the Senior Management Team on a monthly basis and also by the Board.

Horder Healthcare has identified a number of key risks this year both internally and from the external environment. The Covid-19 pandemic has been the main risk to activity at Horder Healthcare during this year. We have mitigated our risk by maintaining 'blue' and 'green' pathways for clinical care. Testing of both patients and staff has provided assurance that our sites remain alert to individuals who may pose a risk.

Activity at The McIndoe Centre increased due to the transfer of NHS trauma activity from Queen Victoria Hospital NHS Foundation Trust in East Grinstead, whilst The Horder Centre experienced reduced activity after undertaking fractured neck of femur cases from Maidstone and Tunbridge Wells NHS Trust. These changes and the pandemic also created a staffing welfare risk and staff working in the clinical environments during these times found work challenging from a mental health perspective. Staff vaccination has been key in reducing our risks associated with staff sickness as a result of contracting Covid-19.

Another key risk internally remains the lack of availability of clinical staff for recruitment. Although this has been well managed and safe staffing levels maintained, the use of agency staff poses a risk to the quality of care we are able to deliver and this remains a significant risk for the future.

The most significant risk to have impacted the organisation towards the end of this reporting period is our ability to return to 'normal' activity following the end of the NHS contracts linked to the Covid-19 pandemic. While the country reduces restrictions on the public, restrictions within the hospital setting have not changed, this has the risk of impacting on our ability to return to full capacity at pre Covid-19 levels. Changes in the make-up of the virus and the potential for a third wave pose a risk to activity if staff and patients require isolation.

Despite the disruption caused to the organisation as a result of the pandemic, focus has been maintained on risk management processes and controls.

### Financial review

As has been noted above, 2020/21 was dominated by the continuance of the original Covid-19 NHS contract, and its subsequent replacement with a new NHS contract. The budget for 2020/21 was set whilst the Charity remained under the original NHS contract and national negotiations were underway to vary the original terms. Under the circumstances, a decision was taken to roll-forward the 2019/20 expenditure budgets with a plan to achieve an in-year break-even position in line with the 2019/20 outturn. This, in turn, reflected contractual limitations on the organisation's ability to generate private income, along with considerable uncertainty as to a potential second or third Covid-19 wave.

Subsequent contract revisions did enable the organisation to undertake some private activity although this was limited by the need to maintain a safe Covid-19 environment as detailed above. Activity was also restricted over the December to January period as the second wave of Covid infections impacted on access to critical care beds.

The return to pre-Covid-19 trading terms in April 2021 was marked by a steady increase in activity, subject to continuing Covid-19 restrictions. A considerable backlog of NHS elective orthopaedic activity, accumulated during the period of the NHS contract, coupled with suppressed levels of private patient demand, saw a return to near pre-Covid-19 levels of activity across both of our hospitals.

In the midst of this considerable uncertainty, it was very pleasing that the Charity achieved a surplus of £915,000. This included Furlough income of £151,000. This reflects both the ongoing cost-

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## BOARD OF DIRECTORS' REPORT AND STRATEGIC REPORT

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containment measures introduced as part of the original five year recovery plan presented to the Board in July 2018, and the steady increase in activity undertaken in the final three months of the financial year.

Horder Healthcare has a wholly owned subsidiary, Horder MSK Limited. Horder MSK Limited has a 50% share in a joint venture, SMSKP2 Limited. SMSKP2 Limited holds the head contract to provide MSK services to the East Sussex CCGs of High Weald Lewes Havens and Eastbourne Hailsham & Seaford. Horder Healthcare, through Horder MSK Limited, shares the risk and reward in this contract with its Joint Venture partner.

The East Sussex MSK contract was awarded for five years with effect from April 2015. Under the terms of the contract, commissioners retained the option to extend the contract for a further two years from April 2020. In March 2019, commissioners offered SMSKP2 Limited a two year contract extension which was subsequently accepted. The contract will therefore run until March 2022. During 2020/21, commissioners indicated a willingness to extend the contract for a further 12 months, running until March 2023. The proposed contract terms mitigate risks arising from the Covid-19 accumulated NHS backlog, and the joint venture company has agreed to this further extension.

