



Report and financial statements

For the year ending 30 September 2024

The Nuffield Trust for Research and Policy Studies in Health Services (formerly The Nuffield Health and Social Services Fund) is a company limited by guarantee, registered in England and Wales as company number 00382452. It is registered with the Charity Commission for England and Wales as charity number 209169.

Patron

Her Royal Highness The Princess Royal

Registered office

59 New Cavendish Street, London, W1G 7LP.

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Board of trustees

Professor Martin Marshall (**Chair**)

Rupert Hill (**Chair of Finance Committee**)

Irshaad Ahmad

Tara Donnelly (**SID***)

Dr Bob Klaber (appointed Dec '23)

Sonja Marjanovic

Graham Martin (appointed Dec '23)

Dr Crystal Oldman (appointed Dec '23)

Professor David Oliver

Samira Ben Omar

Dr Nnenna Osuji (appointed Dec '23)

Sarah Pickup

Martin Marshall is the Chair of the **Governance and Remuneration Committee**, the other members are Rupert Hill, Tara Donnelly and Professor David Oliver.

Rupert Hill is the Chair of the **Finance Committee**. Other members are Martin Marshall, Irshaad Ahmad, and Sarah Pickup.

The Senior Independent Director (**SID**) is appointed by the Board. Further information regarding this role can be found on page 34.

Company secretary
Ben Willbond

Senior staff

Thea Stein, Chief Executive (K)
Helen Buckingham, Director of Strategy
(Leaver Apr 2024) (K)
Leonora Merry, Director of Communications
(K)
Dr Rebecca Fisher, Director of Research and
Policy (Appointed Jul 2024) (K)
Sarah Scobie, Deputy Director of Research
(K as Acting Director May 2023–Jul 2024)
Ben Willbond, Director of Finance
and Operations (K)
Rowan Dennison, Deputy Director of
Communications
Natasha Curry, Deputy Director of Policy

(K) denotes Key Management Personnel,
as defined by the Charities SORP (FRS 102).

Auditors

Sayer Vincent LLP, 110 Golden Lane,
London EC1Y 0TG

Bankers

CCLA, 80 Cheapside, London EC2V 6DZ
Coutts & Co, 440 Strand, London WC2R 0QS

Investment managers

Sarasin & Partners LLP, Juxon House,
100 St Paul's Churchyard, London EC4M 8BU

Legal advisers

Stone King LLP, 91 Charterhouse Street,
London EC1M 6HR

Charity number 209169

Senior associates and visiting fellows

John Appleby
Cono Ariti
Professor Sir Nick Black
Professor Richard Bohmer
Helen Buckingham
Dr Ronny Cheung
Richard Darch
Nigel Edwards
Professor Deirdre Heenan
Fiona Johnson
Sharon Lamb
Professor Alison Leary
Dr Richard Lewis
Professor Nicholas Mays
Dr Nadeem Moghal
Anne Marie Rafferty DBE
Veena Raleigh
Jonty Roland
Professor Judith Smith
Dr David Steel OBE
Nicholas Timmins

Trustees' annual report

The Trustees present their report and the financial statements of the charity for the year ending 30 September 2024. The Trustees have prepared the financial statements in accordance with *Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounting in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) – Charities SORP (FRS102)* 2nd Edition and the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a director's report as required under company law.

The charitable objectives of The Nuffield Trust for Research and Policy Studies in Health Services (the Trust) are to promote, carry out or advance any charitable objects, and in particular the prevention or relief of sickness and the advancement of the health of the people of the United Kingdom, in particular through the promotion of improvements in the quality of health care and health policy.

Our 2022–2025 strategy contains the following statement of intent that guides all of our work:

The Nuffield Trust is an independent health think tank. We aim to help achieve a high-quality health and social care system that improves the health and care of people in the UK by providing evidence-based research and policy analysis and informing and generating debate.

We set out to do this by:

- improving the evidence base that leads to better care by undertaking rigorous applied research and policy analysis;
- using our independence to provide expert commentary, analysis and scrutiny of policy and practice; and
- bringing together policy-makers, practitioners and others to develop solutions to the challenges facing the health and social care system.

In everything we do we seek to be grounded in the practical implications of policy-making, working closely with NHS staff and policy-makers to identify solutions to real problems that affect how health and care services are delivered and the outcomes they achieve. Above all, we aim to be a trusted and respected voice at a time of unprecedented challenge to the NHS and social care system.

We strive to be:

- independent and free from vested interests;
- rigorous, robust and evidence-based in the work we undertake;
- relevant, supportive but also challenging when we need to be;
- open and engaging with all those we come into contact with; and
- an organisation that makes a difference to the quality of policy-making and practice in the UK.

Foreword from Prof Martin Marshall, Chair

The NHS and social care systems in the UK have always been mired in politics, though by any standards the impact of these politics over the past year has been exceptional. The consequences of the general election, industrial action, multiple inquiries and critical commentaries have been felt hard by systems under extreme financial pressure, struggling to meet need and demand, and with established ways of working under scrutiny like never before.

A new government brings an opportunity to think and act differently. When the new Secretary of State for Health and Social Care framed the NHS as ‘broken’, he sent a strong message to the public and those who provide and manage services. But the opportunity will only be realised if the message is followed by a substantive political commitment to fix the bad parts and not apply sticking plasters to, or throw away, the good ones. The challenges facing the new government and all stakeholders are daunting.

This is where the work of the Nuffield Trust over the past year has been so important. Our mission is to improve the health and care of people in the UK by promoting solutions

which are independent and free from vested interests, which are robust and based on the best possible research evidence and analysis, and which are innovative and challenging. We celebrate success and constructively challenge failure, presenting solutions in ways that generate debate and build consensus amongst stakeholders.

Over the past year we have made innovative contributions to long established, high profile policy challenges – funding, productivity, access and workforce. We have also used our independence to shine a light on issues which have traditionally had a lower profile, such as the collapse of NHS dentistry, the variable quality of end-of-life care and the challenges for the service of understanding and managing neurodiversity.

On behalf of the Board of Trustees I would like to thank all of our staff for their commitment and achievements over the last year. We are fortunate to attract the best people in their fields and under the inspiring leadership of Thea Stein, our Chief Executive, the Board is confident that over the next year the Nuffield Trust will continue to flourish and make a difference.

Foreword from Thea Stein, Chief Executive

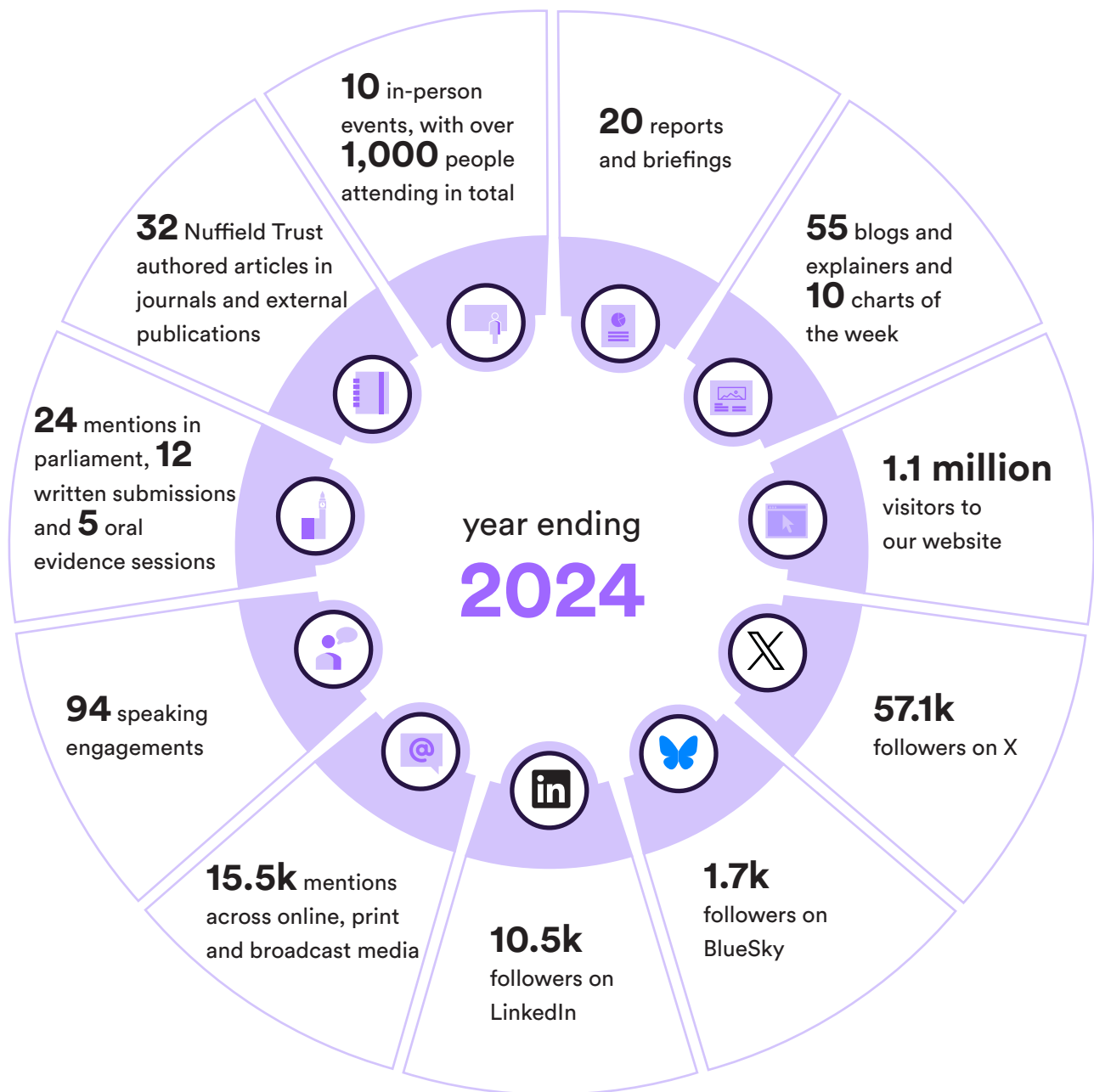
It has been a huge privilege to lead the Nuffield Trust during the last year. There has rarely been a more important time to be in an organisation that has the potential to influence health and social care across the four countries and, as the Chair has outlined, we have worked with focus and determination to do that.

Our work has been used by clinicians, by leaders in front line trusts and by ICBs, as well as at the highest levels of government to shape policy and to challenge thinking – and that is of critical importance to us. We are not corridor chatterers; we do not want to stand on the side lines making commentary but to be at the heart of thinking and debate shaping the future of health and care.

We have also spent some of the year looking at ourselves and ensuring that we are fit for the future. We have worked on a new strategy to launch in 2025, reflected on and refreshed our values and our commitment to EDI, both of which are key drivers to how we work. And we have been delighted to welcome Dr Rebecca Fisher to the role of Director of Research and Policy during the past year and new Trustees to the Board.

The last year was one in which staff across the organisation have produced a range of excellent work which our comms team has ensured has been in the public eye and in front of decision makers. It is always hard in a think tank to judge a ‘good year’, nevertheless, in terms of all our metrics of impact – the conversations we have sparked, the debates had, the directional impact at all levels – it has been a very strong year.

The Nuffield Trust's year in numbers



1. Our strategic objectives

The Nuffield Trust works to promote improvements in the quality of health care and health policy. In so doing, it seeks to improve patient care and health for all members of the public. All our charitable activities focus on health care policy and practice and are undertaken to further our charitable purpose for the public's benefit.

Our strategy to 2025 specifies three clear objectives for our work in pursuit of this public benefit:

- 1 To influence policy and practice by generating and synthesising information on health and social care that can facilitate both better policy and better practice.
- 2 To challenge and support those involved in planning and delivering health care to think more creatively and innovatively about how to adapt and redesign services to meet changing patient needs.

- 3 To provide information on the evidence, statistics, facts and research that politicians and policy makers use in their interventions in the health and care system in the UK.

These objectives have framed both the work we have undertaken (our activity) and the impact we have generated. We are currently developing our next five year strategy for 2025–2030.

2. Our activity across the year

The work programme through which we are delivering our corporate objectives has four priority areas: quality and equity; service delivery; innovation; and politics, funding and reform. This section outlines some of the key activities in each of these four work programmes – it is not a comprehensive list of every output or activity.

a. Quality and equity

Our QualityWatch project, a Nuffield Trust and Health Foundation work programme providing independent scrutiny into how the quality of health and social care is changing over time, and part-funded by The Health Foundation, is a key component of our work in this area. We secured a further two year extension to this programme, providing both in-depth and snapshot content to monitor the quality of health and social care. The programme has published regular updates on trends in the quality of care in different areas, including suicide in mental health service users, A&E waiting times, cancelled operations and safety culture in the NHS as well as many others. In April

this year we published our **QualityWatch Annual Statement**, presented as an interactive scrolling data story, which focused on whether cancer diagnosis is veering off course.

