

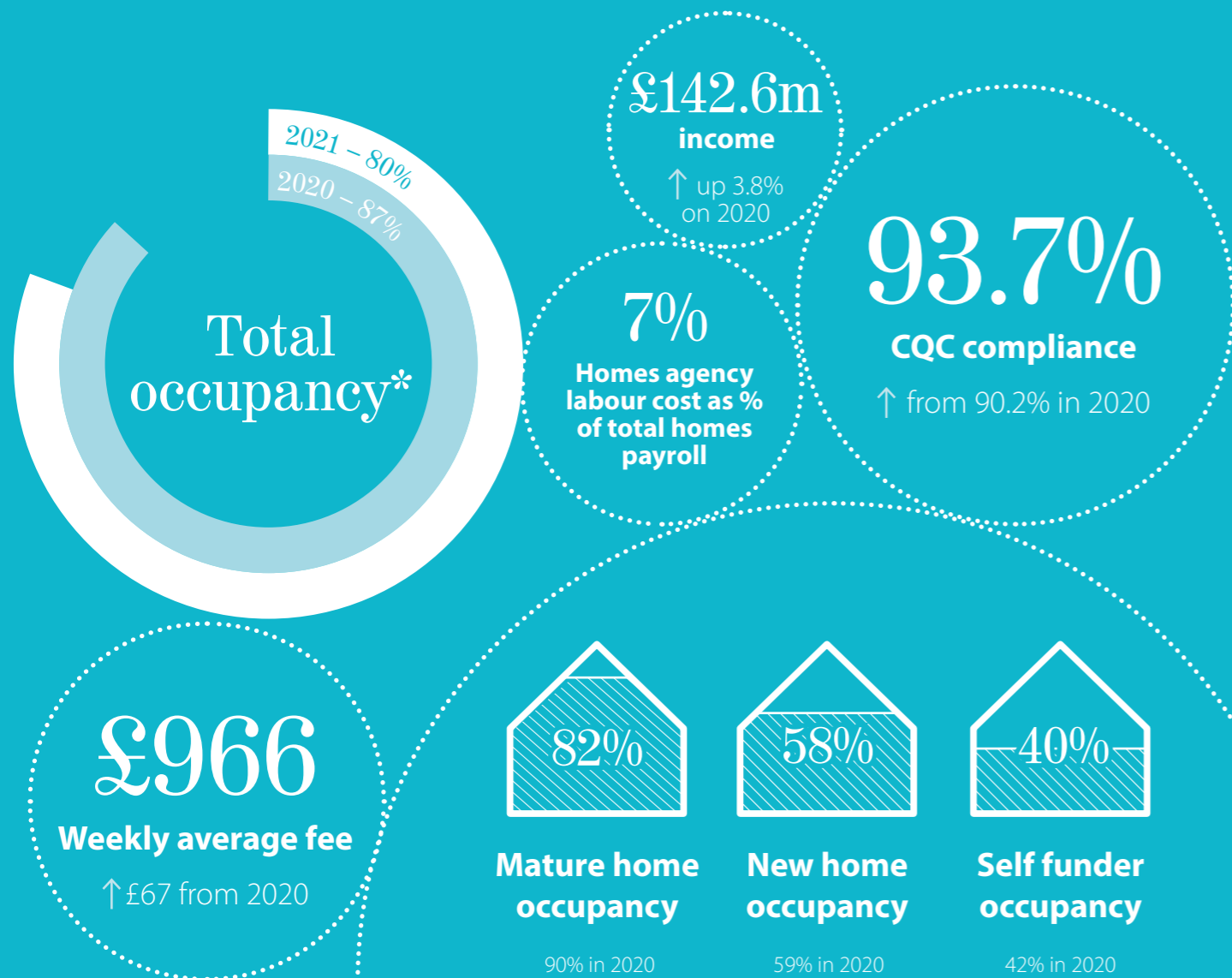


# Annual Report & Accounts

for the 12 months ended 31 March 2021



# Key Performance Indicators



\*New homes include homes opened in the last 5 yrs

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# 01 Foreword

## Thank you

The first case of COVID-19 identified in an OSJCT service was on 15 March 2020 meaning that at the time of writing, the Trust has had a primary focus of managing the illness and its effects for more than a full calendar year.

For more than 365 days, our social care colleagues have attended to their duties every day, they have endured and continue to endure the risk of infection, regular uncomfortable testing, and the discomfort of the constant use of Personal Protective Equipment (PPE). Their days are made longer by the need to be tested and to change clothes at the beginning and end of every shift, and getting to and from work is made harder by being unable to use public transport or share journeys.

Despite this, our colleagues have delivered wonderful, loving care, laced with humour and compassion for every one of those 365 days, and to every one of our precious residents and tenants. Our whole workforce pulled together and they were there for each other regardless of base, role, or function. We would also thank the families of our colleagues who have provided support and motivation at a time when individuals were working extended hours picking up additional shifts to ensure all our services remained safe and compliant. To this end we cannot begin the foreword of this annual report with anything other than a tribute to the social care workforce of our Trust and of our nation.

They stepped up when heroes of earlier generations needed them most and in doing so, they have become the heroes of our generation.

To our residents, tenants, and their loved ones, we commend you for the way in which you have managed your own anxieties, and the ways in which you have demonstrated your support even during the most difficult moments. You have adapted to much different lives with unfortunate restrictions

and changes of routine, and you have recognised that every decision taken has had the health and wellbeing of residents and tenants at its heart. We offer our sincerest apologies to all those who have necessarily had to miss regular contact with loved ones during this terrible time, and we pay tribute to our residents and tenants who have shown great fortitude and courage, and to loved ones who have shown tremendous patience and resolve.

## Management of the Pandemic

By the end of February 2020, the Trust had established a rapid communication system ('red alert') for all COVID-19 cases and updates, we brought together the Trust's Major Incident Support Team (MIST) and we commenced daily coordination of actions from that point forward.

It quickly became apparent that government guidance required review and translation into practical workplace protocol and a subgroup of the COVID-19 MIST team, the COVID-19 Working Group (CWG) was established, with key senior colleagues seconded on a full-time basis. The CWG has been fundamental in providing protocols and guidance that our front-line colleagues have then been able to quickly understand and apply.

With regard to the central functions of the Trust, offices were closed in the third week of March 2020. This was an unproblematic transition as business continuity plans for our offices had been reviewed and updated just prior to the onset of the pandemic meaning we were prepared for the eventuality.

Arrangements were made to support those who required office access, and makeshift PPE stores were located in all four regional main offices, with Trust colleagues volunteering to operate a logistics and distribution process of PPE daily to all services as required.

# £0.9m

of PPE from the NHS portal



Investment in enhanced infection control and social distancing measures

The first wave of the pandemic impacted the first half of 2020 and the second wave started in late 2020 through the first quarter of 2021. It is fair to say that although we prepared for the worst, we did not expect the second wave of the pandemic to be as severe as it was.

Until mid-December, although the Trust had seen increasing infection rates and spread in line with the national situation, infection control measures appeared to be working very well, and the effect on health had been minimal compared to the first wave. Sadly, and seemingly linked to the new variant which surged through the UK in December and January, we quickly experienced a rapidly escalating situation with a very intense period in January. Our conclusion is that the new variant of COVID-19 was transmissible to the extent that it was able to more easily evade the PPE and infection control measures put in place.

## Government Funding

During the early part of 2020/21 it quickly became clear that traditional infection control measures would not be sufficient to protect against COVID-19. Over the course of the year the Government provided different funding streams to support a range of actions including, but not limited to enhancing infection control measures, procurement and supply of PPE, additional staffing costs to support social distancing and isolation periods for COVID-19 positive employees. More recently, funding has been provided to support the reintroduction of visiting and management of lateral flow device testing. This funding support was invaluable, with the Trust utilising £10m during 2020/21.

During the latter part of 2020, the Trust began to utilise the NHS PPE portal which provides free PPE to social care providers. This has enabled the Trust to reduce its commitment to procurement and distribution of PPE to our homes. The Trust has utilised £0.9m of PPE from the NHS portal.

Looking forward, we are pleased the Government has recognised the need to continue to support social care with continued provision of PPE via the portal until the end of March 2022. Recent announcements have indicated further funding provision for visiting and testing which will be gratefully received.

## Key innovations, decisions and investment

**Online training:** Key elements of training required for statutory or mandatory reasons were quickly transferred to either e-learning or remote learning platforms. As a result, compliance levels for training in the Trust actually improved slightly during the pandemic.

**Pulse oximetry:** The Trust introduced pulse oximeters across all services (previously only used in nursing services where required) early in the first wave of the pandemic. This decision was taken some months before government guidance recommended use of oximeters in social care, and it resulted in earlier indications of infection and therefore an earlier opportunity to intervene.

**Handwash stations at entrances:** Supported by the infection control fund, we designed, commissioned and installed permanent handwash units in the foyers of every single home to reduce infection risk. This design will now be installed as a base specification in every one of our future new developments.

**Electrostatic cleaning and luminometers:** As a result of the reviews undertaken at the end of the first wave of the pandemic, we invested in mobile electrostatic cleaning equipment which cleans difficult areas to an exceptionally high standard, and luminometer hand held measurement devices which provide an accurate reading of cleaning results. Together these devices have allowed us to clean areas such as visiting rooms quickly and thoroughly between visits, and the luminometers have identified key areas where cleaning results can be less effective such as chair arms and doorways.

**Visiting rooms:** The Trust pre-empted government guidance on visiting by investing heavily in secure visiting rooms complete with hearing loops (dual speaker Pod system), fresh air ventilation, and floor to ceiling glass screens. Doing so enabled the continuation of visits for an extended period until unfortunately the second full lockdown meant that even they could not be used. However, they have contributed to an early and safe re-opening of services to visits, now supported by the lateral flow rapid testing procedures. We believe that visiting rooms will continue to have a role in the longer term, in particular when dealing with increased local infection rates. Where a resident was unable to use the visitor rooms we utilised portable screens to facilitate the visit.



**February 2020**  
– The Trust's Major Incident Support Team was in operation



**March 2020**  
– Seamless transition from office to remote working



26

specific Infection Control Inspections have taken place – all but two getting 100% positive outcomes



400 tablets and iPads rolled-out to residents to support communication

### Key Challenges

Over the period, different challenges have been felt at different times. The very first was that of access to services; we took the decision to lock down our homes to all non-essential visitors on 18 March 2020, ahead of the national lockdown on 23 March 2020. At the outset the withdrawal of on-site support from health professionals such as District Nurses and the immediate shortages of PPE were key issues. These were overcome by excellent collaborative working between health colleagues and our own teams to provide learning resources which quickly enabled our colleagues to undertake more specialist tasks, and the provision of many portable devices to allow remote consultations to take place. An incredibly capable procurement team together with a decision by the Trust to place significant orders early on good payment terms meant that our teams were never without PPE. In fact, we were able to pre-empt government guidance by a week when we took the decision on 21 April to place all colleagues in PPE regardless of symptoms displayed by residents.

As we moved into the intense period of the second wave, staffing levels in outbreak services were a key concern, mitigated by good planning, rapid response from colleagues, and fundamentally the willingness of frontline colleagues to work more flexibly and for longer periods than ever before.

The sector has endured something of a silent crisis regarding insurance cover since the outset of the pandemic. Whereas the government took the very early step of providing indemnity to the NHS for COVID-19 related clinical matters, they failed to do so for social care, and have yet to address the problem. For providers it meant that insurance, if offered, escalated massively in price, and with many more restrictions being added, including limited cover or even no cover for public liability claims relating specifically to COVID-19.

### Maintenance of Standards and Good Governance

Throughout the pandemic, the Trust Board and all sub-committees have met as planned with no missed sessions. All Executive meetings have also taken place as planned.

Operational support and direction for front line services has continued to be provided with the short periods where operational managers were unable to visit, covered by virtual visits and virtual tours.

Essential Trust colleagues were identified early and have been included in both testing and vaccination processes so that they have been able to continue to visit services in person albeit with increased safety procedures in place.

Over the course of the pandemic the Trust's compliance rating for all services with the Care Quality Commission has actually improved to 93.7% from 90.2% last year with the attainment of a Good rating at our Chestnut Court home in Gloucestershire.

In addition, at the time of writing 26 specific Infection Control Inspections have taken place with all but two having 100% positive outcomes, and only two individual outcomes where assurance was rated as 'somewhat assured' rather than fully assured. The infection control lead for the Trust agreed the actions required to address the two "somewhat assured" outcomes.

### Communication

In total approximately 400 tablet devices such as iPads have been purchased and are in regular use across services to support communication between residents and loved ones, and for use by health professionals and central functions. This was made possible by rapid and substantial donations including from one of our sponsoring orders, The British Association of the Sovereign Military Order of Malta, without which we would have at least been delayed in being able to establish a widespread means of virtual communication.



Our first colleagues were vaccinated on 9th December 2020

We were also fortunate enough to receive donations from other key stakeholders we work with which enabled us to continue to increase the number of tablet devices throughout the year. Barclays Bank selected the Trust as one of the Charities to receive a donation from their "100x100 COVID-19 Community Relief Funding". The Trust purchased 129 iPads with this donation for resident use. We received a further 67 Android tablets donated by Softcat, one of our strategic IT partners. At the end of the year, we were given 57 iPads by NHSX as part of their digital programme.

Our communications team has maintained communication with loved ones through regular website updates and direct communication where required, and we have used social media extensively to show the positive aspects of life within our services and to promote the sector.

For effective communication amongst our colleagues, monthly 'Town Hall' virtual updates have been initiated and led by the Executive team, and our Operations teams have worked in clusters to support each other and the service managers.

As previously mentioned, the Trust's established red alert escalation system, and the use of our protocol updating system has meant that government guidance could be rapidly translated into practical working protocols within services.

Our Trust reassurance campaign, launched in June 2020 and fronted by our resident Molly, was viewed nearly 6 million times in six months.



Molly, a resident at Goodson Lodge, was the face of the Trust's 2020 Trust We Care campaign.

### Influencing the National Agenda

At the beginning of April 2020, the Trust first communicated directly with the Government to raise the issue of hospital admissions, insurance challenges, testing, and to provide direct feedback on what was happening in the sector.

Our approach at all times has been to be objective but clear about what the sector is facing and what national action has been needed. Whilst often working with multiple

priorities we found senior individuals within the Department of Health and Social Care, Public Health England, ADASS, and others to be keen to try and assist with individual issues.

We have been pleased that our reputation and objectivity have led to us being involved in influencing the national agenda through providing advice, taking part in task force discussions, and through a number of key pilots over the year. To this end our membership of the National Care Forum (NCF) has been of fundamental importance this year. We pay tribute to Vic Rayner and her team at the NCF for representing our sector superbly and for providing round the clock support and advice to all members.

Matters where we have contributed to the national guidance and decision making include insurance, visiting, testing, limiting of staff movement, financial support, PPE procurement and costs, and the roll out of the vaccination programme.

In addition, we have undertaken pilots for whole home testing, sample pool testing, and Lateral Flow Device testing, and we have recently completed an extensive exercise of providing data to the government's 'VIVALDI' study of the effects of COVID-19 on social care.

### Testing and Vaccination

Testing was a first positive milestone in the fight against COVID-19 in social care. From late June 2020, tests were largely readily available adding considerable protection.

Our first colleagues to be vaccinated got their jabs on 09 December 2020, with residents being vaccinated in large numbers by early January.

We believe that the effect of the vaccination in social care has been truly remarkable, and it contributed as much as lockdown in rapidly reducing infection levels from mid-January.

Resident vaccination rates are sitting consistently above 90% and four out of five of our colleagues who are eligible for the vaccination have received it with the expectation that this figure will continue to increase. Vaccination rates are broadly in line with the sector.



Significant reduction in other seasonal illnesses such as flu due to enhanced infection controls

## The Effects and the Way Forward

As a result of the pandemic the landscape for our Trust and for our sector has changed. The short-term impacts are significant and will require strong focus from the Trust's leadership and continuing financial support from local and central Government.

Key impacts, some of which may have a positive legacy, include:

- The Trust has suffered a drop in occupancy of 7 percentage points as prolonged periods of lockdown, COVID-19 spread amongst care homes, and a reduction in admissions have had an effect.
- The costs of delivering our services has increased dramatically as we vary our infection control measures, change the layout of our buildings, ensure PPE and other protective measures for our colleagues, and provide management of visits and data at unprecedented levels.
- Direct staffing costs in our services have increased due to the testing regime and management of visits.
- Direct staffing costs have also increased due to the restrictions placed on providers in cohorting colleagues within services and restricting movement of colleagues across services.
- Isolation measures in place for new admissions have had a significant effect on the demand for short stay places and reduced self-funder enquiries.
- The restrictions on mobility and freedom for our residents have impacted wellbeing and required different models of care.
- Use of PPE and enhanced infection control measures appear to have contributed to a significant reduction in other seasonal illnesses such as flu and we will look to review ongoing policies as a result.
- Virtual visits and consultations have replaced physical alternatives for much of the pandemic. In future they may become complementary to real visits in particular when loved ones live some distance away or where a virtual consultation may prevent the need for a hospital visit.
- Colleague upskilling has taken place where social care staff had to take on some of the tasks of NHS professionals who could not visit. The opportunity is to build on this work and provide ever greater integration and efficiency.

- Home working/hybrid working has been required from all of our centrally based colleagues and it has worked seamlessly. With wellbeing, flexibility, and cost in mind, we will build on our learning and work differently in future.
- Initiation of the capacity tracker alongside the obvious benefits provided by reliable and speedy data during the pandemic should have the effect of accelerating the digitisation of the sector and the digital integration of health and social care systems.

As well as the above the Trust undertook a specific lessons learned review of the pandemic after the first wave with a multitude of opportunities identified to modify practices, processes and communication and we will embed these into our future ways of working.

Beyond the short term there is room for optimism. Our communities are better aware than ever of the crucial role played by social care, and of the highly skilled and committed professionals that ensure services are delivered.

Our communities now widely agree that the way social care is funded, its inherent inequities, and most of all the absolute lack of appropriate recognition, reward, and development for its workforce, is not just poor, it is something that our society should be deeply ashamed of.

We believe that reform will now come, and we should see that it is substantial in nature. What is more, we expect to be an organisation that is at the centre of the re-shaping of social care, with an emphasis on the right environment and model of care being delivered sustainably by professionals who are appropriately valued and rewarded.

Ultimately the choice to live in one of our homes is not a discretionary one. We deliver specialist services for people who are vulnerable and require an environment designed with their needs in mind and surrounded by constant care and loving support.

Our Trust is robust, it has a long history of delivering care of the highest quality to those who need it, and we have always been an objective and helpful partner to the public sector. We foresee our Trust delivering ever more specialist services with loving care at the centre of all we do.

# 450+

we remember the more than **450 social care colleagues** who died from COVID-19 in the UK over the last year

## In Memoriam

As the only appropriate beginning to the annual report this year can be to say thank you, the only appropriate ending can be one of memorial to those in our care who died from COVID-19.

In a world that does not always value the vulnerable old, we reflect upon the character, the achievements in life, and the unique contribution that all those we lost have made. We celebrate the life before the death and we take comfort in knowing that the moment of passing will have been with people who knew and loved them close by.

Our promise is that we will not allow those that have died to be defined by the cause of their death. They will continue to be defined by who they were and what they achieved in life.

Finally, as social care professionals together, we are deeply thankful that none of our OSJCT colleagues were lost to COVID-19 in the course of their work, and we remember the more than 450 social care colleagues who died from COVID-19 in the UK over the last year.





# Chair and Chief Executive's Statement



Mark Everall  
Chair

The 2020/21 financial year has been singularly focussed on the COVID-19 pandemic which is covered in detail in the foreword to this annual report. This section will focus firmly on the underlying strengths of the Trust, the opportunities taken, and those that are within our grasp in the coming year.



Dan Hayes  
Chief Executive

Firstly, all associated with the Trust and its sponsoring orders will join us in thanking Don Wood CBE, for his services to the Trust as Trustee for 13 years and as Chair for 7 years. Don's tenure was marked by a devotion to the highest standards of governance practically applied, the promotion of talent across the Trust, and a confident push by the Trust towards greater self-determination and full use of our resources and reputational covenant.

Don retired as Chair in September of 2020 and has been succeeded by Mark Everall, a member of the British Association of the Sovereign Military Order of Malta.

Mark joined the Board in July 2020 immediately following his retirement. His professional life was spent as a barrister and Queen's Counsel and later as a circuit judge and Deputy High Court Judge at the Central Family Court and as a nominated judge of the Court of Protection.

Further, we extend our thanks to Jill Hughes, who served as County Trustee in Lincolnshire with devotion and distinction.

2020/21 was a challenging year for all and sadly, as with much of the sector, we saw our occupancy reduce by 7 percentage points to a full year average occupancy of 80%. Whilst we have incurred additional staffing and PPE costs to manage through the pandemic, the Government funding provided to support social care has gone some way to offsetting the impact of these costs. The impact of the pandemic on our 2020/21 financial position has been reduced because of the funding and we have generated a deficit of £0.8m. This is a £2.5m deterioration on the previous year.

Despite the impact on performance, we remain confident we can rebuild from the current position. As we come out of the second wave, our occupancy has started to increase again, and we remain optimistic the elderly care sector will recover quickly.

Many of the projects and initiatives that we wanted to start work on last year were put on pause and in some cases, we were not able to restart work until the beginning of 2021. With the loss of nearly a year to the pandemic, we recognise we need to continue our transformation work at pace, so we are prepared for the Trust to operate in a deficit position to accelerate investment. We have recognised this in our financial planning for 2021/22 where we have budgeted to make a deficit of £2.2m.

We entered into the pandemic having successfully strengthened our foundations over a number of years, meaning we have almost no debt but retain access to a significant credit facility. We have improved our average fee rate and mix, and areas such as cash management are managed excellently.

Our quality ratings with CQC were already very strong and our internal business continuity measures meant that we were able to adapt without panic or risk of failure.

Improvements in our IT infrastructure and security meant that the demands that have been placed on it were met without any outage or shortcomings.