The aggregate amount of capital and reserves and the results of the joint venture for the last relevant financial year were as follows:

	Capital and reserves 2021 £	Profit for the year 2021 £
SMSKP2 Limited	58,814	37,065

The results of Horder MSK Limited have been consolidated into the Horder Healthcare financial statements on a line by line basis and those of the joint ventures accounted for using the Equity method

### Future Developments

2021/22 will continue to be shaped by the national post Covid-19 recovery programme. As noted above, NHS waiting lists have grown considerably during the Covid-19 period and there is an appropriate focus on ensuring that these patients are treated equitably in respect of both clinical urgency and length of wait. The initial focus will be on those patients already on the Horder Centre waiting list. However, there are likely to be further NHS waiting list initiatives, and the Charity is well placed to bid for this work as it becomes available. Similarly, there is growing evidence of suppressed private patient demand and both the Horder Centre and the McIndoe Centre are well placed to benefit from this.

Operationally, we remain focused on financial improvements and longer-term sustainability. Capital investments will continue to reflect a balanced approach to maintenance, improvement and service transformation. Investment in IT and the estate will ensure that key elements of our infrastructure remain fit for purpose, whilst 2021/22 will see a significant investment in digital technology as phase one of a wider digital transformation programme gets under way.



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### Pay policy

The Remuneration Committee determines remuneration policy and practices with the aim of attracting, recruiting, motivating and retaining high calibre people. The Remuneration Committee makes reference to the external market ensuring that it is working within a framework which is legal, transparent, competitive, fair, affordable and providing value for money for the charity. The Remuneration Committee ensures that there is a clear link with performance. The Charity considers its key management personnel to be its Board of Directors and Senior Executive team. The remuneration for key management personnel is set annually in accordance with the pay policy, with any changes taking effect from 1 July each year.

### Reserves policy

Horder Healthcare's consolidated funds at June 2021 amounted to £64.9m of which £55.4m is represented by buildings, other fixed assets and restricted funds, leaving unrestricted funds of £9.5m of which £1.7m has been designated for capital expenditure. Horder Healthcare's consolidated free reserves were therefore £7.8m, which is equivalent to over four months of fixed costs. This level is considered to fall within a range acceptable to the Board. The charity's own funds as set out in the financial statements amount to £64.8m.

Horder Healthcare needs reserves to provide resilience if faced with a significant downturn in income or other adverse events. In considering the level of free reserves it should hold, it has regard to the future operating results adjusted for downside risk. It models the effect of possible reductions in income on gross contribution, particularly having in mind the continuing challenges facing the NHS on which Horder Healthcare depends for 72% of its income. In the longer term, it also needs to have free reserves to enable it to invest in its infrastructure and the development of its business.

Horder Healthcare reviews its reserves policy at least once a year.

### Investment policy

Horder Healthcare's Finance and Resource Committee (FRC) has responsibility for the development of an investment policy and the management of Horder Healthcare's investments, within the investment policy framework set by the Board. In discharging these responsibilities, the FRC considers:

- The charity's attitude toward risk, investment returns and volatility
- Types of investments, including ethical considerations
- The management of investments e.g. setting benchmarks and targets by which investment performance will be judged
- The authorisation of investment decisions.

As a result of the Board's cautious appetite towards financial risk, at the end of the 2018/19 financial year the decision was taken to withdraw investments held by investment managers. Since 2019/20, these funds have been held in a bank deposit account and are subject to a Board-level agreed protocol for the use of the funds.

The Finance and Resource Committee continues to monitor the organisation's investment requirements, in accordance with the investment policy, and makes recommendations to the Board at least once a year.

### Financial instruments

The Charity operates on normal commercial terms with its suppliers and patients who are all in the UK.

The Charity operates in credit in its transactions with the Bank and thus is not exposed to interest rate risk with any borrowings from that source.

