PROUD TO CARE

ANNUAL REPORT AND ACCOUNTS

2023/24

NHS
Chelsea and Westminster Hospital
NHS Foundation Trust


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Chelsea and Westminster Hospital NHS Foundation Trust

Annual Report and Accounts 2023/24

Presented to Parliament pursuant to Schedule 7, paragraph 25 (4) (a)
of the National Health Service Act 2006

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Foreword from the Chair

Welcome

We formed the North West London Acute Provider Collaborative (APC) in September 2022 with the ambition of providing better care, for more people, more fairly across the four acute NHS trusts in our sector. We have achieved a huge amount together already and so I want to start by thanking all our staff and volunteers for their hard work. Their commitment has been especially impressive given the challenges of the past year, with the continuing growth in demand, multiple rounds of industrial action and growing pressure on public finances.

The past 12 months have seen us deliver our first major projects under our APC banner. On 4 December, we welcomed the first patients to the new North West London Elective Orthopaedic Centre at Central Middlesex Hospital, a centre of excellence serving surgeons and patients from all four trusts. It has allowed us to bring together routine, low-complexity orthopaedic procedures on a planned care site, which will improve outcomes, allow us to treat more patients more efficiently, and reduce the risk of operations being cancelled due to urgent and emergency care pressures.

We also opened two of three new community diagnostic centres (CDCs) planned for North West London, in Willesden and Wembley, last year as well as one of two new eye care diagnostic centres in Willesden. The remaining centres will open shortly, with a CDC at Ealing Hospital and an Eye Care Centre at Health @ the Stowe, Paddington. All have been located in areas that serve communities most at risk of health inequalities and, together, provide more than 180,000 additional diagnostic tests annually. They will help us bring down waiting times while also ensuring fairer access to services.

The third major development was bringing London North West University Healthcare and The Hillingdon Hospitals onto the same electronic patient record (EPR) system as the other two trusts, Chelsea and Westminster Hospital and Imperial College Healthcare. This is already bringing benefits for patients who receive care at more than one of our trusts, and the future potential in terms of aligning around evidence-based best practice in care and supporting data-led research and development is enormous.

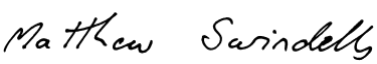
Collaboration is also helping us improve our day-to-day patient activities. We have peer-review programmes, such as in A&E and discharge, to help us learn from one another and spread best practice and innovation more quickly. Services with more capacity at one hospital can help those with very long waiting lists at another, helping patients to get treated more quickly and making best use of our collective resources. And we have joint teams working on a range of improvements, from recruitment and inclusion to learning from safety incidents and managing complaints.

All of this has supported our trusts in meeting their operational and financial performance targets last year while also making our hospitals better places to work. The 2023 NHS staff survey showed significant improvements for all four of our trusts, especially for morale.

As we look to the year ahead, and with a general election close on the horizon, we will be focusing particularly on our longer-term infrastructure needs. The Hillingdon Hospitals and Imperial College Healthcare are both part of the New Hospitals Programme and all our trusts are committed to continuing improvement of their estates.

Just before I close, I would like to express my gratitude to the non-executive directors who stepped down from the board in common during the past year—Nilkunj Dodhia, Prof Andy Bush, Peter Goldsbrough and Neville Manuel.

The last two years have shown us the power of collaboration, not just between our own trusts but also with our patients, communities and health and care partners. There are many challenges ahead—and much more to do—but I am more confident than ever that our collaborative approach is the key to success.



Matthew Swindells
Chair

SECTION 1

PERFORMANCE REPORT

OVERVIEW OF PERFORMANCE

Statement from the Chief Executive

I am pleased to introduce the 2023/24 Annual Report for Chelsea and Westminster Hospital NHS Foundation Trust (the Trust), reflecting on the work of our two main hospital sites, Chelsea and Westminster Hospital and West Middlesex University Hospital, and all our community-based services.

At the start of last year, we set ambitious quality priorities to improve the clinical effectiveness, safety and experience of care received by all our patients. These included a focus on end-of-life care, the safe and timely discharge of patients, improving the identification and care of frail patients and implementing the new patient safety incident response framework. This report sets out the progress we have made on all of these, with the Trust retaining our position as one of the safest places in the country to receive care.

It has been a very busy 12 months for our Trust, during which we have navigated continued recovery from COVID-19, improving our performance in all areas despite industrial action and increasing pressures on the system. We have celebrated 30 years of Chelsea and Westminster Hospital and have commenced much-anticipated capital projects to transform the Treatment Centre at Chelsea and build a state-of-the-art Ambulatory Diagnostic Centre at West Middlesex—both designed to improve care for patients, increase access and provide new opportunities for staff for decades to come.

We have remained focused on our patients and our staff. I hope this is evident throughout this report. We have concentrated relentlessly on the recovery of our elective care programme, ensuring we treat our cancer and urgent patients first, and then treating our longest waiting patients. While we strive to do our best, we acknowledge that there are occasions when we get things wrong. Please be assured that we are committed to learning from our mistakes and continually striving for improvement.

Our commitment to ensuring patient flow and safe discharge has remained—with the addition of two new discharge-ready units to support the safe discharge of patients who require care in the community. We remain in the top ten for A&E performance in the country, are among the safest and highest-performing NHS trusts, and our maternity services were given CQC ratings of ‘good’ (Chelsea and Westminster) and ‘outstanding’ (West Middlesex). Performance against cancer standards has remained strong.

Our internationally recognised sexual health services continue to develop in the communities they serve. Our pioneering TransPlus service has been commissioned nationally and our gender surgery services will increase in scope over the coming months. Our clinicians continue to advance research and development, with a newly established Chair of Medicine. Areas of innovation include maternal and women’s health, burns, infectious diseases, vaccine development, colorectal surgery and ‘Human Challenge’ studies. Our focus is to ensure that everyone living and working locally has the opportunity to participate in research, ultimately improving the care and experience of our patients.

We have worked with colleagues within the acute collaborative to provide mutual aid for both the acute and elective programmes. The completion of work at Central Middlesex Hospital has led to the opening of the collaborative elective orthopaedic centre, ensuring that even more patients are treated in a timely manner.

In partnership with Imperial College Healthcare NHS Trust, we have structured our children's services to see increasing numbers of patients and to ensure resilience across the paediatric specialties.

We have worked hard with colleagues in Community and Mental Health services to ensure that our patients are treated in the most therapeutic setting, sharing skills and learning across professional backgrounds to ensure more integrated care for our patients.

Our volunteers have been central to the care we provide to patients and the support we offer to our staff and I am always inspired by the selfless commitment they offer to our patients.

Enabling our clinical work is a strong digital strategy, including our shared digital platform allowing seamless access to patient records, and enabling clinical staff to have access to relevant patient information securely and quickly. This has not only improved the coordination of patient care but is contributing to better and more efficient care for all patients. There is still much to do in our digital infrastructure and development, but we are excited about the progress we have made.

But ultimately, none of this would be possible without our committed workforce—who live our PROUD values each day. Despite another challenging year for the NHS and its people, with operational pressures, a continued focus on elective recovery, and periods of industrial action, they have continued to care for patients and each other with kindness, compassion, skill and utmost dedication. I am so grateful for all they do. That is why, following an extensive programme of staff wellbeing and recognition this past year, I am delighted that our recent NHS staff survey results show improvement in our staff engagement—with our people recommending our organisation as a top place to work.

It has been a positive year for our Trust, but there is always more to do to ensure that we go above and beyond for the patients and communities we serve. This includes a relentless focus on tackling inequities wherever we find them. I am delighted that Natasha Singh, in her new role as Equality, Diversity and Inclusion advisor to the Board, will support us in this vitally important work.

On that note, I want to acknowledge the excellent support of our partners in the acute collaborative, other NHS partners, primary care, local government, and the voluntary sector.

On behalf of everyone at Chelsea and Westminster Hospital NHS Foundation Trust, I would like to extend my thanks to our members, governors, patients, community and staff for your commitment and support over the past 12 months.

When I reflect on our Trust and acknowledge the inspirational desire to continuously improve services for patients and staff, I am struck by the commitment to teamwork and collective effort. This coming year, we will continue to improve together. I hope you enjoy reading the annual report and agree that we have had a challenging but successful year.

Our values

The Trust values are firmly embedded throughout our organisation. They outline the standard of care and experience that our patients and members of the public should expect from any of our staff and services.

They are:

- **P**utting patients first
- **R**esponsive to patients and staff
- **O**pen and honest
- **U**nfailingly kind
- **D**etermined to develop

Our priorities

Our Board-agreed strategic priorities have remained the same as the previous year:

Strategic priority 1: Deliver high-quality, patient-centred care

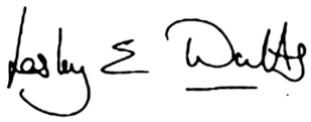
Patients, their friends, family and carers will be treated with unfailing kindness and respect by every member of staff in every department, and their experience and quality of care will be second to none.

Strategic priority 2: Be the employer of choice

We will provide every member of staff with the support, information, facilities and environment they need to develop in their roles and careers. We will recruit and retain the people we need to deliver high-quality services to our patients.

Strategic priority 3: Delivering better care at lower cost

We will look to continuously improve the quality of care and patient experience through the most efficient use of available resources (financial and human, including staff, partners, stakeholders, volunteers and friends).



Lesley Watts
Chief Executive Officer

The year in photos

April 2023

HIV and sexual health services shortlisted for 2 HSJ Digital Awards for their pioneering digital solutions

Our new Discharge Ready Unit opens at West Middlesex University Hospital

May 2023

Staff celebrated the 30th anniversary of the opening of Chelsea and Westminster Hospital

Maternity services at West Middlesex University Hospital rated ‘outstanding’ by the CQC

June 2023

Staff commemorated the first anniversary of our Paediatric Ambulatory Care Clinic (PACC)

We celebrated National Volunteers Week with a series of events across our sites including barbecues

July 2023

We made a splash at the Pride in London parade with our first ever Trustwide float

NHS chief executive Amanda Pritchard joined us to mark the 75th birthday of the NHS live on air

August 2023

Staff at West Mid celebrated South Asian culture as part of South Asian Heritage Month

Ron Johnson Ward at Chelsea awarded ‘silver’ as part of our ward accreditation programme

September 2023

Gynaecology staff held a session to raise awareness of gynaecological cancers

We commenced our campaign to vaccinate staff against flu and COVID-19

October 2023

Covered in the *Evening Standard*, a local family thanks doctors for saving their baby's life after a 7-week battle with Strep A by fundraising for CW+

We worked with LFB to promote their #ChargeSafe campaign on the dangers of incorrectly storing and charging e-bikes, featured on BBC online

November 2023

Celebrating the important role of our healthcare assistants during HCA Day

Chelsea FC, in collaboration with our charity CW+, ran a wellbeing session for trans staff

December 2023

The Great Big Thank You Week was packed with events across our sites in appreciation of our staff

We celebrated 35 years of HIV care at our Trust with a gala-style evening including a panel discussion

January 2024

NHS chief executive Amanda Pritchard met with staff in our Ambulatory Emergency Care unit

Staff were treated to a complimentary breakfast as part of our health and wellbeing programme

February 2024

Celebrating our staff who advanced their careers though our learning and development programme

Final approval is announced for the construction of a state-of-the-art Acute Diagnostic Centre at West Mid

March 2024

We recognised the achievements of women in our Trust with events at both hospitals to mark International Women's Day

Our refurbished Nuclear Medicine department opened with new, high-definition scanners enabling advanced diagnostics across a range of specialties

History and statutory background of the Trust

Chelsea and Westminster Hospital NHS Foundation Trust (the Trust) was founded on 1 Oct 2006 under the Health and Social Care (Community Health and Standards) Act 2003 and is a statutory body. It acquired West Middlesex University Hospital NHS Trust on 1 Sep 2015, and now operates these two hospitals in addition to a range of community services.

Chelsea and Westminster Hospital (CW) is a modern and attractive building which opened in 1993 on the site once occupied by St Stephen's Hospital, bringing together staff, services and equipment from five London UK hospitals:

- **Westminster Hospital:** Founded in 1719 as a voluntary hospital in a small house in Petty France, Pimlico, with just 10 beds
- **Westminster Children's Hospital:** Built in 1907 as the Infant's Hospital—originally in Vincent Square SW1, the hospital pioneered the treatment of malnutrition in infants
- **West London Hospital:** Opened in 1860, the hospital was known from the early 1970s for its women-centred maternity service
- **St Mary Abbots Hospital:** An infirmary occupied the site of what had been the Kensington workhouse, and the hospital was founded in the late 19th century
- **St Stephen's Hospital:** A map of 1664 indicates on this site 'the hospital in Little Chelsea'—later there was a workhouse, then an infirmary, before St Stephen's was founded in the late 1800s

West Middlesex University Hospital (WM) also has a long history of pioneering, innovative healthcare. It opened in 1894 as the Brentford Workhouse Infirmary and became known as West Middlesex Hospital in about 1920. The main hospital building was redeveloped between 2001 and 2003, with substantial redevelopment continuing today. Both sites are at the heart of their local communities, providing accessible, state-of-the-art facilities.

Purpose and activities of the Trust

The Trust delivers specialist and general hospital care at Chelsea and Westminster Hospital and West Middlesex University Hospital. Both hospitals have major A&E departments and the Trust provides one of the largest maternity services in England.

Our specialist hospital care includes the burns service for London and the South East, children's inpatient and outpatient services, cardiology intervention services and specialist HIV care. We also manage a range of community-based services, including our award-winning sexual health clinics which extend to outer London areas.

We are active partners in the North West London Integrated Care System (ICS) which brings together all parts of the NHS and local authorities to focus on improving the health of the local population. We have exercised our functions in accordance with the plans of the Integrated Care Board (ICB) which governs the ICS and have worked in partnership in developing any joint capital resource plans in accordance with NHS England's guidance on good governance and collaboration. Within the ICS, we are part of the North West

London Acute Provider Collaborative along with Imperial College Healthcare NHS Trust, The Hillingdon Hospitals NHS Foundation Trust and London North West University Healthcare NHS Trust. Our collaborative is focused on reducing health inequalities for patients accessing acute care across north west London by developing joint clinical pathways and providing mutual aid.

The Trust serves a catchment area in excess of one million people in the following areas:

- Brent
- Central London
- Ealing
- Hammersmith and Fulham
- Harrow
- Hillingdon
- Hounslow
- Kensington and Chelsea
- Richmond
- Wandsworth
- West London
- ‘Rest of England’ category to reflect that national services we provide

We also have a series of contractual, systems management and other partnership arrangements with respective local authorities. This includes membership and reporting arrangements to health and wellbeing boards and overview and scrutiny committees. We have established our partnership duties through a series of accountability and reporting mechanisms to local Healthwatch groups (the statutory patient representative organisation).

Equality of service delivery

Chelsea and Westminster Hospital NHS Foundation Trust is committed to equality and equity of opportunity in the provision of services. In line with our strategic priorities and values, we aim to create the best possible quality of care by delivering the highest quality service to all sections of the community we serve without discrimination.

The Trust provides essential health services developed over the years to meet diverse needs, ensuring they are delivered fairly and equitably. Our goal is to make these services accessible to everyone, regardless of age, disability, gender, race, national origin, sexuality or other factors which may cause disadvantage or inequity. We do not tolerate any practices resulting in lower service standards due to unfair or unlawful discrimination. During 2023/24, we have further embedded our position as part of the North West London Acute Provider Collaborative which carries a key aim of reducing health inequalities. We we have developed a range of collaborative pathways with other acute providers across north west London, as well as offering mutual aid to start to reduce health inequalities across acute health providers in north west London. This has been through support to the Hillingdon Hospitals NHS Foundation Trust (for example in acute physician sessional support and seconding staff to support corporate nursing, learning and development). We have also supported this through use of Trust facilities to support long waiters (for example, gynaecology patients have been transferred to the Trust where we have shorter waiting times). The Critical Care network has sought to manage capacity and demand more flexibly across the collaborative to ensure we treat those who need this key support.

Our 2023/24 Equality Diversity and Inclusion (EDI) action plan recognised that critical to experience is the ease of access to and the quality of care our patients receive and how our communities see us. In some areas of clinical outcomes, such as neonatal mortality which is higher for Black and Asian families, the correlation with ethnicity is well known. We also track other areas, for example, whether race or disability impacts how long patients wait for care and are creating new ways to identify problems and measure improvement.

Tackling health inequalities

Health inequalities are part of wider inequalities relating to unfair and avoidable differences in health between different groups in society. These inequalities can include access to care, quality and experience of care.

Tackling inequalities in outcomes, experience and access is one of the four fundamental purposes of Integrated Care Systems (ICSs). NHS England's Healthcare Inequalities Improvement Programme's vision is for the NHS to deliver "exceptional quality healthcare for all, ensuring equitable access, excellent experience and optimal outcomes".

Good quality, robust data enables the NHS to understand more about the populations we serve. It enables the Trust to identify groups that are at risk of poor access to healthcare, poor experiences of healthcare services or outcomes from it, and deliver targeted action to reduce healthcare inequalities.

We have made an impact through our prevention programme which includes the following:

- Smoking cessation: Over the last two quarters of 2023/24, more than 360 inpatients (94% of those eligible) were referred to the SmokeLess programme to support them with smoking cessation.

- Alcohol harm reduction: Over the previous 12 months, more than 2,800 patients at our West Middlesex site received support from our Alcohol Care Team to reduce the harmful impact of alcohol abuse.

Over the last 12 months, we have run a series of health improvement programmes including smoking cessation, alcohol dependency and oral health through the Enterprise Division. These have reported to our Improvement Board and their achievements have been showcased across North West London Health Improvement forums. The multi-disciplinary team (MDT) approach to alcohol reduction was also shortlisted for a NWL Health Equity Award.

During 2023/24, the Trust has further improved our data quality processes on the health of the population we serve by joining our data with the Whole System Integration Care (WSIC). This has allowed us to align modelling on levels of Index of Multiple Deprivation (IMD) and give a greater understanding where deprivation may be an issue with our patient and where this contributes to inequity and unwarranted variation.

In 2024/25, we plan to expand this work through a newly established Health Improvement Committee (chaired by the Chief Medical Officer) to:

- Deliver our Smokeless programme and further improve on smoking cessation—this programme has been selected as one of the Trust quality priorities for 2024/25

- Sustain and embed the alcohol reduction programme
- Explore areas around obesity
- Publish metrics set out in the NHS England's Statement on Information on Health Inequalities and commission further work based on data analysis of inequity and how we can address through health inequalities impact assessment

We are collaborating with partners across North West London to ensure a consistent approach to reporting on these metrics with the plan to co-develop strategic objectives to tackle inequalities identified.

Principal risks for 2023/24

The Trust is committed to consistently delivering the highest quality of care and outcomes for our patients. Our ambition is to strengthen our position as a major health provider in north west London and beyond, to enhance our position as a major university teaching hospital, driving internationally recognised research and development, and to establish ourselves as one of the NHS's primary centres for innovation. The Trust's strategic objectives are:

Strategic priority 1: Deliver high-quality, patient-centred care

Patients, their friends, family and carers will be treated with unfailing kindness and respect by every member of staff in every department and their experience and quality of care will be second to none.

Strategic priority 2: Be the employer of choice

We will provide every member of staff with the support, information, facilities and environment they need to develop in their roles and careers. We will recruit and retain the people we need to deliver high-quality services to our patients.

Strategic priority 3: Delivering better care at lower cost

We will look to continuously improve the quality of care and patient experience through the most efficient use of available resources (financial and human, including staff, partners, stakeholders, volunteers and friends).

The principal risks that could substantially impact the achievement of the Trust's strategic objectives, as recorded in the Board assurance framework, are outlined in greater detail within the *Annual Governance Statement* which features later in this report. These are summarised below:

- Failure to ensure the application of clinical and operational processes within an increasingly complex environment could compromise the delivery of outstanding, high quality, safe and patient-centred care
- Failure to innovate and coproduce quality improvements with our staff, patients, carers and stakeholders/partners could drive health inequalities in outcomes and patient experience

- Failure to fully realise the Trust's academic and Research and Development (R&D) potential may adversely affect its reputation and lead to loss of opportunity

- Risk that the population's continuously changing need for services exceeds the Trust's capability and capacity to respond in a timely way—where there are instances of demand outstripping supply, there is a risk that quality and safety of care will be compromised, the needs of service users could be insufficiently met, and this will lead to poorer health outcomes and experiences

- Insufficient or ineffective planning for current and future workforce requirements (including number of staff, skill mix and training) may lead to impaired ability to deliver the quantity of healthcare services to the required standards of quality and inability to achieve the business plan and strategic objectives

- Failure to look after our staff's physical and mental wellbeing could lead to reduced retention of staff, increased sickness levels, pressure on staff and decreased resilience, poor staff morale, over-reliance on agency staffing at high cost/premiums, potential impairment in service quality, and loss of the Trust's strategic ambition to be the employer of choice

- Failure to maintain a coherent and coordinated structure and approach to succession planning, organisational development and leadership development may jeopardise the development of robust clinical and non-clinical leadership to support service delivery and change, staff being supported in their career development and to maintain competencies and training attendance, staff retention, and the Trust being a 'well-led' organisation under the CQC domain

- Failure to develop and maintain our culture in line with the Trust values and the NHS People Promise, which includes being compassionate and inclusive, recognition and reward, having a voice that counts, health, safety and wellbeing of staff, working flexibly, supporting learning and development, promoting equality, diversity and inclusivity and fostering a team culture—the absence of this could result in harm to staff, an inability to recruit and retain staff, a workforce which does not reflect Trust and NHS values, and poorer service delivery

- Failure of the integrated care systems and provider collaboratives in which we work to deliver transformation, reduce health inequalities, integrated care, maintain financial equilibrium and share risk responsibly may impact adversely compromising service delivery and the quality of patient care

- Failure to deliver a fit for purpose digital and physical estate to deliver the Trust's clinical strategy and strategic objectives through ineffective business planning arrangements and/or inadequate mechanisms to track and control delivery of plans and programmes

- Failure to deliver the financial plan and maintain financial sustainability, including, but not limited to non-delivery of CIP savings, budget overspends, underfunding and constraints of block contracts in the context of increasing levels of activity and demand—this could lead to an inability to deliver core services and health outcomes, financial deficit, intervention by NHS England and Improvement, NWL ICS constraints, and insufficient cash to fund future capital programmes

- Failure to protect the integrity and security of our information could lead to cyberattacks which could compromise the Trust's infrastructure and ability to deliver services and patient care, data loss or theft affecting patients, staff or finances, reputational damage and/or personal data and information being processed unlawfully (with resultant legal or regulatory fines or sanctions)

- Failure to take reasonable steps to minimise the Trust's adverse impact on the environment, maintain and deliver a green plan, and maintain improvements in sustainability in line with national targets, the NHS Long Term Plan and 'For a Greener NHS' ambitions (30%, 50% and 80% reduction in emissions by 2023, 2025 and 2030, respectively, and net zero carbon by 2040), could lead to a failure to meet Trust and system objectives, reputational damage, loss of contracts, contribution to increased pollution within the wider community, and loss of cost saving opportunities

- Failure to maintain adequate business continuity and emergency planning arrangements to sustain core functions and deliver safe and effective services during a widespread and sustained emergency or incident, for example a pandemic, could result in harm to patients, pressure on and harm to staff, reputational damage and regulator intervention

All principal risks are reviewed through the governance structure on a quarterly basis including controls, assurances, gaps in control and actions. Our risk management process includes the 'three lines of assurance' approach supporting more robust risk management. Each principal risk is assigned to an executive lead and has a designated governance home within the Trust committee structure. Mitigating controls include:

- Clinical pathways
- Clinical and non-clinical policies and procedures
- Quality 'deep dives'
- Ward accreditation process
- Quality Improvement (QI) programme
- Peer reviews
- Patient and public engagement forum
- Strong operational planning and performance management
- Strong financial planning, strategy and grip
- Staff health and wellbeing strategies and initiatives
- Mutual aid and shared learning across the acute provider collaborative
- People strategy and associated sub-groups
- System Oversight Meeting
- Cybersecurity
- Implementation of the sustainability and net zero strategy
- Effective risk management systems

Going concern

The Trust has submitted a plan for 2024/25 to generate a breakeven position. As at 31 Mar 2024, the Trust holds £161.6m of cash reserves and has a forecast cash balance of £160.8m at 31 Mar 2025.

The directors are confident that there is a reasonable expectation that the Trust will continue to have adequate cash resources to service its operational activities in cash terms for the next 12 months and into 2025/26. The NHS clinical payment structures for the Trust have remained largely unchanged, with fixed and variable elements to the contract. The main change in 2024/25 is that NHSE has issued new Elective Recovery Fund (ERF) targets to providers, which providers must achieve and any over/under performance will be traded. The impact of this funding and the cash regime have been taken into account for the Trust's plans and projections, including cash flows, liquidity and income base.

After making enquiries, the directors have a reasonable expectation that the services provided by the NHS Foundation Trust will continue to be provided by the public sector for the foreseeable future. For this reason, the directors have adopted the going concern basis in preparing the accounts, following the definition of going concern in the public sector adopted by HM Treasury's *Financial Reporting Manual*.

PERFORMANCE ANALYSIS

How the Trust measures performance

North West London Acute Provider Collaborative

The four acute trusts in north west London approved the appropriate delegation of authority to establish the North West London Acute Provider Collaborative (APC) in July 2022. With a chair and board in common, the collaborative came into being on 01 Sep 2022.

The organisational structure for the APC is a collaborative of four statutory organisations. The four Trust Boards therefore continue to be the core governance mechanisms for each Trust, responsible for setting strategy and delivery of statutory and regulatory requirements. As a collaborative, the four boards work together to deliver common strategic priorities where those priorities add collective value. However, each Trust Board remains responsible for the delivery of their respective trust duties.

This approach means each trust remains an independent organisation, working closely with our local authorities, patient groups and other partners, while also being able to make more effective use of our collective resources to provide better care, for more people, more fairly.

Over the past year, our collaborative approach has helped us to:

- Offer patients waiting for an operation in a trust where capacity for a particular service is limited, the chance to have their operation sooner, in a hospital managed by one of the other partners where there is more capacity for that service.

- Expand a single electronic patient record system to cover all 12 hospitals of the four acute trusts, bringing immediate benefits for patients who receive care at more than one of our trusts and creating huge potential for evidence-based, best practice and data-led research and development.

- Improve inpatient orthopaedic care across the sector with the opening of the North West London Elective Orthopaedic Centre. This has allowed us to bring together routine, low-complexity orthopaedic procedures in a single centre of excellence which will improve outcomes, allow us to treat more patients more efficiently, and reduce the risk of operations being cancelled due to urgent and emergency care pressures.

- Continue to use the peer review process, building on the findings from the reviews we have taken (including A&E and discharge from hospital), sharing best practice and innovation within specific services more systematically.

- Open two of three new community diagnostic centres planned for north west London, in Willesden and Wembley, as well as one of two new eye care diagnostic centres in Willesden. A community diagnostic centre in Ealing and an eye care centre in Westminster will open shortly. All have been located in areas that serve communities most at risk of health inequalities and, together, provide approximately 196,000 additional diagnostic tests annually. They will help us bring down waiting times while also ensuring fairer access to services.

- Bring six urgent treatment centres (UTCs) in-house from independent sector management, meaning all seven UTCs located in our hospitals are now managed as part of integrated urgent and emergency care pathways, improving operational flow and enabling us to provide a better experience for patients and staff.

- As last year, the APC overall has delivered the financial plan for 2023/24 and has agreed coordinated financial plans for the year ahead, while also being one of the highest-performing sectors in the NHS.

- Our leadership teams have continued to work together systematically, focused on five key workstreams—quality, people, finance and operational performance, digital and data, and estates and sustainability. With each work area led by one of the trust chief executives and one of the vice chairs, we are aligning our approach to measuring performance and impact and gathering user insights to help us identify and prioritise shared and local challenges as well as solutions and best practice.

- We have embarked on developing the three-year strategy for the APC including extensive engagement with staff and other key stakeholders. This strategy will set out the strategic aims for the Collaborative, including the alignment of best practice, reduction of variation across the Collaborative and therefore improving access to our services.

- We have also embarked on the development of a three-year APC strategy, engaging with staff and a range of stakeholders. The strategy, which will set out our strategic aims and implementation approach, will be shared this summer.

Meanwhile, we have agreed the following joint work projects within our existing work streams (plus an additional one—equality, diversity and inclusion) for the year ahead:

- **Quality:** Improving care for deteriorating patients and end-of-life care, continuing our focus on a standardised approach to clinical harm and mortality reviews, incorporating user insights, implementing the new national patient safety strategy, implementing a new incident and risk management system, implementing a maternity and neonatal delivery plan and focusing on infection prevention and control.

- **People:** Creating a careers hub and staff transfer scheme, creating a recruitment hub for hard-to-fill vacancies, increasing the apprenticeship levy uptake, reducing violence, aggression, bullying and discrimination and reducing the premium rate staffing expenditure.

- **Digital and data:** Finalising the APC digital and data strategy, optimisation of the Cerner system to better support frontline staff, developing a strategic reporting solution based on the national Federated Data Platform (FDP), improving patient flow and capacity using the care coordination solution.

- **Finance and operational performance:** Delivery of the activity targets in the operational plan, support services consolidation, discharge planning and flow, agree a programme of efficiency and productivity reducing reliance on ICB support and improving our financial sustainability and outpatient transformation.

- **Estates and Sustainability:** Developing our collaborative-wide estates strategy to improve the facilities across all our sites, maximising our engagement with the national New Hospitals Programme, and working together to move our trusts towards net zero carbon emissions.

- **Equity Diversity and Inclusion (EDI):** Improving the data we hold to enable us to monitor, manage and improve equity across all our services, increasing access to our services and reducing inequality in all healthcare provision. Prioritising the elimination of the inequalities that exist in our workforce by implementing inclusive workforce strategies that empower our staff to advance their careers and enable an environment that promotes their wellbeing, is safe and free from discrimination.

Local Trust level

The work of the Trust Board of Chelsea and Westminster Hospital NHS Foundation Trust is underpinned by five key committees—namely the Quality Committee, People and Workforce Committee, Audit and Risk Committee, Finance and Performance Committee and the Nominations and Remuneration Committee.

Board-level

The Quality Committee and Finance and Performance Committee receive the integrated performance report comprising a number of key performance indicators (KPIs) with associated commentary to explain variances and detail the actions in place to deliver improvement.

The KPIs cover a range of contractual and internally determined metrics, providing a balanced scorecard for the Trust's performance across the four domains of regulatory compliance, quality, efficiency and workforce. Each KPI, where appropriate, has a target based on either the contractual performance standard or an internally set target, based on benchmarking information from a peer group of other NHS organisations.

The integrated performance report presents the KPIs for both hospital sites independently, as well as the combined Trust performance. Trend data is also provided for the last 12 months to enable the Trust Board to track progress over time.

The Trust Board receives a quarterly integrated performance and quality report which enables triangulation of outcomes and performance across the domains of access, quality, people and finance. This report includes comparator information of performance across the other three trusts in the North West London Acute Provider Collaborative while also giving nationally benchmarked performance positions. These arrangements complement a rigorous regime of internal and external audit and accountability to the Trust Board, the North West London Acute Provider Collaborative, the North West London Integrated Care Board, NHS England and our regulatory bodies. The Board also receives a summary of the Trust's financial performance, with more detailed information provided to and scrutinised by the Finance and Performance Committee.

Divisional-level

Performance at the divisional level is scrutinised through monthly divisional performance review meetings, providing an opportunity for executive directors to have a more detailed

discussion with divisional teams to support performance improvement initiatives, celebrate good performance and challenge underperformance. Divisional performance reviews are supported with the relevant division's performance information against the committee and Board-level KPIs, supplemented by additional performance information relevant to the priorities of the division concerned.

A comprehensive programme of specialty-based deep dives has been fully embedded across the organisation for a number of years. These reviews are executive-led and held with the specialty multidisciplinary teams to review their quality, workforce and efficiency metrics.

Additionally, a weekly performance meeting led by the hospital directors and divisional directors of operations is in place to monitor the key performance metrics across both sites and to monitor data quality. Performance against the elective recovery plan is also shared on a frequent basis through the executive management board and all-staff webinars.

To support effective operational performance, the Trust employs a team of specialist information professionals who provide analytical support to all parts of the organisation and service the Trust's internal and external reporting obligations.

Performance information is provided to the organisation routinely through a combination of desktop self-service tools, automated routine reports, refreshed periodical scorecards and ad hoc reporting on request. Trust performance is scrutinised and supported through a range of daily, weekly and monthly meetings, with the necessary information available for discussion.

Operational performance

Throughout 2023/24, the Trust faced significant challenges due to increasing demand for services, the after-effects of the COVID-19 pandemic on elective care backlogs, and the impact of industrial action on elective capacity. Despite these challenges, the Trust maintained high levels of quality and performance, treating patients as effectively as possible.

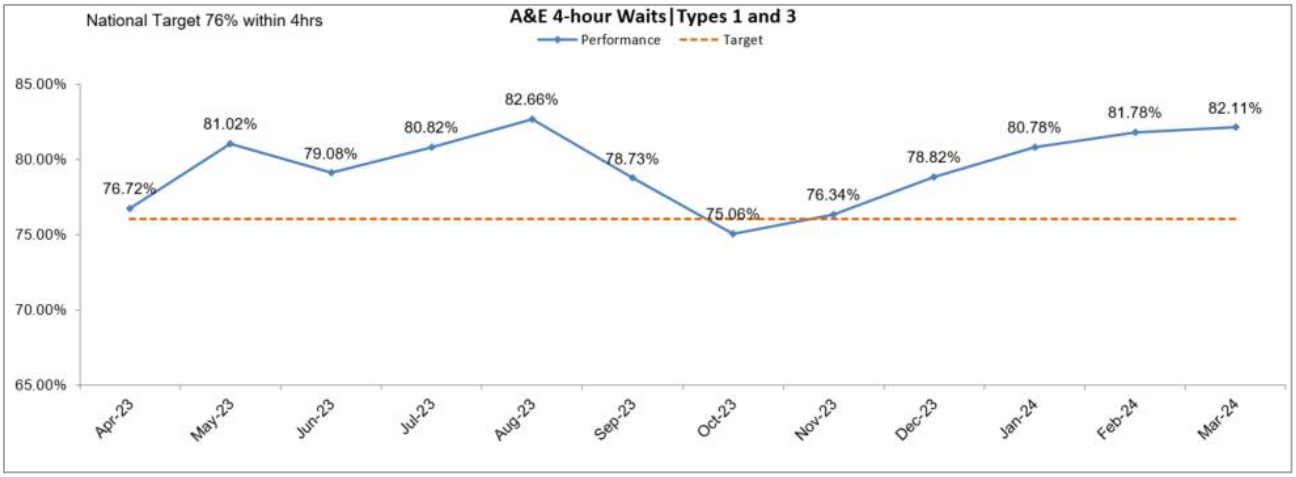
Our urgent and emergency care services experienced high demand throughout the year. In Sep 2023, the Trust took over the management of the Urgent Treatment Centre at the West Middlesex site and stabilised its performance. Despite pressures, the Trust has continued to perform well and would, if reporting, rank in the top decile nationally. The Trust has consistently delivered one of the best levels of performance in the capital and nationally, although more needs to be done to return to pre-pandemic levels of performance and flow.

Referral to treatment time (RTT) performance has not been achieved since Oct 2019 when the Cerner electronic patient record system was deployed at the Chelsea site. The subsequent impact of ceasing elective activity in Mar 2020 during the first wave of COVID-19 meant the recovery phase was not concluded. Throughout 2023/24, performance against this standard has remained stable despite the significant impact of industrial action. Focus continued on treating long-waiting patients, with 53 patients waiting over 78 weeks for treatment in Mar 2024 and a trajectory to eliminate such long waits in the next financial year. There were 27 patients waiting over 78 weeks at the end of last financial year, but this year has been increasingly challenged due to industrial action.

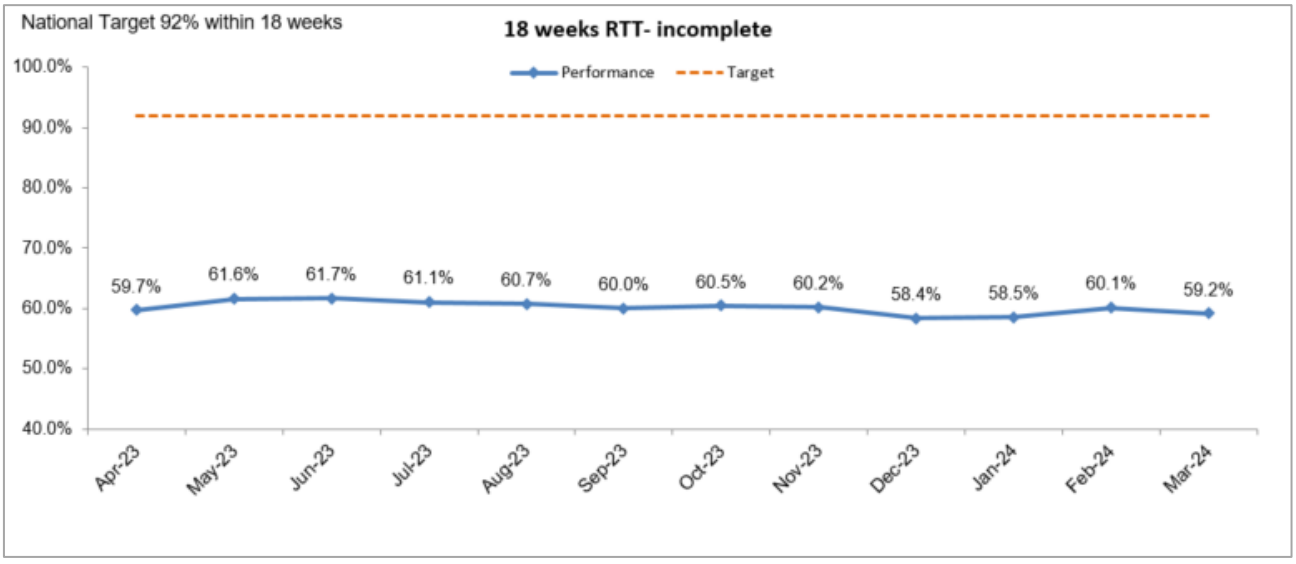
Our compliance with the 2-week wait cancer standard has been excellent despite the challenges, meeting the standard for 11 out of 12 months. The 28-day faster diagnostic standard (FDS) was introduced in Oct 2021 for patients referred for suspected cancer to have a timely diagnosis. The aim is for 75% of patients to be diagnosed or have cancer ruled out within 28 days of being urgently referred by their GP. Performance against this standard improved considerably in 2023/24 and is now consistently delivered, with compliance in 11 out of 12 months. There has also been an improvement in performance against the 62-day standard, which measures the overall time from referral to treatment for patients diagnosed with cancer. While not consistently compliant with this target, Trust performance has trended upwards and is ranked top decile nationally.

The Trust's strong performance against the national 95% diagnostics standard has been challenged over the last quarter of the year, with a full recovery plan in place to return to compliance in quarter 1 of 2024/25. The following graphs illustrate the Trust's performance against each of the key national standards of A&E 4-hour performance, RTT times, cancer 2-week waits, 62-day cancer waits, 28-day FDS and diagnostics as noted above.

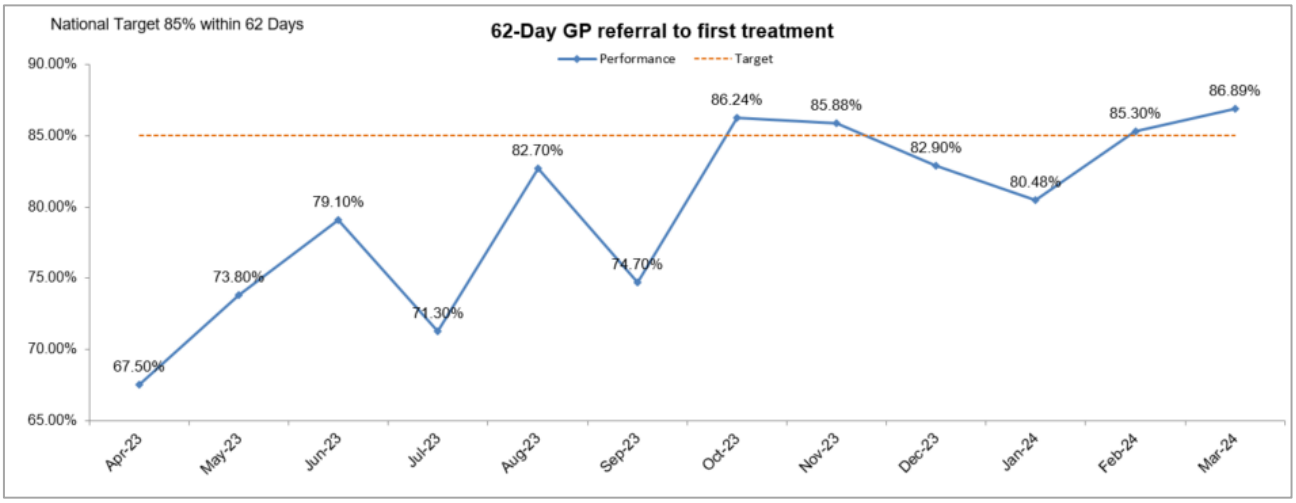
A&E 4-hour performance—types 1 and 3



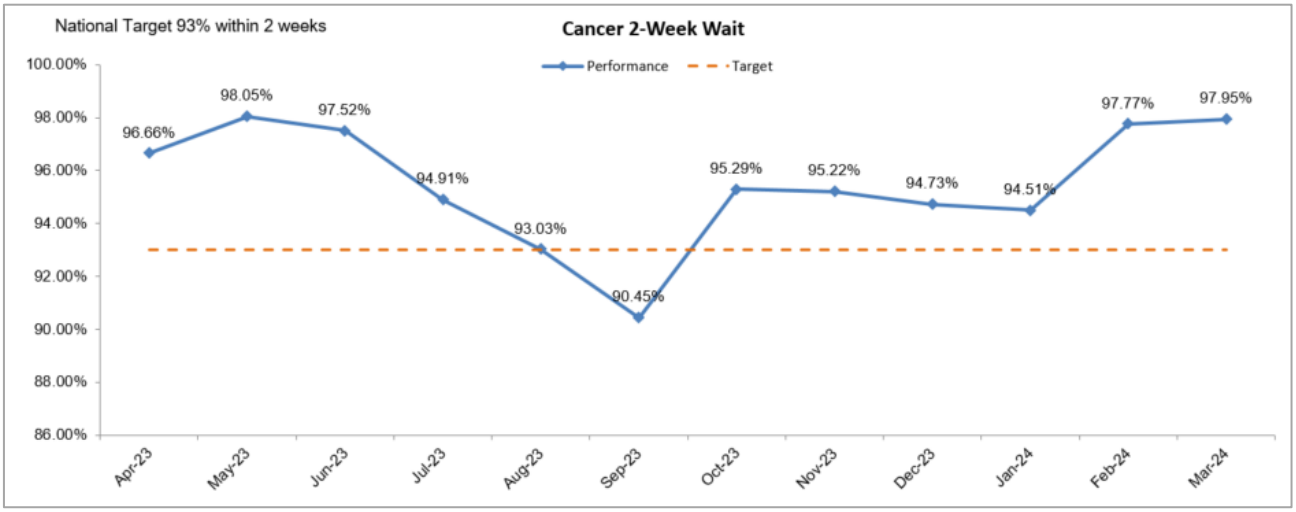
18-week referral to treatment (RTT) performance



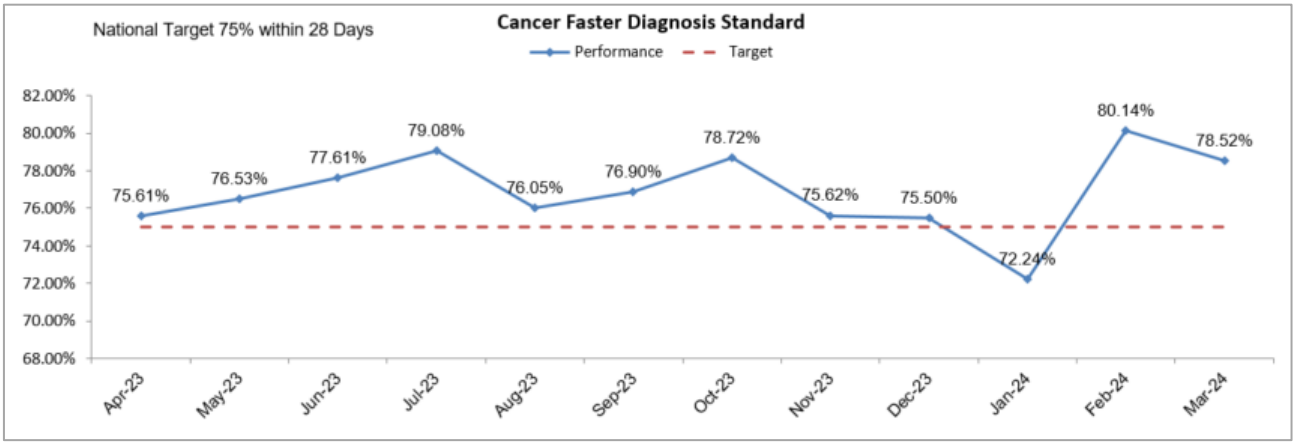
Cancer urgent 62-day GP referral to first treatment performance



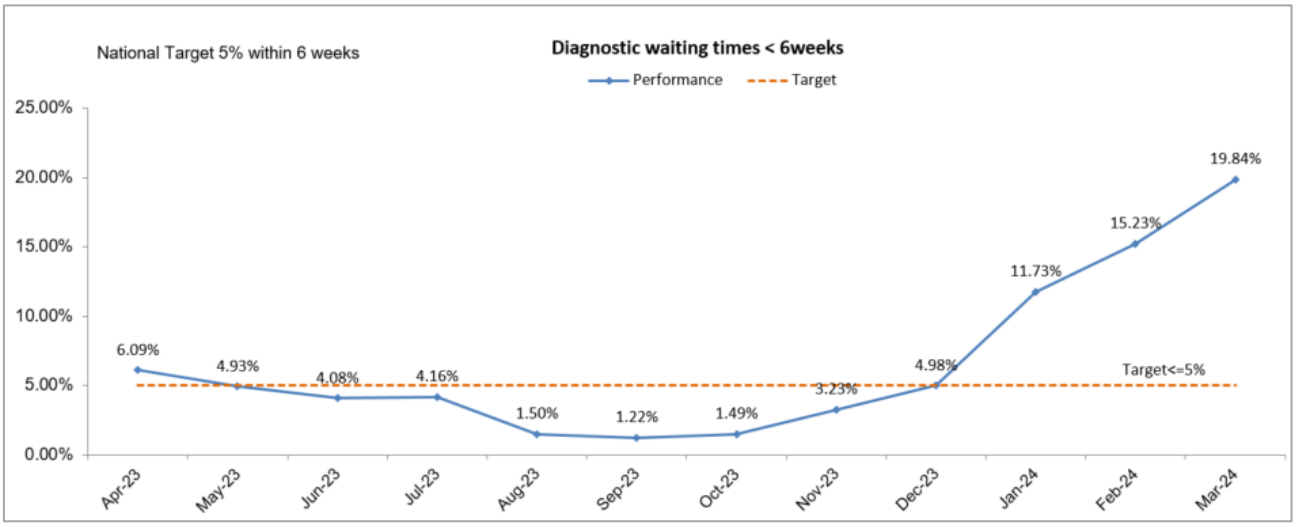
Cancer 2-week wait performance



28-day faster diagnostic standard performance



Diagnostic waiting times performance



Quality priorities

During 2023/24, the Trust set a range of quality priorities aimed at improving the clinical effectiveness, safety and experience of care received by our patients. These included:

- **End of life care:** Supporting people in their last months or years of life
- **Effective discharge:** Enabling safe and timely discharge
- **Frailty care:** Improving the identification and care of frail patients
- **Patient safety incident response framework (PSIRF):** Enhancing patient safety through learning and improvement

Priorities were identified through engagement with multiple stakeholder groups:

- Engagement and feedback from our Council of Governors and Engagement Forum, including external stakeholders
- Engagement and feedback from our Board's Quality Committee
- Review of incident reporting and feedback from complaints and claims

We are proud of the progress made against our 2023/24 quality priorities. Although not all ambitions were realised, the Trust has continued to deliver year-on-year improvements to our services, promoting better quality of care. A brief progress update for each quality priority is provided below.

