

## NUFFIELD HEALTH TAX STRATEGY 2024

### 1. Introduction

- 1.1 This statement is Nuffield Health's UK tax strategy that is published to meet the requirements of the Finance Act 2016, Sch 19, Part 2, Para 22. The Strategy is for the financial year 2024 and was approved by the Board Audit & Risk Committee (BARC) at their meeting in June 2025.
- 1.2 Nuffield Health is one of the leading not-for-profit UK healthcare organisations. Nuffield Health run a network of hospitals, medical clinics, fitness and wellbeing clubs and diagnostic units across the UK and also support organisations in looking after their employees by operating their fitness and wellbeing facilities services.
- 1.3 The vast majority of the activities of the Nuffield Health Group are undertaken by Nuffield Health, which is a registered charity in both England and Wales, and Scotland (charity number 205533).
- 1.4 The management of risk is paramount to the way Nuffield Health operates. This comes from its origin in the provision of medical services, where the control of clinical risk is a key component to the successful delivery of care.
- 1.5 The management of tax risks are integrated into the wider risk management processes of the charity and the BARC ultimately has responsibility for oversight of these.
- 1.6 Ethical behaviour is one of the four elements of our values framework and applies equally to our behaviour in relation to tax as much as to any of our other behaviours. Our values framework in relation to ethics states:  
"We are ethical, balancing customer and patient need with quality outcomes and sustainable results"
- 1.7 Our Business Ethics Policy says:  
"We're committed to the highest standards of ethical conduct and integrity in all our business activities. It's our intention to conduct business in an honest way"
- 1.8 As a charity, Nuffield Health benefits from tax reliefs and as such it is important that these reliefs are applied where available to reduce cost and assist to further our charitable aims.
- 1.9 Nuffield Health complies with tax law and the requirement to pay all taxes that are due on time.
- 1.10 As an organisation, Nuffield Health is open and honest with its patients and members. This is also the case in relation with our dealings with the tax authorities.
- 1.11 Nuffield Health is not responsible for the tax arrangements of independent self-employed contractors who have been granted practicing privileges and who we have deemed to be outside of the off payroll working rules (IR35).

### 2 How UK tax risks are managed

- 2.1 Tax compliance and reporting is managed by the Financial Control and Accounting directorate, with oversight from the Chief Financial Officer. The directorate has allocated responsibilities for tax processes and controls.
  - 2.2 Tax risks are regularly assessed and reviewed as part of the charity's risk management process. Any individual may report perceived or actual tax risks using the risk reporting processes or directly to the Head of Tax.
-

2.3 In line with our Risk Management Policy, all identified tax risks are recorded on a risk register with each risk having a single owner who is responsible for ensuring their risk is measured, managed, monitored and correctly reported. Risk Owners are responsible for measuring the severity of their risks using our impact and likelihood scoring criteria and for recording the mitigating controls and any planned corrective action, which is then reviewed and challenged by Senior Leaders on a regular basis.

Depending on their severity, tax risks are escalated to the quarterly Risk & Governance Board which will then determine whether any risks or issues should be reported to the BARC.

2.4 Management of tax risks includes:

- appropriate training of staff whose roles and responsibilities have an impact on tax compliance,
- clearly setting out our intolerance to tax evasion in our Business Ethics Policy and mandatory staff training
- having proportionate processes and controls in place to ensure compliance with tax laws,
- internal audit and external tax advisors periodically test the tax areas with high inherent risks,
- obtaining professional advice for complex issues and/or areas of uncertainty,
- working or liaising with HMRC where appropriate.

### **3. Our attitude to tax planning**

3.1 All activities undertaken by the charity must have a charitable or business purpose. In undertaking transactions, we will take tax into consideration in the same way as other costs and commercial factors. Any non-charitable income will be reported in our trading subsidiary.

3.2 As a charity, we will access the relevant charity reliefs that are available in order to reduce our costs and further our charitable activities.

3.3 Nuffield Health will not consider nor put into place any arrangements that are contrived or artificial in order to obtain a tax advantage.

### **4 The level of tax risk that we are prepared to accept**

4.1 Nuffield Health is not prepared to accept risks related to tax evasion or non-compliance with tax legislation and seeks to manage these risks through controls and mitigating actions. Where there are uncertainties in relation to the understanding or interpretation of tax legislation, we will consider contacting HMRC in order to gain clarity or certainty on the tax position or seek specialist external tax advice.

4.2 More generally, any level of risk acceptance related to our financial processes would be determined through Nuffield Health's Risk Appetite which is a key component of our Risk Management framework and is determined by the Executive Board and validated by the BARC.

### **5 Our approach to working with tax authorities**

5.1 Nuffield Health believes in constructing and maintaining a good relationship with the tax authorities, which involves engaging with the tax authorities in an open and honest way and informing them of significant changes in our activities.

5.2 Errors do occur and these will be corrected and, where required, reported to the tax authorities as soon as the full extent of the error is known.

5.3 Nuffield Health will endeavour to reach agreement with the tax authorities, in the event of a disagreement we will enter into dialogue with the view of reaching a mutually acceptable and agreed position.

---