



**Gloucestershire Hospitals**  
NHS Foundation Trust

# Annual Report and Accounts 2023–2024

the **Best Care**  
**for Everyone**  
care / listen / excel



# **Gloucestershire Hospitals NHS Foundation Trust**

## **Annual Report and Accounts 2023-2024**

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



## Contents

Foreword by the Chair and Chief Executive	5
Performance Report	8
- Overview	8
- Statement from Chief Executive on Performance	16
- Performance Analysis	17
Accountability Report	60
- Directors' Report	60
- Remuneration Report	65
- Staff Report	75
- Code of Governance	95
- Statement of Accounting Officer's Responsibilities	118
- NHS Oversight Framework	120
- Annual Governance Statement	121
- Accountability Report Conclusion	139
Independent Auditor's Report	140

## Foreword by the Chair and Chief Executive

We are delighted to introduce the 2023-24 Annual Report and Accounts for Gloucestershire Hospital NHS Foundation Trust (the Trust), which encompasses our two main hospital sites, Cheltenham General Hospital and Gloucestershire Royal Hospital, as well as our community-based hospital services including Stroud Maternity Unit.

It has been another busy year, with many fantastic achievements and some big challenges. We have over 11,500 staff and volunteers who continue to make such a difference in delivering care, and we would like to thank them for everything they do, each and every day. We would also like to thank the many volunteers supporting our staff and patients; they are an important part of our family across our hospitals and often the first people meet.

Although we have emerged from the pandemic, there has been little respite across the NHS and local communities, with a cost-of-living crisis and essential work needed to continue to reduce waiting lists and waiting times for services, and reduce the time it takes for a patient to get access to a bed and then to safely be discharged home from our hospitals. There is a clear focus on recovery and improvement, but there is much work still to be done.

The year started with news that Deborah Lee would be standing down from her role as Chief Executive of the Trust after seven years in the role and we would like to thank Deborah for her service to the Trust and people of Gloucestershire.

In January 2024, Kevin McNamara joined the Trust as our new CEO, having previously led Great Western Hospitals NHS Foundation Trust and with over 20 years in the NHS in a number of senior roles.

One of the major achievements over the last year is the realisation of the 'centres of excellence' ambition, establishing highly specialist services across both hospital sites, to improve patient care, outcomes and experience. This has seen the Trust invest more than £100 million in developing services over the last couple of years and many of these opened this year. Our goal now is to realise the benefits of these changes for our patients and local community.

The new Emergency Department (ED) at Gloucestershire Royal Hospital is now fully operational, which includes a new Minors and Children's department and a significantly larger footprint to support patients when they are acutely unwell.

In Cheltenham, two new theatres and the new Chedworth Surgical Unit opened providing dedicated day surgery facilities. The state-of-the-art facilities will be used for urology, gastrointestinal and orthopaedic surgery bringing the total number of theatres on the Cheltenham site to 14 and together this will help us treat more than 1,600 more day-surgery patients per year. In March 2024 the Trust welcomed the Prime Minister, Rishi Sunak to visit the Chedworth Surgical Unit and the two new theatres. The Prime Minister took a tour of the new facilities, had the opportunity to meet staff and patients, and listened to how the dedicated units would help improve the quality of care.

The Trust's new Cardiac Catheterisation Labs moved from Cheltenham to Gloucester and are now located in the new Image Guided Interventional Surgery (IGIS) Hub. This will offer a 24/7 hub for image guided interventional surgery, comprising interventional radiology, vascular surgery and interventional cardiology.

And finally, a new £15m community diagnostic centre also opened close to Gloucester Quays, enabling patients to access potentially lifesaving checks more quickly, without having to go to hospital, including X-rays, MRI, CT, ultrasound, ECHO, and DEXA scanning.

The Trust reached a significant milestone as it celebrated a decade of ground-breaking advancements in robotic urological surgery, and we have been recognised as an outstanding training centre in the West of England. The Trust is now able to use the robots in performing complex cancer surgeries, such as prostate and bladder removal and reconstruction, as well as kidney removal and reconstruction. Since the hospitals first started using the Da Vinci robots in 2014, we have treated more than 2,500 patients, emphasising not only the quantity but also the quality of care we are able to provide.

Nationally, NHS England confirmed that Martha's Rule will be implemented across the NHS from April 2024 and in Gloucestershire we began a trial for this approach, called Call 4 Concern, over a year ago, to ensure staff, patients, families or carers can call for help and advice from the Acute Care Response Team when they feel concerned about a worsening clinical condition. The safety of patients remains the main priority for us, and the successful pilot of Call 4 Concern, and the introduction of Martha's rule will add a key step in providing additional support and clinical reviews whenever they are needed.

The beginning of the new year was difficult, with a BBC Panorama documentary that explored the challenges nationally in maternity, with a specific focus on our Trust's maternity services. The documentary included the tragic deaths of two babies and a mother in our hospitals which took place between 2019 - 2021. We are deeply sorry that failings in our care led to these sad deaths and how devastating this has been for those families. We are determined to learn and change when things go wrong, and the Trust's maternity services will continue to be a focus and priority for improvement into 2024/25.

The Trust received a visit in March 2024 from HRH The Princess Royal, who met staff and mothers, babies, and families at the maternity unit at Stroud Hospital. The royal visit was organised by Stroud Hospitals League of Friends who have been a dedicated supporter of Stroud Maternity for decades, funding refurbishment projects and equipment.

Industrial Action has been ever present throughout the year, and there has been a total of 17 separate periods of action by different health staff since December 2022, affecting our hospitals, our staff, and our patients. As part of our planning, we had to temporarily close Cheltenham's Emergency Department for extended periods and pause some planned care and outpatient appointments, although we worked hard to minimise disruption for patients receiving cancer care, and for those who have been on the waiting list a long time. We hope that positive progress will be successfully achieved this year in resolving the issues nationally.

We continue to work closely with staff to listen and understand what matters most to them and implemented several changes, following the difficult and honest feedback shared with us in last year's NHS Staff Survey. This included creating a Staff Taskforce to work on the key priorities colleagues told us were essential and as a result 68% of staff completed this year's survey, one of the highest response rates in the NHS and our highest ever. Our results provide an outline of what colleagues are telling us, areas of improvement and areas we need to focus on. Encouragingly, both the main two questions of recommending our Trust as a place to work and as a place to receive care improved slightly, however, there is still a long way to go and more we must do to improve the overall experience of working in our

Trust, and we are absolutely committed to creating the right culture to support this improvement.

We would like to thank all our partners whether statutory, voluntary, not for profit and others, who work with us to deliver services, working collaboratively in what have been highly challenging conditions for both them and us. One of the biggest challenges has been the rising inequality in our communities, which has been made worse by the pandemic and the cost-of-living crisis. It is essential that we continue to work with our partners and stakeholders and our communities to ensure we develop shared solutions for the challenges we face.

Everything we do is because of a major team effort; staff, volunteers, governors, our communities, and colleagues in the health and care system working together to provide the best services we can for our communities. Thank you to everyone for your continued support and dedication.

A handwritten signature in dark ink, reading "K. McNamara." with a horizontal line underneath.

**Kevin McNamara**  
Chief Executive

A handwritten signature in dark ink, reading "Deborah Evans." in a cursive style.

**Deborah Evans**  
Chair

# Performance Report

## Overview

This overview provides a summary of the Trust's purpose, organisational structure, the key risks to the achievement of its objectives and how it has performed during the year.

### About Gloucestershire Hospitals NHS Foundation Trust

Gloucestershire Hospitals NHS Foundation Trust received authorisation on 1 July 2004. It was formed from Gloucestershire Hospitals NHS Trust, which was established following a reconfiguration of health services in Gloucestershire in 2002.

The Trust provides acute hospital services from two large district general hospitals, Cheltenham General Hospital (CGH) and Gloucestershire Royal Hospital (GRH). Maternity Services are also provided at Stroud Maternity Hospital. Outpatient clinics and some surgery services are provided by Trust staff from community hospitals throughout Gloucestershire. The Trust also provides services at the satellite oncology centre in Hereford County Hospital.

### Management Structure

The Trust's management structure is based around Divisions, plus a wholly owned subsidiary company, Gloucestershire Managed Services (GMS), and our Charity, Cheltenham and Gloucester Hospitals Charity administered via a General Charitable Fund. These are designed to support and facilitate delegation of decision making to clinical teams and to enable more involvement of clinical leaders in strategic issues. The composition of each Division, the Trust's subsidiary company GMS and the Charity is summarised below. Note that the subsidiary company and the charity are separate legal entities within the Group.

#### **Women and Children**

- Acute Paediatrics
- Clinical Genetics
- Community Paediatrics
- Gynaecology
- Midwifery
- Obstetrics
- Special Care Baby Unit/Neonatal Intensive Care Unit

#### **Surgery**

- Anaesthetics
- Breast
- Chronic and Acute Pain Services
- Ear, Nose and Throat
- Ophthalmology
- Oral and Maxillofacial
- Theatre and Day Surgery
- Trauma and Orthopaedics
- Upper Gastrointestinal
- Urology
- Vascular

**Medicine**

- Acute Medicine
- Cardiology
- Dermatology
- Diabetes
- Emergency Department
- Endoscopy
- Gastroenterology
- General Old Age Medicine
- Neurology
- Rehabilitation
- Renal Services
- Respiratory
- Rheumatology

**Diagnostic and Specialist**

- Clinical Haematology
- Dietetics
- Health Psychology
- Health Records
- Image Guided Interventional Services (IGIS)
- Medical Photography
- Medical Physics
- Oncology
- Outpatients and Booking Services
- Palliative Care
- Pathology
- Pharmacy
- Physiotherapy Services
- Private Patients/Overseas Patients
- Radiology

**Corporate Services**

- Business Development
- Business Intelligence
- Central Booking Services
- Clinical Audit
- Contracting
- Corporate Governance
- Emergency Preparedness, Resilience and Response (EPRR)
- Finance
- Flow and Site Management Services.
- People and Organisational Development including Human Resources
- IT Services
- Infection Prevention and Control
- Legal Services
- Nursing Management
- Marketing and Communications
- Patient Experience
- Procurement
- Strategy & Transformation

<ul style="list-style-type: none"> <li>• Research and Development</li> <li>• Quality – Safety, patient experience and clinical effectiveness</li> </ul>
<b><u>Gloucestershire Managed Services (Subsidiary company)</u></b> <ul style="list-style-type: none"> <li>• Catering and Domestic Services</li> <li>• Energy Management and Sustainability</li> <li>• Facilities (Portering; Security; Grounds; Switchboard; Transport; Parking contract)</li> <li>• Property Services and Medical Engineering</li> <li>• Capital Projects</li> <li>• Estates maintenance</li> <li>• Linen and Uniform services</li> <li>• Materials Management</li> <li>• Sterile Services and Decontamination</li> </ul>
<b><u>General Charitable Fund (Charity)</u></b> <ul style="list-style-type: none"> <li>• Fundraising</li> <li>• Grant giving</li> </ul>

## Vision, Purpose and Strategic Objectives

**Our vision** is to provide the Best Care for Everyone.

**Our purpose** is to improve the health, wellbeing and experience of the people we serve by delivering outstanding care every day.

**Our values** are Caring; Listening; Excelling.

2023/24 was the final year of the Trust's five-year Trust Strategy. There are separate strategies and mission/vision statements for GMS and for the Charity that are appropriately aligned with the ambitions of the Trust.

A review into the governance arrangements of GMS and its alignment with the Trust commenced in 2023 and will conclude in July 2024. During the period of this annual report, GMS identified with the following:-

**Vision:** Together, exceptional every day.

**Mission:** Excellence in service delivery.

**Values:**

- excellence: we are proactive, enthusiastic and put the customer first in everything we do
- inclusive: we work as a team and value everyone's contribution
- integrity: we are honest, principled and reliable
- listening: we are welcoming and are interested in other people's thoughts and feelings.

The Trust's strategy will be reviewed in 2024/25 but for the period of this Annual Report the 5 year strategy ending in 2024 is relevant for reporting purposes.

Figure: Trust Strategy



**Gloucestershire Hospitals**  
NHS Foundation Trust

# Our Journey to Outstanding 2019–2024

**Our Vision:** Best Care for Everyone

**Our Purpose:** To improve the health, wellbeing and experience of the people we serve by delivering outstanding care every day

## Our Strategic Objectives for 2019–2024

<b>Outstanding care</b>  We are recognised for the excellence of care and treatment we deliver to our patients, evidenced by our CQC <i>Outstanding</i> rating and delivery of all NHS Constitution standards and pledges	<b>Compassionate workforce</b>  We have a compassionate, skilful and sustainable workforce, organised around the patient, that describes us as an outstanding employer who attracts, develops and retains the very best people	<b>Quality improvement</b>  Quality improvement is at the heart of everything we do; our staff feel empowered and equipped to do the very best for their patients and each other	<b>Care without boundaries</b>  We put patients, families and carers first to ensure that care is delivered and experienced in an integrated way in partnership with our health and social care partners	<b>Involved people</b>  Patients, the public and staff tell us that they feel involved in the planning, design and evaluation of our services
<b>Centres of Excellence</b>  We have established Centres of Excellence that provide urgent, planned and specialist care to the highest standards, and ensure as many Gloucestershire residents as possible receive care within the county	<b>Financial balance</b>  We are a Trust in financial balance, with a sustainable financial footing evidenced by our NHSI <i>Outstanding</i> rating for Use of Resources	<b>Effective estate</b>  We have developed our estate and work with our health and social care partners, to ensure services are accessible and delivered from the best possible facilities that minimise our environmental impact	<b>Digital future</b>  We use our electronic patient record system and other technology to drive safe, reliable and responsive care, and link to our partners in the health and social care system to ensure joined-up care	<b>Driving research</b>  We are research active, providing innovative and groundbreaking treatments; staff from all disciplines contribute to tomorrow's evidence base, enabling us to be one of the best University Hospitals in the UK

**Our Values:**

Caring

Listening

Excelling

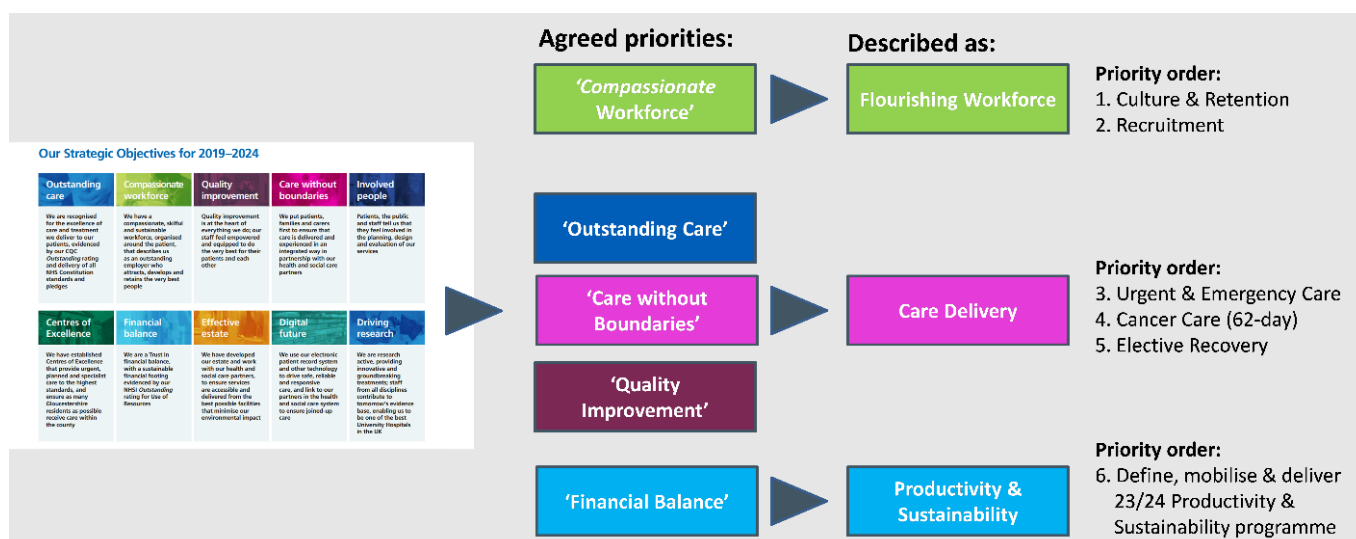
During the previous financial year, in 2022/23 the Board agreed that the strategic objectives would be grouped and focused on three priority objectives:

- **Flourishing Workforce,**
- **Care Delivery and**
- **Productivity and Sustainability.**

These priorities were set following a review of the Board Assurance Framework and the strategic risk profile, Quality and Performance Report, Trust Risk Register and in consultation with colleagues and partners. The priority objectives were used to inform operational planning, priority projects and programmes, decision making, and team and individual objectives throughout the year.

The following chart shows how the strategic objectives were grouped and prioritised.

**Figure: 2023/24 Prioritised strategic objectives:**



The Trust Values (Caring; Listening; Excelling) remain unchanged, but the approach to ensuring they underpin all that we do has been revised significantly since the start of the year. Our Values are the foundations for our Trust and group culture, and it is essential that we are clear about our approach to cultural change. We have articulated key guiding principles and built a cultural change programme around them. The Care Quality Commission (CQC) report and Staff Survey results from 2022 identified the need for clear cultural change; a Staff Experience Improvement Programme has been established (structure shown below) to support the change we want to make.

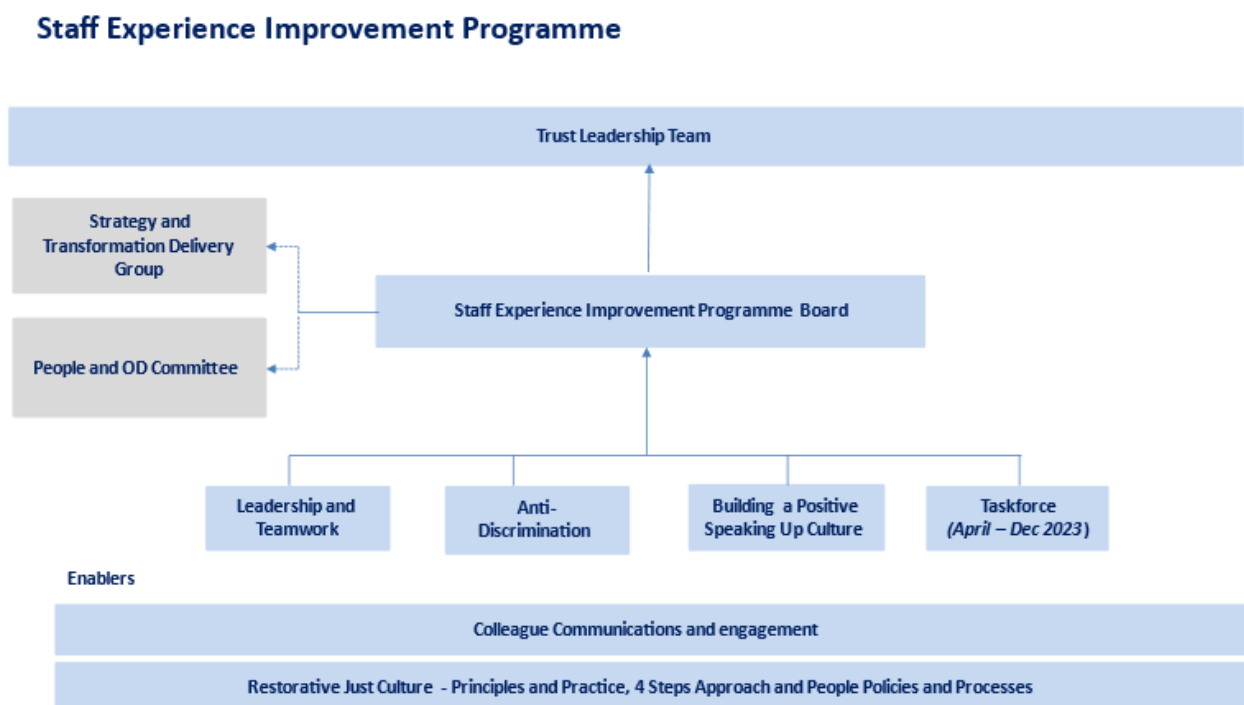
We have also developed strategic activity concerning our workforce. A Staff Experience Improvement Programme was developed in direct response to staff survey results and the findings from the 2022 CQC Well-Led inspection. Its workstreams are deliberately small in number to enable focused, deep, quality work and all are supported by project resource, together with an overarching programme manager. Key metrics are monitored for each work stream, and all have seen an improvement during the year.

The Taskforce was established as a short-term work stream to demonstrate that the Trust is listening to staff feedback and can implement changes quickly, which is important in the wider context of cultural change taking time. The 2023 national staff survey results have shown a statistically significant improvement across all themes (People Promise). In light of these results all the programme workstreams have been assessed for their continuing relevance and will continue. All progress is reported through People and Organisational Development Committee.

## Our guiding principles for change

- Change happens through relationships
- Change happens when people can talk, think and problem-solve together skillfully
- Change only really happens when you work at a behavioural level
- No change comes from stability
- We can't work with what we're not talking about
- People own what they help to create
- The process is as, if not more important, than the outcome
- Change will be sustained when we build internal capacity and capability

**Figure: Staff Experience Improvement Programme**



## Our Enabling Strategies:

The Trust Strategy is being delivered through eight enabling strategies (figure below). Progress against agreed milestones and outcomes are overseen by the relevant Trust Delivery Group and Board Committee, for example, our People and Organisational Development (OD) Strategy is overseen by the People and OD Delivery Group and People and OD Committee.

**Figure: Eight Enabling Strategies**



The performance analyses section of this Annual Report provides information regarding our performance against our strategic objectives and against key operational performance indicators.

### **Going Concern**

The Board of Directors is clear about its responsibility for preparing the Annual Report and Accounts. The Board sees the Annual Report and Accounts considered as a whole, as fair, balanced and understandable, and as providing the information necessary for patients, regulators and other stakeholders to assess the Trust's performance, business model and strategy. The Board also describes some of the principal risks and uncertainties facing the Trust in the Annual Governance Statement. The Trust has prepared its 2023/24 accounts on a going concern basis.

After making enquiries, the directors have a reasonable expectation that the services provided by the 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.

### **Healthcare integration**

Integrated care systems (ICS) have grown out of Sustainability and Transformation Partnerships (STPs) – local partnerships formed in 2016 to develop long-term plans for the future of health and care services in their area. ICSs became legal entities on the 1 July 2022 as part of the Health and Care Act 2022 and include a statutory Integrated Care Partnership (ICP), and a new NHS body called the Integrated Care Board (ICB). An Integrated Care System (ICS) brings together the NHS organisations, councils, and wider partners in a defined geographical area to deliver more joined up approaches to improving health and care outcomes.

We are part of the One Gloucestershire ICS and work closely with the ICB to remove barriers between organisations to deliver better, more joined up care for local communities. ICS partners share a common vision to improve health and care, backed by robust operational and financial plans, collective leadership and accountability. There is recognition of the growing challenges across the health and care system and the need to ensure that the various parts of the system work more closely together. Successful integration of patient

pathways requires close collaborative working between all providers, including primary and social care, neighbouring Trusts, other public sector organisations and the voluntary sector. We are each committed to achieving those aims.

## Principal Risks

The risks described below have been assessed as high risk to the delivery of the strategic objectives on the Board Assurance Framework and are the most significant risks for the organisation now and going into the future. Directors had reassessed all risks during the year to refresh and realign the risks to ensure they reflected the current position of the Trust and took account of future and emerging risks. The Annual Governance Statement provides additional detail.