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## BOARD OF DIRECTORS' REPORT AND STRATEGIC REPORT

### Stakeholder Engagement (Section 172(1) statement)

The Directors are aware of their duty under s.172 of the Companies Act 2006 to act in the way that they consider, in good faith, would be most likely to promote the success of the Charity to achieve its charitable purpose, which includes having regard to all stakeholders.

We identified the most important stakeholders based on past stakeholder communications. The table below sets out our approach to stakeholder engagement during 2020/21:

Stakeholders	Why are they important to Horder Healthcare	What is Horder Healthcare's approach to engage with them
Employees	Employees are our most valuable asset. Our people's commitment is essential for us to deliver on our vision and mission as an organisation.	<ul style="list-style-type: none"> <li>• Monthly 'breakfast with the boss' sessions, an opportunity for staff at all levels within the organisation to meet informally with members of the Executive Team and discuss all aspects of the business. These were put on hold during the Covid-19 pandemic in order to maintain the safety of our staff but will be reinstated late in 2021;</li> <li>• Quarterly formal 'all staff' CEO briefing sessions;</li> <li>• Twice-weekly 'Covid-19' updates during the height of the pandemic, together with regular 'pulse' surveys. The annual 'Engagement Survey' will be reintroduced in 2021/22.</li> <li>• Structured annual appraisal programme;</li> <li>• Structured statutory and mandatory 'all staff' training programme;</li> <li>• See also 'employee involvement' section of this report, below.</li> </ul>
Patients	Delivering the highest standards of care to our patients is central to our vision and mission as an organisation.	<ul style="list-style-type: none"> <li>• Bi-annual patient forum;</li> <li>• Regular patient surveys;</li> <li>• Utilisation of PROMs data to drive service improvement;</li> <li>• Utilisation of clinical audit data to drive service improvement.</li> </ul>
NHS Commissioners	The NHS accounts for over 70% of our income. Maintaining good relationships is key to securing this income stream.	<ul style="list-style-type: none"> <li>• Regular formal contract meetings;</li> <li>• Informal meetings with key commissioners;</li> <li>• Membership of the NHS 'getting it right first time' (GIRFT) initiative.</li> </ul>
Private health insurers (PMI)	PMI constitute a growing income stream which is increasingly important to the business.	<ul style="list-style-type: none"> <li>• Quarterly contract meetings with top three PMI providers.</li> </ul>
NHS Providers	Working closely with NHS providers reaffirms Horder Healthcare's position within the local health economies in which it operates.	<ul style="list-style-type: none"> <li>• Ongoing informal contacts at CEO and Executive level.</li> </ul>

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Stakeholders	Why are they important to Horder Healthcare	What is Horder Healthcare's approach to engage with them
Independent Sector (IS) Providers	Working closely with IS providers at an industry level helps to shape the industry response to national health initiatives and ensure Horder Healthcare issues are fully represented.	<ul style="list-style-type: none"><li>• CEO is an elected member of the Independent Healthcare Providers Network (IHPN) strategic council;</li><li>• Horder Healthcare executives sit on various IHPN working groups.</li></ul>
Regulators	Horder Healthcare is regulated by the Charity Commission and the Care Quality Commission (CQC).	<ul style="list-style-type: none"><li>• Annual regulatory review and gap analysis by Board of Trustees;</li><li>• Regular formal and informal contact with CQC inspectorate.</li></ul>
Consultants	Having good working relationships with our consultant body allows us to deliver the best patient care.	<ul style="list-style-type: none"><li>• Quarterly Medical Advisory Committee meetings</li><li>• Biennial review meetings with each consultant</li><li>• Specialty based meetings with plastics and ophthalmology</li><li>• Engagement of consultants in hospital clinical governance meetings and morbidity and mortality meetings</li><li>• Consultant representation in specific organisational projects.</li></ul>
Key Suppliers/Contractors	Building and developing good relationships with our key suppliers supports the delivery of our services.	<ul style="list-style-type: none"><li>• Regular Joint Service Review meetings.</li></ul>

### Employee involvement

During 2020/21, rather than conduct a single, annual staff survey, in view of the impact on all staff as a result of the Covid-19 pandemic, Horder Healthcare conducted regular Covid-19 specific surveys, which produced the following highlights:

- 92% of staff felt confident in the Horder Healthcare leadership team to make the right decisions to manage through the crisis.
- 86% of staff felt that their line manager helped them to adapt to organisational changes throughout Covid-19
- 88% of staff felt they had the right resources and benefits from Horder Healthcare to support them through the Covid-19 pandemic.
- As a result of feedback, during the height of the pandemic the leadership team communicated with the workforce twice weekly, supported by regular ad hoc updates at departmental level.