Priority 1: Improving end of life care

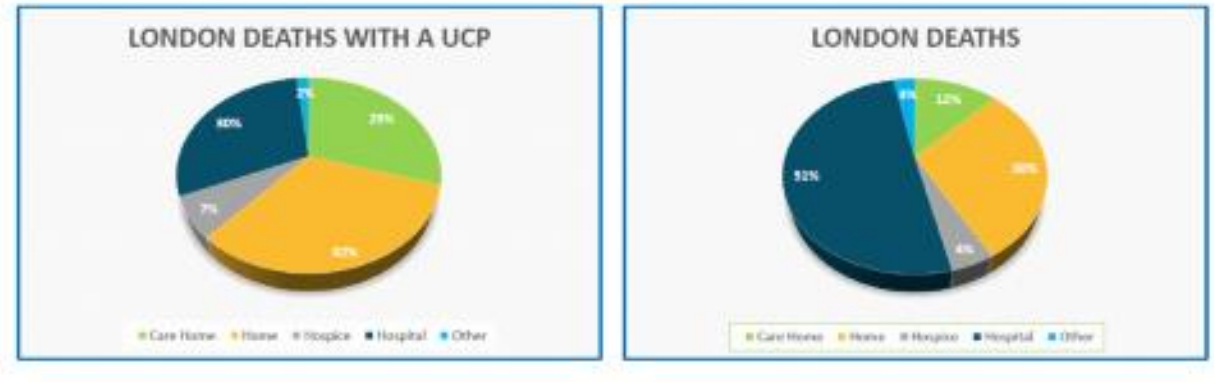
Why we chose this as a quality priority

Nationally, a third of NHS inpatients are within the last 12 months of life. The Trust is committed to ensuring that these patients receive personalised, appropriate care tailored to their needs and the needs of those important to them. The Trust implemented a two-year quality priority in 2022/23 focusing on the provision of coordinated, individualised care at the end of life, delivered by staff who have had the appropriate training and education, and in line with the preferences of the patient.

Aim

The introduction of the London Universal Care Plan (UCP) digital system (previously called the London Urgent Care Plan)—this system provides a shared record of patients' care preferences, including decisions around goals and treatment escalation. This is important because of the association between the presence of a UCP and place of death, with more patients dying outside of the hospital setting if they had a UCP, as demonstrated in the charts below.

Charts: Doing the right thing report on universal care plans

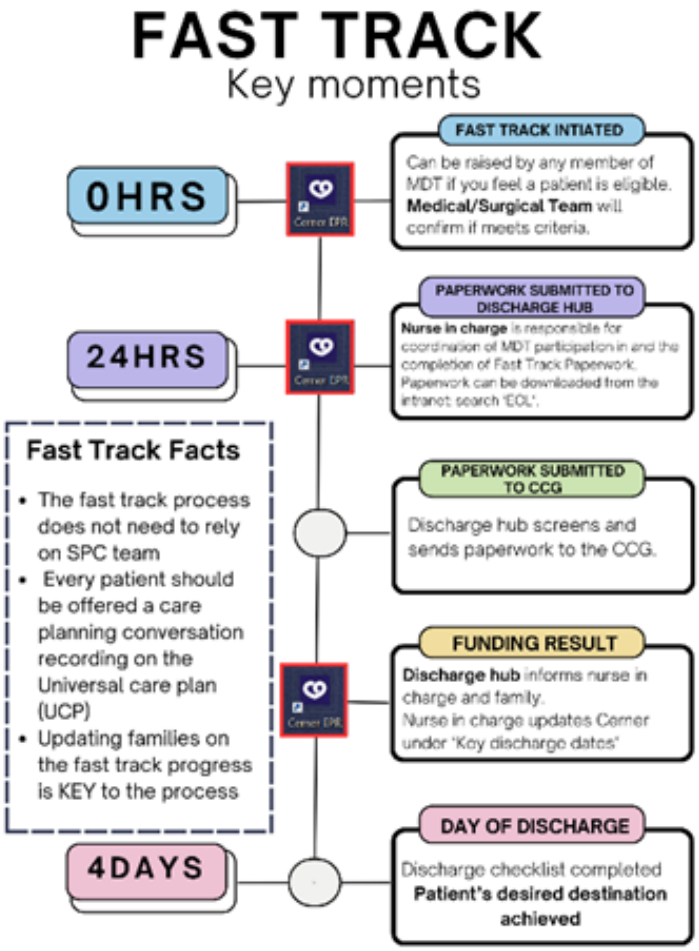


Supporting people's preferences for place of care and death can have significant impacts on our patients and those important to them—for this reason, the Trust has committed to improving the 'fast-track' discharge process. Fast-track is a process to rapidly access NHS funding for care outside of hospital, either at home or in a care home, for patients who are rapidly deteriorating in the context of a life-limiting illness. It is the Trust's ambition to reduce the timeframe of these transfers so that patient preferences can best be met at the end of life.

Update on progress

- There is now increased operational Trustwide visibility owing to Cerner reporting of three fast-track key moments under 'key discharge dates':
    - fast track—initiated
    - fast track—paperwork submitted
    - fast track—approved
- Further improvement will lead to this being visible on the Timely Care Hub. Meanwhile, an interim solution for reporting has been developed, however, this is not visible to all members of staff..
- There are ongoing communications regarding developing the fast-track paperwork in a digital form, increasing the safety and efficiency of completion.
- Significant improvement has been made to the 'end of life matters' intranet page, making it a useful signposting tool and supportive to staff, including the most up-to-date fast-track documentation End of Life (EOL) Matters.
- There is ongoing training and support for members of the multidisciplinary team, highlighting the fast-track pathway—see the following image.

Simplified fast track process map highlighting key moments to update Cerner 'Key discharge dates'



- There has been an increase in the use of the universal care plan (UCP) with targeted training and communications. However, we are reliant on the external company 'Better' to provide more granular detail of these metrics, which is currently being addressed by the Trust—see charts below:

Chart: UCP access 2023/24 by the Trust provided by external company 'Better'

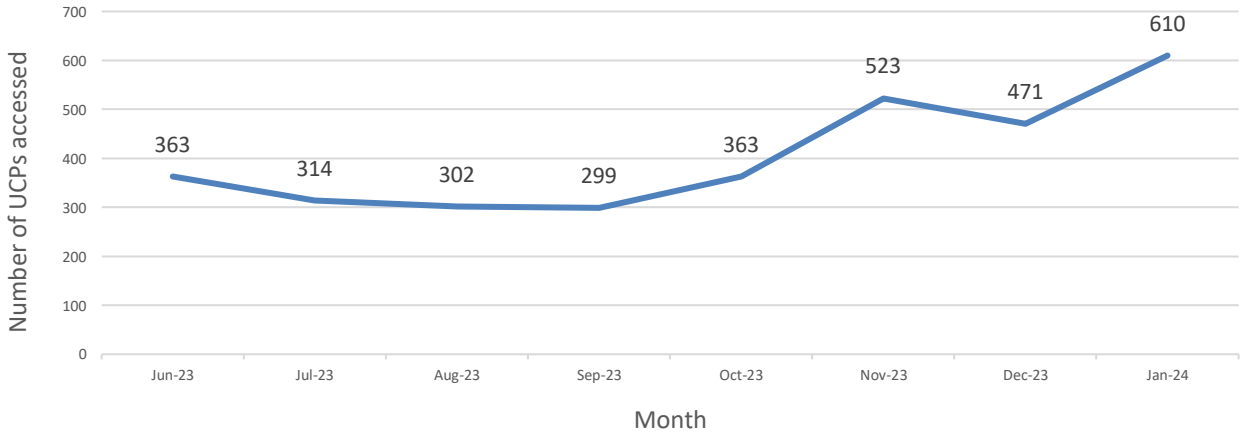
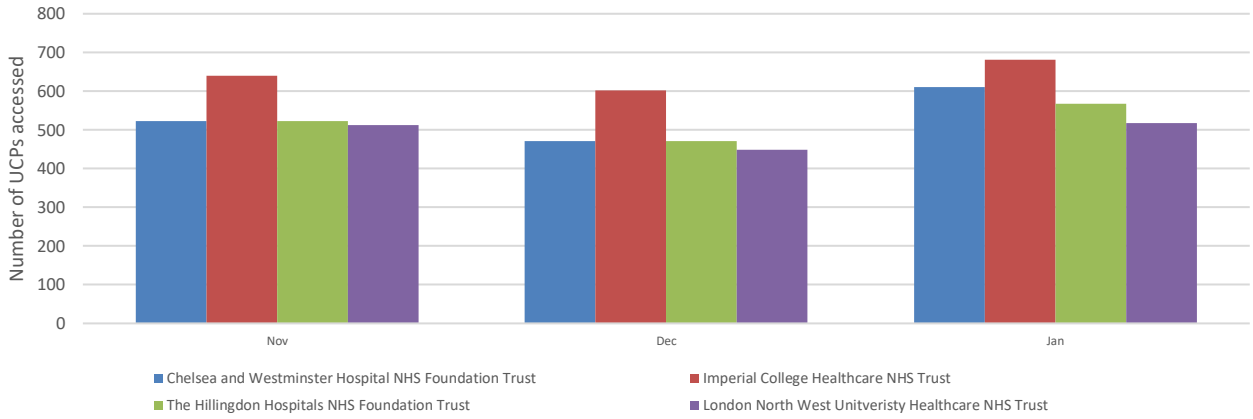


Chart: UCP access 2023/24 by the Trust provided by external company 'Better'



Metric	Target	Achieved
Fast-track transfers to be delivered in less than 4 days with centralised support for the management of fast-track discharges	>75% (not met)	• Chelsea site is at an average of less than 13.5 days • West Mid site is at an average of 13 days (Jan 2024 data)
Patients with an urgent care plan attending A&E are identified	100%	100% (see charts above)

Key challenges

The fast-track discharge process is intricate, involving dynamic challenges that have influenced the execution of the quality priority. Initially, there was no sustainable reporting tool at the onset of the quality priority, leading to reliance on manual data extraction. However, following the implementation of the Cerner change, a report now exists for identifying fast-track patients, offering insights into the duration between crucial fast-track milestones.

In-depth examinations of fast-track patients revealed paperwork as a major factor contributing to delays. Continuous education and assistance have been provided to ward teams. However, true improvements have been realised through the introduction of digital paperwork systems.

Forward plan

A working group comprising key members has been established to sustain the progress of improvement plans. As part of the Trust's quality priorities for 2024/2025, end-of-life care will be highlighted whenever relevant connections are identified. End-of-life care will continue to be reported to the following meetings:

- End-of-life steering group (bi-monthly)
- Clinical effectiveness group (bi-annually)

Priority 2: Supporting effective discharge

Why we chose this as a quality priority

Hospital discharge arrangements impact patient outcomes, experience and the cost of healthcare provision. By integrating discharge processes within digital solutions, the Trust

can ensure timely and safe discharges, reduce readmissions and provide patients with the support they need to manage their conditions at home. This approach also supports better information availability and communication between teams, improving the continuity and quality of care.

Aim

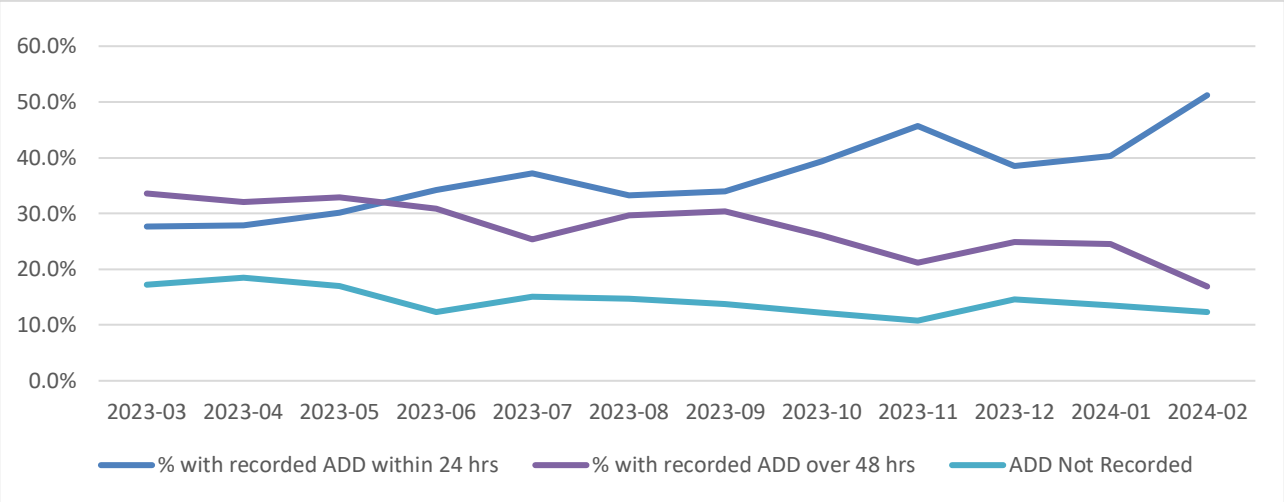
Development of a digital solution designed to support communication between system partners and patients, minimise internal delays and optimise the discharge process.

Update on progress

There has been an overall improvement in the number of patients having an anticipated discharge date (ADDs) recorded within 24 hours, however, the target of 95% has not been achieved. Once the baseline was established (27.8%), the Acute Medical Unit (AMU) and the Acute Assessment Unit (AAU), as admitting areas, were identified as the wards contributing to over 40% of the total ADDs set, therefore these were highlighted as areas of focus for improvement.

The chart below demonstrates there has been a 23.4% increase in the number of ADDs being completed within 24 hours of admission. There has also been a reduction in the number of ADDs recorded over 48 hours (15.1%) and ADDs not recorded (6.1%).

Chart: Trust average anticipated discharge date recorded on Cerner



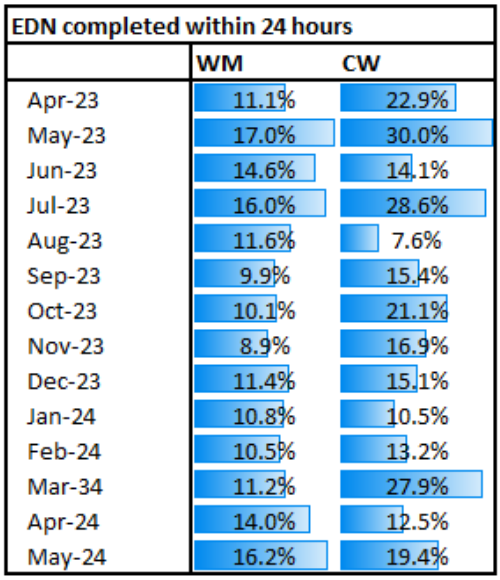
Metric	Target	Baseline (Apr 2023)	Achieved
Patients to have an identified anticipated discharge date within 24 hours of admission	95%	27.8%	51.2%
Community/social care referrals (where relevant) completed within 24 hours	75%	17%[1]	17.8%

Key challenges

There have been significant challenges extracting data to report on the Early Discharge Notification (EDN) during the timeline of the quality priority. The following figure shows the breakdown by site.

[1] Not started until Mar 2024

Figure: Community social EDN referrals by site



EDN completed within 24 hours		
	WM	CW
Apr-23	11.1%	22.9%
May-23	17.0%	30.0%
Jun-23	14.6%	14.1%
Jul-23	16.0%	28.6%
Aug-23	11.6%	7.6%
Sep-23	9.9%	15.4%
Oct-23	10.1%	21.1%
Nov-23	8.9%	16.9%
Dec-23	11.4%	15.1%
Jan-24	10.8%	10.5%
Feb-24	10.5%	13.2%
Mar-34	11.2%	27.9%
Apr-24	14.0%	12.5%
May-24	16.2%	19.4%

A discharge dashboard is in development stages looking to be completed during 2024/25 which will enable improved visibility of key discharge metrics.

During the quality priority, staff have become more familiar with the use of recording key discharge moments in Cerner due to ongoing training and support.

Forward plan

The metrics identified in the quality priority are part of a wider discharge transformation programme which will continue ongoing improvement plans and report to the Clinical Effectiveness Group (quarterly).

Priority 3: Improving frailty care

Why we chose this as a quality priority

Frailty is a loss of resilience, meaning people with frailty are unable to bounce back quickly after an illness, accident or other stressful event. People with frailty are also at risk of developing conditions such as anxiety and depression, and are more likely to have unplanned hospital admissions. Due to our ageing population, an increasing number of people are at risk of developing frailty. Early recognition and timely intervention can save lives, prevent harm, improve patient experience and reduce unwarranted variation in care. It is, therefore, the Trust's ambition to improve how we recognise frailty, assess patient needs and intervene to best support patients and reduce risk.

Aim

To improve the identification, management and prevention of frailty through evidence-based interventions, multidisciplinary team reviews and using data-driven approaches at an earlier point within a patient's pathway and within the emergency care pathway. We aim to complement these aims with a robust assessment of patient experience through our integrated care coordinators working closely with the patient experience team to develop a continuous AFS service evaluation.

Update on progress

The frailty quality priority was able to meet and exceed the 35% national CQUIN (Commissioning for Quality and Innovation) targets for completing a clinical frailty assessment and ensuring appropriate follow-up care was received, reaching 98.7% and 50% on average, respectively.

We were able to deploy a reporting solution to support this through the Trust's digital and business intelligence teams, which ensured that a sustainable method of CQUIN reporting is maintained for the future—see monthly frailty metrics table below.

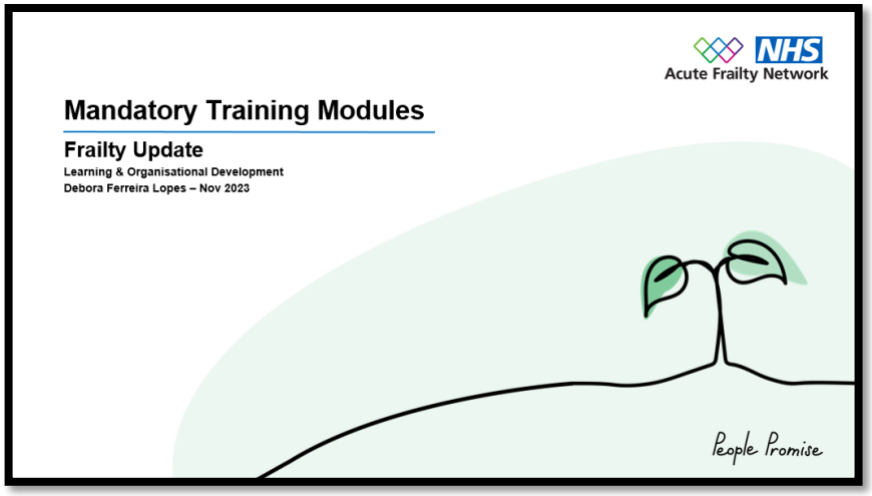
Metric	Target
Patients aged 65 and over attending A&E or same-day emergency care (SDEC) receiving a clinical frailty assessment and appropriate follow-up	35%
Basic frailty training for all patient-facing staff (for selected staff groups)	95%

We were also able to build and deploy a frailty training programme for the Trust in Feb 2024. While the training is open to all clinical staff, in the initial phase we prioritised three tiers of the front door workforce (eg Emergency Department/SDEC/AAU) and aim to collect monthly compliance lists in the new financial year.

Table: Monthly frailty metrics

Detailed initiatives	Target	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024	Feb 2024	Mar 2023
Patients ≥ 65 attending A&E or same-day emergency care (SDEC) receiving a clinical frailty assessment	35%	98.3%	98.0%	97.0%	99.6%	99.2%	97.7%	98.4%	99.8%	99.7%	99.3%	99.7%	99.4%
Patients ≥ 65 attending A&E or same-day emergency care (SDEC) receiving appropriate follow up	35%	48%	48%	41.1%	48.6%	53.9%	51.4%	49.8%	55.4%	50.4%	64.7%	56.6%	62.2%
Basic frailty training for patient facing staff	95%	Training rolled out Feb 2024—compliance register in development											

Figure: Frailty training module



Key challenges

Despite the success of the quality priority as a whole, there were some key challenges that the team encountered, including:

- Identifying the CGA (Comprehensive Geriatric Assessment) exact criteria with North West London leads for an appropriate follow-up involved numerous discussions with service directors and consultants to ensure the criteria were fair and applicable to all clinical scenarios.

- To accurately report the CFS (Clinical Frailty Score) and CGA compliance rate without manually sifting through the data, the Business Intelligence team was asked to support the automation of the data request and analysis. Despite challenges in operationalising some of the Cerner data, this was used in subsequent months to provide clear data to all board meetings.

Forward plan

Identified as a priority for 2024/25.

Priority 4: Patient safety incident response framework (PSIRF)

Why we chose this as a quality priority

The patient safety incident response framework (PSIRF) is an innovative national approach to developing and maintaining effective systems and processes for responding to patient safety incidents, and is a core element of the NHS patient safety strategy.

The framework enhances the Trust's approach to safety learning and supports strategic, preventative, collaborative, fair and just, credible and people-focused investigations. The changes required to implement PSIRF will be coordinated across the Acute Provider Collaborative to enhance sector consistency. To gauge the organisation's appetite for PSIRF, a staff survey was carried out during quarter 2 of 2023/24 to better understand our safety culture—see figure on the next page.

Aim

To empower and enable our staff to respond to patient safety events through the implementation of the patient safety incident response framework in collaboration with the North West London Acute Provider Collaborative. The Trust launched its implementation of the PSIRF plan at the end of the 2023/24 financial year and has gained a better understanding of the safety culture of the organisation and areas for improvement—see patient safety culture survey results below.

Update

Progress has been made with the rollout of PSIRF, including:

- ICB-approved PSIRF Policy and Plan published on the Trust external website
- Patient safety levels 1 and 2 launched mid-June 2023, however, Trust communications were not released until late August 2023. There has been a steady increase with targeted communications to divisions.

- 80 staff members attended the two-day accredited training
- Recruitment of Patient Safety Partners (PSPs)
- Adaptation of governance report templates to include PSIRF methodology

Metric	Target	Performance[2]
Staff to receive level 1 (essentials for patient safety) training.	90%	40%
Staff at band 6 and above and our medical professionals to receive level 2 (access to practice patient safety) training.	90%	30%

Figure: Patient safety culture survey results

[2] Data taken from Qlikview as at 3 Apr 2024

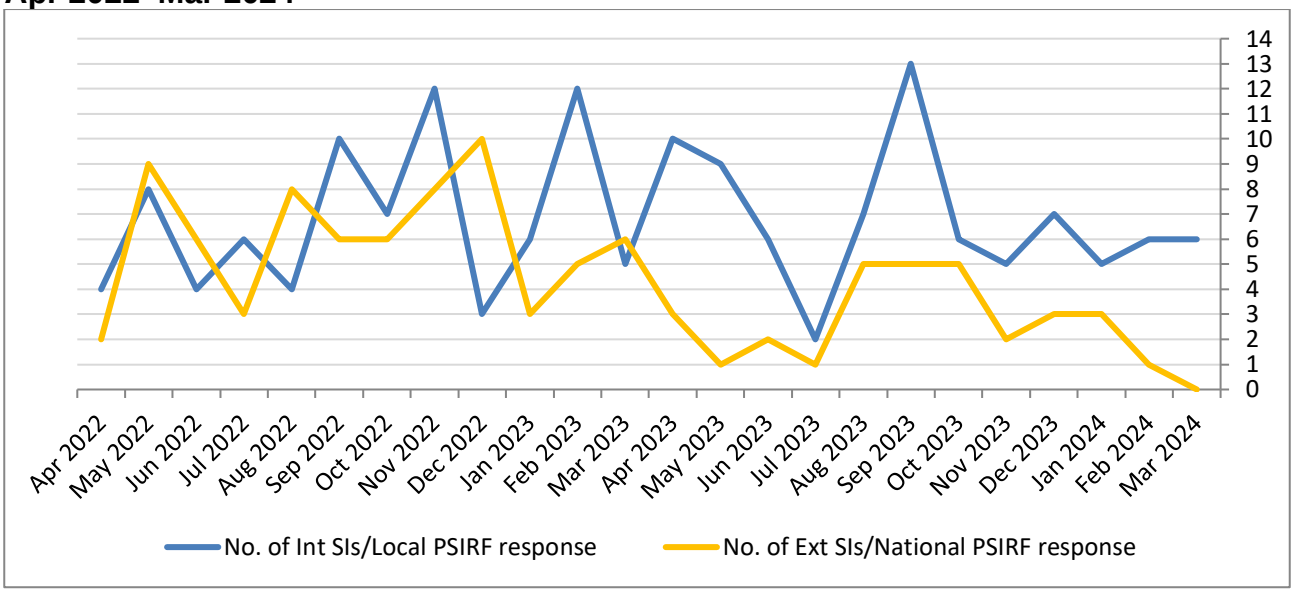
Key challenges

Patient safety level 1 and 2 e-learning has been hosted on the e-Learning for Health (ElfH) platform, which decreased visibility and ease of access. However, this should improve due to the eLearning now being hosted on Chelsea Learning, the main Trust e-Learning platform since the beginning of Mar 2024. Prior to this date, our compliance rate was at 20% and has seen a marked improvement in the last month of the financial year.

Running a hybrid system of both the Serious Incident Framework (as we phased it out) and PSIRF created an increased workload on all divisions, which were tasked with testing new methodology as well as completing existing open serious incidents.

There was a significant increase in the number of responses, as seen in the chart below, but this has since resolved due to the complete phasing out of the old framework and full rollout of PSIRF during the last quarter of 2023/24.

Chart: Comparison between external and internal serious incidents (SIS)/patient safety incident investigations (PSIIs)/safety responses declared/commenced Apr 2022–Mar 2024



Forward plan

Identified as a priority for 2024/25.

Financial performance

The Trust reported an adjusted surplus of £2.68m against the control total of a breakeven plan. The overall reported position is a surplus of £7.4m for the year (before adding back all reversals of impairments relating principally to land and buildings of £6.8m and other adjustments of £2.1m). The Trust delivered £22.9m of cost improvement programmes during the year. The following table shows the 2023/24 financial outturn against the 2022/23 position under NHS England's reporting definitions.

	2023/24 outturn (£m)	2022/23 outturn (£m)
Operating revenue	£940.1	£867.2
Employee expenses	(£539.4)	(£500.8)
Other operating expenses	(£382.7)	(£344.5)
Non-operating income/expenses	(£10.7)	(£12.6)
Other gains/(losses) including disposal of assets	(£0.02)	(£0.3)
Net reversal of impairments and other non-current asset gains/(losses)	(£6.8)	(£6.8)
Corporation tax expense	(£0.002)	(£0.02)
Removal of donated assets/PPE consumables	£0.1	(£2.1)
Removal I&E impact of IFRS 16 on IFRIC 12 schemes	£2.0	(£0.0)
Adjusted surplus/(deficit)	**£2.68**	**£0.05**
Net surplus/(deficit) %	0.29%	0.01%

Total operating revenue for EBITDA	£938.8	£864.1
Total operating expenses for EBITDA	(£898.1)	(£822.9)
EBITDA	**£40.7**	**£41.2**
EBITDA margin %	4.3%	4.8%

Year-end cash	**£161.6**	**£160.2**

During the year, the balance of cash and cash equivalents increased from £160.2m (31 Mar 2023) to £161.6m (31 Mar 2024).

In 2023/24, the Trust invested £50.5m on capital, which included £30.9m on estates works and maintenance across both sites, £8.8m on medical equipment and £9.4m on IT goods and services. The balance of £1.7m included non-medical equipment and the impact of IFRS16 leases.

Environmental and sustainability performance

Overall strategy for sustainability

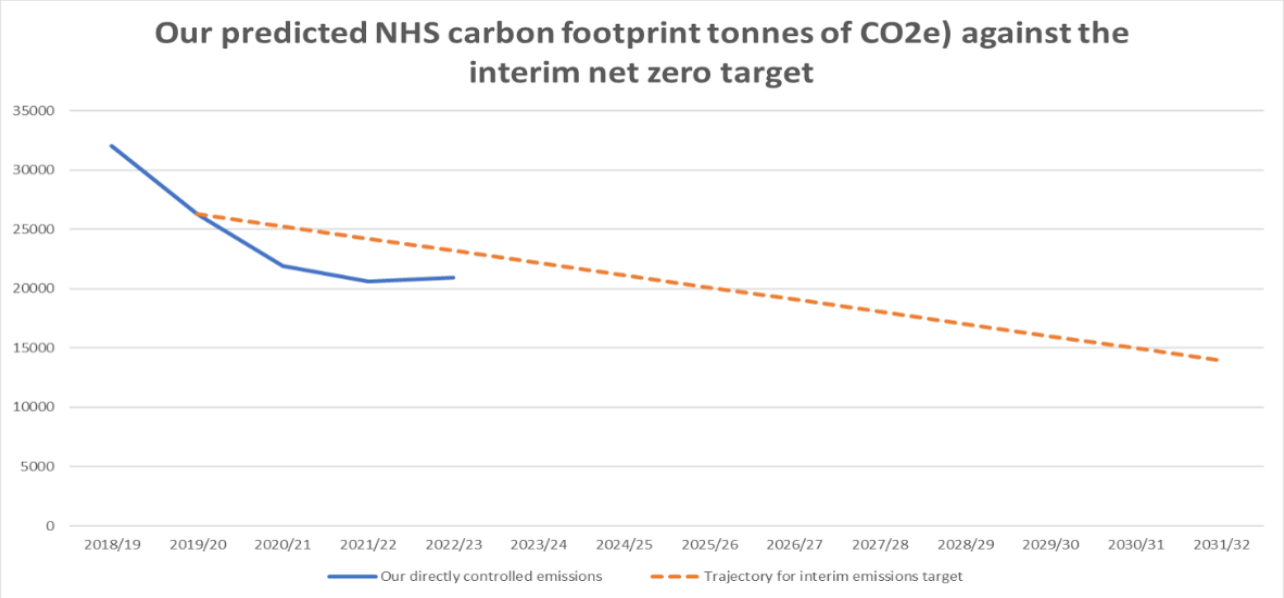
In Nov 2021, the Trust launched its five-year Green Plan, setting out two core targets:

- For the emissions we control directly (the NHS carbon footprint), we will reach net zero by 2040, with an ambition to reach an 80% reduction by 2028–32
- For the emissions we can influence (our NHS Carbon Footprint Plus), we will reach net zero by 2045, with an ambition to reach an 80% reduction by 2036–39.

Our sustainability board, chaired by the Chief Financial Officer, has oversight of key workstreams of our sustainability strategy. It focuses on progressing opportunities for carbon reduction in alignment with the Trust's Green Plan. This year we have continued working alongside our partners towards the decarbonisation of our activities to align with our vision of a low-carbon, sustainable healthcare system.

Our carbon footprint

The Trust measures its carbon footprint for direct greenhouse gas (GHG) emissions. Throughout the year, we have continued to collaborate with our external partners and contractors to improve the accuracy of the data. Our estimated directly controlled carbon footprint includes emissions from utilities (gas, electricity and oil), water and sewage, and volatile gases.



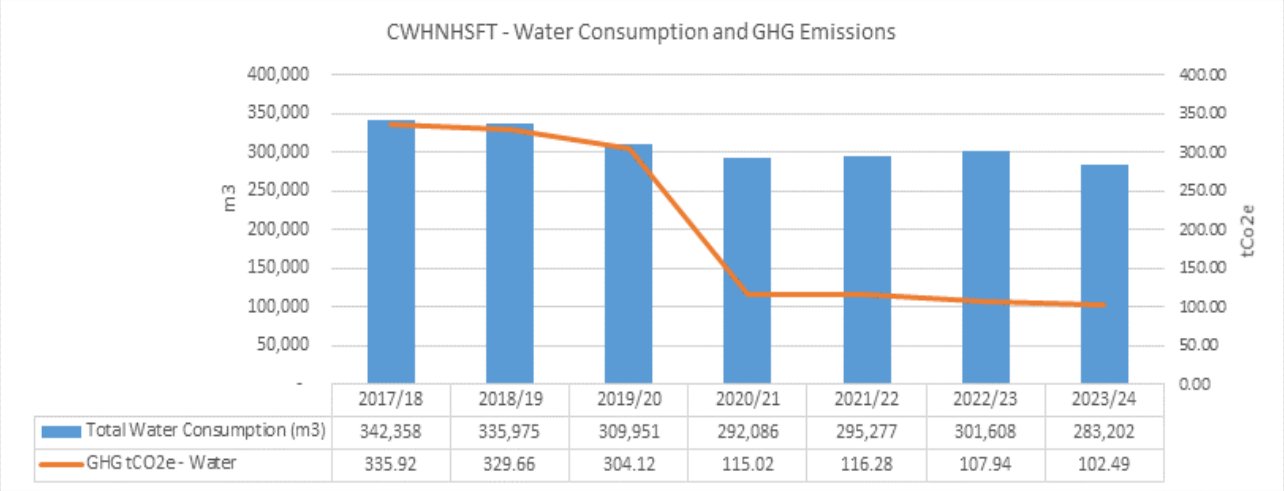
Since 2019/20, our NHS carbon footprint for our directly controlled emissions has fallen by around 20%. Over this period, we have seen reductions in emissions across many of our NHS carbon footprint emission sources, including all volatile gases, waste disposal, water, and buildings' energy, gas and oil use.

Finite resource consumption

Water

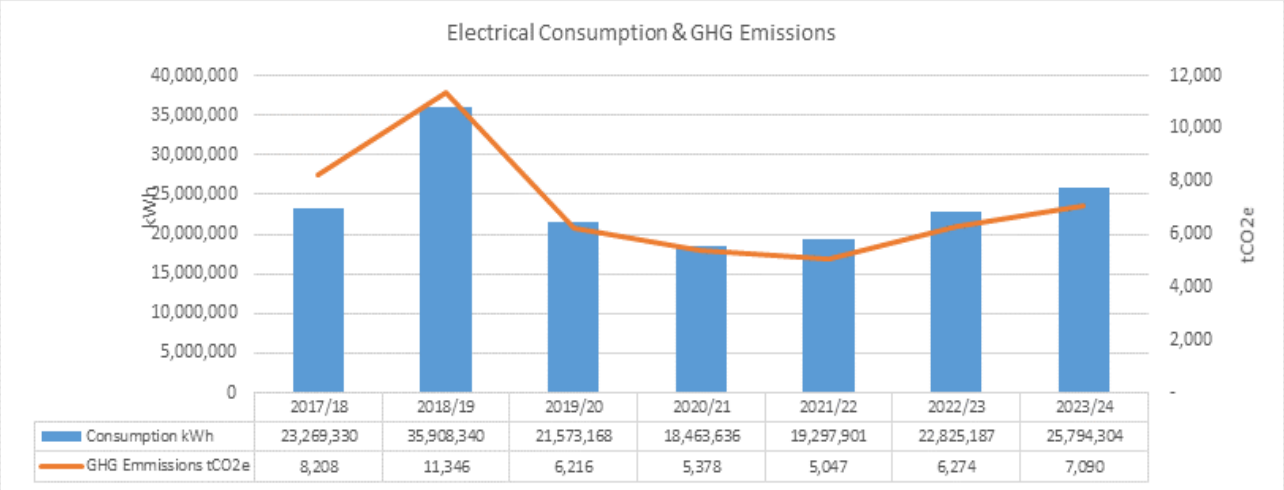
Early last year, the Trust switched to robotic floor cleaners instead of manual floor mopping. These machines allow water to be recycled, reducing water consumption by 90% compared to the traditional technique.

Water consumption and GHG Emissions



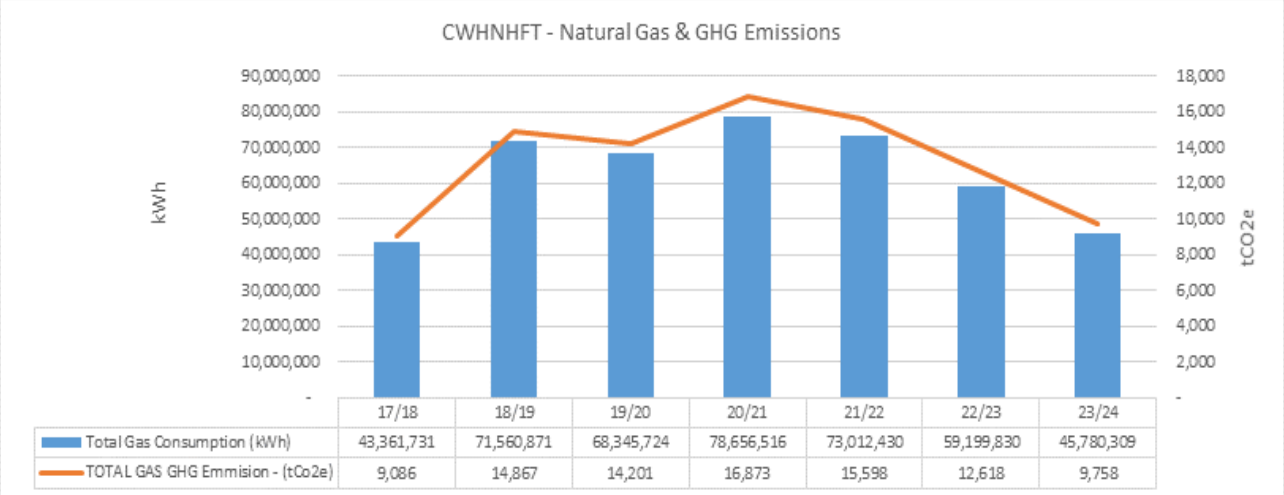
The Trust reduced its water consumption by 6% compared to 2022/23. The table above refers to GHG tCO_2e. GHG means 'greenhouse gases' and tCO_2e stands for tonnes (t) of carbon dioxide (CO_2) equivalent (e).

Energy consumption—electricity



The Trust operates from a large estate which requires careful management of the natural gas and electricity consumption. The 2022/23 period saw volatility in the supply costs. Although costs have stabilised, the estate through its decarbonisation programs will become increasingly reliant on a stable and resilient electrical supply. There has been a 13% increase in consumption compared to 2022/23. Our capital and refurbishment projects are focused on our net zero goals and the efficient management and monitoring of our consumption will help towards lowering our carbon emissions and reducing costs.

Energy consumption—natural gas



Off-grid natural gas consumption to site has seen a 23% reduction compared to 2022/23. Much of the consumption reduction is attributed to the mandatory 22,000 hours off-site unit maintenance and associated capital works to the CWH Combined Heat and Power (CHP) units which have not been operational during this time and have therefore required reduced gas to fuel the units.

Our partnerships

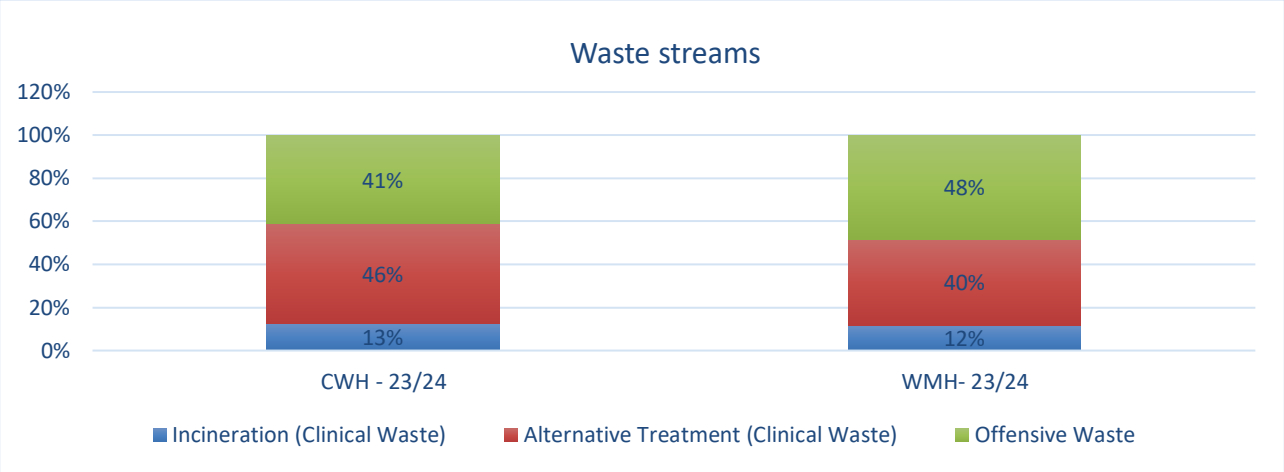
We recognise that we are stronger together, and as a part of the North West London Acute Provider Collaborative, we are able to share developments, build momentum and amplify successes. Key achievements include the commissioning of a review of all the NWL estate to support the development of a costed decarbonisation plan across all sites.

West Middlesex University Hospital operates under a Private Finance Initiative (PFI), and we work closely with our hard facilities management provider to explore and implement solutions to decarbonise our estate. To this end, we now have regular representation from the team at our Sustainability Board.

Our key successes

Waste

The Trust works closely with its staff, contractors, Infection Prevention and Control Leads, and the wider community to improve the segregation and reduction of waste. We have a Trustwide multidisciplinary waste group which supports our overall sustainability waste work stream. The Trust will continue to monitor our activity against the revisions in the HTM and overall NHS Clinical Waste Strategy updated in Mar 2023. We'll work towards the 2025 targets of 20% incineration, 20% infection and 60% offensive waste (20:20:60) with developed contracts management. We will ensure data accuracy and work with NHSE to normalise reporting data. The following table illustrates this year's clinical waste disposal activity.



In collaboration with our soft facilities management partners, the Trust has installed a food waste composter at the Chelsea and Westminster Hospital site. Since mid-Apr 2023, the hospital has been utilising this innovative solution to manage the significant volume of food waste generated annually, which amounts to 25.27 tonnes in the last nine months.

The composting machine efficiently breaks down food waste, transforming it into a high-quality, valuable soil nutrient, while also reducing the waste by around 80% of its original volume. This sustainable approach not only contributes to the reduction of waste and associated environmental costs, such as transport of waste, but also delivers tangible environmental benefits to our local communities. The Trust is proud to have regained its status as a 'zero-waste-to-landfill' Trust in Mar 2024.

Buildings

The works to replace the Ethylene Tetrafluoroethylene (ETFE) roof—commonly known as the ‘bubble roof’—on our Chelsea and Westminster Hospital Site reached completion in October 2023. This £2.5m, three-year project provides a new ETFE roof over the main atrium. The work included thicker foils which achieve a ‘U’ value (the rate at which heat is lost through the structure, keeping the warmth in) of 1.7 W/m^2K, which is an improvement of around 29%.

The waste materials from the old roof were subjected to industrial recycling and reprocessing into ETFE compounds which could then be converted into other products. This recycling of old materials ensured that the work to complete this project kept its environmental impact to a minimum by utilising principles of the circular economy.

We have secured funding for the conversion of LED lighting upgrades at CW. This will reduce our energy consumption significantly due to improved energy efficiency. The next phase of LED lighting roll-out is approved for Chelsea and Westminster Hospital outpatients and theatres.

Medicines

In collaboration with the Pan London Perioperative Audit and Research Network, and alongside other hospitals across the London region, the Trust has engaged in the ‘NOMOREGAS’ project. Nitrous oxide is a regularly used anaesthetic gas with a particularly high global warming potential and is directly destructive to the ozone layer. The reduction in its use is central to the NHS net zero plan. Having participated in this audit over the last year at West Middlesex University Hospital, we are now in a stronger position to develop an action plan to reduce our carbon emissions associated with this volatile gas.

Information technology (IT)

This year, we made Ecosia our default search engine across our sites. Ecosia is a green search engine with 100% of profits being used to plant new trees and support climate action. Since the roll-out, our Trust’s searches have contributed to over 33,000 trees being planted across the world.

In September, we implemented an innovative computer power management solution. By automatically powering down computers when they are not in use, this software has contributed a significant environmental benefit in reducing the Trust’s carbon footprint. Since the installation of this software, the Trust has avoided carbon emissions in the region of 200,000kg CO_2e.

We have partnered with a new supplier to manage our IT-related waste. Their focus on recycling and social value has allowed for 485 units to be reprocessed, which resulted in over 66 tCO_2e to be avoided.

Staff engagement and wellbeing

The role of green spaces in supporting mental and physical well-being is increasingly recognised, and its wider role in reducing climate change, improving social cohesion and community connectedness, and offering opportunities for volunteering and relaxation are well documented. Last year, we successfully bid for funding to transform an underused

green space at the West Middlesex Hospital. This exciting project, in collaboration with our charity CW+, will transform the lakeside area with new landscaping and planting—all designed to improve the biodiversity of the site. There will also be an engagement element, with workshops and activities to allow staff to reap the benefits of spending time outdoors and in connection with nature. This project is set for delivery in phases over the coming year.