<p><b>Quality:</b> <i>Failure to effectively deliver urgent and emergency care services across the Trust and Integrated Care System; Failure to implement the quality governance framework; Failure to implement effective improvement approaches</i></p> <p><b>Controls:</b></p> <ul style="list-style-type: none"> <li>• Discharge Programme</li> <li>• Winter Ward</li> <li>• Winter Plan</li> <li>• Clinical Vision of Flow / One Gloucestershire programme</li> <li>• Refreshed Quality and Performance Report</li> <li>• Urgent and Emergency Care Board</li> <li>• Executive Review Process</li> <li>• Implementation of Patient Safety Incident Response Framework</li> </ul>
<p><b>Workforce:</b> <i>Inability to attract and recruit a compassionate, skilful and sustainable workforce; Failure to retain our workforce and create a positive working culture</i></p> <p><b>Controls:</b></p> <ul style="list-style-type: none"> <li>• International recruitment</li> <li>• Increased apprenticeships</li> <li>• Accreditation of Preceptorship module</li> <li>• Advanced Care and other alternative specialty roles</li> <li>• Staff Experience Improvement Programme</li> <li>• Engagement plans</li> <li>• Health and Wellbeing interventions</li> </ul>
<p><b>Finance:</b> <i>Failure to deliver recurrent financial sustainability</i></p> <p><b>Controls:</b></p> <ul style="list-style-type: none"> <li>• Proactive use of Programme Management Office</li> <li>• Programme Delivery Group for financial sustainability</li> <li>• Temporary staffing controls</li> <li>• Transformation programmes</li> <li>• Weekly financial recovery meetings</li> </ul>
<p><b>Estate:</b> <i>Inability to access level of capital required to ensure a safe and sustainable estate and infrastructure that is fit for purpose and provides an environment that colleagues are proud to work in; Failure to meet statutory and regulatory standards and targets enroute to becoming a net-zero carbon organisation by 2040</i></p> <p><b>Controls:</b></p> <ul style="list-style-type: none"> <li>• Trust Board and ICB sighted on the scale of GHFT estates backlog and Critical Infrastructure Risk</li> </ul>

- All NHSE capital bids include costs of address backlog maintenance risks in immediate and/or linked development areas
- Improved risk reporting of estates risks
- Transition to develop 5-year estates capital programme
- Exploring options to dispose of estate with capital receipt used to address backlog risks
- All new strategic estate schemes designed to meet Building Research Establishment Environmental Assessment Methodology (BREEAM) ratings
- Continue to pursue external grant funding (Public Sector Decarbonisation Scheme – PSDS)
- Invest in GHFT electrical infrastructure
- Board approved Green Plan and supporting governance structure
- ICS Sustainability Group established to oversee delivery of ICS Green Plan (Statutory requirement)

**Digital:** *Failure to detect and control risks to cyber security; Inability to maximise digital systems functionality*

**Controls:**

- Cyber Security action plan in place, reviewed annually and gaps in security and investment identified
- Monitoring systems in place and dedicated cyber security team
- Backup systems and disaster recovery in place and regularly updated
- Investment in cyber tools and software
- Regular phishing tests and firewall tests (planned system hacks)
- Regular security updates and patches
- Communications and engagement with users on prevention
- Electronic Patient Record (Sunrise EPR) becomes single source of clinical information, implemented to HIMSS level 6- and five-year plan by 2024.
- All projects must meet existing Digital Strategy and contribute to the journey to HIMSS level 6. Implementations must provide significant patient care and/or safety benefits – and reduce risk
- Optimisation of EPR for users as part of a continuous improvement, responding to clinical demand

## Statement from Chief Executive on Performance

For many of us working in the NHS the shadow cast by COVID still looms large and the operational challenges to return ‘pre-pandemic’ activity levels and reduce the waiting times for our patients remain some of the most significant the NHS has ever faced. 2023/24 saw disputes and industrial action presenting the NHS with pressures it previously had not had.

In the face of these enormous challenges, colleagues throughout the Trust have continued to strive to deliver the very best care possible and the last year has been characterised by some great successes but equally some significant challenges. The Care Quality Commission’s (CQC) inspections and subsequent findings into the standard of care provided in our surgical and maternity services were a sobering read for all of us and especially difficult for the staff working in these services. The staff survey laid bare the operational and cultural challenges we face and must overcome if we are to improve the experience for our patients, their families and our colleagues.

Some of our most significant challenges remain within our urgent and emergency care services and, despite the efforts of very many staff both in the Trust and wider system, many patients have experienced long waits and care that did not always meet the standards we strive for. However, in recent months there have also been some significant improvements in many of the key measures of success including ambulance handover delays, A&E waiting times and the numbers of patients whose discharge from hospital has been delayed.

In spite of the challenges presented by Industrial action we remained focussed on the delivery of cancer and urgent surgery, interventions and treatments which supported positively, we have maintained strong performance in respect to patients waiting for planned care including outpatients, diagnostics and operations. The operational plan for 2024/25 sets out plans ambitious plans to achieve no patient waiting more than 65 weeks by the end of the year which I am confident we can achieve.

Cancer performance has been mixed, with some specialties underperforming against the national cancer standards. However, we are now beginning to realise the benefits of the Cancer Performance Improvement Plan including a 25% reduction in the numbers of patients waiting more than 62 days and all specialties now achieving the 2 week-wait standard – a position not achieved since March 2020. The Trust is considered a strong performer for delivery of the new 28 day to diagnosis standard.

Our patients are now benefitting from the a significantly extended Emergency Department at Gloucestershire Royal and Chedworth Unit, the new Day Surgery facility at Cheltenham General, a programme of ward moves will bring an end to the disruption that has affected many teams; continued progress to further enhance and modernise our clinical estate will support achieving further improvements such as the opening of a third cardiac catheterisation lab; additional theatre capacity and imaging facilities on both sites. We have a strong operational plan for 2024/25 developed with Integrated Care System (ICS) partners and finally, we have embarked upon an ambitious and innovative journey of cultural improvement from which we are already benefitting.

“Working as One” and “Clinical Vision of Flow” programmes are developed and live and these system, and trust wide, initiatives will support the experiences of our patients and ensure we remove as many delays as we can to realise the improvements our patients expect.

## **Performance analysis**

The following section provides analysis of key areas of Trust performance by strategic objective, and complements the earlier narrative on key risks and mitigations.

The 2023/24 year proved challenging in all the key performance domains.

Planned Care (covering Diagnostics, RTT and Outpatients) was hit by Industrial Action and resulted in activity being lost in outpatients which saw cancellations and lost activity (new and follow-up). This protected Cancer, Urgent surgery and Long waiting inpatient and day case treatment capacity allowing just 5 over 78week breaches to be reported at year end.

Cancer Performance remained non-compliant against the national operational standards but saw an overall reduction in the longest waiting patients, with considerable pressure remaining in Urology; After a difficult mid-year Breast services recovered strongly. New national operational standards were introduced in year but the Trust performs strongly against the 28-day standard.

Urgent and Emergency Care (including ED) remained challenging. Industrial Action affected access to our population with temporary service changes. Performance has remained steady with a very modest improvement across the year; Ambulance offload delays over 15 minutes has deteriorated and remains one of the three top priorities for the Trust. The full year benefits of a fully operational department have yet to be fully realised; Same Day Emergency Care (SDEC) activity was strong throughout the year realising a steady increase, week on week.

## Performance against Oversight Framework targets

NHS England's Oversight Framework sets out the key national standards which are applicable to service providers. The tables below set out our performance levels across the year:

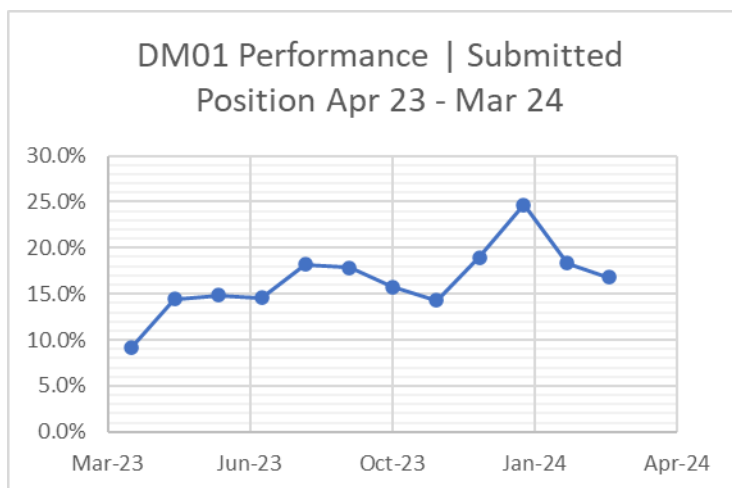
### Diagnostics: Submitted Position Summary | April 2023 - March 2024

Source: Monthly Submission- VALIDATED

Month	Breaches	Total Waiters	Performance
Mar-24	2,165	12,898	16.8%

### 2023/24 Diagnostics (DM01) Submitted Position

Month	Breaches	Total Waiters	Performance
Apr-23	711	7,730	9.2%
May-23	1,166	8,096	14.4%
Jun-23	1,396	9,404	14.8%
Jul-23	1,262	8,682	14.5%
Aug-23	1,601	8,800	18.2%
Sep-23	1,724	9,652	17.9%
Oct-23	1,584	10,061	15.7%
Nov-23	1,502	10,519	14.3%
Dec-23	1,940	10,248	18.9%
Jan-24	3,164	12,816	24.7%
Feb-24	2,377	12,943	18.4%
Mar-24	2,165	12,898	16.8%



## Referral to Treatment (RTT) Position Summary | April 2023 - March 2024

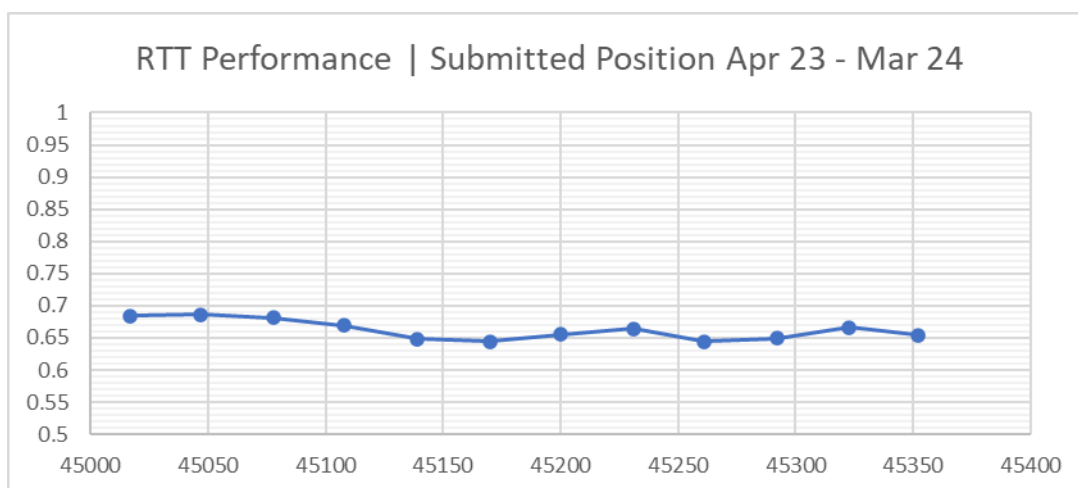
Source: RTT Submitted Position

### Year End Submitted Postion

Month	>65 wks	>78 wks	TOTAL	% <18 wks	Monthly Performance Variance
Mar-24	454	5	73,999	65.48%	▲ -1.18%

### 2023/24 RTT Long Waiters Submitted Position

Month	>65 wks	>78 wks	TOTAL	% <18 wks	Monthly Performance Variance
Apr-23	-	-	74,076	68.40%	
May-23	350	-	75,053	68.60%	■ 0.20%
Jun-23	530	-	75,995	68.14%	■ -0.46%
Jul-23	611	-	75,667	66.88%	▼ -1.26%
Aug-23	704	2	73,475	64.82%	▼ -2.06%
Sep-23	710	18	74,016	64.46%	■ -0.37%
Oct-23	775	22	74,830	65.56%	▲ 1.11%
Nov-23	655	13	75,701	66.42%	▲ 0.86%
Dec-23	766	13	75,133	64.42%	▼ -2.01%
Jan-24	760	5	74,256	64.92%	▲ 0.50%
Feb-24	689	6	76,737	66.66%	▲ 1.74%
Mar-24	454	5	73,999	65.48%	▼ -1.18%



## Cancer Submitted Position Summary | April 2023 - March 2024

Source: Cancer Submitted Position

Submitted position			
Measure	Performance	Total within standard	Total patients seen
28 Day Waits Faster Diagnosis	73.20%	25,626	35,001
31 Day Waits	94.90%	12,217	12,871
62 Day Waits	65.60%	2,095	3,192

## No Criteria to Reside (NCTR) April 2023 - March 2024

Average NCTR

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Year Avg
Average	192	183	172	187	165	170	179	156	171	198	178	148	175

## Urgent and Emergency Care Metrics April 2023 - March 2024

Total ED Attendances

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Grand Total
Attendances	11,674	12,958	13,150	12,740	12,313	12,805	13,126	12,451	12,109	12,226	12,041	13,003	150,596

ED 4 Hour Performance

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Grand Total
Performance	62.9%	61.6%	59.7%	62.5%	57.0%	58.5%	57.1%	57.8%	59.3%	56.3%	56.4%	57.9%	58.9%

## Performance against our 2019 - 2024 Strategic Plan:

The headlines on progress against the Strategy during 2023/24 are summarised below with further detail shown for each of the objectives:

## **1. Outstanding Care**

The last year has been characterised by some great successes but equally some significant challenges. Our Quality Account for 2023/24 highlights our work on delivering our quality priorities and below is just a snapshot of some of the improvement work we have been focused on. In some areas, we have made significant improvements and in others some of the improvement, as seen by a change in the metric, is yet to be realised.

### **Care Quality Commission (CQC)**

- This year the Trust remained rated as “Requires Improvement”. Additionally, we had one service rated “inadequate” with two served CQC section 29a improvement notices (Maternity Gloucester Royal Hospital (GRH) and Emergency Department GRH. There were unannounced and announced Care Quality Commission (CQC) inspections focused on our Children and Young People’s Services September 2023 (report not yet published), our Emergency Department at GRH December 2023 (report not yet published), Stroud Maternity Services December 2023 (report published and rated requires improvement) and Maternity Services GRH March 2024 (report not yet published).
- We have active improvement plans in place and have implemented workstreams for improvement such that we learn from the issues/concerns that have been raised with us enabling us to improve our governance and oversight of services.
- We continue to be very proud of the way our leaders and their teams have risen to these insights and are addressing, with rigour and enthusiasm, the actions required to ensure our patients and their families get the quality of care we strive to deliver.

### **Health inequalities**

- Our work programme for tackling smoking has continued in earnest as this remains the leading modifiable cause of health inequalities. Our Tobacco Free Team continue to deliver interventions to inpatient smokers admitted to Gloucestershire Royal Hospital and Cheltenham General Hospital. The Maternity Service are continuing to deliver interventions to women and their families who smoke, and a new Lead Midwife for Public Health commenced in post in May 2023.

### **Urgent and emergency care**

- Consistent with the national picture, the Trust has experienced a continued period of operational challenge which has manifested in longer wait times in our Emergency Departments. We have responded to feedback from our staff and patients and made many improvements. Our patients have the opportunity to rate the quality of care by using the Friends and Family Test and the positive score has increased this year and now sits at 76.8% (an increase from 72% last year. One of the initiatives we have continued is that we have trained and recruited volunteers in patient facing roles to support with refreshments and communications within the departments on both sites. We have also recruited a new Patient Experience Lead for the departments.
- Once people no longer need acute hospital care (no criteria to reside NCTR), being at home or in the community is the best place to continue to recover. We have been working across the Integrated Care System, with community services and social care, to improve flow through the hospitals and reduce the number of patients waiting more than 21 days for discharge. Our patients with NCTR in our hospitals has reduced from a peak of 207 in March 2023 to approximately 147 in March 2024 and we anticipate further improvements early in the new financial year after our 12 days of Spring Improvement Collaborative.

- Ambulance handovers, have been a significant area of focus, and the position we were in during the year is described in detail below. We are improving as a result of a number of interventions but still have some way to go for those to be sustained.

Average Ambulance Handover Time (minutes)

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total Average
Handover Time	58	47	52	48	63	92	128	92	122	57	67	82	74

% Ambulance Handovers less than 40 mins

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Grand Total
%	59%	64%	60%	63%	54%	43%	33%	38%	38%	64%	50%	48%	52%

% Ambulance Handovers less than 15 mins

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Grand Total
%	27%	29%	26%	27%	18%	14%	8%	11%	12%	21%	17%	15%	19%

- We have been one of the most challenged and poor performing Trusts in respect of Ambulance offload performance, the Trust has extremely high numbers of NCTR which caused multiple occasions of poor flow out of the Acute Hospital Bed base.
- We regularly suffer from 'clusters' of arrivals which presents challenges as patients moving out of the hospital happen in sub optimal volumes at the right time of the day.
- Our estate was not fully available with significant improvements not being realised to give the full year affect.
- Winter was very challenging with prolonged periods of loss of capacity due to infection prevention and control issues including Covid and flu. This prevented simple movement into a non-acute care environment, and increases in NCTR.
- The result was significant delays outside the hospital. Despite enacting Boarding of patients in non-ward environments this adversely affected patient and staff experience and patient outcomes.

Our interventions included implementation of 'Boomerang' Pitstop initiatives, cohorting and created dedicated corridor capacity with variable impact. Additional capacity proved unsustainable and difficult to resource consistently. Following South West Ambulance Service Trust and CQC reviews, this capacity was deemed inappropriate for the delivery of patient care.

We ensured that we completed the estates works in order to support improvement in the pathways.

Work that takes us into the new financial year includes:

- Revisiting the NHS Key Line Of Enquiry, Reducing Ambulance Handover Delays to ensure there is a clear baseline of activity and solution against which we can measure ourselves.
- Full year effect of newly opened estate; close working relationships across the ICB with an onsite integrated flow hub (concentrating on the Outflow). Delayed related Harm reviews to continue
- 'Working as One' programme continues with revised benefit realisation.

- We have reprofiled the UEC and Flow profile in the hospital – appointed a dedicated Senior Manager for Flow and Unplanned Care at Deputy Chief Operating Officer level.
- Consolidating Acute Take to one site to improve Medical cover and expertise.
- A refocussed UEC and ED action plan, based on a completed the UEC maturity self-assessment
- Enhance and build on relationship working with colleagues from SWAST
- Accessing the Emergency Care Improvement Support Team (ECIST) advice establishing 'buddy' partners as part of the transformational agenda
- Revised escalation processes are underway.
- "Clinical Vision of Flow" programme has both ED and Assessment working and delivery group
- Reliance on DTA (Decision to Admit) causes occupancy challenges -
- Continued development of Same Day Emergency Care in all supportive specialties;
- Promotion of Virtual ward
- Focus on Discharge lounge volume, length of stay, focus on 'P0' patients and managing patient expectations.
- We have undertaken two 6A audits for ambulance conveyances and shared with the system, reviewed our winter data which shows opportunities not to convey to ED are not currently available

### **Industrial action**

- Over this year, we have seen groups of staff take Industrial Action. Thanks to extensive planning, we have continued to provide care for our patients and limited the number of cancelled services, appointments and operations but the impact of industrial action has been significant. Hundreds of operations / procedures and thousands of outpatient appointments were cancelled to release staff to cover vacant shifts in order to provide safe emergency and ward care. The financial cost of providing safe care was c£3.6m net to date and the cost of lost elective activity from cancellations was a further c£3.6m.

### **Staff survey – our cultural journey**

- The quality and safety of the care we provide to our patients is inextricably linked to the experience of our staff. It's easy to get caught up in thinking that 'this year has been like no other' and in many ways, that's true - the combined effects of the Covid-19 pandemic and the resulting operational pressures have had, and continue to have, a significant impact on all staff. In response to the Staff Survey results we have set up a "Taskforce" made up of a multidisciplinary team of staff across a wide range of services. This will enable us to focus on the things that matter most and ensure we are able to implement new change ideas. More detail is provided in the Staff Report.

### **Safety**

- This year, we have been continuing our work programme to implement the National Patient Safety Strategy and at the end of the financial year transitioned to the new Patient Safety Incident Response Framework (PSIRF).
- A daily incident response safety huddle has been introduced to review and respond to any immediate safety or wellbeing needs of our staff or patients.
- Our patient safety improvement programme is about maximising the things that go right and minimising the things that go wrong. Improving our safety culture is now embedded within our transition to PSIRF and is included as an identified safety priority.

- We have recently recruited a new full time Freedom to Speak Up Guardian and focused work will begin to improve our “speaking up” culture and we will be measuring this via the Staff Survey results.
- Our Patient Safety Partner continues to support us as a critical friend to our safety improvement programme.

### **Clinical effectiveness**

- We have taken part in ten Commissioning for Quality and Innovation (**CQUINs**) this year focusing our resources on delivering five of those CQUINs; Supporting patients to drink, eat and mobilise after surgery; Prompt switching of intravenous to oral antimicrobial treatment; Identification and response to frailty in emergency departments; Recording of and response to National Early Warning Scores (NEWS2) (clinical observations) for unplanned critical care admissions and Assessment and documentation of pressure ulcer risk
- We carry out **local audits** and link many of our audits to our Silver quality improvement training. We showcase some of our Silver Quality Improvement projects on the Gloucestershire Safety and Quality Improvement Academy pages of the Trust [website](#). Baseline assessments for new and updated NICE guidance are audited to assess compliance.
- We take part in the required **national audits** which include confidential enquiries and have improvement plans in place for any audits where we benchmark as having outlier status.
- We have been supporting a West of England Imaging Network (WoEIN) project to standardise Emergency MRI Provision for Suspected Cauda Equina Syndrome (CES). The Getting it Right First Time (GIRFT) National Speciality Report for Spinal Services made recommendations for national implementation based on findings that many patients with suspected CES were not being referred for onward care in line with agreed protocols.

### **Improving patient experience**

- In July 2023, the Trust received the results of the Cancer Patient Experience Survey, which were above the national average in nine questions. The Trust is working to improve the results for the next year.
- In July 2023, the National CQC Urgent and Emergency Care Patient Experience Survey was published and our experience was rated “about the same” as other Trusts.
- In September 2023, the National CQC Inpatient Survey was published, and our overall experience is “about the same” as other Trusts with areas requiring improvement being around experience of discharge.
- In March 2024, the National CQC Maternity Service Survey was published and we have “about the same” scores for “labour and birth”, “staff caring for you” and “care in the hospital after the birth” sections. We have worked on the national personalisation programme by introducing “This is me” folders and also, we are introducing the “Ask three questions” initiative which supports patient shared decision making.

## **2. Compassionate Workforce**

- Reviewed the local actions required to deliver the NHS Long Term Workforce Plan ensuring we have the right number of people, with the right skills and support in place to be able to provide **Best Care for Everyone**
- The Trust has continued its Ethical International Recruitment, with 135 Internationally Educated Nurses recruited between April 2023 – March 2024.

- A Staff Retention Group was established in late 2023 to drive forward a number of projects to better retain existing colleagues, as well as improve our understanding of the reasons why colleagues are choosing to leave the Trust.
- Contract renewal with Working Well took place in May 2023, which saw the establishment of a formal Partnership Agreement with Gloucestershire Health and Care. This supports the ambition of maintaining one provider for the two Trusts and allows for increased collaboration with the staff health and wellbeing strategy across the Integrated Care System
- The Trust has developed a new Reasonable Adjustments policy.
- Further details are provided in the Staff Report.