We have developed a more prominent voice on issues around autism and ADHD. Our QualityWatch analysis and commentary on autism and ADHD waits got extensive pick up across different commentary outlets and a front-page mention, as well as landing the attention of senior people at NHS England. Our most recent **report** on prisoner health research, funded by the Health Foundation, showed that missed appointments and admissions relating to violent incidents or self-harm are far more common among younger people in prisons, while support within the system for people with neurodivergent conditions remains a concern, with diagnoses of ADHD associated with higher hospital admissions for violence among young adult males.

We published a report on access to prevention, diagnosis and treatment for

people with a learning disability. We looked at a set of five key preventive health care services and functions to understand whether they are working as they should for people with a learning disability. This project presented an opportunity for us to establish a greater presence and stronger links in this field and we were delighted to secure an interview for our website with CBeebies presenter George Webster, who has Down's syndrome, reflecting on our work.

As part of a role in collaborating with the NHS and other health partners on behalf of all Londoners, the Mayor of London developed six tests to apply to major health care transformation and reconfiguration programmes in the capital. The Nuffield Trust has been involved in supporting the development of these tests, and the Mayor commissioned the Nuffield Trust to undertake a review of proposals by North Central London Integrated Care Board to consolidate maternity and neonatal care services within its geographic area. Our **report** set out our assessment of those proposals against the first four of the Mayor's tests.

We have built on our inequalities work through many different approaches. We were asked by the CQC to run a survey of ICBs to find out what approaches they are

taking to tackling health inequalities and to understand the challenges they face. This will feed into the CQC's annual State of Care report. We have also written multiple blogs across the year addressing different issues, **reflecting** that there are no easy answers to questions about prioritising scarce health care resources, and discussing **inequalities** in midwifery continuity of care during pregnancy. We started planning a roundtable, with support from NHS England, with the aim of identifying actions the NHS could take to improve children's oral health and to tackle seemingly intractable health inequalities in health care and access to health services. This will take place in early 2025.

Improvements in infant mortality rates in England have stalled since 2014, but our understanding of what is driving these trends and the part environmental factors might play remains limited. We published an **analysis** which applied a novel methodology to assess how local authority characteristics were associated with different rates of infant mortality in England in 2017, to support better local decision-making and the development of targeted policies to tackle infant mortality.

Our portfolio of projects on end-of-life care, which aims to improve the evidence base for policy makers and local systems, continues

to grow, widening the audiences for our work beyond the end of life and palliative care community. We published a series of blogs on end of life care, focusing on the **primary and community services received by people who die at home; end of life care for people who die in a care home; and how hospital services are used at the end of life.** These were included in the president of the Royal College of General Practitioners' newsletter and NHS Confederation's newsletter to Integrated Care Systems and Primary Care Networks. This work has become even more salient as assisted dying legislation is being debated in both England and Scotland and we are well positioned to inform the debate about the impact of this policy on end of life care.

b. Service delivery

We have started a number of different workforce projects during the year, which are due to launch in late 2024: a long-read analysis of age, trend and cohort differences in past NHS staff survey results, to inform the debate and discussion on future of NHS workforce; a new report commissioned by NHS Employers which will outline the key lessons and challenges around the increasing use of 'emerging roles' in delivering NHS services; and a piece of work which aims to ensure reforms to education and training for

the nursing and midwifery profession are informed by the highest quality evidence and fit-for-purpose in the modern health and care system and to harness policy-relevant, international learning which is transferrable to the UK context, funded by the Nursing and Midwifery Council and working in partnership with the Florence Nightingale Foundation.

A continued focus of our workforce programme this year has been to present and analyse evidence on different elements of the health and social care workforce in order to inform policy and practice. We have done this through regular updates to our **NHS workforce in numbers** page, which provides facts on staffing and staff shortages in England and our **staffing tracker**, which monitors and analyses key workforce targets and trends.

This past year has seen industrial action stop for some sections of the NHS workforce. Consultants in England voted overwhelmingly in favour of the revised offer from the government. We published a **long read** which broke down the key elements of the agreement and the potential ramifications for NHS staff and the pay review process. Before reaching an agreement, junior doctors took further strike action over the summer as part of their ongoing

disagreement over pay, and we published a **Chart of the Week** on how junior doctors' pay has changed over time. Our Chart of the Week series has covered a number of other workforce issues such as **NHS nurse numbers, changing experience levels of NHS staff and variation in NHS earnings.**

Alongside disputes over pay, there has also been criticism of the process by which pay is set. We published a **long read** exploring how the pay-setting process works in a selection of different health systems across the world and whether there are any lessons for England.

Ahead of the election, we published a series of briefings, part funded by the Nuffield Foundation, which challenged the NHS and social care manifesto commitments of UK political parties. The first in our series looked at **NHS staffing**, setting out a series of policy 'tests' that the next government must meet to address some of the longstanding issues to attracting, training and retaining the mix of staff needed to meet the needs of the population.

Changing our services so that more care is provided in community settings and people can leave hospital when they are fit for discharge has been an explicit policy aim for decades. We have looked at these issues in a number of ways this year, including an

explainer on patient-initiated follow-up, which describes more about what it is, the problems it could solve, and what is known so far about how well it works. We also published a **QualityWatch long read** which looked at the causes of backlogs through urgent and emergency care; and the fourth in our election briefing series, which looked at waiting times for health care and seven tests that must be met.

c. Innovation

Our annual rapid evaluation **conference**, organised in partnership with the Health Foundation, returned again to an in-person event. This was the sixth year of the conference, bringing together representatives from the rapid evaluation community, including analysts, users and commissioners to explore the theme of evidence-based decisions when budgets are tight: rapid evaluation and knowledge mobilisation. The feedback from delegates was incredibly positive.

The Remote by Default research collaboration, an NIHR-funded project conducted by researchers from the Nuffield Trust, the University of Oxford and the University of Plymouth drew to a close this year, with a published **briefing** to summarise the key findings and actions

required now from government and the NHS in order to get the best out of the new world of remote and digital general practice. We held a parliamentary roundtable at the House of Commons to explore actions that parliamentarians and policy makers can take to protect and improve patient care following the dramatic shift to remote general practice. We also published a number of journal articles on different aspects of the project, including **patient safety, training and learning methods, and access and triage.**

Our joint bid with UCL and the University of Cambridge for a further five-year contract for our Rapid Service Evaluation Team (RSET) was successful. The new phase of work began at the end of 2023. We published a joint **blog** to discuss the effect of the project's work so far and why the role of rapid evaluations will be just as important in the future. Our NIHR funded Rapid Service Evaluation Team conducted a **mixed-methods evaluation** of patient-initiated follow-up (PIFU) outpatient services in the English NHS to understand how it's working and what impact it's having on health care systems and the staff and patients involved.

Ongoing evaluations include an evaluation of **maternity and neonatal independent senior advocates** and an evaluation of using **artificial intelligence in chest diagnostics for lung disease.**

d. Politics, funding and reform

As the NHS sought to negotiate for additional funding to cover the cost of strikes, we emphasised the importance of long-term and sustainable funding for health care. We held two highly successful party conference events in conjunction with the IFS entitled: *Can the Next Government Afford the NHS?* Both were very well attended, led to follow-up interest from media and provided an excellent opportunity for stakeholder engagement.

We also published a number of original analyses of the NHS finances, looking at **progress against the spending plans** set out in the NHS Long-Term Plan, **the size of the deficit this financial year, and the ten-year pattern of spending compared to plans.** The latter two formed the first instalment of our finance tracker, part of our Nuffield Foundation funded pre-election work. These have been well received by officials within the Treasury, Department of Health and Social Care and NHS England, as well as journalists and commentators.

We were successful in receiving funding from the Nuffield Foundation for a series of General Election briefings and factual outputs, with the aim of improving the understanding and use of evidence in health

and care policy at the election among both political parties and the public, and providing parties with evidence and the analysis that lets them offer voters relevant, well-grounded policies to address the widespread failures in health and social care. Although the election was called earlier than many expected, we had a plan in place to rapidly publish work planned for much later in the year. Between March and June, we published a series of four briefings on **staffing, social care, general practice and dentistry, and access to treatment**. The primary care briefing was considered by Labour's health team as they drew up their manifesto and the access briefing fed through into the Darzi review.

Our **analysis** of the financial plans of each political party prompted particularly high-profile coverage – it featured as a core part of BBC Political Editor Laura Kuenssberg's interview with Wes Streeting. We also published our **health and care finance tracker**, which tracks the NHS's financial health and puts it into context with recent spending and funding trends.

We launched a major new **policy briefing** on the state of NHS dentistry and future policy actions. Our warnings in the report that NHS dentistry is at its most perilous point in 75 years and that universal access was likely gone for good led to it becoming the Daily

Mail's full front-page story, with prominent coverage across all print and broadcast media. On the day of launch, Prime Minister Rishi Sunak was questioned on dentistry policy in response to our warnings at the House of Commons liaison committee. We continue to develop our thinking and analysis on NHS dentistry.

Each year we partner with The King's Fund to ascertain the views of the public on a range of health and care related issues, as part of the British Social Attitudes survey run by NatCen. Earlier this year we published the **latest BSA survey** which revealed record low levels of satisfaction with the health service. The report garnered a lot of attention and the stats included were widely quoted and used – including two newspaper front pages and a whole spread of broadcast coverage – and formed part of the pre-election debate on the NHS. This work plays a vital role in putting the patient and service user perspective at the centre of our work and adds further gravitas to the public voice.

Another major area of political and policy focus is on the vexed question of NHS productivity. We published a number of blogs on this theme – **why our conversations about productivity in the NHS are not very productive and what's getting in the way**, as well as a **keynote talk** on the subject of

productivity at our Annual Summit. These were well-received and have prompted several follow-up conversations, positioning the Nuffield Trust as a key player in what is a complex and developing area. We will continue to publish analysis and opinion on this important topic.

Continuing to build on our reputation for incisive commentary and analysis on the impact of Brexit as part of our project funded by the Health Foundation, we published a number of different resources: a new **report** which looks at key trends in the supply of products needed for health, the life sciences, migration and the health and care workforce; and a **guest blog** on medicine shortages.

We published an **explainer** on NHS Continuing Healthcare (CHC) – care funded by the NHS, but provided outside of hospital for people with significant ongoing care needs – which explains how eligibility for CHC is decided, what the data tells us about eligibility and access over time, and what the impact on individuals, carers and families can be. We have now embarked on **further work** on the topic, part funded by the Nuffield Foundation, to explore variation and inequalities in relation to CHC in more detail.

Over the summer we published a **report** on national policy options to improve care worker pay in England. This piece of work sought to critically assess the different options that have been proposed for addressing low pay among care workers; to describe how pay is currently set in adult social care; identify potential policy measures, and to assess the impact these policy options might have on improving care workers' pay. This has resulted in invitations to present the findings to the workforce DHSC team. Skills for Care used our typology of policy options to structure their own workforce strategy. Our research was covered exclusively in the Guardian.

We once again returned to our in-person Summit in March and the delegate feedback was incredibly positive, with high-profile speakers from policy, political and clinical spheres, including the Secretary of State for Health and Social Care and the Chief Medical Officer, as well as our own staff speaking in various capacities. The sessions were wide-ranging and timely, covering issues such as shifting attitudes and expectations over work, productivity, risk in health care, health care inequalities and the emerging role of AI.

This year we have been provided evidence and analysis for different inquiries. We held a special informative seminar for the Covid-19 Inquiry team, to explain the social care systems of the UK to them. The first module from the public inquiry was published in July, looking at the preparedness and resilience of the NHS as the pandemic broke. The report referenced our submission and oral evidence, and we continue to work alongside them as they embark upon modules on impacts on the NHS, as well as planning for the module on social care. We were commissioned by the Thirlwall inquiry to undertake an analysis of questionnaires sent to NHS organisations with neonatal units and provided a written report on our analysis to the Inquiry.

3. Our impact

The public benefit of our work can clearly be seen in its impact. We define and measure our impact in three ways:

- **the reach that we have** so that the public, policy makers and those involved in delivering health care are better informed about health and social care in the UK and what can be done to improve it – this is reflected, for example, in our broadcast and print media count.
- **the influence that we have** in informing politicians, policy makers and health and social care practitioners about thinking on health and social care through analysis, pointing out lessons from the past and proposals based on research on how policy and practice can be improved for the benefit of the public – this is evidenced, for example, by our presentations to parliamentary committees, civil servants and ministers, as well as NHS boards and groups of health and care managers.
- **changes in policy or practice that result from our work** – although this can be

hard to measure, with policy change often the result of multiple influences and the exact journey from our activity to impact often unclear.