In brief, our journey of continual improvement and focus on the fundamentals has meant that we have navigated the crisis as well as any organisation, we remain robust and we are well able to withstand a deficit position with underlying positive trading for the coming year or more, to allow us to continue to invest in the transformation of our services and systems.

We began the last financial year by awarding our front-line colleagues with a 6% increase in basic pay, meaning that all roles sit above the National Living Wage. Worthy of note is that the Trust has followed last year's award with a further 3% award to front-line colleagues effective from 01 April 2021, moving colleagues further away from the National Living Wage and continuing a longer term journey towards the Real Living Wage which is our aspiration for the whole of our workforce.

All colleagues received a £50 voucher during the year in recognition of their devotion, the real value of which was priceless.

In terms of our compliance with the regulator, the Care Quality Commission, we commenced the year with 90.2% of our services rated as either Good or Outstanding, placing us in third position nationally in the Laing and Buisson table of compliance for large providers. We ended the year with 93.7% of our services rated as either Good or Outstanding with the table of compliance placing the Trust in second position in England. Needless to say we are delighted by this outcome but we expect that through a return to more 'normal' inspection routines and more importantly the forthcoming change in approach by the CQC, that compliance levels nationally may move more than normal in the coming year. It is testament to our wonderful teams that we end the worst year for social care on record in a higher position, and it reinforces our confidence in our strength and covenant going forward.

Our excellent quality standards and the strength of our central clinical expertise enabled us to rapidly establish a number of responsive services for COVID-19 affected individuals in the last year. These were initially known as High Dependency Support Units but in the second wave they were known nationally as 'Designated Services'.

We commissioned and opened two such services in the second wave against a backdrop of national challenges with insurance and regulatory scrutiny. Very few services were able to open across the country and so OSJCT being able to successfully operate a number of units over the year is an achievement that speaks volumes about our responsiveness and capability.

The experience of being able to establish such services quickly has reinforced the unique partnership we have with public sector partners and it further enables our joint aspirations of re-modelling our long term contractual arrangements to continue to provide specialist services in appropriate environments within a financial envelope that provides value to the public purse but which adequately and equitably funds high quality care provision.

With regard to our workforce, we saw our training and development compliance scores improve during the year and not fall back with many learners enjoying the flexibility that more virtual learning has provided.

Even with the restrictions placed on our services, we have been able to commence a major Wi-Fi renewal and improvement programme for our care homes, which will cross two financial years. Our services are already connected to NHS mail and the improvements we are making will support our Trust strategy of digital transformation but will also enable us to play our part in the wider digital transformation and integration strategies for health and social care, emerging from government. Great advances in digital care require increases in investment, and we should note that Government ought to recognise this cost in its reform plans if we are all to enjoy its full potential in the years to come.

Three homes were targeted for closure ahead of COVID-19 as demand for beds in them had reduced, their age and layout meant that the buildings were no longer fully able to deliver to the standards we require and therefore we closed them during the year. We are sincerely grateful to all those who have lived and worked in Fives Court and Bartlett House in Wiltshire, and Glebe House in Oxfordshire, for over 100 years of wonderful care collectively, delivered in those sites.

**93.7%**  
of homes and  
ECH schemes  
rated as either  
**Good or  
Outstanding**



We are committed to taking the learnings from our year spent working very differently for our office-based colleagues, into a more cost efficient, flexible, and wellbeing focussed approach to central support. A number of our office leases either were coming to an end or had the option to break in 2021 and we therefore took the decision to close our small Wiltshire and London hub offices which will happen in July and September and also to close our main head office in Witney. The latter will happen in November 2021 and we will move further east to an office closer to Oxford with good public transport links and which is designed with a new hybrid way of working in mind and with good collaboration space for colleagues to come together.

Whilst a number of strategic objectives for the year were understandably put on hold, on balance we believe we are in as strong a place as could be imagined to take on the challenges and opportunities of the coming years in social care.

A number of the opportunities we expect to take hold of in the coming year include:

- Pursue a 'Recovery to Good Health' agenda, driving consistency in rostering and staffing levels, and better matching resource to occupancy and complexity. We will do this with a reduced dependency on agency staffing. We will take every opportunity to rebuild occupancy quickly, building on our already successful reassurance campaign and our excellent reputation.
- The introduction of electronic care management and electronic medication management across our estate.
- The start on site of new developments in Oxfordshire and Lincolnshire.

- A record high capital expenditure to improve our existing estate.
- Evaluation and selection of a new financial management system across the Trust.
- Investment in a Customer Relationship Management System to better support enquiries and to help potential customers navigate the process easily with all information to hand.
- We will focus on wellbeing for our colleagues and will take steps to improve inclusion in our future direction, the onboarding cycle and the quality of training, all of which should start to take our retention levels to a position which stands out in the sector.
- We will initiate discussions with long-term commissioning partners to accelerate the renewal of services within the existing contractual arrangements, resulting in the most relevant services provided at an income level which is fairer to the Trust and more sustainable.
- We will look to be active at a time where we believe there may be acquisition opportunities in the sector which could bolster our new development programme and allow us to modernise our estate.

We have never believed more in a bright future for our sector. A healthy social care sector is the least a confident and developed nation should enjoy. It is a mark of our nation's compassion and fairness, and it is as important as a vibrant health sector to the wellbeing of the nation.

After the experience of the last year, the Orders of St John Care Trust is committed to be part of the process of change. Most importantly, it is committed to continuing to improve outcomes for those in our care and to seeking to reward the extraordinary commitment of those in our employment with a much fairer system of recognition for the sector in future.

“After the experience of the last year, the Orders of St John Care Trust is committed to be part of the process of change.”

*Mark Everall*

*Dan Hayes*

Mark Everall  
Chair  
8 July 2021

Dan Hayes  
Chief Executive  
8 July 2021



# 03

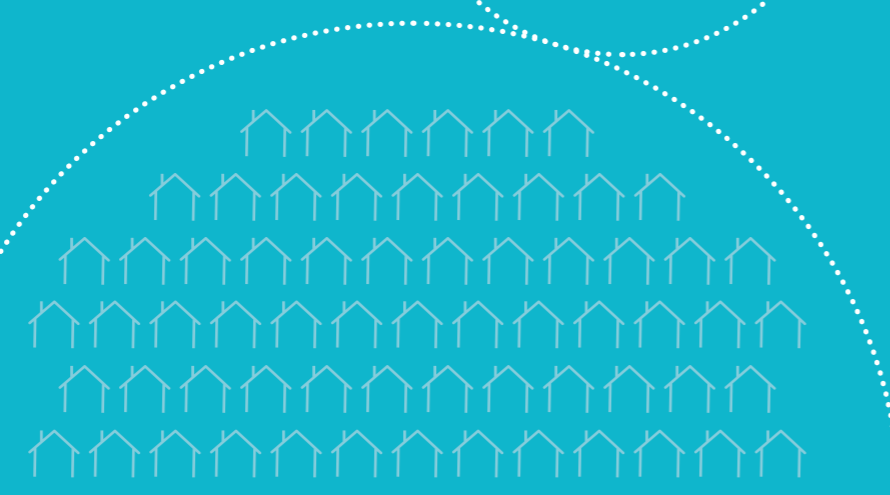
3,300+ residents & tenants

This section includes the following requirements of the Strategic Report:

- Section 172 statement
- Principal activities
- Business model
- Review of the year's operating and financial performance
- Key performance indicators
- Key risk disclosures and future developments

Over  
**4,500**  
employees

**14**  
Extra Care Housing Schemes



**65 care homes**

mainly in Lincolnshire, Oxfordshire, Gloucestershire and Wiltshire

## 03 Trustees Report, including Section 172 Statement

**3,300+** residents and tenants across all our homes and services

OSJCT is one of the largest not for profit provider of care for older people, providing residential, nursing and dementia care.

Our vision is to be the leading care provider, trusted to create places where people love to live and work. We provide care in 65 care homes mainly in Lincolnshire, Oxfordshire, Gloucestershire, and Wiltshire. We also offer a domiciliary care service in 14 extra care housing schemes (ECH) principally in Oxfordshire and Wiltshire. We support over 3,300 residents and tenants and employ more than 4,500 people.

Everything we do as a charity is underpinned by the Christian principles and ethos of our two sponsoring Orders, on the same basis that those Orders operate – caring for people of any background, irrespective of race or religion.

We continually strive to provide high quality person-centred care and services with dignity, respect and compassion whilst expanding a

sustainable range of services for older people and adapting to changes in the regulatory environment and the wider economy.

Our principal sources of funding are care fees from the Local Authorities we partner with through long-term block contracts or spot placements and from individuals who fund their own care. Most of our expenditure is either for the direct provision of care (payroll costs) followed by the provision of suitable caring environments (such as repairs and maintenance costs) plus funding of the relevant support services (for example, recruitment and training).

Our five-year strategy focuses on providing high quality care to the elderly. We review the strategy and our objectives each year to ensure we are achieving our aims and our activities stay aligned to our charitable purpose. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.





# 92.4%

**CQC Compliance** for care homes – well ahead of the national average of 82.5%



**3 of our regions** are 100% compliant, achieving **Good or Outstanding** ratings

## Care Quality

Since the last annual report, we have experienced unprecedented circumstances due to the COVID-19 pandemic. However, Care Quality and the positive experience of our residents remains our highest priority. We had a strong foundation to build upon, but we had to adapt the way we work this year as did the Care Quality Commission and other professional bodies.

Our employee teams in homes, ECH schemes and support functions are entirely dedicated and working extremely hard to keep our residents and employees safe. However, this poses challenges in ensuring Care Quality standards are maintained as our usual practices and support processes have had to change. The Trust has robust frameworks and staff structures in place which have enabled us to adapt quickly to the situation and do our utmost to continue to monitor and support our services through a mixture of remote and face to face contact, as well as virtual tours.

## Care Quality and Compliance

Despite these challenges we have continued to monitor and improve our services. At the end of March 2021, our Care Quality Commission compliance rating for our care homes had increased to 92.4% (2020: 88.4%) which continues to be well ahead of the national average of 82.5%. This moves our national position in the Laing & Buisson Care League Table from third to second place. We continue to aspire to 100% of services as Good or Outstanding.

Compliance in all areas is tracking above the CQC national average. Residential Homes are at 90.5% (national average: 84.4%); Nursing Homes are at 95.8% (national average: 77.9%) and ECH continues to be 100% compliant (national average: 87.2%). Three of our regions are 100% compliant, achieving Good or Outstanding ratings.

We have delivered an improvement in CQC ratings despite the pandemic. We paused our “Requires Improvement (RI) to Good” programme during the first wave of the pandemic but restarted it with virtual collaboration in September and this continues to support a decrease in the number of RI homes (2021: 6 homes; 2020: 8 homes). The programme involves the allocation of Quality Improvement Leads for ongoing support and expert clinical advice. The Leads support homes in developing comprehensive Service Improvement Plans which have been embedded in all homes.

As part of our objective to achieve 100% compliance and strive to attain more Outstanding ratings, we had begun to pilot our “Good to Outstanding” programme in Wiltshire during the early part of 2020. This programme was paused when the pandemic struck and is due to be restarted in June 2021.

As we have adapted the way we work, we have also enhanced our data monitoring and analysis systems, which is informing future practice, helping us to refine policy and monitor and improve compliance in care quality, training and development across the Trust.

The Early Warning Tool has been reviewed and revised to further enhance oversight of our services. The four Regional Directors now report on actions taken to improve their respective region’s Early Warning Tool scores on a monthly basis, and Service Improvement Plans are used within the homes to capture any actions that arise as a result of declining Early Warning Tool scores.

The Operations and Care Quality teams are conducting monthly deep dives into individual Key Performance Indicators with the data presented monthly to the Executive team.

## Staff Learning and Development

We provide a range of training and development options that include face to face, e-Learning and virtual delivery to maintain our standards. We plan to continue with this approach as there are many benefits, including ease of delivery and the consistency of training across our homes and schemes. Training compliance increased in the year as a result of online provision but for some courses practical decisions had to be made about the method of delivery and the regularity of update/refresher training.

Strong relationships exist between our Learning & Development, Care Quality and Operations teams which have enabled us to review and refresh training in the light of changes and improvements in practice.

Four Trainee Nursing Associates have successfully qualified as Registered Nursing Associates during the year. Two of them have taken up posts within the Trust and the two most recently qualified are awaiting placement. Qualified nurse resource is scarce, so we will continue to evaluate whether we sponsor more Trainee Nurse Associates in the coming year.

## Digitalisation

As part of our Electronic Care Strategy we had intended to roll out Depensys, a dependency and capability tool, during 2020/21. This project was put on hold during the pandemic. It became clear during the first wave that Electronic Care Records (ECR) would significantly benefit centralised management of quality indicators, health contra-indications and other key data. As a consequence, we decided to pause the Depensys roll out and accelerate the ECR programme. We are planning on introducing ECR during the last quarter of 2021. Electronic Medication Management will follow shortly after.

## Dementia Care Framework (DCF)

In October 2020, the Trust launched a new three-year Dementia Care Framework (DCF) with endorsement from Dementia UK. The DCF outlines the Trust’s training, support, and partnership approach to providing some of the best dementia residential care available. Our dementia related training has been updated to incorporate changes from the DCF and Dementia Leads meetings will continue to explore the DCF as an agenda point.

The Activities Working Group, which was put on hold during the pandemic, will reform with new members, all with the aim of improving the activity programmes across the Trust.

The National Dementia Strategy sets out best practice guidance for the prescribing of anti-psychotic medications due to the risks associated with these medications such as stroke and heart attack. The percentage of residents across our services prescribed anti-psychotic medications for behavioural and psychological symptoms of dementia (BPSD) was 3.7% in January 2021. This remains well below the benchmark of the National Dementia strategy 2009, which recommended that no more than 6% of those diagnosed with a dementia should be prescribed anti-psychotics for BPSD. Additionally, we continue to see residents prescribed anti-psychotic medications for long term mental health conditions: currently we have 3.8% of residents prescribed anti-psychotic medications with these conditions. This led to the development of an awareness of mental health conditions workshop facilitated by the Admiral Nurses.

The Admiral Nurses, supported by the Marketing team, have facilitated virtual Living Well with Dementia webinars for carers of people affected by dementia. The webinars have been well attended and positive feedback received. The Admiral Nurses also facilitate monthly virtual relatives support sessions for families of residents living in our care services.

## Management of Stakeholder Feedback

Our Complaints Officer has reviewed the Complaints, Comments/Suggestions and Accolades Policy and processes in line with published guidance from the Care Quality Commission (CQC), Local Government Social Care Ombudsman (LGSCO) and the Competition & Markets Authority (CMA). As a result of this review, several areas of focus have been identified to enhance our information and advice for residents, families, and others to improve our processes further.

We usually participate in the “Your Care Rating” survey which seeks feedback from residents and relatives on all aspects of the Trust’s service delivery and care provision. The survey was not conducted in 2020 but we intend to participate when the survey is reinitiated once we are through the pandemic.

We are an open and transparent charity and will continually review our services to ensure that individuals have accessible information and advice, and we promote all feedback to ensure that we continually improve our services for people who live and work with us.

**“We are an open and transparent charity and will continually review our services to ensure that individuals have accessible information and advice.”**

# People Strategy

To be the stand-out employer in the sector so that we attract and recruit outstanding candidates to meet our workforce needs

To retain our employees through training, developing careers, regular communication, and feedback

## Our Colleagues

There is no bigger people business than social care. Residents and colleagues share their lives together in the intimate space that is a resident's home. The way these relationships are nurtured and compassionate care is delivered are the key factors in the outcomes we achieve.

To that end we value our colleagues immensely and it is a key strategic ambition of the Trust to continue to work for stronger recognition and reward for our colleagues.

Social care workers are highly skilled but poorly valued in society and in the last year they have shown themselves to be the heroes of today's generation in their determination to maintain care and dignity for the heroes of earlier generations.

At the core of our People Strategy is the attraction, recruitment and retention of a compassionate, diverse workforce devoted to care. The strategic goals are:

1. to be the stand-out employer in the sector so that we attract and recruit outstanding candidates to meet our workforce needs
2. to retain our employees through training, developing careers, regular communication, and feedback, recognising our employees' achievements and offering competitive reward

Further to the above we see the coming year where proposals on sector reform have been promised, as an opportunity to lobby for a better deal for the social care workforce.

In the last year we have seen fluctuating levels of interest in social care careers with many new starters changing careers after their prospects have been affected by COVID-19 or where they have been motivated to join a profession that is making a difference in the pandemic.

It is also fair to say that a job which was already challenging has been made harder by the need for constant use of PPE, testing, and a 'lockdown' environment at times. We find ourselves at the end of the year with similar staff turnover rates to last year, which, whilst slightly better than the sector, leave us with much to achieve, particularly in supporting those in their first few months.

In response to the pandemic we have invested in a number of wellbeing initiatives including special external trauma support for those most affected. Our Admiral Nurses have also been trained in the provision of wellbeing support and have facilitated sessions with our homes during the last year. We will continue to build on this in the coming year by seeking to provide many more opportunities for colleagues to re-energise and take care of themselves.

We are enormously grateful to all our volunteers who give their time and skills to support the Trust. Volunteers play a vital role at OSJCT: they bring the community into our homes, befriending residents and helping them to continue with the hobbies and interests which they enjoy. The pandemic had a significant impact on the ability of our volunteers to continue their regular visits, either due to access restrictions or because of personal circumstances. Recruitment of new volunteers was also affected but of our 272 new volunteers, over a third were recruited as Urgent Support Volunteers. This role covered many different activities within our homes from spending time with residents through to helping our laundry or admin teams with the increased work created by the additional measures put in place because of Covid-19. As restrictions ease, we look forward to welcoming back more volunteers and building back up our volunteering base.

Working in partnership with colleagues in the Health & Safety team, HR produced a health and wellbeing position paper to further develop and promote wellbeing support and services for all employees, which was vital during the COVID-19 pandemic. Going forward health and wellbeing will be a standard agenda item at all regional and Trust level Health & Safety board meetings.

We have been able to deliver an aggregate pay award of 3% to our front line colleagues and 2% to our salaried colleagues this year which increases the gap between our pay rates and the National Living Wage and we will continue to strive toward our strategic aspiration of reaching the Real Living Wage. This will be achieved through a mixture of Trust performance and funding reform.

We have introduced the 'Town Hall' concept this year with regular Trust wide updates, and we have received excellent feedback on the format, and we are in the process of engaging colleagues on the long term lessons learned from the pandemic.



**Kerry**, previously a shop manager, joined OSJCT as a carer at Digby Court during 2020.



Whitefriars Home Manager **Shelly Perry** is presented with the **Nigel Stourton Award 2020** by Area Operations Manager Louise Kirk.

Recognition of our colleagues' achievements is essential, and the Trust has held annual employee awards ceremonies for more than a decade with 2020 being an exception due to the national restrictions. This year we will be making an even bigger effort than ever to recognise the work that colleagues do with regional events in September and a multitude of award categories including COVID-19 related efforts.

In addition to the regional awards we will be holding a Chair's Award Ceremony and we are delighted that a record 16 colleagues are to be recognised in the annual St John's Day awards from the British Association of the Sovereign Military Order of Malta, which will be presented at the Brompton Oratory.

Our gender pay gap report for the year to April 2020, showed that there had been a slight increase in our mean gender pay gap from 8.9% (2019) to 9.1% (2020). Even though 2020 saw a minor increase compared to 2019, the Trust's Gender Pay Gap (GPG) continues to be significantly narrower than the mean national average of 16.2%. The mean national average has broadened by 2% since 2019 compared to 0.2% for the Trust. The national median gender pay gap is 17.3% (2020) (ONS Annual Survey of Hours and Earnings) whilst at the Trust it is substantially lower at 0.4%. The Trust employs significantly more female employees (86.8%) than male employees (13.2%), which is typical of the sector. We continue to have good representation of females within senior roles, but there is a higher proportion of females within the upper middle and lower middle quartiles. When comparing to the distribution of our male population, whilst there is a high proportion of male employees in the lower quartile,

working in lower paid roles, there is also a high proportion in the upper quartile. As a result, the overall distribution is skewed, which is broadening our GPG.

Although our mean gender pay gap compares favourably with that of organisations across the UK economy, and we are confident there are no equal pay concerns, we recognise there is room for improvement. The continued improvements we are making in pay rates over and above the National Living Wage plus the intention to move to the Real Living Wage should have a positive impact on our gender pay gap going forward.

## Equality and Diversity

The Trust is committed to an active equal opportunities policy from recruitment and selection, through training and development, performance reviews and promotion to retirement. We promote an environment free from discrimination, harassment, and victimisation where everyone will receive equal treatment regardless of gender, colour, ethnic or national origin, disability, age, marital status, sexual orientation or religion.

We give full and fair consideration to applications for employment from disabled persons for all vacancies in accordance with their particular aptitudes and abilities. In the event of employees becoming disabled, we make every effort to retrain them and/or make reasonable adjustments in order that their employment within the Trust may continue. It is Trust policy to make training, career development and promotion opportunities available to all employees.





Rapidly introduced a **face fitting service** for **specialist FFP masks**

## Health and Safety

The Trust continues to be committed to ensuring the safety, health and wellbeing of its employees, residents, tenants and other stakeholders and it is central to everything we do. This has particularly been the case over the last financial year whilst the Trust has been dealing with COVID-19. We are committed to the ongoing development of a positive Health & Safety (H&S) culture where safety is simply built into what we do on a day to day basis and where everyone seeks to look after one another. We believe that this will help us to achieve our vision to be the leading care provider, trusted to create places where people love to live and work.