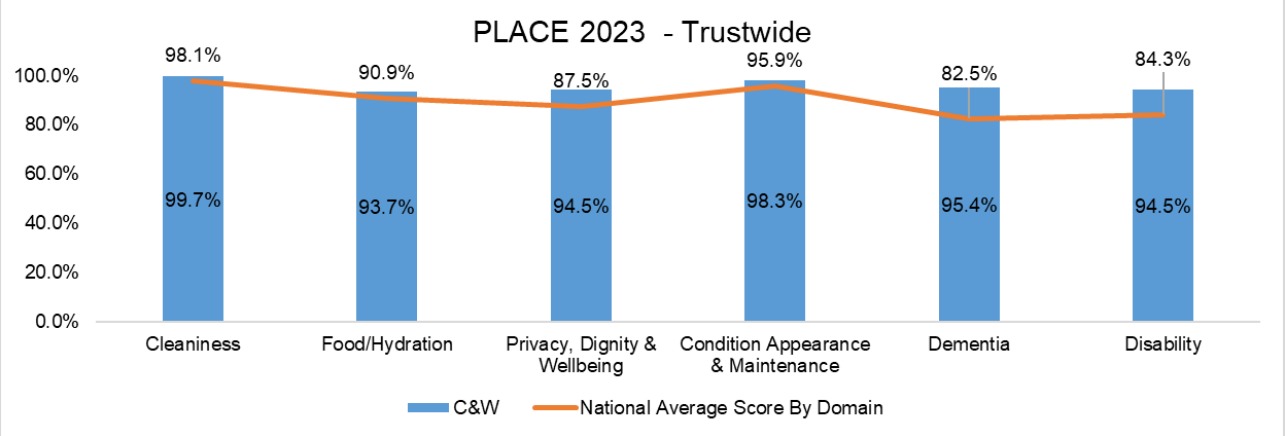
The Trust is making steps to support sustainable travel for our staff. An interest-free season ticket loan is available as part of the salary sacrifice scheme, to enable more staff to access public transport for their commute. Furthermore, the Trust supports active travel by offering staff the opportunity to purchase a bike through its cycle-to-work scheme, which is run in accordance with the government's Green Travel Plan.

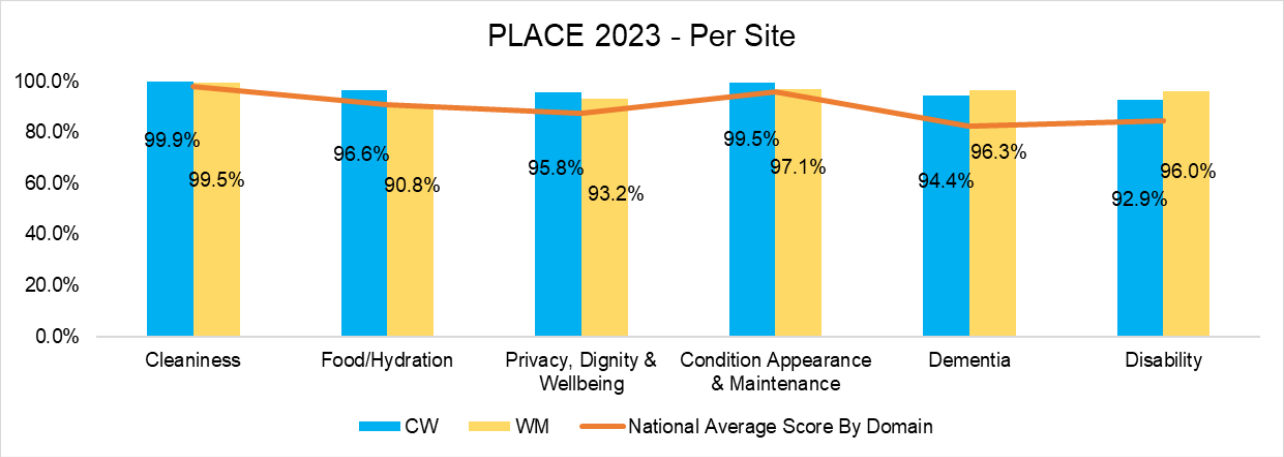
Delivering high-quality health and care places numerous demands on natural resources and the environment. Just by working in the way that we currently do, we are adversely affecting the natural world and contributing to the pollution we are trying to tackle. This means we all need to think about reducing our carbon footprint across all aspects of our life at work. Some of these reductions may involve changes in clinical pathways; some might be product switches; others a change in our behaviour or a cultural shift. In collaboration with our charity CW+, we have secured funding for a Sustainability platform for all our staff. This tool uses principles of gamification and competition to raise awareness of sustainability in healthcare and drive positive behaviour change. Staff will be able to participate in a range of activities, and the platform will calculate individual, team and organisational impact. This combination of incentive, repeated action and fun will help drive forward a culture of sustainable healthcare at the Trust over the coming year.

Patient-led assessments of the care environment (PLACE)

PLACE assessments were conducted at both main hospital sites over a three-day period in Octr 2023. For note, the off-site clinics were not part of this year's assessment but will form part of the 2024 assessments later this year. In 2023, 1,106 assessments were undertaken compared to 1,046 in 2022.

The overall national average score was 89.9%, and the Trust has scored an average of 96%, 6.1% above the overall national score. The highest national average score in 2023 was for cleanliness at 98.1%. The Trust scored an average of 99.7%, 1.6% above the national average score. The Trust has scored above the national average scores for all domains. The graphs below illustrate the Trust score Trustwide and by site.





Estates and Facilities continue to conduct routine inspections of the hospital buildings along with our service partners and hospital directors. This includes reviewing the environment and cleaning standards, which are monitored in line with the National Standards of Cleanliness and routine monthly food tasting sessions.

Patient environment

The capital investment and development programme continues to improve the hospital environment for patients, including:

- **New 24 bed ward at West Middlesex:** Trust investment of ~£6m
- **Development of treatment centre:** Trust investment of ~£5.3m
- **West Middlesex diagnostic centre:** Trust investment of ~£2.8m
- **Dean Street TransPlus project:** Trust investment of ~£2m
- **New MRI units:** Trust investment of ~£1.8m
- **Mezzanine refurbishment:** Trust investment of ~£1.3m
- **Ward refurbishments:** Trust investment of ~£1m
- **Burns unit ventilation upgrade:** Trust investment of ~£0.8m
- **Car park refurbishment at West Middlesex:** Trust investment of ~£0.6m
- **Bubble roof replacement:** Trust investment of ~£0.5m
- **Refurbishment of mental health rooms:** Trust investment of ~£0.2m
- **New paediatric dental theatre:** Trust investment of ~£0.07m

Social, community, anti-bribery and human rights issues

There have been no anti-bribery or human rights issues to escalate throughout the year. The Trust's human trafficking statement was signed off by the Audit and Risk Committee and demonstrates full compliance. It can be found on our website www.chelwest.nhs.uk.

Community

The Trust continued to work closely with our NHS and community partners throughout the year to ensure effective care was provided to residents. The Trust ran and supported many community engagement events during and post-pandemic to provide public health messages and reassurance on the safety of the COVID-19 vaccination and the mpox

programme. Through 2023/24, the Trust provided a COVID-19 vaccination and Mpox program on a number of external sites and has continued to run a public vaccination hub on site at West Middlesex University Hospital.

Equality, diversity and inclusion

Much has been achieved towards ensuring that every one of our people, regardless of their protected characteristics, has a great experience working with us. Understanding that it is ever more important to achieve the link between equitable and inclusive services and the experience of our staff, our 2023/24 Equality, Diversity and Inclusion (EDI) action plan, linked to the NHS EDI Improvement plan, set out tangible actions to address discrimination and enhance the compassionate and inclusive culture that reflects our Trust's values.

We reviewed existing data and defined our workforce metrics for racial, gender pay gap and disability equalities to measure improvement. We maintained focus on career progression and support/removal of barriers for underrepresented groups, which include Black, Asian and Minority Ethnic (BAME) staff, disabled staff, with gender-specific targets being considered in a refreshed strategy.

We also enrolled on the NHSE People Promise Exemplar programme, which has a focus on the retention of staff, but will also support our work in this area through learning from best practice and a dedicated People Promise manager resource to help drive improvements.

Some of the progress from 2023/24 include:

- Set up of the 'belonging in the NHS' subgroup that acts to address unwarranted variation and equity of experience among our workforce through the delivery of our 2023/24 EDI action plan

- Appointment of an EDI advisor to the Board who acts as a critical friend to the Board, applying their skills, knowledge, and experience to support and challenge the Board on the Trust's culture transformation journey around EDI

- Embarked on a 'culturally intelligent and inclusive leadership' programme for 25 senior leaders

- Refreshed our approach to ensuring diversity in recruitment through diverse interview panels and recruitment processes for senior roles

- Invested in our staff networks by introducing provisions for protected time and funding for network activities and training for network officers

- Relaunched our fourth cohort of the Accelerated Nurses Development programme for internationally experienced nurses aimed at developing internationally educated nurse (IEN) readiness for promotion into higher graded roles

- Completed our NHSE-funded Staff Networks development project, which made possible a range of activities that increased membership across our four staff networks

- Led the NWL Virtual Reality pilot project (for immersive learning as an alternative to traditional unconscious bias training), now at evaluation stage involving NHSE/I

- Established a systematic way of regularly reviewing our health and wellbeing programmes for inclusion and equitable access to staff from underrepresented groups

Our staff survey score of 7.47 for the 'we are compassionate and inclusive' people promise is significantly better than the acute sector average, but we know there is work to do to address discrimination and reinforce standards of acceptable behaviour from patients and colleagues. We remain committed to building on the progress made so far, engaging our staff and clearly communicating our plans along the way.

Disabled employees

We published our 2022/23 Workforce Disability Equality Standards (WDES) report on 31 October 2023. Overall, we have made improvements around the likelihood of disabled staff entering the formal capability process, but disabled staff continue to experience discrimination in appointment from shortlisting across all roles at all grades. Disabled staff experience had also worsened in areas around harassment from patients, managers and other colleagues. However, our 2023 staff survey results show a positive change in the staff engagement score for disabled staff from 6.93 in 2022 to 7.11 in 2023. We published our WDES action plan as part of our wider Trustwide EDI plan, setting out the steps we will take to address the key areas of focus, working with the Disabled Staff Network. These will include activities from the AccessAble working group and the effort we are taking to upgrade from Disability Confident status (L2) to Disability Leader status (L3). An important part of our progress will be around improved data quality, with the Disabled Staff Network keen to ensure staff can easily update their disability status on ESR.

Learning disabilities

The Trust has continued to provide learning disability services to its patients during the year. A lead nurse for learning disabilities heads this agenda, ensuring, as a Trust, we are aware of all our patients with learning disabilities to ensure they have the correct care passports in place, and offering support to families. The Trust is fully compliant with the increasing learning disabilities mortality review initiative for all mortalities of a patient with a learning disability and/or autism to have a full mortality review.

The Trust is now in the sixth year of Project SEARCH, with interns who have autism and/or a learning disability placed within the Trust to gain work experience and progress to future employment within the organisation—a number of previous interns are now employed within the organisation.

The Trust has an active programme of learning disability staff training and a learning disabilities steering group involving staff, local authorities, third-sector organisations, patients and carers.

Safeguarding

The Trust actively engages with local safeguarding adult and safeguarding children boards. The Trust has a dedicated team of professionals who work to protect vulnerable adults and children. There are named leads for both safeguarding children and adults who

report regularly through the governance structure to the Trust's Quality Committee. The Trust has a team of independent domestic violence advisors to support patients and staff who are affected by domestic abuse, an increasing issue over recent years.

The Trust also has a team of mental health nurse leads and mental health nurses (RMNs) to support the care of patients with mental health issues while they are in our hospitals. This team works alongside our partner providers and delivers extensive training programmes throughout the organisation to enable staff to provide care and support to those in need. The Trust offers a range of mandatory and additional training in all areas of safeguarding for both children and adults.

Anti-bribery

The Trust does not tolerate any form of fraud, bribery or corruption by employees, partners or third parties acting on behalf of the organisation. We investigate allegations fully and apply sanctions to those found to have committed a fraud, bribery or corruption offence.

RSM has continued working with the Trust during 2023/24 to provide local counter-fraud specialist services in accordance with Secretary of State directions. The Trust Board's Audit and Risk Committee formally approves the counter fraud annual work plan and the policy for counter fraud and corruption, and progress reports are provided to the Committee at each meeting.

Volunteers

In 2023/24, volunteers contributed 33,889 hours, an increase of 3,884 hours (+12%) over 2022/23. There were 222 volunteers active last year, compared to 215 in 2022/23.

The butterfly volunteer programme, which supports patients and those around them at the end of their life, has continued to evolve, integrate and expand. In 2023/24, 185 patients were supported at the West Middlesex site—an increase of 36 from the previous year, with 446 hours of support. The service has since been established at the Chelsea site, with 107 patients supported and 131 hours of support. The service, which plays a significant role at an important time, receives positive feedback from patients, families and staff alike.

The 'Open Minds' pilot commenced in Oct 2023 and, over the six-month duration, had supported 10 volunteers, who have a range of neurodiverse and complex needs, to contribute more than 60 hours of volunteering each. Five of these volunteers have since moved into full-time employment both at the Trust and externally.

The team has been working closely with volunteering partners such as CW+, the Friends, and MediCinema to help with the recruitment and deployment of their volunteers.

Charity matters—CW+

The Trust and its official charity CW+ are proud to work in partnership to provide our patients, families and staff with excellent care, experience and facilities. The Trust is committed to actively promoting and supporting CW+, and several directors of the Trust Board are CW+ Trustees. This shared governance arrangement is designed to ensure clear alignment between the strategic priorities of the Trust and the charity.

Throughout the past year, CW+ and its generous community continued to support our patients, families and staff, for which we are incredibly grateful.

Thirty at Thirty

CW+ launched its most ambitious fundraising campaign to date in May, to coincide with the 30th birthday of Chelsea and Westminster Hospital. Thirty at Thirty aims to raise £30m to support the Trust in the ongoing delivery of outstanding care to the communities it serves. The funds raised will help both our hospital sites by creating world-class facilities, driving innovation and research, and enhancing patient and staff wellbeing.

As part of the birthday celebrations, CW+ hosted a sponsored abseil down the side of Chelsea and Westminster Hospital, with nearly 60 Trust staff members raising an incredible £42,000 to kick-start the campaign.

We are delighted that by the end of the financial year, the charity had secured almost £10m in gifts and pledges. Over the coming year, its fundraising focus will principally be on two vitally important capital projects, which together account for more than half of the £30m target—the redevelopment of the Treatment Centre and the creation of a 10-bed specialist clinical research facility.

CW Innovation

Led jointly by CW+ and Chelsea and Westminster Hospital NHS Foundation Trust, CW Innovation paves the way for new ideas—and new ways of using existing ideas—that will improve patient care, patient experience and the way our hospitals and clinics are run. Highlights this year included establishing SIPS (Sickness Information, Pregnancy Care and Self-evaluation), a first-of-its-kind hyperemesis virtual ward at the Trust, implementing a digital care pathway for atrial fibrillation patients using remote monitoring and launching Dora, a pilot project in the Ophthalmology Department at Chelsea and Westminster Hospital, which uses Artificial Intelligence technology to support patients undergoing cataract surgery.

The second year of the Horizon Fellowship Programme, run by CW Innovation in partnership with Digital Health London, began in September with a new cohort of Trust staff. The programme supports staff to develop and deliver innovative projects that help to improve patient care and experience or improve operational efficiency.

In October, the CW Innovation programme celebrated its fourth anniversary with special staff-focused events at both hospital sites at which we discussed the Trust's vision for the future of healthcare and how to get involved. In February, the team held the first 'lunch and learn' session at West Mid—the start of a series of short innovation workshops held in our wards with the aim of ensuring that innovation is accessible to everyone, particularly staff based in clinical areas.

Grants

The CW+ grants programme awards funding to Trust staff for a wide range of projects, ranging from 'quick fixes' that help to improve patient experience and care to large-scale service development and transformation projects. In the 2023/24 financial year, it awarded a total of 224 grants (up from 111 in 2022/23).

Up to £50,000 is available for any single major project, which this year included the official opening of the Population Health Management Clinic at West Middlesex University Hospital, supported by Public Health Hounslow. The 'Making Every Contact Count' approach in the pre-assessment unit helps to engage in conversations with patients about their lifestyle and provide the tools and information they need to make meaningful changes.

The annual Nurses, Midwives and Allied Health Professionals Call was held in the autumn, and the winner was a proposal to pilot the use of mobile devices for nursing on wards. This removes the need for large computers on wheels which can act as a barrier between nurses and patients.

Alongside these large-scale projects, CW+ awarded over £67,000 in small grants to staff across the Trust to support projects that will improve patient care and experience, including white noise devices to help patients sleep better at night and items for a new Discharge Ready Lounge for the Lampton Ward at West Middlesex University Hospital.

The Grants Team awarded more than £20,000 for staff training and development. In addition, staff seeking support for postgraduate education or research projects can apply for a grant via the annual Joint Research Committee, which is jointly funded by CW+ and the Westminster Medical School.

This year, CW+ also awarded 73 grants (up from 20 in 2022/23) to support staff morale and wellbeing, to a value of more than £28,000. The grants were used for projects such as team-building activities that help to foster better communication and collaboration and enhancements to staffrooms.

The charity also launched a new 'booster' grant this year, aimed at staff in more junior and non-clinical roles. So far, £5,000 has been spent on radios, sensory items, video games, and stress balls that can help while taking blood tests.

Arts in Health

For 30 years, CW+ has provided an inclusive and diverse co-designed Arts in Health programme that includes visual art, participatory workshops and performances, film screenings at the CW+ MediCinema, a design and environment programme to enhance clinical and non-clinical spaces and more.

The CW+ Arts for All programme provides creative opportunities for patients and staff through sessions on the wards, classes in the CW+ Studio, and workshops at both hospitals. This year, artists and partners continued to deliver new and inventive ideas on the wards, including puppet-making workshops to express emotions, creative movement sessions focusing on rehabilitation exercises, bedside gardening to bring patients closer to nature, and digital music-making for adolescents. In total, there were 939 artist visits to both hospitals, reaching over 23,000 patients.

This year, the bespoke CW+ Studio at Chelsea and Westminster Hospital hosted a varied programme, including artist residencies and health-related support groups. There were more than 750 timetabled sessions in the studio across 54 different activities. CW+ works with community partners to deliver specialist sessions for older adults, including singing with Opera Holland Park and stretching and line dancing with Age UK. Sing Out London, a

partnership between The Royal Marsden and CW+, uses the studio for weekly choir rehearsals and performs regularly in the main atrium.

The charity also increased its delivery of staff-focused classes and workshops, including weekly choir rehearsals and yoga sessions in the CW+ Studio. Alongside artist Adam Stanley, staff designed a mosaic for the Cheyne Child Development Service at the Chelsea site, and staff at West Mid created cyanotype prints that now feature in a courtyard sculpture by metalwork artist Heather Burrell, funded by NHS Charities Together.

The CW+ MediCinema hosted 3,000 patients, their visitors and staff at more than 280 film screenings. Highlights included a preview of ‘Paw Patrol: the Mighty Movie’, a special screening of the new Disney+ ‘Percy Jackson’ series, and a Q&A with actor Peter Guinness after a screening of his latest film, ‘The Boys in the Boat’. There were also tailored screenings for specific outpatient groups including child and adolescent mental health and elderly patient support groups, and special staff screenings for International Nurses Day, South Asian Heritage Month, Great Big Thank You Week and LGBTQ+ History Month.

Best For You

Best For You is a new approach to mental health care designed for—and in consultation with—young people and their families. It is run in partnership by Central and North West London NHS Foundation Trust, Chelsea and Westminster Hospital NHS Foundation Trust, West London NHS Trust, and CW+. It is being evaluated by academic experts at Imperial College.

Over the course of the year, 70,000 people visited the Best For You website, which brings together information and resources about mental health.

Best For You is one of YouTube’s UK Health Partners, and this year it gained verification, which means our videos are labelled as being ‘from a trusted source’ and are given prominence at the top of search results for health-related terms on YouTube.

The charity has also developed community partnerships, including two exciting new programmes with Chelsea Football Club—a mentoring programme for young people on waiting lists for NHS treatment, and a social prescribing programme based around physical activity.

In October, Best For You reached an important milestone with the opening of Arc, a purpose-built space in SW10 made possible thanks to generous donations and collaboration between CW+, the North West London CAMHS Provider Collaborative, CNWL Health Charity and NHS England. Arc is home to Arc Day Programme, a first-of-its-kind community-based service for young people with an eating disorder. The programme provides family-based therapy alongside nutritional, medical and psychological care for young people while empowering parents and carers to support recovery, with the aim of reducing hospital admissions.

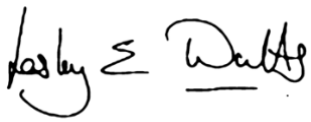
Next steps are to expand the out-of-hours offers at Arc, to include a volunteer-led service supporting young people and their families and carers to access help when they need it, either individually or via community and group settings.

We're pleased to report that this year, Best For You has also made a difference on an international level. After CW+ shared its learnings with a foundation in Denmark, a formal partnership was established, and Best For You Denmark is launching in the summer of 2024.

HIV, sexual health and gender

CW+ is proud to support the Trust's HIV and Sexual Health directorate. In the community, the charity has supported a range of projects including Connect to Care, which provides vital support to 500 hard-to-reach people living with HIV, Project Respond, which has been studying Black women living with HIV with the ultimate aim of addressing equity of care, and Project BootCamp, which supports the health, wellbeing and social needs of trans and trans femme women and this year included the introduction of a new fitness and wellbeing partnership with Chelsea FC Foundation, funded by the Premier League.

The charity also supported HIV PrEP Awareness Week and Desi POV, a project designed to remove barriers to healthcare, improve understanding of sexual risk and enhance sexual health and wellbeing among South Asian people in the UK. The project was highly commended at the 2023 British Association for Sexual Health and HIV conference.



Lesley Watts
Chief Executive Officer

SECTION 2

ACCOUNTABILITY REPORT

DIRECTORS' REPORT

Names of Trust directors during 2023/24

Name	Title	Period	Unexpired Term
Matthew Swindells	Chair in Common	1 Apr 2022-present	2 years
Stephen Gill	Vice Chair and Senior Independent Director	1 Nov 2017–present	7 months
Professor Andy Bush	Non-executive Director	1 Set 2022–Aug 2023	n/a
Aman Dalvi	Non-executive Director	1 Dec 2019–present	1 year, 8 months
Nilkunj Dodhia	Non-executive Director	1 Jul 2014–Jun 2023	n/a
Peter Goldsbrough	Non-executive Director	1 Sep 2022–Aug 2023	n/a
Catherine Jervis	Non-executive Director	1 Sep 2022–present	1 year, 1 month
Neville Manuel	Non-executive Director	1 Sep 2022–present	1 month
Ajay Mehta	Non-executive Director	1 Dec 2019–present	1 year, 8 months
Dr Syed Mohinuddin	Non-executive Director	1 Sep 2022–present	1 year, 3 months
Patricia Gallan	Non-Executive Director	1 July 2023-present	2 years, 3 months
Carolyn Downs	Non-Executive Director	1 Sep 2023-present	2 years, 5 months
Neena Modi	Non-Executive Director	1 Sep 2023-present	2 years, 5 months
Lesley Watts	Chief Executive Officer	14 Sep 2015–present	open-ended
Robert Bleasdale	Chief Nursing Officer	4 Apr 2022–present	open-ended
Dr Roger Chinn	Chief Medical Officer	4 Apr 2020–present	open-ended
Robert Hodgkiss	Chief Operating Officer	7 Apr 2016–Dec 2023	n/a
Virginia Massaro	Chief Financial Officer	1 Oct 2019–present	open-ended

In addition, we have one associate non-executive director Martin Lupton. Martin is not a voting member of the Board but does carry a vote on our People Committee and our Quality Committee.

Register of interests

Board members are required to declare their interests annually and as they change, in addition to confirming they meet the fit and proper person condition as set out in Regulation 5 of the *Health and Social Care Act 2008 (Regulated Activities) Regulation 2014*.

Members of the public can view the register of directors' interests on the Trust website at www.chelwest.nhs.uk/bod, by emailing chelwest.corporategovernance@nhs.net or by writing to:

Corporate Governance Department
Chelsea and Westminster Hospital NHS Foundation Trust
369 Fulham Road
London
SW10 9NH

Well-led framework

It is of paramount importance to ensure that the Trust is well-led so services are safe and patient-centred. In Nov 2019, we welcomed the Care Quality Commission (CQC) to inspect our services, which included a well-led inspection and a use of resources inspection by NHS England. The Trust maintained the rating of 'good' overall, seeing an improvement in the well-led rating from 'good' to 'outstanding' and maintaining a use of

resources rating of ‘outstanding’. The Chelsea site improved the overall rating from ‘good’ to ‘outstanding’ and the West Middlesex site maintained the overall rating of ‘good’.

The organisation undertakes periodic self-assessments against the CQC and NHSE well-led framework. An overview of the arrangements in place to govern service quality is included in the annual governance statement and will be included in the Quality Report, which will be published separately as per the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010. The arrangements include a clear ‘ward to board’ assurance framework, which includes quality, workforce, performance and finance. The Quality Committee seeks assurance on systems, processes and outcomes relating to quality (safety, clinical effectiveness and patient experience) on behalf of the Trust Board. External peers are also invited to participate in ward accreditations.

Following an inspection in Feb 2023, the Care Quality Commission (CQC) has rated the maternity service at West Middlesex University Hospital as ‘Outstanding’ and the maternity service at Chelsea and Westminster Hospital as ‘Good’. This means that the overall CQC rating for both maternity services remains unchanged from the last inspection in 2019.

The inspection was carried out as part of CQC’s national maternity inspection programme, which is designed to provide an up-to-date view of the quality of hospital maternity care across the country to support learning and improvement locally and nationally. During this time, inspectors looked at ‘well-led’ and ‘safe’ domains.

The CQC found the following areas of outstanding practice across both the West Middlesex and Chelsea and Westminster Hospital maternity services:

- Maternity services had a strong focus on reducing workforce inequalities and inequalities experienced by women and birthing people using the service. Part of this work included developing 12 staff as maternity cultural safety champions. The purpose of the cultural safety champions is to address inequalities and improve equity for staff and people using services with protected characteristics. The champions delivered cultural safety training as part of yearly mandatory training.

- Maternity services had improved the way they worked with local communities. For example, the maternity voices partnership co-produced a ‘Muslim Mums’ memo card with local Muslim women.

- The services were awarded the National Positive Practice in Mental Health winner for 2022 in perinatal and maternal mental health for the Maternal Trauma and Loss Care service, which offers joined-up psychological specialist support with maternity services to treat and prevent trauma associated with childbirth.

- The services were shortlisted for work in continuing to adapt and improve services in the ‘excellence during a global pandemic’ award, including the use of private ambulance services to secure the homebirth service, swift adaptation of services using technology and redeployment, and developing an antenatal vaccination centre.

- The services had a strong focus on staff wellbeing and use a number of initiatives to maintain and improve this, including staff recognition schemes, award nominations, career clinics and emotional wellbeing support.

In addition, the CQC found the following area of outstanding practice at Chelsea and Westminster:

- Provision of obstetric-led urgent ultrasound clinics within the maternity triage setting enabled women and birthing people timely access to scans. The clinic provided a 'one-stop shop', with continuity of carer where results of scans were discussed, and care planning was completed straight away.

The reports also identified some areas for improvement on each site that were shared by the CQC inspectors at the time of the inspection. These recommendations were reviewed, many actioned with immediate effect and have since been fully addressed.

The Trust leadership team have regular meetings with our CQC relationship manager and are in frequent contact to respond to any queries. To the best of the directors' knowledge, there are no known material inconsistencies between:

- The annual governance statement
- The corporate governance statement and annual report
- CQC insight reports and any consequent action plans

Compliance with cost allocation and charging guidance

The Trust has complied with the cost allocation and charging guidance issued by HM Treasury.

Political donations

The Trust did not make any political donations during 2023/24.

The Better Payment Practice Code

The Better Payment Practice Code requires the Trust to pay all valid invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later, unless other payment terms have been agreed with the supplier. The Trust's compliance with the code is set out in the following table.

Measure of compliance	2023/24 n°	2023/24 £000	2022/23 n°	2022/23 £000
Non-NHS payables				
Total non-NHS trade invoices paid in the year	89,002	296,541	92,096	278,980
Total non-NHS trade invoices paid within target	85,593	276,036	80,019	234,509
% of non-NHS trade invoices paid within target	**96.2%**	**93.1%**	**86.9%**	**84.1%**
NHS payables				
Total NHS trade invoices paid in the year	3,380	49,609	3,171	57,111
Total NHS trade invoices paid within target	2,907	41,626	2,192	40,461
% of NHS trade invoices paid within target	**86.0%**	**83.9%**	**69.1%**	**70.8%**
Totals				
Total trade invoices paid in the year	92,382	346,149	95,267	336,090
Total trade invoices paid within target	88,500	317,661	82,211	274,971
% of total trade invoices paid within target	**95.8%**	**91.8%**	**86.3%**	**81.8%**

The cyber attack on the Trust's software support company, which provides the Trust financial system, resulted in the system being shut down for an entire month in August 2022. This caused delays in making payments to suppliers and registering invoices on the system. The backlog created in August 2022 continued to impact the BPPC performance for the remainder of the previous financial year.

In 2023/24, there were late payment charges of £1k (2022/23 £3k).

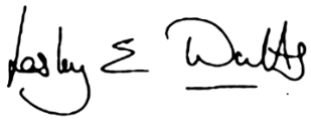
Disclosure of information to Trust auditors

So far as the directors are aware, there is no relevant audit information of which the auditors are unaware. The directors have taken all reasonable steps to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Income disclosures

The Trust has met the requirement of *Section 43 (2A) of the NHS Act 2006* (as amended by the *Health and Social Care Act 2012*), in that its income from the provision of goods and services for the purposes of the health service in England must be greater than its income from the provision of goods and services from other purposes.

The impact of other income which the Trust has received has been invested in the provision of goods and services for the purposes of the health service in England.



Lesley Watts
Chief Executive Officer

REMUNERATION REPORT

Annual statement on remuneration

The Nominations and Remuneration Committee is a committee of the Trust Board appointed in accordance with the constitution of the Trust to determine the remuneration, allowances, pensions and gratuities or terms of service of the executive directors, and rates for the reimbursement of travelling and other costs and expenses incurred by directors.

In 2023/24, the committee met on four occasions to consider various matters within its terms of reference, including making decisions on the remuneration and terms of service of the executive directors and very senior managers. When making decisions on the salaries of executive directors, the Committee considered benchmarking data for comparable positions to ensure that salaries remained appropriate, particularly where the responsibilities of senior managers were amended in line with national guidance. Changes made to the salaries of executive directors during 2023/24 were in line with National Pay recommendations and benchmarking.

The committee does not determine the terms and conditions of office of the chairman and non-executive directors. These are decided by the Council of Governors at a general meeting.

Steve Gill
Vice-Chair and Chair of the Nominations and Remuneration Committee

27 June 2024

Senior managers' remuneration policy

The Nominations and Remuneration Committee sets pay and employment policy for the executive directors and other senior staff designated by the Trust Board. The Trust's policy is for all executive directors to be on permanent Trust contracts with six months' notice.

Remuneration consists mainly of salaries (subject to satisfactory performance) and pension benefits in the form of contributions to the NHS Pension Fund. There were eight senior managers whose pay exceeded £150,000 during 2023/24.

Remuneration is set with due regard to benchmarking information from other NHS organisations and public sector bodies as appropriate, and survey data. Experience, performance and portfolio are also taken into account.

Salaries are awarded individually, considering the skills and experience of the post-holder and comparable salaries for similar posts elsewhere. Pay is also compared with that of other staff on nationally agreed Agenda for Change terms and conditions, and medical and dental staff terms and conditions.

Increases in pay can be withheld if it is considered, through the annual appraisal process, that individual or Trust performance does not warrant an increase. This is also subject to affordability and labour market conditions.

There are provisions within the directors' contracts of employment for recovery of sums should performance fall below the required standard. Trust employees were not specifically consulted on the policy and procedure for determining the remuneration of directors. However, the policy was developed with full consideration given to the terms and conditions of other staff groups within the Trust and in accordance with national guidance. The policy is aligned in many ways to the terms and conditions of other staff groups.

The Council of Governors determines the terms of appointment for non-executive directors based on benchmarking data for similar posts elsewhere in the NHS. Typically, non-executive directors are appointed for three-year terms of office and do not have access to the NHS pension scheme.

Information on the salaries and pensions of directors is included within the senior manager remuneration tables from page 68.

Diversity

The Trust recognises its legal obligation to ensure that its practices through service provision and its employees do not discriminate. The Trust is committed to promoting equality of opportunity and equity of opportunity for all its employees. Individuals will be treated fairly in all aspects of their employment at the Trust.

The Trust has an equality and diversity policy detailing the guiding principles to remove any barriers, bias, or discrimination that prevent individuals or groups from realising their potential and contributing fully to the Trust's performance. This policy and associated documents, such as the gender pay gap plan, are implemented in accordance with statutory requirements. This policy supports the work of the Nominations and Remuneration Committee.

Future policy table

	Salary/fees	Taxable benefits	Annual performance-related bonus	Long term-related bonus	Pension-related benefits
Support for the short- and long-term strategic priorities of the Foundation Trust	Ensure the recruitment/retention of directors of sufficient calibre to deliver the Trust's objectives	None disclosed	n/a	n/a	Ensure the recruitment/retention of directors of sufficient calibre to deliver the Trust's objectives
How the component operates	Paid monthly	None disclosed	n/a	n/a	Contributions paid by both employee and employer, except for any employee who has opted out of the scheme
Maximum payment	As set out in the remuneration table, salaries are determined by the Trust's Nominations and Remuneration Committee	None disclosed	n/a	n/a	Contributions are made in accordance with the NHS pension scheme
Framework used to assess performance	Trust appraisal system	None disclosed	n/a	n/a	n/a

	Salary/fees	Taxable benefits	Annual performance-related bonus	Long term-related bonus	Pension-related benefits
Performance measures	Based on individual objectives agreed with line manager	None disclosed	n/a	n/a	n/a
Performance period	Concurrent with the financial year	None disclosed	n/a	n/a	n/a
Amount paid for minimum level of performance and any further levels of performance	No performance-related payment arrangements	None disclosed	n/a	None paid	n/a
Explanation of whether there are any provisions for recovery of sums paid to directors or provisions for withholding payments	Any sums paid in error may be recovered	None disclosed	Any sums paid in error may be recovered	None paid	n/a

Service contracts

Information relating to directors' service contracts is included within the section *Names of Trust directors during 2023/24* from page 59. The Trust has assessed only directors as senior managers for the purpose of this disclosure.

Policy on payments for loss of office

Payments for loss of office in a compulsory redundancy situation are made under the nationally negotiated compensation scheme. The Nominations and Remuneration Committee has the authority to consider compensation in relation to exit arrangements for directors. In the event of early termination, executive director contracts provide for compensation in line with the contract. Notice periods are subject to contract and between three and six months. The committee may consider non-contractual compensation payments in line with NHS England guidance and subject to NHSE and Treasury approvals. There were no payments for loss of office made in 2023/24.

Statement of consideration of employment conditions elsewhere in the foundation trust

When setting the remuneration policy for senior managers, consideration is given to pay rates within NHS Agenda for Change conditions.

The Trust utilises information available via NHSE and peer benchmarking information from comparative local trusts within London, as recommended for use by NHSE to allow the Committee to assess where the Trust's senior pay benchmarks.

Nominations and Remuneration Committee

The executive Nominations and Remuneration Committee is chaired by the Trust vice-chair and membership comprises three other non-executive directors.

The Trust's chief executive may be invited to attend all or part of the committee meetings provided they are not present when their executive role is subject to committee discussion/decision-making.

The committee is supported by the Chief People Officer and Director of Corporate Governance. Details of committee attendance in 2023/24 may be found in the section *NHS Foundation Trust Code of Governance Disclosures* from page 92.

Disclosures required by Health and Social Care Act

The Trust is governed by a Board of Directors. At 31 Mar 2024, the Board comprised ten non-executive directors (including the chair) and five executive directors (including the chief executive).

There are 31 governor positions (25 were in post as at year end), comprising:

- **8 patient governors (elected):** Patients treated at the hospital in the last three years, or their carers
- **14 public governors (elected):** Two each from seven local boroughs, except for one borough having one representative and a 'Rest of England' constituency
- **6 staff governors (elected):** Two non-clinical staff members, one allied health professional, one scientific and technical staff member, one medical and dental staff member, two nursing and midwifery staff members
- **3 stakeholder governors (appointed):** Nominated from partnership organisations

Expenses paid to governors and directors are outlined in the table below:

	Total n° in post	N° receiving expenses	Total sum of expenses £00
2023/24			
Governors	25	2	1.82
Directors	19	5	134.48
2022/23			
Governors	25	0	0.00
Directors	19	5	161.18

Senior manager remuneration tables

Senior manager remuneration 2023/24 (audited)[3]

Name and title	Salary (bands of £5,000)	Expense payments (taxable) to nearest £100	Performance related bonuses (bands of £5,000)	All pension related benefits (bands of £2,500)	Total (bands of £5,000)	Real increase in pension at pension age (bands of £2,500)	Real increase in pension lump sum at pension age (bands of £2,500)	Total accrued pension at pension age at 31 Mar 2024 (bands of £5,000)	Lump sum at pension age related to accrued pension at 31 Mar 2024 (bands of £5,000)	Cash equivalent transfer value at 1 April 2023 £000	Real increase in cash equivalent transfer value £000	Cash equivalent transfer value at 31 March 2024 £000
Executive directors[4]												
Lesley Watts, Chief Executive[5]	305–310	0	15–20	n/a	320–325	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Roger Chinn, Chief Medical Officer[6]	230–235	0	0	n/a	230–235	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Rob Hodgkiss, Chief Operating Officer[7]	165–170	0	0	37.5–40	205–210	0–2.5	25–27.5	40–45	95–100	621	106	854
Virginia Massaro, Chief Financial Officer	170–175	0	0	47.5–50	215–220	0–2.5	45–47.5	45–50	125–130	585	259	930
Robert Bleasdale, Chief Nursing Officer[8]	175–180	0	0	57.5–60	235–240	0–2.5	42.5–45	45–50	115–120	542	253	873
Non-executive directors												
Matthew Swindells, Chair in Common[9]	20–25	0	0	n/a	20–25	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Steve Gill, Vice Chair[10]	10–15	0	0	n/a	10–15	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Aman Dalvi, Non Executive Director[11]	5–10	0	0	n/a	5–10	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Carolyn Downs, Non Executive Director[12]	5–10	0	0	n/a	5–10	n/a	n/a	n/a	n/a	n/a	n/a	n/a

3 The factors used to calculate a CETV increased on 30 Mar 2023—this affects the calculation of the real increase in CETV

4 The accounting officer has reviewed which officers act as 'senior managers' for the purposes of the remuneration report and considers that, for 2023/24, this only includes the chair and executive and non-executive directors of the Trust

5 Figures for pension and CETV are not available as the individual is no longer part of the NHS pension scheme—salary excludes £10–15k for selling annual leave

6 The remuneration of the chief medical officer includes £160–165k in respect of their clinical role—salary excludes £5–10k for the selling of annual leave, and figures for pension and CETV are not available as the individual is no longer part of the NHS pension scheme

7 Left the Trust Board in Dec 2023

8 Salary excludes £5–10k for the selling of annual leave

9 Matthew Swindells is chair in common for all Trusts within the Acute Provider Collaborative—his total salary for the current year fell in the £80–85k salary banding, of which £20–25k is attributable to the Trust

10 Steve Gill held the position of vice chair of the Trust and his directorship extended to cover Hillingdon Hospitals NHS Foundation Trust—his total salary for the current year for both directorships fell in the £20–25k salary banding, of which £10–15k is attributable to the Trust

11 Aman Dalvi held the position of non executive director of the Trust and his directorship extended to cover Imperial College Healthcare NHS Trust—his total salary for the current year for both directorships fell in the £15–20k salary banding, of which £5–10k is attributable to the Trust

12 Appointed to the Trust Board in Sep 2023, Carolyn Downs held the position of non executive director of the Trust and was hosted by Imperial College Healthcare NHS Trust—her salary banding of £5–10k is attributable to the Trust

Name and title	Salary (bands of £5,000)	Expense payments (taxable) to nearest £100	Performance related bonuses (bands of £5,000)	All pension related benefits (bands of £2,500)	Total (bands of £5,000)	Real increase in pension at pension age (bands of £2,500)	Real increase in pension lump sum at pension age (bands of £2,500)	Total accrued pension at pension age at 31 Mar 2024 (bands of £5,000)	Lump sum at pension age related to accrued pension at 31 Mar 2024 (bands of £5,000)	Cash equivalent transfer value at 1 April 2023 £000	Real increase in cash equivalent transfer value £000	Cash equivalent transfer value at 31 March 2024 £000
Patricia Gallan, Non Executive Director[13]	5–10	0	0	n/a	5–10	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Nilkunj Dodhia, Non Executive Director[14]	0–5	0	0	n/a	0–5	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Ajay Mehta, Non Executive Director[15]	5–10	0	0	n/a	5–10	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Peter Goldsbrough, Non Executive Director[16]	0–5	0	0	n/a	0–5	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Catherine Jervis, Non Executive Director[17]	5–10	0	0	n/a	5–10	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Neville Manuel, Non Executive Director[18]	5–10	0	0	n/a	5–10	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Nena Modi, Non Executive Director[19]	5–10	0	0	n/a	5–10	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Syed Mohinuddin, Non Executive Director[20]	5–10	0	0	n/a	5–10	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Prof Andy Bush, Non Executive Director[21]	0–5	0	0	n/a	0–5	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Martin Lupton, Associate Non Executive Director[22]	0–5	0	0	n/a	0–5	n/a	n/a	n/a	n/a	n/a	n/a	n/a

13 Appointed to the Trust Board in Sep 2023, Patricia Gallan held the position of non executive director of the Trust and her directorship extended to cover Hillingdon Hospitals NHS Foundation Trust—her total salary for both directorships fell in the £10–15k salary banding, of which £5k–10k is attributable to the Trust

14 Having left the Trust Board in Jun 2023, Nilkunj Dodhia held the position of non executive director of the Trust and his directorship extended to cover Hillingdon Hospitals NHS Foundation Trust—his total salary for both directorships fell in the £0–5k salary banding, of which £0–5k is attributable to the Trust

15 Ajay Mehta held the position of non executive director of the Trust and his directorship extended to cover London Northwest University Healthcare NHS Trust—his total salary for the current year for both directorships fell in the £15–20k salary banding, of which £5–10k is attributable to the Trust

16 Having left the Trust Board in Jun 2023, Peter Goldsbrough held the position of non executive director of the Trust and was hosted by Imperial College Healthcare Trust—his salary banding of £0–5k is attributable to the Trust

17 Catherine Jervis held the position of non executive director of the Trust and was hosted by Hillingdon Hospitals NHS Foundation Trust—her salary banding of £5–10k is attributable to the Trust

18 Neville Manuel held the position of non executive director of the Trust and was hosted by hosted by Hillingdon Hospitals NHS Foundation Trust—his salary banding of £5–10k is attributable to the Trust

19 Appointed to the Trust Board in Sep 2023, Nena Modi held the position of non executive director of the Trust and was hosted by Imperial College Healthcare Trust—her salary banding of £5–10k is attributable to the Trust

20 Syed Mohinuddin held the position of non executive director of the Trust and was hosted by London Northwest University Healthcare NHS Trust—his salary banding of £5–10k is attributable to the Trust

21 Having left the Trust Board in Aug 2023, Prof Andy Bush held the position of non executive director of the Trust and was hosted by Imperial College Healthcare Trust—his salary banding of £0–5k is attributable to the Trust

22 Left the Trust Board in Sep 2023

Senior manager remuneration 2022/23 (audited)

Name and title	Salary (bands of £5,000)	Expense payments (taxable) to nearest £100	Performance related bonuses (bands of £5,000)	All pension related benefits (bands of £2,500)	Total (bands of £5,000)	Real increase in pension at pension age (bands of £2,500)	Real increase in pension lump sum at pension age (bands of £2,500)	Total accrued pension at pension age at 31 Mar 2023 (bands of £5,000)	Lump sum at pension age related to accrued pension at 31 Mar 2023 (bands of £5,000)	Cash equivalent transfer value at 1 Apr 2022 (£000)	Real increase in cash equivalent transfer value (£000)	Cash equivalent transfer value at 31 Mar 2023 (£000)
Executive directors[23]												
Lesley Watts, Chief Executive[24]	290–295	0	15-20	n/a	305–310	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Roger Chinn, Chief Medical Officer[25]	190–195	0	0	337.5–340	530–535	15–17.5	35–37.5	90–95	225–230	1,661	375	2,114
Rob Hodgkiss, Deputy Chief Executive/ Chief Operating Officer[26]	195–200	0	0	765–767.5	965–970	35–40	55–60	35–40	55–60	0	603	621
Virginia Massaro, Chief Financial Officer	150–155	0	0	40–45	195–200	2.5–5	0–2.5	40–45	70–75	525	18	585
Robert Bleasdale, Chief Nursing Officer[27]	165–170	0	0	200–202.5	365–370	7.5–10	62–62.5	40–45	65–70	413	95	542
Vanessa Sloane, Acting Chief Nursing Officer[28]	0–5	0	0	47.5–50	45–50	0–2.5	0	50–55	120–125	972	7	1,056
Non-executive directors[1]												
Matthew Swindells, Chair in Common[29]	20–25	0	0	n/a	20–25	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Steve Gill, Vice Chair[30]	15–20	0	0	n/a	15–20	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Aman Dalvi, Non-Executive Director[31]	10–15	0	0	n/a	10–15	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Nilkunj Dodhia, Non-Executive Director[32]	10–15	0	0	n/a	10–15	n/a	n/a	n/a	n/a	n/a	n/a	n/a

[23] The accounting officer has reviewed which officers act as 'senior managers' for the purposes of the remuneration report, and considers that for 2022/23, this only includes the chair and executive and non-executive directors of the Trust

[24] Figures for pension and CETV are not available as the individual is no longer part of the NHS pension scheme—salary excludes £20–25k for the selling of annual leave

[25] The remuneration of the Chief Medical Officer includes £140–145k in respect of their clinical role—salary excludes £10–15k for the selling of annual leave

[26] Salary excludes £15–20k for the selling of annual leave

[27] Appointed to the Trust Board in Apr 2022

[28] Left the Trust Board in Apr 2022

[29] From Apr 2022 Matthew Swindells has held the position of chair in common for all trusts within the acute collaborative—his total salary for all of the current year fell in the £85–90k salary banding, of which the banding of £20–25k is attributable to the Trust

[30] From Apr 2022 to Aug 2022 Steve Gill held the position of vice chair of the Trust, and from Sep 2022 his directorship extended to cover Hillingdon Hospitals NHS Foundation Trust—his total salary for all of the current year for both directorships fell in the £20–25k salary banding, of which the banding of £15–20k is attributable to the Trust

[31] From Apr 2022 to Aug 2022 Aman Dalvi held the position of non executive director of the Trust, and from Sep 2022 his directorship extended to cover Imperial College Healthcare Trust—his total salary for all of the current year for both directorships fell in the £15–20k salary banding, of which the banding of £10–15k is attributable to the Trust

[32] From Apr–Aug 2022 Nilkunj Dodhia held the position of non-executive director of the Trust, and from Sep 2022 his directorship extended to cover Hillingdon Hospitals NHS Foundation Trust—his total salary for all of the current year for both directorships fell in the £15–20k salary banding, of which the banding of £10–15k is attributable to the Trust

Name and title	Salary (bands of £5,000)	Expense payments (taxable) to nearest £100	Performance related bonuses (bands of £5,000)	All pension related benefits (bands of £2,500)	Total (bands of £5,000)	Real increase in pension at pension age (bands of £2,500)	Real increase in pension lump sum at pension age (bands of £2,500)	Total accrued pension at pension age at 31 Mar 2023 (bands of £5,000)	Lump sum at pension age related to accrued pension at 31 Mar 2023 (bands of £5,000)	Cash equivalent transfer value at 1 Apr 2022 (£000)	Real increase in cash equivalent transfer value (£000)	Cash equivalent transfer value at 31 Mar 2023 (£000)
Ajay Mehta, Non-Executive Director[33]	10–15	0	0	n/a	10–15	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Peter Goldsbrough, Non-Executive Director[34]	5–10	0	0	n/a	5–10	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Catherine Jervis, Non-Executive Director[35]	5–10	0	0	n/a	5–10	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Neville Manuel, Non-Executive Director[36]	5–10	0	0	n/a	5–10	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Syed Mohinuddin, Non-Executive Director[37]	5–10	0	0	n/a	5–10	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Prof Andy Bush, Non-Executive Director[38]	5–10	0	0	n/a	5–10	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Nicholas Gash, Non-Executive Director[39]	5–10	0	0	n/a	5–10	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Eliza Hermann, Non-Executive Director[40]	0–5	0	0	n/a	0–5	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Martin Lupton, Associate Non-Executive Director[41]	0–5	0	0	n/a	0–5	n/a	n/a	n/a	n/a	n/a	n/a	n/a

[33] From Apr–Aug 2022 Ajay Mehta held the position of non-executive director of the Trust, and from Sep 2022 his directorship extended to cover London Northwest University Healthcare NHS Trust—his total salary for all of the current year for both directorships fell in the £15–20k salary banding, of which the banding of £10–15k is attributable to the Trust

[34] From Sep 2022 Peter Goldsbrough directorship (hosted by Imperial College Healthcare NHS Trust) extended to cover the Trust—his salary banding of £5–10k is attributable to the Trust

[35] From Sep 2022 Catherine Jervis directorship (hosted by Hillingdon Hospitals NHS Foundation Trust) extended to cover the Trust—her salary banding of £5–10k is attributable to the Trust

[36] From Sep 2022 Neville Manuel directorship (hosted by Hillingdon Hospitals NHS Foundation Trust) extended to cover the Trust—his salary banding of £5–10k is attributable to the Trust

[37] From Sep 2022 Syed Mohinuddin directorship (hosted by London Northwest University Healthcare NHS Trust) extended to cover the Trust—his salary banding of £5–10k is attributable to the Trust

[38] From Sep 2022 Prof Andy Bush directorship (hosted by Imperial College Healthcare NHS Trust) extended to cover the Trust—his salary banding of £5–10k is attributable to the Trust

[39] Left the Trust Board in Aug 2022.