Looking at our three strategic objectives in turn, we can highlight some real examples of impact – and public benefit – in 2023/24 in each of these categories. This section does not attempt to provide a comprehensive list of all the areas in which we have achieved impact but it aims to capture the highlights.

3.1 Impact on policy and practice

A wide range of our work falls under this objective, which covers much of our ‘sense-making’ and explainer work, as well as in-depth analysis. Impact highlights from 2023/24 include the following:

- There has been significant impact from our portfolio of work on workforce: following publication of our work on the pay review process, we were invited to contribute to a specific strategy event

to improve the pay review bodies' work. Following our calls in different reports to rebalance the level of reimbursement for medical and non-medical training, the education and training tariffs were amended (shifting funding from medical to non-medical courses) for 2022–23 which has again been reflected in 2023–24 funding. A paper on delivering future health skills by Universities UK, Council of Deans of Health and Medical Schools Council draws heavily on our analysis and supported recommendations from our work on the supply of clinical staff to the NHS.

- A paper authored by former Number 10 advisor, and Harvard academic Baroness Cavendish, draws heavily from much of our work on other countries' social care systems and directly lifts our suggested principles for funding. Skills for Care used our typology of pay policy options as a core framework in their social care workforce strategy. The DHSC senior team and Number 10 actively approached us to run a 90 minute 'strategy session' on our social care research and to share our knowledge of other countries' systems.
- There has been considerable impact from our portfolio of work on prisoner health: the Prison Reform Trust produced a report which includes many citations from work that we have done in this

area. Findings from our work on women in prison were reported in the National Women's Prisons Health and Social Care Review. HM Prison and Probation Service approached us to inform their thinking around the number of staff escorts needed for prisoners' secondary care attendances and appointments.

- Our care worker pay report led to us being asked to present to the workforce DHSC team and an invitation to join panels at two high profile sector events run by the National Care Forum, as well as party conference events. Skills for Care used our typology of policy options to structure their own workforce strategy and they used our scoping materials for their cost modelling.
- We have continued to publish on end-of-life care, drawing on the OpenSAFELY dataset. We spoke at or chaired a range of events on this subject at the Party conferences due to the impact of this work.
- March and April were record months for volume of media coverage, with our work in this time period generating three front-page stories for the British Social Attitudes work, a front-page mention for our ADHD/Autism work and a Guardian front page for our report on medicines shortages.

3.2 Impact on service redesign

Much of our work aimed at informing health care managers, clinical leaders and policy makers falls under this objective. This includes our evaluations, our consultancy work for individual NHS organisations and also our convening and events work. Impact highlights from 2023/24 include the following:

- Our Annual Summit was hugely successful with high-profile speakers from policy, political and clinical spheres, including the Secretary of State for Health and Social Care and the Chief Medical Officer. Feedback has been universally positive and it remains ‘the best event in health policy’.
- A number of pieces of work and new relationships have developed since the Annual Summit: we were asked to present to DHSC on generational shifts in workforce following our presentation at the Summit; we hosted a dinner at the Nuffield Trust on the theme of openness and transparency in NHS communications which was prompted by a Summit session with Fiona Fox from the Science Media Centre on the theme of openness and transparency in NHS communications.

- We have been invited to present at a number of high-profile external events, including HSRUK, International Foundation for Integrated Care, International Young Carers Conference and Congres Medecins Generals in France.

3.3 Impact of our evidence to policy makers

The policy and public affairs work that we do is in pursuit of this objective, offering rigorous analysis to inform politicians from all four UK countries, policy makers in central and local government as well as within NHS arm’s-length bodies. Impact highlights from 2023/24 include the following:

- Following the Secretary of State’s announcement that Lord Ara Darzi would conduct a rapid ‘diagnostic’ review into the NHS we were asked to contribute our expert analysis and insight to this work, meeting with Lord Darzi and his team. We facilitated table discussions at two Expert Reference Group meetings. Much of this analysis was carried through into the final report itself, including our work on NHS spend when adjusted for population need, our insights around the NHS’s capacity compared to international comparators, analysis of workforce, targets and end-of-life care.

- On the day our NHS dentistry report launched, the then Prime Minister Rishi Sunak was questioned on dentistry policy in response to our warnings at the House of Commons liaison committee. The report publication has led to several other instances of impact: we briefed MPs ahead of an Opposition Day debate in parliament (which prompted several citations); have held meetings and discussions with stakeholders including the BDA, Healthwatch and National Voices; and have given evidence to the Health Select Committee.
- Our manifesto analysis looking at the financial plans of each political party prompted a front page on the Observer and BBC news bulletins. The analysis featured as a core part of BBC Political Editor Laura Kuenssberg's interview with Wes Streeting, leading coverage over the weekend with over 1,000 media mentions.
- Our research has been cited in the House of Commons 24 times – for example on general practice, Brexit, funding, NHS staffing, dentistry, NHS reform and community pharmacy. We were invited to give oral evidence at five committee sessions, including to the Health Select Committee on dentistry.

4. Organisational development

Together with staff we are clarifying our purpose and work on EDI in communications, research and policy.

We are also reviewing what it means to be an inclusive organisation from a facilities perspective. Working with the events team, we are considering a mix of minor changes, and more significant investments into the building that would make it more accessible to a diverse mix of visitors.

Our current strategy runs until 2025 so we are going through the process to refresh it for the next five years, with interviews with our trustees and workshops with staff over the past several months to debate and understand key areas. There is broad consensus that we are evolving our strategy, rather than a complete revolution, and we will publish the new strategy in early 2025.

We have undertaken work this year to refresh our internal values – values which guide our everyday work at the Nuffield Trust and which we can embed in appraisal and recruitment with a close link to our behaviours. Our aim was to make the values feel more relevant to our organisation and how we work together, easy to remember and to offer more utility. We have concluded the staff consultation and our new internal values are:

- We are **Bold**
- We combine **Rigour and Responsiveness** to achieve impact
- We are **Inclusive**
- We are **Curious**
- We are **Kind**

5. A look forward to the year ahead – 2024/2025

Through our **quality and equity** programme, we are building on our recent explainer on NHS Continuing Healthcare (CHC) to explore variation and inequalities in relation to CHC in more detail. We will look at the relationship between access to CHC and local characteristics, understand what action local systems are taking to assess user experience of CHC at a local level and to identify the implications and recommendations for the wider system.

Our QualityWatch programme, part-funded by The Health Foundation, is a key component of our work in this area. We will publish our annual statement – focusing on the health of women – in early 2025, and a rolling programme of analysis on key areas of care published as long reads and blogs.

We will continue to build on our portfolio of projects on end-of-life care, which aims to improve the evidence base for policy makers and local systems. We are scoping research to draw on international experience to understand the implications of assisted dying legislation for the UK. We aim to review

existing evidence on the impact of legislation on patients and their families, the health and care workforce, and how services are organised, and to identify lessons for the UK, drawing on experience in countries where assisted dying is already legal.

Through our **service delivery** programme, we are undertaking an analysis of age, trend and cohort differences in past NHS staff survey results in order to inform debate and discussion on the future of the NHS workforce. This may lead to other work focused on particular workforce groups. We have been commissioned by NHS Employers to outline the key lessons and challenges around the increasing use of ‘emerging roles’ in delivering NHS services. This is due to be published at the very beginning of 2025. We have also started a new project investigating models of supervision for non-doctor staff in general practice. We are also evaluating the 50K nurses programme – our research aims to evaluate how well initiatives in the three N50k work-streams are working and how the programme could be improved to expand the NHS nursing workforce. This research is

funded by the NIHR, in collaboration with the University of Southampton, King's College London, Edinburgh Napier University and the Institute for Employment Studies.

We started a new project, funded by the NIHR and in collaboration with the University of York, to ascertain the impact and effectiveness of the adult social care discharge fund (ASC-DF) on patient utilisation, intended and unintended outcomes for health and social care, and how the impact differs across patient groups in terms of clinical and demographic characteristics.

We are exploring learning from the last 20 years of contracting for GP services in England in order to draw lessons and make recommendations to guide development on the 2025 GP contract. This is due to be published in late 2024.

Within our **innovation** programme we started a project to understand the factors which influence NHS productivity and to unpick the conundrum of falling NHS productivity despite an increase in staff numbers in recent years. This work is due to report in early 2025.

Within our **politics, funding and reform** programme, we continue our partnership with the King's Fund on the 2024 British Social Attitudes survey – a survey run by NatCen to ascertain the views of the public on a range of health and care related issues – putting the patient and public perspective at the centre of our work. This research will report in March 2025.

At a half-day policy event in January in Westminster, we will bring together selected experts, successful leaders from the past and present, and key commentators to debate what it would really take to successfully move care from hospital to the community and what we can learn from the experience of other international health systems.

On specific **communications activities**, we will continue to develop our events sponsorship approach; explore the role of different social media approaches in how we communicate our work; review how we measure our impact; and explore the use of AI.

Financial review

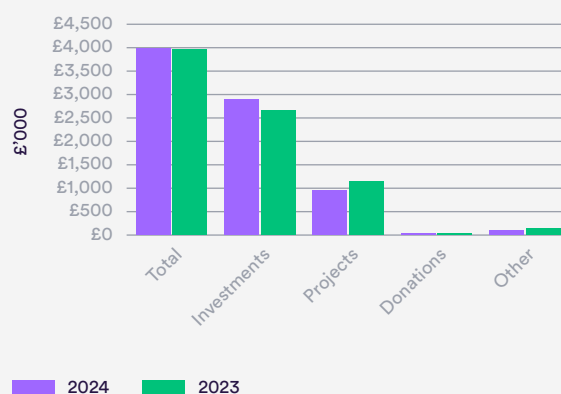
Review of income and expenditure for the year ended 30 September 2024

We present the financial statements for the year to 30 September 2024.

The Nuffield Trust benefits from an expendable endowment which is primarily held in an investment portfolio. On a long-term basis, and in line with our financial strategy and reserves policy, we aim to maintain the value of these investments (adjusted for inflation). We apply a total return approach to investing, meaning that we do not differentiate between income and market gains (despite each being shown separately on our Income and Expenditure statement). Given the above, due to our treatment of market gains, in some years our annual report will show a significant surplus, while in others it will show a significant deficit. This year, investments have outperformed the performance target, and we show a surplus.

Total income for the year amounted to £3,974,000 (2023: £3,964,000), of which £960,000 (2023: £1,138,000) was generated from charitable project activities ('Projects' in the chart below) and £3,014,000 (2023: £2,826,000) was derived from other sources, namely investments, donations and other activities.

Review of income for the year ended 30 September 2024, and comparison with 2023



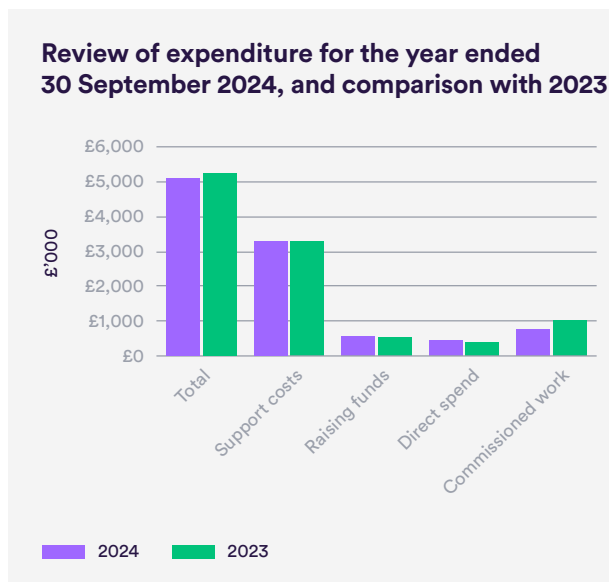
Income from charitable (project work) activities decreased between 2023 and 2024. Work on charitable project work may span more than one year with income and expenditure being recognised considering an

assessment of proportion of work completed at the year-end.

Income from other sources increased by £188,000 between 2023 and 2024 due to an increase of £231,000 in investment income, a decrease of £56,000 in other income and an increase of £13,000 in donations. These donations include a legacy of £25,000 that was gratefully received from the estate of late Dr Bharat Kumar Upadhyaya, plus the notional benefit of secondments to the Trust, made free of charge.

Total expenditure for the Trust for the year was £5,114,000 (2023: £5,268,000), of which £4,557,000 (2023: £4,731,000) related to charitable activities, which includes the costs of completing project work. Support costs in note 8 include costs of employing staff and providing the infrastructure to enable the work of the Trust to be completed. Direct spend on projects includes commissioning expertise; disseminating our work, including making it available through open access; and ensuring that our work is subject to appropriate peer review.