### **3. Quality Improvement**

- Sustainability elements have been included in our Bronze, Silver and Gold training courses to encourage consideration of this vital area of work, whether that be as a standalone Quality Improvement (QI) project or with the incorporation of sustainability measures within an existing project.
- Simulation has now been included in the Gloucestershire Safety & Quality Improvement Academy (GSQIA) Silver course, providing participants with the opportunity to 'test' changes in a risk-free environment
- We continue to develop the GSQIA Platinum award, focusing on the structure and governance of QI, within and across departments and specialties.
- Trust CQUINS were supported by the Clinical Effectiveness and GSQIA teams and will continue to be if the CQUIN programme is reinstated in the future.
- Plans are underway to create QI 'drop in' sessions to allow time and space for discussion of any element of the QI process with members of the GSQIA team.
- Our Human Factors training programme has been updated and we now offer: An introduction to human factors and Human factors in practice and 371 staff have now undertaken human factors training.
- Human Factors approaches have now been included into the QI training programmes and system-based tools are now being used with staff to align PSIRF and QI.
- Plans are underway in collaboration with our research colleagues to create a signposting area to support colleagues in deciding the type of project they are planning, and where help and advice can be found (Quality Improvement / audit / service evaluation / clinical trials / research). GSQIA provided training and facilitation support for regional Health Education England Trailblazer projects, with a focus on vulnerable people and frailty.
- We are part of a West of England collaborative looking at standardisation of emergency MRI Provision for Suspected Cauda Equina Syndrome.
- The Emergency Department and Theatres teams were supported to complete linked QI projects through the Silver Collaborative process.
- A Quality Summit process is being developed and tested to enable complex improvement opportunities to be undertaken as part of PSIRF.
- We now have 32 Patient Safety Associates across the trust, who work as a network to support safety focused improvement work.
- We continue to host regular Delivering Improvement Network meetings, allowing QI enthusiasts from across the country and within a range of organisations to discuss, engage and network.
- Our GSQIA Silver projects are all listed on the Trust website.

### **4. Care Without Boundaries**

We continue to play an active leadership role in a number of improvement programmes across Gloucestershire that bring together system partners to improve health and care

services. These include areas such as urgent care, planned care, maternity and support for patients with special educational needs and disabilities. For example:

We are working with the ICB on a programme to consider the most effective models of care for our patients across the primary/ secondary care interface with a focus on improvement in the whole pathway approach. This includes ensuring our clinicians have access to the right tools and information to support decision making, using tools such as Cinapsis to support decision making around admission to hospital, and advice and guidance to support appropriate elective referrals.

Over the last year, the Trust has continued to play an active leadership and partnership role across the One Gloucestershire Integrated Care System. This includes active involvement in both the Integrated Care Partnership and Integrated Care Board that bring partners together to improve health and wellbeing across the County. Through these forums, the Trust has helped to shape the development of key plans (such as the Integrated Care Strategy and Joint Forward Plan) for improving population health in Gloucestershire as well as decisions on where funding for healthcare services in the County is prioritised.

**Urgent Care:** The Trust has been working with partners from across Gloucestershire on a significant programme of work to improve urgent and emergency care services in Gloucestershire. This has included improvements to care outside of hospital that keep people independent for longer at home. The rollout of the Virtual Ward which provides active remote monitoring of patients who would have otherwise been in hospital has been introduced over the last year. The Trust is working with system colleagues and Newton Europe on a whole system transformation programme for Urgent and Emergency Care called 'Working As One'. This is focussed across the whole care journey from pre-hospital, in hospital flow, hospital discharge and appropriate provision of care packages within the community. The learning and improvement from the CQC inspection and subsequent regulatory warning notice referenced in the Report, will serve to help drive our improvement work at pace into the next financial year.

**Planned Care:** The Trust continues to work closely with partners (including NHS Gloucestershire ICB, Primary Care and Independent Providers) to increase the timeliness of care and treatment. We worked with system partners to open the new Community Diagnostic Centre at Quayside House in Gloucester in early 2024 that will offer an additional 80,000 diagnostic appointments a year and continued work with primary care is helping to ensure that specialist advice and guidance is available.

**Virtual Ward -** The Gloucestershire virtual ward offer is a fully integrated design that builds on what is already working in the community setting and links these teams up with the speciality teams within our acute hospital. The development of MDTs across virtual ward pathways in frailty and respiratory have really improved the management of the patient across the community and secondary care interface- with clinicians from both the acute and the community sharing their experience of how this has improved patient care in their areas. This has led to the development of a hub model, which will be staffed by clinicians from across community and secondary care to build on this further.

**Clinical Programme Groups:** The Trust continues to be actively involved in Clinical Programmes that are improving pathways of care for patients, carers and families in Gloucestershire. This includes continued work in areas such as respiratory, diabetes, CVD/Circulatory and Cancer as well as innovative work in areas such as Ophthalmology

which through improving information sharing with community optometry is ensuring that patients receive timely treatment and is correspondingly reducing e-referrals to Ophthalmology ensuring that time can be spent on more complex cases. The clinical programme approach is a system wide approach that has at its core the aim of improving the outcomes and experience across all areas of the patient journey- including prevention, diagnosis, long term management and when needed care in centres of excellence of acute care. GHFT colleagues are active members of a range of clinical programmes working across the spectrum of primary, community, secondary care, voluntary and community sectors – and with members with lived experience- ensures that the whole system works together to improve the outcome for the person and the population we serve.

**Maternity and Neonatal Services:** Over the last year the Trust has been working closely with partners to coordinate a three-year programme of work for maternity services in Gloucestershire. This includes collaborative work with the Local Maternity and Neonatal System (LMNS) that has an important role to play in assuring the quality and safety of maternity services in the County. This is an important area of focus for the Trust and subject to regulatory scrutiny by the CQC as referenced in other sections of this Report.

**Educational Needs and Disabilities:** The Trust has been involved in supporting the improvement of services for people with Special Educational Needs and Disabilities following an inspection of system working in 2023. The Trust has agreed a Designated Medical Officer for SEND that will help to oversee a system wide improvement plan and champion the needs of children and young people.

## 5. Involved People

- The Trust publishes an 'Engagement and Involvement Annual Review' outlining the way in which it has engaged and involved local people and communities over the last year. An annual tracker has also been developed to track progress and impact of engagement within communities.
- A Community Outreach Worker project was introduced, with funding from NHS Charities Together, building relationships with community groups and organisations to improve access to services. The role also links in with key community partners, including Gloucester Young Thinkers. The project ended in March 2024 and as part of the legacy the Trust has permanently recruited into the role.
- Successful public engagement on the Fit for the Future programme, aimed at improving specialist hospital services.
- Election of a chair and deputy chair to our Young Influencers group who are co-opted onto the Council of Governors and election of Chair to be a Governor.
- Continued support of Young Thinkers Gloucester who engage and train children and young people on a wide range of issues.
- Co-designing an approach to improve access to cervical screening in South Asian Women across the county.
- Leading the Enhance pilot project with Health Education England and community partners, focused on improving services for vulnerable and homeless patients attending ED.
- Increasing outreach to vulnerable people, including refugees, with the aim of improving access to services.
- Attending seldom heard groups across Gloucestershire, including Sahara Saheli women's group in West Cheltenham and the Forest of Dean Youth Association.
- Partnership working with Inclusion Gloucestershire and Healthwatch Gloucestershire to prioritise projects raised by their members, ensuring greater collaboration and focus on issues that matter to local people.

<ul style="list-style-type: none"> <li>A total of 68% of staff (over 5475) completed the NHS Staff Survey in 2023, which was the highest number of responses for the Trust and one of the highest for an acute hospital. There was a slight improvement across all of the 'People Promises' and significant work has been led by the Trust Staff Experience Task Force to implement changes staff raised in the last survey.</li> </ul>
<b>6. Centres of Excellence</b>
<ul style="list-style-type: none"> <li>The majority of our clinical reconfigurations agreed in Phase 1 and 2 of our Fit for the Future programmes, have been implemented: Emergency General Surgery, Vascular Surgery, Trauma, Respiratory (including a Respiratory Support Unit) and Cardiology (including two new cardiac catheter labs) to Gloucestershire Royal and Elective Orthopaedics, Gastroenterology and Stroke services to Cheltenham General.</li> <li>The remaining reconfigurations are on track to be implemented in Quarter 3 and 4 of 2024/25; the centralisation of acute medicine at Gloucestershire Royal Hospital (GRH); the opening of a new cardiology/radiology recovery ward, plus a third Cardiac Catheter Lab, two new interventional radiology labs and the expansion of the stroke services at Cheltenham General hospital (CGH).</li> <li>During the past year we have also completed a number of ward moves to; re-balance temporary changes made in response to COVID; improve service co-location; provide a greater separation between emergency and planned surgery and expand our same day emergency care (SDEC) capacity.</li> </ul>
<b>7. Financial Balance</b>
<ul style="list-style-type: none"> <li>Financial surplus over the last three years mainly driven by additional funding to support the cost of covid and national support on flow and winter. The impact of service and operational pressures has seen a deficit of £13.3m (£0.5m vs the NHSE control total) reported at the end of the year following the successful delivery of a number of recovery schemes</li> <li>Continued focus around productivity and financial sustainability as we seek to return to better than pre-pandemic levels.</li> <li>Clear focus on workforce planning, retention and recruitment to minimise the use of high-cost agency.</li> <li>Transparent system working has highlighted key transformational projects to complement system wide financial sustainability.</li> <li>Clear governance process around recognising financial pressures and prioritisation of spend.</li> <li>The collective plan for the Gloucestershire Integrated Care System (ICS) in 2024/25 sees a significant financial, and operational challenge. As a system there is an underlying deficit from 2023/24 of c£107m. For 2024/25 the ICS has submitted a draft financial deficit plan which requires the system to deliver c£69m of sustainability solutions. This represents a significant increase on the level that has been delivered in previous years, representing 5% of the ICS funding allocation.</li> <li>Focused support on areas under significant financial pressure through additional discussion of issues and mitigating actions.</li> <li>Fully resourced and technically skilled project management capacity to support operational and corporate colleagues in identifying, delivering and measuring the output of the financial sustainability programme.</li> <li>Proactive use of benchmarking tools to help maximise our opportunities to drive further efficiencies.</li> </ul>
<b>8. Effective Estate</b>
<ul style="list-style-type: none"> <li>At Gloucestershire Royal Hospital we moved the majority of ED services and the fracture clinic, into an upgraded and improved Emergency Department.</li> </ul>

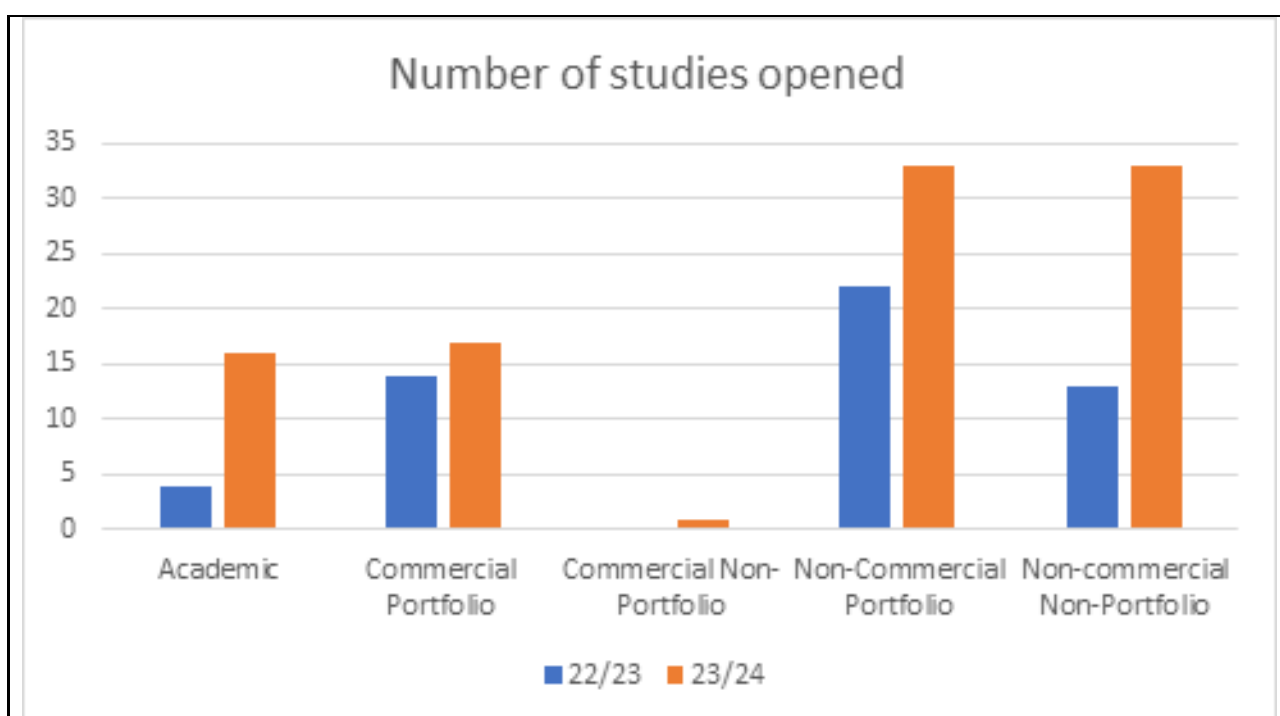
- At Cheltenham General Hospital we opened a new purpose-built Day Surgery Unit and two new theatres
- The Trust's new Cardiac Catheterisation Labs moved from Cheltenham to Gloucester and are now located in the new Image Guided Interventional Surgery (IGIS) Hub. This will offer a 24/7 hub for image guided interventional surgery, comprising interventional radiology, vascular surgery and interventional cardiology.
- A new £15m community diagnostic centre also opened close to Gloucester Quays, enabling patients to access potentially lifesaving checks more quickly, without having to go to hospital, including access to X-ray, MRI, CT, ultrasound, ECHO, and DEXA scanning facilities.
- We addressed over £2M of backlog maintenance work, including delivering year 1 of our 5-year programme to upgrade our electrical infrastructure at both acute sites.
- We held a one-year anniversary event in November to celebrate progress made on our Green Plan. At the event we heard from a range of clinical and support teams and how they had reduced our emissions and environmental impact, including Pharmacy where a switch in inhalers has reduced Co2 emissions, Theatres who have reduced our Nitrous oxide usage, linen and laundry, catering, waste management who have increased our recycling rates and reduced our waste and how an increase in virtual consultations has reduced patient travel.

## **9. Digital Future**

- 2023/24 marked a major milestone in the Trust digital strategy, with the Trust achieving HIMSS (Healthcare Information Management Systems Society) Level 5 (2018 standards) a global digital health standard. Six is the highest standard, and so it is an achievement we are very proud of.
- Continued implementation of the EPR moving into paediatrics, theatres and Allied Health Professionals (AHPs).
- Implementation of the maternity EPR, BadgerNet thereby allowing the maternity department to go paperless allowing improvements in records management and audit capability.
- Implementation of a new Transfusion System linking with the Trust Laboratories system TCLE.
- Continued development of the Data Warehouse and the BI Hub across the Trust, including EPR, TrakCare (PAS and laboratories), Pharmacy, Radiology, Maternity, finance and workforce.
- Implementation of a Virtual Hospital, as part of the system-wide, and national, virtual ward programme.
- IT infrastructure for strategic site developments and wi-fi improvements across the estate including replacement wi-fi in primary care.
- Digital enablement of the Community Diagnostic Centre.

## **10. Driving Research and Innovation**

- Total number of studies set-up during 23/24 was 100, compared to 53 in 22/23. This can be broken down as:



- The number of commercial studies has increased by four compared to 2022/23. Overall, in 2023/24 we had 18 open commercial studies compared to 14 in 2022/23. Proportionally the percentage of current active commercial studies in the portfolio on 31 March 2024 is 21%.
- The number of direct Expressions of Interest (EOI) received increased during 2023/24 to 398 compared to 189 in 2022/23. We returned 96 completed EOIs to the Network in 23/24 compared to 23 in 2022/23. We have been site selected for 93 studies currently and 37 are open.
- 1522 participants were recruited to clinical trials this year compared to 1355 in 2022/23; this is despite having less high recruiting studies (>100) this year; two compared to six in 2022/23.
- MedTech Bridge with Singapore opened this year generating 43 commercial contract research opportunities, the first is opening for recruitment in May 2024.
- The Health Innovation Lab was launched in July 2023 and has been working on a programme of challenge-led innovation projects in collaboration with the Trust, ICS, Academia, Industry partners and local government.
- The R&I department was successful in its application to the Clinical Entrepreneur Programme InSites scheme
- We are delighted to be running the first in-vivo Raman spectroscopy research trial in the UK. A novel miniature device has been developed that slides through the biopsy channel of an endoscope to the surface of the oesophagus to make near instant assessment of its condition, potentially removing the need for biopsies.

## Capital Investment Programme

This has been a busy year for the Capital Team, with most of the allocation being spent on ongoing projects but with just under thirty other projects that were completed in year or initiated in 2024-2025.

Whilst much of the capital programme was funded by the system capital allocation. The Trust continued to respond to applications to NHS England and other national Grant funds to secure capital to invest in our estate, equipment and digital infrastructure.

The major capital projects in terms of in year spend within the 2023/24 financial year were:

- Community Diagnostic Centre = £8.5m  
The opening of a new facility at Quayside in Gloucester, funded by national programme allocation which will see more than 80,000 extra diagnostic appointments each year, allowing patients across Gloucestershire to access potentially lifesaving checks more quickly, without having to go to hospital.
- Fit for the Future (IGIS) = £8.4m  
The IGIS scheme is moving along at pace and is due for overall completion later in the year. The first two phases are complete – Ultrasound, Xray the new Gamma Camera facility in Nuclear Medicine and the first two Cath Labs are now all operational. In the remaining areas of the second stage most of the partitions in Recovery are completed, and the leadwork in the Imaging area is progressing.
- PSDC 3a SALIX energy efficiency scheme = £6.7m  
The façade engineering works to the GRH Tower Block which are being carried out under the Public Sector Decarbonisation Scheme are progressing although due to nesting peregrine falcons delays have been encountered which will impact the completion of the programme in 2024/25.
- Gloucestershire Hospitals Strategic Site Development = £5.1m  
The completion of the final phases of the Strategic Site Development project were completed during the 2023/24 with the conclusion of works in the CGH Theatres, the GRH emergency department and Acute Medical Unit.

## Patient Experience

### *Improving experience of care - Insight, Involve, Improve*

Every individual sees the world through their own lens. In healthcare, the perspectives of patients and families are often different from those who deliver care. Listening to people's experience of care – and to the views of the staff who provide it – plays a crucial part in delivering safe, effective and continuously improving services. Quantitative and qualitative insight and feedback helps our staff to know what we are doing well (and the things we should keep on doing) as well as what we need to change.

Good experience of care, treatment and support are essential parts of our service alongside clinical effectiveness and safety. Experience insight does not come from a single source. We have to utilise mixed methodologies to meet the needs of users of our services. Insight can tell us things that other performance data cannot, it enables us to understand how people have felt about their experience. We know that patients can have a positive clinical outcome but report a poor experience and vice versa. It is about understanding both the functional elements of healthcare and the relational elements. By understanding and responding to both we can deliver high quality care.

We gather and use feedback or insight data in lots of ways to help us improve the experiences of our patients, carers, staff and visitors, including:

- The use of surveys, both local, national and the friends and family test. These are delivered using a range of formats including electronic and paper-based methods;
- Listening to what our patients tell us in person at community events, in our wards and departments, on social media, via email and through system partners;
- Listening and improving in response to our feedback given to the Patient Advice and Liaison (PALS) and Complaints Services;
- Holding meetings with patient groups (focus groups) and community groups to better understand experiences and delve more deeply into the insight data;
- Seeking 'patient stories' (asking patients to give us an in-depth account of their experience to help us understand the issues better) to begin some of our Public Board sessions;
- Shadowing and observations our patients and their environment who then assist us with co-designing our services;
- Using insight experience data, not just to respond to when things have gone wrong, but to shape what 'excellent' looks like and things we could do better: our patients often suggest better ways of doing things, simple ideas to make it a better experience for them;
- Carrying out quality improvement project work supported by Gloucestershire Safety and Quality Improvement Academy (GSQIA) with the Patient Experience Improvement Team leading.

## **Improving experiences of care through Stakeholder Relations**

The Trust remains absolutely committed to meaningful patient and public involvement. We have all used NHS services at some point in our lives as patients or carers, friends or family, and it plays a vital role in our daily lives and is an important part of the Gloucestershire community. Our focus on building relationships with local communities and ensuring we really understand what matters most to people is enshrined in our Engagement and Involvement Strategy.

In addition, each year we publish our Engagement and Involvement Annual Review, which provides a detailed outline of our work, the impact it has made and our priorities for the next year. We will also publish our annual Engagement and Involvement Tracker, detailing the thousands of opportunities to listen and work with people and groups on key issues. Both reports can be found here: <https://www.gloshospitals.nhs.uk/about-us/reports-and-publications>.

One of the key developments in the last year was the appointment of a Community Outreach Worker role, which is funded by NHS Charities Together. Since May 2022 the Outreach Worker has been able to be part of 58 groups and community events, engaging with over 8,700 people and helping the hospitals to focus on where we can improve access to services, increased planned care appointments, reduce the need for emergency attendance, building links with Voluntary and Community Services and working on improving the experience of seldom heard groups and people from ethnic minority backgrounds.

## **Consultation and Involvement**

The Trust has undertaken the following activities to engage with partners, patients, and the public to help improve our services:

- Election of the chair of our Young Influencers group onto the Trust Council of Governors.
- Continued support of Young Thinkers Gloucester who engage and train children and

young people on a wide range of issues.

- Co-designing an approach to improve access to cervical screening and breast screening in South Asian Women across the county.
- Led the Enhance pilot project with Health Education England and community partners, focused on improving services for vulnerable and homeless patients attending the Emergency Department.
- Increasing outreach to vulnerable people, including refugees, to improve access to services.
- Development of joint Gloucestershire remuneration and reimbursement guidance for public and patient engagement ensuring individuals and groups are appropriately reimbursed for their involvement,
- Attending seldom-heard groups across Gloucestershire, including Sahara Saheli women's group in West Cheltenham and the Forest of Dean Youth Association.
- Partnership working with Inclusion Gloucestershire and Healthwatch Gloucestershire to priorities projects raised by their members, ensuring greater collaboration and focus on issues that matter to local people.
- Successful 75 Anniversary Windrush celebrations across Gloucestershire and NHS 75 anniversary.
- Delivered the first-ever Trust Iftar for staff, with over 400 staff attending four events in 2023 and 2024.
- Led the community-led health research for the Submergence Project in collaboration with Squid-Soup, NHS Charities, GHT, working with Sahara Saheli women's group in West Cheltenham, South Asian Elderly Women Group at Friendship Café, All-Nations Community Centre, Ebony Carers, Gloucester to collate feedback from minority groups.
- Community-led research for Diabetes UK Project with Professor Peter Scanlon, Consultant Ophthalmologist Gloucestershire & Oxford Eye Units working with All-Nations Community Centre, Ebony Carers, South Asian Men's Group (SAM), community members with Diabetes, recruited through community links and on the Manny Masih show on GFM Radio, to collate feedback from minority groups.
- Collaboration with Mindsong (a Gloucestershire charity reaching people with dementia through music and song), the South Asian Elderly Women Group, and Gloucester Chinese Women's Guild to raise awareness of dementia support where Mindsong data showed low engagement and uptake of the service from minority groups. The final video can be found here: <https://www.youtube.com/watch?v=-yRgSNENeys>

The Trust is also an important part of the One Gloucestershire Partnership, which is made up of other health, social care and Voluntary and Community Sector (VCS) organisations.