[40] Left the Trust Board in Jun 2022.

[41] From Sep 2022 Martin Lupton joined the Trust Board as an associate non-executive director.

Fair pay disclosures (audited)

NHS foundation trusts are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the lower quartile, median, and upper quartile remuneration of the organisation's workforce.

Percentage change in remuneration (audited)

The banded remuneration of the highest-paid director in the organisation in the financial year 2023/24 was £307,500 (2022/23: £292,500). This represents a change of 5% between years (2022/23: 3%).

Total remuneration includes salary, non-consolidated performance-related pay, and benefits-in-kind but excludes severance payments, employer pension contributions, and the cash equivalent transfer value of pensions.

For employees of the Trust as a whole, the range of remuneration in 2023/24 was from £18,000 to £307,500 (2022/23: £17,500 to £292,500). The percentage change in average employee remuneration (based on the total for all employees on an annualised basis divided by the full-time equivalent number of employees) between years is 2% (2022/23: 5%). This 2% is reflective of the following:

- Agenda for Change (AfC) staff received a 5% pay award across all bands (apart from entry-level Band 2, which received 10.4%)
- Medical and dental staff received a 6% pay award in most areas, with doctors in training also receiving an additional consolidated increase of £1,250 to each pay point
- The increase is 2% despite higher general pay awards because this metric measures the movement between financial years, where 2022/23 included two non-consolidated pay awards—one of 2% and one backlog bonus between £1,250 and £1,600 for staff

One employee received remuneration in excess of the highest-paid director in 2023/24 on an annualised basis (one in 2022/23).

Performance pay and bonuses (audited)

The banded remuneration of the highest-paid director in the organisation in the financial year 2023/24 was £17,500 (2022/23: £17,500). This represents a change of 0% between years (2022/23: 0%).

For employees of the Trust as a whole, the range of remuneration in 2023/24 was from £17,500 (2022/23: £17,500). The percentage change in average employee remuneration (based on the total for all employees on an annualised basis divided by the full-time equivalent number of employees) between years is 0% (2022/23: 0%). No employees received remuneration in excess of the highest-paid director in 2023/24 (nil in 2022/23).

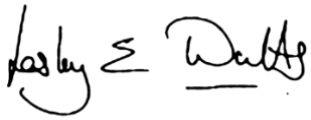
Pay ratio information (audited)

The remuneration of employees at the 25th percentile, median, and 75th percentile is set out below. The pay ratio shows the relationship between the total pay and benefits of the highest-paid director (excluding pension benefits) and each point in the remuneration range for the organisation's workforce.

2023/24	25th percentile	Median	75th percentile
Salary component of pay	£36,358	£48,845	£60,225
Pay and benefits excluding pension: pay ratio for highest paid director	8.90:1	6.62:1	5.37:1

2022/23	25th percentile	Median	75th percentile
Salary component of pay	£34,703	£46,644	£59,796
Pay and benefits excluding pension: pay ratio for highest paid director	8.86:1	6.59:1	5.14:1

Changes in the ratios between the current and prior financial years are minimal, with an increase in the ratio in 2023/24 from 2022/23 in the remuneration range of the organisation's workforce compared to the highest-paid director. The movement is attributable to a lower percentage increase in the remuneration of the Trust's employees taken as a whole, compared to the highest-paid director, as explained on the previous page, due to the non-consolidated pay awards in 2022/23.



Lesley Watts
Chief Executive Officer

27 June 2024

STAFF REPORT

Analysis of staff costs

	2023/24 £000	2022/23 £000
Salaries and wages	420,381	386,827
Social security costs	48,275	44,264
Apprenticeship levy	2,016	1,829
Employer's contributions to NHS pensions	60,569	56,005
Pension costs other	44	127
Temporary staff (including agency)	11,502	17,075
Total gross staff costs	**542,787**	**506,127**
Of which		
Costs capitalised as part of assets	3,426	5,346

Operating expenses (group)

	2023/24 £000	2022/23 £000
Staff and executive directors' costs	528,399	490,611
Difference	**14, 388**	**15,516**
Rec		
Costs capitalised as part of assets	3,426	5,346
Research and development	5,050	4,518
Education and training	5,912	5,652
Total operating expenses	**14,388**	**15,516**

Analysis of average staff numbers

Average numbers are spread over the year and include bank and agency staff.

Average number of employees (WTE basis)	Permanent n°	Other n°	2023/24 total n°	2022/23 total n°
Medical and dental	504	988	1,492	1,379
Ambulance staff	-	-	-	-
Administration and estates	1,131	277	1,408	1,274
Healthcare assistants and other support staff	780	331	1,111	959
Nursing, midwifery and health visiting staff	2,365	460	2,825	2,637
Scientific, therapeutic and technical staff	577	98	675	656
Total average numbers	**5,357**	**2,153**	**7,510**	**6,935**
Of which:				
N° of employees (WTE) engaged on capital projects	62	3	65	38

Breakdown of employees

The following chart provides information of the gender split between the different staff groups as at 31 Mar 2024. Numbers are for substantive staff only.

Payscale	Male	Female	% Male	% Female
Under Band 1	0	0	-	-
Band 1	0	0	-	-
Band 2	129	422	23.41%	76.59%
Band 3	163	504	24.44%	75.56%
Band 4	114	379	23.12%	76.88%
Band 5	244	1,247	16.36%	83.64%

Payscale	Male	Female	% Male	% Female
Band 6	204	968	17.41%	82.59%
Band 7	169	726	18.88%	81.12%
Band 8A	80	228	25.97%	74.03%
Band 8B	46	86	34.85%	65.15%
Band 8C	27	40	40.30%	59.70%
Band 8D	18	18	50.00%	50.00%
Band 9	8	9	47.06%	52.94%
VSM	14	11	56.00%	44.00%
Consultant	320	486	39.70%	60.30%
Career/staff grade	26	35	42.62%	57.38%
Trainee grade/Trust grade	283	316	47.25%	52.75%
Total	**1,845**	**5,475**	**25.20%**	**74.80%**

Sickness absence

The chart below details the Trust's sickness absence data for 2023/24.

Sickness absence	2022/23 n°	2023/24 n°
Total days lost (FTE days lost)	103,349	124,350
Total staff	6,886	6,874
Average working days lost per whole time equivalent	15.01	18.09

Staff health and wellbeing

We are delighted to deliver an inclusive and wide-ranging staff health and wellbeing programme. The Trust is aware that without such a comprehensive offer in place for staff, we could see higher turnover and increased long-term sickness. Our staff health and wellbeing programme engages in all elements and stages of life to ensure all staff can access our offers, ranging from family planning to retirement. We are very proud to have established a health and wellbeing programme that meets the varying needs of our diverse workforce. Our staff health and wellbeing programme is broken into four main elements:

- **Healthy mind:** Enhanced psychological and mental wellbeing support for staff
- **Healthy body:** Programme to support our staff to be physically well
- **Healthy living:** Programme to support our staff to live well
- **Feeling safe:** Ensuring our staff feel safe at home and in the workplace

Overall, our health and wellbeing programme had a total of 15,859 engagements during the year, which would not have been possible without the work of our 121 Wellbeing Champions and 158 Mental Health First Aiders (MHFAs). There are plans to train a further 48 MHFAs in 2024/25.

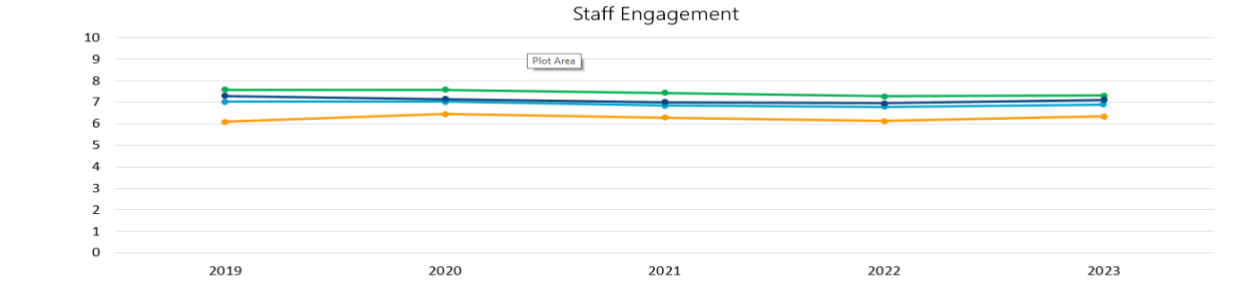
Our psychological support services were accessed by more than 2,805 staff, while our wellbeing sessions reached over 3,258 staff. We provided targeted support for staff professional groups, including doctors' induction, preceptorship, and excellence in care teaching sessions, reaching 361 staff. Our Back-up Care offer for staff in the event of a breakdown in child/elder care arrangements was fully utilised, as were our bike doctor days delivered as part of our quarterly well fest programme, where we deliver an enhanced week-long wellbeing programme. We made further strides in women's and men's health through Peppy for menopause and men's health, with a monthly staff menopause support group reaching 239 staff during 2023/24.

In our 2023 national staff survey, 58% of staff felt the Trust takes positive action on health and wellbeing. We continue to work with our London and national colleagues to share and learn from others on our staff health and wellbeing programmes, as well as continuing to evaluate our programme so we can be confident we are meeting the varying needs of our workforce.

Staff engagement

Over the past 12 months, steady progress has been made in delivering a more targeted and consistent approach to our communications both within the organisation and to our stakeholders, community and partners. Overall, our staff engagement score is above the national average and has remained relatively stable in recent years, noting the slight decline since 2019 which is in line with the sector.

Theme: Staff Engagement



	2019	2020	2021	2022	2023
Your org	7.29	7.15	7.00	6.96	7.13
Best result	7.58	7.59	7.44	7.28	7.32
Average result	7.04	7.03	6.84	6.80	6.91
Worst result	6.10	6.45	6.30	6.13	6.34
Responses	2742	3615	2977	2890	3515

Throughout 2023/24 we engaged our people through various means including all staff webinars, team briefings, senior link visits to departments and wards, staff recognition events such as PROUD awards and the Great Big Thank You week. We also reinstated Schwartz Rounds, which provide a forum for staff to reflect on the emotional and social aspects of working in healthcare. We invested in our staff networks to provide protected time and funding to promote network activities.

In Q4 we reviewed our approach and developed our Trustwide staff engagement plan for 2024/25 to reflect our pride in our people, our diversity, our community and what we do. Our new engagement framework is based on four key elements—people and culture, rewards and recognition, staff voice and feedback, and governance and quality. We have identified a range of strategies and initiatives, some a continuation of existing programmes and several new to be delivered through a regular rhythm of engagement, communication, and rewards and recognition on an annual, monthly, fortnightly and weekly basis.

National NHS staff survey 2023

The NHS staff survey is conducted annually. In 2023, 51% of our people (3,523) responded to the staff survey, an improvement from 45% (2,901 responses) in 2022. The median response rate across all acute Trusts was 45%. Our ‘Bank Staff Only’ survey was completed by 266 (14.6%) respondents. The responses were broadly comparable with those from substantive staff, with the exception of a more positive response regarding workloads and an area for improvement in ‘we are always learning’.

Headlines

Our results show that out of nine themes (Seven People Promises, staff engagement and staff morale), scores in six themes are significantly better than the acute average. As a Trust, we have improved significantly in 'We are recognised and rewarded' and 'We are always learning' compared to 2022.

The scores for our Friends and Family Test questions show an improvement in the number of staff who would 'recommend my organisation as a place to work' from 65% in 2022 to 70% in 2023, which is better than the average acute score of 61%. In answer to the question 'if a friend or relative needed treatment I would be happy with the standard of care provided by this organisation', 77% responded positively, which is statistically better than 65% in 2022 and the acute average score of 64%. Finally, 83% of staff reported that they feel the 'care of patients is my organisation's top priority', which is also significantly improved from last year's 79% and better than the acute average score of 78%.

At the question level, compared to 2022, 52 questions (49%) have shown significant improvement, two questions (2%) have shown significant decline, and 53 questions (50%) have no significant movement. The two questions where we scored significantly worse are around discrimination on the grounds of religion and age. Actions to address these areas are included in our EDI action plans being delivered through our people strategy delivery subgroup, Belonging in the NHS.

Overall, the People Promise scores for the 2023 National NHS Bank Staff Survey for the Trust are broadly the same as the substantive Trust scores.

We celebrate our key successes, noting that the score for staff engagement and five of the People Promises are ahead of the sector benchmark, almost half of all question-level scores have significantly improved year-on-year, including questions on raising concerns, recognition and burnout, and that we rank second among the top London Acute Trusts to work for.

We also identify our key areas of focus as the need to continue to reduce the incidence of violence and harassment, bullying and abuse faced by staff from patients/members of the public as well as discrimination and reinforce standards of acceptable behaviour from patients and colleagues.

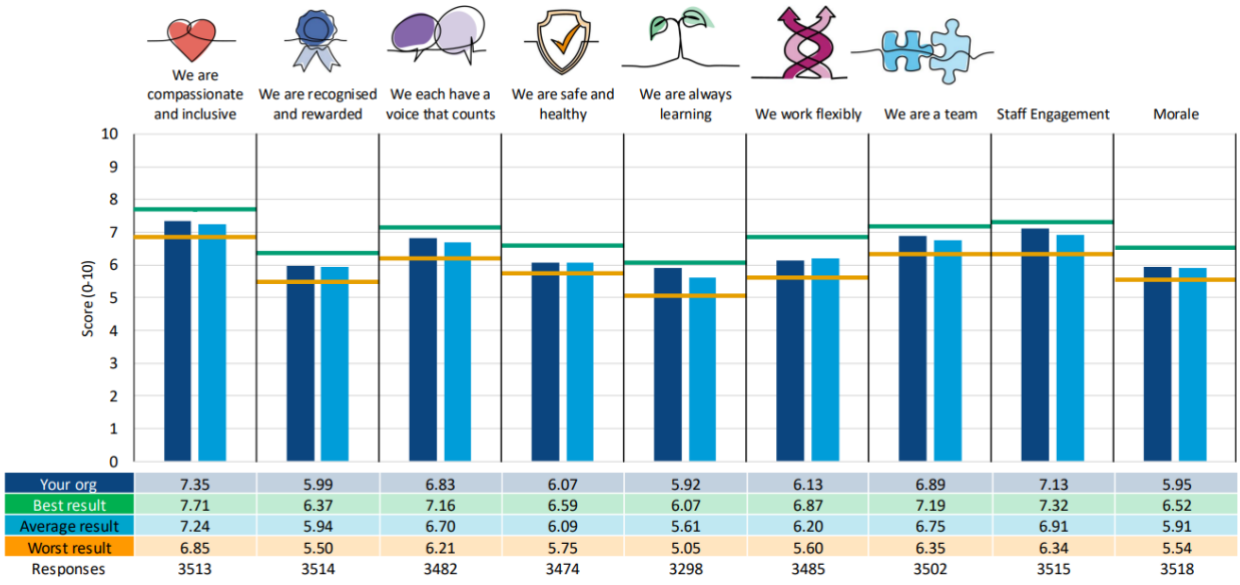
2023 staff survey scores

The national staff survey coordination centre applies statistical significance testing using a 'two-tailed t-test' with a 95% level of confidence to conclude whether a result is likely due to chance or to some factor of interest. The table below, provided by our staff survey contractor IQVIA, presents the results of significance testing conducted on the theme scores calculated in both 2022 and 2023[42]. This shows we were significantly better in six out of nine themes compared to the sector average and we significantly improved in two themes compared to our 2022 results.

[42] Data in this table are weighted to the national benchmarking groups to allow for fair comparisons between organisations. Not all questions can be weighted or benchmarked because some questions ask for demographic or factual information. Weighted data is used by the National Staff Survey coordination centre for peer benchmarking purposes and may be different to data that includes all results to all questions and demographics.

People Promise/Theme/Question	2022 Score	Significance	2023 Score	Significance	Sector Score
Theme - Staff engagement	7.09	Not Significant	7.25	Significantly Better	6.88
Theme - Morale	5.84	Not Significant	6.06	Not Significant	5.92
People Promise 1 - We are compassionate and inclusive	7.29	Not Significant	7.47	Significantly Better	7.24
People Promise 2 - We are recognised and rewarded	5.84	Significantly Improved	6.09	Significantly Better	5.91
People Promise 3 - We each have a voice that counts	6.83	Not Significant	6.93	Significantly Better	6.69
People Promise 4 - We are safe and healthy	5.95	Not Significant	6.16	Not Significant	6.07
People Promise 5 - We are always learning	5.65	Significantly Improved	5.98	Significantly Better	5.63
People Promise 6 - We work flexibly	6.09	Not Significant	6.24	Not Significant	6.17
People Promise 7 - We are a team	6.81	Not Significant	7.01	Significantly Better	6.73

People Promise elements, themes and sub-scores are scored on a 0-10 scale, **where a higher score is more positive than a lower score**.



	We are compassionate and inclusive	We are recognised and rewarded	We each have a voice that counts	We are safe and healthy	We are always learning	We work flexibly	We are a team	Staff Engagement	Morale
Your org	7.35	5.99	6.83	6.07	5.92	6.13	6.89	7.13	5.95
Best result	7.71	6.37	7.16	6.59	6.07	6.87	7.19	7.32	6.52
Average result	7.24	5.94	6.70	6.09	5.61	6.20	6.75	6.91	5.91
Worst result	6.85	5.50	6.21	5.75	5.05	5.60	6.35	6.34	5.54
Responses	3513	3514	3482	3474	3298	3485	3502	3515	3518

2023 staff survey scores and those of the previous three years

Themes overview	2021	2022	2023	Best	Average	Worst
Theme—staff engagement	7.0	7.0	7.13	7.32	6.91	6.34
Theme—morale	5.7	5.7	5.95	6.52	5.91	5.54
People Promise 1: We are compassionate and inclusive	7.2	7.1	7.35	7.71	7.24	6.85
People Promise 2: We are recognised and rewarded	5.8	5.7	5.99	6.37	5.94	5.50
People Promise 3: We each have a voice that counts	6.7	6.7	6.83	7.16	6.70	6.21
People Promise 4: We are safe and healthy	5.9	5.7	6.07	6.55	6.06	5.75
People Promise 5: We are always learning	5.4	5.6	5.92	6.07	5.61	5.05
People Promise 6: We work flexibly	5.8	5.9	6.13	6.87	6.20	5.60
People Promise 7: We are a team	6.6	6.6	6.89	7.19	6.75	6.35

In terms of the three staff engagement questions:

Question/score	2021	2022	2023	Best	Average	Worst
Q25a Care of patients/service users is my organisation's top priority	81.4%	79.2%	83.5%	86.6%	74.8%	60.6%
Q25c I would recommend my organisation as a place to work	66.8%	64.6%	70.1%	77.1%	60.5%	44.1%
Q25d If a friend or relative needed treatment I would be happy with the standard of care provided by this organisation	76.1%	72.2%	77.1%	88.8%	63.3%	44.3%

The full staff survey report is published at www.nhsstaffsurveyresults.com.

Gender pay

Gender pay reporting legislation requires employers with 250 or more employees to publish statutory calculations every year showing how large the pay gap is between their male and female employees:

- Average gender pay gap as a mean average
- Average gender pay gap as a median average
- Average bonus gender pay gap as a mean average
- Average bonus gender pay gap as a median average
- Proportion of males receiving a bonus payment and proportion of females receiving a bonus payment
- Proportion of males and females when divided into four groups ordered from lowest to highest pay

The Trust's gender pay gap report for 2023/24 is published at www.chelwest.nhs.uk/edi.

Workforce gender split

As at 31 Mar 2023, the total relevant paid workforce was 6,986 staff across all sites and staff groups.

Gender	N° of staff	% split of the workforce
Male	1,867	20% of the total workforce
Female	5,544	80% of the total workforce

Average and median hourly rates

Gender	Average hourly rate	Median hourly rate
Male	£29.86	£26.04
Female	£25.19	£22.85
Difference	£4.43	£3.19
Pay gap %	**16%**	**12%**

Our 2023/24 report shows no change in the mean and a decrease of 2% in the median pay gap compared to the previous year. When expressed as a mean average, a pay gap exists of 15.9%, equating to a difference of £4.43 per hour in favour of male staff. When expressed as a median average, female staff earn 12.3% less than male staff, equating to a difference of £3.19 per hour. However, overall, we have reduced our gender pay gap mean average by 4.6% from a starting point of 20.5% in 2017/18.

Average bonus gender pay gap by hourly rate

For the purpose of this report, the bonus payments referred to are those made to consultants in the form of clinical excellence awards (CEAs), discretionary points, and distinction awards. As at 31 Mar 2024, there were 613 consultants at the Trust, of which 46.7% were male and 53.3% female.

- **Mean average:** When comparing mean (average) bonus pay, women's mean bonus pay is 16.5% lower than men's, a difference of £978 per annum
- **Median average:** In 2023/24, the median average was the same for males and females at £3,241.23—there was no bonus gap differentiation between genders

Gender	Average pay	Median pay
Male	£5,920.89	£3,241.23
Female	£4,943.39	£3,241.23
Difference	£977.51	£0
Pay gap %	**16.5%**	**0%**

Proportion of males and females when divided into four groups ordered from lowest to highest pay

Quartile	Female	Male	Female %	Male %
1	1,410	452	76%	24%
2	1,499	371	80%	20%
3	1,483	385	79%	21%
4	1,144	724	61%	39%

We will maintain focus on career progression and support/removal of barriers for and gender-specific targets are being considered in a refreshed strategy. We are committed to continuing the following actions and have reviewed the government equalities office advice for best practice action plans. We will undertake further analysis of the reasons driving our gender pay gap and ensure our people plan and associated activities are focused on reducing inequalities. Some of our steps will be:

- Working with the Trust's Women's Network to increase the voice of all women
- Improving our flexible working offer and access
- Improving our recruitment processes for fairness and equity
- Revising our policies and processes

Further details of key actions are detailed in the Trust's gender pay gap report for 2023/24, which can be accessed at www.chelwest.nhs.uk/genderpaygap.

Trade union facility time

The Trust acknowledges the importance of partnership working between management and recognised trade unions. Partnership working provides a clear framework for consultation, negotiation, and decision-making where our trade unions can have a proactive role in matters of strategic importance that affect the workforce.

It also enables joint ownership of problems and solutions to get the best outcome for the Trust, patients, and our people to ensure delivery of high-quality patient care and a positive working environment for staff.

In line with the Trade Union (Facility Time Publication Requirements) regulations, which came into force on 1 Apr 2017, trade union representatives are required to record their paid time off to carry out trade union duties and the Trust is required to publish this information on an annual basis. To comply with the regulations the Trust is required to publish the data included in the following four tables. This data relates to facility time recorded between the period 1 Apr 2023–31 Mar 2024.

Number of employees who were relevant union officials during the relevant period, and the number of full-time equivalent employees

	2023/24
Number of employees who were relevant union officials during the relevant period	15
Number of full-time equivalent employees as at 31 Mar 2024	6,811

Percentage of time spent on facility time for each relevant union official[43]

	2023/24
0%	8
1–50%	7
51–100%	0

Percentage of pay bill spent on facility time

	2023/24
Total cost of facility time	£42,159.86
Total pay bill	£440,121,000
% of total pay bill spent on facility time (total costs of facility time/total pay bill x100)	0.01%

Hours spent by employees who were relevant union officials during the relevant period on paid union activities, as a % of total paid facility time

	2023/24
Time spent on paid union activities as a percentage of total paid facility time hours calculated as (total hours spent on paid trade union activities by relevant union officials during the relevant period/total paid facility time hours) x100	43.74%

Workforce improvement activity

Recruitment and retention

Over the last 12 months, the Trust has maintained a low vacancy rate, closing the year at 5.77%. Recruitment time to hire has fluctuated across all non-medical staff groups, reflecting pressure on operational services but reduced to 7.32 weeks at the close of year and 8.46 weeks as an average over the year. We have maintained pace with local recruitment while also working closely with APC, sector and national partners to tackle hard-to-recruit roles. We continue to review our recruitment processes and practices, and our externally commissioned audit in Q4 gave us positive assurance on our compliance and steps towards achieving best practice. Further plans are being developed, and these

[43] Where no information on facility time has been provided by a trade union representative this has been included in those recorded as 0% of time spent on facility

include a new starter and managers' pack and enhanced local induction tools that would streamline the new starter processes for improved onboarding experience.

Retention remained a key area of focus, and at the end of Mar 2024, we recorded an in-year reduction in overall turnover from 17.5% to 14.9% and voluntary turnover from 14.1% to 12.1%. This is a significant achievement towards our target to remain under 10% and is broadly comparable with the sector position. During Q1 and Q2, we carried out a retention deep dive, following which a retention work stream under the growing for the future pillar of the People Strategy delivery plan was established. The retention workstream would direct future activity to the key areas of focus identified in the deep dive, including a review of leavers processes, a focus on 'early career' colleagues between ages 20–30 and in their first two years of joining, and work with the Disabled Staff Network to improve the experience of staff with a disability and maintain reduction in the proportion of leavers (WDES action plan). Efforts continue through a range of initiatives delivered across the Trust, including Health and Wellbeing provision, recruitment campaigns for high vacancy roles, education and training provision including apprenticeships, reward and recognition, and locally developed pledges in response to the staff survey.

As part of looking after our staff, we held a Great Big Thank You week and had local stallholders and events, including CW+ arts with live musicians, dancing, choir, and art sessions. We had festive food available for staff and pampering sessions to support the wellbeing of our staff.

Performance and development reviews (PDRs)

Staff have been having their Performance Development Reviews (PDRs) throughout the year despite operational issues including industrial action and elective recovery. We continued to look at ways of improving people's experience with their PDR and made this a core topic of discussion at divisional and Trust people committees.

Core training

Core training remained above the 90% target through 2023/24. We reviewed all core and mandatory training requirements and introduced clearer processes. We upgraded our Learning Management System for an enhanced learner experience and are working with partners for greater collaboration and potential for future services.

Leadership development

The Emerging Leaders programme has continued to bring opportunities for quality improvement and in 2023/24, projects included improving staff induction and onboarding experience, launching a patient cinema on one of the antenatal wards and improving patient awareness and information around sarcoma. Our Management Fundamentals programme continued with a range of masterclasses for leaders and managers across our Trust and a partner Trust, with a total of 856 participants in 2023/24. Following a successful pilot, we relaunched our line managers' induction programme as well as a team leader apprenticeship, co-designed and delivered with a local college. We continue providing bespoke one-to-one sessions or group sessions for managers as well as insight and 360 feedback sessions.

Medical education

We continue to run the Clinical Attachment Training Programme and have run four courses with 135 candidates attending, of which 66 went on to gain employment in the NHS. Work by the fellows has resulted in presentations at conferences nationally and internationally. At CW, following the MBA of the Director of Medical Education and their dissertation in digital education, we have now recruited a digital education fellow to bring some of that work to fruition.

In undergraduate, the Trust is now used for the Acute Simulation Course for all final year medical students at Imperial, building on the work of the Director of Clinical Studies (DCS) at Chelsea. The undergraduate work has been recognised with 10 abstracts being presented at local, national and international conferences, and the Imperial Teacher of the Year is the DCS from CW, recognising the good work achieved in the department. The West Middlesex undergraduate team won the Pre-Foundation Assistantship award for their work on Tofu cannulation from Imperial University.

A new palliative care simulation course has been designed and rolled out across both sites to support medical students in understanding end of life care, and ongoing work with the HoloLens and virtual reality is opening up the world of virtual learning for all students.

Recognition schemes

The CW+ PROUD awards is a monthly recognition scheme in which staff are nominated for above and beyond demonstration of our Proud values. During April 2023 to March 2024, there were 187 nominations received, from which 73 individuals and 12 teams were recognised. The winners are invited to an event where the Chief Executive presents them with a signed certificate and special pin badge.

There were 322 Excellence Reporting nominations during the last financial year. There are plans to reinforce these and encourage more participation. In Dec 2023 we held a Great Big Thank You week to celebrate our staff and this included two staff award events. We received 1,062 nominations and had 39 individual winners and 19 winning teams. All winners received a certificate and award.

Apprenticeships

Investment and growth in apprenticeships continue to be an integral part of the Trust's agenda with expansion of offers provided in partnership with reputable apprenticeship training providers to ensure opportunities are diverse and delivery is of good quality. In 2023/24, the Trust delivered 40 different apprenticeship programmes. On average, 4% of the Trust workforce were apprentices, higher than the public sector target of 2.3%.

Following an OFSTED inspection in Q3, we maintained our Main Provider Status and continued to deliver Healthcare Support Worker Apprenticeship as a main provider. We are also now co-delivering Team Leader Apprenticeship, with the view of being registered as a CMI centre and delivering this as a main provider. With the increase in the wage bill resulting in an increase in levy contribution, more work is needed to improve levy utilisation. However, the Trust utilised £117,500 more levy this year compared to last year and remained the best performing Trust across the acute collaborative in terms of levy utilisation and number of apprentices. There were 67 apprenticeship completions

compared to 33 last year and these included the first two midwives and the first radiographer that the Trust has supported through the apprenticeship route. Other completions include 13 registered nurses, six registered nursing associates, six pharmacy assistants, six healthcare support workers, two advanced clinical practitioners, three it- and engineering-related programmes and 28 leadership- and management-related qualifications. Apprenticeships have indeed played a key role in growing talent, particularly in hard-to-recruit roles, and have supported the case for change in terms of introducing new roles to bridge gaps within the workforce.

Apprenticeships have been a key element and have contributed to delivering the People Strategy, particularly with “growing for the future” and “new ways of working” aims. Apprenticeships have also played a key role in retaining staff by providing opportunities through career development pathways. There are now monthly face-to-face careers clinics that staff can access on-site to discuss their career aspirations and opportunities via the apprenticeship route. There were also online information sessions delivered throughout the year. This year’s National Apprenticeships Week celebration in Q4 featured current and previous apprentices in the Trust, along with their managers, who showcased the difference that they have made since undertaking an apprenticeship programme.

Health and safety and occupational health

The Trust’s core health and safety and occupational health policies continue to be updated to ensure that such documents support both main hospital sites and satellite locations. Details and data relating to incidents, complaints, claims, risk registers and occupational health data are captured on Datix, a web-based, integrated safety learning system. The Datix system is subject to further enhancements to include other patient safety topics such as patient experience and mortality reviews and supports a robust reporting culture throughout the Trust to improve our safety practices. There were 42 RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013) incidents reported to the Health and Safety Executive (HSE) during 2023/24, of which 26 related to Chelsea and Westminster Hospital and 15 to West Middlesex. One incident was RIDDOR reported for community nursing/clinics provided by the Trust. The Trust’s health and safety team works with clinical and corporate departments to support a system of self-assessment and independent spot-checks. Areas subject to spot-check are identified using a risk-based approach. A total of 17 body fluid exposures, including sharps and splash injuries relating to staff, were reported during the period.

In Q1 2023/24, we transferred our occupational health service to the NWL Occupational Health Shared Service, hosted by Central and North West London NHS Foundation Trust. We are now evaluating the service one year post-transfer, but so far we have seen significant improvements around quality, compliance, greater resilience and improved performance from reduced sickness days lost and quicker turnaround of pre-employment checks. Transferring the service has also supported the ICS direction of travel for collaboration of back office services, and we expect greater efficiencies through scale.

Policies and procedures in respect of countering fraud and corruption

The Trust has an approved counter-fraud and corruption policy and does not tolerate any form of fraud, bribery or corruption by its employees, partners or third parties acting on its

behalf. We investigate allegations fully and apply sanctions to those found to have committed a fraud, bribery or corruption offence. RSM continues to be contracted by the Trust during 2023/24 to provide local counter-fraud specialist services in accordance with Secretary of State directions. The Trust Board's Audit and Risk Committee formally approves the counter-fraud annual work plan and progress reports are provided to the committee at each meeting.

Expenditure on consultancy

In 2023/24, the Trust incurred £0.3m (£1.5m in 2022/23) of consultancy expenditure. Overall, this is a reduction from the previous financial year and includes specialist advice to support procurement saving opportunities.

Off-payroll arrangements

The Trust's policy is that off-payroll arrangements should only be used on rare occasions where recruitment to key/specialist roles has not been possible. The use of any off-payroll arrangements is regularly reviewed to ensure that they are used for the shortest period of time possible.

Highly paid off-payroll worker engagements as at 31 Mar 2024 earning £245 per day or greater

	Total
Number of existing engagements as of 31 Mar 2024	3
Of which:	
Number that have existed for less than one year at time of reporting.	3
Number that have existed for between one and two years at time of reporting.	0
Number that have existed for between two and three years at time of reporting.	0
Number that have existed for between three and four years at time of reporting.	0
Number that have existed for four or more years at time of reporting.	0

All highly paid off-payroll workers engaged at any point during the year ended 31 Mar 2024 earning £245 per day or greater

	Total
Number of off-payroll workers engaged during the year ended 31 Mar 2023	26
Of which:	
Not subject to off-payroll legislation	0
Subject to off-payroll legislation and determined as in-scope of IR35	15
Subject to off-payroll legislation and determined as out-of-scope of IR35	11
Number of engagements reassessed for compliance/assurance purposes during the year	0
Of which number of engagements that saw a change to IR35 status following review	0

For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2023 and 31 March 2024

	Total
Number of off-payroll engagements of board members and/or senior officials with significant financial responsibility, during the financial year	0
Number of individuals that have been deemed 'board members and/or senior officials with significant financial responsibility' during the financial year—his figure must include both off-payroll and on-payroll engagements	0

Exit packages

Reporting of compensation schemes—exit packages 2023/24

Exit package cost band (including any special payment element)	N° of compulsory redundancies	N° of other departures agreed	Total n° of exit packages
≤£10,000	-	5	5
£10,001–25,000	-	1	1
£25,001–50,000	-	-	-
£50,001–100,000	-	-	-
£100,001–150,000	-	-	-
£150,001–200,000	-	-	-
>£200,000	-	-	-
Total number of exit packages by type	**0**	**6**	**6**
Total resource cost (£)	£0	£27,693	£27,693

Reporting of compensation schemes—exit packages 2022/23

Exit package cost band (including any special payment element)	N° of compulsory redundancies	N° of other departures agreed	Total n° of exit packages
≤£10,000	-	8	8
£10,001–25,000	-	2	2
£25,001–50,000	-	-	-
£50,001–100,000	-	-	-
£100,001–150,000	-	1	1
£150,001–200,000	-	-	-
>£200,000	-	-	-
Total number of exit packages by type	**0**	**11**	**11**
Total resource cost (£)	£0	£162,418	£162,418

Exit packages—other (non-compulsory) departure payments

	2023/24		2022/23	
Exit package cost band (including any special payment element)	**N° of payments agreed**	**Total value of agreements (£000)**	**N° of payments agreed**	**Total value of agreements (£000)**
Voluntary redundancies including early retirement contractual costs	1	2	-	-
Mutually agreed resignations (MARs) contractual costs	-	-	-	-
Early retirements in the efficiency of the service contractual costs	-	-	-	-
Contractual payments in lieu of notice	3	11	1	106
Exit payments following employment tribunals or court orders	2	15	10	56
Non-contractual payments requiring HMT approval	-	-	-	-
Total	**6**	**28**	**11**	**162**
Of which:				
Non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months of their annual salary	-	-	-	-

Awards and achievements

Internal recognition

CW+ PROUD awards

The CW+ PROUD Awards recognise the outstanding achievements of members of staff or teams. Each month, winners are recognised with a certificate, a special gold PROUD to Care pin badge and a voucher, while other nominees receive a letter advising them of their nomination. From Apr 2023–Mar 2024, 187 nominations were received. The winners are listed below.

April 2023
- Christopher Caruana
- Leishea Higgins
- Leigh Paxton
- Georgina Pennant
- John Kimberly Peralta
- Sarah Jane Rosario
- Shainaz Mathurin
- Muneeba Siddiqi

May 2023
- Amanda Osborn
- Hayley Hutton
- WM Critical Care Outreach Team
- Katharine Balfour
- Maria Mercer
- Rhian Bull

June 2023
- Kristina Russell
- Ada Zenunillari
- Barbara Wetherell
- Christopher Rees
- Davina Sadyakeerthy

July 2023
- Irina Stankevicinte
- Sarah Chin
- PC Lee Sommerville
- Debbie Ensor-Dean
- Marirose Agustin
- Brooke Wilson
- Deputy Superintendent Radiographers

August 2023
- Rebecca Davies
- NICU Team
- Eye Team
- Sinead Bowditch
- Farrah Jamalzadeh
- Iraida Safiulova
- Vaneshree Moodley
- Women’s Health Research Team

September 2023
- Chloe Christensen
- Tracy Brown
- Neptune Ward
- Asmita Karki
- Serge Fedele-Rebaudengo
- Orthopaedic Senior Sisters
- ICU Team
- Gemma Brown

October 2023
- Joanne Burke
- Paediatric Nurses, Healthcare Assistants and Anaesthetic Team
- Leeza Watts
- Neha Agyei-Dua
- Patricia Correia da Costa
- Jean Murphy
- Andrew Snell
- Petra Hrnciar
- Jerome Jones

November 2023
- Pharmacy Out-of-hours Team
- Thomas Ewins
- Patricia Gutierrez
- Denise Allison Garcia
- Daniel Adekitan
- IT Database Administration Team and IT Infrastructure Project Team

December 2023
- Marie-Louise Svensson
- Perry Barnes
- Lillian Anya
- Fleur Slaghekke
- Lise Heritier
- Rosie Harris

January 2024
- Rozanna Slade
- Bilal Hassan
- Emergency General Surgery

February 2024
- Alando Clarke
- Sarah Hazeldine
- Pearl Angelie Gindap
- Day Surgery Unit

March 2023
- Dr Umer Ashraf
- Dr Basit Alagae
- Dr Lara Alsadoun
- Dr Krunal Meuva
- Francesca Yeldham
- Apollo Ward/Paediatric HDU
- Matthew Townsley
- Meenal Patel

The Great Big Cheer awards

In addition, as part of the Great Big Thank You Week, we invited nominations for Great Big Cheer awards, holding two ceremonies for our winners:

Chelsea site
- Aura Gameiro
- Bradley White
- Bruno Delgado Silva
- Carmel McCullough
- Carmelita Mallari
- Carolyn Moughal
- Charlotte Illes
- Clinical Research Team
- CNS Team at Watford, Harlow Hertsfordshire and Stevenage
- Damon Foster
- Daniel Adetikan
- Dr Skandhini Carthigesan
- Emeka Ezechukwu
- Emergency Department
- Ibrahim Al Bakir
- ISS Team
- Jewel Fernandez
- Maria Camara
- Maria Villafania
- Mollie Sparling
- Nicola Whitley
- Radiology Team
- Rainsfort Mowlem
- Robert Owusu
- Saji Alexander
- Sakshi Gupta
- Stephen Cole
- Tissue Viability Team
- Treatment Centre
- Volunteers Team

West Mid site
- Ami Kotecha
- Angela Pollard
- Bill Frewin
- Caroline Angela Jeffrey
- Carys Prentice
- Chiara Vedi
- Claire O’Connor
- Clinical Research Team
- Emergency Department
- Florinda Fernandes

- George Kiriai
- Governance and Risk Team (Paediatrics)
- Haematology Day Unit
- ISS Team
- Jesus Fernandez
- Lachlan Cleeve
- Lauren Trepte
- Manita Sethi
- Marie-Louise Svensson
- Mark Lethby
- Natasha Herman
- Radiology Team
- Rubey Peter Cherian
- Sheldon Harris
- Shenelle Phillips
- Susan Barnes
- The CNS Team at Watford/Herts/ Harlow/Stevenage
- Tracy Oakes
- Volunteers Team

Reporting excellence

Reporting Excellence is a chance to recognise staff who have demonstrated excellence in any aspect of their work. It allows us to capture these observations so they can be shared and gives staff the chance to receive positive feedback on their behaviour. It could be communication at a difficult time, dealing with an incident, supporting their colleagues, or anything at all. There were 322 excellence reporting nominations received in the period Apr 2023–Mar 2024.

External recognition

- **HSJ Awards**–highly commended in *Trust of the Year* category
- **NHS Staff Survey 2023**—rated number two in London as a place to work
- **HSJ Partnership Award**—Klick app for *Most Effective Contribution to Clinical Redesign*
- **Armed Forces Covenant Employer Recognition Scheme Gold Award**
- **HSJ Patient Safety Awards 2023**—highly commended in the *Virtual or Remote Care Initiative of the Year* category for our Mpox virtual monitoring
- **Baby Lifeline UK MUM Awards**—regional winner, maternity team
- **HSJ Digital award**—*Optimising Clinical Pathways Through Digital* for Sexual Health London (SHL)
- **HealthInvestor Awards**—*Public/Private Partnership of the Year* for SHL
- **Anti-racism framework bronze award**—maternity cultural safety champions
- **National Preceptorship Interim Quality Mark**
- **CQC maternity ratings**—Chelsea and Westminster rated ‘good’, West Middlesex rated ‘outstanding’
- **NHS at 75 Fujifilm photography competition**—Emmanuel Espiritu winner for ‘Mother Obe’
- **Royal College of Nursing Rising Stars Winners 2023**—Blessing Bello, Arvin Vinas, Gwen Makosana
- **Mariposa Award for Midwife of the Year**—Navi Fernandes, Bereavement Midwife
- **Royal Voluntary Service Coronation Champion**—Nina Littler
- **HSJ Partnership Awards**—heart failure team shortlisted in *Health Tech Partnership of the Year* category
- **HSJ Digital Awards 2024**—digital innovation pilot project Dora shortlisted for the *Driving Change through AI and Automation* category
- **HSJ Awards**—shortlisted in the *Driving Efficiency through Technology* category
- **AHSN 2023 Innovate Awards**—burns service finalists for the *Best Workforce Innovation* award

NHS FOUNDATION TRUST CODE OF GOVERNANCE DISCLOSURES

Code of governance compliance statement

An updated Code of Governance for NHS provider trusts, setting out an overarching framework for the corporate governance of trusts, was published by NHS England in October 2022 and came into effect in April 2023. The new Code covers both foundation trusts and NHS trusts and is based on the principles of the UK Corporate Governance Code issued in 2012. Chelsea and Westminster Hospital NHS Foundation Trust has applied the principles of this Code on a 'comply or explain' basis.

The purpose of the Code of Governance is to assist trusts in improving governance practices by bringing together the best practice of public and private sector corporate governance.

During the year, we completed a 'comply or explain' self-assessment exercise in relation to the code, which was reviewed and considered by the Audit and Risk Committee. Our assessment did not identify any material issues of non-compliance.

As a trust, we are committed to effective, representative and comprehensive governance, which secures organisational capacity and the ability to deliver mandatory goods and services.

Governance arrangements

The Trust is led by a Board of Directors whose key responsibilities are to:

- Provide leadership to the Trust within a framework of processes, procedures and controls which enable risk to be assessed and managed
- Ensure the Trust complies with its licence, its constitution, requirements set by NHSE, and relevant statutory and contractual obligations
- Set the Trust's vision, values and standards of conduct
- Set the Trust's strategic aims and ensure that the necessary human and financial resources are in place to deliver these
- Ensure the quality and safety of the healthcare services provided by the Trust
- Ensure the Trust exercises its functions effectively, efficiently and economically

The Trust Board undertakes its responsibilities through a set business cycle, which includes approving strategies and receiving monitoring reports on areas such as key risks and financial, operational, quality and safety performance. The Trust Board approves standing financial instructions, the scheme of delegation and reservation of powers policies, which outline the decisions that must be taken by the Board and the decisions that are delegated to the management of the hospital. These include contracts, tendering procedures, security of the Trust's property, monitoring and ensuring compliance with Department of Health and Social Care directions on fraud and corruption, delegated approval limits, budget submission, annual reports and accounts, banking arrangements, payroll, borrowing and investment, risk management and insurance arrangements.

The Trust Board of Directors, collectively and individually, have a legal duty to promote the success of the Trust to maximise the benefits for the populations that it serves. They also have a duty to avoid conflicts of interest, not to accept any benefits from third parties, and to declare interests in any transactions that involve the Trust.