Expenditure on charitable activities decreased by £174,000 between 2023 and 2024 due to the net effect of a decrease in expenditure on commissioned charitable project work, an increase in spend attributable to Direct Spend on our internally



funded project activities, an increase in staff costs and an increase in other overhead expenditure. These overhead costs are driven in part by an increase in spend on our communications activities, demonstrating an investment in this area and the dissemination of our key messages.

Expenditure on raising funds increased by £21,000 between 2023 and 2024 due to investment management fees increasing by £13,000 as average funds under management have increased, and the staff costs allocated to generating funds increasing by £8,000.

Net gains on investments for the year were £13,103,000 (2023: £4,409,000). Further details on investment performance are below.

The net income for the year was £11,963,000 (2023: £3,106,000).

The Trust is nearly at the end of a five year strategy, covering the period 2020–2025, in which it lays out the plans for future periods. This five year strategy lays out the Trust’s core objectives in pursuit of achieving the charitable purpose of the organisation:

- To influence policy and practice through generating and synthesising information on health and social care to facilitate both better policy and better practice.
- To challenge and support those involved in planning and delivering healthcare to think more creatively and innovatively about how to adapt and redesign services to meet changing patient needs;
- To provide information on the evidence, statistics, facts and research which politicians and policymakers use in their interventions in the health and care system in the UK.

Further information can be found regarding the Trust’s approach to delivering the strategy and the specific measures of success on our website at www.nuffieldtrust.org.uk/about.

Net assets at 30 September 2024

The Trust’s consolidated net assets at 30 September 2024 were £107,922,000 (2023: £95,959,000). This represents an increase of £11,963,000 (12%) compared with the net assets at 30 September 2023, which was caused by an increase in the value of investment funds due to the net effect of positive performance and our normal annual drawdown.

Investment performance

The long-term investment performance objective for the combined portfolio is to achieve a total return, net of fees, of CPI +4.5% per annum; designed to enable a drawdown of funds to support expenditure on charitable activities of 4% (based on a rolling average). Over shorter time periods, performance is measured against a bespoke benchmark based on the underlying strategic asset allocation.

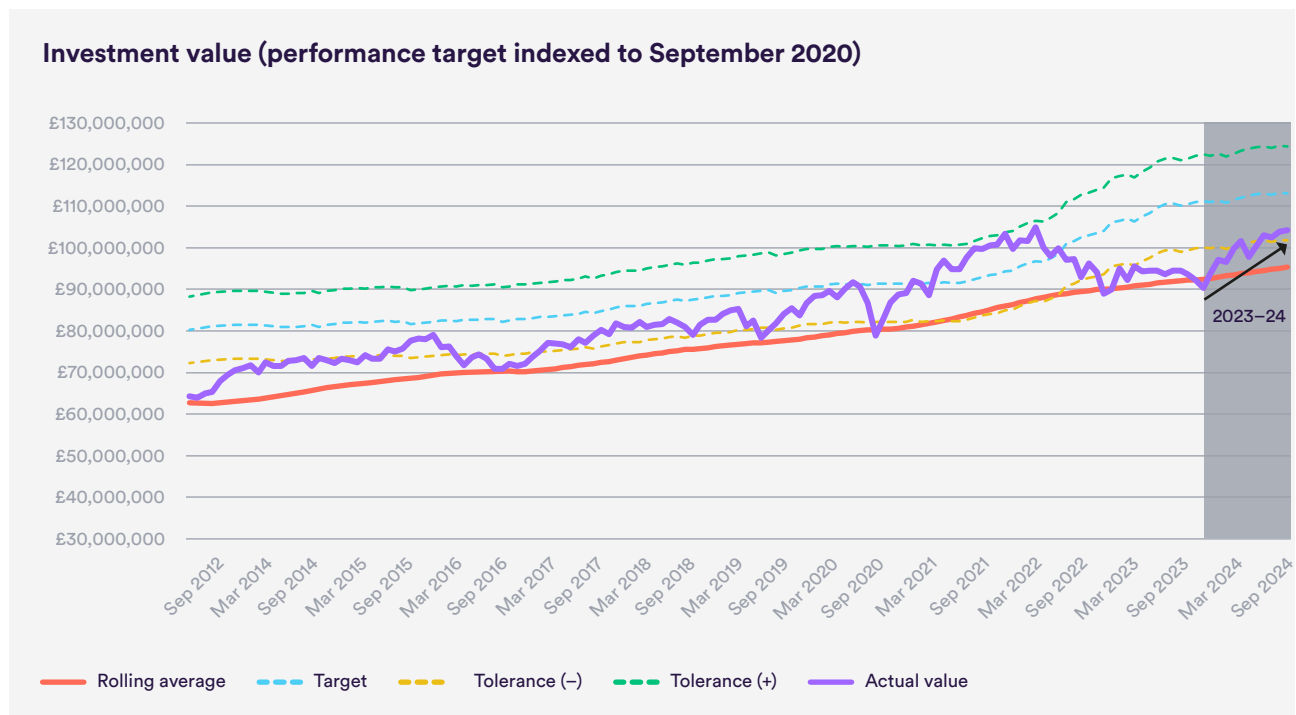
The overall return (before fees) on the total investment portfolio was £15,989,000 for 2024 (2023: £7,064,000). The portfolio of investments had a total value at 30 September 2024 of £104,155,000 (2023: £92,203,000).

When assessing performance against our long-term objectives, we look at the total value of the investment portfolio, after considering withdrawals to support charitable purpose and investment management fees. We index the performance target and actual values in the chart above to September 2020 allowing a medium to long term comparison to be achieved.

Using this approach, we assess that values have fallen behind inflation in the medium term, as measured by the consumer prices index, and therefore behind the Trust's agreed investment value target, currently set as CPI+0.5%, being the performance target (CPI+4.5%), less the agreed drawdown

(4%). The chart below presents the value of our investments in absolute monetary terms, which also captures the impact of periods where the total amount drawn from investment funds differed from the current 4% drawdown model, for example during periods of reduced activity or the reinvestment of surplus funds.

The tolerance bands in the chart above are used to quantify the expected volatility inherent in the agreed investment strategy and to help assess the level of risk in the portfolio at a given time. Risk, often measured in terms of equity risk, is monitored by management and can be presented in terms of comparative asset allocation. As might be



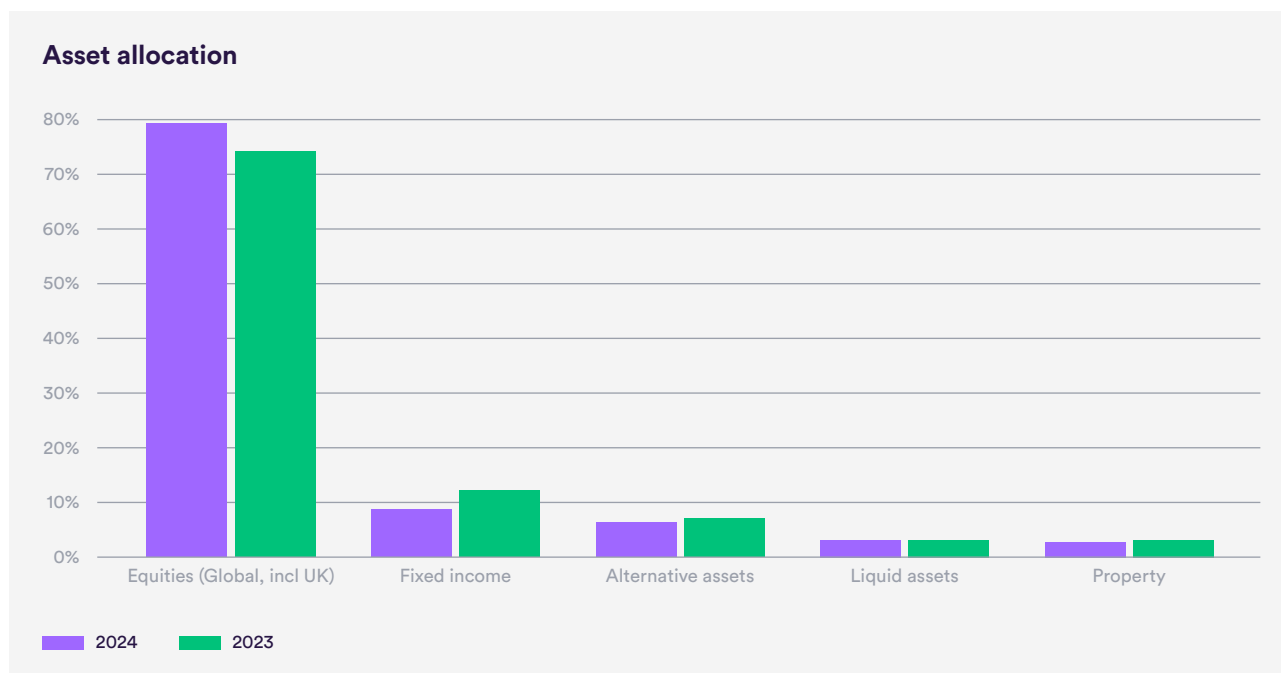
expected, external events may lead to tactical measures being taken to adjust the risk in the portfolio, such as in particularly volatile markets as we have seen in recent years. The combined effect of investment markets continuing to react to external factors, including the inflationary environment, have led to performance being below the expected lower tolerance. We monitor this closely with our investment managers although take some assurance that investments have performed closely to our scenario modelling used in planning for the year

For the 12 months to 30 September 2024 the total value of the investment portfolio has risen 11.3% (2023: -3.0%) ahead of inflation,

as measured by the consumer prices index, or 10.8% (2023: -3.5%) ahead of the inflation linked target, both after allowing for the drawdown.

During the year under review the investment assets of the Trust were managed by Sarasin and Partners LLP.

The funds managed by Sarasin and Partners LLP are invested in two funds which complement each other to achieve the approved investment strategy; the majority of funds are held in the pooled Endowments fund, a diversified multi-asset exempt fund for charities, with the remaining funds held in a segregated Global Equity Dividend



portfolio, allowing greater exposure to global equity assets. Both funds have an ethical investment policy that includes avoiding tobacco stocks (further details on our approach to responsible investment, including ethical restrictions can be found within Financial Strategy and Reserves). The individual income yields on the Endowments fund and Global Equity Dividend portfolios were 2.8% and 2.4%, respectively, and the combined weighted yield across the aggregated portfolios was 2.7% for the period to 30 September 2024 (2023: 2.9%).

Financial strategy and reserves

The Trust's strategy is guided by its policy on expenditure, reserves and investments.

The Trust's policy on expenditure is to ensure there are adequate funds in order to generate a sufficient return to fund both the current and future charitable activities of the Trust. The Trust generates income from a variety of activities that support its core purpose and make the best use of its resources. Where the money generated is insufficient to cover its total expenditure, a proportion is drawn from the investment capital. In agreeing the level of resources, Trustees are mindful of their responsibility for the long-term stewardship

of the Trust. Trustees take a risk-based approach, which aims to balance the Trust's ambition in meeting its charitable objectives; its ability to generate income; and its capacity to spend from investments, now and in the future.

The Trust's total reserves at 30 September 2024 were £107,922,000. As set out in note 19 to the accounts, the entire amount, £107,922,000 represents the expendable endowment.

The Trust's policy on reserves is based on ensuring that they are sufficient to support the long-term nature of its work and cope with fluctuations in annual income. The Trust's policy on 'free reserves' is based on a risk based modelling approach, assessing the impact and timing of key operational risks (as described below) and ensuring the level of reserves are sufficient to mitigate against likely events. 'Free Reserves' exclude both funds which can only be realised by disposing of tangible assets, and are distinct from funds assigned for other purposes, which in accordance with Charity Commission guidance, would also exclude the value of endowment funds. 'Free Reserves' have been agreed at a target level of £1,800,000, reviewable annually, and allowing a +/- 25% variance from this target before a recovery plan is required. We believe this approach

to be proportionate to the needs of the Trust and reduces the risk that we become unduly reactive to immaterial matters. Current 'free reserves' (being the total of 'Short term deposits' and 'Cash and bank and in hand') are £1,794,000 and are within the target band. The Trustees consider reserves to be at an appropriate level as these funds are sufficient to meet the foreseeable future activities and income fluctuations.

The Trust's policy on investments is to take a long-term approach, investing globally in a range of assets with the intention of preserving the value of the endowment in real terms after any drawdown to fund expenditure. Ethical restrictions in place limit direct investment in tobacco production and investment in companies that derive significant income (greater than 10%) from armaments, gambling, alcohol, adult entertainment or tobacco.



A review at the financial year end, indicates that exposure to these restricted areas amount to approximately 0.21% of our total holdings, up from 0.16% last year, or £220k, with the largest proportion being alcohol, through holdings in retail and leisure outlets. In addition, Trustees are committed to

reviewing the Trust's ethical investment restrictions at least annually.