Over the past year the Trust has continued to implement a comprehensive H&S Management System and the Health and Safety Plan 2019–2022 as part of our focus on continuous improvement. In particular:

- The H&S team has played a key role in the Trust's response to COVID-19 as part of the COVID-19 Working Group, which included:
  - Supporting the production of high quality, practical protocols and risk assessments for care homes, schemes, and office environments in order to keep our residents, tenants, colleagues and others safe allowing our homes/ schemes to continue to provide excellent standards of care.
  - Introducing and organising the training and face fitting service for specialist FFP masks for all care employees who need to take part in Aerosol Generating Procedures at certain homes/ schemes where residents have clinical requirements. Face fitting is required for this type of specialist mask by law. This work also included the development of high-quality protocols and forms, developed with other members of the COVID-19 Working Group.
  - Working with both the Trust's Training and Development department and external providers to rapidly move key statutory H&S training courses to online interactive webinar sessions whilst retaining national accreditations such as with The Institution of Occupational Safety and Health (IOSH).

- The frequency of fire drills in homes was relaxed slightly to recognise the pressures that homes/ schemes were under during the height of the pandemic, whilst remaining above minimum legal standards and retaining high levels of compliance for Statutory Training and monitoring these on a weekly basis. Compliance for key H&S training such as in Fire, First Aid and Moving and Handling was at 90.2% at the year end.

- In order to further enhance our existing H&S audit capability and depth, we have developed, tested and implemented a new comprehensive H&S Audit System for both homes and schemes. This is now in use and helping to further drive up standards within our homes as part of a continuous improvement cycle. It will give the Trust greater oversight and governance of H&S within homes and schemes and help support registered managers and colleagues in homes and schemes towards reaching Outstanding.
- To further enhance our well established home and scheme H&S committees, we introduced a separate Trust H&S Board chaired by the CEO supported by new Regional H&S Committees to further enhance the Trust's governance and H&S consultative structure. The main objective of the Board, supported by the Regional Committees, is to set the strategic direction for the Trust and provide oversight in order to drive a positive Health and Safety culture through continuous improvement. In the coming year we will be looking to increase our culture of safety at an individual and organisational level to ensure that we are continually improving and operate in a safety-first environment.
- Compliance reporting has been significantly enhanced with the introduction of the Property Compliance Dashboard which gives detailed property compliance information for every home. This allows managers as well as the H&S Board and the Regional Committees to have a greater oversight of compliance.
- Building on the success in reducing the number of resident reportable incidents under The Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) since 2015/16, there has been a further significant decrease during 2020/21 of 10 RIDDOR incidents compared with the previous year of 17 RIDDOR incidents which is a 41% drop.

## Remuneration

The remuneration of Executive Directors and colleagues is reviewed annually. In view of the nature of the Trust, the Executive Directors benchmark against pay levels within the health and care sector and organisations of a similar size run on a not-for-profit basis, from time to time to ensure we retain our talent and remain competitive. The Trustees give their time freely with only the Chair paid a nominal salary. Trustees are entitled to claim out of pocket expenses.

## Procurement

During 2020/21 the first priority was to support the Trust in ensuring the safe operation of our homes and schemes through the pandemic. At the heart of this effort was the sourcing and provision of PPE to ensure that our services were fully compliant with Government guidance and all individuals are kept safe at all times. We set up central stores in our four main county offices, each with its own order processing and distribution capability. We have also used these regional hubs to ensure an emergency reserve of key items. Allied to the same objective, we have, together with our colleagues across the organisation, evaluated numerous opportunities to further aid infection control including cleaning equipment and medical products but also as diverse as visitor pods, portable wash basins and even hairdressing supplies to support restricted movement of employees.

Despite the significant workload brought about by the pandemic, we have continued to deliver business as usual objectives including implementing new contracts covering many key areas of spend including for food, agency staffing, grounds maintenance, utilities, and mechanical and electrical maintenance services. In each case we have identified improvements to service, value, or contractual terms.

Looking to the future and in particular the Trust's digital transformation strategy which was in progress pre COVID-19, we are presently supporting the upgrade to our Wi-Fi infrastructure and are engaged with the major digital projects aimed at delivering new processes and systems around electronic care records, electronic medication records, customer relationship management and the replacement of our legacy finance system.

The Trust invested in the procurement function and grew the team at the beginning of 2020, but resources were diverted to support the Trust's response to the pandemic as set out above. For the forthcoming year we will be focusing on the way in which Procurement goes about its business, which will be subject to an updated policy and supporting governance and oversight procedures.



Resident RIDDOR reportable **incidents fell from 17 to 10**





## Energy Consumption and Emissions (SECR Disclosure)

For the second year in succession the Trust has demonstrated a reduction in energy consumption in each of the key fuels. Whilst some reduction in absolute volume of megawatt hours (MWh) can be attributed to the closure of 3 of our older homes and consequent reduction in employee numbers, we have also reduced resultant emissions per employee when measured across each fuel.

The data in the below table is based on meter readings pooled by our utilities broker and broken down per utility, per month and per metering point. The percentages are the split between utilities for each year measured in MGCO2e. This measure is used in preference to MWh as it more accurately reflects the carbon impact given the different ratios between KWH and MGCO2e for each main utility.

One impact of the pandemic and related home-working is that transport mileage, whether related to employee business travel or resident transportation, has reduced to negligible levels by comparison (previously 1124MWh, 284 MGCO2e, equivalent to around 2% of total energy consumption). For this reason, we have not included vehicle emissions data in the below table. However, we expect transport mileage to increase during 2021/22 as we begin to transition to hybrid working. We retain 22 operational minibuses although these have lain dormant for most of the period under review. Future strategy will consider vehicle sharing and smaller vehicles for greater fuel efficiency, where appropriate to resident needs and wellbeing.

Natural gas consumption continues to account for most of the total energy consumption, with homes using this fuel for heating and hot water, laundry (gas fired dryers) and cooking.

Electricity is used in all homes and offices

and accounts for the smaller element of total energy consumption. Use is predominantly for lighting and small domestic appliances, with major users varying from home to home, but include kitchen appliances, hot cupboards (for food transfer to satellite restaurants), laundry and hair salons.

For 2021/22 we will broaden the energy consumption heading to consider other positive sustainability initiatives, as follows:

- Following deregulation of the water supply market, we are looking at an alternative supplier who is able to add data loggers to our existing metering solutions, enabling the early detection and hence correction of leaks or excess usage.
- We have enabled an increased recycling capability and capacity (via the introduction of a new contract partner in 2020, an increased frequency of collections and the addition of food recycling to our range of segregated waste receptacles) and expect to publish results in future reports.
- Investment in new equipment, whether white goods, infrastructure installations or new builds, will in every case improve energy efficiency and consider end of life obligations of the suppliers involved.

The Trust continues to meet its obligations to commission both ESOS and SECR reports and is committed to reinvesting as a reflection of the findings.

Over the coming year as part of our ambition to move toward a carbon neutral future we will be looking at what our aspirations are to reduce carbon and energy reduction and how we achieve it. The Trust will commence the work in 2021 to better understand the initiatives needed to reduce our carbon footprint and to define what carbon neutral means to the Trust. This will ultimately translate into a range of measurable initiatives, marking OSJCT out as a leader within our sector.

Energy Consumption Table						
Energy Category	MWH	MGCO2e*	Fuel %	YoY Change	Employees	MGCO2e/ employee
<b>2018/19</b>						
Gas	36641	6737	73.3%	-		
Electricity	13327	3107	26.7%	-		
<b>Total</b>	<b>49968</b>	<b>9844</b>	<b>100%</b>	<b>-</b>	<b>4602</b>	<b>10.86</b>
<b>2019/20</b>						
Gas	35513	6530	73.8%	-3.1%		
Electricity	12637	2946	26.2%	-5.2%		
<b>Total</b>	<b>48150</b>	<b>9476</b>	<b>100.0%</b>	<b>-3.7%</b>	<b>4530</b>	<b>10.63</b>
<b>2020/21</b>						
Gas	35420	6492	75%	-0.6%		
Electricity	11812	2691	25%	-8.7%		
<b>Total</b>	<b>47233</b>	<b>9183</b>	<b>100%</b>	<b>-3.1%</b>	<b>4502</b>	<b>10.49</b>

\*MGCO2 calculations from BEIS' greenhouse gas conversion factors for company reporting, published in June 2020.





## Five Year Strategy

The overarching strategy of the Trust is to continue to provide high quality care services to both state funded people and to private payers. As a not for profit charity, we want to be at the heart of our communities, acting as a strategic partner to Local Authorities and the NHS. Going forward, the Trust needs to remain both relevant and financially sustainable. We will retain the essence of the Trust's culture whilst modernising employment conditions, processes, and environments.

In the coming year we will complete our strategic vision for the next 10 years but with clear strategies for the next 5 years. Our vision and strategy will ensure that all decisions taken in the shorter term are aligned and contribute to our longer-term aspirations. We will review our core strategic aims with areas such as digital transformation, sustainability, and a place in the national debate on social care, taking a more significant place in our plans in the next 5 years. We aim to engage with all key stakeholders both internal and external ensuring that the services we provide meet the needs of those who live and work with us and the wider communities we serve.

### Our current strategy for the five years to 2022 reflects the following aims:



#### To deliver outstanding care quality

The Trust is driven by its values and Christian principles. We will proudly deliver care with love, compassion, and individuality. Our aspiration is to have all of our services rated Good or Outstanding with CQC. We have already achieved a sustained 100% level of achievement in Extra Care Housing, and compliance has improved substantially once more in our care homes with 94% of homes and ECH schemes rated Good or Outstanding and three out of four core regions reaching 100%.



#### To be the stand-out employer in the sector

We are committed to truly engaging our colleagues and recognise the special contribution they make to the lives of vulnerable older people. We continue to focus on improving the induction and training experience we provide our colleagues and ensuring they have regular and supportive conversations with their manager especially in the formative months of their career to ensure they are regularly thanked for their contributions so they know they make a positive difference to all those they care for every day.

We recognise that reward is one of the key elements of an individual choosing to work for us. For the second year running, all our colleagues are paid above the National Living Wage and we aspire to being a Real Living Wage employer within the next 5 years, subject to social care reform.

Recognising the changing world in which we work, we believe that our investment in electronic care management and electronic medication management in the coming year will have the effect of reducing repetition and introducing more stimulating opportunities for colleagues.

Together with a number of other initiatives, the biggest difference we wish to make is on our retention levels, in particular for those that are in their first year of employment.



#### To be at the heart of communities

Our services are the heart of many of our communities. Our volunteer base of 602 wonderful individuals bring the community into the lives of our residents every day. We will continue to grow this number through increasing the range of volunteering opportunities in our homes whilst endeavouring to provide support to maintain other vital community services through our homes. Practical examples include space for community groups to meet, use of our minibuses, space and services for other health professionals and, events that engage the community.



#### To continue to develop and maintain appropriate and comfortable homes and be a responsive partner to the public sector

In the last five years the Trust has invested significant levels of its own reserves to build new homes. These homes form the backbone of a strategy to increase the Trust's ownership of homes, increase our self-funded resident base to 50% of all residents, and in doing so, create sustainability across the whole of our estate.

We are committed to continuing to develop new services and are planning new schemes now to bring on line at the end of 2022 and beyond. We are equally committed to maintaining and improving our existing estate to the highest levels possible and are doing this with a significant refurbishment programme which has already started.

We will work with commissioners to ensure that older homes are adequately funded and where either the environment is no longer fit for purpose, or where demand has dropped to a non-viable level, we will plan together to either replace or close that home. We see our overall scale in terms of beds remaining stable but with possible reductions in the number of homes in the next decade to reflect the replacement of the ageing estate.



#### To generate financial resources that ensure sustainability and future investment

As a not for profit charity we need to ensure we are financially sustainable for the future, alongside our continuing strategy to support a significant number of publicly funded individuals. In normal times, for sustainability we would aim to deliver a 4% surplus. However, in recognition of the need to increase investment in our services, our employees and our IT infrastructure, we will not pursue a strategy of delivering a 4% surplus whilst we invest in our IT transformation programme. We will balance our financial results against ensuring we remain compliant with our banking covenants and other financial key performance indicators. This will allow us to accelerate our investment in services and employees to ensure we provide the highest quality of care for those who live with us in the best possible environments.

We continue to have access to a £25m rolling credit facility provided by Barclays Bank. The facility will be used to help us deliver our strategic aims.



#### To have market leading oversight and governance

We have robust governance processes in place with our Trustee Board and Finance, Audit and Risk Committee along with Executive-led Boards which include our Information and Governance Board, Clinical, Governance and Quality Committee and a Change Management Board which oversees all new projects.

This year we have successfully introduced a dedicated Health and Safety Board, chaired by the CEO, regional Health and Safety Committees as well as an Investment Board, chaired by the Finance and IT Director.

We are committed to providing excellent governance and oversight in all we do. We aim to ensure that individuals who come into contact with social care services should be able to trust providers, understand the arrangements they are making through simple and transparent information, and they should have their concerns addressed quickly.

As a charitable provider of care, we have an opportunity to share best practice, and on occasion, share the lessons learned with others in our sector. We will continue to do this openly and in the interests of care for all.

As a Trustee body, we wish to ensure that the Trust meets all relevant governance standards. Through regular review of Board performance, we will implement improvements to our governance processes to ensure that decision-making is of the highest quality and promotes the Trust's values and Christian principles.

## The Operating Environment in Context

The sector has endured perhaps the most difficult year in its history leaving it even more fragile than before. The sector survives not only because it has to but because those who provide services for the most vulnerable are committed to ensuring that those in our care receive highly quality person-centred support despite decades of being overlooked. We will find a way to continue to be there for those that need us, but survival of the sector cannot now be taken for granted.

Occupancy losses across the sector are in the region of 15% to 20% and it has been the Government funding provided to combat the pandemic that has been the difference between failure and survival for many providers. This support simply makes up a very small part of the underfunding of successive governments, and even then, only for a limited period of time.

The complex and essential care we provide is as important as any acute healthcare intervention to our society. Social care is not a discretionary product, and its good health and sustainability should be taken as a given in a nation with the strength of our economy.

We had done much to make our organisation more robust prior to the pandemic, and we entered it with strong cash reserves, positive trading, and almost no debt. These measures combined mean that we have weathered the storm and we will continue to grow, perhaps even accelerating the renewal of our estate and the digital transformation agenda so that we can be even better prepared for the future needs of our residents, tenants and workforce. We remain firmly committed to providing care for those who are funded by the state and in providing specialist services that are demanding to deliver but much needed – of which nursing care is a good example. It is essential that commissioners have the platform of fair funding settlements recognising the reform that is required, and we are committed to modernising the way

social care is delivered right from those who can live almost entirely independently, to those who require highly complex interventions in specialist environments.

The legacy of the COVID-19 pandemic should be a reform agenda which introduces greater fairness in funding and equity around who should pay, much greater recognition of the workforce, and investment in care models and technology that take us quickly to the position of global leadership in what can be achieved.

The Orders of St John Care Trust intends to be at the forefront of the exciting times our sector has ahead of it.

## Section 172 Statement

All companies qualifying as large under the Companies Act 2006 are now required to disclose in their strategic report a "Section 172(1) Statement" describing how directors have had regard to the matters set out in sections 172(1)(a)-(f) of the Companies Act 2006 when performing their duty under the section.

A director of a company must act in the way he or she considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- (a) the likely consequences of any decision in the long term;
- (b) the interests of the company's employees;
- (c) the need to foster the company's business relationships with suppliers, customers and others;
- (d) the impact of the company's operations on the community and the environment;
- (e) the desirability of the company maintaining a reputation for high standards of business conduct; and
- (f) the need to act fairly between members of the company.

The following is a statement by the Trustees in performance of their statutory duties in accordance with s172(1) of the Companies Act 2006.

The Board of Trustees of The Orders of St John Care Trust consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the Act) in the decisions taken during the year ended 31 March 2021. We have set out a review of our key stakeholders and how we have engaged with them on pages 30 to 33. The principal decisions taken by the Board during the year were:

### Principal decision 1 – New developments

The COVID-19 foreword of this annual report details some of the key decisions we made to ensure we put resident, tenant, and employee safety at the forefront of our decision making. The key change we made of existing plans was to postpone the progress of planning on two new freehold developments, one in Oxfordshire and another in Lincolnshire by one year so that the organisation could focus all efforts on the pandemic.

Trustees did approve entering into an agreement for a lease for a new development in Oxfordshire and it is hoped that this new home will open in or around January 2023.

Trustees consulted with the Executive on these decisions and considered management capacity of the organisation and given uncertainty at the time on government financial support, the financial recovery of the organisation.

### Principal decision 2 – Home closures

OSJCT had been in discussions with Wiltshire County Council prior to COVID-19 on the commercial viability of two homes owned by the Council namely Bartlett House and Fives Court where we were under contract to run them until 2025. Together we agreed that the two homes were no longer commercially viable given their occupancy levels and loss-making status.

Our Joint Venture, the Oxfordshire Care Partnership (OCP) has a long-term block contract with Oxfordshire County Council (OCC) until 2032. The Joint Venture is owned 50:50 by OSJCT and bpha a social housing provider. OSJCT provides the care into all the homes within the contract. Glebe House had occupancy levels below that which made the

home commercially viable and the parties had been in discussions for some time before COVID-19 as to the future of the home. OCC, OCP, bpha and OSJCT together agreed to the closure of Glebe House during the financial year.

In making the decisions to close the three homes Trustees took account of the reduction in financial risk to the Trust as the homes would make insufficient future surplus to fund the required level of capital expenditure to run the homes to the end of the contract. Agreements reached ensured that all existing residents were offered places at other homes within the Trust.

Trustees also considered the impacts and risks to the wellbeing of residents and employees having to move home but also the benefits in being able to move to new services. Several consultation opportunities were scheduled including that of Public Health England in Oxfordshire. OSJCT worked together with Councils engaging with our residents and their family members in terms of choice of onward care home and we supported employees and volunteers in their choice of onward employment.

### Principal decision 3 – Office closures

The Trust was reviewing its position on the requirement of office space before COVID-19 due to the end of the lease in our Wiltshire office and break options in our London office and head office in Witney in 2021. During the year it was agreed that a permanent office was not required in Wiltshire due to the small number of employees who are based at the office but who predominantly spend their time out in the homes and ECH schemes.

Our London office was underutilised before the pandemic and renting meeting space as required was deemed a more efficient use of Trust funds and therefore notice was served.





Whilst discussions on the Trust's head office in Witney were underway prior to the pandemic it did serve as one of the deciding factors. The Trust finds recruitment at times challenging given its location is not near to a major city and nor does it have strong public transport links e.g. rail. The Trust also considered new ways of working post the pandemic with significantly increased hybrid and flexible working.

We will be putting new hybrid working policies in place during 2021/22 providing employees with greater agile working opportunities. Our vision for an office environment for the next ten years is one with greater collaboration space and where individuals want to come together for meetings, problem solving etc. We want to have a creative collaboration space and the layout of our existing office does not lend itself to the vision we have for our workspaces in the future. As such we gave notice on our Witney head office and will aim to move into a new smaller office in 2022 but with much improved collaboration space to meet the needs of our employees going forward.

Our employees have shared with us that over the past year working from home they have welcomed a better work-life balance; a greater ability to focus with fewer distractions; more time for family and friends; have saved

commuting time and costs; and they have increased their IT skills. They have shared that they have missed interactions with colleagues and do wish to be able to meet individuals face to face for one to ones, team meetings and other situations which better lend themselves to a collaboration space.

#### Principal decision 4 – Pay

The National Living Wage (NLW) increase of 2.2% for April 2021 moved the hourly rate to £8.91 an hour. The Trust already paid all roles above the 2020 NLW rate and as part of our aspiration to be a Real Living Wage employer, is committed to widening the gap to the base NLW rate where possible. The Executive and Trustees recognised the commitment and challenges our workforce faced during 2020 and agreed to uplift the pay rates for frontline workers, including nurses, by 3%.

In making this decision, Trustees considered the financial impact on the Trust, ensuring our fee uplifts for the year would cover this increase noting that we continue discussions with our Local Authorities around ensuring fee increases appropriately reflect the financial impact on the Trust of the NLW regulations.