Throughout the reporting period, the Nominations and Remuneration Committee have kept under review the overall size of the Trust Board and the balance of skills, experience and expertise of its members.

The Council of Governors represents the interests of the local communities, patients, public and staff, and shares information about key decisions with Foundation Trust members. The Council of Governors is not responsible for the day-to-day management of the organisation, which is the responsibility of the Trust Board.

The role of the Council of Governors includes:

- Appointment or removal of the chair and other non-executive directors
- Approving the appointment (by non-executive directors) of the chief executive
- Deciding the remuneration, allowances and other terms and conditions of office of non-executive directors
- Appointment or removal of the Foundation Trust's financial auditors
- Reviewing and developing the Trust's membership strategy

A formal procedure is in place should there be a dispute between the Board and the Council of Governors. During 2023/24 no issues of dispute arose, and the governors did not exercise their power under paragraph 10(c) of schedule7, *NHS Act 2006*.

Board of directors

As at 31 Mar 2024, the Board had four executive directors (including the chief executive) and 10 non-executive directors (including the Chair in Common). The Board comprises 43% female and 57% male directors. The skills, expertise and experience of each Trust Board director as at the end of March 2024 are detailed below and are appropriate to meet the requirements of an NHS foundation trust.

Executive directors

Lesley Watts, Chief Executive Officer

Lesley is chief executive of the Trust and was also chief executive of the North West London Integrated Care System (ICS) until Nov 2021. A nurse and midwife by training, Lesley has extensive executive managerial experience, having led the Trust since 2015, and was previously chief executive for East and North Hertfordshire Clinical Commissioning Group. In 2020, under her leadership, the Trust was awarded a CQC rating of 'outstanding' for well-led and use of resources. During 2021/22 she was awarded a position in the *Top 50 NHS Chief Executives in the Country*. During 2022/23 she was awarded a CBE.

Robert Bleasdale, Chief Nursing Officer

Robert joined the Trust in Apr 2022. He was previously Chief Nurse and Director of Infection Prevention and Control at St George's University Hospital and has held a number of senior nursing leadership roles in the NHS. He has been instrumental in the COVID-19 response, leading on the vaccination programme to establish one of the first vaccination clinics in the country. He has led on a number of quality improvement programmes, including the development of accreditation systems,

which helped raise standards of care and was involved in St George's exiting CQC special measures. He has proactively promoted partnership working and is passionate about the role of staff and patient involvement in key service decisions.

Robert became Deputy Chief Nurse at St George's in 2017, having previously held a number of other senior nursing roles at St George's since 2014. He started his nursing career in acute medicine before moving into emergency care. He is an advanced trauma nursing course instructor and completed his nursing degree at Oxford Brookes University. He also has a Master's in Senior Healthcare Leadership from Birmingham University.

Dr Roger Chinn, Chief Medical Officer

Roger Chinn was appointed as chief medical officer in Dec 2020. He is a clinical radiologist who has been a consultant with the Trust since 1996. Previously, he has held senior leadership roles as deputy medical director and chief clinical information officer in the Trust and was the medical director at West Middlesex University Hospital for the year prior to its acquisition by the Trust.

Virginia Massaro, Chief Financial Officer

Virginia joined the Trust in 2010 as head of financial planning before progressing to assistant director of finance and deputy director of finance, having previously worked in finance teams across other NHS organisations in North West London. She has been chief financial officer since Oct 2019 and is a qualified chartered management accountant.

Non-executive directors

Matthew Swindells—Chair

Matthew joined the Trust in April 2022. He has over 30 years' experience in healthcare. He is the former Deputy Chief Executive and Chief Operating Officer for the NHS in England. He also runs his own consultancy, through which he provides strategic advice on digital transformation and global healthcare to a small number of innovative companies. Matthew's NHS career started as an NHS supplies management trainee and includes a series of operational management roles in the NHS up to Chief Executive at the Royal Surrey County Hospital and as the NHS's first Chief Information Officer. He then worked in government, firstly as head of the health team in the Prime Minister's Office of Public Service Reform and then as special policy adviser to the Secretary of State for Health. Matthew is President of the Health Care Supply Association and holds a Visiting Professorship at Imperial College Institute of Global Health Innovation. Matthew is joint chair, responsible for 12 hospitals across four NHS trusts in North West London—Chelsea and Westminster Hospital NHS Foundation Trust, Hillingdon Hospitals NHS Foundation Trust, Imperial College Healthcare NHS Trust and London North West University Healthcare NHS Trust.

Steve Gill—Vice Chair and Senior Independent Director

Steve was appointed as a non-executive director (NED) on 1 Nov 2017. He was Chair of the People and Organisational Development Committee from Feb 2018–Mar 2021. In Aug 2020, Steve was appointed as Vice Chair and Senior Independent Director (SID). Steve served as Interim Trust Chair from Mar 2021–

Mar 2022—in Apr 2022 he resumed his role as Vice Chair and SID. In Mar 2021, Steve was appointed as the Board NED Maternity Safety Champion. Steve is currently Chair of the Quality Committee and of the Nominations and Remuneration Committee. With the implementation of the North West London Acute Provider (NWL APC) governance structure in Sep 2022, Steve was appointed as Chair of the NWL APC Quality Committee in Common (CiC). He was also appointed to the Board of The Hillingdon Hospitals NHS Foundation Trust (THHT) as a NED and is a member of the Finance and Performance Committee at THHT.

Steve has had an international executive career in the IT industry, including chief financial officer roles in the UK and in Europe, Middle East and Africa (EMEA), chief operating officer roles in EMEA, global sales roles for Asia Pacific, and chief executive roles in the UK, South Korea and China. He has held various NED roles, including advising the UK government on IT in education. Steve qualified as a chartered accountant with PwC in London and has extensive experience in mergers and acquisitions, strategic planning, talent and succession planning, organisational development, risk management and disaster recovery. Steve has been the Chair of Trustees of Age Concern Windsor (ACW) since Jan 2018.

Aman Dalvi

Aman Dalvi has worked at very senior levels for many years and has been a chief executive of three organisations where he has led multidisciplinary teams. Aman has extensive experience in planning and regeneration and, in his career, he was executive director of development and renewal in a major local authority. Aman was also a ministerial appointee on the boards of English Partnerships and the Olympic Park Legacy Company. Aman has also served as a chair of a number of organisations, including the Anchor Trust and PA Housing. In addition, Aman Dalvi has been a statutory appointee on a number of large and diverse organisations. He is currently working as a consultant for two major developers and is chair of a development company.

At the Trust, Aman is the chair of the Audit and Risk Committee, the board non-executive director (NED) for the Freedom to Speak Up Champion and the lead NED for Estates and Facilities. In Sep 2022, he was appointed to the board of Imperial College Healthcare NHS Trust as part of his wider duties within the North West London Acute Provider Collaborative.

Carolyn Downs

Carolyn Downs CB is a recently retired local authority chief executive. Carolyn was chief executive of the London Borough of Brent from 2015–23 and prior to that was chief executive of the national body for local government, the Local Government Association, for four years. She spent three years in the civil service as deputy permanent secretary in the Ministry of Justice and as the chief executive of the Legal Services Commission. Prior to that, she was chief executive of Shropshire County Council. She has, in total, worked for almost 40 years in local government in numerous councils.

Patricia Gallan

Patricia is a non-executive director for Her Majesty's Revenue and Customs as well as the Trade Remedies Authority. She is an external member of the Council of Queen Mary, University of London, chair of governors at an East London infant and junior school, and a member of the Drapers' Multi-academy Trust. A former chief police officer, she began her police career as a graduate entrant in East London, rising to Assistant Commissioner (Specialist Crime and Operations) of the Metropolitan Police Service, retiring in 2018 with more than 13 years of executive board experience in policing. Patricia was a detective, hostage negotiator and is a qualified barrister. She previously served as Deputy Assistant Commissioner (Specialist Operations—Security and Protection) and Deputy Assistant Commissioner (Professionalism) in the Met. In addition, she has served in Merseyside Police and the National Crime Squad as a Chief Police Officer, as well as completing a secondment to the Home Office. In Jul 2023, Patricia joined the respective boards of Chelsea and Westminster Hospital NHS Foundation Trust and The Hillingdon Hospitals NHS Foundation Trust within the NHS North West London Acute Provider Collaborative as a non-executive director.

Catherine Jervis

Catherine has held a range of board-level positions, has worked in the public, not-for-profit and private sectors, and has a broad skills base with recognised strategic insight and financial and governance expertise. She is currently deputy chair and non-executive director at The Hillingdon Hospitals NHS Foundation Trust. In Sep 2022, with the implementation of the North West London Acute Provider Collaborative (NWL APC), she was appointed to the board of Chelsea and Westminster Hospital NHS Foundation Trust and is the chair for the NWL APC Finance and Performance Committee. She is also the non-executive director and SID with Barnet Enfield and Haringey Mental Health NHS Trust and NED at IOPC (the Independent Office for Police Conduct). Prior to this, Catherine was an executive director and strategic advisor to a national education charity established to maximise educational outcomes for children and young people with SEND and director at PricewaterhouseCoopers LLP, leading the Children's Services Team working across education, health and social care. Catherine is a qualified accountant.

Neville Manuel

Neville is an accomplished senior executive with more than 30 years' extensive experience operating at board level in the private, public and third sectors, in both executive and non-executive roles. He is a skilled commercial leader with a proven track record in transformational change, developing and executing strategy, setting up joint ventures, launching new businesses and operational, and P&L management in the telecoms, media and technology sectors.

In his corporate career, his roles included Vice President of BT's internet business, director of its TV business and group general manager of strategy. Now focused on non-executive roles, he currently sits on the boards of the West London NHS Trust, The Hillingdon Hospitals NHS Foundation Trust and the National Institute of Economic and Social Research (NIESR). In Sep 2022, with the implementation of the North West London Acute Provider Collaborative, he was appointed to the board of Chelsea and Westminster Hospital NHS Foundation Trust. He is also a founder director of a small independent film production company.

Ajay Mehta

Ajay is an organisational development specialist supporting the growth and sustainability of civil society organisations globally to increase their social impact. With significant contributions in the social impact and public sectors, he brings a breadth of experience in the areas of strategic planning, resource mobilisation and sustainability, community engagement, leadership and governance. Ajay's portfolio of work has ranged from large international institutions to smaller community-based organisations, supporting them to review and re-engineer their strategic interventions and maximise impact.

Ajay has particular interests in human and environmental rights, a focus of his company em4, which engages with institutional funders to build the capacities of their grantees and invests in social entrepreneurs internationally to increase their regional impact. He has held board-level positions with national and international charities. He was previously a non-executive director of Hounslow and Richmond Community Healthcare NHS Trust. Ajay is currently chair of the People and Workforce Committee. He also holds the position of Wellbeing Guardian on the Trust Board. Ajay is in his second term of office at Chelsea and Westminster Hospital and was appointed to the board of London North West University Healthcare NHS Trust as a NED in Sep 2022, as part of his duties within the North West London Acute Provider Collaborative.

Prof Neena Modi

Prof Neena Modi (MB ChB MD FRCP FRCPCH FFPM FMedSci) is Professor of Neonatal Medicine and Faculty of Medicine Vice-Dean (International Affairs) at Imperial College London, a fellow and member of Council of the UK Academy of Medical Sciences, and president-elect of the European Association of Perinatal Medicine. Neena has held a number of previous health leadership roles. She is a past president of the British Medical Association, UK Medical Women’s Federation and UK Royal College of Paediatrics and Child Health. She has also headed the research societies, the Neonatal Society and Academic Paediatrics Association of Great Britain and Ireland. Neena leads a multidisciplinary neonatal research group focused on improving the health and life-long wellbeing of infants born preterm or sick. She has published more than 350 peer-reviewed original research papers, chapters in textbooks, reports and other publications. She also leads the award-winning UK National Neonatal Research Database and eNewborn, an International Neonatal Research Database. She is head of the current Imperial Biomedical Research Centre “Pregnancy and Prematurity” theme.

Neena has been a longstanding advocate for the rights of infants, children and women to benefit from biomedical research. She is also committed to championing the values of health equity, social justice and high quality, publicly provided and delivered healthcare for all. In 2022, she received the US Critical-Path Institute, International Neonatal Consortium Pioneer Award for “contributions to health data research” and the Medical Women International Association award ‘to a woman physician who has made outstanding contributions to the cause of women in medicine’.

Dr Syed Mohinuddin

Dr Syed Mohinuddin has worked in the NHS for more than 25 years. He is a Consultant Neonatologist and leads the pan-London Neonatal Transfer Service. He graduated from the Armed Forces Medical College, India and was awarded the Colonel Malhotra Memorial Gold Medal in medicine. He subsequently moved to the UK and completed his core and higher specialist training in paediatrics and neonatology. He is a fellow of the Royal College of Paediatrics and Child Health. He has a Master's in Medical Leadership from the Bayes Business School and is a Faculty of Medical Leadership and Management group member.

Syed is an experienced educator who has held various training and development positions. He has extensive experience in team training, simulation and human factors. He is a digital and innovation enabler and the clinical lead for the NeoMate App that won the NHS Innovation Acorn Award 2015. He is a member of the Harrow Muslim Community and the Seacole Group. He is passionate about improving the quality and safety of NHS care and reducing healthcare inequalities.

Syed also chairs the Quality and Safety Committee and is a non-executive director on the London North West University Healthcare NHS Trust board.

Directors and others in regular attendance at Board meetings 2023/24

- Peter Jenkinson, Director of Corporate Governance
- Lindsey Stafford-Scott, Chief People Officer
- Emer Delaney, Director of Communications
- Alexia Pipe, Chief of Staff to the Chair in Common

Key responsibilities of non-executive directors

For all non-executive directors, key responsibilities include:

- Challenging and supporting the executive directors in decision-making and on the Trust’s strategy
- Holding collective accountability with the executive directors for the exercise of their powers and for the performance of the Trust

Independence of non-executive directors

The Trust Board has evaluated the circumstances and relationships of individual non-executive directors which are relevant to the determination of the presumption of independence and determines all its non-executive directors to be independent in character and judgement. During 2023/24, there were a number of changes to the non-executive director composition on the Board of Directors to enable the implementation of the governance structure of the North West London Acute Provider Collaborative. This included:

- The appointments of Carolyn Downs, Patricia Gallan and Professor Neena Modi as non-executive directors on the Board
- Approval to a second term of office for Syed Mohinuddin as a non-executive director on the Board

We expressed our sincere thanks to three committed and longstanding Non-Executive Directors who reached the end of their terms of office during the course of the year—Professor Andy Bush, Nilkunj Dodhia and Peter Goldsbrough.

The chair meets frequently with the vice chairs without having the executive team present.

Performance evaluation of the Board

The annual appraisal of the chair was led by the senior independent director. The views of non-executive directors, executive directors, external partners and governors were sought and contributed to the process. The performance of non-executive directors is evaluated annually by the vice chair, who also seeks the views of colleagues and stakeholders. Executive directors have an annual appraisal with the chief executive. All Trust Board committees reviewed their effectiveness during 2023/24 and provided assurance reports to the Committees on their reported effectiveness and associated improvement actions.

Board meetings

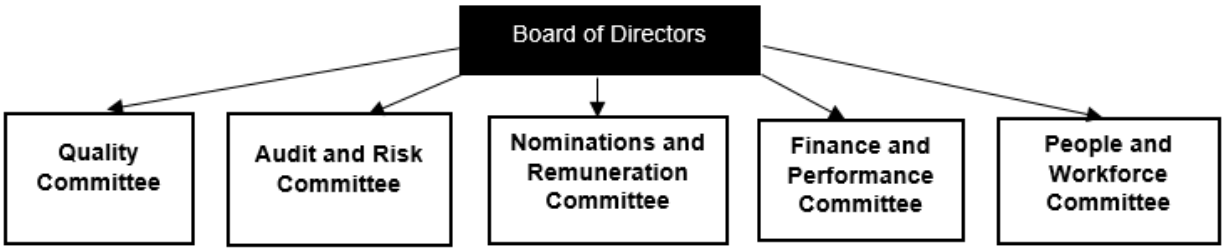
The Trust Board meets in public no less than four times per year. Special meetings are organised as and when required. There were four meetings in public held in 2023/24. These were meetings of the Chelsea and Westminster NHS Foundation Trust Board of Directors, meeting as part of the Board in Common with the other North West London Acute Collaborative Provider Trusts. Director attendance is detailed below.

	Board Public meeting attendance	
	Required to attend	**Attended**
Executive directors		
Lesley Watts	4	4
Robert Bleasdale	4	4
Roger Chinn	4	4
Rob Hodgkiss	3	2
Virginia Massaro	4	4
Non-executive directors		
Matthew Swindells	4	4
Stephen Gill	4	4
Aman Dalvi	4	4
Nilkunj Dodhia	1	1
Professor Andy Bush	2	1
Peter Goldsbrough	2	2
Patricia Gallan	3	3
Carolyn Downs	2	2
Neena Modi	2	1
Ajay Mehta	4	2
Catherine Jervis	4	4
Neville Manuel	4	3
Syed Mohinuddin	4	4

The Trust's Board of Directors held an additional (standalone) meeting in private in Nov 2023 to consider the refresh of the Financial and Operating Plan 2023/24.

Committees of the Board of directors

The Trust Board committee structure is set out below. Terms of reference detail the responsibilities of each committee and this structure monitors and provides assurance to the Board on the delivery of our objectives and other key priorities.



Nominations and Remuneration Committee of the Board of directors for the appointment of executive directors

The Nominations and Remuneration Committee is a committee of the Trust Board of Directors. It is appointed in accordance with the constitution of the Trust to decide the remuneration and allowances, and the other terms and conditions of office, of the chief executive and other executive directors. The committee comprises the chairman and four other non-executive directors. The committee met on four occasions during the year and at these meetings they:

- Approved executive director pay and very senior management pay
- Approved the terms of reference of the committee
- Approved the annual business cycle of the committee
- Reviewed the effectiveness of the committee

Nominations and remuneration committee attendees	Attendance	
	Required to attend	Attended
Stephen Gill (Chair of Committee)	4	4
Aman Dalvi	4	3
Nilkunj Dodhia	1	1
Patricia Gallan	3	3
Ajay Mehta	4	3
In attendance		
Lesley Watts, Chief Executive Officer	3	3
Lindsey Stafford-Scott, Chief People Officer	3	3
Peter Jenkinson, Director of Corporate Governance	3	2[44]

Nominations and Remuneration Committee of the Council of Governors for the appointment of non-executive directors

A separate Nominations and Remuneration Committee exists for the nomination, appointment and remuneration of the chair, vice-chair and non-executive directors. This is a committee of the Council of Governors and its membership comprises the chairman, the lead governor and five public- and patient-elected governors.

[44] Agreed deputy attended in place for third meeting

Appointments and reappointments

During 2023/24, on recommendation by the committee and agreement of the Council of Governors, it was agreed to increase the composition of non-executive directors on the Board to enable the implementation of agreed North West London Acute Provider Collaborative governance arrangements. As such, the following recommendations in relation to appointments, reappointments and remuneration were agreed:

- To appoint Patricia Gallan and Carolyn Downs as non-executive directors of the Board
- The Trust used GatenbySanderson search consultancy to support the process for the above non-executive director appointments
- To approve a new term of office for Dr Syed Mohinuddin as a non-executive director of the Board
- To appoint Prof Neena Modi as an academic non-executive director of the Board
- To appoint Vineeta Manchanda as a non-executive director of the Board (to start in May 2024)—Nurole consultancy provided support in the search process for this appointment

Council of Governor Nominations and Remuneration Committee attendees	Attendance	
	Required to attend	Attended
Matthew Swindells, Chair	5	5
Steve Gill, Vice-Chair	5	5
Richard Ballerand, Public Governor	5	5
Simon Dyer, Lead and Patient Governor	5	5
Minna Korjonen, Patient Governor	5	4
David Phillips, Patient Governor	5	5
Laura-Jane Wareing, Public Governor	5	4
In attendance		
Lesley Watts, Chief Executive Officer	5	5
Dawn Clift, Interim Director of Corporate Governance and Compliance	1	1
Peter Jenkinson, Director of Corporate Governance	4	3[45]

Quality Committee

The Quality Committee is mainly responsible for issues of quality and patient safety. It seeks assurance on systems, processes and outcomes relating to the safety and effectiveness of care which we deliver to our patients. This includes monitoring regulatory compliance with the standards set out by the Care Quality Commission.

People and Workforce Committee

The People and Workforce Committee is responsible for reviewing Trust performance on key workforce metrics (turnover, mandatory training and appraisal rates) while also reviewing key workforce and organisational development strategies on behalf of the Trust Board.

[45] Agreed deputy attended in place for fourth meeting

Finance and Performance Committee

The Finance and Performance Committee is responsible for seeking assurance as to the satisfactory management of the Trust's finances, cost improvement programme, cash management and capital programme. The committee also reviews and recommends to the Trust Board for approval those business cases with high-level strategic significance.

Audit and Risk Committee

The Audit and Risk Committee assures the Trust Board that probity and professional judgement are exercised in all financial matters. It advises on the adequacy and effectiveness of the Trust's internal control systems, risk management arrangements, counter-fraud measures and governance processes, and on ways of maximising efficiency and effectiveness. In doing this, the Audit and Risk Committee primarily utilises the work of internal audit (provided by BDO in 2023/24), external audit (provided by Deloitte in 2023/24) and other external bodies. The committee approves the annual work plans of internal and external audit as well as the local counter-fraud specialist (provided by RSM in 2023/24). The chief executive is the Trust's designated accounting officer who has the duty of preparing the accounts in accordance with the NHS Act 2006. Aman Dalvi chaired the Audit and Risk Committee, which includes two other non-executive directors. The Committee met five times in 2023/24.

Audit and Risk Committee attendees	Attendance	
	Required to attend	Attended
Aman Dalvi (Chair)	5	5
Dr Syed Mohinuddin	5	5
Catherine Jervis	5	5

Significant issues considered by the Audit and Risk Committee in relation to the financial statements, operations and compliance

During the year, the Audit and Risk Committee received several reports from the internal auditors BDO. These covered various areas including Capital Project Management, Discharge and Ambulance Handover Processes, Divisional Governance, Waiting List Management, Key Financial Systems, Recruitment and Retention, Equality, Diversity and Inclusion (EDI), Contract Management, North West London Acute Provider Collaborative Governance (NWL APC), Facilities and Estates Management, Cultural Mat Maturity, Data Security and Protection Toolkit, and Patient Communication. For the period 1 Apr 2023–31 Mar 2024, 5 high-risk recommendations were identified by our internal auditors.

Following the year end, the Committee considered the draft annual report and accounts 2023/24 and received the ISA 260 report from the Trust's external auditors.

During 2023/24, in addition to non-executive directors and those executive directors in attendance, the Trust's internal and external auditors and counter-fraud specialist attended the committee meetings. When relevant, other senior managers attended meetings to provide a deeper level of insight into certain key issues within their respective areas of expertise, including all areas of significant risk, such as cyber security, risk management, Board assurance framework and information governance.

The committee has engaged regularly with the external auditors over the financial year. External audit matters discussed have included consideration of the external audit plan,

matters arising from the audit of the Trust's financial statements, implementation of adoption of international reporting standards and any recommendations on control and accounting matters proposed by the auditor.

The Committee assesses the external auditor's quality and value of work and the timeliness and reporting and fees on an annual basis. This assessment includes the review and monitoring of the external auditor's independence, objectivity and effectiveness of the audit process in light of relevant professional and regulatory standards. The Committee discusses and agrees with the external auditors, before the audit commences, the nature and scope of the audit as set out in the annual plan, including a consideration of their local evaluation of audit risks. The Committee reviews all external audit reports, including the report to those charged with governance, agreement of the annual audit letter and the appropriateness of management responses and progress on implementation of recommendations received by the Trust's external auditor. In addition, the Committee received and considered the significant risks identified by the Trust's internal auditor in the end-of-year report.

Policy for safeguarding the external auditors' independence

The Trust carried out an Official Journal of the European Union (OJEU) tender for statutory audit services in Oct 2016 and reappointed Deloitte LLP on a three-year contract with an option to extend for a further two years. It was agreed by the Audit and Risk Committee during 2019/20 to extend the contract for two years. Following an unsuccessful procurement process in 2022/23, it was agreed by the Audit and Risk Committee to extend the contract with Deloitte LLP for a further two years. As part of the initial procurement process, the independence of applicants was assessed. The external auditor has not provided non-audit services in the year. This is the one area of non-compliance (albeit not material as stated earlier in this report) regarding the Code of Governance, whereby Trusts should not retain the same auditors in excess of 20 years. As described above, the Trust has tried to address this and will continue to do so in 2024/25.

Internal audit

From June 2021, following a competitive tender, the Trust awarded the contract to provide internal audit to BDO on a three-year contract with an option to extend for a further two years. The internal audit plan covered the Trust's risk management, governance and internal control processes, both financial and non-financial, across the Trust. Through detailed examination, evaluation and testing of the Trust's systems, internal audit plays a key role in the Trust's assurance processes. The Audit and Risk Committee signs off the annual internal audit plan and reviews the findings of internal audit's work against the annual plan at each of its meetings. The head of internal audit reports to the committee and has a right of direct access to committee members. The internal audit function is managed by the chief financial officer.

Council of Governors

The role, powers and composition of the Council of Governors were outlined earlier in this report and are also set out within the Trust's constitution. The Council of Governors meets at least quarterly and held four meetings in 2023/2024. Executive and non-executive directors of the Trust Board are invited to attend. Both elected and appointed governors normally hold office for a period of three years and are eligible for re-election or reappointment at the end of that period. The details of the governors holding office as at 31 Mar 2024 are provided within the table below:

Surname	First name	Constituency	Borough/ organisation	Date elected or appointed	Term	Attendance at council meetings 2023/24 (required to attend)	Attendance at council meetings 2023/24 (attended)
Ballerand	Richard	Public	Kensington and Chelsea	Nov 2017	3	4	3
Boulliat Moulle	Caroline	Patient	-	Feb 2023	1	4	4
Carter	Julie	Public	Ealing	Nov 2021	1	4	0
Cass-Horne	Cass J	Public	Westminster	Feb 2023	2	4	4
Chatterley[46]	Maureen	Public	Richmond Upon Thames	Nov 2023	1	1	1
Clarke	Nigel	Lead/Public Governor	Hammersmith and Fulham	Feb 2023	1	4	4
Dalton[47]	Ian	Patient	-	Nov 2023	1	1	1
Daubeney	Nara	Public	Wandsworth	Feb 2023	1	4	1
Digby-Bell	Christopher	Patient	-	Nov 2017	3	4	4
Dyer	Simon	Patient	-	Nov 2015	3	4	4
Fleming	Stuart	Public	Wandsworth	Nov 2021	1	4	3
Garcha	Parvinder Singh	Public	Hounslow	Nov 2021	1	4	3
Korjonen	Minna	Patient	-	Nov 2018	2	4	3
Levy	Rose	Public	Hammersmith and Fulham	Nov 2020	2	4	4
Littler	Nina	Public	Kensington and Chelsea	Feb 2023	1	4	4
Macaskill	Stella	Patient	-	Nov 2021	1	4	3
Martin	Ras I	Public	Rest of England	Feb 2023	1	4	3
Nelson	Mark	Staff	Medical and Dental	Nov 2020	3	4	4
Pascal	Will	Local Authority	Kensington and Chelsea	May 2022	1	4	4
Phillips	David	Patient	-	Nov 2015	3	4	4
Sharpe[48]	Lucinda	Staff	Nursing and Midwifery	Nov 2023	1	1	1
Walsh	Dr Desmond	University	Imperial College	Oct 2018	2	4	3
Wareing	Laura-Jane	Public	Hounslow	Nov 2015	3	4	3
Winterbottom	Jo	Public	Westminster	Feb 2023	1	4	2

Note: One governor stepped back from duties during 2023/24 on a temporary basis

[46] Elected as governor in Nov 2023 and therefore required to attend one Council of Governors meeting during 2023/24

[47] Elected as governor in Nov 2023 and therefore required to attend one Council of Governors meeting during 2023/24

[48] Elected as governor in Nov 2023 and therefore required to attend one Council of Governors meeting during 2023/24

Vacancies

- Appointed/Local Authority: Hounslow
- Public: Richmond Upon Thames
- Staff: Allied Health Professionals, Scientific and Technical
- Staff: Non-Clinical (x2)
- Staff: Nursing and Midwifery

There were no disputes between the Council of Governors and the Board of Directors during the year. Should any such dispute or disagreement arise, governors are able to contact the lead governor or senior independent director.

Council of Governors elections held during 2023/24

An election was held in Nov 2023 to fill vacant seats in the patient and public constituencies. The results were as follows:

Patient constituency

- Christopher Digby-Bell (elected)
- Ian Dalton (elected)

Public constituency

- **Royal Borough of Kensington and Chelsea**
  Richard Ballerand (elected)
- **London Borough of Hammersmith and Fulham**
  Rose Levy (elected unopposed)
- **London Borough of Richmond Upon Thames**
  Maureen Chatterley (elected unopposed)

Staff constituency

- **Medical and Dental**
  Mark Nelson (elected unopposed)
- **Nursing and Midwifery**
  Lucinda Sharpe (elected unopposed)

Council of Governors' register of interests

Governors are required to sign a code of conduct, declare any relevant interests annually, and confirm they meet the fit and proper person condition as set out in Regulation 5 of the *Health and Social Care Act 2008 (Regulated Activities) Regulation 2014*.

The register of governors' interests is published annually—a copy can be downloaded from the Trust website at www.chelwest.nhs.uk/cog, by emailing chelwest.corporategovernance@nhs.net, or by calling 020 3315 6716/6725.

You can also request a hard copy by writing to:

Corporate Governance Team
Chelsea and Westminster Hospital NHS Foundation Trust
369 Fulham Road
London
SW10 9NH

Contacting the governors

Governors welcome the views and suggestions of members and the wider public. Please see www.chelwest.nhs.uk/cog for governors' details and biographies. If you would like to contact any of the governors, email chelwest.corporategovernance@nhs.net or call 020 3315 6716/6725.

How the Board of Directors and Council of Governors have acted to understand the views of governors and Foundation Trust members

The Trust Board interacts regularly with the Council of Governors to ensure it understands their views and those of members. Governors can attend the Trust's public Board meetings, and at least five governors usually take this opportunity. Non-executive directors attend the public Council of Governors meetings. Governors and Non-executive directors also meet twice a year to discuss various topics in an open and informal manner. A rolling programme of non-executive director chairs of Trust Board committees presenting at each Council of Governors meeting enables governors to hold the non-executive directors to account. In addition, we hold regular governor briefing sessions on topics of strategic or operational interest to governors, allowing them to develop their knowledge around the range of information presented to them for assurance purposes and to seek their views on improving aspects of our business.

Foundation Trust membership

As a foundation trust, we are accountable to our local community, patients and staff, who all have the right to become members. Trust members play an active role in helping us to understand the views and needs of the population we serve. Membership is open to anyone aged 16 or older. The membership has three constituencies—patient, public and staff—as defined in the Trust constitution and summarised below.

Patient membership

Anyone who has attended any of the Trust's hospitals as either a patient or the carer of a patient within the last three years.

Public membership

Any member of the public over the age of 16 who lives in the area the Trust serves, divided into eight constituencies based on local government boundaries:

- City of Westminster, London boroughs of Ealing, Hammersmith and Fulham, Hounslow, Richmond upon Thames and Wandsworth, Royal Borough of Kensington and Chelsea, or the 'rest of England'

Staff membership

All staff automatically become members unless they choose to opt out of membership. Individuals employed by the Trust under a contract of employment with the Trust are divided into four constituencies. During 2023/24, the Council of Governors, following a recommendation at an away day, agreed to streamline the staff constituencies as follows:

- Non-clinical staff (two positions)
- Allied health professionals, scientific and technical staff (one position)
- Medical and dental staff (one position)
- Nursing and midwifery staff (two positions)

Membership engagement strategy

The Trust's membership engagement strategy focuses on recruitment, communication and engagement with members. In 2023/24, the Trust made positive progress in delivering its Membership Engagement Strategy to ensure it diversified its approach to facilitate engagement with a more representative group of members. Actions implemented include:

- ***Members' News*:** A monthly newsletter providing up-to-date information about the Trust, distributed via email to all Trust members

- **Meet a Governor sessions:** Face-to-face meetings between governors and the public and patients at both the Chelsea and Westminster and West Middlesex sites

- **QR code:** A QR code implemented to simplify the process of becoming a member of the Trust, displayed in various departments throughout the Trust and satellite areas and on screens at both the Chelsea and Westminster and West Middlesex sites

Governors participated in public and member engagement events organised by the Trust throughout the year. The Meet a Governor sessions have been held regularly since Aug 2023, with healthy representation of governors at these sessions. Governors have also been involved in the recruitment of the non-executive directors and on stakeholder panels.

Our overall membership as of 31 Mar 2024 is 19,293 members, a change from 19,366 last year. New members have joined, but the change is largely attributed to a comprehensive update of the membership list following a mail out. While the majority of our members are aged over 40 years, we continue to encourage greater representation of the under-40 age range, with 1,541 (8%) members in the 22–29 age category. We have a very successful youth volunteering platform being explored to encourage and share the benefits of membership, and we are developing targeted work with colleges, universities and workplaces. We will refresh our approach to using alternative media to reach these populations and provide in-person interaction.

Ensuring that our membership is representative of the population we serve is important. Socioeconomically, we know that most of our membership sits within categories B, D and E—'executive wealth', 'city sophisticates' and 'career climbers'. The next highest proportion of our membership sits within category P, defined as those residing in 'struggling estates'.

Directors' responsibilities for preparing the accounts

The directors have undertaken their responsibility for preparing the accounts under directions issued by NHS England, as detailed in the *Statement of Accounting Officer's Responsibilities* from page 112.

The Trust has ensured that the annual accounts of the organisation have met the accounting requirements of the *NHS Foundation Trust Annual Reporting Manual* and the Department of Health and Social Care *Group Accounting Manual*.

The directors consider that the annual report and accounts, taken as a whole, are fair, balanced and understandable, providing the information necessary for patients, regulators and stakeholders to assess the NHS Foundation Trust's performance, business model and strategy.

The directors are responsible for maintaining and ensuring the integrity of the corporate and financial information included on the Trust's website. Legislation in the UK governing the preparation and dissemination of financial statements differs from legislation in other jurisdictions.

NHS OVERSIGHT FRAMEWORK

NHS systems oversight framework

NHS England's NHS oversight framework provides the structure for overseeing systems, including providers, and identifying potential support needs. NHS organisations are allocated to one of four 'segments'.

A segmentation decision indicates the scale and general nature of support needs, from no specific support needs (segment 1) to a requirement for mandated intensive support (segment 4). A segment does not determine specific support requirements. By default, all NHS organisations are allocated to segment 2 unless the criteria for moving into another segment are met. These criteria have two components:

- Objective and measurable eligibility criteria based on performance against the six oversight themes using the relevant oversight metrics (the themes are quality of care, access and outcomes, people, preventing ill-health and reducing inequalities, leadership and capability, finance and use of resources, local strategic priorities)

- Additional considerations focused on the assessment of system leadership and behaviours, and improvement capability and capacity.

An NHS foundation trust will be in segment 3 or 4 only where it has been found to be in breach or suspected breach of its licence conditions.

Segmentation

The Trust has been placed into segment 1.

This segmentation information is the Trust's position as at 31 Mar 2024. Current segmentation information for NHS trusts and foundation trusts is published on the NHS England website atwww.england.nhs.uk/publication/nhs-system-oversight-framework-segmentation/.

STATEMENT OF ACCOUNTING OFFICER'S RESPONSIBILITIES

Statement of the chief executive's responsibilities as the accounting officer of Chelsea and Westminster Hospital NHS Foundation Trust

The *NHS Act 2006* states that the chief executive is the accounting officer of the NHS foundation trust. The relevant responsibilities of the accounting officer, including their responsibility for the propriety and regularity of public finances for which they are answerable and for the keeping of proper accounts, are set out in the *NHS Foundation Trust Accounting Officer Memorandum* issued by NHS England.

NHS England has given accounts directions which require Chelsea and Westminster Hospital NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Trust and of its income and expenditure, other items of comprehensive income and cash flows for the financial year.

In preparing the accounts and overseeing the use of public funds, the accounting officer is required to comply with the requirements of the Department of Health and Social Care's *Group Accounting Manual* and, in particular, to:

- Observe the accounts direction issued by NHS England, including the relevant accounting and disclosure requirements and apply suitable accounting policies on a consistent basis

- Make judgements and estimates on a reasonable basis

- State whether applicable accounting standards as set out in the *NHS Foundation Trust Annual Reporting Manual* (and the Department of Health and Social Care *Group Accounting Manual*) have been followed and disclose and explain any material departures in the financial statements

- Ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance

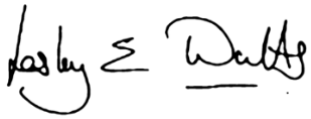
- Confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS foundation trust's performance, business model and strategy

- Prepare the financial statements on a going concern basis and disclose any material uncertainties over going concern

The accounting officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS foundation trust and to enable him/her to ensure that the accounts comply with the requirement outlined in the above-mentioned act. The accounting officer is also responsible for safeguarding the assets of the NHS foundation trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As far as I am aware, there is no relevant audit information of which the foundation trust's auditors are unaware and I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in the *NHS Foundation Trust Accounting Officer Memorandum*.



Lesley Watts
Chief Executive Officer

27 June 2024

ANNUAL GOVERNANCE STATEMENT

Scope of responsibility

As accounting officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the NHS foundation trust's policies, aims and objectives while safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I am also responsible for ensuring that the NHS foundation trust is administered prudently and economically, and that resources are applied efficiently and effectively. I also acknowledge my responsibilities as set out in the *NHS Foundation Trust Accounting Officer Memorandum*.

Purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Trust's policies, aims and objectives, evaluate the likelihood of those risks being realised and the impact should they be realised. This enables us to manage them efficiently, effectively and economically. The system of internal control has been in place in Chelsea and Westminster Hospital NHS Foundation Trust for the year ended 31 Mar 2024 and up to the date of approval of the annual report and accounts.

As part of our system of internal control, it is of paramount importance to ensure that the Trust is well-led in accordance with NHS England and NHS England's Well-Led Framework, so that the services are safe and patient-centred. In Nov 2019 we welcomed the Care Quality Commission (CQC) to inspect our services, which included a well-led inspection and a use of resources inspection by NHS England. The Trust maintained the rating of 'good' overall, seeing an improvement in well-led rating from 'good' to 'outstanding', and maintaining the use of resources rating of 'outstanding'. The Chelsea site improved the overall rating from 'good' to 'outstanding', and the West Middlesex site maintained the overall rating of 'good'. Within our system of internal control, we have a range of approaches and methodologies to continually assess our performance against the well-led framework. This includes the use and analysis of data (quality, effectiveness, financial and access times), board-to-floor visibility, our ward accreditation scheme and our governance arrangements from Board to local service. The Trust remains fully compliant with the registration requirements of the Care Quality Commission.

Capacity to handle risk

Governance arrangements in the Northwest London Acute Provider Collaborative

The North West London Acute Provider Collaborative (the 'collaborative') came into being from Sep 2022, following approval of the trust boards of the four acute trusts—Chelsea and Westminster Hospital NHS Foundation Trust, The Hillingdon Hospitals NHS Foundation Trust, Imperial College Healthcare NHS Trust and London North West University Hospitals NHS Trust—also from Chelsea and Westminster Hospital NHS Foundation Trust's and The Hillingdon Hospitals NHS Foundation Trust's Councils of Governors, London Region and National NHS England. The four acute trusts remain as

statutory bodies who also continue to work with other partners in the North West London Integrated Care System to deliver health to the population of North West London.

The governance arrangements have been developed based on core principles of corporate governance in a collaborative system, including adhering to the principle of subsidiarity (meaning decision making to be local where possible) while ensuring collaborative decision-making and holding each other to account and ensuring the continuation of public accountability and stakeholder involvement and engagement at trust level as well as at the level of the collaborative.

During the year we commissioned an internal audit review across the collaborative which demonstrated that the governance model is operating appropriately overall to enable the individual Trust boards to fulfil their duties, but highlighted some areas for improvement. These included the need for a collaborative strategy, the development of a collaborative risk management approach and improved engagement and oversight of local trust issues as unitary boards. Actions in response to these recommendations are all in progress and will be addressed as part of the ongoing development of the governance model, either through reinforcement of existing structures and mechanisms or through the board development programmes at Trust and collaborative level.

To support the collaborative model, governance arrangements were established, including key elements:

- Trust level committees providing local oversight across quality, workforce, and finance and performance as well as the statutory committees—audit and risk committee and nominations and remuneration committee

- Collaborative committees, covering the domains of quality, workforce, finance and performance, digital and data, and estates and sustainability

- Bringing the four trust boards together to form a board in common—four trust boards meeting together at the same time and same place with a common agenda.

- A model of shared non-executive directors across trusts

- Lead chief executives for strategic priorities across the collaborative

The board in common meets in public and is collectively responsible for setting the strategy for the Collaborative. It is comprised of the four trust boards and meets four times per year. To ensure agility in decision making and to maintain oversight, the four trust boards (as the board in common) delegate some specific responsibilities to a board in common cabinet, comprising the chair, vice chairs and chief executives, meeting in the months when the board in common is not meeting. The meetings of the board in common cabinet are reported to the board in common.

Each statutory entity has a responsibility to maintain its own system of internal control, including a robust risk management framework. The audit and risk committees remain independent in each trust and retain responsibility for ensuring that a system of internal control is maintained across the trust, to ensure that risks are being identified and managed, and appropriate assurance mechanisms are in place. The audit and risk committees provide a summary of committee matters directly to the board in common.

The governance arrangements for the Collaborative continue to develop and evolve and the four Trust Boards agree any amendments to the scheme of delegated authority as appropriate. For example, we anticipate developing governance arrangements further around risk and assurance in the next financial year, to enable the collaborative to identify common risk areas where collaborative action can most effectively add value in the management of risks being 'owned' by trusts.

Each trust has its board committee structure, and committees review the key risks aligned with their functional domain and receive assurance regarding the management of risk for those risks, via regular reports or risk and assurance deep dives where appropriate. Trust committee chairs report the outcome of their committees, including matters for escalation, including risks, to the respective collaborative committee.

The board in common receives summary reports from the collaborative committees and trust audit and risk committees, as well as more detailed reports where required including reports from each CEO, from which each board takes assurance that there are effective systems in place to ensure risks are being identified and managed at the appropriate level.

The Trust is committed to a comprehensive, integrated, Trustwide approach to the management of risk based upon the support and leadership offered by the Board of Directors and the committees of the Board.

The Trust's risk management process is designed to provide a systematic method of identifying risks and determining the most effective means to minimise or remove them following risk analysis and evaluation. Practice is supported through the maintenance of an organisation wide risk register—the register is a management tool that promotes visibility, escalation and provides a repository from which assurance can be offered that risks are being identified and appropriately managed.

The Risk Management Strategy describes the roles and responsibilities of all staff in relation to the identification, management and control of risk, and encourages the use of risk management processes as a mechanism to highlight areas they believe require improvement.

The executive directors have responsibilities for the management and coordination of strategic and operational risk within their areas of control. These responsibilities include the maintenance of risk registers, the promotion of risk management activity, the development of strategic and business plans required to address risk and the escalation of principle risks and associated assurance to Trust Board. Responsibility for the implementation of risk management activity has been delegated to the executive directors as follows:

- The Chief Nursing Officer has responsibility for the professional standards and revalidation of the nursing workforce and allied health professionals, clinical governance, patient safety, staff safety, regulatory compliance and associated risks

- The Chief Medical Officer has responsibility for the professional standards and revalidation of the medical workforce, research and development, service development, clinical effectiveness, public health and associated risks

- The Chief Financial Officer has responsibility for financial governance, physical estate and associated risks

- The Chief People Officer has responsibility for learning and development, equality, diversity and inclusion, workforce management, staff wellbeing and associated risks

- The Chief Operating Officer (COO) has responsibility for site development, business development, digital innovation and associated risks[49]

- The Chief Information Officer is responsible for information management, information technology, information security and associated risks

Executive and non-executive directors receive training as part of a scheduled risk and board assurance development session. All staff receive risk management training on various aspects of risk as part of the Trust's induction programme. This training forms part of the mandatory courses provided by the Trust, which all staff undertake on a regular basis. The organisation's Quality and Clinical Governance directorate also provides one-to-one and group risk management training. The risk assurance framework is scrutinised by the following committees of the Board:

- Audit and Risk Committee (ARC)
- Quality Committee (QC)
- People and Workforce Committee (PODC)
- Finance and Performance Committee (FPC)

The committees and their sub-groups ensure risks and the associated mitigation actions are recognised and good practice is supported across all areas. The scrutiny given by these Committees also assures learning from excellence.

The Trust risk management policy is accessible to all staff via the intranet and aims to provide guidance on the process of risk identification, assessment and the escalation, as appropriate, in accordance with each staff member's level of authority and duties.

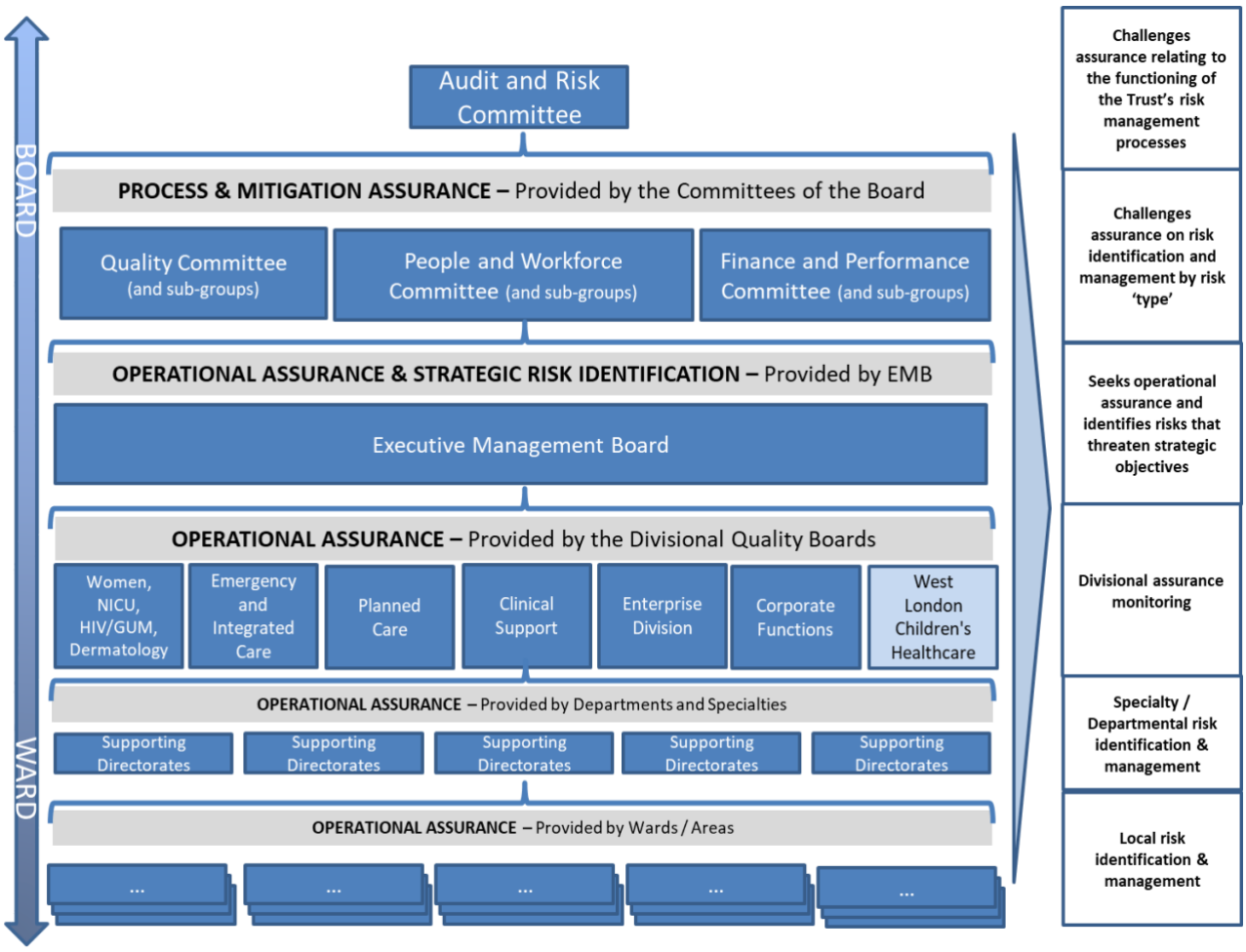
Risk and control framework

The Trust's risk management process is designed to provide a systematic method of identifying risks and determining the most effective means to minimise or remove. Practice is supported through the maintenance of an organisation wide risk register.