Trustees are committed to continually reviewing the stance on Environmental, Social and Governance (ESG) issues. Previous improvements saw Trustees take a more sustainable approach to climate issues and to join an investor coalition, run by ShareAction called Long-term Investors in People's Health (LIPH). During this year, Trustees approved an approach to how the Trust engages with a range of public facing actions, mainly in the interests of protecting our reputation.

The Trust's investment strategy is to manage the portfolio on a total return basis, income and capital combined. The Trust has a strategic asset allocation that is geared towards equities because of their risk/return profile in the long term (based on historical performance). The Trustees recognise that the Trust may need to withdraw both investment income and some of the investment capital to fund annual drawdown. This is set annually as part of the budget process based on the average value of the investment fund over the last 20 quarters (at the point of setting the budget).

Going concern

In agreeing the planned activities for the coming 12 to 18 months, the Trust has implemented the following approaches to ensure that operations remain viable under the scenarios that are likely, given the recent instability caused by the wider economic conditions:

- In support of the Trust's strategic aims and to enable successful translation of activities to budget, the Trust has produced a forward look for the year ahead.
- The budget has been based on a reduced income target basis, having considered the risks presented by the current environment, modelled using financial scenario forecasts covering a period of five years. This results in an approved deficit budget for the year ahead.
- A commitment to review the external income environment, to assess the Trust's competitive position, the relative opportunities for impact generating funding compared to previous years, and the approach we take in exploiting these opportunities.
- Increased financial reporting to the Trustees and to Leadership Team to ensure timely information in support of strategic decision making.

More broadly, the Board regularly reviews forecasts and projections and, having considered this routine review and the information provided from above, has not identified any material uncertainty relating to the Trust's ability to continue as a going concern.

Structure, governance and management

The Trust is a company limited by guarantee, registered in England and Wales as company number 00382452. It is registered with the Charity Commission as charity number 209169.

The Trust's Articles of Association provide for a minimum of four Trustees, and a maximum of twelve. Trustees are appointed for an initial term of three years and may be reappointed for up to a third term, with a further extension of twelve months allowed in exceptional circumstances. Appointment as a Trustee is open to any suitably qualified member of the public. Newly appointed Trustees are provided with an induction programme, which sets out the activities of the Trust and their responsibilities as a Trustee.

Details of the Trust's current Trustees, and those who served during the year, are set out on page 2.

The Board of Trustees meets four times a year with the Chief Executive and the Leadership Team to handle business that has not been formally delegated to the Chief Executive

and to consider other matters related to the operations of the Trust. The Board also make time for private sessions with only the Chief Executive, with the Trust's auditors and as a group of Trustees only. The Board of Trustees has established two other standing committees to support it in its work.

The **Governance, Nominations and Remuneration Committee** assists the Trustees by overseeing: governance; nominations; succession planning; induction support and development of Board members (individually and collectively); human resource issues, including the remuneration packages for directors; and any other functions delegated by the Board.

The **Finance Committee** assists the Trustees by: overseeing all financial and investment aspects of the charity; overseeing systems of internal control; and monitoring risk management, so as to ensure the short and long-term viability of the Trust.

The membership of these committees is shown on page 2.

The Board has appointed a Senior Independent Director (SID). The Role of the SID is to provide support and advice to the Chair on any issue, to act as an intermediary between the Chair and other Trustees or the Chief Executive in the event of conflict, to assess performance of the Chair and to be a contact for staff in the event of whistleblowing or other issues.

Organisational structure and how decisions are made

The Trustees together constitute the Board of Trustees (the Board). Within the context of delivering the Trust's charitable Objects, the Board is responsible for setting the Trust's values, standards, strategy and objectives, for determining its budget and for the discharge of its functions. They monitor the Trust's performance; have overall responsibility for the Trust's work and ensure that it acts within its statutory and charitable remit.

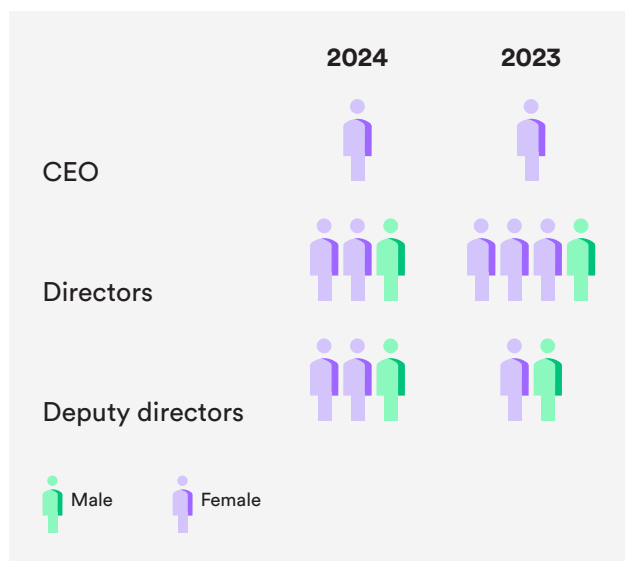
The Trustees appoint a Chief Executive, to whom they delegate the responsibility for realising the Trust's strategies and objectives and for the day-to-day management of the Trust. The Chief Executive is supported by a Leadership Team, to whom they delegate authority for financial and contractual decisions, as detailed in the 'Scheme of

Delegation of Financial and Contractual Authorities'. The corporate governance arrangements, including the scheme of delegation, are scheduled to be reviewed at least every two years. The last review and update was completed in the summer of 2024 and the next review is scheduled to be completed by the summer of 2026. This most recent review was delayed, in part due to personnel changes.

Directors work within the framework set by the strategic plan and annual operating plan approved by the Board. Work programmes are produced for the different areas of activities. Progress on these work programmes is reported regularly to the Board, and approval secured for changes where necessary. It monitors, reviews and takes action on strategic goals and work programmes. Details of the current Key Management Personnel and those who served during the year can be found on page 3.

Since extending the Leadership Team structure during 2021 to include deputy directors, the structure has been unchanged. The Leadership Team regularly review their working approach, modifying it as appropriate to ensure effectiveness, for example by adopting a more frequent meeting pattern during national lockdowns.

The Leadership Team structure for decision making is illustrated below (taken at 30th September 2024):



Our funding

The Nuffield Trust has an expendable endowment valued at £107,922,000 at 30 September 2024. This endowment provides the Trust with a valuable source of income (£2,886,000 in the current year). We also obtain funds by withdrawing a proportion of the investment capital each year, in line with our financial strategy.

These sources of funds are not adequate to fund all our activities but guarantee a consistent and completely unrestricted stream of funds. The sources of our other income, from charitable activities, donations

and others, is set out in the Consolidated Statement of Financial Activities.

The sources of our funding are diverse, with no single organisation contributing a sufficient proportion of the income to create reliance or significant risk to the organisation were it to be withdrawn. This provides reassurance that our objectivity and independence can be maintained.

Managing risk

The Trust's risk management approach, governed by the Board of Trustees, is documented as the Corporate Risk Assessment and Management Framework. This framework describes the processes defining risk identification, assessment, recording, ownership, measurement and monitoring. A complete review of the approach to risk management was undertaken during 2023 and the recommended improvements have been applied this year.

Within the framework, there are three categories of risks: 'static', i.e. unlikely to require significant change in the short to medium term; 'dynamic', i.e. ever changing and with management controls that are under constant review; and 'evolving', low-level risks which may, in the right environment, convert into high-level risks

in the future, captured on a ‘watch list’. The review frequency of each category has been defined to ensure appropriate levels of focus and resource are applied.

The Trust’s Leadership Team is responsible for ensuring that the risk management approach is adequately applied and for reporting to Trustees based on risk category and the defined review frequency.

A summary of the Trust’s approach to mitigating the most significant risks is shown below.

| Risk | Management response | |
|---|---|---|
| | Management approach/plan | Monitoring process |
| The Trust are successfully targeted in a cyber-attack. | <ul style="list-style-type: none"> • Application of IT Security strategy across the Trust. • Staff training and awareness programme. • Technological controls. • Business continuity plans. | <ul style="list-style-type: none"> • External assessments – ISO and Penetration Testing. • Real time threat reporting. |
| Levels of funding at the Trust are insufficient to support charitable activities. | <ul style="list-style-type: none"> • Continual development and review of external funding opportunities • Defined objectives and restrictions set for investment managers. • Use of financial modelling to predict the impact of economic events on investments. | <ul style="list-style-type: none"> • Regular review of potential funding opportunities and bids in the pipeline. • Regular review of investment manager performance, both against target and modelling. |
| The Trust’s independence is challenged. | <ul style="list-style-type: none"> • Ensure suitable editorial control arrangements. • Ensure suitable funding proportions (internal/external funding) and that the sources of funding would not jeopardise independence, whether perceived or actual. • Approach to managing intellectual property. | <ul style="list-style-type: none"> • Review of editorial control and IPR commitments at contractual stage, ensuring fit for purpose. • Regular review of funding sources. |
| There is a failing in Information Governance (IG) controls at the Trust. | <ul style="list-style-type: none"> • Maintain our ISO 27001 accreditation, continually improve our approach to IG, and ensure access to relevant training. • Proactive approach to cyber security. | <ul style="list-style-type: none"> • Internal and external audits of IG arrangements. Annual renewal of ISO/the NHS IG toolkit. • Annual network security assessments. |
| Difficulties in recruiting, retaining and developing staff. | <ul style="list-style-type: none"> • Review job design approach, ensuring accurate and realistic job descriptions. • Create opportunities for, and encourage, training and development. | <ul style="list-style-type: none"> • Conduct post-recruitment reviews. • Regular engagement with staff, including staff survey. |

In addition to the above risks, other risks in respect of reputation, dissemination, HR planning, project management and data access are also captured and actively managed.

When assessing risks, we consider changes to the context of the organisation that might affect the risk likelihood or impact at a given time. This was evident during the Coronavirus pandemic when specific risks were heightened during the period, or, more recently, during the period of high inflation economic environment and political change we have seen during 2024.

Continuing from previous years, the Trust recognises that its employees' personal circumstances may have been impacted significantly, first by the pandemic and now due to events in the economy. We regularly review how we can best support our staff, starting with a commitment for an inclusive and equitable culture which drives developments in areas such as remuneration, learning and development, and flexible working (for more information, see Organisational Effectiveness on page 39).

Remuneration policy

The Trust aims to provide all staff with remuneration packages that are competitive, fair, equitable and sustainable within the available resources of the Trust. The pay and remuneration for directors is approved by the Governance, Nominations and Remuneration Committee. The pay and remuneration for all other staff is approved by the Chief Executive within the financial parameters approved by the Board upon recommendation from the Finance Committee. In reaching its recommendation, the Finance Committee considers key inflationary indicators (e.g. CPI) and the increases made by comparable organisations.

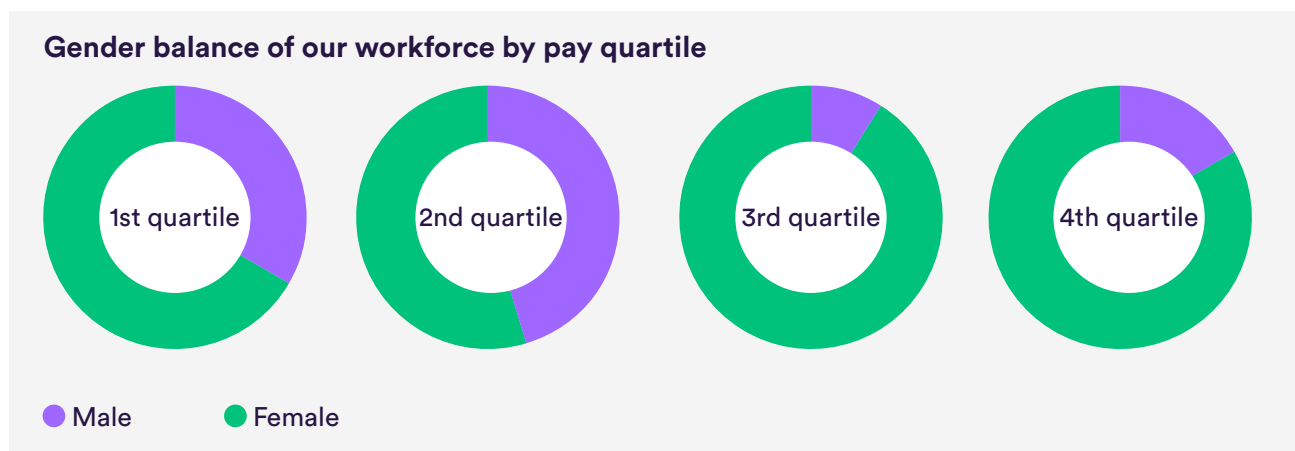
During the year, the Trust has continued to build on previous work around pay and progression. Having developed a competency framework to support the development of individuals and talent during 2020, implemented a renewed pay progression framework during 2023, and introducing a new learning and development framework during 2023. This year, the Trust has developed a Senior Management pay decision framework to ensure that decisions are made consistently, and the process is widely understood.