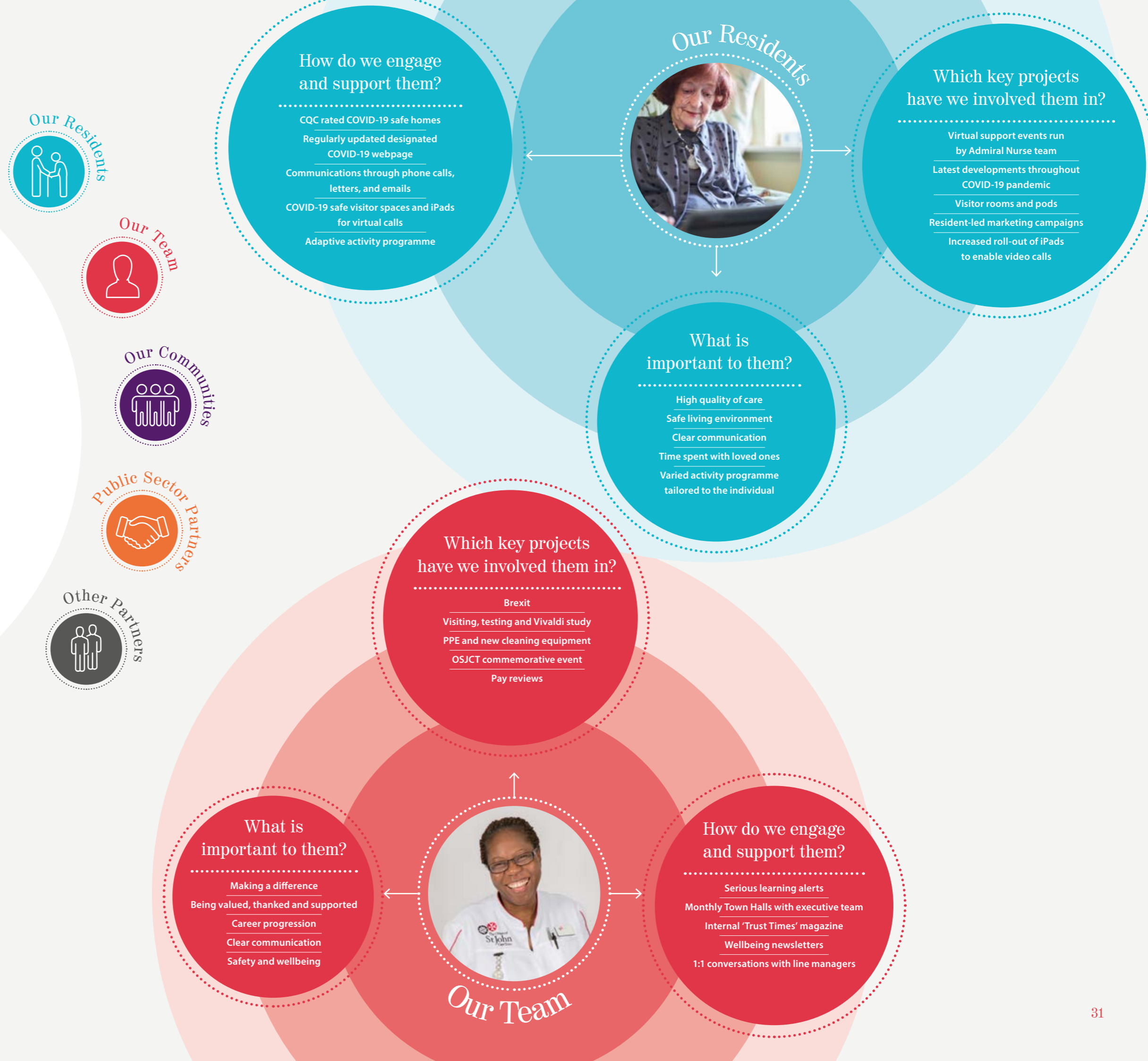
**“Frontline workers received a 3% pay increase and office colleagues will move to hybrid working”**

## Stakeholder Engagement Profile

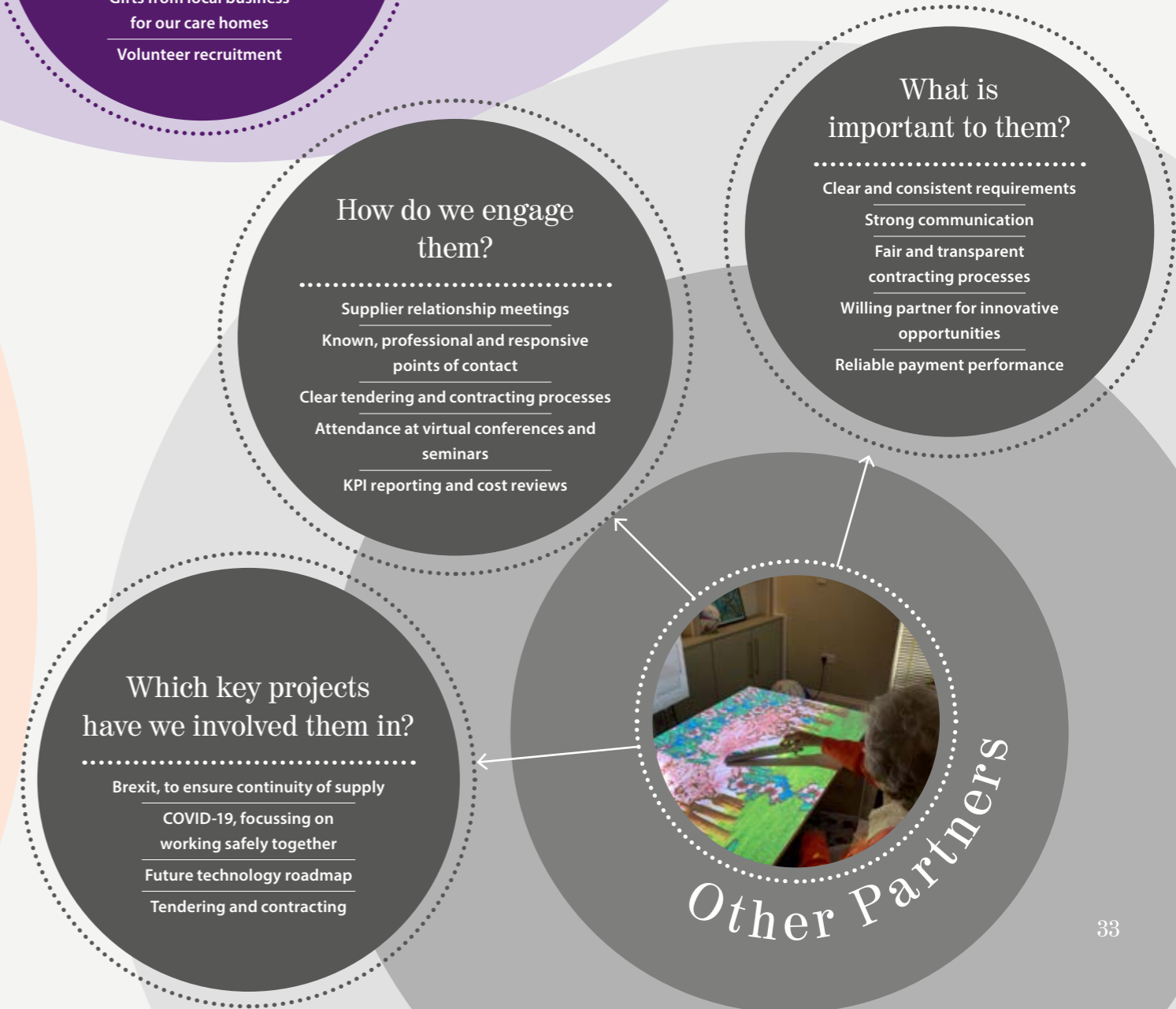
OSJCT has shown its ability to adapt in various ways throughout the COVID-19 pandemic in the past year. One of these crucial adaptations has been the way we engage with our key stakeholders.

The relationships, understanding and communication OSJCT has with key stakeholders has always been imperative to our success. We have also recognised the importance of these evolving over time to ensure we continue to develop with our stakeholders moving forward. Never has this evolution and adaptivity been more essential than in the past year.

The below diagram shows the understanding we have of our key stakeholder groups. This includes our awareness of the things they find important, the ways we communicate with them and the projects we have involved them in.







80%

**Occupancy** across all our homes – down by 7 percentage points from 2020

## Operating Performance

The pandemic has had a significant impact on the performance of our care homes, with a much smaller impact on our extra care housing schemes. Despite the additional Government funding we received to support us during the financial year, we generated a deficit of £0.8m (2020: £1.7m surplus).

During the year we closed three homes, two in Wiltshire and one in Oxfordshire, which has reduced our estate to 65 care homes with a capacity of 3,405 beds, plus 14 ECH schemes with 620 beds.

Home/scheme capacity and number of employees Data as at 31 March 2021			
	No. Homes/Schemes	Capacity	No. FTE employees
Gloucestershire	17	957	1,024
Lincolnshire	14	597	523
Oxfordshire	16	878	823
Wiltshire	18	973	878
Extra Care Homes	14	620	157
<b>Total</b>	79	4,025	3,405

Occupancy across all our homes decreased by 7 percentage point to 80% (2020: 87%). During the year, and during both waves of the pandemic our homes were closed to admissions for a significant period which has contributed to the occupancy decline. We saw a marked decline in the number of individuals seeking short-term respite placements. The placements typically last less than 6 weeks, so the need to isolate for 14 days on admission makes this type of stay less appealing.

Our mature estate was impacted the most by the pandemic and operated at 82% occupancy (2019: 90%). Similarly, due to pandemic we saw a slowdown in the fill of our four newest homes during the year with occupancy at 58% (2020: 59%).

We remain committed to achieving a 50:50 split of local authority and self-funding residents in line with our strategic plan and our new homes will help us to move closer to achieving this. Our progress has stalled slightly due to the pandemic with self-funder occupancy 40% (2020: 42%) but we are confident we will rebuild occupancy as we progress through the coming months and confidence returns to the market.

During the pandemic we have worked proactively with our strategic local authority partners to deliver different services which support the demands of the local health and social care markets we operate in. This has proven to be beneficial to all involved and we will continue to build on this in the coming year.

**“We remain committed to achieving a 50:50 split of public sector and self-funding residents.”**



## Capital and Revenue Expenditure on Major Property and IT Works

The Government guidance put in place during the first wave of the pandemic meant that any refurbishment works had to be stopped once they were made safe and could not be restarted until the guidance changed at the end of the first wave. Social distancing and infection control protocols still needed to be followed at the end of the first wave which meant it was not possible to deliver the full investment in our estate that we had planned for 2020/21. Whilst we have been unable to deliver all the refurbishment projects we had planned for 2020/21, we have set aside £9m of capital investment in our estate for 2021/22. This excludes the £0.8m investment in lifecycle maintenance into our Oxfordshire homes funded by the Oxfordshire Care Partnership) and held by bpha which reflects our continued commitment to ensuring our homes are well maintained and offer a safe and comfortable environment to our residents. This is in addition to the £6m

committed by Gloucestershire County Council for the nine older homes. We have identified the investment that is required across all our homes over the next 5 years and we will be working to ensure that it is delivered together with our Local Authority partners.

We paused our IT investment programme during the first half of the financial year due to the pandemic. The pandemic highlighted the need to be able to access resident information in a timely manner and as a result, we re-prioritised our focus to Electronic Care Records systems during the latter part of the year. Work continues on this project alongside Electronic Medication Management with the intention to roll out a pilot during 2021/22. Whilst we needed to pause the updating of our Wi-Fi infrastructure, this has now restarted, and we hope to complete the modernisation work by the end of March 2022.

	2020/21 £'000s	2019/20 £'000s
Existing estate	3,542	4,575
New homes	417	331
IT	1,235	708
I&E Maintenance Charges	6,534	5,884
<b>Total</b>	11,728	11,498



# £143m

## income for the year

– an increase of 3.9% on 2020

### Financial Results for the Year

Income for the year was £143m (2020: £137m). £10m relates to additional Government funding to support safe operation of our homes during the pandemic which included but was not limited to funding additional infection control equipment, visitor rooms and staffing costs. This means underlying trading income has reduced to £133m, a reduction of £4m compared to 2020. This is a direct consequence of the pandemic and associated occupancy reduction.

Our net income for the year was a deficit of £0.8m (2020: surplus of £1.7m). The reduction in occupancy for the year, coupled with the additional costs required to operate our homes safely meant that our trading performance declined to an operating surplus of £0.9m before interest, loss on disposal of fixed assets, impairment provision and exceptional items (2020: £2.6m). This is after accounting for £10m of COVID-19 support from the Government.

The pandemic impacted the mature homes significantly, with a £1.2m reduction in surplus compared to 2019/20. Our four newer homes continued to perform well, alongside our Extra Care Housing schemes where we have increased the number of care hours we deliver during the year.

Our central overheads have increased by £1m compared to 2019/20. Part of the increase is due to the full year effect of the investment we made in 2019/20 in our procurement team and we continued our brand exploration work. We also expanded our recruitment team during the first wave of the pandemic, to manage the increased job applications we received during this time.

	2020/21 £'000s	2019/20 £'000s
Mature homes	10,451	11,789
New homes	2,230	1,968
Extra Care Housing	765	558
Central overheads	(12,700)	(11,739)
<b>Operating surplus</b>	<b>746</b>	<b>2,576</b>

### Financial Position at the End of the Year

Land held for sale remains at £1.3m (2020: £1.3m) where we continue to hold one parcel of land for sale. The land continues to be marketed. Six care homes were financially impaired during the year and three homes previously impaired were reversed with a net impairment of £0.8m (2020: net release of £0.4m).

### Cashflow

The net movement in operating cash was an inflow of £6.1m (2020: £9.8m inflow).

The movement is analysed on pages 64 and 65 of the accounts. The inflow was generated by net expenditure of (£0.8m) (2020: net income of £1.7m) which, after allowing for depreciation and other non-cash expenditure was increased by a reduction in working capital of £1.1m (2020: reduction of £2.3m).

### Investment in New Developments

The pandemic delayed works on our new development programme during 2020/21 as we focussed attention on the management of our care homes, ensuring we safely navigated our way through the pandemic. The pause in the programme has given us the opportunity to reflect and we will continue with plans to develop the land site in Lincolnshire where we used to operate a home. We are moving ahead with a leasehold site development in Oxfordshire which we expect will begin construction during the summer of 2021. We are currently exploring two further leasehold developments in Oxfordshire and Lincolnshire and because of these opportunities have put our plans to develop a further freehold site in Oxfordshire on hold.

The pause in the programme means that the first site will open towards the end of 2022/January 2023 by which time we expect the elderly care market to have recovered from the impact of the pandemic.



**2 further leasehold developments** are currently being explored in Oxfordshire and Lincolnshire







“We started 2021/22 with strong cash reserves which have proved to be invaluable in the management of additional COVID-19-related costs...”

## £25m

The Trust has **access to £25m of undrawn revolving credit facilities**

### Pension

The Trust is an admitted member of a sub fund of a Local Government Pensions Scheme (LGPS) operated by Wiltshire County Council (WCC) and of a sub-fund of a LGPS operated by Gloucestershire Country Council (GCC), which are both defined benefit schemes.

The service costs were £0.2m (2020: £0.4m). The actuarial loss was £0.8m (2020: £0.5m gain). At the year end the Wiltshire scheme had an increased deficit of £2.4m which has been recognised in full on the balance sheet. The Gloucestershire scheme had a surplus of £0.7m which has not been recognised as it is not deemed to be recoverable. Payments for the next financial year will be 0% for WCC (2020: 0%) and 27.9% for GCC (2020: 27.9%).

### Viability

OSJCT uses a ten-year financial plan which, in conjunction with a 3-year forecast has formed the basis of review for trading performance. Consideration has been given to external market forces and the impact they have on OSJCT's turnover, operating costs and cashflow. As part of the review process, the Board has reviewed sensitivity analysis that considers care fee inflation, occupancy, pay rates and recruitment challenges. This model has been rigorously stress tested for occupancy changes because of the pandemic and is updated monthly so the Board is able to understand the impact of the pandemic on future performance.

Based on the assessment of the forecast and the sensitivity analysis the Board remains confident that OSJCT will be able to meet its liabilities at least until the end of the review period in November 2022.

### Treasury

The Trust's treasury management ensures there is enough cash available to manage operations. The debt financing facility from Barclays will facilitate future investment and growth in the Trust's portfolio. This aligns with the corporate plan and the development of a ten-year strategic model which runs alongside the plan.

We operate short term (annual) and longer term (ten-year) cash flow models to ensure we are managing our liquidity, working capital and investments in line with our financing facility and operating cash inflows. We started 2020/21 with strong cash reserves which have proved to be invaluable in the management

of additional COVID-19-related costs that we have incurred during the year. Early in the pandemic, in the first quarter of 2020/21 we took the decision to defer 3 months of our PAYE tax liability with HMRC to enable us to manage our COVID-19 operational requirements. We subsequently agreed a 12-month repayment plan with HMRC which will be fully repaid in July 2021. Continued focus on our cash reserves has meant we finish the year in a strong position as we continue to hold little debt and have maintained a solid cash balance during the latter part of the year.

Long-term debt at the end of 31 March 2021 was £0.8m, which is a long-term loan used to acquire the freeholds of seven of our Lincolnshire properties. The Trust has met its banking covenants which are primarily based on fixed charge cover and leverage. These were met with considerable headroom.

The Trust has access to £25m of undrawn debt facilities. This puts the Trust in a strong position for future investment opportunities and business growth.

Our Trustees review our reserves policy bi-annually.

### Reserves Policy and Investment Powers

Under the Articles of Association, the Trust has the power to make any investments which the Trustees see fit. The Board is responsible for the regular review of investments.

At the end of 2020/21 total unrestricted reserves were £49.7m (2020: £51.2m). Free reserves excluding fixed assets, capital commitments and land held for sale were £2.2m (2020: £1.9m). This is below the agreed policy of £3m but is supported by the additional cash reserves of £14.5m. The cash reserves will decrease during 2021/22 as the Trust increases investment in the estate.

The Trustee Board reviewed the reserves policy in May 2020 considering the coronavirus pandemic. Given a slowing down in development, it was agreed that the core objectives defined in the 2018 reserves policy review were still applicable and would be maintained for 2020/21. Given there is still uncertainty around how recovery from the pandemic will play out the reserves policy will remain at £3m and will be reviewed later in 2021/22 once there is a clearer view of recovery, trading performance and ongoing investment.



## Risk Management

The Board retains overall responsibility for risk management and decides the level of risk it is prepared to tolerate. The Board promotes a culture of prudence with resources and in its activities.

The key risks to which the Trust is exposed have been identified and, for each of these, an assessment has been made as to their impact, severity, and probability. The Board regularly reviews the Trust's individual significant risks and the cumulative effect of these risks. Internal controls have been reviewed for effectiveness in mitigating these risks and further controls have been put in place where appropriate as set out in the Trust's procedures and policies. Systems established to manage the level of risk include the following:

- The issue and regular review of a comprehensive risk register.
- The issue and regular review of a major incident log (and steps taken to address these).
- The internal control system is monitored and supported by internal and external audit functions that can provide an independent perspective on the management of risk within the Trust.
- The Finance, Audit & Risk Committee meets with the auditors and internal auditor, in the absence of management, at least once a year.

The management and control of risk is an ongoing process in the Trust and the procedures established to manage risk are set out in the risk register. The risk register and risk control procedures are subject to frequent review and amendments are issued as new information and situations arise. Updates happen both organically as issues arise and through regular structured conversations held between the Executive team as well as at Board level.

Responsibility for ensuring that there are appropriate risk management and audit structures in place, and for reviewing those structures, resides with the Board. The Finance, Audit & Risk Committee and the Board review the full risk register on an annual basis. Additionally, the Committee receives updates at each of its meetings and the Board a mid-year update.

The update report highlights the top risks facing the Trust, changes to the existing risks and any new risks identified together with actions to manage these risks. In addition to the risk register, the Trust maintains a major incident log which includes all types of major incident. Incidents that are included on the major incident log are routinely reported to the Charity Commission, in line with the requirements of its serious incident reporting regime.

“The update report highlights the top risks facing the Trust...”



## Principal Risks and Controls

The Executive team identifies the major strategic risks to which the Trust could be exposed and establishes controls and action plans to mitigate them. The principal areas of risk to which the Trust may be subject are reflected in five broad headings contained within the risk register. During the year, a new section was added to the risk register to reflect the specific risks and uncertainties relating to COVID-19. The various effects of the pandemic on pre-existing risks were also reflected in updates to the register.



### COVID-19 Pandemic

The care sector has been overwhelmingly affected by the COVID-19 pandemic which has had a pervasive impact on all aspects of the Trust's operations.

At a headline level, the direct risks of the pandemic range from outbreaks in homes and offices, to our ability to maintain continuity of PPE supply (particularly before the Government PPE portal came into existence) and safe staffing levels, financial risks associated with increased costs and reduced occupancy levels, risks to the mental wellbeing and morale levels of our staff and residents, challenges to maintaining normal communications with residents and families, reputational risk and risks associated with restricted access to the homes and therefore delivery of certain services and support. The Trust remains financially exposed to public liability claims in connection with COVID-19 as only limited cover was available at the time of our insurance renewal in May 2020. Should public liability claims be brought against the Trust in excess of the cover available, the Trust will have to fund any successful claims itself.

In terms of mitigating actions, our pandemic policy and business continuity plans were triggered at an early stage and in February 2020, we stood up the Trust's Major Incident Support Team (MIST) and created a COVID-19 Working Group to coordinate our response to the pandemic. This crisis leadership has provided a governance structure within which decisions are taken with the operational and strategic input of colleagues from across all departments. A timeline record has been maintained of key decisions taken together with copies of the prevailing Government guidance to provide context. There has been regular reporting to Trustees and oversight throughout the period.

Looking forward, there remains a great deal of uncertainty and risk particularly in relation to new variants and the potential for further waves. It is unclear whether Government COVID-19 funding will continue in any meaningful way. The longer-term impact on the reputation of the sector and on recruitment, retention and staff wellbeing remains uncertain. However, the success of the vaccine roll-out to residents and colleagues, together with the testing regime and stringent infection control measures, mean that the Trust is much better placed to cope with further outbreaks.



### Strategic, Governance and Management Risks

The strategic objectives of the Trust are reviewed annually, to set clear goals for the current year aligned with our long-term aspirations. These aspirations are in line with the overarching aims of the Trust and with Charity Commission guidelines. Trustees retain oversight of the management team, which is subject to robust recruitment and selection processes, and a heavy focus on training and development of them and throughout the Trust to ensure efficient and effective management and quality provision of care services. The skill set of the Trustee Board is regularly reviewed to identify any gaps and highlight future needs for succession planning purposes. Conflicts of interests are regularly declared and recorded and there is policy in place for the management of conflicts of interests for both Trustees and employees. Oversight by Trustees has continued throughout the pandemic, with all Board and Committee meetings taking place as scheduled, albeit remotely. There has been a programme of additional COVID-19 reporting to Trustees during both the first and second waves of the pandemic.



### Operational Risks

There are established systems to monitor the care provision in our homes, supported by a comprehensive Care Manual, which is subject to regular review. This is supported by the Trust's own internal care audit and inspection team as well as regulatory inspections by the CQC and Local Authorities. The Trust's disaster and recovery plans are periodically updated with the latest review taking place in 2019/20. The Covid Working Group was fundamental in reviewing rapidly developing Government guidance in relation to COVID-19 and providing protocols and policies to front-line colleagues who were then able to quickly understand and apply them. Whilst access to homes was restricted during the pandemic, virtual tours of the homes took place to ensure the maintenance of fundamental standards and adherence to new processes, protocols, and policies in relation to COVID-19. Our CQC compliance ratings improved over the year and following successful audits of our Infection Control measures, we were requested by local authorities to rapidly set up Designated Settings to receive Covid-positive hospital discharges.