Operational risk assurance is provided via the divisional quality boards within the clinical divisions—these groups ensure the risk register process is embedded and mitigation actions are undertaken within appropriate timescales. Within the corporate/non-clinical division, individual management teams undertake this responsibility with executive oversight.

Management and mitigation assurance are provided via the committees of the board. All items recorded within the risk register are categorised according to the risk 'subject'—each categorisation is aligned to an executive director and a committee or sub-group responsible for measuring risk assurance and supporting mitigation action where required.

[49] This post is currently vacant and the deputy COOs are responsible



While the Trust Board retains overall responsibility, detailed scrutiny of specific areas of the Trust's work, including relevant risks, is provided by Board sub-committees:

- **Quality Committee:** Assures the Board that quality and safety within the organisation is being delivered to the highest possible standards and that there are appropriate policies, processes and governance in place to continuously learn and improve care.

- **People and Workforce Committee:** Assures the Board on matters related to staff, considering the following work areas—people and organisational development strategy and planning, leadership development and talent management, education, skills and capability (clinical and non-clinical, statutory and mandatory), performance, reward and recognition, culture, inclusion, equality and diversity, values and engagement, and health and wellbeing. The committee ensures robust processes to identify and manage risks and issues accordingly. It oversees the development and governance of short, medium and long-term workforce strategies to ensure safe, sustainable and effective staffing processes and compliance with developing workforce safeguard standards. The committee receives regular reports on workforce and people-related key performance indicators and metrics alongside other hard and soft intelligence.

- **Finance and Performance Committee:** Assures the Board on financial and investment policy, capital, information management and technology, estates management and commercial development issues, ensuring the Trust operates economically and efficiently against agreed income and expenditure positions.

- **Audit and Risk Committee:** Assures the Board that probity and professional judgement are exercised by providing an independent and objective review of financial and corporate governance, assurance processes, risk management across the Trust's clinical and non-clinical activities, and fraud and corruption. The committee also measures assurance in the process for identifying and responding to potential conflicts of interest relating to commercial partnership working. It scrutinises the output of all audits undertaken by the Trust's internal and external auditors, reporting any identified risks to the Board, and assures the Board on the appropriateness and effectiveness of the Trust's risk assurance framework.

- **Nominations and Remuneration Committee:** Oversees all aspects of the appointment process for executive directors and very senior managers, including the approval of arrangements for the termination of directorships, determining the remuneration, allowances, pensions, gratuities and other major contractual terms, and evaluating the performance of individual executive directors.

The Trust control framework ensures the transmission of risk information from ward to board—this process is supported by:

- **Risk appetite statement:** Describes the amount of risk the Board is prepared to take in pursuit of its objectives and is detailed in our Board Assurance Framework. The Trust's risk appetite varies between objectives and risk types.

- **Risk management strategy:** Describes the systems of internal controls in place to oversee, monitor and manage risk within the Trust.

- **Risk register:** Documents risks at each level of the Trust alongside actions to control, mitigate or resolve each risk.

- **Board assurance framework (BAF):** Records the principal risks that could substantially impact the achievement of the Trust's strategic objectives.

The risk management framework informs objective setting, business planning, service delivery, and the routine functioning of the organisation and ensures risk management is an integral part of routine management.

The last internal audit of the organisation's risk management framework took place in Jan 2020. The Head of Internal Audit opinion was that significant assurance with minor improvements required can be given on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. Auditors completed a risk maturity report in 2021 which demonstrated a positive level of risk maturity.

Identification of risk

There are four principal methods of risk identification used by the Trust:

- Known ongoing inherent risks of which the Trust is aware, which are controlled and managed
- Foreseeable local risks which are inherent and identified proactively by competent persons

- Strategic risks identified by the Board (including the risks associated with complying with the Trust's foundation trust licence)
- Retrospectively realised risks from risk sources

As per the fourth method of risk identification, risks can be identified from a number of sources, including but not restricted to:

- Recommendations from incident investigations and themes/trends arising from cumulative analysis of incident data
- Risks arising as a result of an external review or inspections
- Recommendations from internal audit reports or other internal or external monitoring reviews, audits, assessments or reports
- Clinical risk assessments
- Non-clinical risk assessments (security, health and safety, health and wellbeing etc)
- Patient surveys
- Staff surveys
- PALS and complaints key themes
- Risks shared by other NHS organisations, other stakeholders/duty holders or authorities

In some cases, through the processes described above, the Trust Board may identify complex risks that affect or involve external organisations, such as local stakeholders within the local healthcare community (ICB, NWL Acute Provider Collaborative, local authorities). Where this is the case, the Trust adopts a collaborative approach to its risk mitigation plans, ensuring a transparent and 'joined-up' approach to managing risk, recognising that in some cases the Trust will be limited in the degree of risk mitigation it can achieve as an individual organisation.

Risk assessment

The purpose of undertaking risk assessments is to effectively manage and control significant risks which are/have been identified/inherited or which are foreseeable in nature, as required by health and safety legislation. Risks are evaluated to determine the level of exposure and provide input to decisions on where responses to reduce, accept or avoid risks are necessary/acceptable or likely to be worthwhile. The evaluation of the risk assessment involves the analysis of the individual risk to identify the consequences/ severity and likelihood of the risk being realised. Within the Trust, the severity and likelihood of risk are given a numeric score based on the following matrix.

Likelihood	Consequence				
	Negligible 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
1 Rare	1 (Low)	2 (Low)	3 (Low)	4 (Medium)	5 (Medium)
2 Unlikely	2 (Low)	4 (Medium)	6 (Medium)	8 (High)	10 (High)
3 Possible	3 (Low)	6 (Medium)	9 (High)	12 (High)	15 (Extreme)
4 Likely	4 (Medium)	8 (High)	12 (High)	16 (Extreme)	20 (Extreme)
5 Almost certain	5 (Medium)	10 (High)	15 (Extreme)	20 (Extreme)	25 (Extreme)

In addition, the risk register process involves a set of risk metrics pertaining to risk impact and likelihood, which helps improve the robustness of the calculation of risk assessments within the Trust:

Impact level	Descriptor	Risk type			
		Injury	Service delivery	Financial	Reputation/publicity
1	Insignificant	No injuries or injury requiring no treatment or intervention	Service disruption that does not affect patient care	Less than £10,000	Rumours
2	Minor	Minor injury or illness requiring minor intervention <7 days off work if staff	Short disruption to services affecting patient care or intermittent breach of key target	Loss of between £10,000 and £100,000	Local media coverage
3	Moderate	Moderate injury requiring professional intervention RIDDOR reportable incident	Sustained period of disruption to services/ sustained breach of key target	Loss of between £100,001 and £500,000	Local media coverage with reduction in public confidence
4	Major	Major injury leading to long-term incapacity requiring significant increased length of stay	Intermittent failures in a critical service Significant under-performance of a range of key targets	Loss of between £500,001 and £5m	National media coverage and increased level of political/public scrutiny, total loss of public confidence
5	Catastrophic	Incident leading to death Serious incident involving a large number of patients	Permanent closure/ loss of a service	Loss of >£5m	Long term or repeated adverse national publicity Removal of chair/ CEO or executive team

Likelihood level	Descriptor	Range
5	Almost certain	>50%
4	Likely	10–50%
3	Possible	1–10%
2	Unlikely	0.1–1%
1	Rare	<0.1%

Alongside the general risk assessment process the Trust employs, there are also patient- and staff-specific risk assessment forms used at ward/department level in relation to particular risk domains.

The risk register record is structured in a way that requires the recording of a ‘current risk rating’ and a ‘target risk rating’. This allows the Trust to track changes in risk, from risk recognition through to an assessment of the risk post-mitigating actions. In each case, the Trust’s risk ‘appetite’ is determined by the target risk rating—ie once the mitigating actions have been implemented successfully and the risk has reduced to the target, the Trust accepts this residual level of risk. However, each time a risk is reviewed and updated, the determination of the Trust’s risk appetite is also reviewed, particularly after new mitigating actions have been identified.

Principal risks

The Board Assurance Framework (BAF) records the principal risks that could substantially impact compliance with the NHS Foundation Trust licence and achievement of the Trust's strategic objectives. It provides a framework for reporting key information to the Board by identifying primary controls in place to manage strategic objectives, assurance about the effectiveness of controls, and any gaps in the controls or assurances.

The executive management team prepare and approve the Board Assurance Framework as a means of communicating principal risk. The Committees of the Board receive the Board Assurance Framework quarterly to support understanding of principal risks, controls, assurance evidence, and assess outcomes of management activity.

Compliance with the NHS provider licence is routinely monitored through the NHS Oversight Framework but, on an annual basis, the licence requires the Trust to self-certify as to whether the organisation has effective systems, governance arrangements and the resources required to ensure compliance. The 2023/24 self-certification processes concluded that the organisation had taken the necessary precautions to comply with the conditions of the licence, any requirements imposed on it under the NHS Acts and had regard to the NHS Constitution. Principal risks were considered as part of this review and informed by the Board Assurance Framework—no principal risks to compliance were identified.

At Mar 2024, the following principal risks that could act as barriers to the organisation's strategic objectives were reported to the Audit and Risk Committee:

- Failure to ensure the application of clinical and operational processes within an increasingly complex environment could compromise the delivery of outstanding, high-quality, safe and patient-centred care

- Failure to innovate and coproduce quality improvements with our staff, patients, carers, and stakeholders/partners could drive health inequalities in outcomes and patient experience

- Failure to fully realise the Trust's academic and Research and Development (R&D) potential may adversely affect its reputation and lead to loss of opportunity

- Risk that the population's continuously changing need for services exceeds the Trust's capability and capacity to respond in a timely way—where there are instances of demand outstripping supply, there is a risk that quality and safety of care will be compromised, the needs of service users could be insufficiently met, and this will lead to poorer health outcomes and experiences

- Insufficient or ineffective planning for current and future workforce requirements (including number of staff, skill mix and training) may lead to impaired ability to deliver the quantity of healthcare services to the required standards of quality, and inability to achieve the business plan and strategic objectives

- Failure to look after our staff's physical and mental wellbeing could lead to reduced retention of staff, increased sickness levels, pressure on staff and decreased resilience, poor staff morale, over-reliance on agency staffing at high cost/premiums, potential impairment in service quality, and loss of the Trust's strategic ambition to be the employer of choice

- Failure to maintain a coherent and coordinated structure and approach to succession planning, organisational development and leadership development may jeopardise the development of robust clinical and non-clinical leadership to support service delivery and change, staff being supported in their career development and to maintain competencies and training attendance, staff retention, and the Trust being a 'well-led' organisation under the CQC domain

- Failure to develop and maintain our culture in line with the Trust values and the NHS People Promise, which includes being compassionate and inclusive, recognition and reward, having a voice that counts, health, safety and wellbeing of staff, working flexibly, supporting learning and development, promoting equality, diversity and inclusivity and fostering a team culture—the absence of this could result in harm to staff, an inability to recruit and retain staff, a workforce which does not reflect Trust and NHS values, and poorer service delivery

- Failure of the integrated care systems and provider collaboratives in which we work to deliver transformation, reduce health inequalities, integrated care, maintain financial equilibrium and share risk responsibly may impact adversely compromising service delivery and the quality of patient care

- Failure to deliver a fit-for-purpose digital and physical estate to deliver the Trust's clinical strategy and strategic objectives through ineffective business planning arrangements and/or inadequate mechanisms to track and control delivery of plans and programmes

- Failure to deliver the financial plan and maintain financial sustainability, including, but not limited to, non-delivery of CIP savings, budget overspends, underfunding and constraints of block contracts in the context of increasing levels of activity and demand—this could lead to an inability to deliver core services and health outcomes, financial deficit, intervention by NHS England and Improvement, NWL ICS constraints, and insufficient cash to fund future capital programmes

- Failure to protect the integrity and security of our information could lead to cyber-attacks which could compromise the Trust's infrastructure and ability to deliver services and patient care, data loss or theft affecting patients, staff or finances, reputational damage and/or personal data and information being processed unlawfully (with resultant legal or regulatory fines or sanctions)

- Failure to take reasonable steps to minimise the Trust's adverse impact on the environment, maintain and deliver a green plan, and maintain improvements in sustainability in line with national targets, the NHS Long Term Plan and 'For a Greener NHS' ambitions (30%, 50% and 80% reduction in emissions by 2023, 2025 and 2030, respectively, and net zero carbon by 2040), could lead to a failure to meet Trust and system objectives, reputational damage, loss of contracts, contribution to increased pollution within the wider community, and loss of cost saving opportunities

- Failure to maintain adequate business continuity and emergency planning arrangements to sustain core functions and deliver safe and effective services during a widespread and sustained emergency or incident, for example a pandemic, could result in harm to patients, pressure on and harm to staff, reputational damage and regulator intervention

In addition, the Trustwide risk register is reported to the Audit and Risk Committee, providing a full and detailed report on the Trust's risks, along with the actions in place to mitigate these and full progress updates. The key risks relate to staffing capacity and training, with actions in place within divisions and HR to support improved recruitment and retention. These remain challenges for 2024/25 and the refreshed People Strategy sets out how the Trust will further focus on recruiting, progressing and retaining staff. Further challenges remain and will continue into 2024/25 in terms of estate and equipment given the financial challenges and constrained capital, but a focus on this within the estates, divisional and leadership teams is mitigating the risks, with work underway to boost resilience and the key capital programmes on track for delivery—such as the new Ambulatory Diagnostic Centre, which will provide additional capacity and new equipment. Full risk reports are provided to divisions and discussed at the executive management board, which also receives specific updates on key risks relating to workforce and estates.

Data security and protection toolkit (DSPT) attainment levels

Information governance is the way organisations process or handle information. It covers information relating to patients and staff as well as corporate information and helps ensure the information is handled appropriately and securely, with particular emphasis on managing personal data within the data protection legislation.

The Data Security and Protection Toolkit is an online self-assessment tool that allows organisations to measure their performance against the National Data Guardian's 10 data security standards and provides an overall measure of the quality of data systems, standards and processes.

All organisations that have access to NHS patient data and systems must use this toolkit to provide assurance that they are practising good data security and that personal information is handled correctly.

There are four possible outcomes to the DSPT assessment:

- Standards met
- Standards exceeded
- Standards not fully met (improvement plan agreed)
- Standards not met

For more information about the DSPT please visit www.dsptoolkit.nhs.uk.

Assessment outcome: For 2023/24, the Trust achieved 'standards met' with an independent audit finding of substantial risk assurance and high confidence level in the DSPT submission.

Information governance incidents reported through the DSPT

Information governance incidents of a certain severity need to be reported to the UK data protection regulator, the Information Commissioner's Office (ICO), within 72 hours of discovery. The mechanism for doing this is usually through the incident reporting section of the DSPT, where you can also report sub-ICO level serious incidents. A total of two incidents met the DSPT reporting threshold with neither being escalated to the ICO.

Freedom of information (FOI)

In the financial year 2023/24, we received 906 FOI requests (up 6.7%). The act says we must respond to FOI requests within 20 working days and the Trust achieved this in just over 90% of cases, against the ICO minimum acceptable requirement of 90%, up from 89% last year.

General data protection regulation (GDPR)

GDPR came into force on 25 May 2018 along with the UK interpretation of this legislation, the Data Protection Act 2018. As required by law, we have appointed a Data Protection Officer and are compliant with the core aspects, led in part by work on the DSPT and various other workstreams.

Quality governance and performance

Ensuring safe staffing

The annual safe staffing report was submitted to the Executive Management Board and Quality Committee in Aug 2023. Safe staffing metrics are reported monthly within the integrated performance report to the Executive Management Board, Trust subcommittees and Trust Board, and the national safe staffing team. It is noted that compliance with theatres and ICU safe staffing guidance has been added to the report for this year. The Trust is compliant with national requirements and regulations for reporting as laid down by the National Quality Board and the NHSI Developing Workforce Safeguards.

Following a review of safe staffing levels within the Trust for nursing and midwifery, therapies, pharmacy and medicine, the chief nursing officer and chief medical officer conclude the following: "As Chief Nursing Officer and Chief Medical Officer for the Trust, we confirm that we are satisfied that we currently meet safe staffing standards and compliance with the National Workforce Safeguards Standards 2018. We recognise we currently have partial compliance with elements of the medical and therapy standards."

The Trust's focus in 2023/34 will be:

- Improving compliance in relation to maternity ratios and staffing recommendations for neonatal nursing staffing standards
- Focus on staff retention, particularly in therapies, pharmacy and among the HCA workforce
- Addressing the deficit in nursing establishment across EIC wards in business planning or by reviewing the use of the 'specialling' budget
- Working to improve compliance and mitigate staffing shortages across therapies in business planning and use of new roles

- Reviewing the usage of mental health nurses and support workers on the wards and recruiting to a central pool of staff to care for a number of these patients.
- Reviewing the staffing requirements in each division for medical tier 3 cover with an establishment review and job planning
- Working within the NWL collaborative to develop a collaborative approach to recruitment and retention of workforce, using novel roles and addressing temporary staffing issues
- Ensuring non or partial compliance with safe staffing guidance is added to the appropriate divisional risk registers

Data assurance

The Trust assures the quality and accuracy of elective waiting times data through a combination of regular daily and weekly meetings, and review and sign-off procedures for performance data. The review and sign-off process includes review at the elective access group, Trust executive team meetings, Quality Committee and Trust Board.

We have an advanced feed from the patient administration system (PAS), which is available throughout the Trust and updated daily. Divisional staff and the information team regularly review a suite of reports, including more advanced information for elective waiting times and patient-level information. The Trust has a set of training modules available to support staff and is currently undertaking an assessment to further improve staff adoption.

A manual data validation process is undertaken by the information team to review the information entered into the PAS and to investigate the data that underlies reported performance. Identified data issues are logged by the performance team, then investigated and corrected. Recurring issues are subject to root cause analyses, from which corrective action plans are developed to support the relevant services to improve the quality of inputted and reported data.

We have invested significantly in data quality improvement via the electronic patient record (EPR) system. A Trustwide data quality group is in place, which provides oversight of data quality policies, strategies and reviews. The data quality group reports to the Information Governance Steering Group, which in turn provides reports to the Executive Management Board and the Audit and Risk Committee to enable prompt escalation of emerging issues to the Trust Board when required.

All Trust sites use the Datix database system for reporting incidents, which provides a unified approach to aid the review of the information governance (IG) incident management process. IG incidents are summarised and reported to the information governance steering group. The IG team assists IG incident investigations as required and advises on lessons learned from these incidents at departmental meetings and/or via Trustwide communication tools.

Corporate governance

Details of the corporate governance structure can be found within the accountability report from page 59. It is a fundamental part of our Trust's governance structure that all material risks and issues are scrutinised and monitored by the Executive Management Board, in addition to being reported to Board committees. This includes the key areas of quality,

workforce, performance and finance, giving further assurance that the Trust is fully compliant with the Care Quality Commission registration requirements.

As an employer with staff entitled to membership of the NHS pension scheme, control measures are in place to ensure compliance with all employer obligations contained within the scheme regulations. This includes ensuring that deductions from salary, employer's contributions and payments into the scheme are in accordance with the scheme rules, and that member pension scheme records are accurately updated in accordance with the timescales detailed in the regulations.

There are control measures in place to ensure that the organisation complies with obligations under equality, diversity and human rights legislation. The Trust has implemented a number of equity and diversity programmes to support openness, honesty and transparency. The policy and procedure is maintained by the human resources team and compliance is monitored by the People and Workforce Committee.

Conflicts of interest

The Trust has an up-to-date register of interests, including gifts and hospitality, for decision-making staff (as defined by the Trust with reference to the guidance) within the past 12 months as required by 'managing conflicts of interest' in the NHS guidance. Over the past year, the Trust implemented a new online system for recording declarations of interests, which has improved compliance and resulted in a 'green' rating from the Trust's Local Counter Fraud Specialist. The register can be viewed at www.chelwest.nhs.uk/bod.

Climate change and Greener NHS programme

The Trust, with its partners, will continue to pursue its ambition to reduce the impact of our activities on the environment while providing leading sustainable healthcare. This means that the way the Trust operates today must meet the needs of the present while collaboratively building on a cleaner, healthier environment for future generations.

The Trust has undertaken risk assessments and has plans in place which take account of the 'Delivering a Net Zero Health Service' report under the Greener NHS programme. The Trust ensures that its obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

The Trust's Green Plan was approved by the Trust Board in November 2021 and confirms commitment to the NHS Delivering a Net-Zero Health Service report and Greener NHS programme, which outlines the NHS's ambition to become the world's first carbon net-zero national health service by 2045. For further information on our progress over 2023/24, please see the more detailed section on page 42.

During 2022/23 we supplemented our Green Plan with the first of our sustainability strategic reviews, a complex review of the governance, targets and enabling strategies required to meet our ambitious goals. As a result of the strategic review, our Sustainability Board was reformed with 12 new supporting workstreams:

- Governance and administration
- Energy and estates
- Biodiversity and air quality

- Procurement and supply chain
- Travel and transport
- Water
- Waste
- Medicines
- Food and catering
- Behaviour and engagement
- Innovation
- Adaptation and resilience

The Board meets every month and submits reports to the Improvement Board, Finance and Performance Committee, and the Trust Board. Progress is also monitored through the APC Estates and Sustainability Committee, which looks at individual and overall APC performance.

Review of economy, efficiency and effectiveness of the use of resources

The Trust Board keeps a regular review of the Trust's use of resources through the integrated quality and performance report in addition to the finance report, which is reviewed at both the Trust Board and both the Trust and Acute Provider Collaborative Finance and Performance Committee. This allows the Trust Board to maintain oversight of financial and operational performance and productivity and allows the triangulation of quality, performance, workforce and financial data.

During 2023/24, the Trust has continued to use various benchmarking sources and the improvement board to identify efficiency and productivity opportunities. Productivity, efficiency and benchmarking data are also reviewed at regular speciality level deep dives.

The oversight roles of the Trust Board and Finance and Performance Committee are supplemented by the annual internal audit programme which includes a comprehensive annual review of the Trust's financial systems and controls.

The governance structure below the Executive Management Board provides opportunities through the divisional boards for divisional quality, financial and operational performance to be reviewed, and monthly reviews with the executive and divisional triumvirate teams allow for regular oversight of the performance within the respective clinical services they provide. The cost improvement programme is monitored through the improvement board, and this is further supplemented by productivity work programmes (such as bed productivity, theatre productivity and outpatient pathway optimisation) and specialty deep dives, which is in addition to the internal audit work undertaken throughout 2023/24.

The detail of the key actions of the internal audit programme can be found in the *Review of effectiveness* section below.

Review of effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit and Risk Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The clinical audit programme also supports my review of the effectiveness of the system of internal control. A full internal review of each clinical audit is undertaken and actions are taken to address any identified risks and improve the quality of healthcare that is provided.

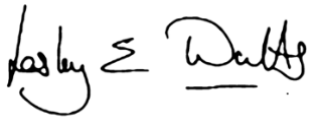
The role of the Board, Audit and Risk Committee, Quality Committee, Finance and Performance Committee and People and Organisational Development Committee in maintaining and reviewing the Trust's systems of internal control is described above. The internal audit programme provides a further mechanism for doing this. BDO, the Trust's internal auditors, identify high, medium and low priority recommendations within their audit reports, which are monitored in an internal audit recommendations tracker and reviewed regularly by the executive team.

In 2023/24 there were five high-risk recommendations identified by our internal auditors.

The overall head of internal audit opinion for the period 1 Apr 2023–31 Mar 2024 is moderate assurance that there is a sound system of internal control, designed to meet the Trust's objectives and that controls are being applied consistently.

Conclusion

In conclusion, to the best of my knowledge, no significant internal control issues have been identified within 2023/24.



Lesley Watts
Chief Executive Officer

27 June 2024

SECTION 3

AUDITOR'S REPORT

Independent auditor’s report to the Council of Governors and Board of Directors of Chelsea and Westminster Hospital NHS Foundation Trust

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Chelsea and Westminster Hospital NHS Foundation Trust (‘the foundation trust’) and its subsidiaries (the ‘group’):

- give a true and fair view of the state of the group’s and the foundation trust’s affairs as at 31 March 2024 and of the group’s and the foundation trust’s income and expenditure for the year then ended;
- have been properly prepared in accordance with the accounting requirements of the Department of Health and Social Care Group Accounting Manual, as directed by NHS England; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006.

We have audited the financial statements which comprise:

- the consolidated Statement of Comprehensive Income;
- the group and foundation trust Statements of Financial Position;
- the consolidated Statement of Changes in Equity;
- the foundation trust Statement of Changes in Equity;
- the group and foundation trust Statement of Cash Flows; and
- the related notes 1 to 35.

The financial reporting framework that has been applied in their preparation is applicable law and the accounting requirements of the Department of Health and Social Care Group Accounting Manual, as directed by NHS England.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)), the Code of Audit Practice issued by the Comptroller & Auditor General 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 group and the foundation trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council’s (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 accounting officer's 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 group's and the foundation 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 directors with respect to going concern are described in the relevant sections of this report.

The going concern basis of accounting for the group and the foundation trust is adopted in consideration of the requirements set out in the Department of Health and Social Care Group Accounting Manual which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The accounting officer is 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.

Responsibilities of accounting officer

As explained more fully in the statement of accounting officer's responsibilities, the accounting officer is 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 accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the accounting officer is responsible for assessing the group's and the foundation trust'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 they have been informed by the relevant national body of the intention

to dissolve the foundation trust without the transfer of the foundation trust's services to another public sector entity.

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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations, including fraud

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

We considered the nature of the group and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and local counter fraud about their own identification and assessment of the risks of non-compliance with laws and regulations.

We obtained an understanding of the legal and regulatory framework that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. This included the National Health Service Act 2006.
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included the Data Protection Act 2018 and relevant employment legislation.

We discussed among the audit engagement team including relevant internal specialists such as valuations and IT specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our specific procedures performed to address it are described below:

- The continuing high level of capital expenditure in the current year, and the annual cut-off of capital budgets and requirements of PDC funding increase the risk of amounts being incorrectly capitalised, or of incorrect recognition in the current period. This has been identified as a significant risk due to fraud in light of these factors.

We tested the capital expenditure on a sample basis to assess whether they meet the relevant accounting requirements to be recognised as capital in nature; we agreed a sample of year-end capital accruals to supporting documentation and assessed whether the capitalised expenditure is recognised in the correcting accounting period. We have tested the transfers out of assets under construction on a sample basis to ensure depreciation is charged from the correct date. We have reviewed the project ledger and the status of individual projects to evaluate whether they have been depreciated at the appropriate point. We tested a sample of vesting certificates to assess whether they were appropriately accounted for.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. 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 evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations;
- enquiring of the local counter fraud specialist and review of local counter fraud reports produced; and
- reading minutes of meetings of those charged with governance and reviewing internal audit reports.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the National Health Service Act 2006

In our opinion:

- the parts of the Remuneration Report and Staff Report subject to audit have been prepared properly in accordance with the National Health Service Act 2006 in all material respects; and
- the information given in the Performance Report and the Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Use of resources

Under the Code of Audit Practice and Schedule 10(1(d)) of the National Health Service Act 2006, we are required to report to you if we have not been able to satisfy ourselves that the foundation trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

We have nothing to report in respect of this matter.

Respective responsibilities of the accounting officer and auditor relating to the foundation trust's arrangements for securing economy, efficiency and effectiveness in the use of resources

The accounting officer is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in the use of the foundation trust's resources.

We are required under the Code of Audit Practice and Schedule 10(1(d)) of the National Health Service Act 2006 to satisfy ourselves that the foundation trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

We are not required to consider, nor have we considered, whether all aspects of the foundation trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We undertake our work in accordance with the Code of Audit Practice, having regard to the Auditor Guidance Notes issued by the Comptroller & Auditor General, as to whether the foundation trust has proper arrangements for securing economy, efficiency and effectiveness in the use of resources against the specified criteria of financial sustainability, governance, and improving economy, efficiency and effectiveness.

The Comptroller & Auditor General has determined that under the Code of Audit Practice, we discharge this responsibility by reporting by exception if we have reported to the foundation trust a significant weakness in arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2024 by the time of the issue of our audit report. Other findings from our work, including our commentary on the foundation trust's arrangements, will be reported in our separate Auditor's Annual Report.

Annual Governance Statement and compilation of financial statements

Under the Code of Audit Practice, we are required to report to you if, in our opinion:

- the Annual Governance Statement does not meet the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual, is misleading, or is inconsistent with information of which we are aware from our audit; or
- proper practices have not been observed in the compilation of the financial statements.

We are not required to consider, nor have we considered, whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in respect of these matters.

Reports in the public interest or to the regulator

Under the Code of Audit Practice, we are also required to report to you if:

- any matters have been reported in the public interest under Schedule 10(3) of the National Health Service Act 2006 in the course of, or at the end of the audit; or
- any reports to the regulator have been made under Schedule 10(6) of the National Health Service Act 2006 because we have reason to believe that the foundation trust, or a director or officer of the foundation trust, is about to make, or has made, a decision involving unlawful expenditure, or is about to take, or has taken, unlawful action likely to cause a loss or deficiency.

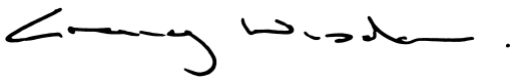
We have nothing to report in respect of these matters.

Certificate of completion of the audit

We certify that we have completed the audit of Chelsea and Westminster Hospital NHS Foundation Trust in accordance with requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Code of Audit Practice.

Use of our report

This report is made solely to the council of Governors and Board of Directors ("the Boards") of Chelsea and Westminster Hospital NHS Foundation Trust, as a body, in accordance with paragraph 4 of Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Boards 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 Boards as a body, for our audit work, for this report, or for the opinions we have formed.



Craig Wisdom
Key Audit Partner

For and on behalf of Deloitte LLP
Appointed Auditor
London, UK

27 June 2024

Independent auditor's statement to the directors of Chelsea and Westminster Hospital NHS Foundation Trust on the NHS foundation trust consolidation schedules

We have examined the consolidation schedules of Chelsea and Westminster Hospital NHS Foundation Trust, version 1.23.12.2 for the year ended 31 March 2024, which have been prepared by the Chief Financial Officer and acknowledged by the Chief Executive. Our examination of the consolidation schedules covers the following:

- Designated TAC02 to TAC29 for tables outlined in red, excluding TAC05A, TAC014X TAC14B andTAC23.

This statement is made solely to the Board of Directors of Chelsea and Westminster Hospital NHS Foundation Trust in accordance with paragraph 24(5) of Schedule 7 of the *National Health Service Act 2006* (the Act) and paragraph 4.8 of the *Code of Audit Practice* and for no other purpose.

For the purpose of this statement, reviewing the consistency of figures between the audited financial statements and the consolidation schedules extends only to those figures within the consolidation schedules which are also included in the audited financial statements.

Auditors are required to report on any differences over £300,000 between the audited financial statements and the consolidation schedules, with the following exceptions as set out in NHS England & Improvement TAC completion instructions and financial reporting guidance:

- Centrally-procured inventory—where trusts do not recognise consumables in inventory on the grounds of materiality, and inventory remains immaterial, the receipt and utilisation may be omitted from the inventory note in local accounts. However, trusts should record the receipt of items in inventory with an equivalent figure in utilisation within the TAC form (footnote on page 58 of the TAC Completion Instructions M12 2023/24).

The figures reported in the consolidation schedules are consistent with the audited financial statements, on which we have issued an unqualified opinion.

Deloitte LLP

Deloitte LLP
1, New Street Square
London
EC4 3HQ

27 June 2024

SECTION 4

FINANCE

ANNUAL ACCOUNTS 2023/24

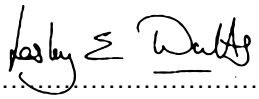
Chelsea and Westminster Hospital NHS Foundation Trust

Annual accounts for the year ended 31 Mar 2024

Foreword to the accounts

Chelsea and Westminster Hospital NHS Foundation Trust

These accounts, for the year ended 31 March 2024, have been prepared by Chelsea and Westminster Hospital NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006.

Signed 

Name **Lesley Watts**
Job title **Chief Executive Officer**
Date **27.06.24**

Consolidated Statement of Comprehensive Income

		Group	
		2023/24	2022/23
	Note	£000	£000
Operating income from patient care activities	2	839,129	770,634
Other operating income	3	100,977	96,538
Operating expenses	6, 8	(922,032)	(845,317)
Operating surplus/(deficit) from continuing operations		**18,074**	**21,855**
Finance income	10	9,264	3,961
Finance expenses	11	(8,275)	(5,098)
PDC dividends payable		(11,651)	(11,487)
Net finance costs		**(10,662)**	**(12,624)**
Other gains / (losses)	12	(16)	(334)
Corporation tax expense		(2)	(21)
Surplus / (deficit) for the year from continuing operations		**7,394**	**8,876**
Surplus / (deficit) for the year		**7,394**	**8,876**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	7	11,230	17,230
Fair value gains / (losses) on equity instruments designated at fair value through OCI	20	-	(375)
Total comprehensive income / (expense) for the period		**18,624**	**25,731**
Surplus/ (deficit) for the period attributable to:			
Chelsea and Westminster Hospital NHS Foundation Trust		7,394	8,876
TOTAL		**7,394**	**8,876**
Total comprehensive income/ (expense) for the period attributable to:			
Chelsea and Westminster Hospital NHS Foundation Trust		18,624	25,731
TOTAL		**18,624**	**25,731**

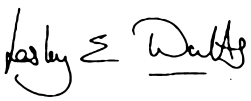
The figures below outline the adjusted financial performance on a control total basis as reported to NHSE. This is part of NHSE's control purposes, rather than set by the Trust.

Adjusted financial performance (control total basis):		
Surplus / (deficit) for the period	7,394	8,876
Remove net impairments not scoring to the Departmental expenditure limit	(6,841)	(6,754)
Remove I&E impact of capital grants and donations	69	(2,110)
Remove I&E impact of IFRS 16 on IFRIC 12 schemes	2,028	-
Remove net impact of inventories received from DHSC group bodies for COVID response	31	34
Adjusted financial performance surplus / (deficit)	**2,681**	**46**

Statements of Financial Position

		Group		Trust	
		31 March 2024	31 March 2023	31 March 2024	31 March 2023
	Note	£000	£000	£000	£000
Non-current assets					
Intangible assets	13.1	32,107	36,834	32,107	36,834
Property, plant and equipment	15	570,892	527,562	570,892	527,562
Right of use assets	19	9,929	14,057	9,929	14,057
Other investments / financial assets	20	-	12	3,200	3,212
Receivables	22	990	1,244	990	1,244
Total non-current assets		**613,918**	**579,709**	**617,118**	**582,909**
Current assets					
Inventories	21	10,331	11,363	8,867	9,448
Receivables	22	52,829	53,229	51,873	52,674
Cash and cash equivalents	23	161,614	160,205	160,756	159,881
Total current assets		**224,774**	**224,797**	**221,496**	**222,003**
Current liabilities					
Trade and other payables	24	(119,778)	(129,174)	(119,797)	(129,669)
Borrowings and lease liabilities	26	(9,678)	(9,253)	(9,678)	(9,253)
Provisions	27	(27,157)	(15,559)	(27,157)	(15,559)
Other liabilities	25	(28,574)	(26,091)	(28,574)	(26,091)
Total current liabilities		**(185,186)**	**(180,077)**	**(185,206)**	**(180,572)**
Total assets less current liabilities		**653,506**	**624,429**	**653,409**	**624,340**
Non-current liabilities					
Borrowings and lease liabilities	26	(86,726)	(78,865)	(86,726)	(78,865)
Provisions	27	(8,103)	(8,279)	(8,103)	(8,279)
Total non-current liabilities		**(94,829)**	**(87,144)**	**(94,829)**	**(87,144)**
Total assets employed		**558,678**	**537,285**	**558,580**	**537,196**
Financed by					
Public dividend capital		302,160	283,689	302,160	283,689
Revaluation reserve		150,468	139,985	150,468	139,985
Financial assets reserve		-	(4,510)	-	(4,510)
Income and expenditure reserve		106,050	118,120	105,952	118,031
Total taxpayers' equity		**558,678**	**537,285**	**558,580**	**537,196**

The notes on pages 149–196 form part of these accounts.



Name Lesley Watts

Position Chief Executive Officer

Date **27.06.24**

Consolidated Statement of Changes in Equity for the year ended 31 March 2024

Group	Public dividend capital	Revaluation reserve	Financial assets reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2023 - brought forward	**283,689**	**139,985**	**(4,510)**	**118,120**	**537,285**
Application of IFRS 16 measurement principles to PFI liability on 1 April 2023	-	-	-	(15,701)	**(15,701)**
Surplus/(deficit) for the year	-	-	-	7,394	**7,394**
Transfer from revaluation reserve to income and expenditure reserve for impairments arising from consumption of economic benefits	-	(747)	-	747	**-**
Other transfers between reserves	-	-	4,510	(4,510)	**-**
Impairments	-	11,230	-	-	**11,230**
Public dividend capital received	18,471	-	-	-	**18,471**
Taxpayers' and others' equity at 31 March 2024	**302,160**	**150,468**	**0**	**106,050**	**558,678**

Consolidated Statement of Changes in Equity for the year ended 31 March 2023

Group	Public dividend capital	Revaluation reserve	Financial assets reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2022 - brought forward	**279,599**	**122,812**	**(4,135)**	**109,188**	**507,464**
Prior period adjustment	-	-	-	-	**-**
Taxpayers' and others' equity at 1 April 2022 - restated	**279,599**	**122,812**	**(4,135)**	**109,188**	**507,464**
Implementation of IFRS 16 on 1 April 2022	-	-	-	-	**-**
Surplus/(deficit) for the year	-	-	-	8,876	**8,876**
Transfer from revaluation reserve to income and expenditure reserve for impairments arising from consumption of economic benefits	-	(57)	-	57	**-**
Impairments	-	17,230	-	-	**17,230**
Fair value gains/(losses) on equity instruments designated at fair value through OCI	-	-	(375)	-	**(375)**
Public dividend capital received	4,090	-	-	-	**4,090**
Taxpayers' and others' equity at 31 March 2023	**283,689**	**139,985**	**(4,510)**	**118,120**	**537,285**

Statement of Changes in Equity for the year ended 31 March 2024

Trust	Public dividend capital	Revaluation reserve	Financial assets reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2023 - brought forward	**283,689**	**139,985**	**(4,510)**	**118,031**	**537,196**
Application of IFRS 16 measurement principles to PFI liability on 1 April 2023	-	-	-	(15,701)	**(15,701)**
Surplus/(deficit) for the year	-	-	-	7,385	**7,385**
Transfer from revaluation reserve to income and expenditure reserve for impairments arising from consumption of economic benefits	-	(747)	-	747	**-**
Other transfers between reserves	-	-	4,510	(4,510)	**-**
Impairments	-	11,230	-	-	**11,230**
Public dividend capital repaid	18,471	-	-	-	**18,471**
Taxpayers' and others' equity at 31 March 2024	**302,160**	**150,468**	**0**	**105,952**	**558,580**

Statement of Changes in Equity for the year ended 31 March 2023

Trust	Public dividend capital	Revaluation reserve	Financial assets reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2022 - brought forward	**279,599**	**122,812**	**(4,135)**	**109,188**	**507,464**
Prior period adjustment	-	-	-	-	**-**
Taxpayers' and others' equity at 1 April 2022 - restated	**279,599**	**122,812**	**(4,135)**	**109,188**	**507,464**
Implementation of IFRS 16 on 1 April 2022					**-**
Surplus/(deficit) for the year	-	-	-	8,787	**8,787**
Transfer from revaluation reserve to income and expenditure reserve for impairments arising from consumption of economic benefits	-	(57)	-	57	**-**
Other transfers between reserves	-	-	-	-	**-**
Impairments	-	17,230	-	-	**17,230**
Recycling gains/(losses) on disposal of financial assets mandated at fair value through OCI	-	-	(375)	-	**(375)**
Public dividend capital repaid	4,090	-	-	-	**4,090**
Taxpayers' and others' equity at 31 March 2023	**283,689**	**139,985**	**(4,510)**	**118,031**	**537,196**

Information on reserves

Public dividend capital
Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. Additional PDC may also be issued to trusts by the Department of Health and Social Care. A charge, reflecting the cost of capital utilised by the trust, is payable to the Department of Health as the public dividend capital dividend.

Revaluation reserve
Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are recognised in operating income. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

Financial assets reserve
This reserve comprises changes in the fair value of financial assets measured at fair value through other comprehensive income. When these instruments are derecognised, cumulative gains or losses previously recognised as other comprehensive income or expenditure are recycled to income or expenditure, unless the assets are equity instruments measured at fair value through other comprehensive income as a result of irrevocable election at recognition.

Income and expenditure reserve
The balance of this reserve is the accumulated surpluses and deficits of the trust.

Statements of Cash Flows

		Group		Trust	
		2023/24	2022/23	2023/24	2022/23
	Note	£000	£000	£000	£000
Cash flows from operating activities					
Operating surplus / (deficit)		17,760	21,294	17,749	21,731
Non-cash income and expense:					
Depreciation and amortisation	6	30,809	29,198	30,809	29,198
Net impairments	7	(6,841)	(6,754)	(6,841)	(6,754)
Income recognised in respect of capital donations	3	(1,320)	(3,109)	(1,320)	(3,109)
(Increase) / decrease in receivables and other assets		1,548	(14,090)	1,949	(13,535)
(Increase) / decrease in inventories		1,032	(2,601)	581	(686)
Add back inventory written off in the year		314	561	314	561
Increase / (decrease) in payables and other liabilities		(9,654)	24,333	(10,127)	24,849
Increase / (decrease) in provisions		11,333	2,503	11,333	2,503
Tax (paid) / received		(7)	-	(7)	-
Other movements in operating cash flows		(186)	-	(186)	-
Net cash flows from / (used in) operating activities		**44,788**	**51,335**	**44,254**	**54,758**
Cash flows from investing activities					
Interest received		9,022	3,408	9,022	3,408
Purchase of intangible assets		(4,675)	(2,640)	(4,675)	(2,640)
Purchase of PPE		(41,452)	(27,411)	(41,452)	(27,411)
Sales of PPE		86	56	86	56
Receipt of cash donations to purchase assets		1,320	3,000	1,320	3,000
Net cash flows from / (used in) investing activities		**(35,699)**	**(23,587)**	**(35,699)**	**(23,587)**
Cash flows from financing activities					
Public dividend capital received		18,471	4,090	18,471	4,090
Movement on loans from DHSC		(3,673)	(3,673)	(3,673)	(3,673)
Movement on other loans		(1,375)	(1,342)	(1,375)	(1,342)
Capital element of lease liability repayments		(2,154)	(3,011)	(2,154)	(3,011)
Capital element of PFI, LIFT and other service concession payments		(502)	(1,318)	(502)	(1,318)
Interest on loans		(861)	(962)	(861)	(962)
Other interest		(33)	(3)	(33)	(3)
Interest paid on lease liability repayments		(322)	(116)	(322)	(116)
Interest paid on PFI, LIFT and other service concession obligations		(4,582)	(4,040)	(4,582)	(4,040)
PDC dividend (paid) / refunded		(12,649)	(9,985)	(12,649)	(9,985)
Net cash flows from / (used in) financing activities		**(7,680)**	**(20,360)**	**(7,680)**	**(20,360)**
Increase / (decrease) in cash and cash equivalents		**1,409**	**7,388**	**875**	**10,811**
Cash and cash equivalents at 1 April - brought forward		**160,205**	**152,817**	**159,881**	**149,070**
Cash and cash equivalents at 1 April - restated		**160,205**	**152,817**	**159,881**	**149,070**
Cash and cash equivalents at 31 March	23	**161,614**	**160,205**	**160,756**	**159,881**

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

NHS England has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2023/24 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts

Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

Note 1.2 Going concern

These accounts have been prepared on a going concern basis. The financial reporting framework applicable to NHS bodies, derived from the HM Treasury Financial Reporting Manual, defines that the anticipated continued provision of the entity's services in the public sector is normally sufficient evidence of going concern. The directors have a reasonable expectation that this will continue to be the case.

Note 1.3 Consolidation

Other subsidiaries

Subsidiary entities are those over which the trust is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The income, expenses, assets, liabilities, equity and reserves of subsidiaries are consolidated in full into the appropriate financial statement lines. The capital and reserves attributable to minority interests are included as a separate item in the Statement of Financial Position.

These consolidated financial statements incorporate the financial statements of the Trust and its wholly owned subsidiary, CW Medicine Ltd. CW Medicines Ltd began trading in April 2022, with Its primary activity being the dispensing of medicines to outpatients of the Trust.

All intragroup assets and liabilities, reserves, income, expenses and cash flows relating to transactions between members of the group are eliminated on consolidation.
Profit or loss and each component of other comprehensive income are attributed to the Trust in full.

Note 1.4 Revenue from contracts with customers

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The GAM expands the definition of a contract to include legislation and regulations which enables an entity to receive cash or another financial asset that is not classified as a tax by the Office of National Statistics (ONS).

Revenue in respect of goods/services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust's entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received or receivable relates to a performance obligation that is to be satisfied in a future period, the income is deferred and recognised as a contract liability.