Organisations which employ more than 250 people are required to publish figures comparing men and women’s pay. During 2023/24 the Trust had less than 50 individuals on the payroll, and is not therefore under a legal obligation to publish gender pay gap information.

In addition, given the small numbers of staff the figure can fluctuate significantly with small changes in personnel. However, Trustees have agreed that this is information which they wish to keep under review.

The graphic below shows the gender balance of the Trust workforce by pay quartile (1st = highest paid).

Overall, the workforce is predominantly female. Women have a higher representation across each quartile. This overrepresentation increases in the more junior levels, there are very few male staff in the 3rd and 4th quartile.



Fundraising policy

Section 162a of the Charities Act 2011 requires us to make a statement regarding fundraising activities. Although we do not undertake fundraising from the general public, the legislation defines fundraising as ‘soliciting or otherwise procuring money or other property for charitable purposes.’ Such amounts receivable could include grants which are presented in our accounts within ‘charitable activities’, or legacies and other donations which are presented within ‘donations’.

In relation to the above, we confirm that all solicitations are managed internally, without involvement of commercial participators, professional fundraisers, or third parties. The day-to-day management of all income generation is delegated to the Leadership Team, who are accountable to the Trustees. We are not subject to any regulatory scheme (voluntary or otherwise) or relevant codes of practice, nor have we received any complaints in relation to fundraising activities or consider it necessary to design specific procedures to monitor such activities.

Organisational effectiveness

The Trust strives for continuous improvement, looking both internally and externally for drivers for change. Looking internally, we actively seek to identify opportunities for improvement or gaps in existing process. We use formal gap analysis approaches and use forums to bring in staff opinion. We look externally for learning, including from industry best practice, similar organisations, and learning from the changing economic climate.

Our internal governance framework delegates certain decisions to the responsibility of the Leadership Team. In recent years we have developed a consultative approach, adding greater diversity to the process. We have developed staff representative groups where appropriate and provide a range of channels for staff to feed into the change process.

We have also agreed a strategic objective to improve the benefit gained from external networks. This is not only in relation to our research work, but also the operational aspects of the organisation. We bring in learning from other organisations where we can.

Staff development and pay

The Pay & Progression Framework, launched in January 2022, is now at the end of its 3rd financial year. During the year we have reviewed our approaches to recruitment and performance reviews. In recruitment activities, we have reviewed our language, advertising and application approach and have further strengthened our interview and selection methods. The Quarterly Review process has also been reviewed and updated ready for the process this year.

The biennial staff survey, conducted and analysed by an external provider, last run at the end of 2022, is being scoped for 2024. Historically, the findings have largely been positive, with some suggested areas of continued focus. Recommendations will be reviewed by both the Leadership Team and GNR committee, before an action plan is agreed.

Equity, Diversity and Inclusion (EDI)

The Trust is ambitious in its approach to equality, diversity and inclusion, taking a multifaceted approach, looking at this from the perspectives of our internal organisation and the experience of our staff, the research that we do, and the wider community with/in which we hold some influence. We also acknowledge the limitations of acting in isolation for an organisation of our size, but

aim to leverage our position by acting with partners to maximise our impact.

Internally, we have taken a continuous improvement approach to our recruitment process. We have made improvements to how we advertise, select and interview candidates. We have also done further work on neurodiversity leading to the development of a template to guide discussions about reasonable adjustments and access to any further available support. Our leadership team also took part in a series of workshops run by experts in this field as part of a cross-charity offering run by The Kings Fund.

Our research work considers EDI from several angles. Most significantly this is done through project design and we are improving how our EDI approach is best embedded in the project planning cycle. This work is evolving and will be iterated by Dr Becks Fisher over the coming year.

Externally, this year, the Trust again took a significant role in planning the annual Think Tank Outreach event, aiming to increase diversity in the world of research and policymaking by promoting a career in the sector to students from backgrounds that are traditionally underrepresented in think tanks. The Trust also took part in the Health Data Science Black Internship Programme,

for the second year, supporting one intern to develop their research skills and experience.

A member of the Trust's research and policy team also spoke at a panel event aimed at encouraging individuals from underrepresented communities to explore career opportunities in the think tank sector. We have built on relationships with EDI leads at other think tanks, allowing the trust to share staff support networks, including those for Black and ethnic minority groups, LGBTQ+, disability & carers networks. Finally, the construction of a permanent ramp at the front of the building has been completed, advancing our efforts to create a more accessible building.

Artificial Intelligence (AI)

With the recent rapid developments in AI, the Trust is positioning itself to exploit opportunities that exist, whilst establishing appropriate guard rails that will protect the organisation from unacceptable risk. In preparation, we have convened a cross-organisation working group to steer our approach. We expect this to deliver benefits to the organisation during the coming financial year.

As with many research organisations, we are particularly aware of the need to approach AI carefully in respect of our research activities. We have existing data governance and quality

assurance processes that will remain in force, being adapted where necessary.

Subsidiary undertaking

The Trust holds a wholly owned trading subsidiary, Nuffield Trading Limited, which historically carried out non-charitable trading activity for the Trust. At the end of the September 2019 financial year, the decision to absorb these activities into the Charity as non-primary purpose income was made and the subsidiary has since moved to a dormant status. Details are included in Notes 2 to the accounts.

Statement of responsibilities of the trustees

The trustees (who are also directors of The Nuffield Trust for Research & Policy Studies in Health Services for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state

of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable

steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The directors' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

The trustees' annual report has been approved by the trustees on 12 December 2024 and signed on their behalf by



Martin Marshall
Chair, The Nuffield Trust

Independent auditor's report to the members of The Nuffield Trust for Research & Policy Studies in Health Services

Opinion

We have audited the financial statements of The Nuffield Trust for Research & Policy Studies in Health Services (the 'charitable company') for the year ended 30 September 2024 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 30 September 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended

- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

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 that are 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 relating 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 Trust'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 other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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 misstatements in the trustees' annual 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 trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or

- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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 determine 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

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.

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the finance committee, which included obtaining and reviewing supporting documentation, concerning the Trust’s policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the Trust operates in, focusing on those laws

and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the Trust from our professional and sector experience.

- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- 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 and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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.

A handwritten signature in black ink that reads "Sayer Vincent LLP". The signature is written in a cursive, slightly slanted style.

Joanna Pittman (Senior statutory auditor)

Date: 16 December 2024

for and on behalf of Sayer Vincent LLP,
Statutory Auditor

110 Golden Lane, London, EC1Y 0TG

Statement of financial activities (incorporating an income and expenditure account) for the year ended 30 September 2024

| | Note | Unrestricted funds 2024 £'000 | Restricted funds 2024 £'000 | Expendable endowment fund 2024 £'000 | Total funds 2024 £'000 | Total funds 2023 £'000 |
|--|--------|-------------------------------------|-----------------------------------|--|------------------------------|------------------------------|
| Income and endowments | | | | | | |
| Donations | 3 | 38 | – | – | 38 | 25 |
| Investment income | 4 | – | – | 2,886 | 2,886 | 2,655 |
| Charitable activities | 5 | 603 | 357 | – | 960 | 1,138 |
| Other | | 90 | – | – | 90 | 146 |
| Total income and endowments | | 731 | 357 | 2,886 | 3,974 | 3,964 |
| Expenditure | | | | | | |
| Raising funds | 6 | – | – | 557 | 557 | 536 |
| Charitable activities | 7 | 4,207 | 350 | – | 4,557 | 4,731 |
| Total expenditure | | 4,207 | 350 | 557 | 5,114 | 5,267 |
| Net gains on investment assets | 12 | – | – | 13,103 | 13,103 | 4,409 |
| Net income/(expenditure) before transfers | | (3,476) | 7 | 15,432 | 11,963 | 3,106 |
| Transfers | 10, 18 | 3,476 | (7) | (3,469) | – | – |
| Net movement in funds | | – | – | 11,963 | 11,963 | 3,106 |
| Reconciliation of funds | | | | | | |
| balances brought forward | | – | – | 95,959 | 95,959 | 92,853 |
| Balances carried forward | | – | – | 107,922 | 107,922 | 95,959 |

Movement in funds are disclosed in note 18 to the financial statements.

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities. The notes on pages 52 to 73 form part of these financial statements.

Balance sheet at 30 September 2024

| | Note | 2024 £'000 | 2023 £'000 |
|--|------|----------------|---------------|
| Fixed assets | | | |
| Tangible assets | 11 | 1,637 | 1,696 |
| Investments | 12 | 104,155 | 92,203 |
| | | 105,792 | 93,899 |
| Current assets | | | |
| Debtors | 13 | 866 | 744 |
| Short term deposits | 14 | – | 16 |
| Cash at bank and in hand | | 1,794 | 2,018 |
| | | 2,660 | 2,778 |
| Creditors: amounts falling due within one year | 15 | (423) | (518) |
| Net current assets | | 2,237 | 2,260 |
| Total assets less current liabilities | | 108,029 | 96,159 |
| Provisions for liabilities | 16 | (107) | (200) |
| Net assets | | 107,922 | 95,959 |
| Funds | | | |
| Expenditure endowment fund | 18 | 107,922 | 95,959 |
| Total funds | | 107,922 | 95,959 |

Approved by the Chair on behalf of the Trustees of The Nuffield Trust and authorised for issue on 12th December 2024.



Martin Marshall
Chair, The Nuffield Trust.

Company Number: 00382452

The notes on pages 52 to 73 form part of these financial statements.

Statement of cash flows for the year ended 30 September 2024

| | Note | 2024 £'000 | 2024 £'000 | 2023 £'000 | 2023 £'000 |
|---|------|---------------|----------------|---------------|----------------|
| Cash flows from operating activities | | | | | |
| Net income | | 11,963 | | 3,106 | |
| (Gains) on investments | | (13,103) | | (4,409) | |
| Depreciation of tangible fixed assets | | 72 | | 76 | |
| (Increase)/Decrease in debtors | | (122) | | 152 | |
| (Decrease)/increase in creditors | | (94) | | 14 | |
| (Decrease)/increase in provisions | | (93) | | 14 | |
| Investment portfolio income | | (2,812) | | (2,617) | |
| Cash used in operating activities | | | (4,189) | | (3,664) |
| Cash flows from investing activities | | | | | |
| Dividends and interest from investment portfolio | | 2,811 | | 2,617 | |
| Purchase of tangible fixed assets | | (14) | | (25) | |
| Proceeds from sale of investments | | 13,412 | | 10,679 | |
| Purchase of investments | | (12,260) | | (9,547) | |
| Cash generated by investing activities | | | 3,949 | | 3,724 |
| (Decrease)/increase in cash and cash equivalents | | | (240) | | 60 |
| Cash and cash equivalents at the beginning of the year | | | 2,034 | | 1,974 |
| Cash and cash equivalents at the end of the year | | | 1,794 | | 2,034 |
| Analysis of cash and cash equivalents | | | | | |
| Short term deposits | 14 | | – | | 16 |
| Cash at bank and in hand | | | 1,794 | | 2,018 |
| Total cash and cash equivalents | | | 1,794 | | 2,034 |

No reconciliation of net debt has been prepared as the Trust holds only cash and cash equivalents. The net change in cash or cash equivalent funds during the period was a decrease of £240,000 (2023: an increase of £60,000).

Notes on the financial statements

1. Accounting policies

The Nuffield Trust is an incorporated charity registered in England and Wales with the Charity Commission. The address of the registered office is given on the opening page of this document and the nature of its operations is set out in the report of the directors. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounting in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The charity meets the definition of a public benefit entity under FRS 102. The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Charity's accounting policies.

Key judgements that the charity has made which have a significant effect on the accounts include; those involving estimations regarding the income attributable to the partial delivery of funded projects and, in determining the correct treatment of our obligations in relation to the USS Pension Scheme.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern and have prepared these financial statements on a going concern basis. Evidence considered whilst making this assessment include the value of our investments, secured future operational funding levels and the levels of our free cash reserves.

Basis of consolidation

The subsidiary entity was dormant for the entire reporting period and therefore its activities are not material to giving a true and fair view. In accordance with the Charities SORP (FRS102), the Trustees are not required to prepare consolidated accounts and have chosen not to do so.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income – Donations of services

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Investment income

Dividends and interest are included on an accruals basis.

Dividends and interest are stated inclusive of the relevant tax claim as the Trust has activities that are not liable to income tax.