### Financial Risks

Management of the Trust is overseen by a Board of Trustees with relevant expertise, further supported by the Finance, Audit & Risk Committee. There are established systems for financial reporting, planning, and monitoring of financial performance with clearly defined delegated authorities for financial commitments for each management role. The Trust is subject to the legal requirements as any other legal entity of external audit. There is an internal audit function which is delivered in-house and therefore benefits from a greater knowledge of the Trust's business, strategic objectives and the risks it faces than an external supplier of this service and which delivers timely, relevant management actions arising from internal audit reviews. COVID-19 has had a financial impact on the Trust due to the effect on occupancy levels as well as increased costs that were not met by Government funding. Looking forward, there remains much uncertainty about future waves and continuation of funding. However, mitigations have been identified to help address financial risk going into 2021/22.



### External Factors

The Trust is a member of various Care Forums representing operators in the industry with the objective of ensuring a voice for the Trust in commercial, legal, and other regulatory environments. The pandemic has provided the Trust with an opportunity to communicate directly with Government on a range of issues affecting the sector's ability to cope and respond to COVID-19. Our reputation and objectivity led to our involvement in influencing the national agenda through the provision of advice, data, participation in key pilots and taskforce discussions.



### Legal and Other Compliance Risks

Comprehensive policies and procedures are in place to cover legal and other statutory compliance, including Health & Safety, audit, data protection and insurance requirements of the Trust.



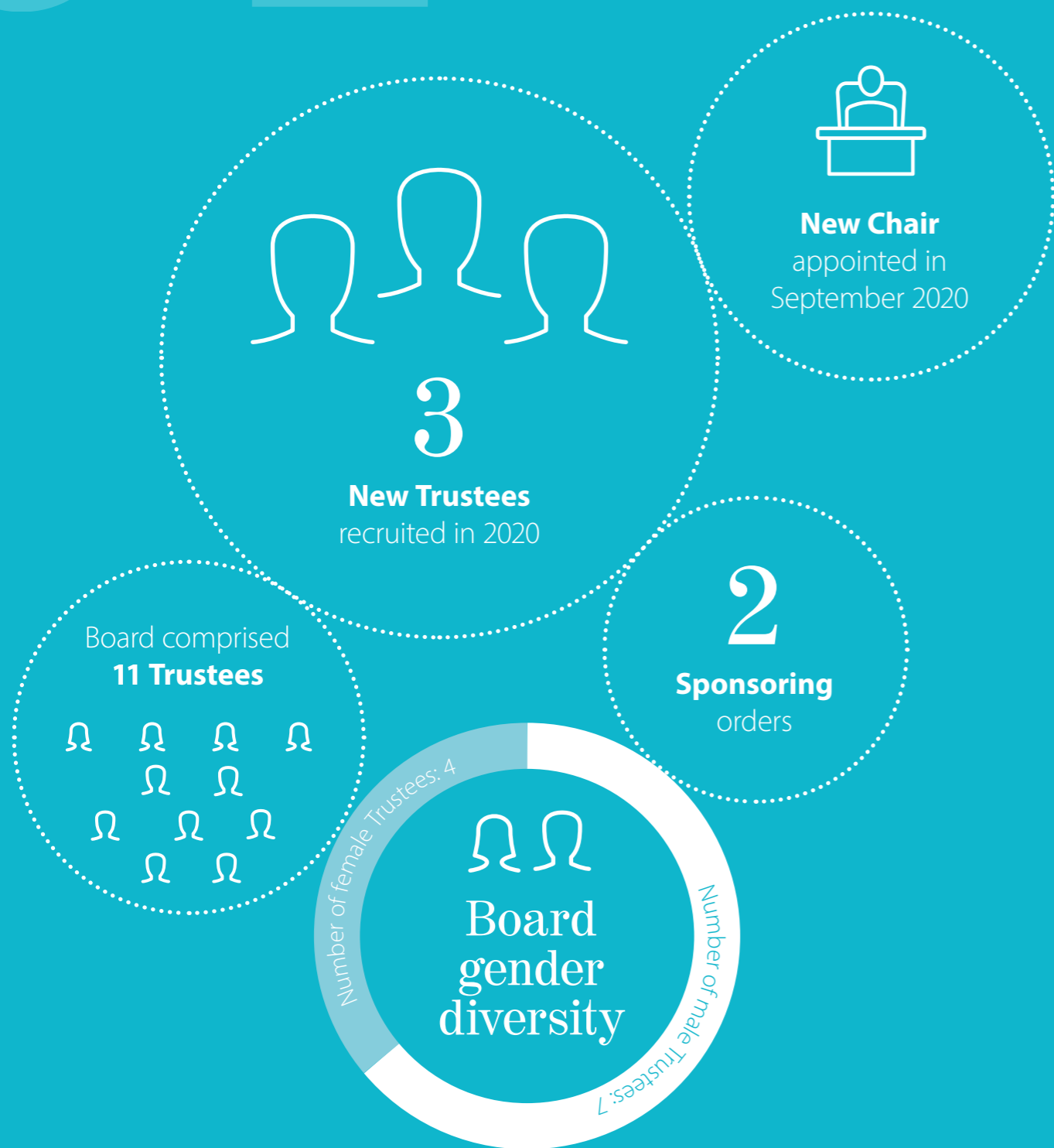
Within the broader areas outlined, there are several specific risks which, when assessed for impact and probability, are those that carry the highest risk score or are central to the Trust's operations. These principal risks are set out below, along with their movement in the year and examples of key controls and mitigating factors.

Risk	Description and potential impact	Key controls and mitigating factors	Change in 2020/21
<b>COVID-19</b>	Significant external event beyond the control of management which affects all aspects of normal business provision, including the delivery of care services, safe staffing levels, wellbeing & morale, occupancy levels, income, expenditure, reputation, communications, exposure to insurance claims, investment and the value of the Trust's pension assets and liabilities.	Building on our pandemic policy and business continuity plans, our Major Incident Support Team has managed our response to the pandemic. We have mitigated the impact on services through strict adherence to all Government guidance, sourcing of sufficient PPE supplies, stringent infection control procedures, increased recruitment activity, daily monitoring of data, testing, vaccination, proactive engagement with Public Health England, Local Authorities and Central Government, regular communication with residents, staff and families and via the accessing of grant funding.	↑
<b>CQC compliance</b>	<p>Failure of homes to achieve good or outstanding compliance with CQC standards could cause financial loss and reputational damage.</p> <p>The suspension of full CQC inspections during the coronavirus outbreak will create an extended backlog period meaning services will go longer than usual between normal inspections.</p>	CQC compliance figures for the Trust have improved during the year. Although the Trust has no inadequate rated homes and the percentage of requires improvement homes has fallen and remains below the national average, a small number of the homes within the OSJCT estate are not achieving desired levels of performance. These homes have comprehensive action plans in place and additional dedicated resource to assist in achieving improvements. Infection Control inspections by the CQC provide reassurance around adherence to infection control standards.	↓
<b>Government policy</b>	<p>Funding for social care is the responsibility of local authorities within a policy framework set by central government, and therefore political, government, or regulatory changes may adversely impact on the delivery of OSJCT's strategy. Specific risks include the National Living Wage, Brexit, and the continued uncertainty around Government's future approach to social care funding and the continuation of financial support to pay for measures mandated to respond to the pandemic (e.g. restrictions on workforce movement and staff self-isolation payments).</p>	<p>The Trust attempts to mitigate these risks through the regular review of strategy and processes to ensure they are flexible enough to take into account changing external conditions.</p> <p>Within our local authority contracts, there is some element of protection through the provision for amendments in response to legislative change. Our membership of various Care Forums representing operators in the industry also assists in ensuring a voice for the Trust in commercial, legal, and other regulatory environments.</p> <p>The coronavirus has raised the profile of the care sector as a critical provider alongside the NHS. We are hopeful that this will translate in due course to a new Government approach to social care funding and integration.</p>	↔

Risk	Description and potential impact	Key controls and mitigating factors	Change in 2020/21
<b>Local Authority contract risk</b>	The Trust has significant contracts and framework agreements in place with local authorities which account for more than 55% of the residents within the Trust. The failure of local authority fee increases to keep pace with costs is a material risk. The level of void payments being made by Local Authorities because of lower occupancy may drive demand for changes in service provision.	The Trust takes a strategic partnership approach in its relationships with local authorities, jointly discussing future re-provisioning and commissioning needs. The transition to a 50% self-funded client base will mitigate any future risk, however it is likely that COVID-19 will have a medium-term impact on self-funder numbers. We have worked creatively and rapidly to respond to local authority requests for differentiated services (e.g. by providing Designated Settings) during the pandemic, strengthening the Trust's reputation as a key partner for Local Authorities.	↔
<b>Joint ventures</b>	The Trust's two joint ventures, the Oxfordshire Care Partnership and the Gloucestershire Care Partnership, were established in 2001 and 2005 respectively and under contractual arrangements ending correspondingly in 2032 (2027 break option for older homes) and 2025 (2040 for reprovided homes). With any contract of this duration, there is an inherent risk that over time its purpose becomes less relevant in the context of changing market conditions and increasing resident expectations.	To mitigate joint venture risk, regular management meetings and board meetings are held to ensure there is a detailed understanding of performance and an agreed approach to future strategy. Productive dialogue is ongoing between Local Authority and joint venture partners to ensure that the joint ventures' provision is tailored to developing commissioning needs.	↔
<b>Compliance with legislation &amp; regulation</b>	Failure by the Trust to comply with legislation and regulation could lead variously to financial loss, reputational damage, claims against the Trust, prosecution, enforcement action, loss of registration and even striking off.	<p>We ensure compliance through a suite of comprehensive, fully documented policies and procedures, risk assessments, internal care quality and health &amp; safety audits, insurance, as well as thorough induction and ongoing training. These are regularly updated to reflect new guidance.</p> <p>The Covid Working Group was established at the outset of the pandemic to provide and maintain (in response to continually evolving Government guidance) a comprehensive set of protocols and guidance that front-line colleagues were able to quickly understand and apply.</p>	↔
<b>Estate/property</b>	<p>Material risks include the need for continued investment and maintenance/remedial work to older homes within the estate. Failure to deliver the investment programme risks the homes becoming unattractive and a consequent reduction in demand.</p> <p>The pandemic has caused delays to the capital expenditure programme, creating an extensive programme of work to be completed in the next financial year.</p>	<p>The Trust has prioritised investment in its existing estate to mitigate reduction in occupancy from an ageing estate. GCC have committed to invest £6m across the nine older homes.</p> <p>A significant refurbishment programme will continue in the coming years.</p>	↔
<b>Recruitment &amp; retention</b>	<p>Staff turnover rates are higher within the adult social care sector than the UK average. Although the Trust's turnover rate is below the sector benchmark, failure to retain staff translates into increased recruitment and training costs, higher levels of agency use and a risk to maintenance of care standards.</p> <p>COVID-19 has increased the risk due to the restriction on staff movement across homes, the attractiveness of the sector to potential new recruits and general resilience levels of staff affected by COVID-19.</p>	<p>There is a continued focus on reward and employment benefits to ensure a competitive employee benefits package. The Trust pays above National Living Wage for all roles. We regularly monitor key employee statistics and review reasons for leaving the Trust.</p> <p>During the pandemic, Government funding has been used to meet the increased cost of recruitment advertising to deliver additional staff capacity and respond to the impact on restrictions on staff movement across homes. Enhanced overtime rates were paid and additional temporary recruitment resources allocated to reduce our time to hire.</p>	↑

# 04

## 04 Structure, Governance and Management



sponsored by **two historic Orders**

### Legal Structure

The Trust is a charitable company limited by guarantee (registered company number 03073089) and is a registered charity (registered charity number 1048355) in England. The charitable objective of the Trust is 'the relief of the aged, the infirm and the sick'. In furtherance of this objective, the Trust provides care to older people through care homes (including residential, nursing, intermediate, and day care services) as well as extra care housing. The Trust is sponsored by two historic Orders which have a long tradition of offering care. These are the British Association of the Sovereign Military Order of St John of Jerusalem and of Malta (BASMOM) and The Priory of England and the Islands of the Most Venerable Order of the Hospital of St John of Jerusalem ('The Venerable Order').

A significant proportion of the Trust's operational activities is currently conducted through two joint ventures, the Oxfordshire Care Partnership (OCP) and

the Gloucestershire Care Partnership (GCP), which were established in 2001 and 2005 respectively following the outsourcing of the two local authorities' care homes. OSJCT has a 50% holding in both charitable companies, alongside its joint venture partner, bpha, a social housing association. The Boards of Trustees for both OCP and GCP comprise an equal number of Trustees from each OSJCT and bpha, ensuring total transparency.

There is regular reporting on both joint ventures to the Board of OSJCT, enabling it to ensure the arrangements continue to best serve the Trust's charitable purposes. A member of the Trust's Board serves as a Director of OCP and GCP, ensuring direct oversight.

Additionally, the Trust has a wholly owned subsidiary, Fosse Way Care Developments Ltd, which was incorporated in 2016 as a vehicle for future new home development. The company has not traded since incorporation.







Trustees are appointed based on their **skills** and **experience**



The board is comprised of **11 Trustees**

## Trustee Board

Trustees are appointed based on the skills and experience they can bring to overseeing the activities of the Trust. The skills and backgrounds collectively represented on the Board should reflect the environment in which the charity operates as well as uphold its founding Christian values. New appointments are made on merit, taking account of the specific skills and experience, knowledge, personality, and approach needed to ensure a well-rounded Board. In terms of diversity, the objectives are to:

- consider aspects of diversity when reviewing the composition and balance of the Board;
- ensure that candidate lists for Trustee positions are compiled by drawing from as diverse a range of candidates as possible who possess suitable skills and qualities;
- aspire to increase Board diversity without setting specific targets or compromising on the calibre of Trustees.

In early 2019, a skills audit of Trustees was undertaken in anticipation of retirements from the Trustee Board. The outcome of the audit was that future succession planning should prioritise experience in property/estates management; knowledge of the work of partners (including local authorities and NHS commissioning); HR/people management; and IT. Alongside these specific skills, other attributes such as an understanding of the role of a trustee, commitment, work-ethos, an ability to relate to colleagues and sharing the Trust's values were viewed as equally important in prospective Board candidates.

Trustees are normally nominated either by BASMOM or the Venerable Order (although they need not be a member of either Order) and appointed by the Board. The President of BASMOM is entitled to nominate the Chair although the appointment is subject to Board approval. During 2020, the Trust successfully advertised externally to recruit to its Trustee vacancies for the first time.

The Articles permit a maximum of 12 and minimum of 5 Trustees on the Board. At the end of March 2021, the Board comprised 11 Trustees.

## Trustee Terms of Appointment

All Trustees (with the exception of the Ex-Officio Trustee) are appointed for terms not exceeding three years and are eligible for re-appointment for a maximum of three terms, save that, in exceptional circumstances, the Trustees may re-appoint for a fourth or subsequent term. Richard Fitzalan Howard's term of office as the Ex-officio Trustee is co-terminous with his term of office as President of BASMOM, which is due to run until June 2022. If it is agreed that a Trustee will serve for more than nine years, this decision is made on the basis of a rigorous review and considers the need for progressive refreshing of the Board. Two Trustees have served longer than nine years: Millie Wentworth-Stanley and Richard Fitzalan Howard. As Deputy Chair, Millie Wentworth-Stanley's term was extended beyond the normal limit to assist with the induction of the new Chair and provide support during his first year in post.

## Appointments and Reappointments

### Chair

Following 13 years of dedicated service to the Trust, Don Wood retired in September 2020 as the Chair of the Trust. He was succeeded by Mark Overall who was initially appointed Chair for a six-year term (the Articles allow for the Chair to be appointed for such term as the Trustees see fit).

### Deputy Chair

The Articles establish that the Deputy Chair is whichever of the Trustees is appointed to that role by the Trustees. The term of office is at the discretion of the Board. In March 2019, the Board ratified the reappointment of Millie Wentworth-Stanley for a further term until November 2022 to provide continuity regarding the succession plan and to support the newly appointed Chair.

# 4

## County Trustee and one Medical Trustee positions

### Trustees

There were three new Board appointments made during the year. Mark Overall was co-opted to the Board in July 2020 and subsequently was appointed as BASMOM Trustee in September 2020. In addition, Richard Milligan-Manby was appointed as a Venerable Order Trustee and James Kneller was co-opted onto the Board in September 2020. These appointments bring further legal, financial, property, IT and HR expertise to the Board. There were two Trustee retirements: Don Wood and Jill Hughes stepped down in September 2020.

### Specialist Trustee Roles

There are four county trustee roles and a specialist medical trustee position. The county trustees have a formal job description which encompasses developing and maintaining a close knowledge of the Trust's operations in their county, playing an ambassadorial role at local events, familiarising themselves with

the homes in this county and visiting them regularly. County trustees ensure that the Board is kept informed about relevant matters arising out of their work on behalf of the Trust in their counties. They are also specifically consulted on strategic matters within their counties. The medical trustee has specific responsibilities in terms of advising the Board on the medical aspects of the Trust's care provision and maintaining an open and constructive relationship with the Care Quality Director.

All Trustees normally regularly devote time to visit homes and extra care facilities. These visits are invaluable in understanding the daily work of the Trust, in building relationships, and in gaining a feel for the culture and caring ethos of the Trust on a local level. The pandemic has meant that these visits have not been possible during 2020/21 and instead other modes of ensuring oversight have been enabled such as attendance at virtual Town Hall and regional operational meetings and through calls with Home Managers.

## Board composition as at 31 March 2021

Ex-Officio Trustee	BASMOM Trustees	Venerable Order Trustees	Medical Trustee	Co-opted Trustee
<b>Richard Fitzalan Howard</b> President of BASMOM Nominations Committee Member	<b>Mark Overall</b> Chair Member of Nominations Committee	<b>Judy Wright</b> Wiltshire Trustee Nominations Committee Member	<b>Anne de Bono</b>	<b>James Kneller</b>
	<b>Millie Wentworth-Stanley</b> Deputy Chair Chair of Nominations Committee Trustee of OCP and GCP	<b>James Macnamara</b> F,A&RC Member Oxfordshire Trustee		
	<b>Graham Hutton</b> Chair of F,A&RC	<b>Richard Milligan-Manby</b> Lincolnshire Trustee		
	<b>Jill Manthorpe</b> F,A&RC Member			
	<b>Tim Church</b> F,A&RC Member			

The Board comprises eleven Trustees across five classes:

1. an Ex-Officio Trustee, being the current BASMOM President or his nominee
2. up to five further BASMOM Trustees who are nominated by BASMOM and appointed by the Trustees (there are currently five BASMOM Trustees)
3. up to three Venerable Order Trustees who are nominated by The Venerable Order and appointed by the Trustees (there are currently three Venerable Order Trustees)

4. one Medical Trustee appointed at the Trustees' discretion (there is currently one Medical Trustee)
5. one or more Co-opted Trustees appointed at the Trustees' discretion, provided there is a full number of BASMOM and Venerable Order Trustees (there is currently one Co-opted Trustee)

47

collective years of **experience** on the OSJCT Board

**Board renewal:**

3

**new Trustee appointments** in 2020

## Trustee Biographies

### Mark Everall

*Appointed 7 July 2020  
OSJCT Chair, Member of Nominations Committee*

Mark was a circuit judge and Deputy High Court Judge at the Central Family Court. He was also a nominated judge of the Court of Protection. Before being appointed a judge, Mark qualified as a barrister and became a Queen's Counsel in 1994. He is a Bencher of the Inner Temple.

### Dr Anne de Bono

*Appointed 7 November 2017  
Medical Trustee*

Anne is a consultant in occupational medicine at the University Hospitals of Leicester, in a large NHS Occupational Health Service for healthcare employees and students across Leicestershire and Rutland. She is also currently President of the Faculty of Occupational Medicine and a member of Council and Trustee of the Academy of Medical Royal Colleges. From 2003-2016 she was chief medical officer for the BASMOM Lourdes pilgrimage.

### Tim Church

*Appointed 19 September 2018  
Member of the Finance, Audit & Risk Committee*

Tim retired in December 2016 as president of MIO Partners, Inc. the investment office of McKinsey & Co's. Tim joined McKinsey in 1991, to start and head up the European investment activity for the firm, taking over the running of the global activity in 1997. Tim is Chairman of The HALO Trust, a trustee of Aid to the Church in Need UK and on the board of a number of other not for profit and investment related entities.

### Richard Fitzalan Howard

*Appointed 26 April 2005  
President of BASMOM,  
Member of Nominations Committee*

Richard joined the Board of Trustees in 2005. He is a partner in an investment management company in London and was appointed President of the British Association of the Sovereign Order of Malta in 2013. Richard was a member of the Finance, Audit & Risk Committee until September 2019 when he moved to become a member of the Nominations Committee.

### Graham Hutton

*Appointed 11 November 2015  
Chair of the Finance, Audit & Risk Committee*

Graham became an OSJCT Trustee in 2015. He has many years of experience in the financial services industry, working for several prestigious investment banking houses before helping to found Hutton Collins in 2002. Graham is Chairman of Aid to the Church in Need, UK. He was appointed as Chair of the Finance, Audit & Risk Committee in September 2019.

### James Kneller

*Appointed 23 September 2020*

James was appointed as an OSJCT trustee in 2020. He has many years' experience as a Human Resources Director in a number of global organisations both in the UK and abroad including Santander and Commercial Bank of Qatar. James has sat as a non-executive Director in the UK, Middle East, and Turkey. James returned to the UK in 2014 founding his own consulting business. He has also served as a Trustee for a number of large UK Pension Funds.

### James Macnamara

*Appointed 6 November 2019  
Member of the Finance, Audit & Risk Committee  
Oxfordshire County Trustee*

James is a chartered accountant and was formerly finance director of a series of companies in the service sector. In parallel, he has served as a local councillor and magistrate, on various bodies in the Oxford Diocese and as a trustee of a number of charities in the health, military, housing, and education sectors. His volunteer service in the reserve army led him to join St John Ambulance and then on to a number of roles in the Venerable Order, who nominated him as a trustee of OSJCT in November 2019.