Revenue from NHS contracts

The main source of income for the Trust is contracts with commissioners for health care services. Funding envelopes are set at an Integrated Care System (ICS) level. The majority of the Trust's NHS income is earned from NHS commissioners under the NHS Payment Scheme (NHSPS) which replaced the National Tariff Payment System on 1 April 2023. The NHSPS sets out rules to establish the amount payable to trusts for NHS-funded secondary healthcare.

Aligned payment and incentive contracts form the main payment mechanism under the NHSPS. In 2023/24 API contracts contain both a fixed and variable element. Under the variable element, providers earn income for elective activity (both ordinary and day case), out-patient procedures, out-patient first attendances, diagnostic imaging and nuclear medicine, and chemotherapy delivery activity. The precise definition of these activities is given in the NHSPS. Income is earned at NHSPS prices based on actual activity. The fixed element includes income for all other services covered by the NHSPS assuming an agreed level of activity with 'fixed' in this context meaning not varying based on units of activity. Elements within this are accounted for as variable consideration under IFRS 15 as explained below.

High costs drugs and devices excluded from the calculation of national prices are reimbursed by NHS England and ICBs based on actual usage or at a fixed baseline in addition to the price of the related service.

In 2022/23 fixed payments were set at a level assuming the achievement of elective activity targets within aligned payment and incentive contracts. These payments are accompanied by a variable-element to adjust income for actual activity delivered on elective services, advice and guidance services, drugs, devices and unbundled imaging activity. Where actual variable activity delivered differed from the agreed level set in the contract, the variable element either increased or reduced the income earned by the Trust at a rate of 100% of the tariff price or pass-through value (drugs & devices only).

The Trust also receives income from commissioners under Commissioning for Quality Innovation (CQUIN) and Best Practice Tariff (BPT) schemes. Delivery under these schemes is part of how care is provided to patients. As such CQUIN and BPT payments are not considered distinct performance obligations in their own right; instead they form part of the transaction price for performance obligations under the overall contract with the commissioner and accounted for as variable consideration under IFRS 15. Payment for CQUIN and BPT on non-elective services is included in the fixed element of API contracts with adjustments for actual achievement being made at the end of the year. BPT earned on elective activity is included in the variable element of API contracts and paid in line with actual activity performed.

Where the relationship with a particular integrated care board is expected to be a low volume of activity (annual value below £0.5m), an annual fixed payment is received by the provider as determined in the NHSPS documentation. Such income is classified as 'other clinical income' in these accounts.

Elective recovery funding provides additional funding to integrated care boards to fund the commissioning of elective services within their systems. In 2023/24, trusts do not directly earn elective recovery funding, instead earning income for actual activity performed under API contract arrangements as explained above. The level of activity delivered by the trust contributes to system performance and therefore the availability of funding to the trust's commissioners. In 2022/23 elective recovery funding for providers was separately identified within the aligned payment and incentive contracts.

Revenue from research contracts

Where research contracts fall under IFRS 15, revenue is recognised as and when performance obligations are satisfied. For some contracts, it is assessed that the revenue project constitutes one performance obligation over the course of the multi-year contract. In these cases it is assessed that the Trust's interim performance does not create an asset with alternative use for the Trust, and the Trust has an enforceable right to payment for the performance completed to date. It is therefore considered that the performance obligation is satisfied over time, and the Trust recognises revenue each year over the course of the contract. Some research income alternatively falls within the provisions of IAS 20 for government grants.

NHS injury cost recovery scheme

The Trust receives income under the NHS injury cost recovery scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when performance obligations are satisfied. In practical terms this means that treatment has been given, it receives notification from the Department of Work and Pension's Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less an allowance for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

Note 1.5 Other forms of income

Grants and donations

Government grants are grants from government bodies other than income from commissioners or trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure. Where the grants is used to fund capital expenditure, it is credited to the Statement of Comprehensive Income once conditions attached to the grant have been met. Donations are treated in the same way as government grants.

Apprenticeship service income

The value of the benefit received when accessing funds from the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider from the Trust's Digital Apprenticeship Service (DAS) account held by the Department for Education, the corresponding notional expense is also recognised at the point of recognition for the benefit.

Note 1.6 Expenditure on employee benefits

Short-term employee benefits

Salaries, wages and employment-related payments such as social security costs and the apprenticeship levy are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Both schemes are unfunded, defined benefit schemes that cover NHS employers, general practices and other bodies, allowed under the direction of Secretary of State for Health and Social Care in England and Wales. The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as though it is a defined contribution scheme: the cost to the trust is taken as equal to the employer's pension contributions payable to the scheme for the accounting period. The contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the trust commits itself to the retirement, regardless of the method of payment.

Note 1.7 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

Note 1.8 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

• it is held for use in delivering services or for administrative purposes
• it is probable that future economic benefits will flow to, or service potential be provided to, the trust
• it is expected to be used for more than one financial year
• the cost of the item can be measured reliably
• the item has cost of at least £5,000, or
• collectively, a number of items have a cost of at least £5,000 and individually have cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, eg, plant and equipment, then these components are treated as separate assets and depreciated over their own useful lives.

Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

Measurement

Valuation

All property, plant and equipment assets are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

Assets are measured subsequently at valuation. Assets which are held for their service potential and are in use (ie operational assets used to deliver either front line services or back office functions) are measured at their current value in existing use.

Revaluations of property, plant and equipment are performed with sufficient regularity to ensure that carrying values are not materially different from those that would be determined at the end of the reporting period. Current values in existing use are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost on a modern equivalent asset basis.

For specialised assets, current value in existing use is interpreted as the present value of the asset's remaining service potential, which is assumed to be at least equal to the cost of replacing that service potential. Specialised assets are therefore valued at their depreciated replacement cost (DRC) on a modern equivalent asset (MEA) basis. An MEA basis assumes that the asset will be replaced with a modern asset of equivalent capacity and meeting the location requirements of the services being provided. Assets held at depreciated replacement cost have been valued on an alterntive or existing site basis at a reduced space to match the requirement of MEA facilities.

Valuation guidance issued by the Royal Institute of Chartered Surveyors states that valuations are performed net of VAT where the VAT is recoverable by the entity. This basis has been applied to the trust's Private Finance Initiative (PFI) scheme where the construction is completed by a special purpose vehicle and the costs have recoverable VAT for the trust.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, borrowings costs. Assets are revalued and depreciation commences when the assets are brought into use.

IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful lives or low values or both, as this is not considered to be materially different from current value in existing use.

Depreciation

Items of property, plant and equipment are depreciated over their remaining useful lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

Property, plant and equipment which has been reclassified as 'held for sale' cease to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the trust, respectively.

Revaluation gains and losses

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating expenditure.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Impairments

In accordance with the GAM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.
Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

De-recognition

Assets intended for disposal are reclassified as 'held for sale' once the criteria in IFRS 5 are met. The sale must be highly probable and the asset available for immediate sale in its present condition.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's useful life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Donated and grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

This includes assets donated to the trust by the Department of Health and Social Care as part of the response to the coronavirus pandemic. As defined in the GAM, the trust applies the principle of donated asset accounting to assets that the trust controls and is obtaining economic benefits from at the year end.

Private Finance Initiative (PFI) transactions

PFI transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's FReM, are accounted for as 'on-Statement of Financial Position' by the trust. Annual contract payments to the operator (the unitary charge) are apportioned between the repayment of the liability including the finance cost, the charges for services and lifecycle replacement of components of the asset.

Initial recognition

In accordance with HM Treasury's FReM, the underlying assets are recognised as property, plant and equipment, together with an equivalent liability. Initial measurement of the asset and liability are in accordance with the initial measurement principles of IFRS 16 (see leases accounting policy).

Subsequent measurement

Assets are subsequently accounted for as property, plant and equipment and/or intangible assets as appropriate.

The liability is subsequently reduced by the portion of the unitary charge allocated as payment for the asset and increased by the annual finance cost. The finance cost is calculated by applying the implicit interest rate to the opening liability and is charged to finance costs in the Statement of Comprehensive Income. The element of the unitary charge allocated as payment for the asset is split between payment of the finance cost and repayment of the net liability.

Where there are changes in future payments for the asset resulting from indexation of the unitary charge, the Trust remeasures the PFI liability by determining the revised payments for the remainder of the contract once the change in cash flows takes effect. The remeasurement adjustment is charged to finance costs in the Statement of Comprehensive Income.

The service charge is recognised in operating expenses in the Statement of Comprehensive Income.

Initial application of IFRS 16 liability measurement principles to PFI and LIFT liabilities

IFRS 16 liability measurement principles have been applied to PFI, LIFT and other service concession arrangement liabilities in these financial statements from 1 April 2023. The change in measurement basis has been applied using a modified retrospective approach with the cumulative impact of remeasuring the liability on 1 April 2023 recognised in the income and expenditure reserve.

Comparatives for PFI, LIFT and other service concession arrangement liabilities have not been restated on an IFRS 16 basis, as required by the DHSC Group Accounting Manual. Under IAS 17 measurement principles which applied in 2022/23 and earlier, movements in the liability were limited to repayments of the liability and the annual finance cost arising from application of the implicit interest rate. The cumulative impact of indexation on payments for the asset was charged to finance costs as contingent rent as incurred.
Please see Note 31 impact of change in accounting policy for On-SoFP PFI, LIFT or other service concession arrangements.

Note 1.9 Intangible assets

Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the trust and where the cost of the asset can be measured reliably.

Internally generated intangible assets

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised. Expenditure on development is capitalised where it meets the requirements set out in IAS 38.

Software

Software which is integral to the operation of hardware, eg an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, eg application software, is capitalised as an intangible asset.

Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Intangible assets held for sale are measured at the lower of their carrying amount or fair value less costs to sell.

Amortisation

Intangible assets are amortised over their expected useful lives in a manner consistent with the consumption of economic or service delivery benefits.

Note 1.10 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the first in, first out (FIFO) method.

The Trust received inventories including personal protective equipment from the Department of Health and Social Care at nil cost. In line with the GAM and applying the principles of the IFRS Conceptual Framework, the Trust has accounted for the receipt of these inventories at a deemed cost, reflecting the best available approximation of an imputed market value for the transaction based on the cost of acquisition by the Department.

Note 1.11 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

Note 1.12 Financial assets and financial liabilities

Recognition

Financial assets and financial liabilities arise where the Trust is party to the contractual provisions of a financial instrument, and as a result has a legal right to receive or a legal obligation to pay cash or another financial instrument. The GAM expands the definition of a contract to include legislation and regulations which give rise to arrangements that in all other respects would be a financial instrument and do not give rise to transactions classified as a tax by ONS.

This includes the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements and are recognised when, and to the extent which, performance occurs, ie, when receipt or delivery of the goods or services is made.

Classification and measurement

Financial assets and financial liabilities are initially measured at fair value plus or minus directly attributable transaction costs except where the asset or liability is not measured at fair value through income and expenditure. Fair value is taken as the transaction price, or otherwise determined by reference to quoted market prices or valuation techniques.

Financial assets or financial liabilities in respect of assets acquired or disposed of through leasing arrangements are recognised and measured in accordance with the accounting policy for leases described below.

Financial assets are classified as subsequently measured at amortised cost or fair value through income and expenditure.

Financial liabilities classified as subsequently measured at amortised cost or fair value through income and expenditure.

Financial assets and financial liabilities at amortised cost

Financial assets and financial liabilities at amortised cost are those held with the objective of collecting contractual cash flows and where cash flows are solely payments of principal and interest. This includes cash equivalents, contract and other receivables, trade and other payables, rights and obligations under lease arrangements and loans receivable and payable.

After initial recognition, these financial assets and financial liabilities are measured at amortised cost using the effective interest method less any impairment (for financial assets). The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Interest revenue or expense is calculated by applying the effective interest rate to the gross carrying amount of a financial asset or amortised cost of a financial liability and recognised in the Statement of Comprehensive Income and a financing income or expense. In the case of loans held from the Department of Health and Social Care, the effective interest rate is the nominal rate of interest charged on the loan.

Financial assets measured at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income where business model objectives are met by both collecting contractual cash flows and selling financial assets and where the cash flows are solely payments of principal and interest. Movements in the fair value of financial assets in this category are recognised as gains or losses in other comprehensive income except for impairment losses. On derecognition, cumulative gains and losses previously recognised in other comprehensive income are reclassified from equity to income and expenditure, except where the Trust elected to measure an equity instrument in this category on initial recognition.

Impairment of financial assets

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets or assets measured at fair value through other comprehensive income, the Trust recognises an allowance for expected credit losses.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

Credit losses is recognised in line with IFRS 15. Injury costs recovery (ICR) credit losses are recognised as advised by the Compensation Recovery Unit (CRU) at 23.07% for 2023-24. The credit losses for receivables are recognised in line with IFRS 9 of the simplified approach, based on the age and type of each debt. The percentages applied reflect an assessment of the recoverability of each class of debt provisions are charged to operating expenditure. In some cases a specific credit losses applied consider the relevant credit quality of relevant financial assets. Write off of debt will be undertaken only where the Trust has exhausted all means of recovery, this includes on the reocmmendation of a debt collection agency.

For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

Expected losses are charged to operating expenditure within the Statement of Comprehensive Income and reduce the net carrying value of the financial asset in the Statement of Financial Position.

Derecognition

Financial assets are de-recognised when the contractual rights to receive cash flows from the assets have expired or the Trust has transferred substantially all the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Note 1.13 Leases

A lease is a contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration. An adaptation of the relevant accounting standard by HM Treasury for the public sector means that for NHS bodies, this includes lease-like arrangements with other public sector entities that do not take the legal form of a contract. It also includes peppercorn leases where consideration paid is nil or nominal (significantly below market value) but in all other respects meet the definition of a lease. The trust does not apply lease accounting to new contracts for the use of intangible assets.

The Trust determines the term of the lease term with reference to the non-cancellable period and any options to extend or terminate the lease which the Trust is reasonably certain to exercise.

The Trust as a lessee

Recognition and initial measurement

At the commencement date of the lease, being when the asset is made available for use, the Trust recognises a right of use asset and a lease liability.

The right of use asset is recognised at cost comprising the lease liability, any lease payments made before or at commencement, any direct costs incurred by the lessee, less any cash lease incentives received. It also includes any estimate of costs to be incurred restoring the site or underlying asset on completion of the lease term.

The lease liability is initially measured at the present value of future lease payments discounted at the interest rate implicit in the lease. Lease payments includes fixed lease payments, variable lease payments dependent on an index or rate and amounts payable under residual value guarantees. It also includes amounts payable for purchase options and termination penalties where these options are reasonably certain to be exercised.

Where an implicit rate cannot be readily determined, the Trust's incremental borrowing rate is applied. This rate is determined by HM Treasury annually for each calendar year. A nominal rate of 3.51% applied to new leases commencing in 2023 and 4.72% to new leases commencing in 2024.

The Trust does not apply the above recognition requirements to leases with a term of 12 months or less or to leases where the value of the underlying asset is below £5,000, excluding any irrecoverable VAT. Lease payments associated with these leases are expensed on a straight-line basis over the lease term. Irrecoverable VAT on lease payments is expensed as it falls due.

Subsequent measurement

As required by a HM Treasury interpretation of the accounting standard for the public sector, the Trust employs a revaluation model for subsequent measurement of right of use assets, unless the cost model is considered to be an appropriate proxy for current value in existing use or fair value, in line with the accounting policy for owned assets. Where consideration exchanged is identified as significantly below market value, the cost model is not considered to be an appropriate proxy for the value of the right of use asset.

The Trust subsequently measures the lease liability by increasing the carrying amount for interest arising which is also charged to expenditure as a finance cost and reducing the carrying amount for lease payments made. The liability is also remeasured for changes in assessments impacting the lease term, lease modifications or to reflect actual changes in lease payments. Such remeasurements are also reflected in the cost of the right of use asset. Where there is a change in the lease term or option to purchase the underlying asset, an updated discount rate is applied to the remaining lease payments.

The Trust as a lessor

The Trust assesses each of its leases and classifies them as either a finance lease or an operating lease. Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

Where the Trust is an intermediate lessor, classification of the sublease is determined with reference to the right of use asset arising from the headlease.

Finance leases

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the Trust's net investment outstanding in respect of the leases.

Operating leases

Income from operating leases is recognised on a straight-line basis or another systematic basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Initial application of IFRS 16 in 2022/23

IFRS 16 Leases as adapted and interpreted for the public sector by HM Treasury was applied to these financial statements with an initial application date of 1 April 2022. IFRS 16 replaced *IAS 17 Leases, IFRIC 4 Determining whether an arrangement contains a lease* and other interpretations.

The standard was applied using a modified retrospective approach with the cumulative impact recognised in the income and expenditure reserve on 1 April 2022. Upon initial application, the provisions of IFRS 16 were only applied to existing contracts where they were previously deemed to be a lease or contain a lease under IAS 17 and IFRIC 4. Where existing contracts were previously assessed not to be or contain a lease, these assessments were not revisited.

The Trust as lessee

For continuing leases previously classified as operating leases, a lease liability was established on 1 April 2022 equal to the present value of future lease payments discounted at the Trust's incremental borrowing rate of 0.95%. A right of use asset was created equal to the lease liability and adjusted for prepaid and accrued lease payments and deferred lease incentives recognised in the Statement of Financial Position immediately prior to initial application. Hindsight was used in determining the lease term where lease arrangements contained options for extension or earlier termination.

No adjustments were made on initial application in respect of leases with a remaining term of 12 months or less from 1 April 2022 or for leases where the underlying assets had a value below £5,000. No adjustments were made in respect of leases previously classified as finance leases.

The Trust as lessor

Leases of owned assets where the Trust was lessor were unaffected by initial application of IFRS 16.

Note 1.13 Leases

A lease is a contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration. An adaptation of the relevant accounting standard by HM Treasury for the public sector means that for NHS bodies, this includes lease-like arrangements with other public sector entities that do not take the legal form of a contract. It also includes peppercorn leases where consideration paid is nil or nominal (significantly below market value) but in all other respects meet the definition of a lease. The trust does not apply lease accounting to new contracts for the use of intangible assets.

The Trust determines the term of the lease term with reference to the non-cancellable period and any options to extend or terminate the lease which the Trust is reasonably certain to exercise.

The Trust as a lessee

Recognition and initial measurement

At the commencement date of the lease, being when the asset is made available for use, the Trust recognises a right of use asset and a lease liability.

The right of use asset is recognised at cost comprising the lease liability, any lease payments made before or at commencement, any direct costs incurred by the lessee, less any cash lease incentives received. It also includes any estimate of costs to be incurred restoring the site or underlying asset on completion of the lease term.

The lease liability is initially measured at the present value of future lease payments discounted at the interest rate implicit in the lease. Lease payments includes fixed lease payments, variable lease payments dependent on an index or rate and amounts payable under residual value guarantees. It also includes amounts payable for purchase options and termination penalties where these options are reasonably certain to be exercised.

Where an implicit rate cannot be readily determined, the Trust's incremental borrowing rate is applied. This rate is determined by HM Treasury annually for each calendar year. A nominal rate of 3.51% applied to new leases commencing in 2023 and 4.72% to new leases commencing in 2024.

The Trust does not apply the above recognition requirements to leases with a term of 12 months or less or to leases where the value of the underlying asset is below £5,000, excluding any irrecoverable VAT. Lease payments associated with these leases are expensed on a straight-line basis over the lease term. Irrecoverable VAT on lease payments is expensed as it falls due.

Subsequent measurement

As required by a HM Treasury interpretation of the accounting standard for the public sector, the Trust employs a revaluation model for subsequent measurement of right of use assets, unless the cost model is considered to be an appropriate proxy for current value in existing use or fair value, in line with the accounting policy for owned assets. Where consideration exchanged is identified as significantly below market value, the cost model is not considered to be an appropriate proxy for the value of the right of use asset.

The Trust subsequently measures the lease liability by increasing the carrying amount for interest arising which is also charged to expenditure as a finance cost and reducing the carrying amount for lease payments made. The liability is also remeasured for changes in assessments impacting the lease term, lease modifications or to reflect actual changes in lease payments. Such remeasurements are also reflected in the cost of the right of use asset. Where there is a change in the lease term or option to purchase the underlying asset, an updated discount rate is applied to the remaining lease payments.

The Trust as a lessor

The Trust assesses each of its leases and classifies them as either a finance lease or an operating lease. Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

Where the Trust is an intermediate lessor, classification of the sublease is determined with reference to the right of use asset arising from the headlease.

Finance leases

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the Trust's net investment outstanding in respect of the leases.

Operating leases

Income from operating leases is recognised on a straight-line basis or another systematic basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Initial application of IFRS 16 in 2022/23

IFRS 16 Leases as adapted and interpreted for the public sector by HM Treasury was applied to these financial statements with an initial application date of 1 April 2022. IFRS 16 replaced *IAS 17 Leases, IFRIC 4 Determining whether an arrangement contains a lease* and other interpretations.

The standard was applied using a modified retrospective approach with the cumulative impact recognised in the income and expenditure reserve on 1 April 2022. Upon initial application, the provisions of IFRS 16 were only applied to existing contracts where they were previously deemed to be a lease or contain a lease under IAS 17 and IFRIC 4. Where existing contracts were previously assessed not to be or contain a lease, these assessments were not revisited.

The Trust as lessee

For continuing leases previously classified as operating leases, a lease liability was established on 1 April 2022 equal to the present value of future lease payments discounted at the Trust's incremental borrowing rate of 0.95%. A right of use asset was created equal to the lease liability and adjusted for prepaid and accrued lease payments and deferred lease incentives recognised in the Statement of Financial Position immediately prior to initial application. Hindsight was used in determining the lease term where lease arrangements contained options for extension or earlier termination.

No adjustments were made on initial application in respect of leases with a remaining term of 12 months or less from 1 April 2022 or for leases where the underlying assets had a value below £5,000. No adjustments were made in respect of leases previously classified as finance leases.

The Trust as lessor

Leases of owned assets where the Trust was lessor were unaffected by initial application of IFRS 16.

Note 1.16 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

The Secretary of State can issue new PDC to, and require repayments of PDC from, the trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, with certain additions and deductions as defined by the Department of Health and Social Care.

This policy is available at https://www.gov.uk/government/publications/guidance-on-financing-available-to-nhs-trusts-and-foundation-trusts.

In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

Note 1.17 Value added tax

Most of the activities of the trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

Note 1.18 Corporation tax

The trust has determined that it has a corporation tax liability based on the nature of the Trust's business through its Wholly Owned Subsidiary CW Medicines.

Note 1.19 Climate change levy

Expenditure on the climate change levy is recognised in the Statement of Comprehensive Income as incurred, based on the prevailing chargeable rates for energy consumption.

Note 1.20 Third party assets

Assets belonging to third parties in which the Trust has no beneficial interest (such as money held on behalf of patients) are not recognised in the accounts. However, they are disclosed in a separate note to the accounts in accordance with the requirements of HM Treasury's *FReM*.

Note 1.21 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis.

The losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

Note 1.22 Gifts

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

Note 1.23 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2023/24.

Note 1.24 Standards, amendments and interpretations in issue but not yet effective or adopted

IFRS 17 a new accounting standard that was effective for 2023/24, with HM Treasury proposing its mandatory adoption in the public sector in 2025/26. The standard is not expected to have any significant bottom line impact to the Trust, but it will require reclassification for those contracts within scope of IFRS17 from contingency liabilities to insurance contracts.

Note 1.25 Critical judgements in applying accounting policies

The following are the judgements, apart from those involving estimations (see below) that management has made in the process of applying the trust accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Independent valuers Montagu Evans were instructed to carry out a desk top valuation of all land and buildings at the Chelsea and West Middlesex sites as at 31 December 2023, as part of the final year of their three year contract with the Trust. The valuation was prepared under the requirements of the DHSC Group Accounting Manual and the RICS Valuation – Global Standard 2021 and the national standards and guidance set out in the UK national supplement (January 2019), the International Valuation Standards, and IFRS as adapted and interpreted by the Financial Reporting Manual (FReM). Specialised assets such as hospitals for which no market exists are valued at Depreciated Replacement Cost (DRC) valuation method to arrive at the Modern Equivalent Asset. Other assets are valued at Existing Use Value (EUV) in Current Use.

A majority of the buildings owned by the Trust are specialised assets which have been valued on a Modern Equivalent Asset basis. This requires assumptions to be made about the design of a modern asset with equivalent service potential to the existing asset:

- reviewing the Useful Economic Life of the asset and the residual value at the end of that life;
- revising the areas excluded from the valuation of the Chelsea site (as used by Imperial College rather than the Trust) to reflect current usage, and reassessing the overall layout of an equivalent modern asset;
- excluding recoverable VAT when revaluing PFI buildings on the West Middlesex site reflecting the cost at which the service potential would be replaced by the PFI operator; and
- adopting an “alternative site” basis of valuation for the Chelsea site, and at West Middlesex reducing the area of the site required for the modern equivalent asset on the basis that it would be more efficiently arranged as part of a single holistic design.

Non-specialised assets and land such as the Trust’s residential staff accommodation have been valued on an Existing Use Value basis with assessed in line with the Group Accounting Manual.

Note 1.26 Sources of estimation uncertainty

The following are assumptions about the future and other major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Disputes with Commissioners

As set out in note 27.1, Management considers the extent to which contractual revenue can be collected. Where the Trust considers there is a risk of non-payment of monies owed Management has made an assessment of the potential recoverability and where it believes there is a risk of dispute it records a provision for contractual dispute. Provisions for the disputes are £17.6m at 31 March 2024 (31 March 2023 £4.9m). Disputes relate to challenges on activity reported and charging that it has not been possible to settle by reference to the contract, under which the Trust has been entitled to the income. The Trust has recognised the income in relation to the disputes in its Statement of Comprehensive Income. The Trust has determined the level of provision on a basis that reflects settlement of the issue for the financial year in which the issue was raised and any subsequent years. Given the Trust has a contract in place the Trust is legally owed the money the Trust has chosen to provide a contractual dispute provision.

Recoverability of NHS and Local Authority Debt

The Trust has £7.2m of debt with NHS bodies at 31 March 2024 (31 March 2023 £12.2m) and £5.8m of debt with Local Authorities (31 March 2023 £4.7m). Management has considered the recoverability of this debt as at 31 March 2024 and has established a level of bad debt provision which is felt adequate to cover the risk of non-recovery.

The Trust has signed contracts with Local Authorities within London which it accounts for under IFRS 15. For contracts with Local Authorities outside of London the Trust also recognises income in accordance with IFRS 15 as it has an implied contact albeit not a signed explicit one.

Note 2 Operating income from patient care activities (Group)

All income from patient care activities relates to contract income recognised in line with accounting policy 1.4

Note 2.1 Income from patient care activities (by nature)	2023/24 £000	2022/23 £000
Acute services		
Income from commissioners under API contracts - fixed element*	677,596	624,416
High cost drugs income from commissioners	67,927	44,805
Other NHS clinical income	5,654	991
Community services		
Income from commissioners under API contracts*	2,648	1,735
All services		
Private patient income	22,474	20,097
Elective recovery fund	-	19,947
National pay award central funding***	435	11,485
Additional pension contribution central funding**	18,451	17,005
Other clinical income ****	43,944	30,153
Total income from activities	**839,129**	**770,634**

*Aligned payment and incentive contracts are the main form of contracting between NHS providers and their commissioners. More information can be found in the 2023/25 NHS Payment Scheme documentation.

https://www.england.nhs.uk/pay-syst/nhs-payment-scheme/

**The employer contribution rate for NHS pensions increased from 14.3% to 20.6% (excluding administration charge) from 1 April 2019. Since 2019/20, NHS providers have continued to pay over contributions at the former rate with the additional amount being paid over by NHS England on providers' behalf. The full cost and related funding have been recognised in these accounts.

*** Additional funding was made available by NHS England in 2023/24 and 2022/23 for implementing the backdated element of pay awards where government offers were made at the end of the financial year. 2023/24: In March 2024, the government announced a revised pay offer for consultants, reforming consultant pay scales with an effective date of 1 March 2024. Trade Unions representing consultant doctors accepted the offer in April 2024. 2022/23: In March 2023, the government made a pay offer for staff on agenda for change terms and conditions which was later confirmed in May 2023. The additional pay for 2022/23 was based on individuals in employment at 31 March 2023.

**** Other clinical income includes Industrial action £4.5m, Winter funding £5m, Local authority income £29.5m and Injury cost recovery scheme £3m.

Note 2.2 Income from patient care activities (by source)

Income from patient care activities received from:	2023/24 £000	2022/23 £000
NHS England	185,406	196,685
Clinical commissioning groups	-	123,212
Integrated care boards	596,960	399,496
Other NHS providers	431	991
NHS other	481	-
Local authorities	29,403	27,247
Non-NHS: private patients	22,474	20,097
Non-NHS: overseas patients (chargeable to patient)	2,784	2,324
Injury cost recovery scheme	814	371
Non NHS: other	376	211

Total income from activities	**839,129**	**770,634**
Of which:		
Related to continuing operations	839,129	770,634

Note 2.3 Overseas visitors (relating to patients charged directly by the provider)

	2023/24	2022/23
	£000	£000
Income recognised this year	2,784	2,324
Cash payments received in-year	2,356	1,945
Amounts added to provision for impairment of receivables	976	401
Amounts written off in-year	604	1,534

Note 3 Other operating income (Group)

	2023/24			2022/23		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total
	£000	£000	£000	£000	£000	£000
Research and development	5,206	2,395	**7,601**	5,167	1,745	**6,912**
Education and training	28,796	1,024	**29,820**	28,257	1,210	**29,467**
Non-patient care services to other bodies	14,483	-	**14,483**	13,211	-	**13,211**
Reimbursement and top up funding				3,129	-	**3,129**
Income in respect of employee benefits accounted on a gross basis	12,206	-	**12,206**	11,937	-	**11,937**
Receipt of capital grants and donations and peppercorn leases	-	1,320	**1,320**	-	3,109	**3,109**
Charitable and other contributions to expenditure	-	823	**823**	-	2,424	**2,424**
Revenue from operating leases	-	88	**88**	-	125	**125**
Other income	34,636	-	**34,636**	26,224	-	**26,224**
Total other operating income	**95,327**	**5,650**	**100,977**	**87,925**	**8,613**	**96,538**
Of which:						
Related to continuing operations			100,977			96,538

Other income of £34.6m includes (2022/23 £26.2m), car parking income £3.2m (2022/23 £2.7m), staff accommodation rental £2.2m (2022/23 £2.0m), Sexual Health E-Services £2.1m (2022/23 £2.0m), RM Partners £0.8m to improve cancer pathways (2022/23 £1.2m), Clinical Excellence awards £0.7m (2022/23 £0.4m), Pathology facilities £3.0m (2022/23 £2.8m), Facilities recharges £1.1m (2022/23 £1.1m) . Items that are specific to 2023/24 and account for the increase from 2022/23 include, industrial action funding £6.9m, funding for PDC depreciation capital charges of £0.78m, BBV (blood borne virus) - ED opt out testing £1m (2022/23 £0.6m), funding for staffing in Maternity and Sexual Health £3m and various departmental schemes.

Note 4 Income from activities arising from commissioner requested services

The trust is required to analyse the level of income from activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider licence and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

	2023/24	2022/23
	£000	£000
Income from services designated as commissioner requested services	782,366	719,393
Income from services not designated as commissioner requested services	56,763	51,241
Total	**839,129**	**770,634**

Note 5 Operating leases - Chelsea and Westminster Hospital NHS Foundation Trust as lessor

This note discloses income generated in operating lease agreements where Chelsea and Westminster Hospital NHS Foundation Trust is the lessor.

Note 5.1 Operating leases income (Group)

	2023/24	2022/23
	£000	£000
Lease receipts recognised as income in year:		
Minimum lease receipts	88	125
Total in-year operating lease income	**88**	**125**

Note 5.2 Future lease receipts (Group)

	31 March 2024	31 March 2023
	£000	£000
Future minimum lease receipts due in:		
- not later than one year	88	125
- later than one year and not later than two years	-	88
- later than two years and not later than three years	-	88
- later than three years and not later than four years	-	88
- later than four years and not later than five years	-	67
Total	**88**	**456**

Note 6.1 Operating expenses (Group)

	2023/24	2022/23
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	3,553	2,572
Purchase of healthcare from non-NHS and non-DHSC bodies	15,786	9,444
Staff and executive directors costs	528,399	490,611
Remuneration of non-executive directors	162	211
Supplies and services - clinical (excluding drugs costs)	95,589	83,910
Supplies and services - general	44,740	48,293
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	84,932	80,128
Inventories written down	314	560
Consultancy costs	310	1,526
Establishment	4,422	3,740
Premises	26,337	21,129
Transport (including patient travel)	4,009	4,612
Depreciation on property, plant and equipment	23,581	22,636
Amortisation on intangible assets	7,228	6,562
Net impairments	(6,841)	(6,754)
Movement in credit loss allowance: contract receivables / contract assets	1,376	293
Movement in credit loss allowance: all other receivables and investments	288	35
Increase/(decrease) in other provisions	11,908	3,031
Fees payable to the external auditor		
audit services- statutory audit	406	325
Internal audit costs	128	195
Clinical negligence	36,265	36,221
Legal fees	383	263
Insurance	561	213
Research and development	5,050	4,518
Education and training	8,789	9,292
Expenditure on short term leases	336	-
Expenditure on low value leases	4	-

Redundancy	2	-
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (e.g. PFI / LIFT)	21,129	18,213
Car parking & security	1,358	1,549
Hospitality	98	73
Losses, ex gratia & special payments	479	942
Other services, eg external payroll	546	609
Other	405	365
Total	**922,032**	**845,317**
Of which:		
Related to continuing operations	922,032	845,317

The Group's appointed external auditors are Deloitte LLP. The auditors carry out the statutory audit of the Trust's Annual Accounts. The cost of this service in 2023/24 was £339k including CW Medicines subsidiary (2022/23 £292k). All audit fees are presented net of VAT. Under VAT Contracted out services, the VAT is non-recoverable on the Trust's audit fees.

Note 6.2 Limitation on auditor's liability (Group)

There is £2m limitation on auditor's liability for external audit work carried out for the financial years 2023/24 or 2022/23, with the exception for liability in the event of death, injury or fraud which is unlimited.

Note 7 Impairment of assets (Group)

	2023/24	2022/23
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Changes in market price	(6,841)	(6,754)
Total net impairments charged to operating surplus / deficit	**(6,841)**	**(6,754)**
Impairments charged to the revaluation reserve	(11,230)	(17,230)
Total net impairments	**(18,071)**	**(23,984)**

The position includes impairment of £2.55m and reversal of Impairments of £9.39m arising from the annual valuation exercise of the Trust's estate (based on industry standard indices). This has improved the Trust financial performance, but the gain does not impact the control total, which the Trust is measured against.

Note 8 Employee benefits (Group)

	2023/24	2022/23
	Total	Total
	£000	£000
Salaries and wages	420,381	386,827
Social security costs	48,275	44,264
Apprenticeship levy	2,016	1,829
Employer's contributions to NHS pensions	60,569	56,005
Pension cost - other	44	127
Temporary staff (including agency)	11,502	17,075

Total gross staff costs	**542,787**	**506,127**
Total staff costs	**542,787**	**506,127**
Of which		
Costs capitalised as part of assets	3,426	5,346

Note 8.1 Retirements due to ill-health (Group)

During 2023/24 there were 8 early retirements from the trust agreed on the grounds of ill-health (3 in the year ended 31 March 2023). The estimated additional pension liabilities of these ill-health retirements is £735k (£188k in 2022/23).

These estimated costs are calculated on an average basis and will be borne by the NHS Pension Scheme.

Note 9 Pension costs

Past and present employees are covered by the provisions of the NHS Pension Schemes. Details of the benefits payable and rules of the schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2024, is based on valuation data as 31 March 2023, updated to 31 March 2024 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from April 2024. The Department of Health and Social Care has recently laid Scheme Regulations confirming the employer contribution rate will increase to 23.7% of pensionable pay from 1 April 2024 (previously 20.6%). The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.

NEST is the workplace pension set up by the Government. The Trust offers employees the NEST pension scheme alongside the two NHS Pension Schemes. NEST is a defined contribution workplace pension scheme backed by the UK Government. In 2023/24 the Trust paid £44k into NEST. Staff are automatically enrolled into the NHS pension scheme or the NEST scheme unless staff opt out.

Note 10 Finance income (Group)

Finance income represents interest received on assets and investments in the period.

	2023/24	2022/23
	£000	£000
Interest on bank accounts	9,264	3,961
Total finance income	**9,264**	**3,961**

Note 11.1 Finance expenditure (Group)

Finance expenditure represents interest and other charges involved in the borrowing of money or asset financing.

	2023/24	2022/23
	£000	£000
Interest expense:		
Interest on loans from the Department of Health and Social Care	731	791
Interest on other loans	125	161
Interest on lease obligations	317	118
Interest on late payment of commercial debt	1	3
Finance costs on PFI, LIFT and other service concession arrangements:		
Main finance costs	4,829	1,860
Contingent finance costs*	-	2,165
Remeasurement of the liability resulting from change in index or rate*	2,240	-
Total interest expense	**8,243**	**5,098**
Unwinding of discount on provisions	32	-
Total finance costs	**8,275**	**5,098**

* From 1 April 2023, IFRS 16 liability measurement principles are applied to PFI, LIFT and other service concession liabilities. Increases to imputed lease payments arising from inflationary uplifts are now included in the liability, and contingent rent no longer arises. More information is provided in Note 31.

Note 11.2 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015 (Group)

	2023/24	2022/23
	£000	£000
Total liability accruing in year under this legislation as a result of late payments	209	876
Amounts included within interest payable arising from claims made under this legislation	1	3

Note 12 Other gains / (losses) (Group)

	2023/24	2022/23
	£000	£000
Gains on disposal of assets	95	56
Losses on disposal of assets	(111)	(390)
Total gains / (losses) on disposal of assets	**(16)**	**(334)**
Total other gains / (losses)	**(16)**	**(334)**

Note 13.1 Intangible assets - 2023/24

Group	Software licences	Internally generated information technology	Intangible assets under construction	Total
	£000	£000	£000	£000
Valuation / gross cost at 1 April 2023 - brought forward	**9,646**	**66,431**	**2,770**	**78,847**
Additions	-	-	3,946	**3,946**
Reclassifications	234	2,320	(3,999)	**(1,445)**
Valuation / gross cost at 31 March 2024	**9,880**	**68,751**	**2,717**	**81,348**
Amortisation at 1 April 2023 - brought forward	**6,143**	**35,870**	**-**	**42,013**
Provided during the year	1,167	6,061	-	**7,228**
Amortisation at 31 March 2024	**7,310**	**41,931**	**-**	**49,241**
Net book value at 31 March 2024	**2,570**	**26,820**	**2,717**	**32,107**
Net book value at 1 April 2023	**3,503**	**30,561**	**2,770**	**36,834**

Note 13.2 Intangible assets - 2022/23

Group	Software licences	Internally generated information technology	Intangible assets under construction	Total
	£000	£000	£000	£000
Valuation / gross cost at 1 April 2022 - as previously stated	**7,911**	**64,535**	**1,505**	**73,951**
Valuation / gross cost at 1 April 2022 - restated	**7,911**	**64,535**	**1,505**	**73,951**
Additions	-	-	4,955	**4,955**
Reclassifications	1,794	1,896	(3,690)	**-**
Disposals / derecognition	(59)	-	-	**(59)**
Valuation / gross cost at 31 March 2023	**9,646**	**66,431**	**2,770**	**78,847**
Amortisation at 1 April 2022 - as previously stated	**5,248**	**30,219**	**-**	**35,467**
Provided during the year	911	5,651	-	**6,562**
Disposals / derecognition	(16)	-	-	**(16)**

Amortisation at 31 March 2023	**6,143**	**35,870**	**-**	**42,013**
Net book value at 31 March 2023	**3,503**	**30,561**	**2,770**	**36,834**
Net book value at 1 April 2022	**2,663**	**34,316**	**1,505**	**38,484**

Note 14.1 Intangible assets - 2023/24

Trust	**Software licences**	**Internally generated information technology**	**Intangible assets under construction**	**Total**
	£000	**£000**	**£000**	**£000**
Valuation / gross cost at 1 April 2023 - brought forward	**9,646**	**66,431**	**2,770**	**78,847**
Additions	-	-	3,946	**3,946**
Reclassifications	234	2,320	(3,999)	**(1,445)**
Valuation / gross cost at 31 March 2024	**9,880**	**68,751**	**2,717**	**81,348**
Amortisation at 1 April 2023 - brought forward	**6,143**	**35,870**	**-**	**42,013**
Provided during the year	1,167	6,061	-	**7,228**
Amortisation at 31 March 2024	**7,310**	**41,931**	**-**	**49,241**
Net book value at 31 March 2024	**2,570**	**26,820**	**2,717**	**32,107**
Net book value at 1 April 2023	**3,503**	**30,561**	**2,770**	**36,834**

Note 14.2 Intangible assets - 2022/23

Trust	**Software licences**	**Internally generated information technology**	**Intangible assets under construction**	**Total**
	£000	**£000**	**£000**	**£000**
Valuation / gross cost at 1 April 2022 - as previously stated	**7,911**	**64,535**	**1,505**	**73,951**
Prior period adjustments				**-**
Valuation / gross cost at 1 April 2022 - restated	**7,911**	**64,535**	**1,505**	**73,951**
Additions	-	-	4,955	**4,955**
Reclassifications	1,794	1,896	(3,690)	**-**
Disposals / derecognition	(59)	-	-	**(59)**
Valuation / gross cost at 31 March 2023	**9,646**	**66,431**	**2,770**	**78,847**
Amortisation at 1 April 2022 - as previously stated	5,248	30,219	-	**35,467**
Amortisation at 1 April 2022 - restated	**5,248**	**30,219**	**-**	**35,467**
Provided during the year	911	5,651	-	**6,562**
Disposals / derecognition	(16)	-	-	**(16)**
Amortisation at 31 March 2023	**6,143**	**35,870**	**-**	**42,013**

Net book value at 31 March 2023	**3,503**	**30,561**	**2,770**	**36,834**
Net book value at 1 April 2022	**2,663**	**34,316**	**1,505**	**38,484**

Note 14.3 Useful lives of intangible assets

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

	Min life Years	**Max life Years**
Information technology	2	10
Software licences	3	10

Note 15.1 Property, plant and equipment - 2023/24

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2023 - brought forward	**97,395**	**359,562**	**18,308**	**19,150**	**95,402**	**121**	**28,580**	**3,674**	**622,192**
Additions	-	-	-	45,267	-	-	-	-	**45,267**
Impairments	(1,382)	(4,806)	-	-	-	-	-	-	**(6,188)**
Reversals of impairments	1,990	18,733	3,536	-	-	-	-	-	**24,259**
Revaluations	-	(12,013)	(555)	-	-	-	-	-	**(12,568)**
Reclassifications	606	19,731	-	(30,432)	9,162	-	2,333	45	**1,445**
Disposals / derecognition	-	-	-	-	(856)	-	-	-	**(856)**
Valuation/gross cost at 31 March 2024	**98,609**	**381,207**	**21,289**	**33,985**	**103,708**	**121**	**30,913**	**3,719**	**673,551**
Accumulated depreciation at 1 April 2023 - brought forward	**-**	**5,979**	**139**	**-**	**65,560**	**121**	**19,339**	**3,492**	**94,630**
Provided during the year	-	12,380	587	-	5,381	-	2,944	60	**21,352**
Revaluations	-	(12,013)	(555)	-	-	-	-	-	**(12,568)**
Disposals / derecognition	-	-	-	-	(755)	-	-	-	**(755)**
Accumulated depreciation at 31 March 2024	**-**	**6,346**	**171**	**-**	**70,186**	**121**	**22,283**	**3,552**	**102,659**
Net book value at 31 March 2024	**98,609**	**374,861**	**21,118**	**33,985**	**33,522**	**-**	**8,630**	**167**	**570,892**
Net book value at 1 April 2023	**97,395**	**353,583**	**18,169**	**19,150**	**29,842**	**-**	**9,241**	**182**	**527,562**

Note 15.2 Property, plant and equipment - 2022/23

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2022 - as previously stated	**94,836**	**343,250**	**14,777**	**14,727**	**87,896**	**121**	**22,545**	**3,665**	**581,817**
Valuation / gross cost at 1 April 2022 - restated	**94,836**	**343,250**	**14,777**	**14,727**	**87,896**	**121**	**22,545**	**3,665**	**581,817**
Additions	-	-	-	29,358	-	-	1,560	-	**30,918**
Impairments	-	(596)	-	-	-	-	-	-	**(596)**
Reversals of impairments	2,559	18,178	3,843	-	-	-	-	-	**24,580**
Revaluations	-	(11,051)	(437)	-	-	-	-	-	**(11,488)**
Reclassifications	-	9,781	125	(24,935)	10,458	-	4,562	9	**-**
Disposals / derecognition	-	-	-	-	(2,952)	-	(87)	-	**(3,039)**
Valuation/gross cost at 31 March 2023	**97,395**	**359,562**	**18,308**	**19,150**	**95,402**	**121**	**28,580**	**3,674**	**622,192**
Accumulated depreciation at 1 April 2022 - as previously stated	**-**	**5,257**	**109**	**-**	**63,456**	**121**	**16,653**	**3,427**	**89,023**
Provided during the year	-	11,773	467	-	4,709	-	2,773	65	**19,787**
Revaluations	-	(11,051)	(437)	-	-	-	-	-	**(11,488)**
Disposals / derecognition	-	-	-	-	(2,605)	-	(87)	-	**(2,692)**
Accumulated depreciation at 31 March 2023	**-**	**5,979**	**139**	**-**	**65,560**	**121**	**19,339**	**3,492**	**94,630**
Net book value at 31 March 2023	**97,395**	**353,583**	**18,169**	**19,150**	**29,842**	**-**	**9,241**	**182**	**527,562**
Net book value at 1 April 2022	**94,836**	**337,993**	**14,668**	**14,727**	**24,440**	**-**	**5,892**	**238**	**492,794**

In 2023/24 the Trust invested £44.81m on capital which included £30.61m on estates works and maintenance across both sites, £9.15m on medical equipment, £5.05m on I.T. goods and services.