As a Trust we will continue to improve the way we work with local communities strengthening our work and demonstrating the difference involving people makes in shaping services and decision-making. As the needs of our local communities and population change, we will continue to work together to establish how best to meet new challenges. We also need to recognise the contribution from our patients, staff and community partners who have worked with us in supporting the organisation over the last year.

### Quality Account

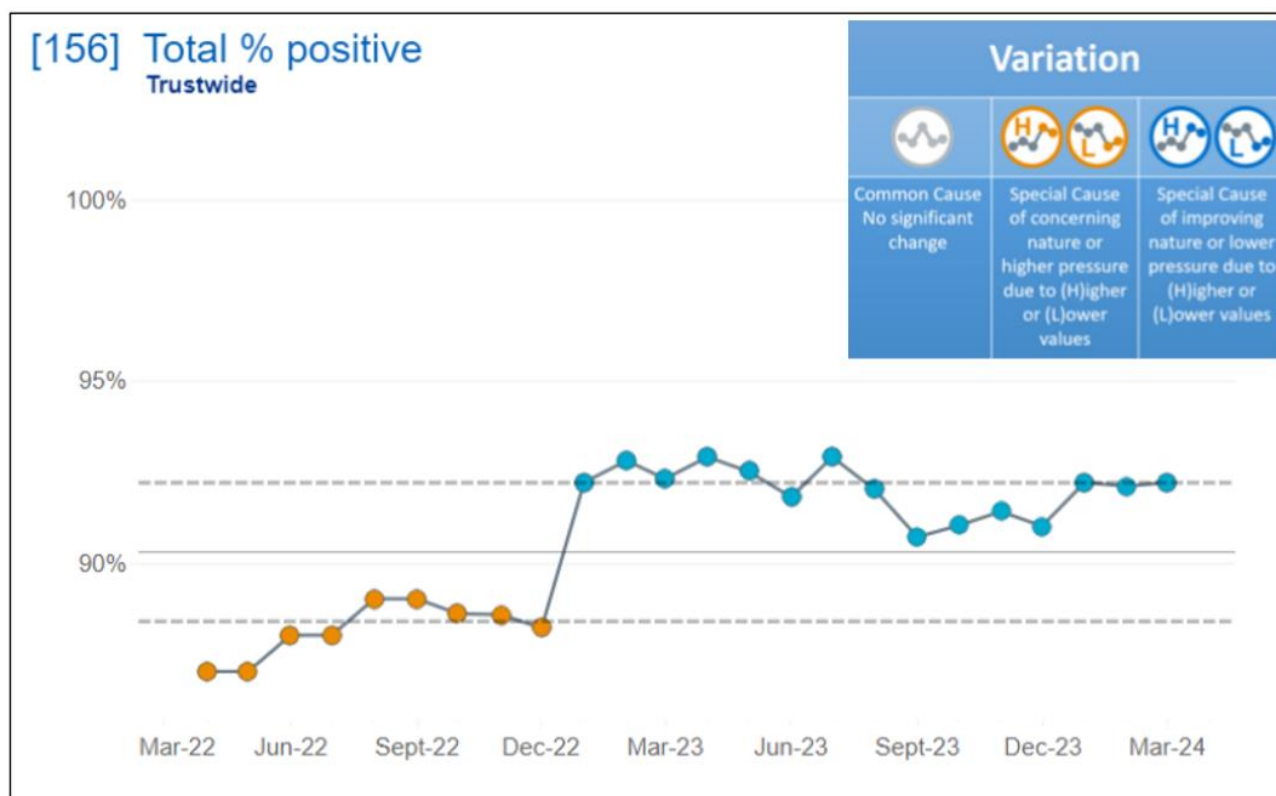
In our annual Quality Account for 2023/24 we have provided information about how we have improved experience within our quality priority areas. A summary of how we have performed is provided below:

## **Friends and Family Test (FFT)**

### *Friends and family test positive scores*

<b>Positive Score</b>	<b>2022/23</b>	<b>2023/24</b>	<b>Commentary</b>
<b>Overall score</b>	<b>89.7%</b>	<b>91.9%</b>	A positive increase in overall score which is as a result of improved scores in both inpatients, emergency department and outpatient scores.
Inpatient	89.6%	91.8%	A positive increase in overall score which we aim to continue and improve upon into the next year. Further improvement work to end boarding in our corridors and improve the discharge experiences of our patients will hopefully support this aim.
Emergency Department	71.2%	77.8%	Regular review and response to patient feedback has enabled our Emergency Department team to improve their overall score compared to the previous year. The completion of building works, support of volunteers and a focus on the flow of patients through our hospitals have supported this improvement.
Outpatient	93.9%	94.3%	Outpatients have increased their score and some of the recovery plans have enabled this, however, further planned improvements in this area in the coming year including the introduction of the Patient Experience Portal will hopefully see further increases.
Maternity	86.9%	82.3%	Challenges with staffing has led to a decrease in positive reported experience. Planned improvements began during the year but not enough time has elapsed to see the benefits of these projects. We anticipate improvements in score in the coming year.

**Graph:** Trust wide Friends and Family Test % total positive score movement from 2022 to 2024



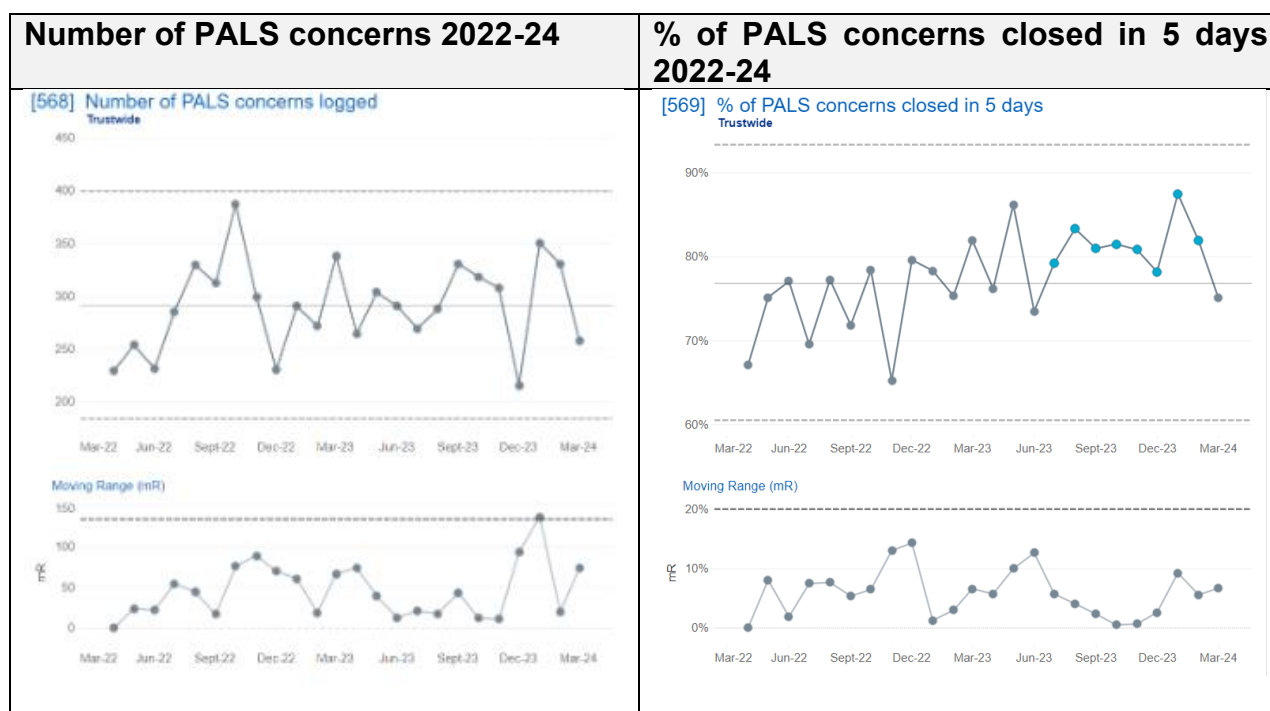
### Patient Advice and Liaison Service (PALS)

Our PALS Team offer confidential advice and support to our patients and their carers, helping people resolve any concerns they may have about the care we provide. PALS pass on patients' comments to the right people and answer enquires in an empathetic, efficient and professional manner. We work closely with colleagues around the Trust to ensure that any issues raised are resolved and we aim for 75% of these to be resolved within five working days.

In 2023/24, we had a total of 3568 concerns raised, 573 compliments and 2886 enquiries received by the Team giving a total of 7027 (6963 2022/23).

In 2023/24 the team met or exceeded the 75% target of closing cases in five working days for 11/12 months. Recruitment plans were delivered to increase capacity and resilience within the team which saw an improved response despite an increase in concerns and contacts to the service as a whole.

**Graphs:** Number of logged PALS concerns and percentage of PALS concerns closed in five days from 2022 to 2024



The themes of the concerns are reviewed within the Divisions providing the care and exceptions are reported to our Quality Delivery Group and for assurance to the Quality and Performance Committee. The Trust Board have oversight of the number of concerns raised as this is reported in our Quality and Performance Report. Improvement work to address concerns is described above.

Out of the concerns raised the main issues identified were:

- Appointments including availability, failure to provide follow up and cancellations. The introduction of the Elective Care Hub has enabled an oversight of those waiting for elective care and to ensure that appointments are provided based on clinical need. Further national initiatives to enable patients to seek to move their care to another provider, if appropriate, where a shorter waiting time is available.
- Communication both with the patient and with relatives and carers
- Delay in giving information/ results
- Delay or failure in treatment/procedure
- Discharge arrangements including lack of or poor planning

The impact of industrial action throughout the year and continued recovery post covid is seeing pressures on our outpatient and elective offer. We have also seen challenges with flow through our hospital adding pressure to services.

## National Survey Programme

All eligible NHS trusts in England participate in the Care Quality Commission (CQC) NHS Patient Survey Programme, asking patients their views on their recent health care experiences. The findings from these surveys provide organisations with detailed patient feedback on standards of service and care, and can be used to help set priorities for delivering a better service for patients. The survey results are also used by the CQC to

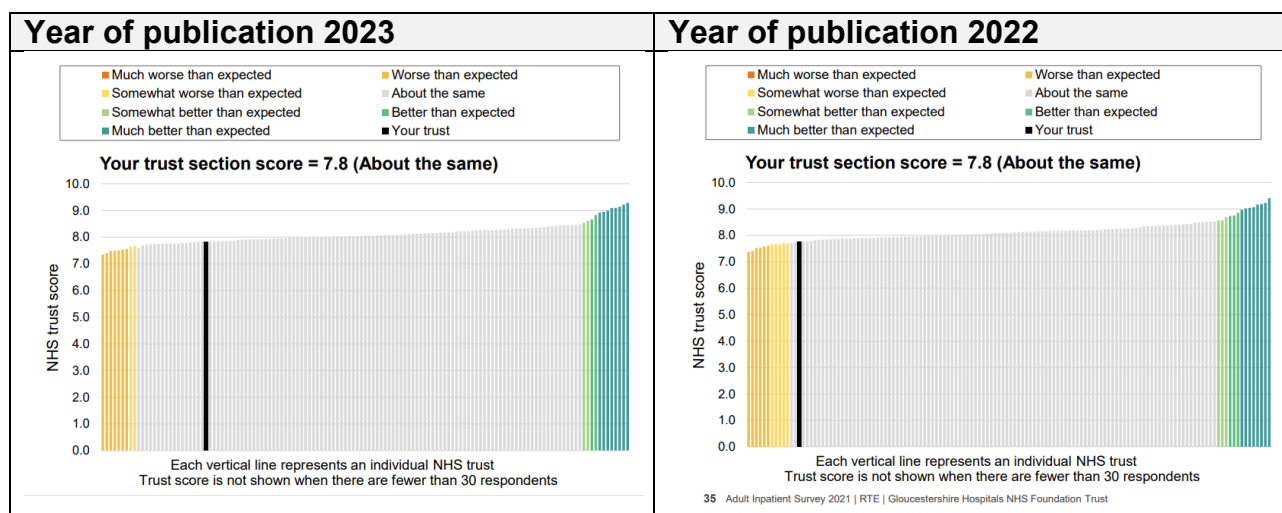
measure and monitor performance at both local and national levels. This report outlines below the results and our response to each CQC NHS Patient Survey published during the year 2023/24 only.

### National Inpatient Survey (latest information available)

Trusts sampled patients who met the eligibility criteria and were discharged from hospital during November 2022. Trusts counted back from the last day of November 2022, sampling every consecutively discharged patient until they had selected 1,250 patients. Fieldwork took place between January and April 2023. We achieved a response rate of 39% (national average 40%) and 78% of participants said they have a physical or mental condition, disabilities or illness that have or are expected to last 12 months or more.

Overall we scored 'about the same' as other Trusts nationally and saw a slight improvement in position compared to 2022

**Graph:** CQC National Survey results benchmarking score for overall experience for publication years 2023 and 2022



In summary, in 2023 we scored comparatively to other NHS Trusts

- 'about the same' in 42 questions
- 'somewhat worse than expected' in two questions
- 'worse than expected' in one questions

The two questions we scored 'somewhat worse' on were:

- Q8. How clean was the hospital room or ward that you were in?
- Q47. During your hospital stay, were you ever asked to give views on the quality of your care?

The question we score 'worse' in was:

- Q42. Did hospital staff discuss with you whether you may need any further health or social care services after leaving hospital?

The table below shows where the Trust is providing better patient experience, and where patient experience could be improved:

#### Where patient experience is best

- ✓ Help with eating: patients being given enough help from staff to eat meals, if needed
- ✓ After the operation or procedure: patients being given an explanation from staff of how their operation or procedure went
- ✓ Taking medication: patients being able to take medication they brought to hospital when needed
- ✓ Waiting to be admitted: patients feeling that they waited the right amount of time on the waiting list before being admitted to hospital
- ✓ Answers to questions: doctors answering patients questions in a way they could understand

#### Where patient experience could improve

- Further health or social care services: patients being given information about further health or social care services they may need after leaving hospital
- Equipment and adaptations in the home: hospital staff discussing if any equipment or home adaptations were needed when leaving hospital
- Noise from other patients: patients not being bothered by noise at night from other patients
- Feedback on care: patients being asked to give their views on the quality of their care
- Waiting to get to a bed: patients feeling that they waited the right amount of time to get to a bed on a ward after they arrived at the hospital

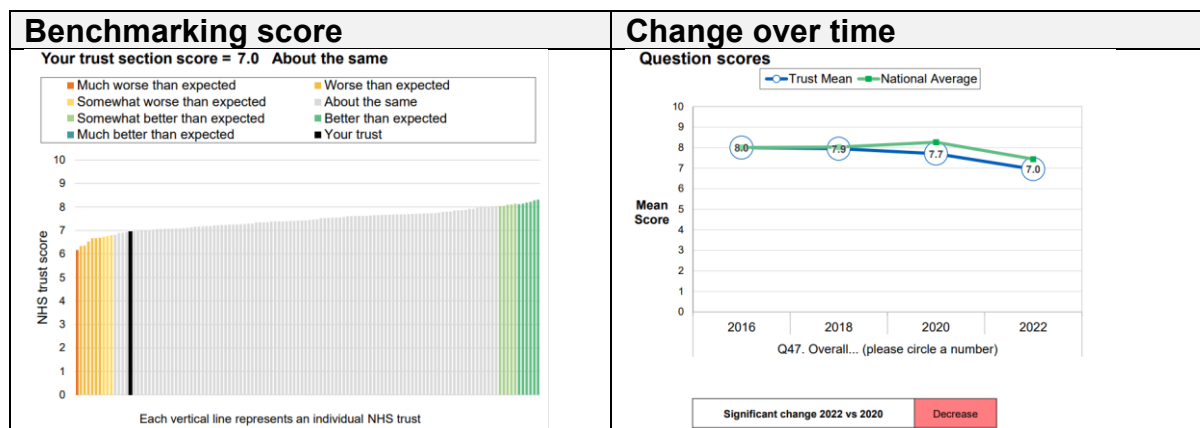
The Trust has improvement programmes in place. For cleaning standards we are working with Gloucestershire Managed Services our subsidiary organisation, to improve cleaning standards. We have a large quality improvement programme underway to improve the experiences of our patients at discharge. With regards to being asked to give views, we have increased the number of people included in the FFT and the number of responses has been increasing to us now receiving around 10,000 individual items of feedback per month. Some further work is required to understand why we have scored somewhat worse than expected for this question.

### National Urgent and Emergency Care (UEC) survey

Patients were eligible for the survey if they were aged 16 years or older and had attended UEC services during September 2022. As a Trust responsible for Type 1 departments only we created a random sample of 1,250 patients. Questionnaires and reminders were sent to patients between November 2022 and March 2023.

Overall, our organisation scored 'about the same' as other Trusts. However, we have seen a significant decrease in score in overall experience compared to the previous year.

**Graph:** CQC National Survey results benchmarking score (how the Trust performed against other Trusts nationally) and change over time (how the Trust compared against its scores in previous years) for overall experience for publication year 2023.



In summary, in 2023 we scored comparatively to other NHS Trusts

- 'about the same' in 30 questions
- 'somewhat worse than expected' in four questions
- 'worse than expected' in three questions

The questions we scored 'somewhat worse' on were:

- Q10. Were you kept updated on how long your wait would be?
- Q11. While you were waiting, were you able to get help with your condition or symptoms from a member of staff?
- Q24. If you needed attention, were you able to get a member of medical or nursing staff to help you?
- Q46. Overall, did you feel you were treated with respect and dignity while you were in A&E?

The questions we scored 'worse' in was:

- Q6. Were you given enough privacy when discussing your condition with the receptionist?
- Q9. Were you informed how long you would have to wait to be examined?
- Q31. In your opinion, how clean was the A&E department?

The table below shows where the Trust is providing better patient experience, and where patient experience could be improved:

#### Where patient experience is best

- ✓ **Information sharing:** Health or social care staff having information about patients' visit to A&E
- ✓ **Communication:** Doctors or nurses talking to each other as if patients aren't there
- ✓ **Further care:** Staff discussing with patients whether they need health or social care services after leaving A&E
- ✓ **Communication:** Patients experiencing some staff saying one thing, and other staff saying something different
- ✓ **Safety:** Patient perception of feeling threatened by other patients or visitors

#### Where patient experience could improve

- **Help while waiting:** Patients being able to get help with their condition from staff
- **Privacy:** Patients being given enough privacy when discussing their condition with receptionist
- **Waiting:** Patients being informed of how long wait to be examined will be
- **Medication:** Staff telling patients about medication side effects to watch out for
- **Staff responsiveness:** Patient being able to get help from staff if they needed attention

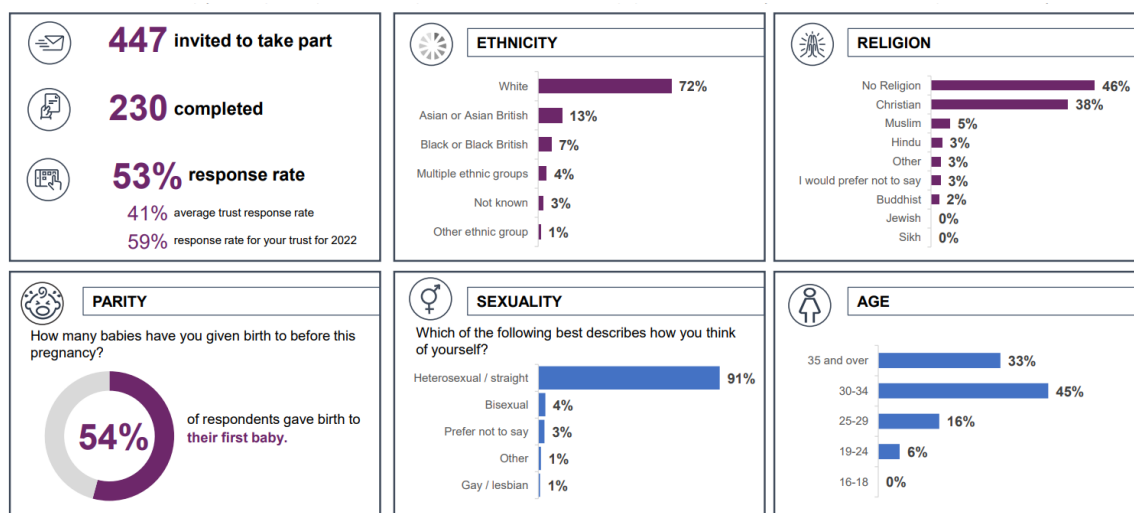
Those patients sampled as part of this survey will have used the services while Gloucestershire Royal Hospital Emergency Department was undergoing extensive building work which did impact on the experiences of our patients. This building work has now been completed and our FFT scores are an indicator in understanding patient's experiences.

The FFT scores are now showing a slightly improved picture. Flow through our hospitals still remain a challenge and various programmes of work are in place to support this. The Trust has improvement programmes in place including working with GMS to improve cleaning standards.

## National Maternity Survey (latest information available)

Individuals were invited to participate in the survey if they were aged 16 years or over at the time of delivery and had a live birth at our Trust between 1 February and 28 February 2023.

Our Trust took part in the ethnicity booster element of the survey meaning all eligible individuals from ethnic minority backgrounds, who had a live birth between 1 and 31 January and 1 and 31 March 2023 were invited to participate. Fieldwork took place between May and August 2023. A summary of who took part is below.



Overall, we scored 'about the same' as other Trusts.

In summary, in 2023 we scored comparatively to other NHS Trusts

- 'about the same' in 52 questions
- 'somewhat better than expected' in 1 question
- 'somewhat worse than expected' in 1 question

The question we scored 'somewhat better' on was:

D6. Thinking about your stay in hospital, if your partner or someone else close to you was involved in your care, were they able to stay with you as much as you wanted?

The question we scored 'somewhat worse' on was:

B15. During your pregnancy did midwives provide relevant information about feeding your baby?

The table below shows where the Trust is providing better patient experience, and where patient experience could be improved:

**Table: CQC National Maternity Survey things to celebrate and things to improve**

### Results for Gloucestershire Hospitals NHS Foundation Trust

#### Where maternity service users' experience is best

- ✓ Partners or someone else involved in the service user's care being able to stay with them as much as the service user wanted during their stay in the hospital.
- ✓ Maternity service users being able to see or speak to a midwife as much as they wanted during their care after birth.
- ✓ During antenatal check-ups, maternity service users being given enough information from either a midwife or doctor to help decide where to have their baby.
- ✓ Maternity service users (and / or their partner or a companion) being left alone by midwives or doctors at times when it worried them during labour and birth.
- ✓ Maternity service users feeling that if they raised a concern during labour and birth it was taken seriously.

#### Where maternity service users' experience could improve

- Midwives providing service users with relevant information, during their pregnancy, about feeding their baby.
- Maternity service users being able to get a member of staff to help when they needed it while in hospital after the birth.
- Maternity service users being given appropriate information and advice on the risks associated with an induced labour, before being induced.
- Maternity service users receiving help and advice from a midwife or health visitor about feeding their baby in the six weeks after giving birth.
- Maternity service users being able to get support or advice about feeding their baby during evenings, nights, or weekends, if they needed this.