### Professor Jill Manthorpe

*Appointed 13 May 2015  
Member of the Finance, Audit & Risk Committee*

Jill has a long-standing interest in the care of older people. Her first graduate post in 1977 was with Age Concern and she has subsequently worked on a wide range of ageing related studies. She is currently Professor of Social Work at King's College London and Director of the Department of Health's Social Care Workforce Research Unit and also leads other research studies funded by a variety of public and charitable sources. Jill publishes widely in leading journals and the professional press.

### Richard Milligan-Manby

*Appointed 23 September 2020  
Lincolnshire County Trustee*

Richard worked as a futures broker in London before returning to Lincolnshire in the early 1990s to become involved in the family farming business. In addition to this he became involved in a number of agricultural cooperatives where he served as a non-executive director, executive and non-executive chairman, a member of the finance, risk and audit committee, as well as a pension trustee. In 2007 he attended Cranfield University to study business management and served as a trustee for the Royal Agricultural Society of England Board till 2017.

### Millie Wentworth-Stanley

*Appointed 27 April 2010  
Deputy Chair, Chair of the Nominations Committee  
Trustee for the Oxfordshire Care Partnership and the Gloucestershire Care Partnership*

Millie has been a Trustee since 2010 and was appointed Deputy Chair in 2015. She is a qualified solicitor and worked for a large City of London law firm before setting up her own niche law practice in 1998. As well as being Deputy Chair, Millie took over as Chair of the Nominations Committee in September 2020 and is a Trustee for the Joint Ventures.

### Judy Wright

*Appointed 11 November 2015  
Wiltshire County Trustee*

Judy was appointed Trustee of OSJCT in 2015. She lives in London and has been involved on a voluntary basis with the work of the Venerable Order of St John for nearly 30 years. She has wide experience of marketing and advertising from her work with large multi-national companies and advertising agencies.

## Tenure

1-3 Years	3-9 Years	9+ Years
<b>Tenure at 31 March 2021</b>		
Mark Everall	Anne de Bono	Richard Fitzalan Howard
Tim Church	Graham Hutton	Millie Wentworth-Stanley
James Kneller	Jill Manthorpe	
James Macnamara	Judy Wright	
Richard Milligan-Manby		
<b>Tenure in 2019/20</b>		
3	4	2





This year's focus was on the **development of a 10-year vision**



Typically **6 board meetings** per year

## Trustee Induction and Training

The Trust last reviewed its induction programme for Trustees in 2019 as part of the governance review. All new Trustees receive a tailored induction programme to ensure understanding of the role of Trustees under Charity Law and being a Director under Company Law. Induction provides an overview of the history of OSJCT, its structure, vision and strategy. It includes meetings with the Chief Executive, the Chair and members of the Executive team to discuss the Trust's strategic plan and to understand the risks and operating environment of the business. The programme normally involves visits to some of the Trust's homes to meet employees and residents, but this element has had to be deferred until COVID-19 restrictions ease.

New Trustees are provided with a mentor to help with induction and are issued with a Board Manual (last updated during 2019) as a comprehensive reference guide to the Trust. Trustees undertake individual appraisal on an annual basis and training requirements form part of these discussions. Sector information and training is also provided on a regular basis, most usually alongside the bi-monthly board meetings, as a themed presentation from senior colleagues or external parties. Topics covered at these presentations included: marketing & communications; volunteering strategy, Extra Care Housing estate and service model, Care Quality early warning tool and an external presentation on corporate brand identity. The annual strategy conference provides another opportunity to share information and this year, the focus was on the development of a 10-year vision and the structure of its underpinning strategy.

## Governance Structure

The Trustees, as the directors and charity trustees of the Trust, are collectively responsible for the affairs of the Trust.

The Board is clear that its primary role is strategic, rather than operational: the Board sets the strategic aims of the Trust and provides leadership and guidance to the Executive team to ensure that the necessary structures and resources are in place to achieve the agreed strategy. In determining the long-term strategy and objectives of the Trust, the Board is mindful of its wider duties to residents, employees and other stakeholders. Decisions are made with reference to the Trust's values and founding Christian principles. There is a schedule of matters reserved for the Board which was last updated in May 2019 and a clear demarcation between executive and non-executive roles. The Trustees delegate day-to-day executive control of the Trust to the Chief Executive and the Executive team, which meets regularly.

The Executive team is responsible for running the charity in accordance with the direction set by the Board and powers delegated to it by Trustees. The Executive team is accountable to the Trustees for its performance. The Board typically meets formally six times per year and reviews management and financial performances and monitors the delivery of strategy and achievement of business objectives. At the end of each meeting sufficient time is also allowed for the Chair to meet privately with the other Board members. During the year there were six scheduled Board meetings. Due to business requirements, on occasion unscheduled Board meetings are required to be called at short notice. This can result in some Directors being unable to attend due to prior commitments. Directors who are unable to attend still have the opportunity to review the relevant Board papers and provide their feedback.

Attendance at Board meetings in 2020/21 is set out in the following table. Attendance is expressed as the number of meetings attended out of the number eligible to be attended.

<sup>1</sup> appointed following the Board meeting on 23 September

<sup>2</sup> retired following the Board meeting on 23 September

<sup>3</sup> in attendance in observer capacity

<sup>1</sup> appointed following the Board meeting on 23 September

		2020				2021	
		13 May	7 Jul	23 Sep	7 Dec	19 Jan	24 Mar
<b>Anne de Bono</b>	5/6	✓		✓	✓	✓	✓
<b>Tim Church</b>	6/6	✓	✓	✓	✓	✓	✓
<b>Mark Everall</b>	4/5	Obs <sup>3</sup>	✓		✓	✓	✓
<b>James Kneller<sup>1</sup></b>	3/3	n.a.	n.a.	Obs <sup>3</sup>	✓	✓	✓
<b>Richard Fitzalan Howard</b>	6/6	✓	✓	✓	✓	✓	✓
<b>Jill Hughes<sup>2</sup></b>	3/3	✓	✓	✓	n.a.	n.a.	n.a.
<b>Graham Hutton</b>	6/6	✓	✓	✓	✓	✓	✓
<b>James Macnamara</b>	6/6	✓	✓	✓	✓	✓	✓
<b>Jill Manthorpe</b>	6/6	✓	✓	✓	✓	✓	✓
<b>Richard Milligan-Manby<sup>1</sup></b>	3/3	n.a.	n.a.	Obs <sup>3</sup>	✓	✓	✓
<b>Millie Wentworth-Stanley</b>	6/6	✓	✓	✓	✓	✓	✓
<b>Don Wood<sup>2</sup></b>	3/3	✓	✓	✓	n.a.	n.a.	n.a.
<b>Judy Wright</b>	6/6	✓	✓	✓	✓	✓	✓

## Nominations Committee

The Nominations Committee meets periodically and comprises between three and five members, all of whom must be OSJCT Trustees. There are currently four members: Millie Wentworth-Stanley, Mark Everall, Richard Fitzalan Howard and Judy Wright. The Chief Executive attends by invitation but is not a member of the Committee. The Chair and members of the Committee are appointed by the Board for terms of three years and include representatives from each sponsoring Order. The Committee met once during the year.

### Committee members and attendance

Member		Attendance
Don Wood	Chair (appointed July 2014, retired September 2020)	✓
Millie Wentworth-Stanley	Chair (appointed July 2014 and Chair from September 2020)	✓
Jill Hughes	Member (appointed November 2015, retired September 2020)	✓
Richard Fitzalan Howard	Member (appointed September 2019)	✓
Judy Wright	Member (appointed May 2020)	✓
Mark Everall <sup>1</sup>	Member (appointed September 2020)	Obs <sup>3</sup>

The purposes of the Committee are to regularly review the structure, size and composition of the Board (including the skills, knowledge and experience of the Trustees) and make recommendations to the Board.

It develops and maintains a succession strategy to anticipate retirements amongst Trustees. A sequential process is undertaken to identify potential new trustees, beginning with an approach to the two sponsoring Orders, who between them can nominate eight Trustees. If the appropriate skills are not

available through the Orders, the search is then extended more widely and in 2020 the Trust advertised externally for the first time. The Nominations Committee met formally once in the year to 31 March 2021 to discuss Committee reappointments, the search for candidates to replace Trustees retiring in 2020/21, succession planning for the Chair and for County Trustee positions.

The terms of reference for the Committee were reviewed and updated during the year.



# 3

## Finance, Audit & Risk Committee meetings per year

### Finance, Audit & Risk Committee

The Finance, Audit & Risk Committee meets a minimum of three times per year and currently comprises four Trustees, three of whom have recent, relevant financial experience. The Chair, Chief Executive and the Finance Director attend by invitation but are not members of the Committee.

#### Committee members and attendance

Member		Attendance
Graham Hutton	Chair (first appointed May 2016)	3/3
Jill Manthorpe	Member (first appointed October 2017)	3/3
Tim Church	Member (first appointed September 2019)	3/3
James Macnamara	Member (first appointed November 2019)	3/3

Appointments are decided by the Board and are for terms of three years and Trustees are eligible for re-appointment, subject to satisfactory performance and in line with the needs of the charity. Jill Manthorpe was reappointed for a further three-year term in September 2020.

The Committee is responsible for independently advising and informing the Board about matters of financial reporting, internal control and risk management. The Committee reviews the audited financial statements of the Trust and recommends them for approval to the Board. It reviews

reports from external and internal auditors and monitors management actions to implement recommendations made in the audit reports. The Committee is responsible for determining the frequency and process of tendering for external audit services and considers their appointment, fees and independence.

During the year, the Committee reviewed its own terms of reference to determine whether its responsibilities are properly described. The amended terms became effective in December 2020. During the year, the Committee met on three occasions.



## Improved compliance with The Charity Governance Code

### Governance Review

A pattern of governance reviews has been established at two to three-year intervals. The last full externally facilitated review of board governance was conducted in early 2019. The review provided assurance over governance arrangements and benchmarked the Trust's corporate governance structures, principles, protocols and, current good practice guidelines as outlined in the UK Charity Governance Code. It determined that the Board and its Committees operated effectively. The next review is now planned for early 2022 to allow the Trust to resume normal routines during 2021 following the COVID-19 pandemic and for new Trustees to develop their knowledge of the Trust.

### Compliance with Charity Governance Code

The Board notes its support of the Charity Governance Code, including the requirements for larger, more complex charities. As part of the governance review conducted in 2019, an assessment was completed of the Trust's compliance with the code. It was determined that, against the code, the Trust had no areas of non-compliance. There were a small number of recommended practices where the Trust did not fully apply the code and subsequent implementation of the recommendations from the governance review assisted in delivering improved compliance. Examples of this include the updating of the scheme of delegation, inclusion of additional information on the register of gifts and hospitality and its annual review by the Finance, Audit & Risk Committee, and stakeholder mapping. There is still one outstanding action from the review which was for the Trust to establish its appetite for specific risks and risk categories. This work was delayed by the pandemic but has now been commenced. Once complete, the resulting risk appetite statement will be applied to the Risk Register to assess whether residual risk after mitigating actions are taken is in line with the appetite for risk determined by the Board. With reference to the Diversity section of the Code, the Board has reflected on its diversity responsibilities and set out its diversity objectives in terms of Trustee recruitment. The constitution of the Trust has previously limited compliance in areas such as widely advertising Trustee vacancies and attracting a diverse pool of candidates (Trustee nominations are typically made by the Trust's two Sponsoring Orders which naturally limits the pool of potential candidates). However, in 2020 with the support of its Sponsoring Orders, the Trust successfully advertised externally to recruit to Trustee vacancies.

The update to the Charity Governance Code published at the end of 2020 is being reviewed and a statement on compliance with the updated version will be included in next year's annual report.







OSJCT does not engage **third party fundraisers**

## Conflicts of Interest

Trustees are aware of their legal duty to act in the best interests of OSJCT and abide by the Trust's Conflicts of Interest policy. In practice this means that any Trustee who has a conflict of interest in relation to any matter discussed by the Board must declare that interest at the start of the meeting, withdraw from discussions and not participate in voting. There is opportunity at the start of each meeting to declare any interests. In addition, the Trust records Trustees' interests in its register of interests, gifts and hospitality, based on the annual written declarations made by Trustees and as updated during the course of the year.

## Trustee Remuneration

Only the Chair of the Board is remunerated, and details of the Chair's remuneration are set out in note 7 to the accounts. Trustees are entitled to be reimbursed for reasonable travel and subsistence costs and the Trust arranges indemnity insurance cover on behalf of the Board. There were no expenses claimed during the year.

## Statement of Adherence to the Fundraising Regulator Code

The Trust seeks to comply fully with all regulation and relevant codes of practice. Fundraising is not a material income stream for the Trust and therefore it is not required to report under section 162A of the Charities Act 2011. The Trust typically raises funds through local events for the benefit of the local home and via the acceptance of donations and legacies. OSJCT does not engage third party professional fundraisers and is not aware of any complaints being made about the Trust's fundraising activities. All employees strive to protect the rights and promote the interests of our residents. It is the policy of the Trust that under no circumstances should any employee offer advice or act as a witness to the Will of a resident.

# 05

## Trustees' Responsibilities Statement

**The Trustees are responsible for preparing the Strategic report, the Annual report and the financial statements in accordance with applicable law and regulations.**

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

The Trustees' report, including the Strategic Report, was approved and signed by Trustees on 8 July 2021.

Mark Everall  
**Chair**  
8 July 2021



# Independent Auditor's Report to members of The Orders of St John Care Trust

## Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 March 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of The Orders of St John Care Trust ("the Charitable Company") for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

## Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charitable Company in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions Related to Going Concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charitable Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

## Other Information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The other information comprises: Chair and Chief Executives Statement, Trustees Report and Structure Governance and Management. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report, which are included in the Trustees' report, have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion;

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



## Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### *Extent to which the audit was capable of detecting irregularities, including fraud*

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We made enquiries of management, and the Board of Trustees. This included the following:

- how they have identified, evaluated and complied with laws and regulations and whether they were aware of any instances of non-compliance;
- their process for detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
- which internal controls have been established to mitigate risks related to fraud or non-compliance with laws and regulations.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Charity. These include, but are not limited to, compliance with Companies Act 2006, UK GAAP, Charities SORP, fundraising regulations and tax legislation.

In addition, the Charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, employment law and data protection. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Those Charged with Governance and other management and inspection of regulatory and legal correspondence if any.

We considered management's incentives and opportunities for fraudulent manipulation of the financial statements (including revenue recognition and the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

Audit response to risks identified

- We reviewed the financial statement disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- We made enquiries of the Board of Trustees and management;
- We reviewed the major incident log submitted to the Board of Trustees which includes instances of fraud and non-compliance with laws and regulations and we read minutes of meetings of those charged with governance;
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; considered completeness of related party transactions; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- We challenged assumptions made by management in their significant accounting estimates in particular in relation to the assumptions related to, the defined benefit scheme valuation (FRS 102 Section 28), bad debt provision and impairment.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

**[www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities)**

This description forms part of our auditor's report.

## Use of our Report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Kyla Bellingall

**Senior Statutory Auditor**

For and on behalf of BDO LLP,  
Statutory Auditor  
Birmingham, UK

**29 July 2021**

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

DocuSigned by:

*Kyla Bellingall*

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## 07 Statement of Financial Activities

(Incorporating an Income and Expenditure Account)  
For the Year Ended 31 March 2021

	Note	2021			2020		
		Unrestricted Funds £'000	Restricted Funds £'000	Total Funds £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds £'000
<b>Income from:</b>							
Donations	2	1,125	100	1,225	187	13	200
Charitable activities	2	131,189	199	131,388	135,271	178	135,449
Investments	5	10	-	10	45	-	45
Other incoming resources	2	-	9,988	9,988	1,573	-	1,573
<b>Total income</b>		<b>132,324</b>	<b>10,287</b>	<b>142,611</b>	<b>137,076</b>	<b>191</b>	<b>137,267</b>
<b>Expenditure on:</b>							
Charitable activities	3	133,096	10,312	143,408	135,547	19	135,566
<b>Total expenditure</b>		<b>133,096</b>	<b>10,312</b>	<b>143,408</b>	<b>135,547</b>	<b>19</b>	<b>135,566</b>
<b>Net (expenditure)/income for the year</b>		<b>(772)</b>	<b>(25)</b>	<b>(797)</b>	<b>1,529</b>	<b>172</b>	<b>1,701</b>
Transfers between funds		8	(8)	-	6	(6)	-
<b>Other recognised gains/ (losses)</b>							
Actuarial (losses)/gains on defined benefit pension schemes	20	(788)	-	(788)	494	-	494
<b>Net movement in funds for the year</b>		<b>(1,552)</b>	<b>(33)</b>	<b>(1,585)</b>	<b>2,029</b>	<b>166</b>	<b>2,195</b>
<b>Reconciliation of funds</b>							
Total funds brought forward		51,203	203	51,406	49,174	37	49,211
<b>Total funds carried forward</b>	17	<b>49,651</b>	<b>170</b>	<b>49,821</b>	<b>51,203</b>	<b>203</b>	<b>51,406</b>

**Note:** All operations are continuing. All recognised gains and losses are included in this statement. The notes on pages 66 to 94 form an integral part of these financial statements.

## 08 Balance Sheet

As at 31 March 2021

	Note	2021 £'000	2020 £'000
<b>Fixed assets</b>			
Intangible assets	9	425	783
Tangible assets	9	45,524	46,229
Fixed asset investments	10	-	-
		<b>45,949</b>	<b>47,012</b>
<b>Current assets</b>			
Stock	11	194	-
Land held for sale	12	1,297	1,297
Debtors: due within one year	13	13,227	12,006
Cash and cash equivalents	14	14,527	12,197
		<b>29,245</b>	<b>25,500</b>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	15	(22,254)	(18,872)
<b>Net current assets</b>		<b>6,991</b>	<b>6,628</b>
<b>Total assets less current liabilities</b>		<b>52,940</b>	<b>53,640</b>
Creditors: amounts falling due after one year	16	(761)	(823)
<b>Net assets excluding pension deficit</b>		<b>52,179</b>	<b>52,817</b>
Defined benefit scheme deficit	20	(2,358)	(1,411)
<b>Net assets including pension deficit</b>		<b>49,821</b>	<b>51,406</b>
<b>Funds</b>			
Restricted funds	17	170	203
Unrestricted funds	17	52,009	52,614
Pension reserve	17	(2,358)	(1,411)
<b>Total funds</b>	17	<b>49,821</b>	<b>51,406</b>

**Note:** The notes on pages 66 to 94 form an integral part of these financial statements.



Approved by the Trustees on 8 July 2021 and signed on their behalf by:

Mark Overall

Chair

Registered Company number: 3073089



# 09 Cash Flow Statement

For the Year Ended 31 March 2021

## a) Reconciliation of net (expenditure)/income to net cash provided by operating activities

	2021 £'000	2020 £'000
<b>Net cash provided by operating activities</b>		
Net (expenditure)/income	(797)	1,701
Depreciation charges	6,031	5,325
Surplus on disposal of fixed assets	224	501
Amortisation of loan issue costs	99	112
Pension (income)	159	(382)
Increase in stock	(194)	-
(Increase)/decrease in debtors	(1,221)	1,371
Increase in creditors	2,533	905
Interest received	(10)	(45)
Interest paid	242	304
<b>Net cash provided by operating activities</b>	<b>7,066</b>	<b>9,792</b>

## b) Analysis of changes in net debt

	At 1 April 2020 £'000	Cashflow £'000	Other non-cash changes £'000	At 31 March 2021 £'000
<b>Cash &amp; cash equivalents</b>				
Cash	12,197	2,330	-	14,527
<b>Borrowings</b>				
Debt due within one year	(50)	391	(402)	(61)
Debt due after more than one year	(823)	-	62	(761)
	(873)	391	(340)	(822)
<b>Total</b>	<b>11,324</b>	<b>2,721</b>	<b>(340)</b>	<b>13,705</b>

## c) Statement of cashflows

	Note	2021 £'000	2020 £'000
<b>Net cash provided by operating activities</b>		<b>7,066</b>	<b>9,792</b>
<b>Cash inflows/(outflows) from investing activities:</b>			
Interest received	5	10	45
Purchase of property plant and equipment		(4,355)	(5,211)
<b>Net cash (used in) / provided by investing activities</b>		<b>(4,345)</b>	<b>(5,166)</b>
<b>Cash flows from financing activities:</b>			
Repayment of borrowing		(149)	(140)
Interest paid		(242)	(304)
<b>Net cash used in financing activities</b>		<b>(391)</b>	<b>(444)</b>
Change in cash and cash equivalents		2,330	4,182
Cash and cash equivalents at the beginning of the period		12,197	8,015
<b>Cash and cash equivalents at the end of the period</b>	14	<b>14,527</b>	<b>12,197</b>

As at 31 March 2021, amounts totalling £312,215 were being held on behalf of residents of the charity's care homes (31 March 2020: £412,088). These funds belong to individual residents and are therefore excluded from the cash disclosed within the charity's balance sheet. In addition at 31 March 2021 amounts totalling £593,931 were held within the homes' amenity accounts (31 March 2020: £496,589).

## d) Reconciliation of cashflow from increase in creditors to the movement in current liabilities

	2021 £'000	2020 £'000
<b>Increase in creditors (cash flow statement - note a)</b>	2,533	905
<b>Accruals at 31 March:</b>		
Capital	839	403
Loan interest	10	10
<b>Increase in current liabilities</b>	<b>3,382</b>	<b>1,318</b>

## e) Reconciliation of cashflow from purchase of property, plant and equipment to fixed asset additions

	2021 £'000	2020 £'000
<b>Purchase of property, plant and equipment (cash flow statement - note c)</b>	4,355	5,211
<b>Accruals at 31 March:</b>		
Capital	839	403
<b>Fixed asset additions (note 9)</b>	<b>5,194</b>	<b>5,614</b>

# Notes to the Financial Statements

For the year ended 31 March 2021

## 1. Accounting Policies

### Basis of preparation of the financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) (second edition – October 2019) Accounting and Reporting by Charities Statement of Recommended Practice – applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 March 2018) and the Companies Act 2006. The Financial Statements have been prepared on the historical cost basis except for modification to a fair value basis for certain financial instruments. The principal accounting policies adopted in the preparation of the accounts are set out below and remain unchanged from the previous year. All amounts are shown in pounds sterling.