2020/21 saw a significant focus on colleagues' health and wellbeing. During and following the Covid-19 pandemic, the aim was to support all colleagues, whether attending work 'as normal', working from home, on furlough or those who were shielding. For any individual who was absent from their usual workplace for a period of time, a 'return to work' plan was put in place to give them the support and tools to return to work safely. Supporting the mental health and wellbeing of our colleagues featured strongly during the year and continues to do so. A monthly health and wellbeing calendar was introduced, with a wide range of initiatives to support all colleagues. In addition, Horder Healthcare trained over twenty Mental Health First Aiders and increased the number of Speak up Guardians.

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### Disabled persons

Horder Healthcare employs disabled persons when they are suitable for a particular vacancy and every effort is made to ensure that they are given full and fair consideration when such vacancies arise. Managers work closely with the organisation's Occupational Health provider so that if an employee becomes ill or disabled while working at Horder Healthcare they can, where possible and with reasonable adjustment, continue in employment.

During employment, Horder Healthcare seeks to work with all employees, taking into account their personal circumstances, to ensure appropriate training, development and advancement opportunities are available to enable them to reach their full potential.

The number of disabled persons employed by the Company during the year was thirteen (2020: eight).

### Fundraising

Although a charity, Horder Healthcare is not reliant on fundraising activities to raise money to fund its services. There are only a small number of fundraising activities undertaken each year, which account for less than 1% of total income.

During 2020/21, due to the impact of Covid-19, we did not have a specific fundraising focus although donations and bequests continued to be received. We are extremely grateful to all those who have supported Horder Healthcare in this way.

On occasion, Horder Healthcare receives a donation or bequest of a significant sum and although these rarely have stipulations attached to them on how the money should be spent, we try to use these for specific projects/items. Such was the case following the receipt of a bequest in 2019, which is only now coming to fruition. The difficulties in recruiting qualified nurses are widely known and so we took the decision to 'grow our own'. We have put in place an apprenticeship scheme through which existing members of staff may seek financial support to undertake their nurse training. This went 'live' in 2020 with the first successful applicant commencing their nursing studies in September 2021, with two more hoping to start their apprenticeships in February 2022.

We were able to continue to fund our surgical bursaries, introduced in 2018 for trainees in orthopaedic higher specialist training. In May 2021, applications were received from two trainee orthopaedic surgeons to support their fellowships in surgical settings overseas. Horder Healthcare was delighted to award both individuals with a Horder Healthcare Gallannaugh Bursary, named in recognition of the influence on the development of the Charity by orthopaedic surgeon and consultant Charles Gallannaugh. At the McIndoe Centre, we were able to welcome back to the team our aesthetic fellow. This fellowship, funded through charitable funds, enables a pre-Consultant level doctor from Queen Victoria Hospital NHS Foundation Trust to expand their knowledge, skills and training in the field of plastic surgery that would not ordinarily be seen in an NHS hospital.

Fundraising activities in 2020/21 included the following:

- Sale of merchandise
- Charitable Trust applications
- Donations received
- Receipt of legacies and bequests
- Gift Aid
- Unity Lottery

The Charitable Funds Committee, chaired by the Chief Executive, oversees the collection and distribution of funds received from the above activities. The Committee also has responsibility for ensuring that best practice in the areas of fundraising and the management of charitable funds is followed, as recommended by the Charity Commission and the Fundraising Regulator.

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Occasionally, individuals (e.g. ex-patients) will raise funds for Horder Healthcare by undertaking activities such as a sponsored walk, although this is not at the request of the organisation. No other third parties are involved in raising funds for, or on behalf of, the Charity (e.g. a professional fundraiser or commercial participator).