The Trust has improvement programmes in place including resourcing an infant feeding specialist midwifery team to support infant feeding. There has been an increase in staffing numbers to support all areas of the service and a programme of work to review the induction of labour pathway leading to a safer decision making. Our continued work to support partners to stay overnight has led to us shifting this question from one of our worst performing areas to now one of our top. We have also restructured our processes to ensure that the voices of those using our maternity services are heard, responded to, learning taken and improvements monitored.

We are welcoming the upcoming changes to the National Maternity Survey to also include Neonatal care where applicable.

### Information on complaints handling

#### Accountability for Complaints

The Head of Complaints and Patient Safety Investigations is responsible for ensuring that:

- All complaints are fully investigated appropriate to the complaint
- All complaints receive a comprehensive written response from the Chief Executive or their nominated deputy in their absence
- Complaints are responded to within local standard response times of 35 or 65 days
- Where the timescale cannot be met, an explanation is provided and an extension agreed
- When a complaint is referred to the Parliamentary and Health Service Ombudsman (PHSO), all enquiries are responded to promptly and openly

Our complaints team have seen a further 17% increase in complaints in 2023/2024 compared to 2022/2023. Our PALS team has also seen an increase in contacts.

The introduction of a Patient Safety Investigation Manager (Complaints) has enabled a better alignment of the investigation of serious complaints with serious incidents. The development of specialist investigators is a key theme of the National Patient Safety Strategy and the new Complaints Standard Framework.

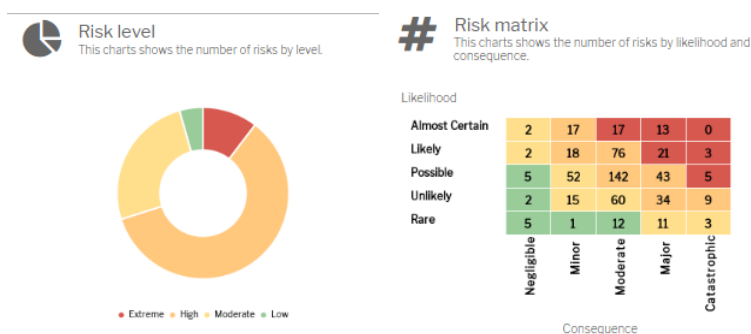
## Risk Profile

The Trust and GMS (the Group) operate three levels of risk register (speciality, divisional and Trust). The appropriate register for a risk is determined by the Trust Risk Appetite as shown below and risks are reviewed at prescribed periods as defined in the Risk Management Strategy.

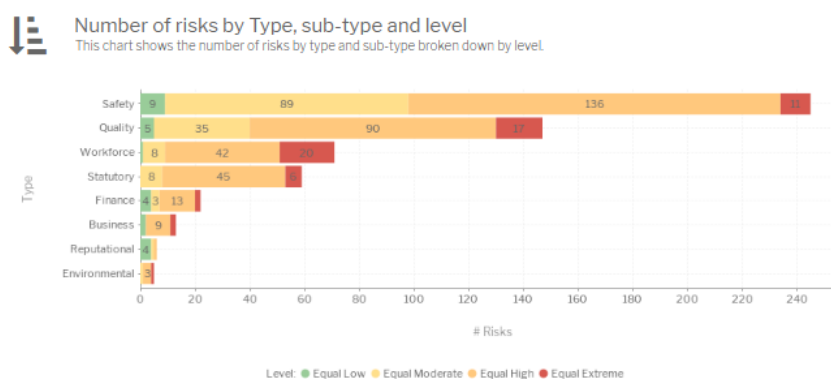
Category /Domain	Specialty	Escalate to Division	Escalate to Trust
Workforce	1-6	8	10 or above
Safety	1-6	8-10	12 or above
Environment	1-6	8-10	12 or above
Quality	1-6	8-12	15 or above
Finance	1-6	8-12	15 or above
Business	1-6	8-12	15 or above
Statutory	1-6	8-12	15 or above
Reputational	1-6	8-12	15 or above
Any domain		Consequence of 5 and likelihood of 1	Consequence of 5 and likelihood of 2

Risk Appetite

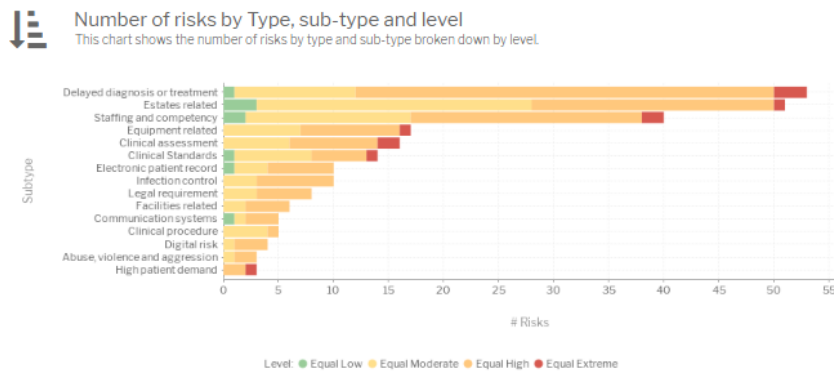
The Group combined have over 500 active risks on the risk register. 60% of risks are scored with a high risk retain between 8 and 12, with a further 10% of risks rated extreme with a score between 15 and 20. The remaining 30% or risk are either low or moderate.



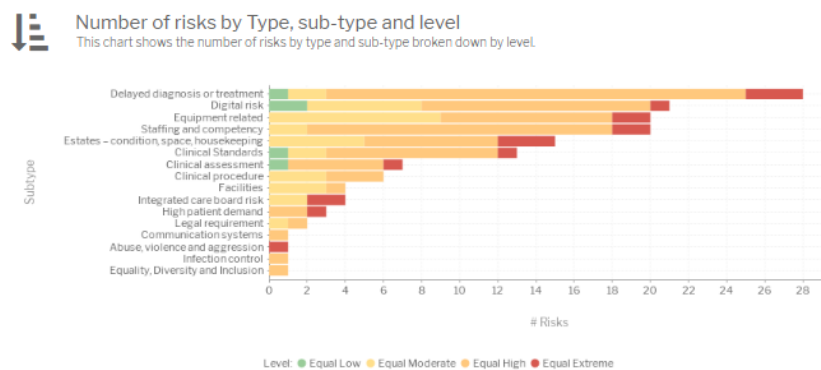
Risks are recorded by a type (domain), with majority of risks within the Group profile falling under safety and quality. However, as shown below, workforce risks account for the largest number of extreme scoring risks on the register.



The risk profile under the safety domain, indicates that safety risks are predominantly related to delayed diagnosis (patient safety), estates related risks and staffing and competency concerns. This is also reflected in quality risks which are focussed on delayed diagnosis, and estates but also highlight digital risks and equipment related risks.

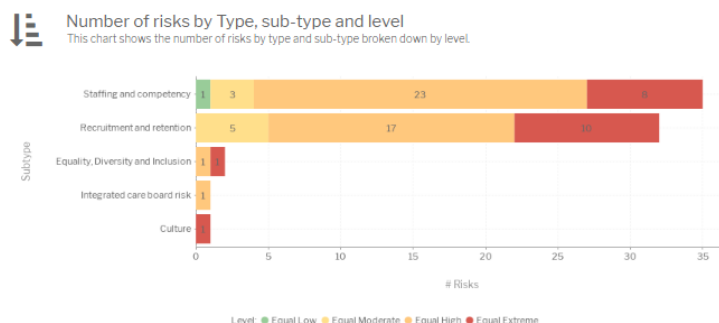


Safety risk sub-types



Quality risk sub-types

Workforce risks are dominated by staffing and competency concerns, but also relate to the wider recruitment and retention elements of our workforce.



Workforce risk sub-types

With the introduction of DATIX Cloud in January 2024, changes in risk scores can now be monitored via the reporting function and risk escalation is managed through the new online escalation feature.

## High Scoring Risks

There are five risks on the Trust Risk Register scoring 20. These include the recruitment risk for nursing and allied health care professionals, overcrowding in minors, insufficient midwives, nursing vacancies and missed trimester screening. The hospital flow risk, and inability to discharge medically fit patients also remain a concern at a rating of 16. Ambulance handovers have improved as a result of the introduction of corridor care on wards (known as boarding). However, boarding in itself carries a risk rating of 16. Other risks rated 16 include staffing in emergency obstetric theatres, the fractured neck of femur pathway, ventilation in theatres, follow up delays on ophthalmology and medical capacity in haematology outpatients.

## Key Performance Indicators

The Key Performance Indicators (KPIs) apply to the Group and are monitored on a monthly basis for risk and incidents by Risk Management Group (RMG) and at the divisional risk meetings. In 2022, an interim suite of KPIs were approved by RMG, Board and the Audit and Assurance Committee in anticipation of the Trust's transition to the Patient Safety Incident Response Framework (PSIRF). These reflected the beginning of the process of embedding a risk-based approach to managing incidents.

The interim KPIs are designed to refocus work on priority and high-risk incidents, particularly those with the potential for local, organisational and system-wide learning and improvement. PSIRF has not yet been fully introduced but it is expected that the incident KPIs relating to patient safety incidents will be reviewed in the summer of 2024 with a view to ensuring that these drive improvement work in identified areas across the Trust. To avoid delay, the risk KPIs were reviewed by RMG in April 2024 and additional performance data is being trialled using new data available via the new Cloud system.

The current KPIs and end of year performance (March 2024) are as follows:

KPI	Data Evidence	RAG Rating	Performance at year end 2023/24
<b>KPI:</b> All risks must have relevant controls identified	Risks without identified controls as % of all live risks in division / Trust	5% or less 6-25% 26% or more	0%
<b>KPI:</b> All risks must have actions	Risks without identified actions as % of all live risks in division / Trust	5% or less 6-25% 26% or more	29%
<b>KPI:</b> All risks must be reviewed by the specified review date	Risks not reviewed by due date as % of all live risks in division / Trust	5% or less 6-25% 26% or more	43%

Investigation KPIs and end of year performance (March 2024) are as follows:

KPI	Data Evidence	RAG Rating	Performance at year end 2023/24
<b>KPI:</b> All incidents reported as moderate harm and above should be reviewed within 7 days (e.g., moved to investigation status, approval status or closed within 7 days)	Moderate / major harm incidents not reviewed within 7 days as % of those reported in the 7-day reference period	5% or less 6-25% 26% or more	12%
<b>KPI:</b> All no and minor harm incidents with a high or extreme risk rating should be reviewed within 7 days	No and low harm incidents with high or extreme risk not reviewed within 7 days as % of those reported in a 7-day reference period	10% or less 11-25% 26% or more	60%
<b>KPI:</b> All no and minor harm incidents under investigation with a high or extreme risk rating should be completed within 30 days	No and minor harm incidents with a risk rating of high or extreme not investigated as % of number reported in rolling 12 months period	10% or less 11-25% 26% or more	10%
<b>KPI:</b> All priority moderate harm and above investigations (excluding declared as a Duty of	Priority moderate+ harms not investigated as % of number reported in rolling 12-	10% or less 11-25% 26% or more	14%

Candour or Serious Incident) falling into the following categories should be investigated within 60 consecutive days: <ul style="list-style-type: none"> <li>Care, monitoring and review incidents</li> <li>Diagnosis and assessment incidents</li> <li>Falls</li> <li>Hospital acquired pressure ulcers</li> <li>Maternity foetal incidents</li> <li>Maternity maternal incidents</li> <li>Medication incidents</li> </ul>	month periods (exc. Duty of Candour or Serious Incident)		
<b>KPI:</b> All declared DOCs should be investigated within 60 working days of declaration	DOCs not fully investigated as % of number declared in rolling 12 months periods	10% or less 11-25% 26% or more	5%
<b>KPI:</b> All incidents declared a Serious incident should be investigated within 60 working days of the declaration or by any extension date agreed by ICB	SIs not fully investigated as % of number declared in rolling 12 months periods	10% or less 11-25% 26% or more	8%
<b>KPI:</b> All health and safety harm incidents affecting staff should have contributory factors identified on the incident in DATIX	Health and safety harm incidents closed with no contributory factors identified as % of total closed in last month	10% or less 11-25% 26% or more	0%

## Financial Performance

### Trust's Financial Performance

In 2023/24 the Trust, like others across the NHS, has continued to work with significant pressures across emergency and elective services. Whilst the Trust set out plans to deliver more elective services to reduce backlogs and waiting times for our patients these plans were unfortunately disrupted by the industrial action episodes that occurred during the year.

When combined with recruitment challenges faced by the Trust this has led to a higher use of agency and bank staff to cover operational areas. At the same time the Trust has been managing a high level of patients who are medically fit for discharge who have remained in our hospitals due to a lack of suitable support for them in the community. As a consequence, this has led to the need for escalation areas and the loss of beds for elective activity in order to care and accommodate medically sick patients.

Payments to the Trust from commissioners for patient care activity were made using Aligned Payment Incentive (API) contracts. In simple terms these comprise a fixed payment element (approx. 70%) to cover non elective services and a variable element (approx. 30%) for elective services.

In addition, Integrated Care Systems (ICS) were able to earn additional funding from the Elective Recovery Fund by achieving a set of nationally identified targets for elective activity (including outpatients, day cases and inpatients). In Gloucestershire the Integrated Care System was able to earn additional funding which the Trust received a share of and used

this to support unplanned pressures, escalation areas and to implement plans to support elective recovery (£3m), in addition to this value a further £7.5m supported baseline costs from the ICB.

During the year the Trust has faced material financial challenges:

- Recruitment issues leading to increased temporary staffing costs.
- A challenging financial sustainability programme.
- Escalation capacity issues due to no criteria to reside levels.
- Increased mental health presenting patients leading to increased mental health nursing costs.
- Additional costs from industrial action.
- Non pay inflation costs, in particular relating to energy costs.

Upon identification of these pressures the Trust put support arrangements in place to focus on the drivers and available actions to address these – with actions being undertaken both by the Trust and by system partners, which include the ICS, Gloucester Health and Care (community and mental health provider) and the Council. Actions included: Operational expenditure reviews with divisions; System level expenditure reviews to identify opportunities; Impact of workforce plans and temporary staffing arrangements; Review of balance sheet and one-off opportunities.

Through the use of non-recurrent measures (including one-off savings, slippage on investments, release of balance sheet items (where charges are no longer required)), one off income, the Group position has been able to deliver a £0.5m deficit position for 2023/24 (£50k surplus 2022/23) – this is in comparison against the adjusted financial position which NHS England monitor against. When compared against the statutory reported position there is a deficit of c£13.3m for the Trust (prior year £5.2m deficit).

A summary of the adjusted financial performance of the Trust is shown below:

All £'000s	2023/24	2022/23
Income	801,401	731,793
Expenditure	814,718	736,962
Operating surplus / (deficit) for the year from the SOCI	-13,317	-5,169
Adjustments for impairments	18,106	8,205
IFRIC 12 adjustments	1,783	0
Remove capital grants and donations	-7,107	-2,985
Surplus / (deficit) against the control total	-535	51

2023/24 sees the NHS continue to utilise a pre-pandemic financial framework with continued focus on the use of aligned payment incentive (API) contracts. Operational targets have been set, recognising the service pressures that exist in non-elective care, whilst seeking to support the recovery of elective services above pre-pandemic levels.

Planning for 2024/25 has continued to be undertaken on the basis of a system approach. The ICS in Gloucestershire continues to look at sharing resources across its ICS partners on the basis of supporting costs after taking out of area and non-patient care income into consideration.

The collective plan for the Gloucestershire Integrated Care System (ICS) in 2024/25 sees a significant financial, and operational challenge. As a system there is a material underlying deficit from 2023/24. For 2024/25 the ICS has submitted a financial plan with a break-even position which requires the system to deliver c£93m of sustainability solutions. This is a significant increase on the level that has been delivered in previous years and represents c6% of the ICS funding allocation. If the recurrent solutions are delivered this would leave an underlying exit deficit position from 2024/25 of c£75m.

As part of this the Trust has submitted a breakeven plan for 2024/25 with a savings requirement of c£37.3m. At the end of month 2 there is forecast delivery against this target of c63%. The planned exit position from 2024/25, if sustainability solutions are delivered recurrently, is an underlying deficit of c£53.2m.

Operationally colleagues continue to face the challenge of capacity in relation to workforce availability, urgent care demand and bed capacity due to a lack of onward care capacity for patients. The Trust continues to work with its partners to seek to address these challenges.

### **Financial sustainability schemes**

Supported by our Programme Management Office divisional colleagues developed plans which have drawn upon a variety of locally identified opportunities and nationally informed opportunities (utilising benchmarking from Model Hospital, Getting it Right First Time etc.).

At the end of 2023/24 the Programme Management Office have reported delivery of c£28m of schemes (£19m recurrently), against a plan of c£34m.

The need to deliver recurrent sustainability opportunities remains a significant challenge for the Trust, and wider NHS, moving into future years. At a system level Gloucestershire has included c£93m of schemes within its financial plan, a large proportion of this will need to be recurrent (c£46.7m), representing a significant increase from delivery during the core pandemic period.

### **Financial governance**

Throughout the year strong financial governance has been maintained. This is demonstrated on a day-to-day basis through the use of the scheme of delegation to approve expenditure for requisitions and invoices, obtain quotes for non-pay items etc. Financial reporting processes have continued through monthly reporting at various levels in the organisation – at divisional Executive reviews, at Directors Operational Assurance Group, at Finance and Resources Committee, at Trust Leadership Team and at Trust Board. Financial training also continued albeit on a virtual and in person basis which proved to be very successful and welcomed by the managers who attended.

To further support our financial governance arrangements both internal and external auditors have undertaken reviews. In relation to external audit there were some control recommendations highlighted which, once implemented, will further strengthen the year-end assurance process.

### **Income disclosures required by section 43(2a) of the NHS Act 2006.**

Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) requires that the 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 for any other purposes. The Trust can confirm compliance with this requirement for the 2023/24 financial year.

### **Information on the impact that other income it has received has had on its provision of goods and services for the purposes of health services in England**

Other income received has had no impact on the provision of goods and services for the purposes of the health service in England.

### **Risk Management**

The Trust continued to embed its risk management arrangements with good levels of engagement from risk owners and divisional strategic leaders. The assurance arrangements had been strengthened and a robust process put in place to monitor risks for potential threats to the achievement of the Trust's strategic objectives.

The profile of Trust risks still remains heavily safety-orientated as clinical services continue to work through the constraints of industrial action, winter pressures, service recovery and increased patient demand. The wider ICS risk of patient flow and timely discharge dominated the risk horizon and are reflected in the number internal incidents focused on patient flow. Workforce or skill shortage and ageing technology or equipment are also pre-dominate risks which impact on progress against our objectives. However, risk management remains a key focus at all levels, with appropriate escalation of critical risks. Our risk management culture continued to mature, supported by an active leadership in risk management.

### **Historical financial performance**

Across the last five years the Trust has seen an improvement and stabilisation in its financial position. Shown below is the position reported against the NHS England (NHSE) control total calculation:

	£'000s					
	2023/24	2022/23	2021/22	2020/21	2019/20	2018/19
Deficit / (Surplus)	535	-51	-520	-2,067	-50	29,565

### **Future financial plans**

Looking ahead to 2024/25 the Trust has now submitted a balanced plan along with our ICS partners. This plan was submitted to NHS England on 12<sup>th</sup> June 2024.

Subsequent to the May submission the ICS has confirmed a plan of financial breakeven which was submitted on 12<sup>th</sup> June 24. This plan includes a significant level of savings in order to achieve this position, totalling £93m which will compromise of individual organisational targets as well as system targets. The ICS are committed to working in an integrated way to maximise our resources and to continue to provide safe care to our patients.

## Risk issues

Issue	Response
Net asset of net current liability position	Total forecast net assets employed as at 31 March 2024 are c£296.8m, compared with £308.3m for 2023/23 – the net change reflects the additions from the capital programme, the impact of market equivalent asset valuations and the timing of the utilisation of cash balances held.
Cash position	Total cash position as at 31 March 2024 is £59.4m, an increase of c£8m from March 2023 due to the timing of capital cash payments.
Debt repayment	All PDC payments made by due dates with no suspensions or arrears
PFI payments and impact	No issues to report
ICS Financial support arrangements	No issues to report. The ICS work on a collaborative basis to support the oversight framework requirements.
Inability to pay creditors on due dates	At the end of March 2024, the Trust paid 89.4% of invoices by volume and 91.9% of invoices by value within the target outlined in the Better Payment Practice code.
Reduction in normal terms of trade credit by suppliers	No issues to report
Loss of key management without replacement	Key colleagues are replaced should vacancies arise. The Trust has a succession planning process in place and an Accelerated Development Pool which seeks to develop key staff. The Trust also supports staff through national programmes and have shared leadership programmes at an ICS level. Key staff are replaced should vacancies arise
Loss of key staff without replacement	
Staffing difficulties or shortages of important supplies	Recruitment remains a risk to all providers and is an area of focus for the Trust. Overall, Trust vacancy levels (excluding GMS) in March 2024 were 6.59% (the latest available period) (8.69% in January 2023). Supplies are sourced without significant shortages.
Non-compliance with statutory requirements	No issues to report
Pending legal or regulatory proceedings against the trust, which if successful, would result in claims that are not capable of being satisfied	There is one pending legal issue which provision for is currently included in the Trust's forecast outturn position. No other issues to report
Changes in legislation or government policy expected to adversely affect the entity	None anticipated.

## Other considerations

The local NHS commissioner has highlighted a number of key services provided by the Trust as designated services. In the event that the Trust was not able to operate these services would be required to be continued, potentially by a successor public sector body. This is important in the context of going concern as a key test is whether operations can continue and the designation of services supports this continuation.

## Gloucestershire Managed Services (GMS)

### Performance Review

GMS continued to support the Trust's clinical and non-clinical operations in the year, adapting and adjusting the provision of service in collaboration with the Trust.

Throughout the year, GMS frontline staff have been the most impacted and staffing levels have at times resulted in a shift in service emphasis and focus.

GMS has also been assisting the Trust in enabling the Strategic Site Development project across both Hospitals, and the implementation of the PSDS SALIX fund to improve and enhance Gloucestershire Hospitals utilities infrastructure, increasing our use of alternative energy and supporting the objectives of the GHFT Green Plan and the drive toward the NHSE/I Net Zero Carbon target for 2040.

GMS financial performance has been impacted by inflationary cost pressures not anticipated within plan, along with pay pressures associated with pay awards and premium pay rates to cover significant vacancy levels.

In early 2024, we commissioned an independent strategic review of Gloucestershire Managed Services (GMS) in order to progress assurance on, and understanding of, compliance and service quality in the Estates and Facilities functions provided through this wholly owned subsidiary. This review is due to report to the Board in July 2024 and will reflect upon relationships between the Trust and its subsidiary and any changes for the future that will be required in order to provide an environment for success.

### GMS Summary Performance

#### Financial Performance:

**Measures:** Profit before tax (PBT), dividend payments.

**Target:** 2023-24 – PBT £2,568k, with an implied post tax dividend £1,926k.

**Outcome:** GMS reported a pre-audit profit after tax of £1,269k. In year, GMS has paid a dividend of £844k to the Trust, in relation to current and prior year performance.

Total sales turnover in the year was £95,265k compared with £79,087k previous year. Within that non contractual income increased from £3,112k to £4,276k due to continued increases across clinical activities countywide, exporting of energy, and an increase in income from DHSC.

GMS supported the Trust to deliver its capital programme for 2023-24, delivering £30,594k of Capital expenditure and providing management services to support the wider Trust capital programme. In 2023-24, GMS supported the Trust with £24,123k of Capital delivery.