### Basis of accounting for Joint Ventures

The Trust has a 50% investment in two Joint Venture vehicles, the Oxfordshire Care Partnership (OCP) and the Gloucestershire Care Partnership (GCP). In accordance with FRS 102, the investments have been accounted for at historic cost. The care service and management fee income from OCP and GCP are included in the Trust's total income. Any amounts owing to or from OCP and GCP are shown under the respective balance sheet heading of the Trust.

### Basis of accounting for Subsidiary

The Trust wholly owns Fosse Way Care Developments Ltd, which remained dormant throughout the current year. Consolidated financial statements have not been prepared on the basis that inclusion of the Subsidiary is not material for the purposes of giving a true and fair view in the context of the group.

### Funds

#### Unrestricted funds:

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the objectives of the Trust and which have not been designated for other purposes.

#### Restricted funds:

Restricted funds are those which are used in accordance with specific restrictions of the donors or which have been raised by the Trust for particular purposes. The purpose for which restricted funds are held is analysed in the notes to the accounts.



### Going concern

The financial statements have been prepared on a going concern basis. In this current business climate, the Board acknowledge the ongoing COVID-19 pandemic.

In response to the pandemic, the Trustees continue to monitor all aspects of the charity's activities and have implemented operational changes to mitigate the financial impact of COVID-19. Financial performance continues to be monitored on a monthly basis using a 12-month rolling forecast.

The current forecast, covering the years 2021/22 and 2022/23, assumes occupancy levels will continue to recover, increasing steadily through both years to return to pre-pandemic levels by 31 March 2023. Costs remain well controlled, with agency use already below pre-pandemic levels. Trustees have agreed to invest in transformation during 2021/22 and recognise that the increased investment will mean that the Trust operates in a deficit for the financial year. However, this still allows the Trust to operate within covenants and facilities until November

2022 without taking any additional action. The Trust's revolving credit facility is due to expire in November 2022 and negotiations to renew the facility will commence in 2021.

The cash position has also been stress tested for a further 13% reduction in occupancy occurring on a phased basis from the end of May 2021 to March 2023. In this scenario, additional controls would be placed on discretionary expenditure and investment could be slowed down if necessary. With these additional actions, the Trust forecasts that it can operate within covenants and facilities until November 2022.

Based on the re-forecasts and available cash and facilities, the Trustees believe that, while uncertainty exists this does not pose a material uncertainty that would cast doubt on the charity's ability to continue as a going concern for the foreseeable future, being a period of at least 12 months after the date on which the report and Financial Statements are signed. The Trustees, therefore, consider it appropriate for the accounts to be prepared on a going concern basis.



## Capitalisation and use of fixed assets

Expenditure incurred on assets to be held on a continuing basis for use in the Trust's activities is capitalised where appropriate and depreciated. Subsequent expenditure to properties is capitalised where it results in increased quality, reduces operating costs or significantly extends the useful economic life of the asset and is more than £500.

Freehold land is held at cost and is not depreciated. Assets under construction are not depreciated until put into use. An annual review is undertaken to determine any impairment in the net book value of property assets. Impairment losses are recognised in the SoFA as expenditure. Depreciation is provided on all other tangible and intangible assets to write off the cost less estimated residual value on a straight-line basis over the useful economic lives of the assets concerned. The following rates apply:

### Intangible Assets:

Software and licences	25%
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### Tangible Assets:

Furniture and equipment	10%, 20% or 25% or remainder of lease, if shorter
Leasehold property	10 to 40 years
Improvements to leasehold property	10% or remainder of lease, if shorter
Freehold properties	7 to 40 years
Improvements to freehold property	10% or over life of building

## Income from charitable activities

Income is shown within four categories in the Statement of Financial Activities:

- Income from charitable activities
- Income from donations
- Income from investments
- Other operating income

All income is recognised once the Trust has entitlement to the income, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income from donations includes gifts, legacies, operating grants, contributions and gift aid. Income from investments is recorded in the period in which it is earned.

## Income from charitable activities

Income from charitable activities is accounted for based on invoiced charges for residential and related care services, raised in accordance with local authority or residents' personal contracts and recognised over the period in which services are provided. It includes direct collections from the local housing contributions including housing benefit collected directly from the local authority, together with personal contributions from residents.

## Donations and legacies

Donations and gifts are recognised when the cash is received. Donations in kind, are recognised at their value to the Trust when received and an equivalent amount is included in the appropriate expenditure line. Where the use of the income has been restricted in accordance with the donor's wishes, gift income is credited to an appropriate fund until it can be spent for the purpose for which it was given.

Legacies are accounted for on a receivable basis. Where there are uncertainties surrounding the measurement of the Trust's entitlement to an estate, no income is recognised.

## Grants and contributions

Grants and contributions, including government Covid-19 grants, are accounted for on a receivable basis when the Trust has probable and measurable entitlement to the income (i.e. the conditions for its award have been satisfied).

## Deferred income

Income received in advance from Local Authorities for care services where the funding period is not co-terminous with the year end is deferred until entitlement to the income has arisen as services are provided.

## Expenditure recognition

Expenditure is recognised on an accruals basis, once there is a legal or constructive

obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is included in the expense item to which it relates.

## Financial instruments

The Trust only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value except for bank loans which are subsequently measured at amortised cost using the effective interest method.

## Leasing

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to income and expenditure over the shorter of estimated useful economic life and the term of the lease.

Finance leases are analysed between capital and interest components so that the interest element of the payment is charged to income and expenditure over the term of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rents are charged to income and expenditure on a straight-line basis over the period of the lease.

The Trust does not hold any finance leases.

## Current asset investments

Current asset investments are investments which are disposable without curtailing or disrupting the operations and are either readily convertible into known amounts of cash or at close to their carrying value. Current asset investments comprise short term deposits of less than one year, excluding cash. Current asset investments are recognised at cost in the accounts.

## Property and land held for sale

Property and land held for sale is included in the balance sheet at the lower of cost and net realisable value. Cost consists of direct cost excluding interest.

## Pension costs

The Trust is an admitted member of a sub-fund of a Local Government Pension Scheme (LGPS) operated by Wiltshire County Council and of a sub-fund of a LGPS operated by Gloucestershire County Council, which are both defined benefit schemes.

Defined benefit pension scheme surpluses (to the extent they are recoverable) or deficits are recognised in full on the balance sheet. The movement in the surplus or deficit arising from employees service in the year is charged to resources expended. The expected return on the schemes' assets and the interest during the year on the present value of the scheme liabilities arising from the passage of time are recognised in other finance costs. Actuarial gains and losses are recognised as a movement in funds. Scheme assets are measured at fair value. Scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted at appropriate high quality corporate bond rates. The current service cost and costs from settlements and curtailments are charged against operating surplus. Past service costs are spread over the remaining service lives of the active members of the schemes.

The Trust also operates several defined contribution pension schemes. The contributions in respect of these schemes are charged to the Statement of Financial Activities in the period to which they relate.

## Significant accounting estimate and judgements

In determining the carrying amounts of certain assets and liabilities, the Trust makes assumptions of the effects of uncertain future events on those assets and liabilities at the balance sheet date. The Trust's estimates and assumptions are based on historical experience and expectation of future events and are reviewed periodically.

### 1. Pensions

Actuarial assumptions are made in valuing future defined benefit pension obligations as set out in note 20.

### 2. Provisions

A provision for bad debt has been included, calculated based on historic experience and the likelihood of collection of those debts.

## Taxation

The Trust is a registered charity and income for its charitable activities is therefore exempt from corporation tax under Section 505 of the Taxes Act 1988. Where a tax charge is incurred, a charge is included in other expenditure in the year to which it relates.

## Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term, highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities. Resident deposits and the homes' amenity funds are held in ring-fenced bank accounts.

## Stock

Stock is valued at the lower of cost and net realisable value using an average cost calculation. Stock is held for the Trust's own use in rendering its charitable activities and is not held for resale. The condition and standards of stock are reviewed and an impairment provision is provided for as necessary. Stocks consist of personal protective equipment. Donated personal protective equipment obtained through the government portal is included at fair value.

## 2. Income

### Income from charitable activities – care contracts

	2021 £'000	2020 £'000
Care income	130,692	135,021
Property income	696	428
<b>Total</b>	<b>131,388</b>	<b>135,449</b>

### Care income

The Trust has both block and spot placement contracts with Local Authorities and direct individual contracts with those residents whose financial resources exceed the level for financial assistance. In Wiltshire and Lincolnshire, day care and other forms of care services are provided under contract from the respective Local Authority or with private individuals. In Oxfordshire and Gloucestershire all Local Authority contracts are through the partnership agreements, Oxfordshire Care Partnership and Gloucestershire Care Partnership and direct individuals' contracts are direct contracts as in all the regions.

### Property income

Property income comprises of rental income.

### Donations and grant

	2021 £'000	2020 £'000
Grants received	283	44
Donations and legacies received	942	156
<b>Total</b>	<b>1,225</b>	<b>200</b>
<b>Restricted grants</b>		
Comic Relief - Keep the Music Going Project	-	7
Community Circles	3	7
Vivaldi Antibody Study	102	-
Global Fund for Forgotten People	17	-
Barclays Community 100x100 UK COVID-19 Community Relief Fund	100	-
<b>Total restricted grants</b>	<b>222</b>	<b>14</b>
<b>Unrestricted grants</b>	<b>61</b>	<b>30</b>
<b>Total grant income</b>	<b>283</b>	<b>44</b>

Donations to the Trust included training income from the charity, Skills for Care, for £3,120 (2020: £27,960). All donations are included within our unrestricted funds.

The Trust benefits greatly from the involvement and enthusiastic support of its many volunteers. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

### Other incoming resources

	2021 £'000	2020 £'000
Financial support received	-	1,573
COVID-19 support received	9,988	-
<b>Total</b>	<b>9,988</b>	<b>1,573</b>

During the year, the Trust received funding as part of the Government's COVID-19 support measures. This amounted to £9,988,027 (2020: £-) and is included in restricted funds under 'other incoming resources'. Funding was used for personal protective equipment, £2,138,861, additional staff costs to manage all COVID-19 related activities, £6,801,424 and equipment, visitor room modifications and cleaning, £1,047,742.

Our joint venture GCP has concluded negotiations with Gloucestershire County Council around financial support of the older homes to 2025 and we have been reimbursed a total of £- (2020: £1,573,000) for additional care costs relating to the estate strategy.

These monies are included within 'other incoming resources.'





### 3. Charitable Activities

	Note	2021 £'000	2020 £'000
Payroll costs	6	101,911	97,921
Premises costs		16,957	15,854
Office and administration		9,508	10,672
Catering costs		4,341	4,967
Health and hygiene costs		6,071	2,612
Other employees costs		2,417	1,712
Travel and subsistence		345	713
Care activity		184	408
Interest payable and other finance costs	5	374	416
Impairment of assets		793	(432)
Governance costs	7	108	94
Exceptional items		399	629
<b>Total charitable expenditure</b>		<b>143,408</b>	<b>135,566</b>

Exceptional items include re-structuring costs and decommissioning and redundancy costs associated with the closure of three homes during the year (2020: closure of two homes).

#### The total split of unrestricted and restricted expenditure is as follows:

Unrestricted	133,096	135,547
Restricted	10,312	19
<b>Total charitable expenditure</b>	<b>143,408</b>	<b>135,566</b>







#### 4. Net (Expenditure)/Income for the Year

Net income is arrived at after charging the following:

	2021 £'000	2020 £'000
Depreciation and amortisation	6,031	5,325
Fees payable to the Trust's auditor:		
Audit of the financial statements – current year	91	74
Taxation and other services	-	12
Operating lease payments: Plant & Machinery	142	181
Operating lease payments: Vehicles	50	58
Operating lease payments: Land and buildings	5,175	5,126

#### 5. Investment Income & Other Finance Costs

	2021 £'000	2020 £'000
Interest from short term bank deposits	10	45
<b>Investment income</b>	<b>10</b>	<b>45</b>
Interest payable on bank loan	(242)	(254)
Other finance charges	(99)	(112)
Pension finance costs	(33)	(50)
<b>Interest payable</b>	<b>(374)</b>	<b>(416)</b>
<b>Net interest</b>	<b>(364)</b>	<b>(371)</b>

The loan interest payable represents accrued loan interest on a bank loan taken out to purchase the freeholds of seven Lincolnshire homes and on the revolving credit facility taken out during the 2018 year.



## 6. Employees' Costs

Employees' costs for the period were as follows:

	Note	2021 £'000	2020 £'000
Wages and salaries		93,275	89,863
Social security costs		6,486	5,865
Other pension costs		2,150	2,193
<b>Total employees costs</b>	3	<b>101,911</b>	<b>97,921</b>

Remuneration more than £60,000 per annum, was in the following annual equivalent bands:

Trust	4	8	12	16	20
£ 60,000 – £ 70,000					19
					21
£ 70,001 – £ 80,000		11			
	6				
£ 80,001 – £ 90,000		5			
	1				
£ 90,001 – £100,000		3			
		4			
£100,001 – £110,000	1				
	1				
£110,001 – £120,000	1				
£120,001 – £130,000					
£130,001 – £140,000	1				
£140,001 – £150,000	1				
		2			
£150,001 – £160,000	1				
£160,001 – £170,000	1				
	1				
£170,001 – £180,000					
£180,001 – £190,000					
£190,001 – £200,000	1				
	1				

2021  
2020

Emoluments for this purpose include gross salary and benefits in kind but exclude pension contributions. 33 of the employees above are accruing retirement benefits (2019/20: 37). Money purchase pension contributions in the period in respect of these employees amounted to £152,288 (2019/20: £153,558)

## Key management personnel

The key management personnel for the Trust comprise the members of the Chief Executive's Committee listed on page 95.

The aggregated emoluments for the Chief Executive's Committee were £936,149 (2019/20: £972,440).

## Employees numbers

The average number of contracted full time equivalent employees employed by the Trust was 3,543, (2019/20 3,528).

The average number of employees headcount (full time and part time) employed by the Trust was 4,555 (2019/20: 4,582).

## 7. Governance Costs

	2021 £'000	2020 £'000
Trust meetings and expenses	-	3
External audit	91	74
Remuneration of Chair	17	17
<b>Total governance costs</b>	<b>108</b>	<b>94</b>

Following approval from the Charity Commission on 28 November 2005, the Trust's Articles of Association were amended to provide authorisation for the remuneration of the Chair.

Remuneration of £8,484 has been paid to Mr Donald Wood, during his time as Chair in the 20/21 year (2019/20: remuneration of £16,844). Remuneration of £8,869 has been paid to Mr Mark Everall, as Chair in the 20/21 year (2019/20: remuneration of £0). No other Trustees were paid any remuneration.

Trustees' travel expenses of £0 have been reimbursed (2019/20: £3,313). No Trustees have had expenses reimbursed during the period (2019/20: nine).

## 8. Taxation

The Trust is a registered charity and income for its charitable activities is therefore exempt from corporation tax under Section 505 of the Taxes Act 1988.

## 9. Fixed Assets

Intangible Assets	Software and Licences £'000	Total £'000
<b>Cost</b>		
At 31 March 2020	3,359	3,359
Disposals	(13)	(13)
<b>At 31 March 2021</b>	<b>3,346</b>	<b>3,346</b>
<b>Depreciation</b>		
At 31 March 2020	2,576	2,576
Depreciation Charge	358	358
Disposals	(13)	(13)
<b>At 31 March 2021</b>	<b>2,921</b>	<b>2,921</b>
<b>Net Book Value</b>		
At 31 March 2020	783	783
<b>At 31 March 2021</b>	<b>425</b>	<b>425</b>

Tangible Assets	Freehold Land & Buildings £'000	Assets in Course of Construction £'000	Leasehold Property £'000	Furniture & Equipment £'000	Vehicles £'000	Total £'000
<b>Cost</b>						
At 31 March 2020	34,462	1,246	28,503	22,867	44	87,122
Additions	781	417	859	3,137	-	5,194
Disposals	(109)	-	(1,332)	(1,394)	-	(2,835)
<b>At 31 March 2021</b>	<b>35,134</b>	<b>1,663</b>	<b>28,030</b>	<b>24,610</b>	<b>44</b>	<b>89,481</b>
<b>Depreciation</b>						
At 31 March 2020	6,368	-	17,880	16,612	33	40,893
Depreciation charge	1,017	-	1,729	2,129	5	4,880
Impairment charge	112	-	547	532	-	1,191
Reversal of impairment provision	(2)	-	(253)	(143)	-	(398)
Disposals	(103)	-	(1,193)	(1,313)	-	(2,609)
<b>At 31 March 2021</b>	<b>7,392</b>	<b>-</b>	<b>18,710</b>	<b>17,817</b>	<b>38</b>	<b>43,957</b>
<b>Net Book Value</b>						
At 31 March 2020	28,094	1,246	10,623	6,255	11	46,229
<b>At 31 March 2021</b>	<b>27,742</b>	<b>1,663</b>	<b>9,320</b>	<b>6,793</b>	<b>6</b>	<b>45,524</b>

The value of freehold land within freehold land and buildings is £9.4m (2019/20: £9.4m).

An annual review is undertaken to determine any impairment in the market value of property assets. The impairment charge relates to seven care homes with deteriorating trading performances in the year and two offices. One care home previously impaired was reversed due to improvements in trading performance. Impairment charges and reversal of impairment provisions are recognised in the Statement of Financial Activities and are shown separately in note 3 as impairment of assets.

## 10. Fixed Asset Investments

	2021 £	2020 £
Shares in subsidiary undertakings	100	100

The Trust owns issued share capital of the following company incorporated and registered in England:

Company	Registered office	Type of share	% held	Principal activity
Fosse Way Care Developments Ltd	1 Des Roches Square, Witney, OX28 4BE	Ordinary £1	100%	Dormant

The Trust's also owns a 50% interest in the joint ventures, Gloucestershire Care Partnership (GCP) and Oxfordshire Care Partnership (OCP). The current cost of investment of £250,000 in GCP was fully impaired in 2014/15. There is no investment in OCP.

Both GCP and OCP were established specifically for the transfer of the running of care homes from Gloucestershire County Council and Oxfordshire County Council respectively. The Trust undertakes the day to day running of the homes and the other joint venture party is responsible for major repairs and new build activities within each contract.

## 11. Stock

	2021 £	2020 £
Personal Protective Equipment	194	-
<b>Total</b>	<b>194</b>	<b>-</b>

## 12. Land Held for Sale

	2021 £'000	2020 £'000
Freehold land	1,297	1,297
<b>Total</b>	<b>1,297</b>	<b>1,297</b>

The Trust owns land at Semington in Wiltshire (£1.3m). The asset will not be utilised by the Trust and is expected to be sold.

In accordance with the Trust's accounting policy, no depreciation has been charged on any of this land.



### 13. Debtors: Amounts Due Within One Year

	2021 £'000	2020 £'000
Resident & services contributions	8,467	6,602
Other debtors and accrued income	2,784	3,337
Prepayments	1,976	2,067
<b>Total</b>	<b>13,227</b>	<b>12,006</b>

Resident & services contributions includes a provision for bad and doubtful debts of £1.8m (2020: £1.1m)

### 14. Cash and Equivalents

	As at 31 March 2020 £'000	Cash Flow £'000	As at 31 March 2021 £'000
Cash at bank and in hand	2,634	5,365	7,999
Short term deposits	9,563	(3,035)	6,528
	<b>12,197</b>	<b>2,330</b>	<b>14,527</b>

Balances held on short term deposit at the period end were:

	2021 £'000	2020 £'000
Barclays	6,528	9,563
<b>Total</b>	<b>6,528</b>	<b>9,563</b>

### 15. Creditors: Amounts Falling Due Within One Year

	2021 £'000	2020 £'000
Bank loans	61	50
Trade creditors	5,432	4,061
Tax and social security costs	2,972	1,597
Accruals	6,533	6,165
Deferred income	1,407	1,174
Other creditors	5,849	5,825
<b>Total</b>	<b>(22,254)</b>	<b>(18,872)</b>

Deferred income as at 31 March 2021 comprises income received from Local Authorities for care services in which an invoice has not yet been raised or where the invoice period is not co-terminous with the year end. Also included is non-care income received by the Trust which relates to the next financial year.

### 15. Creditors: Amounts Falling Due Within One Year (Continued)

Deferred income is analysed as follows:

	2021 £'000	2020 £'000
Deferred income as at 1 April 2020	1,174	1,085
Amounts released during the year	(1,174)	(1,085)
Amounts deferred during the year	1,407	1,174
<b>Deferred income as at 31 March 2021</b>	<b>1,407</b>	<b>1,174</b>

### 16. Creditors: Amounts Falling Due After One Year

	2021 £'000	2020 £'000
Bank Loan	761	823
<b>Total</b>	<b>761</b>	<b>823</b>
<b>Bank Loan Analysis</b>		
<b>Instalments due:</b>		
1 to 2 years	119	61
2 to 5 years	587	497
After 5 years	55	265
<b>Total</b>	<b>761</b>	<b>823</b>

Loans are stated after the deduction of £150,492 (2020: £249,116) of loan issue costs which are amortised over the expected life of the loan.

In 2001 a long-term loan of £2.65m was used to acquire the freeholds of seven Lincolnshire homes. The loan is secured on two of the homes and bears a fixed interest rate of 6.84%. Repayments are being made by the Trust in 100 instalments, payable over 25 years, which commenced on 1 July 2001. As at 31 March 2021, the net book value of the properties on which the loan is secured amounted to £0.7m (2020: £0.7m).

In November 2017 a £25m revolving credit facility was agreed to meet the general corporate and working capital purposes of the Trust. The facility is secured on twelve mature homes, two newly opened homes and one plot of land and bears a variable interest rate of 2.15% above LIBOR. The Trust can repay the facility in minimum amounts of £1m at any time with the final repayment due November 2022. As at 31 March 2021, the net book value of the properties on which the facility was secured amounted to £27.3m (2020: £27.8m). The facility has not been drawn upon during the year.