Income from charitable activities

For consistency, all income from grants and contracts is recognised on a performance related basis. Revenue is recognised only when funds have been utilised to carry out the activity stipulated in the agreement. This is generally equivalent to the sum of the relevant expenditure incurred during the year and any related contributions towards overhead costs. An annual appraisal is performed to consider where this is not appropriate and an adjustment may be necessary.

Expenditure

These comprise costs of raising funds and charitable expenditure.

Costs of generating funds comprises expenses relating to the governance and management of the charity's investments.

Direct charitable expenditure comprises commissioned work and expenditure on performance-related charitable contracts

directly relating to the objects of the charity. Commissioned work is allocated and recognised as expenditure in full in the year of approval from the General Fund on the basis of the anticipated expenditure during the tenure of each piece of commissioned work. Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources and including the associated costs of publication and dissemination. Expenditure on performance-related contracts is recognised only when the activity stipulated in the agreement has been completed. This is generally equivalent to the proportion of the relevant recognised income during the year.

Support costs include those relating to business support (including human resource and general administration expenses), executive management, and governance (including trustee recruitment costs, and audit fees), finance, and information systems. The details of support costs are shown under note 8.

Fixed assets

Items of equipment are capitalised where the purchase price exceeds £4,000.

Furniture and equipment acquisitions have been capitalised and depreciation provided for at 25% on an annual straight line basis.

The leasehold premises (originally acquired by The Nuffield 1940 Trust in 1992) are depreciated over the remainder of the lease, currently 60 years. Straight line depreciation of 5% per annum is applied to capital additions, including any leasehold improvements. The Trustees consider whether there has been any impairment of the property on an annual basis.

Gains and losses on Investments (Realised and Unrealised)

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later).

Staff pensions

During the year the Trust operated a Group Personal Pension scheme administered by Royal London. This is a defined contribution scheme. The Trust is not a member of any other pension schemes. Accordingly, due to the nature of the schemes, the accounting charge for the period under FRS102 represents the employer contributions payable.

Funds

The expendable endowment fund was created by a donation from The Nuffield 1940 Trust. The income from this fund is on the terms equivalent to the objects of the Trust and is therefore not restricted. The terms of the fund allow the income to be accumulated and the capital to be spent as the Trustees determine. Being unrestricted, these funds can be used to supplement expenditure from other unrestricted or restricted funds.

Designated funds are funds that have been set aside by the Trustees for a specific purpose, with the balance constituting the charity's expendable endowment. During the period, no designated funds were held.

Restricted funds are established where a specific trust exists under charity law. These trusts are established on the substance of the funding arrangement and may not be explicitly declared in the terms of the funding. An analysis of restricted funds is provided in note 18. The allocation of costs to restricted funds is done on either a directly incurred basis, or on an apportionment basis based on the funding agreement.

Unrestricted Funds are spent at the discretion of our Trustees to further the charity's purposes. These funds capture income and expenditure not falling within the other

funds and are free to be used to supplement expenditure made from restricted funds.

Financial instruments

The charity has both basic and non-basic financial assets and financial liabilities. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Non-basic financial instruments are measured at fair value with any gain or loss going to the statement of financial activities. Full details are given in the financial instruments note.

Fixed assets investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Net gains/(losses) on investments' in the statement of financial activities.

Derivative financial instruments

Derivative financial instruments are recognised at fair value using a valuation technique with any gains or losses being

reported in the Statement of Financial Activities. Outstanding derivatives at reporting date are included under the appropriate format heading, depending on the nature of the derivative.

Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

Contingent Liabilities

A contingent liability is disclosed where there is a possible obligation, arising from past events, which will only be triggered by the occurrence of one or more uncertain future events not wholly within the trustees' control. In accordance with the Charities SORP, contingent liabilities are disclosed in the notes to the accounts, unless the possibility of their existence is remote. The note includes a brief description of each contingent item and, where practical, an estimate of the financial effect.

Investment in Subsidiaries

Investments in subsidiaries are at cost.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2. Subsidiary

The Trust owns the whole of the issued capital amounting to £1 (one ordinary share of £1 each) of Nuffield Trading Limited, a company registered in England and Wales with number 06898100. As previously noted, Nuffield Trading Limited has been dormant for the entirety of both the current and prior financial years and consolidated accounts are not prepared.

3. Donations income

| | 2024 £'000 | 2023 £'000 |
|--|---------------|---------------|
| Donation income – Legacy received and seconded staff | 38 | 25 |

Legacy received

The Trust gratefully acknowledges a legacy of £25,000 during the year from the estate of the late Dr Bharat Kumar Upadhyaya. These funds will be used in delivering our core charitable work programme.

Secondments and placements

The Trust has benefitted throughout the year from 3 secondments. The Trust gratefully acknowledges the support and has estimated that the value is £13,000 (2023: 1 secondments, £25,000).

4. Investment income

Investment income recognised in the year was made up as follows:

| | 2024 £'000 | 2023 £'000 |
|----------------------|---------------|---------------|
| Investment portfolio | 2,811 | 2,617 |
| Bank interest | 75 | 38 |
| | 2,886 | 2,655 |

All the investment income was attributable to the expendable endowment.

5. Charitable activities

| | 2024 £'000 | 2023 £'000 |
|----------------------|---------------|---------------|
| Income from projects | 960 | 1,138 |

Of the income from charitable project activities, £603,000 in 2024 was related to unrestricted funds (2023: £772,000) and £357,000 was related to restricted funds (2023: £366,000).

6. Raising funds

| | 2024 £'000 | 2023 £'000 |
|------------------------------------|---------------|---------------|
| Investment management fees charged | 325 | 312 |
| Support costs (note 8) | 232 | 224 |
| | 557 | 536 |

All the expenditure from raising funds is related to the expendable endowments fund.

7. Charitable expenditure

The objects of the Trust are to promote, carry out or advance any charitable objects, and in particular the prevention or relief of sickness and the advancement of the health of the people of the United Kingdom, in particular through the promotion of improvements in the quality of health care and health policy. All the activities of the charity are managed through a single structure with the impact of activities reported against the strategic objectives. Below is an analysis of this expenditure:

| | Restricted £'000 | Unrestricted £'000 | 2024 £'000 | 2023 £'000 |
|---|---------------------|-----------------------|---------------|---------------|
| Externally funded projects | | | | |
| Direct expenditure | – | 65 | 65 | 200 |
| Allocation of staff costs | 261 | 275 | 536 | 607 |
| Allocation of support costs | 89 | 96 | 185 | 212 |
| Total spend on externally funded projects | 350 | 436 | 786 | 1,019 |
| Internally funded projects | | | | |
| Direct expenditure | – | 165 | 165 | 173 |
| Allocation of staff costs | – | 209 | 209 | 174 |
| Allocation of support costs | – | 73 | 73 | 61 |
| Total spend on internally funded projects | – | 447 | 447 | 408 |
| Charitable activity support costs (as shown in note 8) | – | 3,324 | 3,324 | 3,304 |
| | 350 | 4,207 | 4,557 | 4,731 |

Of the charitable expenditure of £4,557,000 in 2024, £4,207,000 was related to unrestricted funds (2023: £4,127,000) and £350,000 was related to restricted funds (2023: £604,000).

7a. Comparative table (2023)

| | Restricted £'000 | Unrestricted £'000 | 2023 £'000 |
|---|---------------------|-----------------------|---------------|
| Commissioned work | | | |
| Direct expenditure | 60 | 140 | 200 |
| Allocation of staff costs | 403 | 204 | 607 |
| Allocation of support costs | 141 | 71 | 212 |
| Total spend on externally funded projects | 604 | 415 | 1,019 |
| Internally funded projects | | | |
| Direct expenditure | – | 173 | 173 |
| Allocation of staff costs | – | 174 | 174 |
| Allocation of support costs | – | 61 | 61 |
| Total spend on internally funded projects | – | 408 | 408 |
| Charitable activity support costs (as shown in note 8) | – | 3,304 | 3,304 |
| | 604 | 4,127 | 4,731 |

8. Allocation of support costs

Support costs allocated to different activities are set out below, showing the basis of the allocation.

| | Raising funds 2024 £'000 | Charitable activities 2024 £'000 | Restricted Project activities 2024 £'000 | Unrestricted Project activities 2024 £'000 | Total allocated 2024 £'000 | Total 2023 £'000 |
|--|--------------------------------|--|--|--|----------------------------------|------------------------|
| Staff time (nature of the charge) | 191 | 2,801 | – | – | 2,992 | 2,951 |
| Notional cost of seconded staff (nature of the charge) | – | 13 | – | – | 13 | 25 |
| Premises costs (use of area) | 10 | 129 | 23 | 43 | 205 | 243 |
| IT and telephone costs (staff time) | 16 | 190 | 33 | 63 | 302 | 326 |
| Travel and hospitality (staff time) | – | 4 | 1 | 1 | 6 | 5 |
| Professional fees (staff time) | 1 | 10 | 2 | 3 | 16 | 12 |
| Communications and PR (staff time) | 6 | 63 | 11 | 21 | 101 | 82 |
| General costs including irrecoverable VAT (staff time) | 8 | 99 | 17 | 33 | 157 | 133 |
| Governance fees (nature of the charge) | – | 15 | 2 | 5 | 22 | 24 |
| | 232 | 3,324 | 89 | 169 | 3,814 | 3,801 |

Trustees' expenses included in general costs above amount to £3,000 (2023: £3,000), in relation to two trustees for travelling and subsistence expenditure.

Governance fees include audit fees of £19,000 net of VAT, which forms the remuneration of the auditor (2023: £19,000).

9. Staff emoluments

| | 2024 £'000 | 2023 £'000 |
|-----------------------|---------------|---------------|
| Salaries costs | 2,795 | 2,795 |
| Social security costs | 303 | 308 |
| Pension costs | 390 | 389 |
| Other staff costs | 249 | 240 |
| | 3,737 | 3,732 |

The key management personnel of the charity, as defined by SORP, comprise the Trustees and the Directors within Senior Staff as listed on page 2. The total employee benefits of the Trustees was nil for both 2024 and 2023, for Senior Staff during the year it totalled £761,000 (2023: £781,000), this includes termination and settlement costs of £5,000 (2023: nil).

During the year, staff were recruited or assigned to specific projects or other income streams, or have had costs allocated on time spent basis to our project activities. The costs of these colleagues are included in direct project expenditure.

| | 2024 £'000 | 2023 £'000 |
|---|---------------|---------------|
| Staff costs, allocated as direct costs to Commissioned Charitable Projects | 536 | 607 |
| Staff costs, allocated as direct costs to Internally funded Charitable Projects | 209 | 174 |
| Allocated as support costs | 2,992 | 2,951 |
| | 3,737 | 3,732 |

The average number of employees employed during the year was, by headcount 45 (2023: 49), by full time equivalent 42 (2023: 45).

Higher paid employees

The numbers of employees for whom remuneration exceeded £60,000 were:

| | 2024 | 2023 |
|----------------------|------|------|
| £60,000 to £70,000 | 4 | 6 |
| £70,000 to £80,000 | 4 | 3 |
| £80,000 to £90,000 | 4 | 3 |
| £90,000 to £100,000 | 2 | 1 |
| £100,000 to £110,000 | – | 2 |
| £110,000 to £120,000 | 1 | – |
| £120,000 to £130,000 | 1 | 1 |
| £180,000 to £190,000 | 1 | – |
| £190,000 to £200,000 | – | 1 |

10. Transfer between funds

Under the terms of the expendable endowment, any shortfall in unrestricted or restricted funds can be transferred from the expendable endowment.

| | 2024 | 2023 |
|--|----------------|----------------|
| | £'000 | £'000 |
| Net expenditure for the year from unrestricted charitable activities | (3,476) | (3,181) |
| Net (income)/expenditure for the year from restricted charitable activities | 7 | (241) |
| Transfer from expendable endowment to unrestricted and restricted funds | (3,469) | (3,422) |

Transfers from restricted charitable activities to unrestricted funds represent a reversal of project expenditure allocation previously funded from unrestricted activities.

11. Tangible fixed assets

| | Leasehold properties £'000 | Leasehold property Improvement £'000 | Furniture and equipment £'000 | Total £'000 |
|-----------------------------|-------------------------------|--|-------------------------------------|----------------|
| Cost | | | | |
| At 1 October 2023 | 1,900 | 376 | 278 | 2,554 |
| Additions | – | – | 14 | 14 |
| Disposals | – | – | (50) | (50) |
| At 30 September 2024 | 1,900 | 376 | 242 | 2,518 |
| Depreciation | | | | |
| At 1 October 2023 | (403) | (219) | (237) | (859) |
| Provision during the year | (26) | (19) | (27) | (72) |
| Disposals | – | – | 50 | 50 |
| At 30 September 2024 | (429) | (238) | (214) | (881) |
| Net book value | | | | |
| At 30 September 2024 | 1,471 | 138 | 28 | 1,637 |
| At 30 September 2023 | 1,497 | 157 | 42 | 1,696 |

The leasehold properties were transferred from The Nuffield 1940 Trust on 30 November 2007 at deemed cost.