## **Medical Engineering**

Medical Engineering has provided its services to 140 unique sites, performed 13,650 planned preventative maintenance (PPM) tasks, 9,500 reactive maintenance (Repair) requests, 21,293 PAT tests and has met the Trust KPIs for reactive maintenance and planned preventative maintenance in all 12 months of 2023 / 2024.

They have also successfully recertified their ISO 9001:2015 qualification for Management Systems, Standards and Guidelines for the provision of Medical Engineering Services.

The age profile of many medical devices continues to be an issue with devices going out of support in terms of spare parts and supplier technical support and the many ward moves in the year have placed additional pressures on the team. Despite this, Medical Engineering has been instrumental in the design and installation of the patient monitoring system across the acute sites along with the introduction of the new generation anaesthetic machines.

## **Sterile Services Department (SSD)**

Sterile Services Department have increased set production from 229,892 sets reprocessed in 2022 to 238,890 sets in 2023. Both sites and have achieved all of their Key Performance Indicators despite impacts of building works and infrastructure issues.

The external service income has increased in year with the additional activity contracted from Hereford Wye Valley Hospital and the Alexandra Hospital in Redditch for specialist sterilisation of surgical robot instruments.

The team also successfully renewed their accreditation under ISO 13485:2016 Quality Management system for the reprocessing of reusable medical devices assessed externally by the British Standards Institute.

## **Materials management**

The warehouse has been driving more of the Trust's purchasing of consumables through GMS and NHS Supply Chain saving significant sums of money for the Trust in efficiencies. The department has been optimising efficiency to meet demand without excessive overstocking. The warehouse layout and organisation has been designed for efficient movement of materials, and items are stored in a manner that maximises space utilisation and minimise damage. There has been ongoing training carried out with the staff to equip them to handle the electric pallet trucks operating skills. Orders are being placed in a timely manner to prevent stockouts as much as possible. All opportunities for cost saving have been negotiated with a total of £1 million being saved this year and an overall savings of over for the Trust in £1,550,898.18.

The Top 100 items requested by the Trust to be held as resilient stock has been achieved. The next 100 items are in the process of investigation of value to the Trust.

Warp-it has been a new initiative by the warehouse and has provided a great opportunity to reduce, reuse and recycle for the Trust and GMS.

This department has shown an exceptional ability to streamline processes and provide valuable assistance to various departments across the organisation and had a significant impact on maximising cost saving and demonstrate resilience and efficiency in processing of orders.

## **Communications**

GMS has reviewed the resources along with operational and strategic approach focusing on internal employees, external clients, and external stakeholders.

Increased activity through Q3 and Q4 for FY 23/24 has resulted in increased communication interventions across multiple mediums including monthly employee newsletters, regular and consistent social media postings, intranet refresh with Customer escalation process and joint communications with the Trust. The external Web Site has been refreshed including improved marketing of services, recruitment pages including apprenticeships, links to intranet pages for employees and improved story boards linked to other media delivery methods. This has improved visits to the web site and supports the light market developments.

Deployment of our communication methodologies includes the introduction of Staff focus groups throughout the FY with two per month serving as a platform for open discussions, idea sharing, and collaboration on various aspects of engagement within our organization. Outputs from the meeting will be placed in key themes and feedback through different communication methods across the organisation including an employee voice to the board and Workforce and Performance committee.

The Communication team are engaging directly with different stakeholders including GHT communication team, Senior Management Team, Senior Leadership Team, Board members, Sub Committees and other stakeholders across GHFT.

GMS as part of improving employee engagement has commenced diagnostic work to understand communication architecture and methodologies used across the organisation with a dispersed employee and client base across different locations using different mediums. Findings will inform understanding of the effectiveness of communication across the organisation and utilise best methods suited for employee engagement. The data will contribute to improve two-way communication across client and employee base including appropriate marketing collateral. Findings will help inform the continued development and deployment of the communication, employee engagement and marketing strategy going forward.

## **Sustainability**

GMS and GHFT have a Green Plan (sustainability strategy) which was launched in November 2021. Our Green Plan provides a comprehensive and structured framework to show how we will work to embed sustainability into the organisational culture and take action to reach net carbon zero by 2040 (on the emissions we directly control). Below is additional detail but comment is also made in the section covering 'Task force on climate-related financial disclosures'.

In the past year there are a number of projects which have delivered sustainability benefits:

- Warp It introduced to facilitate reuse of equipment and furniture. Savings c£71.5k and 37t CO2e
- In February Theatres and CGH Endoscopy moved some of their clinical waste to a different waste stream generating savings of 1.38t CO2e
- Planted 75 trees to mark 75 years of the NHS
- Awarded over c£44k from NHS Together Green Spaces funding for wildflower gardens and a trail at GRH
- The roof insulation to the main kitchen at GRH was completed in August. This project is part of the Public Sector Decarbonisation Scheme funding and includes an air source heat pump, façade replacement and new windows to the Tower Block. Once completed (late 2024) will deliver 1,389 tCO2 saving per year
- Worked with Theatres to disconnected the nitrous oxide manifold at GRH at end March 2023. Has delivered CO2 savings of 308t CO2e, with an 89% reduction in the volume of gas used from 2022-23.

In 2024-25 we have a number of projects which will reduce carbon, including further food waste recycling and the installation of additional water meters. GMS are working with the ICS on a joint electric vehicle infrastructure strategy which will look at GMS/GHFT fleet and how we can introduce electric vehicle charging facilities across the Trust.

## **Waste**

- Warp It introduced to facilitate reuse of equipment and furniture. Savings £71,500 and 37t CO2e
- Some clinical waste moved to a different waste stream. CGH Endoscopy (started end January), Theatres (started mid-Feb) and Oncology wards (started end March) generating savings of 1.38t CO2e as a result of change. This is phase 1 of a Trust-wide project which will continue into 24-25.
- Savings on waste, procurement and carbon emissions

## **Vehicles**

- GMS changed 2 pool cars to Toyota Yaris hybrids
- Working with ICS on joint feasibility study for electrical vehicles and EV charging facilities. This will report summer 2024
- reduction of carbon emissions and better air quality from less pollutants

## **Green Space and Biodiversity**

- Raingarden installed at GRH, funded by Gloucestershire Wildlife Trust
- Planted 75 trees to mark 75 years of the NHS
- Awarded over £44,000 from NHS Together Green Spaces funding for wildflower gardens and a trail at GRH
- Post-graduate student from University of Gloucestershire conducting biodiversity surveys at CGH and Thirlestaine Court. Will enable us to write a biodiversity strategy.
- Volunteers planted gardens at CGH and GRH
- Encourages wildlife, helps with adaptation and promotes engagement with local people

## **Shuttle bus – service 99**

- Longer operating hours to facilitate staff working shifts
- Aspen Centre stop added
- Active travel, less traffic congestion, better air quality and reduced pressure on car parks

## **Food waste**

- Food waste from GRH kitchens now sent to anaerobic digestion where it is used to produce fertiliser and heat. Saved 1.6t CO<sub>2</sub>e from not sending it to waste to energy plant. This is phase 1 of a Trust-wide project which will continue into 24-25.
- Best option for the environment and improvement in recycling rates

## **Capital**

- The roof insulation to the main kitchen at GRH was completed in August.
  - Air Source Heat Pump at GRH Pathology is being installed
  - Façade replacement and new windows on Tower Block is well underway
- These projects are all part of the Public Sector Decarbonisation Scheme funding and once completed (late 2024) will deliver 1,389 tCO<sub>2</sub> saving per year and £82,000 energy efficiency savings per year

## **Training**

- Sustainability now included as part of Quality Improvement bronze, silver and gold modules
- Sustainability session delivered to Enhance (Enhancing Generalist Skills programme) England) trainees within GHFT
- improved awareness of carbon emission targets and further involvement of Trust staff

## **Water**

- New contract awarded to ADSM in February 2023. This includes Aquafund, which will provide professional and engineering services relating to water measurement and conservation, with a view to identifying water conservations savings and efficiencies.
- measurement of water usage, allowing development of action plans for water reduction and better management

## **Anaesthetic Gas**

- Disconnected the nitrous oxide manifold at GRH at end March 2023. Has delivered CO<sub>2</sub>e savings of 308t CO<sub>2</sub>e, with an 89% reduction in the volume of gas used from 2022-23.
- massive CO<sub>2</sub>e savings

## **Ecosia**

- Launched across the Trust in January 2024 from an idea originating from the Green Champions. Ecosia is a not for profit, free to use search engine that uses around 80% of its profits to fund tree planting projects around the world. GHFT searches have generated 101 trees in the first couple of months.
- provides trees, improves habitats and ecosystems

## **Domestic Services**

From June 2022, GMS have reported monthly KPI's reflective of the new National Cleaning Standards 2021 (NCS) Target Scores prior to the project plan being rolled out. During 2023-2024 the Service has rolled out the new standards in 71% of the areas across the hospitals and performance has been to a good level. At the start of Q3 the project was paused and no further progression has been made, with the inpatient areas at GRH being those still to do. Although the project was paused the delivery of the contracted KPI's and the performance in the 71% of NCS areas has been in line with the target scores. The remaining 29% of areas will be rolled out during financial year 2024/2025 following approval to proceed by the Trust.

## **Catering Services**

KPI performance across the whole Catering Service has been very high and despite the challenges of the fantastic Wellbeing Discounts the Service has remained compliant and standards are high. The Patient-Led Assessments of the Care Environment (PLACE) did take place in year and the results were consistent to that of previous years, whereby the infrastructure and operating model of the Service ultimately influenced the outcome scores. The team were also successful in their nomination for the 'Support Services Ambassador' Award at the 2023 Staff Awards held in November.

## **Facilities: Car Parking, Grounds, Security, Switchboard and Transport:**

The KPIs for Car Parking, Grounds, Security, Transport and Waste were all 100% throughout the year, with the exception of Waste reporting due to delays in the receipt of invoicing for the Service. Switchboard have also consistently met their target of 95% for emergency calls.

The provision of future Security Services started to be developed by the Trust to help improve Security across Trust Sites and address the Violence and Aggression levels. This is expected to conclude in 2024/2025.

## **Linen and Uniform Services:**

KPI for Linen Services performed well across the year and there was an increase in uniform purchasing by GMS on behalf of the Trust supporting the overall recruitment drive. The Level of Linen Service was consistently delivered at 100% each month as the requirement for linen availability was met.

## **Portering:**

The porters have four KPIs to meet, though their ability to meet these can be affected by the number of Emergency and Violence and Aggression (V&A) calls received. The number of V&A calls remained high when comparing to previous years, but the team performed very well within the KPI performance and ever changing priorities of the Trust with moving to full compliance against KPI's by the end of the financial year. This improvement is from a better understanding of the reporting system, teamwork progression and the productivity of the team.

# **Cheltenham and Gloucester Hospitals Charity**

## **Performance Review**

### **Charity vision and purpose**

The Gloucestershire Hospitals NHS Foundation Trust General Charitable Fund is an independent registered charity (registered number 1051606). Cheltenham and Gloucester Hospitals Charity is the registered working name for the Charity. The Charity exists to raise funds and receive donations and grants for the benefit of the patients of the Trust. By securing donations, legacies, grants and sponsorship, Cheltenham and Gloucester Hospitals Charity can provide additional funds that make a real difference for patients, their families, friends and the staff who look after them.

### **Charity objectives**

Cheltenham and Gloucester Hospitals Charity has a shared vision with GHNHSFT, "Best care for everyone", with the aim of raising funds to create the best possible experience for patients, their families and staff by funding programmes which deliver exceptional care,

support innovative capital schemes to supply new equipment, help to deliver Trust innovations in patient treatment and ensure colleagues are supported in their duties.

The Charity's objectives are such that the area of intended benefit relates to the NHS, wholly or mainly for the service provided by Gloucestershire Hospitals NHS Foundation Trust, to include patients and colleagues. By virtue of these objectives the patient benefit is inherently considered in all activities undertaken.

By raising funds and through careful management of our existing funds, Cheltenham and Gloucester Hospitals Charity provides a public benefit by making grants to Gloucestershire Hospitals NHS Foundation Trust and the other organisations it works with in order to support patients and colleagues. This is 'for any charitable purpose or purposes relating to the National Health Service', which includes funding facilities, equipment and research and to support associated healthcare and complementary services for patients of Gloucestershire Hospitals NHS Foundation Trust.

## **Governance**

Gloucestershire Hospitals NHS Foundation Trust is the Corporate Trustee of the charity. The Trustee delegates responsibility for some of the day to day running of the charity to the Charitable Funds Committee, chaired by a Non-Executive Director. The Trustee has a separate Investment Committee to oversee investment strategy and policy, and monitor the charity's investments.

The Charity operates within the overall governance arrangements of GHNHSFT, and the Charitable Funds are required to be consolidated as part of the Trust's Annual Accounts. Whilst the charity shares the same financial systems as the Gloucestershire Hospitals NHS FT, a separate bank account is maintained for the charity.

The charity team are responsible for ensuring that expenditure is in accordance with the charity's governing documents and policy, and is made in accordance with donor wishes. Copies of the accounts can be obtained from the Charity Commission.

In terms of risk management, the charity's systems and protocols are aligned to those of the Trust. Accordingly, the Trust's risk system has been utilised to track and mitigate risk for the charity. The Charity Risk Register is regularly reviewed by the Charity management team on a monthly basis and at every Charitable Funds Committee meeting.

## **Review of the Year**

The charity's contribution to the hospitals was recognised through award nominations, both locally for Gloucestershire Charity of the year and nationally for the Health Service Journal NHS Race Equality Award.

This recognition demonstrates the wide reach and impact of the charity, and the projects funded in the year reflect this:

- A new CT Gamma Scanner was installed at Gloucestershire Royal Hospital with the support of the charity. This diagnostic technology will benefit everyone from unwell children to those with cancer, or those who might have Parkinson's Disease.
- Our Cancer Support Team gave support and advice to local people during cancer treatment

- We continued to fund green spaces including a new wildflower garden and trail to improve the hospital environment, and artwork across the hospitals to improve the experience for patients and staff.
- Our 'Reaching out Together' project saw community outreach workers engaging with communities who experience health inequalities to reduce the barriers which might prevent them accessing healthcare, and to encourage community wellbeing.
- Funded research posts gave local people the opportunity to benefit from new trials and emerging techniques.
- Ophthalmology equipment including a microscope and training simulator was funded by Gloucestershire Eye Therapy Trust, making the latest technology available to support local eye patients.
- A Gloucestershire wide charity for children, called Pied Piper that fundraises for our Childrens Centre, raised funds for a clinical psychologist post, which will be supported by them over ten years.
- Autocontouring software enhanced precision radiotherapy treatment to eliminate cancer cells.

Without our donors, supporters, partner charities, and those who so kindly choose to remember the hospitals in their will, none of this work would be possible, and we are grateful for every gift which helps us make an impact for local patients and NHS staff.

Many more projects were funded across the hospitals – from portable imaging technology to improving staff rooms, and projects such as CT scanners funded in previous years continue to make a real impact for patients.

During the year, the charity also raised funds to transform the facilities in the Gloucestershire Oncology Centre; this important appeal will be a future priority for the charity and aims to make the biggest possible impact for local people with cancer.

The support from the local community for the charity is greatly appreciated – from those who kindly make a donation, choose to remember the charity in their will, or take on events and challenges to raise funds. In addition, the Charity continues to be extremely grateful for the support it receives from partner charities who raise funds on our hospital sites, including Gloucestershire Eye Therapy Trust, Pied Piper, Scoo b Doo, Linc, Stroud League of Friends and the Department of Critical Care charities.

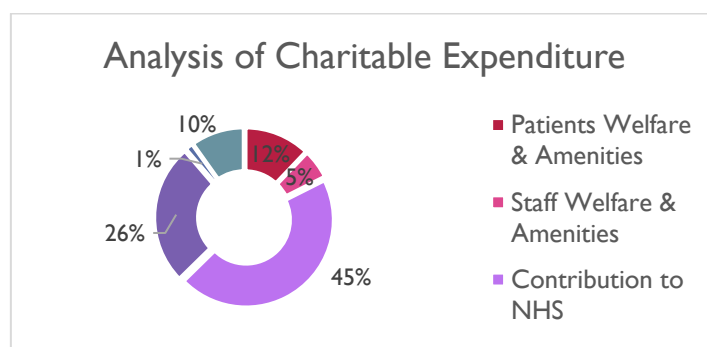
The fundraising team are signed up to the Fundraising Regulator's Code of Fundraising Practice and are a member of NHS Charities Together, modelling best practice for NHS charities.

## **Financial Report**

As a result, the charity was in receipt of £1.940k of donated income (£1,350k 2022/23), A total of £2,458k (£1,900k 2022/23) was spent in the year, with £1,825k (£1,438k 2022/23) spent on projects to meet charitable purposes, including the purchasing of equipment, support for medical research and staff training.

The overall fund balance of the Charity stands at £3,509k (£3,970k 2022/23)/ Of this, £1,790k has been committed by the charity for expenditure, including funds to cover the cost of our Focus Cancer support Team for a further year, funds to enhance the hospital green spaces for patients and staff and a planned transformation of facilities for cancer patients in the Gloucestershire Oncology Centre. Included in the fund balance is the Charity's reserve

which as at 31 March 2021 was £318,876 (£318,876 2022/23). The Charity's investments are carrying an unrealised gain of 29k (unrealised loss of £39k 2022/23).



### Task force on climate-related financial disclosures (TCFD)

NHS England's NHS foundation trust annual reporting manual has adopted a phased approach to incorporating the TCFD recommended disclosures as part of sustainability annual reporting requirements for NHS bodies, stemming from HM Treasury's TCFD aligned disclosure guidance for public sector annual reports. TCFD recommended disclosures as interpreted and adapted for the public sector by the HM Treasury TCFD aligned disclosure application guidance, will be implemented in sustainability reporting requirements on a phased basis up to the 2025/26 financial year. Local NHS bodies are not required to disclose scope 1, 2 and 3 greenhouse gas emissions under TCFD requirements as these are computed nationally by NHS England.

The phased approach incorporates the disclosure requirements of the governance pillar for 2023/34. These disclosures describe are provided below with appropriate cross referencing to relevant information elsewhere in the annual report and accounts and in other external publications as relevant.

#### ***The Board's oversight of climate-related issues***

- The Director of Strategy and Transformation is the board lead for climate-related issue.
- The Board Assurance Framework includes a strategic risk related to "Failure to meet statutory and regulatory standards and targets enroute to becoming a net-zero carbon footprint organisation by 2040". This is reported to the Board at every meeting as part of the Board Assurance Framework. This risk is also considered and reviewed by the Finance and Resources Committee ahead of the update to Board. The risk and actions are reviewed and updated on a monthly basis.
- The Finance and Resources Committee receives regular sustainability reports.
- The Chair of the Climate Emergency Response Leadership (CERL) Group can also draw to the attention of the Finance and Resources Committee to any sustainability related issues that require disclosure to full Board, or require executive action
- The Board receives an annual sustainability report as part of Trust reporting.

#### ***Management's role in assessing and managing climate-related issues***

- As part of the Green Plan, the Trust has established the Climate Emergency Response Leadership Group with specific responsibilities to:
  - Understand the impact of climate emergency on Trust
  - Lead and develop Trust strategy and policies on climate and carbon
  - Monitor progress on the Green Action plan and all projects contributing to carbon reduction

- Ensure national and local reporting requirements are met and produce annual sustainability report
  - Embed sustainability culture throughout Trust
  - Develop and deliver sustainability cost improvement programme
- Six monthly energy reports to Gloucestershire Managed Services Board
- The Trust has established a £50k sustainability fund held by the Director of Strategy and Transformation and managed through the Climate Emergency Response Leadership Group
- The Trust has two climate-related risks on the Corporate Speciality Risk Register;
  - Risk 121 = The risk that extreme weather events (heat, cold, flooding, fire) and poor air quality, lead to increased demand on urgent and emergency care without corresponding increase in Gloucestershire Integrated Care System health resources
  - Risk 127 = The risk that the Trust does not meet net zero carbon emissions by 2040

Additional information on climate-related issues can be found in the sections of the annual report that relate to: Effective Estate, Gloucestershire Managed Services and the Annual Governance Statement.



**Kevin McNamara**  
Chief Executive

**26 June 2024**

## Accountability Report

### Directors' Report

The Board of Directors is focused on achieving long term success for the Trust through the pursuit of sound business strategies, while maintaining high standards of clinical and corporate governance and corporate responsibility. The Board brings a wide range of experience and expertise to its stewardship of the Trust and continues to demonstrate the vision, oversight and encouragement required to enable it to thrive.

The Annual Report and supporting accounts explain the Trust's governance policies and practices, thus providing insight into how the Board and management team run the Trust for the benefit of the community and its members.

As the table below references, the Trust welcomed some new Board members during the reporting year and said farewell to others. The Trust is especially grateful to our departing Board members for their support and dedication.

<b>Executive and Non-Executive Directors in 2023/24</b>	
<b>Deborah Evans</b>	Chair
<b>Vareta Bryan</b>	Non-Executive Director
<b>John Cappock</b>	Non-Executive Director (from July 2023)
<b>Claire Feehily</b>	Non-Executive Director (until August 2023)
<b>Marie-Annick Gournet</b>	Non-Executive Director
<b>Balvinder Heran</b>	Non-Executive Director
<b>Kaye Law-Fox *</b>	Associate Non-Executive Director and Chair of Gloucestershire Managed Services
<b>Jaki Meekings-Davis</b>	Non-Executive Director
<b>Alison Moon</b>	Vice-Chair and Senior Independent Director
<b>Sally Moyle *</b>	Associate Non-Executive Director
<b>Rebecca Pritchard *</b>	Associate Non-Executive Director (until July 2023)
<b>Michael Napier</b>	Non-Executive Director
<b>Deborah Lee</b>	Chief Executive Officer (until 10 January 2024)
<b>Kevin McNamara</b>	Chief Executive Officer (from 11 January 2024)
<b>Helen Ainsbury *</b>	Interim Chief Digital and Information Officer (from April 2023)
<b>David Coyle</b>	Interim Chief Operating Officer (September 2023 to December 2023)
<b>Matt Holdaway</b>	Director of Quality and Chief Nurse
<b>Karen Johnson</b>	Director of Finance
<b>Simon Lanceley</b>	Director of Strategy and Transformation (until June 2023)
<b>Mark Pietroni</b>	Medical Director and Deputy Chief Executive
<b>Ian Quinnell</b>	Interim Director of Strategy and Transformation (from July 2023)
<b>Claire Radley</b>	Director for People and Organisational Development
<b>Al Sheward</b>	Chief Operating Officer (from December 2023)
<b>Qadar Zada</b>	Chief Operating Officer

\*non-voting

Details of all significant interests held by Directors are contained in a Register of Interests which may be obtained via the Publication Scheme on the Trust's website: <https://www.gloshospitals.nhs.uk/>

The Chair, Deborah Evans, has throughout the year been responsible for the effective working of the Board, for the balance of its membership, subject to Board and Governor approval, and for ensuring that all directors can play their full part in the strategic direction of the Trust and its performance. The Chair is also responsible for conducting annual appraisals of the Non-Executive Directors and presenting the outcomes of such to the Governors' Nominations and Governance Committee. Furthermore, the Chair is responsible for carrying out the appraisal of the Chief Executive and reporting to the respective Board committee accordingly.

Deborah Lee was Chief Executive of the Trust until the beginning of January 2024 when Kevin McNamara succeeded her. The Chief Executive is responsible for all aspects of the management of the Trust. This includes developing appropriate business strategies, ensuring appropriate objectives and policies are adopted and ensuring performance is monitored effectively and risks mitigated.