At 31 March 2021 the Trust had undrawn loan facilities of £25m, (2020: undrawn loan facilities of £25m.)

## 17. Reconciliation of Funds

Reconciliation of changes and recognised gains and losses for the period.

	At 1 April 2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	At 31 March 2021 £'000
<b>Restricted funds:</b>						
Refurbishment Fund	203	77	(102)	(8)	-	170
Community Circles	-	3	(3)	-	-	-
COVID-19 Sustainability Fund	-	2,457	(2,457)	-	-	-
COVID-19 Infection Control Fund 1	-	3,603	(3,603)	-	-	-
COVID-19 Infection Control Fund 2	-	2,812	(2,812)	-	-	-
COVID-19 Loss of Income Fund	-	321	(321)	-	-	-
COVID-19 Rapid Testing Fund	-	795	(795)	-	-	-
Vivaldi Antibody Study	-	102	(102)	-	-	-
Barclays 100x100 UK COVID-19 Community Relief Fund	-	100	(100)	-	-	-
Global fund for Forgotten People COVID-19 Response	-	17	(17)	-	-	-
<b>Total restricted funds</b>	<b>203</b>	<b>10,287</b>	<b>(10,312)</b>	<b>(8)</b>	<b>-</b>	<b>170</b>
<b>Unrestricted funds:</b>						
General funds	52,614	132,324	(133,096)	8	159	52,009
Pension reserve	(1,411)	-	-	-	(947)	(2,358)
<b>Total unrestricted funds</b>	<b>51,203</b>	<b>132,324</b>	<b>(133,096)</b>	<b>8</b>	<b>(788)</b>	<b>49,651</b>
<b>Total funds</b>	<b>51,406</b>	<b>142,611</b>	<b>(143,408)</b>	<b>-</b>	<b>(788)</b>	<b>49,821</b>

	At 1 April 2019 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	At 31 March 2020 £'000
<b>Restricted funds:</b>						
Refurbishment Fund	37	178	(6)	(6)	-	203
Keep the music going	-	7	(7)	-	-	-
Community Circles	-	6	(6)	-	-	-
<b>Total restricted funds</b>	<b>37</b>	<b>191</b>	<b>(19)</b>	<b>(6)</b>	<b>-</b>	<b>203</b>
<b>Unrestricted funds:</b>						
General funds	51,461	137,076	(135,547)	6	(382)	52,614
Pension reserve	(2,287)	-	-	-	876	(1,411)
<b>Total unrestricted funds</b>	<b>49,174</b>	<b>137,076</b>	<b>(135,547)</b>	<b>6</b>	<b>494</b>	<b>51,203</b>
<b>Total funds</b>	<b>49,211</b>	<b>137,267</b>	<b>(135,566)</b>	<b>-</b>	<b>494</b>	<b>51,406</b>

Restricted funds are grants and local authority funding given for specific purposes.

- Local authority funding has been received for minor refurbishments to care homes. The transfer of £8,000 (2020: £6,000) relates to the depreciation of minor refurbishment costs capitalised in previous years.
- Grant received from Community Circles, which has been used to fund a volunteer co-ordinator.
- The five COVID-19 funds represent funding received from the Government to support the Trust during the COVID-19 pandemic. Each fund is shown separately to match the conditions attached to that fund.
- Grant received from UCL for the Vivaldi Antibody Study, has been used to fund the additional costs to the Trust to take part in the study.
- The Trust gratefully received a £100,000 grant from Barclays Bank PLC in order to fund the purchase of iPads for the use of the residents in the Trust's homes.
- An additional grant was received from the Global Fund for Forgotten People, which was used to fund video conferencing costs to keep the Trust's residents connected to their loved ones.
- Grant received in the previous year from Comic Relief, has been used to fund the 'Keep the Music Going' project.

	2021			2020		
Analysis of assets and liabilities between funds	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds £'000
Intangible fixed assets	425	-	425	783	-	783
Tangible fixed assets – minor refurbishments	-	170	170	-	203	203
Tangible fixed assets – other	45,354	-	45,354	46,026	-	46,026
Investments	-	-	-	-	-	-
<b>Fixed assets</b>	<b>45,779</b>	<b>170</b>	<b>45,949</b>	<b>46,809</b>	<b>203</b>	<b>47,012</b>
Current assets	29,245	-	29,245	25,500	-	25,500
Current liabilities	(22,254)	-	(22,254)	(18,872)	-	(18,872)
Long term liabilities	(761)	-	(761)	(823)	-	(823)
Defined benefit pension scheme deficit	(2,358)	-	(2,358)	(1,411)	-	(1,411)
<b>Net assets</b>	<b>49,651</b>	<b>170</b>	<b>49,821</b>	<b>51,203</b>	<b>203</b>	<b>51,406</b>



## 18. Operating Lease Commitments

As at 31 March 2021, the Trust had total rental commitments as follows:

	2021 £'000	2020 £'000
<b>Land and buildings</b>		
Due within 1 year	4,941	5,102
Due within 1–5 years	18,961	20,218
Due in more than 5 years	116,850	121,144
	<b>140,752</b>	<b>146,464</b>
<b>Motor vehicles</b>		
Due within 1 year	23	28
Due within 1–5 years	27	18
	<b>50</b>	<b>46</b>
<b>Plant and machinery</b>		
Due within 1 year	121	143
Due within 1–5 years	315	436
	<b>436</b>	<b>579</b>

**Note:** Land and buildings under non-cancellable operating leases

## 19. Capital Commitments

The Trust had capital commitments for assets under construction of £357,000 (2020: £0).

## 20. Pension Schemes

The Trust contributes to several pension schemes.

A number are defined contribution pension schemes on a money purchase basis at fixed rates. Consequently, the Trust has no contingent liability in respect of these schemes.

The Trust is an admitted member of sub-funds of the Local Government Pension Schemes (LGPS) operated by Wiltshire Council, and Gloucestershire County Council, both of which are defined benefit schemes. Contributions are set by the independent qualified Actuary appointed by the Councils, based on triennial valuations using the "Projected Unit Method" of valuation. The last valuation for all the schemes was dated 31 March 2021.

The Trust holds group life policies for the benefit of employees and their dependants, the cost of which is borne by the Trust alone.

	2021 £'000	2020 £'000
LGPS – Gloucestershire and Wiltshire	246	293
Contributions to other schemes	1,904	1,900
<b>Total costs</b>	<b>2,150</b>	<b>2,193</b>

These amounts are charged to charitable activities in the Statement of Financial Activities.

Amounts outstanding at the end of the year in respect of the Gloucestershire and Wiltshire LGPS pension schemes amounted to £72,434 and £25,696 respectively. The amount outstanding in respect of the other schemes was £4,044,491.



## Balance Sheet Summary:

	2021 £'000	2020 £'000
<b>Pension Fund liability as at 1 April 2020</b>	<b>(1,411)</b>	<b>(2,287)</b>
Current service cost less contributions	(126)	453
Past service cost	-	(21)
Other finance cost	(33)	(50)
Actuarial gain	(788)	494
<b>Pension Fund liability as at 31 March 2021</b>	<b>(2,358)</b>	<b>(1,411)</b>

## The Gloucestershire and Wiltshire LGPS Schemes

Summary of key actuarial assumptions within the Gloucestershire and Wiltshire LGPS (The Orders of St John Care Trust share of fund).

A full actuarial valuation of the scheme was carried out as at 31 March 2020 and updated to 31 March 2021 by a qualified independent Actuary, appointed by the relevant Gloucestershire or Wiltshire LGPS pension scheme. The major assumptions used by the Actuary were as follows:

	Gloucestershire		Wiltshire	
	2021 % p.a	2020 % p.a	2021 % p.a	2020 % p.a
Pension increase rate	2.85%	2.0%	2.85%	2.0%
Salary increase rate	3.15%	2.3%	3.25%	2.4%
Discount rate	1.95%	2.3%	1.95%	2.3%

The pension increase rate is set in line with Consumer Price Index (CPI) assumptions.

The salary increase rate is set relative to the derived CPI assumption at the year end using the same methodology as the Fund's most recent funding valuation.

The discount rate is determined by reference to market yields on high quality corporate bonds at the reporting date.

## Mortality

Life expectancy is based on the Fund's VitaCurves with improvements in line with CMI 2020 model, with a 0% weighting of 2020 data, standard smoothing (Sk7), initial adjustment of 0.5% and a long term rate of improvement of 1.5% p.a. Based on these assumptions, the average future life expectancies at age 65 are summarised below:

	Gloucestershire		Wiltshire	
	Males	Females	Males	Females
Current Pensioners	21.9 years	24.3 years	21.9 years	24.4 years
Future Pensioners*	22.9 years	26.0 years	22.9 years	26.2 years

**Note:** \*Figures assume members aged 45 as at the last formal valuation date.

## Historic mortality

Life expectancy for the prior periods are based on the Fund's VitaCurves. The allowance for future life expectancy is in the following table:

Year End	Prospective Pensioners	Pensioners
<b>31 March 2021</b>	CMI 2018 model assuming the current rate of improvements has peaked and will converge to a long term rate of 1.25% p.	CMI 2018 model assuming the current rate of improvements has peaked and will converge to a long term rate of 1.25% p.a.
<b>31 March 2020</b>	CMI 2013 model assuming the current rate of improvements has peaked and will converge to a long term rate of 1.25% p.a.	CMI 2013 model assuming the current rate of improvements has peaked and will converge to a long term rate of 1.25% p.a.

## Commutation

### Gloucestershire:

An allowance is included for future retirements to elect to take 35% of the maximum additional tax-free cash up to HMRC limits for pre-April 2008 service and 68% of the maximum tax-free cash for post April 2008 service.

### Wiltshire:

An allowance is included for future retirements to elect to take 50% of the maximum additional tax-free cash up to HMRC limits for pre-April 2008 service and 75% of the maximum tax-free cash for post April 2008 service.



## Balance Sheet and Statement of Financial Activities disclosure as at 31 March 2021.

### Changes in the Fair Value of Plan Assets, Defined Obligation, and net Liability for the year end 31 March 2021.

Gloucestershire LGPS Scheme	2021			2020		
	Assets £'000	Obligations £'000	Net asset / (liability) £'000	Assets £'000	Obligations £'000	Net asset / (liability) £'000
Fair value of plan assets	8,848	-	8,848	9,794	-	9,794
Present value of funded liabilities	-	8,808	(8,808)	-	9,710	(9,710)
<b>Opening position as at 31 March 2020</b>	<b>8,848</b>	<b>8,808</b>	<b>40</b>	<b>9,794</b>	<b>9,710</b>	<b>84</b>
<b>Service cost</b>						
Current service cost	-	79	(79)	-	111	(111)
Past service cost (including curtailments)	-	-	-	-	27	(27)
<b>Total service cost</b>	<b>-</b>	<b>79</b>	<b>(79)</b>	<b>-</b>	<b>138</b>	<b>(138)</b>
<b>Net interest</b>						
Interest income on plan assets	200	-	200	231	-	231
Interest cost on defined obligation	-	199	(199)	-	232	(232)
<b>Total net interest</b>	<b>200</b>	<b>199</b>	<b>1</b>	<b>231</b>	<b>232</b>	<b>(1)</b>
<b>Total defined cost recognised in Statement of Financial Activities</b>	<b>200</b>	<b>278</b>	<b>(78)</b>	<b>231</b>	<b>370</b>	<b>(139)</b>
<b>Cashflows</b>						
Plan participants' contributions	13	13	-	15	15	-
Employer contributions	60	-	60	93	-	93
Benefits paid	(356)	(356)	-	(335)	(335)	-
<b>Expected closing position</b>	<b>8,765</b>	<b>8,743</b>	<b>22</b>	<b>9,798</b>	<b>9,760</b>	<b>38</b>
<b>Remeasurement</b>						
Changes in financial assumptions	-	1,462	(1,462)	-	(467)	467
Changes in demographic assumptions	-	121	(121)	-	(322)	322
Other experience	-	(111)	111	-	(163)	163
Return on assets excluding amounts included in net interest	2,101	-	2,101	(950)	-	(950)
<b>Total remeasurements recognised in other gains and losses</b>	<b>2,101</b>	<b>1,472</b>	<b>629</b>	<b>(950)</b>	<b>(952)</b>	<b>2</b>
Fair value of plan assets	10,866	-	10,866	8,848	-	8,848
Present value of funded liabilities	-	10,215	(10,215)	-	8,808	(8,808)
<b>Closing position as at 31 March 2021</b>	<b>10,866</b>	<b>10,215</b>	<b>651</b>	<b>8,848</b>	<b>8,808</b>	<b>40</b>

The surplus on the Gloucestershire LGPS scheme of £651,000 has not been recognised on the balance sheet as it is not deemed to be recoverable.

## Gloucestershire

The actual return on plan assets was a gain of £2,413,000 (2020: loss of £719,000).

An estimate of the employer's contribution for the year ended 31 March 2022 will be approximately £60,000.

### Information about the defined benefit obligation

	Liability split £'000 as at 31 March 2021	Liability split % as at 31 March 2021	Weighted Average Duration at Previous Formal Valuation
Active members	2,459	24.0%	15.4
Deferred members	2,897	28.4%	19.6
Pensioners members	4,859	47.6%	11.0
<b>Total</b>	<b>10,215</b>	<b>100%</b>	<b>14.3</b>

### Sensitivity analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions at year ended 31 Mar 2021	Approximate % increase to Employer Liability	Approximate monetary amount £'000
0.5% decrease in Real Discount Rate	7%	699
0.5% increase in the Salary Increase Rate	0%	5
0.5% increase in the Pension Increase Rate (CPI)	7%	684

### Major class of plan assets

The plan's assets are split into the following categories as at the 31 March 2021:

Period ended	31 March 2021	31 March 2020
Equities	70%	64%
Bonds	20%	26%
Property	7%	9%
Cash	3%	1%

## Changes in the Fair Value of Plan Assets, Defined Obligation and Net Liability for the year end 31 March 2021

Wiltshire LGPS Scheme	2021			2020		
	Assets £'000	Obligations £'000	Net (liability) / asset £'000	Assets £'000	Obligations £'000	Net (liability) / asset £'000
Fair value of plan assets	18,669	-	18,669	19,691	-	19,691
Present value of funded liabilities	-	20,080	(20,080)	-	21,978	(21,978)
<b>Opening Position as at 31 March 2020</b>	<b>18,669</b>	<b>20,080</b>	<b>(1,411)</b>	<b>19,691</b>	<b>21,978</b>	<b>(2,287)</b>
<b>Service cost</b>						
Current service cost	-	167	(167)	-	182	(182)
Past service cost	-	-	-	-	70	(70)
<b>Total service cost</b>	<b>-</b>	<b>167</b>	<b>(167)</b>	<b>-</b>	<b>252</b>	<b>(252)</b>
<b>Net interest</b>						
Interest income on plan assets	419	-	419	473	-	473
Interest cost on defined obligation	-	453	(453)	-	523	(523)
<b>Total net interest</b>	<b>419</b>	<b>453</b>	<b>(34)</b>	<b>473</b>	<b>523</b>	<b>(50)</b>
<b>Total defined cost recognised in Statement of Financial Activities</b>	<b>419</b>	<b>620</b>	<b>(201)</b>	<b>473</b>	<b>775</b>	<b>(302)</b>
<b>Cashflows</b>						
Plan participants' contributions	27	27	-	25	25	-
Employer contributions	60	-	60	653	-	653
Benefits paid	(959)	(959)	-	(801)	(801)	-
<b>Expected closing position</b>	<b>18,216</b>	<b>19,768</b>	<b>(1,552)</b>	<b>20,041</b>	<b>21,977</b>	<b>(1,936)</b>
<b>Remeasurements</b>						
Changes in assumptions	-	3,527	(3,527)	-	(1,699)	1,699
Changes in demographic assumptions	-	299	(299)	-	(234)	234
Other experience	-	(261)	261	-	-	-
Return on assets excluding amounts included in net interest	2,759	-	2,759	(1,408)	-	(1,408)
<b>Total remeasurements recognised in other gains and losses</b>	<b>2,759</b>	<b>3,565</b>	<b>(806)</b>	<b>(1,408)</b>	<b>(1,933)</b>	<b>525</b>
Fair value of plan assets	20,975	-	20,975	18,633	-	18,633
Present value of funded liabilities	-	23,333	(23,333)	-	20,044	(20,044)
<b>Closing position as at 31 March 2021</b>	<b>20,975</b>	<b>23,333</b>	<b>(2,358)</b>	<b>18,633</b>	<b>20,044</b>	<b>(1,411)</b>

These amounts are charged to charitable activities and governance costs in the Statement of Financial Activities.

## Wiltshire

The actual return on plan assets was a gain of £3,178,000 (2020: loss of £935,000).

An estimate of the employer's contribution for the year ended 31 March 2022 will be approximately £nil.

## Information about the defined benefit obligation

	Liability split £'000 as at 31 March 2021	Liability split % as at 31 March 2021	Weighted Average Duration at Previous Formal Valuation
Active members	4,264	18.3%	15.4
Deferred members	6,498	27.8%	19.6
Pensioners members	12,571	53.9%	11.0
<b>Total</b>	<b>23,333</b>	<b>100%</b>	<b>14.3</b>

## Sensitivity analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions at year ended 31 March 2021	Approximate % increase to Employer Liability	Approximate monetary amount £'000
0.5% decrease in Real Discount Rate	7%	1,713
0.5% increase in the Salary Increase Rate	0%	72
0.5% increase in the Pension Increase Rate (CPI)	7%	1,612

## Major class of plan assets

The plan's assets are split into the following categories as at the 31 March 2021:

Period ended	31 March 2021	31 March 2020
Equities	56%	58%
Bonds	32%	29%
Property	12%	12%
Cash	0%	1%





## 21. Financial Instruments

Financial instruments measured at amortised cost comprise the loan financing provided by Barclays Bank PLC to the Trust.

	2021 £'000	2020 £'000
<b>Financial assets that are debt instruments measured at amortised cost:</b>		
Trade and other debtors	8,467	6,602
Cash at bank and in hand	7,999	2,634
Short term deposits	6,528	9,563
	<b>22,994</b>	<b>18,799</b>
<b>Financial liabilities measured at amortised cost:</b>		
Trade and other creditors	14,253	11,483
Bank loans	822	873
<b>Total</b>	<b>15,075</b>	<b>12,356</b>

The loan financing is in the form of a secured loan with a fixed interest rate. Refer to the risk management section of the Trustees' report for information as to how this risk is managed.

The Trust does not have any financial assets that are equity instruments.

## 22. Related Parties

On 20 December 2001, the Trust entered into a joint venture agreement, the Oxfordshire Care Partnership (OCP), in which the Trust holds a 50% interest. The other party in the joint venture is bpha, which holds the remaining 50% interest. The joint venture is managed through a Board of Management on which both parties are equally represented.

On 1 May 2005, the Trust entered into a joint venture agreement, the Gloucestershire Care Partnership (GCP), in which the Trust holds a 50% interest. The other party in the joint venture is bpha, which holds the remaining 50% interest. The joint venture is managed through a Board of Management on which both parties are equally represented.

The OCP and GCP principal activities are the provision of care to elderly people through the provision of Care Homes and to provide housing, accommodation and assistance to help people who are elderly or disabled and associated facilities and amenities for such people.

A summary of the financial position of both entities is set out below:

	OCP		GCP	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Net (deficit)/income	(126)	(150)	33	(53)
Net assets/(liabilities)	3,580	3,706	(716)	(749)

## Related party transactions

	2021 £'000	2020 £'000
<b>The income and expenditure account includes the following transactions between the Trust and OCP:</b>		
Income:		
from charitable activities	17,630	16,863
Other income	123	124
	<b>17,753</b>	<b>16,987</b>

### The amounts due to or from OCP at the year end are:

Receivable:		
Other debtors	23	14
	<b>23</b>	<b>14</b>
Payable:		
Accruals	0	0
	<b>0</b>	<b>0</b>

### The income and expenditure account includes the following transactions between the Trust and GCP:

Income:		
from charitable activities	16,035	13,587
	<b>16,035</b>	<b>13,587</b>

### The amounts due to or from GCP at the year end are:

Receivable:		
Short term loan	250	250
Other debtors	464	373
	<b>464</b>	<b>623</b>
Payable:		
Accruals	0	1
	<b>0</b>	<b>1</b>

As detailed in Note 7, remuneration is being paid to the Chair of the Trustees. Apart from the Chair there were no other related party transactions with the Trustees or key management personnel as at 31 March 2021 (2020: £nil).

# 11 Reference and Administrative Details

## Director/Trustees

Mark Everall (appointed 7 July 2020)  
 Anne de Bono  
 Timothy Church  
 Richard Fitzalan Howard  
 Jill Hughes (retired 23 September 2020)  
 Graham Hutton  
 James Kneller (appointed 23 September 2020)  
 James Macnamara  
 Jill Manthorpe  
 Richard Milligan-Manby (appointed 23 September 2020)  
 Millie Wentworth-Stanley  
 Don Wood, CBE (retired 23 September 2020)  
 Judith Wright

## Chief Executive's Team

Dan Hayes – Chief Executive  
 Kerry Dearden – Deputy Chief Executive  
 Robert Black – Care Quality Director  
 Sue Lane – HR Director (resigned 30 September 2020)  
 Tracey Wardle – Finance and IT Director  
 Mike Stredder – Operations Director (appointed 14 September 2020)  
 Jacqui Roynon – Director of People (appointed 8 February 2021)

## Company Secretary

Joanna Downing

## Auditor

BDO LLP, Two Snow Hill, Birmingham B4 6GA

## Bankers

Barclays Bank PLC, One Snow Hill Birmingham B3 2WN

## Registered Office

1 Des Roches Square, Witney, Oxfordshire OX28 4BE





**The Orders of St John Care Trust**

Tel: 0800 988 8133 | Website: [www.osjct.co.uk](http://www.osjct.co.uk)

Reg. Charity No: 1048355 Reg. Company No: 03073089

Company limited by Guarantee Registered in England & Wales