12. Fixed asset investments

| | 2024 £'000 | 2023 £'000 |
|---|----------------|---------------|
| Fair value at 30 September 2023 | 91,515 | 87,698 |
| Additions | 12,260 | 9,547 |
| Proceeds | (14,241) | (10,139) |
| Unrealised gains | 9,982 | 2,102 |
| Realised gains | 3,121 | 2,307 |
| Net gain | 13,103 | 4,409 |
| Fair value at 30 September 2024 | 102,637 | 91,515 |
| Short term deposits (Cash and Cash Equivalents) | 1,404 | 769 |
| Market value of forward foreign exchange transactions | 114 | (81) |
| Total investments at 30 September 2024 | 104,155 | 92,203 |
| The geographical split of investments is as follows: | | |
| UK | 86,307 | 77,028 |
| Overseas | 17,848 | 15,175 |
| | 104,155 | 92,203 |

13. Debtors

| | 2024 | 2023 |
|------------------------------------|------------|------------|
| | £'000 | £'000 |
| Prepayments | 211 | 149 |
| Other debtors | 655 | 595 |
| Amounts owed by subsidiary company | – | – |
| | 866 | 744 |

14. Short-term deposits

| | 2024 | 2023 |
|-------------------------------------|----------|-----------|
| | £'000 | £'000 |
| Coutts Bank 90 day Deposit accounts | – | 16 |
| | – | 16 |

15. Creditors: amounts falling due within one year

| | 2024 | 2023 |
|------------------------------|------------|------------|
| | £'000 | £'000 |
| Tax and social security | 87 | 89 |
| Commissioned work commitment | 3 | 93 |
| Accruals and other creditors | 306 | 287 |
| Deferred Income | 27 | 49 |
| | 423 | 518 |

16. Provision for liabilities

| | 2024 | 2023 |
|-----------------------|-------|-------|
| | £'000 | £'000 |
| Leasehold obligations | 107 | 200 |

17. Financial instruments

Financial instruments may be analysed as follows:

| | 2024 | 2023 |
|---|---------|--------|
| | £'000 | £'000 |
| Financial assets | | |
| Financial assets measured at fair value through the statement of financial activities | 102,637 | 91,514 |
| Financial assets that are debt instruments measured at amortised cost | 4,178 | 3,467 |
| Financial liabilities | | |
| Financial liabilities measured at amortised cost | 531 | 718 |

Financial assets measured at fair value comprise investments.

Financial assets measured at amortised cost comprise debtors, short-term deposits and cash at bank and in hand.

Financial liabilities measured at amortised cost comprise creditors and provisions.

Information regarding the group's exposure to and management of credit risk, liquidity risk, market risk, cash flow and interest rate risk is included in the Trustees' annual report.

Included within financial assets at fair value are a number of derivative instruments, including swaps and forward purchase arrangements, which form part of the organisation's overall investment strategy. As at 30 September 2024 the fair value of these derivatives was £114,000 (2023: -£80,000).

18. Funds

| Fund name | Balance | Income | Expenditure | Transfers | Gains/Losses | Balance |
|----------------------|---------------|--------------|----------------|-----------|---------------|----------------|
| | b/f | | | | | c/f |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Expendable endowment | 95,959 | 2,886 | (557) | (3,469) | 13,103 | 107,922 |
| Unrestricted funds | – | 731 | (4,207) | 3,476 | – | – |
| Restricted funds | – | 357 | (350) | (7) | – | – |
| Total Funds | 95,959 | 3,974 | (5,114) | 0 | 13,103 | 107,922 |

Details of the fund transfers are included in note 10.

The expendable endowment fund was originally created by a gift from Viscount Nuffield in June 1940 to The Nuffield 1940 Trust.

Restricted funds are established where a specific trust exists under charity law. These trusts are established on the substance of the funding arrangement and may not be explicitly declared in the terms of the funding. These restricted funds are associated with defined research activities. The allocation of costs to restricted funds is done on either a directly incurred basis, or on an apportionment basis based on the funding agreement.

Unrestricted Funds are spent at the discretion of our Trustees to further the charity's purposes. These funds capture normal operating income and expenditure not falling within the other funds and are free to be used to supplement expenditure made from restricted funds.

19. Analysis of net assets between funds

| | Tangible fixed assets £'000 | Investments £'000 | Net current assets £'000 | Long Term Liabilities & Provisions £'000 | Total £'000 |
|---------------------------|-----------------------------------|----------------------|--------------------------------|---|----------------|
| Expendable endowment fund | 1,637 | 104,155 | 2,237 | (107) | 107,922 |
| Unrestricted funds | – | – | – | – | – |
| Restricted funds | – | – | – | – | – |
| Total funds | 1,637 | 104,155 | 2,237 | (107) | 107,922 |

* Comparative table shown in note 24(a).

20. Staff pensions

The Trust is not a current member of a defined benefit pension scheme. Historically it was a contributing member of the Universities Superannuation Scheme (USS) defined benefit pension scheme.

The total pension charge for the period for all schemes was £390,000 (2023: £389,000).

Nuffield Group Personal Pension Plan

The Trust established the Nuffield Group Personal Pension Plan (NGPPP) on 1 April 2009. This is a defined contribution pension scheme, previously administered by Legal & General (until February 2021), now administered by Royal London (since March 2021).

Employees are required to contribute a minimum of 4% of salary and the Trust contributes 14%. All staff, by headcount 45 (2023: 49) employees are members of the scheme.

21. Commitments under operating leases

The charity had minimum lease payments under non-cancellable operating leases as set out below:

| | 2024 £'000 | 2023 £'000 |
|--|---------------|---------------|
| Not later than 1 year | 36 | 36 |
| Later than 1 year and not later than 5 years | 144 | 144 |
| Later than 5 years | 1,950 | 1,986 |
| Total | 2,130 | 2,166 |

22. Contingent liability

USS Pension Scheme

The USS is a funded multi-employer scheme. Following the departure of the Nuffield Trust's last remaining employee in the USS pension scheme in May 2015, an employer S.75 debt liability was triggered and became due in May 2016. During our work to quantify this liability it was identified that the Trust had two separate liabilities to the USS pension scheme. The first liability being the S75 liability related to former employees and the second arising as guarantor under an 'Approved Withdrawal Agreement' which the Trust entered into in October 2007.

During the 2018 financial year, the Trust settled the liability in respect of the Section 75 debt.

The 'Approved Withdrawal Agreement' has clearly defined 'trigger events', which, following legal advice, the Trust does not envisage occurring in the foreseeable future. Any liability will be calculated as at the date of the 'triggering event'. As such there is insufficient probability, as to both the timing and amount, of any liability due to USS to enable us to make a provision for this. In accordance with chapter 21 of Financial Reporting Standard 102, this potential liability is therefore disclosed as a contingent liability.

To ensure the Trust was meeting its obligations as a guarantor to the scheme, Counsel's opinion was sought on the matter. Counsel's opinion confirmed the legal advice which had already been received; that the liability was not yet due and that the USS were exceeding the bounds of the scheme rules in making such a demand.

During October 2020, The Pensions Regulator became involved in this matter, having been contacted by USS Pensions requesting that they issue a payment notice in respect of the Approved Withdrawal Agreement. The Trust co-operated fully with the Regulator. The Regulator confirmed they have no intention to issue a payment notice at this time, acknowledging and supporting the approach taken in assuring USS of our capacity to pay the liability should it become due.

The Trust continues to communicate with USS on this matter. No significant changes have occurred during the financial year.

Following legal advice throughout the process the Trust maintains that there is insufficient probability as to both the amount and timing, which is calculated at the date of the ‘triggering event’, to enable the Trust to make a provision for any liability due to the USS pension scheme. The value of the liability is calculated at the point that it is triggered, therefore it is not practical to estimate the financial effect of this contingent item.

23. Related party transactions

In accordance with SORP (FRS102), the Trust’s transactions with Nuffield Trading Limited are set out below.

| | 2024 £'000 | 2023 £'000 |
|--|---------------|---------------|
| Sales | – | – |
| Amounts due from Nuffield Trading Limited | – | – |

There were no other related party transactions or donations from related parties during the year.

24. Comparative statements

24a. Comparative Analysis of net assets between funds (2023)

| | Tangible fixed assets £'000 | Investments £'000 | Net current assets £'000 | Long Term Liabilities & Provisions £'000 | Total £'000 |
|---------------------------|-----------------------------------|----------------------|--------------------------------|---|----------------|
| Expendable endowment fund | 1,696 | 92,203 | 2,260 | (200) | 95,959 |
| Unrestricted funds | – | – | – | – | – |
| Restricted funds | – | – | – | – | – |
| Total funds | 1,696 | 92,203 | 2,260 | (200) | 95,959 |

24b. Comparative Analysis of movement between funds (2023)

| Fund name | Balance b/f £'000 | Income £'000 | Expenditure £'000 | Transfers £'000 | Gains/Losses £'000 | Balance c/f £'000 |
|----------------------|-------------------------|-----------------|----------------------|--------------------|-----------------------|-------------------------|
| Expendable endowment | 92,853 | 2,655 | (536) | (3,422) | 4,409 | 95,959 |
| Unrestricted funds | – | 946 | (4,127) | 3,181 | – | – |
| Restricted funds | – | 363 | (604) | 241 | – | – |
| Total Funds | 92,853 | 3,964 | (5,267) | – | 4,409 | 95,959 |

24c. Consolidated statement of financial activities (2023)

| | Note | Unrestricted funds 2023 £'000 | Restricted funds 2023 £'000 | Expendable endowment fund 2023 £'000 | Total funds 2023 £'000 | Total funds 2022 £'000 |
|--|------|-------------------------------------|--------------------------------------|---|---------------------------------|---------------------------------|
| Income and endowments | | | | | | |
| Donations | 3 | 25 | – | – | 25 | 194 |
| Investment income | 4 | – | – | 2,655 | 2,655 | 2,643 |
| Charitable activities | 5 | 775 | 363 | – | 1,138 | 1,138 |
| Other | | 146 | – | – | 146 | 112 |
| Total income and endowments | | 946 | 363 | 2,655 | 3,964 | 4,087 |
| Expenditure | | | | | | |
| Raising funds | 6 | – | – | 536 | 536 | 531 |
| Charitable activities | 7 | 4,127 | 604 | – | 4,731 | 4,377 |
| Total expenditure | | 4,127 | 604 | 536 | 5,267 | 4,908 |
| Net gains/(losses) on investment assets | 12 | – | – | 4,409 | 4,409 | (9,828) |
| Net income/(expenditure) before transfers | | (3,181) | (241) | 6,528 | 3,106 | (10,649) |
| Transfers | 10 | 3,181 | 241 | (3,422) | – | – |
| Net movement in funds | | – | – | 3,106 | 3,106 | (10,649) |
| Reconciliation of funds – balances brought forward | | – | – | 92,853 | 92,853 | 103,502 |
| Balances carried forward | | – | – | 95,959 | 95,959 | 92,853 |

Following a review of our accounting policies we have identified a number of grant funded projects which should have been recognised as restricted. There has been no change to income, expenditure or the net movement in funds as a result of this.

24d. Allocation of support costs (2023)

| | Raising funds 2023 £'000 | Charitable activities 2023 £'000 | Restricted Project activities 2023 £'000 | Unrestricted Project activities 2023 £'000 | Total allocated 2023 £'000 |
|---|--------------------------------|--|--|--|----------------------------------|
| Staff time (nature of the charge) | 184 | 2,767 | – | – | 2,951 |
| Notional cost of seconded staff (nature of the charge) | – | 25 | – | – | 25 |
| Premises costs (use of area) | 12 | 151 | 41 | 39 | 243 |
| IT and telephone costs (staff time) | 16 | 202 | 56 | 52 | 326 |
| Travel and hospitality (staff time) | – | 3 | 1 | 1 | 5 |
| Professional fees (staff time) | 1 | 7 | 2 | 2 | 12 |
| Communications and PR (staff time) | 4 | 51 | 14 | 13 | 82 |
| General costs including irrecoverable VAT (staff time) | 7 | 82 | 23 | 21 | 133 |
| Governance fees (nature of the charge) | – | 16 | 4 | 4 | 24 |
| | 224 | 3,304 | 141 | 132 | 3,801 |

Nuffield Trust is an independent health and social care think tank. We aim to improve the quality of health care and social care in the UK by providing evidence-based research and policy analysis and informing and generating debate.

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