The Non-Executive Directors provide a wide range of skills and experience. They bring an independent judgement on issues of strategy, performance and risk through their contribution at Board and committee meetings. The Board considers that throughout the year each Non-Executive Director was independent in character and judgement and met the independence criteria set out in NHS England's Code of Governance for NHS provider trusts.

The Non-Executive Directors have ensured that they have sufficient time to carry out their duties. Any term beyond six years would be subject to rigorous review by the Governors' Nominations and Remuneration Committee, thus ensuring that the needs of the organisation in the context of the environment within which it operates are considered. The Non-Executive Directors, through the Nominations, Remuneration and Terms of Service Committee, are responsible for reviewing the performance appraisals, conducted by the Chief Executive, of Executive Directors and that of the Chief Executive conducted by the Chair.

During the year, the time spent with the Governors has helped the Board to understand their views of the Trust and its strategies. Board members attend the Council of Governors' meetings, with Governors in return attending public Board meetings as observers. Invitations to observe Board committees have continued to be extended to the Governors during the year to support their wider understanding of the business of the Board and that of the Non-Executive Directors.

Communication with members and service users supports understanding of the things that matter to patients and the public, but the Board recognises that more can always be done to make membership more meaningful for those who wish to be involved.

The Annual Governance Statement highlights a review in year of elements of the NHS England Well Led Framework. As described, the review highlighted that overall, a number of governance processes were working effectively, and identified four main areas for improvements around executive oversight, administration, prospective agendas and alignment of organisational development activity. With a view to addressing these areas we have launched Board and Executive development programmes with an external facilitator and developed our Accountability Framework which will be focused on continuous improvement in our governance architecture and its effectiveness.

## Quality governance

At the heart of the Trust's strategy and development is the ongoing improvement of the quality of services we provide for our local populations. Improving the quality of care and outcomes for patients drives the decisions taken by the Board of Directors and the systems established in the Trust. The role of the Quality Committee in leading quality oversight and improvement is set out earlier in this report. Each Executive Director has a clearly defined portfolio and is responsible, individually and collectively, for the quality and safety of services provided. The Board and Executive Team have regular development sessions to ensure they are aligned on their goals and their different roles are effective.

The Board and its committees have been supported by regular reporting against a range of key quality metrics that make up high quality, personalised and equitable care. The reporting includes a bi-monthly integrated performance report with a range of quality, activity and workforce measures aligned to the objectives in the Trust's Strategy.

Board committees are able to delve into deeper detail. For instance, the Quality and Performance Committee receives regular reports such as the Quality Performance Report and an update regarding programmes of Quality Improvement (QI). The Audit Committee leads on the internal audit programme which helps to provide assurances on a range of key governance and control areas.

The Trust holds divisional performance reviews providing the opportunity for Executive Directors to review divisional performance against a range of metrics and hold management teams to account for performance. The reviews also assist divisions in identifying resources to tackle problem areas.

## Finance Statements

- The Group accounts have been prepared under a direction issued by NHS England.
- The Trust has complied with the requirement that the income from the provision of goods and services for the purposes of the health service in England must be greater than the income from the provisions of goods and services for any other purpose.
- The Trust has not levied fees or charges for any service that is material to the accounts, or where the full cost exceeds £1 million.

## Better Payment Practice Code Performance (BPPC)

For the financial year 2023/24 the Better Payment Practice Code (BPPC) performance was 91.9% by value and 89.4% by number as detailed below. 95% of bills paid within 30 days of receiving an invoice is the best practice benchmark and work to improve the Trust position against this benchmark is ongoing.

	Cumulative for financial year	
	Number	£000s
Total bills paid within period	124,101	307,150
Total bills paid within target	110,939	282,135
Percentage of bills paid within target	89%	92%

The split between NHS and Non-NHS payables are shown below.

	Cumulative for financial year			
	NHS Payables		Non-NHS payables	
	Number	£000s	Number	£000s
Total bills paid within period	2,781	70,728	121,320	236,422
Total bills paid within target	2,553	63,425	108,386	218,710
Percentage of bills paid within target	92%	90%	89%	93%

## Other disclosures

No political or charitable donations were made during the year. The Trust has complied with the Cost Allocation and Charging Guidance set out in HM Treasury and Office of Public Sector Information Guidance.

## Council of Governors

As an NHS Foundation Trust, Gloucestershire Hospitals NHS FT is accountable to the Council of Governors which represents the views of the Trust's members. The Council of Governors brings the views and interests of the public, service users, patients, carers, staff, and other stakeholders into the heart of the Trust's governance.

This group of committed individuals has an essential involvement with the Trust and contributes to its work and future developments to help improve the quality of services and care for all service users and patients. The Board of Directors sets the strategic direction of the Trust, with participation from the Council of Governors.

The principal role of the Council of Governors is to hold the non-executive directors, individually and collectively, to account for the performance of the Board of Directors, and to represent the interests of the members of the Trust and of the public. This includes scrutinising the effectiveness of the Board, overseeing that it has sufficient quality assurance in respect of the overall performance of the Trust, making decisions regarding the appointment or removal of the Chair, non-executive directors and the Trust's auditors, as well as questioning non-executive directors about the performance of the Board and of the Trust, to ensure that the interests of the Trust's members and public are represented.

Further detail regarding the Council of Governors is contained in the section of the Annual Report concerning the Code of Governance.

## Membership

### Eligibility

Membership of Gloucestershire Hospitals NHS Foundation Trust is open to:

- anyone who lives in Gloucestershire can become a member (must be 16 or over).
- anyone who lives outside Gloucestershire and has been a patient in one of our hospitals. in the last years three years can become a member (must be 16 or over).
- anyone who lives outside Gloucestershire and is caring for someone who is currently a patient at one of our hospitals or who has been a patient in the last three years.
- all Gloucestershire Hospitals NHS Foundation Trust employees and volunteers are automatically registered as members when they join the Trust.

Interested patients and public can join the Trust as a member via our website:

<https://www.gloshospitals.nhs.uk/about-us/support-our-trust/join-our-foundation-trust/>

## Membership numbers

On 31 March 2024 there were **9822** members of the Trust with the following table showing the breakdown in the different classes.

Membership on 31 March 2024 (2023 comparator)	
Public Members	1927 (1770)
Patient/Carer Members	45 (9)
Staff Members	8566 (8083)
Total Members	10,538 ( <b>9822</b> )

## Membership engagement

During 2023/24, members and the public received regular engagement such as:

- Communication through our website and social media platforms.
- Distributing regular information to members via email.
- Inviting members to attend events such as Council of Governors meetings and the Annual Members' Meeting.
- Inviting members of the public to attend meetings of the Board of Directors to observe.
- Supporting Governors to communicate with members and the public.
- Encouraging members to communicate with Governors.
- Actively publicising governor elections.

Work began during 2023/24 to increase the number of members through engagement with local communities at various events around the constituencies. It is anticipated that increased membership will increase the interest in nominations for Governor positions and lead to a more diverse Council of Governors that is representative of the communities that the Trust serves. The Trust held planned governor elections during the summer in 2023 which led to a number of new governors being appointed but also some seats being unfilled. Additional elections were convened in February 2024 which attracted 16 expressions of interest which led to six new governors being appointed at the start of April 2024 (four following contested elections and two unopposed).

Members, patients and the public can contact a member of the Council of Governors by using our Contact a Governor form on the Trust website:

<https://www.gloshospitals.nhs.uk/about-us/governors/contact-governor-main/contact-governor/>.

## Remuneration Report

### Scope of the report

The Remuneration Report summarises the Trust's Remuneration Policy and particularly, its application in connection with the Executive and Non-Executive Directors. It describes how the Trust applies the principles of good corporate governance in relation to Directors' remuneration as defined in the NHS FT Code of Governance, in Section 420 to 422 of the Companies Act 2006 in so far as they apply to Foundation Trusts; and the Directors' Remuneration Report Regulation 11 and Parts 3 and 5 of Schedule 8 of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410) ("the Regulations") as interpreted for the context of NHS Foundation Trusts; Parts 2 and 4 of Schedule 8 of the Regulations and elements of the NHS Foundation Trust Code of Governance. Details of Executive Directors' remuneration and pension benefits; and non-Executives' remuneration are set out in tables later in this report. They have been subject to audit.

### Annual statement on remuneration

The remuneration, terms and conditions of employment of Executive Directors are determined by the Appointments and Remuneration Committee (ARC).

The Appointments and Remuneration Committee was established under paragraph 18 (2) of Schedule 7 to the NHS Act 2006.

A formal committee of the Trust Board, its membership is comprised of the Non-Executive Directors. The Chief Executive Officer and Director for People and Organisational Development attend the Committee as required.

In August 2023, the Committee agreed to transfer the responsibility for chairing meetings from the Trust Chair to the Vice Chair to mitigate against perceived conflict of interest from the Trust Chair line managing the Chief Executive Officer.

During 2023/24 the Committee met nine times and transacted the following business:

- Reviewed and noted changes to executive responsibilities and portfolios, including the appointment of a new Director of Integrated Governance.
- Agreed the appointment and remuneration for Kevin McNamara, Chief Executive Officer.
- Agreed the appointment and remuneration for Al Sheward, Chief Operating Officer
- Agreed the appointment and remuneration for Kerry Rogers, Director of Integrated Governance.
- Agreed remuneration for Deborah Lee, Chief Executive Officer (until 10 January 2024) and responsibilities and remuneration for the period until 31 March 2024 following Kevin McNamara's appointment.
- Agreed the appointments and remuneration related to the following executive roles: Chief Operating Officer, Chief Digital and Information Officer and Interim Director of Strategy and Transformation.
- Agreed the appointments of Rebecca Pritchard, Richard Alden and Trevor Graham as three non-executive directors for Gloucestershire Managed Services.
- Agreed Vice Chair of the Trust would chair the Remuneration Committee meetings.

- Reviewed and agreed the Very Senior Manager pay awards for 2023/24.
- Received information on the findings and subsequent action plan from an internal audit of executive level pay. This included updates on plans to update and align the Trust's Very Senior Manager contracts.

The Committee's decisions were made in the context of national guidance and pay awards, the Trust's strategy, the performance of the Trust, the size of the organisation and the operational and financial challenges within which the Board of Directors operates.

Attendance by Non-Executive Directors at the meetings is shown in the table below.

<b>Remuneration Committee Meeting Attendance 2023/24</b>										
<b>Member of Committee</b>	<b>4 Apr</b>	<b>13 Apr</b>	<b>22 Jun</b>	<b>27 Jun</b>	<b>13 Jul</b>	<b>24 Aug</b>	<b>12 Oct</b>	<b>21 Nov</b>	<b>30 Jan 2024</b>	<b>Attended</b>
Deborah Evans, Chair	Yes	Yes	Yes	Yes	No	Yes	Yes	No	Yes	7/9
Vareta Bryan, Non-Executive Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	9/9
John Cappock, Non-Executive Director			Yes	Yes	Yes	Yes	Yes	Yes	Yes	7/7
Claire Feehily, Non-Executive Director	No	Yes	Yes	Yes	Yes	Yes				5/6
Marie-Annick Gournet, Non-Executive Director	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	7/9
Balvinder Heran, Non-Executive Director	Yes	Yes	Yes	Yes	No	No	Yes	No	Yes	6/9
Jaki Meekings-Davis, Non-Executive Director	Yes	Yes	Yes	No	No	No	Yes	Yes	No	5/9
Alison Moon, Vice Chair	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	8/9
Michael Napier, Non-Executive Director	Yes	No	Yes	Yes	Yes	Yes	No	No	Yes	6/9

## Senior Managers' Remuneration Policy

The Trust is committed to the governing objective of maximising value over time. To achieve its goals, the Trust must attract and retain a high calibre senior management team to ensure it is best positioned to deliver its business plans. The Trust defines its senior managers as those managers who have the authority or responsibility for directing or controlling the major activity of the Trust - those who influence the Trust as a whole. For the purposes of this report, 'senior managers' are defined as the voting and non-voting members of the Board of Directors.

During the year the Trust adhered to the principles of the agreed pay framework that remunerated the performance of the Executive Directors. Executive Directors are employed on permanent contracts. Their remuneration is set with consideration of the NHS England benchmarks for very large acute trusts, and final salary influenced by other market factors to ensure the Trust attracts and retains the very best talent. Additional allowances relating to car and relocation are offered to those who qualify and are paid in line with HMRC guidance.

Executives are contracted to six months' notice and termination/loss of office period and benefit from standard NHS terms and conditions relating to sickness benefits, pension, redundancy, maternity, paternity and others. Loss of office could be unremunerated if there was a finding of gross misconduct. Further details of these standard offers can be found on

the Department of Health website. Following these terms ensures consistency with other employee benefits and terms of conditions and parity against all groups of employees. The Trust does not consult employees on senior manager remuneration as the standard terms and conditions are offered.

### **Annual statement on remuneration from the Chair of the Committee**

There are no additional elements that constitute any senior managers' remuneration, including executive and non-executive directors, in addition to those specified in the table of salaries and allowances which feature later in the report. The amounts that are designated salary in the table represent a single contracted annual salary and there are no particular remuneration arrangements which are specific to any senior manager. There were no changes made in the period to existing components of the remuneration policy and no components were added.

The table below describes the elements of remuneration that support attraction and retention of Senior Management talent into our Trust, supporting the delivery of our short- and long-term strategic objectives.

Where appropriate, the Trust followed national guidance related to potential claw back of 10% annual salary for Executives who fail to meet adequate standards of performance. During 2023/24 no Executives had monies clawed back. Where Executives have met or exceeded the £150,000 salary threshold, Ministerial opinion has been sought and obtained in accordance with the Treasury rules.

<b>Remuneration Component</b>	<b>Description</b>	<b>Maximum amount available</b>
Annual Salary	Determined through NHSI Benchmarks for very large Acute Trusts.	Consideration given to market forces and breadth of role.
Relocation Allowance	Relocation expenses offered where appropriate, subject to local policy and HMRC rules	Payment in line with HMRC guidance.
Car Lease Allowance or Salary Uplift	Optional car lease or salary uplift (Executive Directors)	Up to 3% salary uplift, or car lease allowance. Non-pensionable.
Other Agenda for Change Terms	Standard NHS terms and conditions relating to sickness benefits, pension, redundancy, maternity, paternity and others.	Maximum available in accordance with Agenda for Change

### **Non-executive directors' remuneration**

The remuneration for Non-Executive Directors has been determined by the Council of Governors and is set at a level to recognise the significant responsibilities of Non-Executive Directors in Foundation Trusts, and to attract individuals with the necessary experience and ability to make an important contribution to the Trust's affairs.

They each have terms of no more than three years and are able to serve two consecutive terms dependent on formal assessment, confirmation of satisfactory on-going performance and the needs of the organisation. The Non-Executive Directors'

Remuneration, as agreed by the Council of Governors, is consistent with best practice and external benchmarking.

None of the Non-Executive Directors are employees of the Trust; they receive no benefits or entitlements other than fees and are not entitled to any termination payments. The entire Council of Governors determine the Terms and Conditions of the Non-Executive Directors. The Trust does not make any contribution to the pension arrangements of Non-Executive Directors. Fees reflect individual responsibilities with all Non-Executive Directors otherwise subject to the same terms and conditions.

### **Governor Expenses**

In 2023/24: 25 governors have been in office and eligible to claim travel and parking expenses. Six governors claimed expenses totalling £1,165.80. This compares to six governors claiming expenses £545.31 in 2022/23.

### **Non-Executive Director Expenses**

In 2023/24: Eight non-executive directors and four Associate non-executive directors have been in office eligible to claim travel and parking expenses. Five non-executive directors claimed expenses totalling £6,766.57. This compares to five non-executive director claiming expenses in 2022/23 totalling £4,751.05.

## Audited Salary and Pension entitlements of executive and non-executive directors 2023-24

Salary and Pension entitlements of executive and non-executive directors							
Name and title		Salary	Expense payments (taxable) to nearest £100	Performance pay and bonuses	Long term performance pay and bonuses	All pension related benefits	Total Remuneration
Year ended 31 March 2024		(Bands of £5,000)	(£)	(Bands of £5,000)	(Bands of £5,000)	(Bands of £2,500)	(Bands of £5,000)
Deborah Evans	Chair	55-60	2000	N/A	N/A	0	55-60
Vareta Bryan	Non-Executive Director	10-15	0	N/A	N/A	0	10-15
Claire Feehily	Non-Executive Director (until 31st July 23)	5-10	0	N/A	N/A	0	5-10
Marie-Annick Gournet	Non-Executive Director	10-15	0	N/A	N/A	0	10-15
Balvinder Kaur Heran	Non-Executive Director	10-15	1000	N/A	N/A	0	15-20
Kaye Law-Fox (ANED)	Associate Non-Executive Director (from 1st Jan 23)	5-10	500	N/A	N/A	0	5-10
Jaki Meekings-Davis	Non-Executive Director	10-15	0	N/A	N/A	0	10-15
Alison Moon	Non-Executive Director (until 31st March 24)	15-20	1000	N/A	N/A	0	15-20
Sally Moyle (ANED)	Associate Non-Executive Director	5-10	0	N/A	N/A	0	5-10
Mike Napier	Non-Executive Director	10-15	0	N/A	N/A	0	10-15
John Cappock	Non-Executive Director (from 1st July 23)	10-15	0	N/A	N/A	0	10-15
Rebecca Pritchard	Associate Non-Executive Director (until 31st July 23)	0-5	0	N/A	N/A	0	0-5
Matt Holdaway	Director of Quality and Chief Nurse	150-155	0	N/A	N/A	0-2.5	150-155
Karen Johnson	Director of Finance	200-205	100	N/A	N/A	0-2.5	200-205
Simon Lanceley	Director of Strategy and Transformation (until 2nd July 23)	45-50	0	N/A	N/A	0-2.5	45-50
Deborah Lee	Chief Executive Officer (until 30th January 24)	260-265	100	N/A	N/A	0-2.5	260-265
Mark Pietroni	Medical Director and Deputy Chief Executive	270-275	100	N/A	N/A	45-47.5	315-320
Claire Radley	Director for People and Organisational Development	150-155	200	N/A	N/A	37.5-40	190-195
Qadar Zada	Chief Operating Officer (until 16th July 23)	50-55	0	N/A	N/A	0-2.5	50-55
Helen Ainsbury	Interim Executive Chief Digital and Information Officer (from 1st Oct 23)	90-95	0	N/A	N/A	480-482.5	570-575
Ian Quinell	Interim Director of Strategy and Transformation (from 1st July 23)	140-145	0	N/A	N/A	375-377.5	515-520
Kevin McNamara	Chief Executive Officer (from 1st January 24)	60-65	0	N/A	N/A	55-57.5	115-120
David Coyle	Interim Chief Operating Officer (from 4th July 23 to 28th March 24)	135-140	0	N/A	N/A	0-2.5	135-140
Al Sheward	Chief Operating Officer (from 11 December 23)	40-45	0	N/A	N/A	60-62.5	100-105

### Notes:

Deborah Lee chose not to be covered by the pension arrangements during the reporting year.

Matt Holdaway, Karen Johnson, Simon Lanceley, Deborah Lee and Qadar Zada are affected by the Public Service Pensions Remedy and their membership between 1 April 2015 and 31 March 2022 was moved back into the 1995/2008 Scheme on 1 October 2023. Negative values in the Pension Benefit are not disclosed in this table but are substituted for a zero."

Salary for Mark Pietroni includes £80k for clinical role

Salary and Pension entitlements of executive and non-executive directors							
Name and title		Salary	Expense payments (taxable) to nearest £100	Performance pay and bonuses	Long term performance pay and bonuses	All pension related benefits	Total Remuneration
Year ended 31 March 2023		(Bands of £5,000)	(£)	(Bands of £5,000)	(Bands of £5,000)	(Bands of £2,500)	(Bands of £5,000)
Deborah Evans	Chair (from May 2022)	50-55	2000	N/A	N/A	0	50-55
Peter Lachecki	Chair (until April 2022)	5-10	500	N/A	N/A	0	5-10
Vareta Bryan	Non-Executive Director (from February 2023)	0-5	0	N/A	N/A	0	0-5
Robert Graves	Vice-Chair and Senior Independent Director (until January 2023)	10-15	0	N/A	N/A	0	10-15
Claire Feehily	Non-Executive Director	15-20	0	N/A	N/A	0	15-20
Marie-Annick Gournet	Non-Executive Director	10-15	0	N/A	N/A	0	10-15
Balvinder Heran	Non-Executive Director	10-15	0	N/A	N/A	0	10-15
Kaye Law-Fox	Associate Non-Executive Director (from January 2023)	-	0	N/A	N/A	0	0-5
Jaki Meekings-Davis	Non-Executive Director (from February 2023)	0-5	0	N/A	N/A	0	0-5
Alison Moon	Non-Executive Director	15-20	1000	N/A	N/A	0	15-20
Sally Moyle	Associate Non-Executive Director (from May 2022)	5-10	0	N/A	N/A	0	5-10
Michael Napier	Non-Executive Director	15-20	0	N/A	N/A	0	10-15
Elaine Warwicker	Non-Executive Director (until August 2022)	5-10	0	N/A	N/A	0	5-10
Rebecca Pritchard	Associate Non-Executive Director	5-10	0	N/A	N/A	0	5-10
Roy Shubhabrata	Associate Non-Executive Director (until June 2022)	0-5	200	N/A	N/A	0	0-5
Matt Holdaway	Director of Quality and Chief Nurse	155-160	0	N/A	N/A	177.5-180	335-340
Mark Hutchinson	Executive Chief Digital and Information Officer (until March 2023)	130-135	0	N/A	N/A	0	130-135
Karen Johnson	Director of Finance	140-145	100	N/A	N/A	55-57.5	220-225
Simon Lanceley	Director of Strategy and Transformation	150-155	0	N/A	N/A	35-37.5	185-190
Deborah Lee	Chief Executive Officer	270-275	100	N/A	N/A	37.5-40	310-315
Mark Pietroni	Medical Director and Deputy Chief Executive	180-185	100	N/A	N/A	65-67.5	245-250
Claire Radley	Director for People and Organisational Development	145-150	200	N/A	N/A	35-37.5	180-185
Qadar Zada	Chief Operating Officer	140-145	0	N/A	N/A	40-42.5	180-185

Director Pensions 2023/24		Real increase in pension at pension age	Real increase in pension lump sum at pension age	Total accrued pension at pension age at 31 March 2024	Lump sum at age pension age related to accrued pension at 31 March 2024	Cash Equivalent Transfer Value as at 1 April 2023	Real increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value as at 31 March 2024
Pension benefits of Senior Managers		(Bands of £2,500)	(Bands of £2,500)	(Bands of £5,000)	(Bands of £5,000)	£'000	£'000	£'000
Matt Holdaway	Director of Quality and Chief Nurse	0 to 2.5	5 to 7.5	40 to 45	105 to 110	736	19	848
Karen Johnson	Director of Finance	0 to 2.5	0 to 2.5	35 to 40	0 to 5	446	21	563
Simon Lanceley	Director of Strategy and Transformation (until 2nd July 23)	0 to 2.5	0 to 2.5	25 to 30	0 to 5	327	11	417
Deborah Lee	Chief Executive Officer (until 30th January 24)	0 to 2.5	0 to 2.5	0 to 5	0 to 5	1,420	0	0
Mark Pietroni	Medical Director and Deputy Chief Executive	2.5 to 5	0 to 2.5	35 to 40	5 to 10	462	95	630
Claire Radley	Director for People and Organisational Development	2.5 to 5	0 to 2.5	15 to 20	0 to 5	186	60	284
Qadar Zada	Chief Operating Officer (until 16th July 23)	0 to 2.5	7.5 to 10	30 to 35	85 to 90	445	44	660
Helen Ainsbury	Interim Executive Chief Digital and Information Officer (from 1st Oct 23)	5 to 7.5	15 to 17.5	20 to 25	60 to 65	0	117	491
Ian Quinnell	Interim Director of Strategy and Transformation (from 1st July 23)	12.5 to 15	0 to 2.5	15 to 20	0 to 5	0	195	284
Kevin McNamara	Chief Executive Officer (from 1st January 24)	0 to 2.5	12.5 to 15	40 to 45	105 to 110	491	60	813
David Coyle	Interim Chief Operating Officer (from 4th July 23 to 28th March 24)	0 to 2.5	0 to 2.5	0 to 5	0 to 5	0	0	0
Al Sheward	Chief Operating Officer (from 11 December 23)	0 to 2.5	0 to 2.5	45 to 50	125 to 130	871	14	1,026
Pension benefits of Past Senior Managers								
Mark Hutchinson	Executive Chief Digital and Information Officer (until 31st March 2023)	0 to 2.5	0 to 2.5	0 to 5	0 to 5	824	0	0

#### Notes:

The value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20, less the contributions made by the individual. The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights.