Regardless of the level of fundraising, Horder Healthcare still has an obligation to ensure its fundraising activities are conducted lawfully, ethically and with due regard to best practice. Fundraising activities are conducted in accordance with the Horder Healthcare's Fundraising Policy, which is aligned closely to the Fundraising Regulator's Code of Fundraising Practice.

Horder Healthcare has received no complaints regarding its fundraising activities or practices during the year.

Horder Healthcare is aware of its responsibility to protect vulnerable people and other members of the public from inappropriate behaviour with regard to fundraising activities. This is an extension of the organisation's obligations as a healthcare provider, which are described in Horder Healthcare's safeguarding policies.

### Energy and Carbon Usage

Horder Healthcare employs the services of an energy usage consultant to review the contracts that are in place for the supply of energy and recommend the most efficient alternatives.

The emergency lighting at The Horder Centre has been replaced for more energy efficient LED lighting. Efforts have been made this year at The McIndoe Centre to ensure more efficient operation of the steam generation plant. All planned preventative maintenance of equipment is up to date.

Horder Healthcare engaged a Building Services Consultant in June 2021 to carry out a Carbon Reduction Survey and report. This survey was commissioned as the first step in making energy and carbon reductions and to identify opportunities.

The data below shows energy usage comparison between year 2019-20 and 2020-21 for Horder Healthcare in KWh:

Usage Comparison 2019-20 v 2020-21				
Volume (kWh/Litres)	2019-20	2020-21	variance %	variance KWh
Electricity Consumption	1,718,550	2,020,310	18%	301,760
Gas Consumption	3,319,857	2,410,231	(27%)	(909,626)
Fuel Usage	8,338	9,445	15%	1,216

### Greenhouse Gas (GHG)

The Greenhouse Gas Protocol classifies emissions into one of three scopes, largely based on proximity and control over emissions:

- **Scope 1** offers the highest degree of control, such as burning coal or gas on-site and releasing emissions through a smokestack. The emitter owns the source and has complete control over whether or not the fuel is burned and creates emissions.
- **Scope 2** encompasses grid electricity or off-site heating/cooling sources, including purchased electricity, steam, or chilled water. Users can control the amount of energy consumed, but they do not control how the energy is produced or its emissions intensity.

# HORDER HEALTHCARE

## BOARD OF DIRECTORS' REPORT AND STRATEGIC REPORT

### Methodology

The data detailed in the tables below represent energy use and emissions for which Horder Healthcare is responsible for the financial year 2020/21. We have used the main requirements of the GHG Protocol Corporate Accounting and Reporting Standard as our emissions calculation methodology. This methodology recommends that emissions are calculated by multiplying activity data (for example energy use in kWh) by an appropriate conversion factor. We have used the UK government GHG conversion factors for company reporting 2019 to calculate our emissions.

<b>Greenhouse Gas (GHG) Emissions Comparison 2019-20 v 2020-21</b>		
	<b>2019-20</b>	<b>2020-21</b>
Emissions from Purchased Electricity tCO <sub>2</sub> e (Scope 2)	384.97	457.72
Emissions from Purchased fuel tCO <sub>2</sub> e (Scope 2)	1.79	2.62
Emissions from Combustion of Gas tCO <sub>2</sub> e (Scope 1)	744.15	436.82
<b>Total Energy Usage to calculate consumptions tCO<sub>2</sub>e</b>	<b>1,130.91</b>	<b>897.1</b>

### **Provision of information to auditors**

Each of the persons who are Directors at the time when this Board of Directors' Report is approved has confirmed that:

- so far as each Director is aware, there is no relevant audit information of which the Group's auditors are unaware, and
- each Director has taken all the steps that ought to have been taken as a Director in order to be aware of any information needed by the Group's auditors in connection with preparing their report and to establish that the Group's auditors are aware of that information.

### **Auditor**

The auditor, RSM UK Audit LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

This report and incorporated strategic report was approved by the Board of Directors on 25 November 2021 and signed on their behalf, by:



**Mr H I Hatfield**

**Secretary**