Note 15.3 Property, plant and equipment financing - 31 March 2024

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	98,609	298,243	21,118	33,971	30,415	8,630	167	**491,153**
On-SoFP PFI contracts and other service concession arrangements	-	61,489	-	-	-	-	-	**61,489**
Owned - donated/granted	-	15,129	-	14	3,107	-	-	**18,250**
NBV total at 31 March 2024	**98,609**	**374,861**	**21,118**	**33,985**	**33,522**	**8,630**	**167**	**570,892**

Note 15.4 Property, plant and equipment financing - 31 March 2023

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	97,395	282,552	18,169	19,055	26,773	9,241	182	**453,367**
On-SoFP PFI contracts and other service concession arrangements	-	56,694	-	-	-	-	-	**56,694**
Owned - donated/granted	-	14,337	-	95	3,069	-	-	**17,501**
NBV total at 31 March 2023	**97,395**	**353,583**	**18,169**	**19,150**	**29,842**	**9,241**	**182**	**527,562**

Note 15.5 Property plant and equipment assets subject to an operating lease (Trust as a lessor) - 31 March 2024

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Subject to an operating lease	-	3,302	-	-	-	-	-	**3,302**
Not subject to an operating lease	98,609	371,559	21,118	33,985	33,522	8,630	167	**567,590**
NBV total at 31 March 2024	**98,609**	**374,861**	**21,118**	**33,985**	**33,522**	**8,630**	**167**	**570,892**

Note 15.6 Property plant and equipment assets subject to an operating lease (Trust as a lessor) - 31 March 2023

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Subject to an operating lease	-	3,483	-	-	-	-	-	**3,483**
Not subject to an operating lease	97,395	350,100	18,169	19,150	29,842	9,241	182	**524,079**
NBV total at 31 March 2023	**97,395**	**353,583**	**18,169**	**19,150**	**29,842**	**9,241**	**182**	**527,562**

Note 16.1 Property, plant and equipment - 2023/24

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2023 - brought forward	97,395	359,562	18,308	19,150	95,402	121	28,580	3,674	622,192
Additions	-	-	-	45,267	-	-	-	-	45,267
Impairments	(1,382)	(4,806)	-	-	-	-	-	-	(6,188)
Reversals of impairments	1,990	18,733	3,536	-	-	-	-	-	24,259
Revaluations	-	(12,013)	(555)	-	-	-	-	-	(12,568)
Reclassifications	606	19,731	-	(30,432)	9,162	-	2,333	45	1,445
Disposals / derecognition	-	-	-	-	(856)	-	-	-	(856)
Valuation/gross cost at 31 March 2024	98,609	381,207	21,289	33,985	103,708	121	30,913	3,719	673,551
Accumulated depreciation at 1 April 2023 - brought forward	-	5,979	139	-	65,560	121	19,339	3,492	94,630
Provided during the year	-	12,380	587	-	5,381	-	2,944	60	21,352
Revaluations	-	(12,013)	(555)	-	-	-	-	-	(12,568)
Disposals / derecognition	-	-	-	-	(755)	-	-	-	(755)
Accumulated depreciation at 31 March 2024	-	6,346	171	-	70,186	121	22,283	3,552	102,659
Net book value at 31 March 2024	98,609	374,861	21,118	33,985	33,522	-	8,630	167	570,892
Net book value at 1 April 2023	97,395	353,583	18,169	19,150	29,842	-	9,241	182	527,562

Note 16.2 Property, plant and equipment - 2022/23

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2022 - as previously stated	94,836	343,250	14,777	14,727	87,896	121	22,545	3,665	581,817
Valuation / gross cost at 1 April 2022 - restated	94,836	343,250	14,777	14,727	87,896	121	22,545	3,665	581,817
Additions	-	-	-	29,358	-	-	1,560	-	30,918
Impairments	-	(596)	-	-	-	-	-	-	(596)
Reversals of impairments	2,559	18,178	3,843	-	-	-	-	-	24,580
Revaluations	-	(11,051)	(437)	-	-	-	-	-	(11,488)
Reclassifications	-	9,781	125	(24,935)	10,458	-	4,562	9	-
Disposals / derecognition	-	-	-	-	(2,952)	-	(87)	-	(3,039)
Valuation/gross cost at 31 March 2023	97,395	359,562	18,308	19,150	95,402	121	28,580	3,674	622,192
Accumulated depreciation at 1 April 2022 - as previously stated	-	5,257	109	-	63,456	121	16,653	3,427	89,023
Prior period adjustments	-	-	-	-	-	-	-	-	-
Accumulated depreciation at 1 April 2022 - restated	-	5,257	109	-	63,456	121	16,653	3,427	89,023
Provided during the year	-	11,773	467	-	4,709	-	2,773	65	19,787
Revaluations	-	(11,051)	(437)	-	-	-	-	-	(11,488)
Disposals / derecognition	-	-	-	-	(2,605)	-	(87)	-	(2,692)
Accumulated depreciation at 31 March 2023	-	5,979	139	-	65,560	121	19,339	3,492	94,630
Net book value at 31 March 2023	97,395	353,583	18,169	19,150	29,842	-	9,241	182	527,562
Net book value at 1 April 2022	94,836	337,993	14,668	14,727	24,440	-	5,892	238	492,794

Note 16.3 Property, plant and equipment financing - 31 March 2024

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	98,609	298,243	21,118	33,971	30,415	8,630	167	**491,153**
On-SoFP PFI contracts and other service concession arrangements	-	61,489	-	-	-	-	-	**61,489**
Owned - donated / granted	-	15,129	-	14	3,107	-	-	**18,250**
Total net book value at 31 March 2024	**98,609**	**374,861**	**21,118**	**33,985**	**33,522**	**8,630**	**167**	**570,892**

Note 16.4 Property, plant and equipment financing - 31 March 2023

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	97,395	282,552	18,169	19,055	26,773	9,241	182	**453,367**
On-SoFP PFI contracts and other service concession arrangements	-	56,694	-	-	-	-	-	**56,694**
Owned - donated / granted	-	14,337	-	95	3,069	-	-	**17,501**
Total net book value at 31 March 2023	**97,395**	**353,583**	**18,169**	**19,150**	**29,842**	**9,241**	**182**	**527,562**

Note 16.5 Property plant and equipment assets subject to an operating lease (Trust as a lessor) - 31 March 2024

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Subject to an operating lease	-	3,302	-	-	-	-	-	**3,302**
Not subject to an operating lease	98,609	371,559	21,118	33,985	33,522	8,630	167	**567,590**
Total net book value at 31 March 2024	**98,609**	**374,861**	**21,118**	**33,985**	**33,522**	**8,630**	**167**	**570,892**

Note 16.6 Property plant and equipment assets subject to an operating lease (Trust as a lessor) - 31 March 2023

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Subject to an operating lease	-	3,483	-	-	-	-	-	**3,483**
Not subject to an operating lease	97,395	350,100	18,169	19,150	29,842	9,241	182	**524,079**
Total net book value at 31 March 2023	**97,395**	**353,583**	**18,169**	**19,150**	**29,842**	**9,241**	**182**	**527,562**

Note 16.6 Useful lives of property, plant and equipment

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

	Min life Years	Max life Years
Buildings, excluding dwellings	1	50
Dwellings	32	32
Plant & machinery	5	15
Transport equipment	5	5
Information technology	3	10
Furniture & fittings	5	10

Note 17 Donations of property, plant and equipment

The Trust has received donation and grant income of £1,320k in the year.
- £897k cash grant from NHS North West London ICB for the development of Elective Care Transformation Programme.
- £420k cash grant from NHS England for the purchase of medical equipment to support the Gender Affirmation Services (GAS).
- £3k donation of (physical) medical equipment from CW+.

Note 18 Revaluations of property, plant and equipment

The Trust instructed Montagu Evans to carry out a revaluation of its property portfolio as at 31 December 2023. The revaluation was predominantly based on modern equivalent asset values using the alternative site approach where appropriate. This exercise resulted in an increase in the value of the relative assets of £18,071k, this represents £6,841k reversal of impairment charged to the I&E and £11,230k increase in revaluation reserves in accordance with the Trust's accounting policies and NHS Improvement guidance.

Note 19 Leases - Chelsea and Westminster Hospital NHS Foundation Trust as a lessee

IFRS 16 as adapted and interpreted for the public sector by HM Treasury has been applied to leases in these financial statements with an initial application date of 1 April 2022.

Lease liabilities created for existing operating leases on 1 April 2022 were discounted using the weighted average incremental borrowing rate determined by HM Treasury as 0.95%, where 4.72% discount rate has applied for newly commenced leases, lease modifications and lease re-measurement.

Note 19.1 Right of use assets - 2023/24

Group	Property (land and buildings)	Plant & machinery	Total	Of which: leased from DHSC group bodies
	£000	£000	£000	£000
Valuation / gross cost at 1 April 2023 - brought forward	**12,905**	**4,001**	**16,906**	**1,060**
Additions	940	-	**940**	-
Remeasurements of the lease liability	769	-	**769**	699
Movements in provisions for restoration / removal costs	89	-	**89**	-
Disposals / derecognition	(957)	(4,001)	**(4,958)**	(558)
Valuation/gross cost at 31 March 2024	**13,746**	**-**	**13,746**	**1,201**
Accumulated depreciation at 1 April 2023 - brought forward	**2,192**	**657**	**2,849**	**354**
Transfers by absorption	-	-	**-**	-
Provided during the year	2,119	110	**2,229**	364
Disposals / derecognition	(495)	(767)	**(1,262)**	(320)
Accumulated depreciation at 31 March 2024	**3,816**	**-**	**3,816**	**398**
Net book value at 31 March 2024	**9,929**	**-**	**9,929**	**803**
Net book value at 1 April 2023	**10,713**	**3,344**	**14,057**	**706**
Net book value of right of use assets leased from other NHS providers				-
Net book value of right of use assets leased from other DHSC group bodies				803

Note 19.2 Right of use assets - 2022/23

Group	Property (land and buildings)	Plant & machinery	Total	Of which: leased from DHSC group bodies
	£000	£000	£000	£000
Valuation / gross cost at 1 April 2022 - brought forward	**-**	**-**	**-**	**-**
IFRS 16 implementation - adjustments for existing operating leases / subleases	10,960	4,001	**14,961**	1,060
Remeasurements of the lease liability	1,945	-	**1,945**	-
Valuation/gross cost at 31 March 2023	**12,905**	**4,001**	**16,906**	**1,060**
Accumulated depreciation at 1 April 2022 - brought forward	**-**	**-**	**-**	**-**
Provided during the year	2,192	657	**2,849**	354
Accumulated depreciation at 31 March 2023	**2,192**	**657**	**2,849**	**354**
Net book value at 31 March 2023	**10,713**	**3,344**	**14,057**	**706**
Net book value at 1 April 2022	**-**	**-**	**-**	**-**
Net book value of right of use assets leased from other NHS providers				141
Net book value of right of use assets leased from other DHSC group bodies				565

Note 19.3 Right of use assets - 2023/24

Trust	Property (land and buildings)	Plant & machinery	Total	Of which: leased from DHSC group bodies
	£000	£000	£000	£000
Valuation / gross cost at 1 April 2023 - brought forward	**12,905**	**4,001**	**16,906**	**1,060**
Additions	940	-	**940**	-
Remeasurements of the lease liability	769	-	**769**	699
Movements in provisions for restoration / removal costs	89	-	**89**	-
Disposals / derecognition	(957)	(4,001)	**(4,958)**	(558)
Valuation/gross cost at 31 March 2024	**13,746**	**-**	**13,746**	**1,201**
Accumulated depreciation at 1 April 2023 - brought forward	2,192	657	**2,849**	354
Provided during the year	2,119	110	**2,229**	364
Disposals / derecognition	(495)	(767)	**(1,262)**	(320)
Accumulated depreciation at 31 March 2024	**3,816**	**-**	**3,816**	**398**
Net book value at 31 March 2024	**9,929**	**-**	**9,929**	**803**
Net book value at 1 April 2023	**10,713**	**3,344**	**14,057**	**706**
Net book value of right of use assets leased from other DHSC group bodies				803

Note 19.4 Right of use assets - 2022/23

Trust	Property (land and buildings)	Plant & machinery	Total	Of which: leased from DHSC group bodies
	£000	£000	£000	£000
Valuation / gross cost at 1 April 2022 - brought forward	**-**	**-**	**-**	**-**
IFRS 16 implementation - adjustments for existing operating leases / subleases	**10,960**	**4,001**	**14,961**	**1,060**
Remeasurements of the lease liability	**1,945**	**-**	**1,945**	**-**
Valuation/gross cost at 31 March 2023	**12,905**	**4,001**	**16,906**	**1,060**
Accumulated depreciation at 1 April 2022 - brought forward	**-**	**-**	**-**	**-**
Provided during the year	**2,192**	**657**	**2,849**	**354**
Accumulated depreciation at 31 March 2023	**2,192**	**657**	**2,849**	**354**
Net book value at 31 March 2023	**10,713**	**3,344**	**14,057**	**706**
Net book value at 1 April 2022	**-**	**-**	**-**	**-**
Net book value of right of use assets leased from other NHS providers				141
Net book value of right of use assets leased from other DHSC group bodies				565

Note 19.5 Reconciliation of the carrying value of lease liabilities

Lease liabilities are included within borrowings in the statement of financial position. A breakdown of borrowings is disclosed in note 26.

	Group		Trust	
	2023/24	2022/23	2023/24	2022/23
	£000	£000	£000	£000
Carrying value at 1 April	**14,115**	**218**	**14,115**	218
IFRS 16 implementation - adjustments for existing operating leases		14,961		14,961
Lease additions	940	-	940	-
Lease liability remeasurements	769	1,945	769	1,945
Interest charge arising in year	317	118	317	118
Early terminations	(3,707)	-	(3,707)	-
Lease payments (cash outflows)	(2,476)	(3,127)	(2,476)	(3,127)
Other changes	-	-	-	-
Carrying value at 31 March	**9,958**	**14,115**	**9,958**	**14,115**

Lease payments for short term leases, leases of low value underlying assets and variable lease payments not dependent on an index or rate are recognised in operating expenditure.

These payments are disclosed in Note 6.1. Cash outflows in respect of leases recognised on-SoFP are disclosed in the reconciliation above.

Income generated from subleasing right of use assets in £0k and is included within revenue from operating leases in note 3.

Note 19.6 Maturity analysis of future lease payments at 31 March 2024

	Group		Trust	
	Total	Of which leased from DHSC group bodies:	Total	Of which leased from DHSC group bodies:
	31 March 2024	31 March 2024	31 March 2024	31 March 2024
	£000	£000	£000	£000
Undiscounted future lease payments payable in:				
- not later than one year;	2,197	221	2,197	221
- later than one year and not later than five years;	7,458	666	7,458	666
- later than five years.	1,296	-	1,296	-
Total gross future lease payments	**10,951**	**887**	**10,951**	**887**
Finance charges allocated to future periods	(993)	(81)		
Net lease liabilities at 31 March 2024	**9,958**	**806**	**10,951**	**887**
Of which:				
Leased from other DHSC group bodies		806		806

Note 19.7 Maturity analysis of future lease payments at 31 March 2023

	Group		Trust	
	Total	Of which leased from DHSC group bodies:	Total	Of which leased from DHSC group bodies:
	31 March 2023	31 March 2023	31 March 2023	31 March 2023
	£000	£000	£000	£000
Undiscounted future lease payments payable in:				
- not later than one year;	2,763	358	2,763	358
- later than one year and not later than five years;	8,283	358	8,283	358
- later than five years.	3,532	-	3,532	-
Total gross future lease payments	**14,578**	**716**	**14,578**	**716**
Finance charges allocated to future periods	(463)	(6)		
Net finance lease liabilities at 31 March 2023	**14,115**	**710**	**14,578**	**716**
Of which:				
Leased from other NHS providers		142		142
Leased from other DHSC group bodies		568		568

Note 20 Other investments / financial assets (non-current)

	Group		Trust	
	2023/24	2022/23	2023/24	2022/23
	£000	£000	£000	£000
Carrying value at 1 April - brought forward	**12**	**387**	**3,212**	**3,587**
Movement in fair value through OCI	-	(375)		(375)
Disposals	(12)	-	(12)	-
Carrying value at 31 March	**0**	**12**	**3,200**	**3,212**

The Sensyne Health PLC, now called Arcturis Health, was delisted from the Alternative Investment Market (AIM) in June 2022. The shares were transferred to CW+ during the year at £1. It is agreed that the cost of registering the transfer of the Shares (if any) will be borne by the Charity.

Note 21 Inventories

	Group		Trust	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
	£000	£000	£000	£000
Drugs	6,313	6,780	4,849	4,865
Consumables	3,811	4,313	3,811	4,313
Energy	106	206	106	206
Other	101	64	101	64
Total inventories	**10,331**	**11,363**	**8,867**	**9,448**

Inventories recognised in expenses for the year were £98,827k (2022/23: £95,848k). Write-down of inventories recognised as expenses for the year were £314k (2022/23: £560k).

In response to the COVID 19 pandemic, the Department of Health and Social Care centrally procured personal protective equipment and passed these to NHS providers free of charge. During 2023/24 the Trust received £492k of items purchased by DHSC (2022/23: £1,858k).

These inventories were recognised as additions to inventory at deemed cost with the corresponding benefit recognised in income. The utilisation of these items is included in the expenses disclosed above.

Note 22.1 Receivables

	Group		Trust	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
	£000	£000	£000	£000
Current				
Contract receivables	21,662	19,745	21,662	19,745
Contract assets	23,567	27,628	23,567	27,628
Allowance for impaired contract receivables / assets	(7,179)	(6,476)	(7,179)	(6,476)
Allowance for other impaired receivables	(601)	(345)	(601)	(345)
Prepayments (non-PFI)	5,596	5,192	5,596	5,192
Interest receivable	871	629	871	629
PDC dividend receivable	652	-	652	-
VAT receivable	4,015	3,130	3,068	2,575
Corporation and other taxes receivable	19	11	19	11
Other receivables	4,227	3,715	4,218	3,715
Total current receivables	**52,829**	**53,229**	**51,873**	**52,674**
Non-current				
Other receivables	990	1,244	990	1,244
Total non-current receivables	**990**	**1,244**	**990**	**1,244**
Of which receivable from NHS and DHSC group bodies:				
Current	25,020	25,090	25,020	25,090
Non-current	990	1,244	990	1,244

Following the application of IFRS 15 from 1 April 2018, the Trust's entitlements to consideration for work performed under contracts with customers are shown separately as contract receivables and contract assets.

The main change in the decrease in contract assets relates to credit notes issued for remaining debts of £1,511k for a specific project around retrospective invoicing. The project involved a review of historical private patients insurer billing, to identify recovery any historical under billing.

Non-current receivables includes Clinician Pension tax of £990k (2022/23 £1,244k) provided by NHSE, using information provided by the Government Actuaries Department and NHS Business Services Authority. A separate provision is recognised in Payables.

Note 22.2 Allowances for credit losses - 2023/24

	Group		Trust	
	Contract receivables and contract assets	All other receivables	Contract receivables and contract assets	All other receivables
	£000	£000	£000	£000
Allowances as at 1 Apr 2023 - brought forward	**6,476**	**345**	**6,476**	**345**
New allowances arising	2,720	292	**2,720**	**292**
Reversals of allowances	(1,344)	(4)	**(1,344)**	**(4)**
Utilisation of allowances (write offs)	(673)	(32)	**(673)**	**(32)**
Allowances as at 31 Mar 2024	**7,179**	**601**	**7,179**	**601**

The total balance for allowances contract credit losses includes £2,378k for Overseas patients credit losses (2022/23 £1,944k), £1,384k for NHS (2022/23 £1,169k), £736k for Local Authorities (2022/23 £798k), £648k for Private Patient (2022/23 £566k), £1,082k for Road Traffic Accident (RTA) (2022/23 £1,225k), and £951k for Others (2022/23 £774k). Each year the Compensation Recovery Unit (CRU) advises a percentage probability of not receiving the RTA income, for 2023/24 this figure is 23.07% (2022/23 24.86%). The total balance for allowances for non-contract credit losses is for salary overpayment of £601k.

Amounts written off in the year that are still subject to enforcement activity is zero.

Note 22.3 Allowances for credit losses - 2022/23

	Group		Trust	
	Contract receivables and contract assets	All other receivables	Contract receivables and contract assets	All other receivables
	£000	£000	£000	£000
Allowances as at 1 Apr 2022 - as previously stated	**8,143**	**310**	**8,143**	**310**
New allowances arising	1,562	38	**1,562**	**38**
Reversals of allowances	(1,269)	(3)	**(1,269)**	**(3)**
Utilisation of allowances (write offs)	(1,960)	-	**(1,960)**	**-**
Allowances as at 31 Mar 2023	**6,476**	**345**	**6,476**	**345**

Note 23.1 Cash and cash equivalents movements

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	Group		Trust	
	2023/24	2022/23	2023/24	2022/23
	£000	£000	£000	£000
At 1 April	**160,205**	**152,817**	**159,881**	**149,617**
Net change in year	1,409	7,388	875	10,264
At 31 March	**161,614**	**160,205**	**160,756**	**159,881**
Broken down into:				
Cash at commercial banks and in hand	950	370	92	47
Cash with the Government Banking Service	160,664	159,835	160,664	159,834
Total cash and cash equivalents as in SoFP	**161,614**	**160,205**	**160,756**	**159,881**
Total cash and cash equivalents as in SoCF	**161,614**	**160,205**	**160,756**	**159,881**

Note 24.1 Trade and other payables

	Group		Trust	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
	£000	£000	£000	£000
Current				
Trade payables	29,449	19,839	27,899	20,903
Capital payables	15,161	12,075	15,161	12,075
Accruals	52,061	76,487	53,655	75,954
Social security costs	6,287	5,800	6,277	5,794
Other taxes payable	7,531	6,211	7,521	6,204
PDC dividend payable	-	346	-	346
Pension contributions payable	6,358	5,696	6,358	5,694
Other payables	2,931	2,720	2,926	2,699
Total current trade and other payables	**119,778**	**129,174**	**119,797**	**129,669**
Of which payables from NHS and DHSC group bodies:				
Current	15,290	8,681	15,290	8,681

As of March 31 2024, the Trust's Trade payables include the amount of £2,576k (2022 £4,146k) owed to its subsidiary, dispensing drugs to the Trust's outpatients.

Note 25 Other liabilities

	Group		Trust	
	31 March 2024 £000	31 March 2023 £000	31 March 2024 £000	31 March 2023 £000
Current				
Deferred income: contract liabilities	28,574	26,091	28,574	26,091
Total other current liabilities	**28,574**	**26,091**	**28,574**	**26,091**

Note 26 Borrowings and lease liabilities

	Group		Trust	
	31 March 2024 £000	31 March 2023 £000	31 March 2024 £000	31 March 2023 £000
Current				
Loans from DHSC	3,750	3,753	3,750	3,753
Other loans	1,412	1,381	1,412	1,381
Lease liabilities	2,197	2,763	2,197	2,763
Obligations under PFI, LIFT or other service concession contracts (excl. lifecycle)	2,319	1,356	2,319	1,356
Total current borrowings and lease liabilities	**9,678**	**9,253**	**9,678**	**9,253**
Non-current				
Loans from DHSC	33,486	37,158	33,486	37,158
Other loans	2,923	4,332	2,923	4,332
Lease liabilities	7,761	11,352	7,761	11,352
Obligations under PFI, LIFT or other service concession contracts	42,556	26,023	42,556	26,023
Total non-current borrowings and lease liabilities	**86,726**	**78,865**	**86,726**	**78,865**

The Trust has four loans outstanding at the end of the financial year. Three loans are from the Department of Health and Social Care and comprise of one working capital loan and two separate capital investment loans. The working capital loan balance at the end of the year is £27,749k (2022/23 £29,431k) with an interest rate of 1.8%. The capital investment loans have balances of £2,376k (2022/23 £3,954k), with an interest rate of 1.46%, and £7,033k (2022/23 £7,446k), with an interest rate of 2.2%.

In 2018/19 the Trust took out a further loan with Natwest Plc for £10,900k, with an interest rate of 2.44% to purchase the Maternity Modular building on the West Middlesex Site. The outstanding loan at end of year is £4,332k (2022/23 £5,707k).

Note 26.1 Reconciliation of liabilities arising from financing activities (Group)

Group - 2023/24	Loans from DHSC	Other loans	Lease liabilities	PFI and LIFT schemes	Total
	£000	£000	£000	£000	£000
Carrying value at 1 April 2023	**40,911**	**5,713**	**14,115**	**27,379**	**88,118**
Cash movements:					
Financing cash flows - payments and receipts of principal	(3,673)	(1,375)	(2,154)	(502)	**(7,704)**
Financing cash flows - payments of interest	(733)	(128)	(322)	(4,582)	**(5,765)**
Non-cash movements:					
Application of IFRS 16 measurement principles to PFI liability on 1 April 2023	-	-	-	15,701	**15,701**
Additions	-	-	940	-	**940**
Lease liability remeasurements	-	-	769	-	**769**
Remeasurement of PFI / other service concession liability resulting from change in index or rate	-	-	-	2,240	**2,240**
Application of effective interest rate	731	125	317	4,829	**6,002**
Early terminations	-	-	(3,707)	-	**(3,707)**
Other changes	-	-	-	(191)	**(191)**
Carrying value at 31 March 2024	**37,236**	**4,335**	**9,958**	**44,874**	**96,403**

Group - 2022/23	Loans from DHSC	Other loans	Lease liabilities	PFI and LIFT schemes	Total
	£000	£000	£000	£000	£000
Carrying value at 1 April 2022	**44,595**	**7,054**	**218**	**28,712**	**80,579**
Carrying value at 1 April 2022 - restated	**44,595**	**7,054**	**218**	**28,712**	**80,579**
Cash movements:					
Financing cash flows - payments and receipts of principal	(3,673)	(1,342)	(3,011)	(1,318)	**(9,344)**
Financing cash flows - payments of interest	(802)	(160)	(116)	(1,875)	**(2,953)**
Non-cash movements:					
IFRS 16 implementation - adjustments for existing operating leases / subleases	-	-	14,961	-	**14,961**
Lease liability remeasurements	-	-	1,945	-	**1,945**
Application of effective interest rate	791	161	118	1,860	**2,930**
Carrying value at 31 March 2023	**40,911**	**5,713**	**14,115**	**27,379**	**88,118**

Note 26.2 Reconciliation of liabilities arising from financing activities

Trust - 2023/24	Loans from DHSC	Other loans	Lease liabilities	PFI and LIFT schemes	Total
	£000	£000	£000	£000	£000
Carrying value at 1 April 2023	**40,911**	**5,713**	**14,115**	**27,379**	**88,118**
Cash movements:					
Financing cash flows - payments and receipts of principal	(3,673)	(1,375)	(2,154)	(502)	**(7,704)**
Financing cash flows - payments of interest	(733)	(128)	(322)	(4,582)	**(5,765)**
Non-cash movements:					
Application of IFRS 16 measurement principles to PFI liability on 1 April 2023	-	-	-	15,701	**15,701**
Additions	-	-	940	-	**940**
Lease liability remeasurements	-	-	769	-	**769**
Remeasurement of PFI / other service concession liability resulting from change in index or rate	-	-	-	2,240	**2,240**
Application of effective interest rate	731	125	317	4,829	**6,002**
Early terminations	-	-	(3,707)	-	**(3,707)**
Other changes	-	-	-	(191)	**(191)**
Carrying value at 31 March 2024	**37,236**	**4,335**	**9,958**	**44,874**	**96,403**

Trust - 2022/23	Loans from DHSC	Other loans	Lease liabilities	PFI and LIFT schemes	Total
	£000	£000	£000	£000	£000
Carrying value at 1 April 2022	**44,595**	**7,054**	**218**	**28,712**	**80,579**
Prior period adjustment					**-**
Carrying value at 1 April 2022 - restated	**44,595**	**7,054**	**218**	**28,712**	**80,579**
Cash movements:					
Financing cash flows - payments and receipts of principal	**(3,673)**	**(1,342)**	**(3,011)**	**(1,318)**	**(9,344)**
Financing cash flows - payments of interest	**(802)**	**(160)**	**(116)**	**(1,875)**	**(2,953)**
Non-cash movements:					
IFRS 16 implementation - adjustments for existing operating leases / subleases	**-**	**-**	**14,961**	**-**	**14,961**
Lease liability remeasurements	**-**	**-**	**1,945**	**-**	**1,945**
Application of effective interest rate	**791**	**161**	**118**	**1,860**	**2,930**
Carrying value at 31 March 2023	**40,911**	**5,713**	**14,115**	**27,379**	**88,118**

Note 27.1 Provisions for liabilities and charges analysis (Group)

Group	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Redundancy	Other	Total
	£000	£000	£000	£000	£000	£000
At 1 April 2023	**1,081**	**792**	**398**	**374**	**21,193**	**23,838**
Arising during the year	152	60	209	274	23,362	**24,057**
Utilised during the year	(176)	(74)	(96)	-	(307)	**(653)**
Reversed unused	(9)	-	(196)	-	(11,809)	**(12,014)**
Unwinding of discount	19	13	-	-	-	**32**
At 31 March 2024	**1,067**	**791**	**315**	**648**	**32,439**	**35,260**
Expected timing of cash flows:						
- not later than one year;	178	75	315	648	25,941	**27,157**
- later than one year and not later than five years;	670	299	-	-	5,206	**6,175**
- later than five years.	219	417	-	-	1,292	**1,928**
Total	**1,067**	**791**	**315**	**648**	**32,439**	**35,260**

Pensions; early departure and Injury benefits. The Trust is responsible for meeting additional costs arising from early departure and injury benefits awards in respect of claims made by employees. The amount disclosed here is discounted to their present value.

Legal claims; this relates to employment tribunals. The amount provided will be subject to tribunal outcomes.

Redundancy; this relates to specific staff, the rate provided are at normal statutory rates.

Other provisions include Contractual disputes, this relate to challenges from Commissioners on pricing, charging and penalties of £17,640k (2022/23 £4,945k), NHS Resolution LTPS Claims of £128k (2022/23 £227k); Dilapidations £1,312k (2022/23 £1,241k); Contractual pay claims £1,707k (2022/23 £362k): Clinician pension tax £1,009k (2022/23 £1,255k); Liability for Sphere Joint Venture £1,300k (2022/23 £2,080k); Outsourced record management £4,194k (2022/23 £4,153k); Covid and Vaccination overpayment £3,471k and other Contractual claims £1,678k (2022/23 £2,407k).

Note 27.2 Provisions for liabilities and charges analysis (Trust)

Trust	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Redundancy	Other	Total
	£000	£000	£000	£000	£000	£000
At 1 April 2023	**1,081**	**792**	**398**	**374**	**21,193**	**23,838**
Transfers by absorption	**-**	**-**	**-**	**-**	**-**	**-**
Change in the discount rate	**-**	**-**	**-**	**-**	**-**	**-**
Arising during the year	**152**	**60**	**209**	**274**	**23,362**	**24,057**
Utilised during the year	**(176)**	**(74)**	**(96)**	**-**	**(307)**	**(653)**
Reclassified to liabilities held in disposal groups	**-**	**-**	**-**	**-**	**-**	**-**
Reversed unused	**(9)**	**-**	**(196)**	**-**	**(11,809)**	**(12,014)**
Unwinding of discount	**19**	**13**	**-**	**-**	**-**	**32**
At 31 March 2024	**1,067**	**791**	**315**	**648**	**32,439**	**35,260**
Expected timing of cash flows:						
- not later than one year;	**178**	**75**	**315**	**648**	**25,941**	**27,157**
- later than one year and not later than five years;	**670**	**299**	**-**	**-**	**5,206**	**6,175**
- later than five years.	**219**	**417**	**-**	**-**	**1,292**	**1,928**
Total	**1,067**	**791**	**315**	**648**	**32,439**	**35,260**

Other provisions include Contractual disputes, this relate to challenges from Commissioners on pricing, charging and penalties of £17,640k (2022/23 £4,945k), NHS Resolution LTPS Claims of £128k (2022/23 £227k); Dilapidations £1,312k (2022/23 £1,241k); Contractual pay claims £1,707k (2022/23 £362k): Clinician pension tax £1,009k (2022/23 £1,255k); Liability for Sphere Joint Venture £1,300k (2022/23 £2,080k); Outsourced record management £4,194k (2022/23 £4,153k); Covid and Vaccination overpayment £3,471k and other Contractual claims £1,678k (2022/23 £2,407k).

Note 27.3 Clinical negligence liabilities

At 31 March 2024, £373,265k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Chelsea and Westminster Hospital NHS Foundation Trust (31 March 2023: £454,166k).

Note 28 Contingent assets and liabilities

	Group		Trust	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
	£000	£000	£000	£000
Value of contingent liabilities				
NHS Resolution legal claims	(78)	(55)	(78)	(55)
Gross value of contingent liabilities	**(78)**	**(55)**	**(78)**	**(55)**
Net value of contingent liabilities	**(78)**	**(55)**	**(78)**	**(55)**

Note 29 Contractual capital commitments

	Group		Trust	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
	£000	£000	£000	£000
Property, plant and equipment	8,965	6,493	8,965	6,493
Intangible assets	36	150	36	150
Total	**9,001**	**6,643**	**9,001**	**6,643**

Note 30 On-SoFP PFI, LIFT or other service concession arrangements

Note 30.1 On-SoFP PFI, LIFT or other service concession arrangement obligations

The following obligations in respect of the PFI, LIFT or other service concession arrangements are recognised in the statement of financial position:

	Group		Trust	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
	£000	£000	£000	£000
Gross PFI, LIFT or other service concession liabilities	**64,238**	**41,218**	**64,238**	**41,218**
Of which liabilities are due				
- not later than one year;	5,231	3,131	5,231	3,131
- later than one year and not later than five years;	21,781	12,708	21,781	12,708
- later than five years.	37,227	25,379	37,227	25,379
Finance charges allocated to future periods	(19,364)	(13,839)	(19,364)	(13,839)
Net PFI, LIFT or other service concession arrangement obligation	**44,874**	**27,379**	**44,874**	**27,379**
- not later than one year;	2,319	1,356	2,319	1,356
- later than one year and not later than five years;	11,811	6,518	11,811	6,518
- later than five years.	30,744	19,505	30,744	19,505

Note 30.2 Total on-SoFP PFI, LIFT and other service concession arrangement commitments

Total future commitments under these on-SoFP schemes are as follows:

	Group		Trust	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
	£000	£000	£000	£000
Total future payments committed in respect of the PFI, LIFT or other service concession arrangements	**233,276**	**223,130**	**233,276**	**223,130**
Of which payments are due:				
- not later than one year;	19,500	14,903	19,500	14,903
- later than one year and not later than five years;	78,723	64,004	78,723	64,004
- later than five years.	135,053	144,223	135,053	144,223

Note 30.3 Analysis of amounts payable to service concession operator

This note provides an analysis of the unitary payments made to the service concession operator:

	Group		Trust	
	2023/24	2022/23	2023/24	2022/23
	£000	£000	£000	£000
Unitary payment payable to service concession operator	**28,790**	**25,264**	**28,790**	**25,264**
Consisting of:				
- Interest charge	4,829	1,860	4,829	1,860
- Repayment of balance sheet obligation	502	1,318	502	1,318
- Service element and other charges to operating expenditure	21,129	18,213	21,129	18,213
- Capital lifecycle maintenance	2,330	1,708	2,330	1,708
- Contingent rent	-	2,165	-	2,165
Total amount paid to service concession operator	**28,790**	**25,264**	**28,790**	**25,264**

The Trust paid £28,790k in the year which represents £6,916k in excess of the contractually committed amount. A significant amount of this excess relates to volume adjusters, that were not included in the contractual committement. The Trust expects to incur a comparable spend in addition to the contractual liability presented above for 2023/24 in the coming year. Beyond 2023/24, it is not possible to easily estimate any variances to the contracted amount which might be incurred.

In 2023/24 the Trust has applied IFRS 16 principles to the measurement of PFI liabilities, this has resulted an increase in PFI liabilities of £18,032k.

Note 31 Impact of change in accounting policy for on-SoFP PFI, LIFT and other service concession liabilities

IFRS 16 liability measurement principles have been applied to PFI, LIFT and other service concession arrangement liabilities from 1 April 2023. When payments for the asset are uplifted for inflation, the imputed lease liability recognised on the SoFP is remeasured to reflect the increase in future payments. Such increases were previously recognised as contingent rent as incurred.

The change in measurement basis has been applied retrospectively without restatement of comparatives and with the cumulative impact on 1 April 2023 recognised in the income and expenditure reserve. The incremental impact of applying the new accounting policy on (a) the allocation of the unitary charge in 2023/24 and (b) the primary statements in 2023/24 is set out in the disclosures below.

Note 31.1 Impact of change in accounting policy on the allocation of unitary payment

	IFRS 16 basis (new basis) 2023/24	IAS 17 basis (old basis) 2023/24	Impact of change 2023/24
	£000	£000	£000
Unitary payment payable to service concession operator	**28,790**	**28,790**	**-**
Consisting of:			
- Interest charge	4,829	1,776	**3,053**
- Repayment of balance sheet obligation	502	1,198	**(696)**
- Service element	21,129	21,129	**-**
- Lifecycle maintenance	2,330	2,330	**-**
- Contingent rent	-	2,357	**(2,357)**

Note 31.2 Impact of change in accounting policy on primary statements

Impact of change in PFI accounting policy on 31 March 2024 Statement of Financial Position:	**£000**
Increase in PFI / LIFT and other service concession liabilities	(18,637)
Decrease in PDC dividend payable / increase in PDC dividend receivable	605
Impact on net assets as at 31 March 2024	**(18,032)**

Impact of change in PFI accounting policy on 2023/24 Statement of Comprehensive Income:	**£000**
PFI liability remeasurement charged to finance costs	(2,240)
Increase in interest arising on PFI liability	(3,053)
Reduction in contingent rent	2,357
Reduction in PDC dividend charge	605
Net impact on deficit	**(2,331)**

Impact of change in PFI accounting policy on 2023/24 Statement of Changes in Equity:	**£000**
Adjustment to reserves for the cumulative retrospective impact on 1 April 2023	(15,701)
Net impact on 2023/24 deficit	(2,331)
Impact on equity as at 31 March 2024	**(18,032)**

Impact of change in PFI accounting policy on 2023/24 Statement of Cash Flows:	**£000**
Increase in cash outflows for capital element of PFI / LIFT	696
Decrease in cash outflows for financing element of PFI / LIFT	(696)
Net impact on cash flows from financing activities	**-**

Note 32 Financial instruments

Note 32.1 Financial risk management

IAS 32 (Financial Instruments: Disclosure and Presentation), IAS 39 (Financial Instrument Recognition and Measurement) and IFRS 7 (Financial Instruments: Disclosures) require disclosure of the role that financial instruments have had during the year in creating or changing the risks an entity faces in undertaking its activities. The Trust does not have any complex financial instruments and does not hold or issue financial instruments for speculative trading purposes. Because of the continuing service provider relationship the Trust has with healthcare commissioners and the way those healthcare commissioners are financed, the Trust is not exposed to the degree of financial risk faced by non NHS business entities.

The Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

Liquidity Risk

The Trust's net operating costs are mainly incurred under legally binding contracts with commissioners, which are financed from resources voted annually by Parliament. This provides a reliable source of funding stream which significantly reduces the Trust's exposure to liquidity risk.

The Trust also manages liquidity risk by maintaining banking facilities and loan facilities to meet its short and long-term capital requirements through continuous monitoring of forecast and actual cash flows.

In addition to internally generated resources the Trust finances its capital programme through agreed loan facilities with the Independent Trust Financing Facility. The Trust has a working capital facility as at 31 March 2024 but has not drawn down against it.

Credit Risk

Credit risk exists where the Trust can suffer financial loss through default of contractual obligations by a customer of counterparty.

The policy reflects the position on the causes of debt, the implications of compliance and the need to identify trading counterparties correctly and the varied level of risk associated with them along with the requirement to maintain an adequate bad debt provision. The Trust maintains a bad debt provision rule set which is flexible and reflects the monthly movements on the sales ledger, however it also requires that a line by line review of items to be provided is carried out regularly.

Trade debtors consist of high value transaction with NHS England and ICB commissioners under contractual terms that require settlement of obligation within a time frame established generally by the Department of Health and local authorities under contractual terms although these are subject to individual negotiation. Other trade debtors include private and overseas patients, spread across diverse geographical areas.

Credit risk exposures of monetary financial assets are managed through the Trust's treasury policy which limits the value that can be placed with each approved counterparty to minimise the risk of loss. The counterparties are limited to the approved financial institutions with high credit ratings. Limits are reviewed regularly by senior management.

The majority of the Group's revenue comes from contracts with other public sector bodies, thus the Trust has low exposure to credit risk. The maximum exposure of the Trust to credit risk is equal to the total trade and other receivables within Note 22.

Interest rate risk

The Trust's borrowings comprise fixed rate loans or interest free loans; the Trust is not therefore exposed to interest rate risk.

Note 32.2 Carrying values of financial assets (Group)

IFRS 9 Financial Instruments is applied restrospectively from 1 April 2018. Comparative disclosure have been prepared under IAS 39 and the measurement categories is consistent to those in prior year.

Carrying values of financial assets as at 31 March 2024	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	42,547	-	-	**42,547**
Cash and cash equivalents	161,614	-	-	**161,614**
Total at 31 March 2024	**204,161**	**-**	**-**	**204,161**

Carrying values of financial assets as at 31 March 2023	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	44,896	-	-	**44,896**
Other investments / financial assets	-	-	12	**12**
Cash and cash equivalents	160,205	-	-	**160,205**
Total at 31 March 2023	**205,101**	**-**	**12**	**205,113**

Note 32.3 Carrying values of financial assets (Trust)

Carrying values of financial assets as at 31 March 2024	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	42,547	-	-	**42,547**
Cash and cash equivalents	160,756	-	-	**160,756**
Total at 31 March 2024	**203,303**	**-**	**-**	**203,303**

Carrying values of financial assets as at 31 March 2023	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	44,896	-	-	**44,896**
Other investments / financial assets	-	-	12	**12**
Cash and cash equivalents	159,881	-	-	**159,881**
Total at 31 March 2023	**204,777**	**-**	**12**	**204,789**

Note 32.4 Carrying values of financial liabilities (Group)

Carrying values of financial liabilities as at 31 March 2024	Held at amortised cost	Total book value
	£000	£000
Loans from the Department of Health and Social Care	37,236	**37,236**
Obligations under leases	9,958	**9,958**
Obligations under PFI, LIFT and other service concessions	44,874	**44,874**
Other borrowings	4,335	**4,335**
Trade and other payables excluding non financial liabilities	92,286	**92,286**
Provisions under contract	8,836	**8,836**
Total at 31 March 2024	**197,525**	**197,525**

Carrying values of financial liabilities as at 31 March 2023	Held at amortised cost	Total book value
	£000	£000
Loans from the Department of Health and Social Care	40,911	**40,911**
Obligations under leases	14,115	**14,115**
Obligations under PFI, LIFT and other service concessions	27,379	**27,379**
Other borrowings	5,713	**5,713**
Trade and other payables excluding non financial liabilities	111,123	**111,123**
Provisions under contract	11,051	**11,051**
Total at 31 March 2023	**210,292**	**210,292**

Note 32.5 Carrying values of financial liabilities (Trust)

Carrying values of financial liabilities as at 31 March 2024	Held at amortised cost	Total book value
	£000	£000
Loans from the Department of Health and Social Care	37,236	**37,236**
Obligations under leases	9,958	**9,958**
Obligations under PFI, LIFT and other service concessions	44,874	**44,874**
Other borrowings	4,335	**4,335**
Trade and other payables excluding non financial liabilities	92,325	**92,325**
Provisions under contract	8,836	**8,836**
Total at 31 March 2024	**197,564**	**197,564**

Carrying values of financial liabilities as at 31 March 2023	Held at amortised cost	Total book value
	£000	£000
Loans from the Department of Health and Social Care	40,911	**40,911**
Obligations under leases	14,115	**14,115**
Obligations under PFI, LIFT and other service concessions	27,379	**27,379**
Other borrowings	5,713	**5,713**
Trade and other payables excluding non financial liabilities	111,631	**111,631**
Provisions under contract	11,051	**11,051**
Total at 31 March 2023	**210,800**	**210,800**

Note 32.6 Fair values of financial assets and liabilities

The book value of financial liabilities represents 79% of fair value. The difference is due to future interest costs for loan arrangements.
DH Loans book value £37,236k (fair value £42,797k), Commercial Loan book value £4,335k (fair value £4,506k), PFI book value £44,874k (fair value £64,238k) and lease book value £9,958k (fair value £10,951k)

Note 32.7 Maturity of financial liabilities

The following maturity profile of financial liabilities is based on the contractual undiscounted cash flows. This differs to the amounts recognised in the statement of financial position which are discounted to present value.

	Group		Trust	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
	£000	£000	£000	£000
In one year or less	114,398	133,976	114,437	130,360
In more than one year but not more than five years	43,612	38,628	43,612	38,628
In more than five years	65,604	58,576	65,604	58,576
Total	**223,613**	**231,180**	**223,652**	**227,564**

Note 33 Losses and special payments

	2023/24		2022/23 (restated)	
Group and trust	**Total number of cases**	**Total value of cases**	**Total number of cases**	**Total value of cases**
	Number	**£000**	**Number**	**£000**
Losses				
Cash losses	1	1	-	-
Bad debts and claims abandoned	476	776	1,509	1,956
Stores losses and damage to property	50	411	27	561
Total losses	**527**	**1,188**	**1,536**	**2,517**
Special payments				
Ex-gratia payments	63	67	41	73
Total special payments	**63**	**67**	**41**	**73**
Total losses and special payments	**590**	**1,255**	**1,577**	**2,590**
Compensation payments received				

Losses and special payments are charged to the relevant headings on an accrual basis, including losses which would have been made good through insurance cover had the Trust not been bearing its own risk.

There was no individual case over £300k in the year (2022/23 none).

The disclosure of special payments in the 2022/23 financial statements included 1 case with value of £362k, in respect of a payment to staff of a christmas voucher. During the 2022/23 year end process, NHS England had advised providers to disclose small discretionary awards to staff of this type as ex gratia payments, while NHS England considered how these should be treated and therefore whether any HM Treasury approvals were required. NHS England has subsequently concluded that this type of payment does not represent a special payment, and that no approvals were required. The 2022/23 figures have been restated following this clarification from NHS England.

Note 34 Related parties

The Trust is a public benefit corporation and has been authorised pursuant to Section 6 of the Health and Social Care (Community Health and Standards) Act 2003. The Department of Health and Social Care is the parent department.

During the year an entity (Travill Construction Ltd) related to a Trust Board member had transactions with the Trust to the value of £179k (£146k 2022/23); an entity (Cerner Limited) related to a Trust Board member had transactions with the Trust to the value of £530k (£851k 2022/23).

During the year the Trust has had a significant number of material transactions with the following Whole Government bodies:
– NHS England
– NHS Integrated Care Boards
– NHS Clinical Commissioning Groups
– NHS Foundation Trusts
– NHS Trusts
– Department of Health and Social Care
– Health Education England
– NHS Pension Scheme
– NHS Property Services
– Local Authorities
– Ministry of Defence

In addition to the above the Trust has a number of transactions with CW+ (the official charity partner of the Trust) and Imperial College Health Partners {Academic Health Science Network for North West London} (ICHP).

	2023/24	2022/23
CW+	**£000s**	**£000s**
Receivables	13	195
Payables	272	157
Income	799	1,394
Expenditure	930	536
ICHP	**£000s**	**£000s**
Receivables	529	1,104
Payables	120	-
Income	6,001	5,493
Expenditure	155	97

Note 35 Events after the reporting date

None

- end -

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