This value derived does not represent an amount that will be received by the individual. It is a calculation that is intended to provide an estimation of the benefit being a member of the pension scheme could provide. The pension benefit table provides further information on the pension benefits accruing to the individual.

Factors determining the variation in the values recorded between individuals include but is not limited to:

A change in role with a resulting change in pay and impact on pension benefits

A change in the pension scheme itself

Changes in the contribution rates

Changes in the wider remuneration package of an individual

Cash Equivalent Transfer Value (CETV) are calculated using the guidance on discount rates for calculating unfunded public service Pension Contribution rates that was extant at 31 March 2024. HM Treasury published updated guidance in April 2024; this guidance will be used in the calculation of 2023-24 CETV figures.

On 10 March 2022 the Public Service Pensions and Judicial Offices Act 2022 gained Royal Assent. This act sets a deadline of 1 October 2023 to pass regulations enabling the necessary retrospective adjustments arising due to the McCloud judgement. This involves an initial roll back of all eligible members so their relevant service is switched to become Final salary and then offering members a choice on their actual retirement date between CARE and Final Salary benefits for their service between 2015 and 2022.

Mark Hutchinson is affected by the Public Service Pensions Remedy and their membership between 1 April 2015 and 31 March 2022 was moved back into the 1995/2008 Scheme on 1 October 2023. Negative values are not disclosed in this table but are substituted for a zero."

Mark Hutchinson was not in post in 23-24 however received some remuneration in April 23 for Loss of Office.

Deborah Lee chose not to be covered by the pension arrangements during the reporting year.

Salary for Mark Pietroni includes £80k for clinical role

Karen Johnson was opted out 01/04/2023 – 31/05/2023. Opted in 01/06/2023 – 30/11/2023 and opted out 01/12/2023 – 31/03/2024.

Helen Ainsbury was opted in to pension for three months only 01/10/2023 – 31/12/2023 and opted out from 01/01/24 onwards.

Director Pensions 2022/23								
Pension benefits of Senior Managers		Real increase in pension at pension age	Real increase in pension lump sum at pension age	Total accrued pension at pension age at 31 March 2023	Lump sum at age pension age related to accrued pension at 31 March 2023	Cash Equivalent Transfer Value as at 1 April 2022	Real increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value as at 31 March 2023
		(Bands of £2,500)	(Bands of £2,500)	(Bands of £5,000)	(Bands of £5,000)	£'000	£'000	£'000
Matt Holdaway	Director of Quality and Chief Nurse	7.5 to 10	17.5 to 20	45 to 50	90 to 95	558	138	736
Mark Hutchinson	Executive Chief Digital and Information Officer (until March 2023)	0	0	50 to 55	100 to 105	815	0	824
Karen Johnson	Director of Finance	2.5 to 5	0 to 2.5	35 to 40	0 to 5	385	35	446
Simon Lanceley	Director of Strategy and Transformation	2.5 to 5	0 to 2.5	25 to 30	0 to 5	278	19	327
Deborah Lee	Chief Executive Officer	0 to 2.5	0	60 to 65	145 to 150	1,334	45	1,420
Mark Pietroni	Medical Director and Deputy Chief Executive	2.5 to 5	0 to 2.5	30 to 35	5 to 10	376	48	462
Claire Radley	Director for People and Organisational Development	2.5 to 5	0 to 2.5	15 to 20	0 to 5	145	17	186
Qadar Zada	Chief Operating Officer	2.5 to 5	0 to 2.5	30 to 35	50 to 55	392	21	445

#### Notes:

The value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20, less the contributions made by the individual. The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights.

This value derived does not represent an amount that will be received by the individual. It is a calculation that is intended to provide an estimation of the benefit being a member of the pension scheme could provide. The pension benefit table provides further information on the pension benefits accruing to the individual.

Factors determining the variation in the values recorded between individuals include but is not limited to:

A change in role with a resulting change in pay and impact on pension benefits

A change in the pension scheme itself

Changes in the contribution rates

Changes in the wider remuneration package of an individual

Cash Equivalent Transfer Value (CETV) are calculated using the guidance on discount rates for calculating unfunded public service Pension Contribution rates that was extant at 31 March 2023. HM Treasury published updated guidance on the 27 April 2023; this guidance will be used in the calculation of 2023-24 CETV figures.

On 10 March 2022 the Public Service Pensions and Judicial Offices Act 2022 gained Royal Assent. This act sets a deadline of 1 October 2023 to pass regulations enabling the necessary retrospective adjustments arising due to the McCloud judgement. This involves an initial roll back of all eligible members so their relevant service is switched to become Final salary and then offering members a choice on their actual retirement date between CARE and Final Salary benefits for their service between 2015 and 2022.

Given the remedy has yet to be implemented, and the uncertainty over the outcome for individual members, we believe the approach taken by NHS Pensions is appropriate at 31 March 2023. We would however expect the 31 March 2024 Greenbury calculations to take into account this remedy to the extent that any in scope member records have been processed for the McCloud remedy by that date.

## Fair Pay Disclosures - Pay Multiple and Year-on-Year Variance (audited)

All NHS Foundation Trusts are required to disclose the relationship between the remuneration of the highest paid director in its organisation and the median remuneration of the Trust's workforce.

The remuneration report shows that the highest paid director in Gloucestershire Hospitals NHS Foundation Trust in the financial year 2023/24 fell into the banding £270k to £275k (2022/23 £270k to £275k). This was 7.9% times (2022/23 8.19%) the median workforce, which was £34,320.30 (2022/23 £33,244.91). The ratio has decreased due to the number of higher paid staff increasing.

Total remuneration includes salary, non-consolidated performance-related pay and benefits in kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

### Highest Paid Director

Year	2023/24	2022/23	Percentage change
Salary and Allowances (£000's)	271	272	-0.37%

For employees of the Trust as a whole, the range of remuneration in 2023/24 was from £1k to £431k (2022/23 was from £1k to £356k). 19 employees received remuneration in excess of the highest-paid director in 2023/24. (2022/23 2 employees).

### Average Employee

Year	2023/24	2022/23	Percentage change
Salary and Allowances (£000's)	54,098	52,589	2.87%

The remuneration of the employee 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	£24,336.00	£34,320.30	£47,247.01
Total pay and benefits excluding Pension benefits	£24,336.00	£34,320.30	£47,247.01
Pay and benefits excluding pension: pay ratio for highest paid director	11.15%	7.90%	5.74%

2022-23	25th Percentile	Median	75th Percentile
Salary			
Component of Pay	£23,619.08	£33,244.91	£46,880.16
Total pay and benefits excluding Pension benefits	£23,619.08	£33,244.91	£46,880.16
Pay and benefits excluding pension: pay ratio for highest paid director	11.53%	8.19%	5.81%

For future years the remuneration committee will continue to follow national pay guidance where appropriate.

The salary and pension entitlements of executive and non-executive directors table, the directors' pension table and the pay multiple calculations are subject to audit.



**Kevin McNamara**  
**Chief Executive Officer**

Date: 26 June 2024

## Staff Report

### Overview

The information within this staff report is made up of a combination of Trust, Gloucestershire Managed Services (GMS) and, where appropriate, bank staff.

With approximately 11,775 employees (headcount) inclusive of bank staff the Gloucestershire Hospitals group is the largest employer in the County. The majority of colleagues live in the local community and they and their families are also users of the services.

On both a national and local basis, workforce supply and in particular, clinical workforce supply remains one of the most challenging issues that NHS organisations currently face.

The attraction, recruitment, retention and engagement of the workforce remains a significant current and future priority for the Trust, in line with our Trust strategic objectives; *Flourishing Workforce*, the aim of which is to ensure “*We have a compassionate, skillful and sustainable workforce, organised around the patient, that describes us as an outstanding employer who attracts, develops and retains the very best people*”.

### Staff Analysis

Average Number of Staff and Staff costs: 1 April 2023 to 31 March 2024 (subject to audit)

Using the most up to date available data, the following table reflects the average number of staff in Whole Time Equivalent (WTE) terms. Bank and Agency worked WTE is included within the figure entitled “Other” (header in the top column).

#### Average number of employees (WTE basis)

	Group		2023/24	2022/23
	Permanent Number	Other Number	Total Number	Total Number
Medical and dental	462	655	1,117	995
Ambulance staff	8	0	8	4
Administration and estates	1,945	184	2,129	1,290
Healthcare assistants and other support staff	1,357	328	1,686	1,288
Nursing, midwifery and health visiting staff	2,243	425	2,667	2,487
Nursing, midwifery and health visiting learners	211	13	224	1,298
Scientific, therapeutic and technical staff	607	76	683	670
Healthcare science staff	260	15	275	260
Social care staff	-	-	-	-
Other	2	11	13	12
<b>Total average numbers</b>	<b>7,094</b>	<b>1,708</b>	<b>8,802</b>	<b>8,304</b>

#### Of which:

Number of employees (WTE) engaged on capital projects

6	-	6	6
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Management have undertaken an exercise to review the mapping of staff occupation codes to the categories within the WTE disclosure above during the year. The 23/24 balances are based on this updated

mapping - prior year comparatives haven't been revisited under the updated mapping on the basis that these classification changes are not considered to be material.

## Staff Costs

	2023/24		2022/23	
	Trust	Group	Trust	Group
	£000	£000	£000	£000
Salaries and wages	341,895	364,185	331,506	350,056
Social security costs	40,021	41,960	37,395	38,988
Apprenticeship levy	2,001	2,099	1,786	1,863
Employer's contributions to NHS pensions	65,226	67,095	58,851	60,765
Temporary staff (including agency)	17,490	18,479	23,194	24,607
NHS charitable funds staff	-	443	-	387
<b>Total gross staff costs</b>	<b>466,633</b>	<b>494,261</b>	<b>452,732</b>	<b>476,666</b>
Recoveries in respect of seconded staff	-	-	-	-
<b>Total staff costs</b>	<b>466,633</b>	<b>494,261</b>	<b>452,732</b>	<b>476,666</b>
<b>Of which</b>				
Costs capitalised as part of assets	917	917	864	864

## Gender Split of Workforce

The table below shows the gender breakdown of substantive staff (bank staff not included) in "Headcount" terms.

2023/24	Men	Women	Total	Men%	Women%
Chair & Directors	9	14	23	39.1%	60.9%
Band 8a+ staff	137	322	459	29.8%	70.2%
<b>All Employees</b>	<b>2183</b>	<b>7284</b>	<b>9467</b>	<b>23.1%</b>	<b>76.9%</b>

2022/23	Men	Women	Total	Men%	Women%
Chair & Directors	5	13	18	27.7%	72.2%
Band 8a+ staff	103	266	369	27.9%	72.1%
<b>All Employees</b>	<b>2170</b>	<b>7368</b>	<b>9538</b>	<b>22.80%</b>	<b>77.20%</b>

\*NOTE "Chair & Directors" includes both Executive and Non-Executive Directors

The data shows there is an increase in the overall % of men by 0.3% (**13 staff**) from **22.8%** in 2022/2023 compared to **23.1%** 2023/2024.

At band 8a+ the ratio of women to men has increased with seniority. At Band 8a+ the number of women has increased by 56 staff compared to the previous year.

At Board and Chair/Non-Executive level there has been an increase in men of **11.4% (4 staff)** from 2022/2023. The reason for this change is due to departures and recruitment into Board and Non-Executive roles.

## Sickness Absence

The table below shows the sickness breakdown (excluding bank staff). The overall annual absence rate for 2023/2024 has decreased by **0.60%** compared to 2022/2023. Both long- and short-term absence has seen improvement in comparison to the previous year; long term absence has decreased by **0.19%** and short-term absence has decreased by **0.41%**.

Type of Sickness	2023/24	2022/23
Sickness Absence Long Term	2.18%	2.37%
Sickness Absence Short Term	2.11%	2.52%
<b>Annual Sickness Absence</b>	<b>4.29%</b>	<b>4.88%</b>

Supporting staff through difficult and challenging times including post pandemic pressures, cost of living concerns, and challenging times within the NHS has been a priority over the last year. This has included support for staff with increasing symptoms of stress and anxiety as the workforce recovers from the pandemic and are now working under extreme operational and social pressures.

## Staff Policies and Actions Applied During the Financial Year

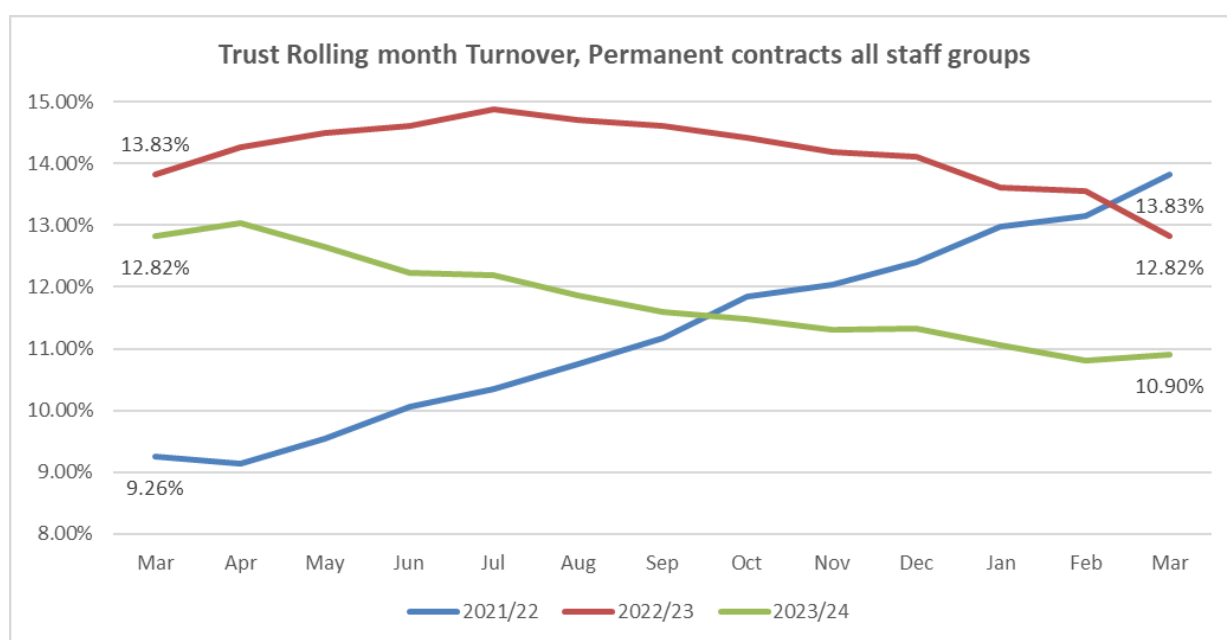
We continue to work in partnership with our staff side and trade union colleagues to develop new and updated policies to reflect changes as required by law and legislation and best practice and include our line managers in those conversations to ensure they reflect the real issues being discussed in the workplace.

A review of renewal dates for HR policies has been undertaken and a priority list and work plan has been taken forward, leading to significant progress made this year to ensure our policies are up to date and are owned by the correct specialist team.

## Staff Turnover

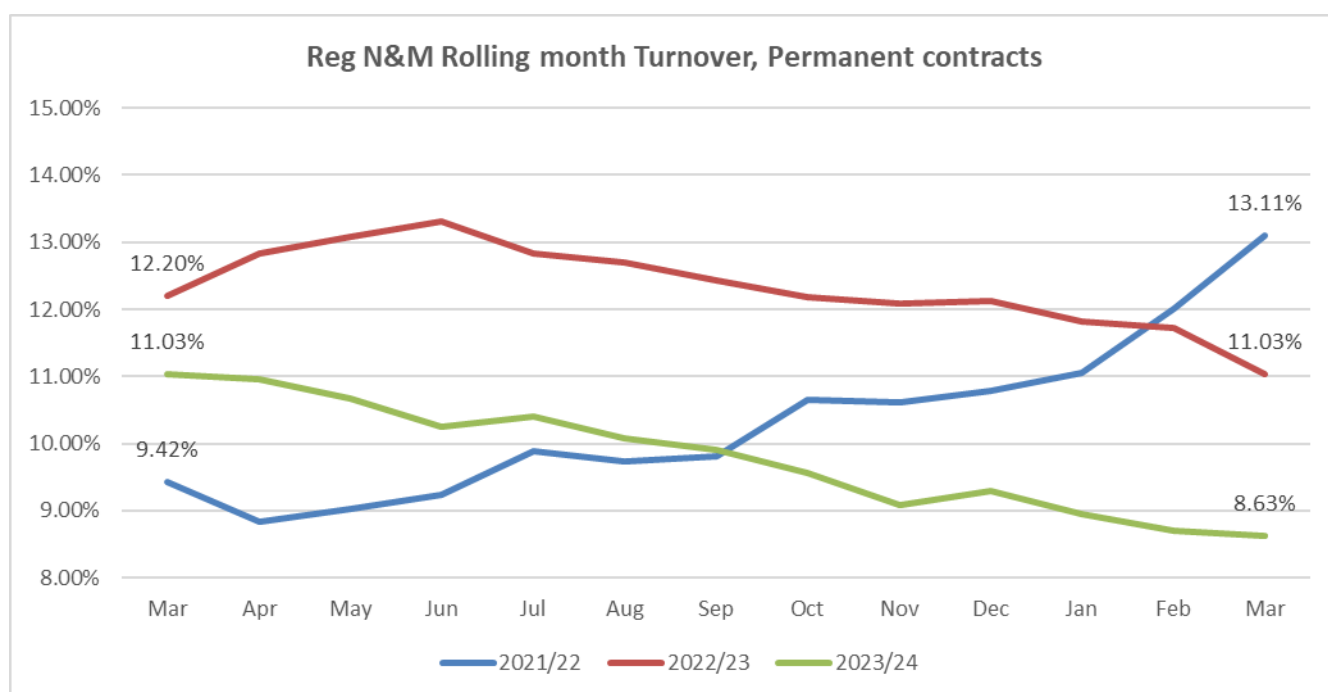
The past 12 months has continued to prove challenging in terms of workforce given the ever-changing demands, including multiple periods of Industrial Action across different staffing groups and the associated challenges in terms of workforce. Staff continue to face increasing pressure which has resulted in higher burn out and less opportunity for annual leave to be taken by staff.

During 2023/2024 turnover has decreased by **1.92%** over the year to 10.90%.



*This staff turnover information does not include Gloucestershire Managed Services (GMS).*

Similarly, Registered Nurse turnover has seen a decrease of 2.1% compared to 2022/2023 bring the total to 8.63%.



Feedback from staff who have left cited various reasons; reassessing work/life balance, retirement, current workload is too stressful as pressures of workload continues.

Work is underway to review the local actions required to deliver the NHS Long Term Workforce Plan ensuring we have the right number of people, with the right skills and support in place to be able to provide **Best Care for Everyone**. While external recruitment is critical, we also recognise the importance of internal 'grow your own' programmes and reforming the way we work and train. The Education, Learning and Development Service continue to scrutinise how to increase student placement capacity, improve placement

experience, increase training opportunities offered via apprenticeships, and develop clear career pathways, all of which are key for retention.

The Trust has continued its Ethical International Recruitment, with 135 Internationally Educated Nurses recruited between April 2023 – March 2024. International recruitment plans for 2024/25 remain under review, but work is being undertaken to develop a pathway to support recruitment of Internationally educated Nurses already residing within the UK to undertake their Objective Structured Clinical Examination (OSCE) and obtain registration with the Nursing & Midwifery Council (NMC).

In addition, we have continued with the following programmes:

- Apprenticeships
- T Levels
- Student Nursing Associate (SNA)
- One year SNA programme for Internationally Educated Nurses
- Registered Nurse Degree Apprenticeship (RNDA)
- Advanced Clinical Practitioner (ACP).
- Return to Practice for Nursing, Midwifery and AHP

In 2024/2025 the Trust is committed to:

- Reduce staff turnover through positive retention initiatives;
- Work in partnership with Higher Education Institutions, job centres and our ICS partners to collaboratively increase recruitment in innovative and sustainable ways

Creating a sustainable workforce continues to be the most critical of challenges facing the NHS today. The attraction, recruitment, retention and engagement of our workforce therefore remains a significant current and future priority for the Trust.

Three projects are currently being implemented: 1) improving the exit/leaver process and reporting mechanisms; 2) better visibility and promotion of flexible retirement options; 3) improving the process for substantive leavers to join the Trust's Bank, thereby reducing our reliance on agency.

## **Information on Health and Safety Performance**

The Health and Safety Committee is chaired by the Director for People and OD and assurance on compliance is managed through the People and OD Committee. The Trust employs a competent Head of Risk, Health and Safety expert and has centralised the Health and Safety team. The Board are updated on Health and Safety Executive (HSE) / CQC visits and any improvement notices and serious incidents relating to health and safety matters.

### Health and Safety Performance

The Trust has a three-year Health & Safety Plan 2021-2024 which is aligned to the Trust Strategic Objectives. The Health and Safety Objectives are driven by the centralised team and divisional performance against the objectives is managed and reported via the Divisional Health & Safety Committees. These Committees, alongside a number of safety sub-groups report into the Trust Health & Safety Committee, with the latter reporting through the governance structure to the People and OD Committee. The H&S Plan contains yearly targets to ensure progress is on track. Achievement of the year 3 targets

will be reported shortly via the Divisional H&S Meetings, the Trust H&S Committee and People and OD Committee. A new revised plan for 2024 onwards will be published shortly.

The Health and Safety team have been actively involved in a number of programmes including the reduction of abuse and violence, access and egress safety, fire safety, security, sharps and splashes, reduction of stress, ligature risk assessments and increased proactive workplace inspections. The team also leads on risk management.

### **Health and Safety Executive (HSE) Inspections**

The People and Organisation Committee of the Board was in the period of this report, the Committee that oversees Health and Safety and the work of the Health and Safety Committee.

A three-day HSE Inspection in relation to violence and aggression and musculoskeletal disorders took place between December 2023 and February 2024. This was part of a HSE nationwide inspection programme focussed on the NHS. The Trust was one of many to be inspected as part of this programme. The Trust was not served a formal Improvement Notice but did receive a letter containing a Notice of Contravention in April 2024 which highlighted key observations in relation to the two themes.

An action plan has been developed and agreed and is currently being progressed. One key action, a Trust-wide security review, was already in progress at the time of the inspection and is due to conclude during the first quarter of the next reporting period. This will address several observations highlighted by the HSE.

### **Occupational Health**

The provision of the Working Well Occupational Health Service remains a key component of the Trust's wellbeing support for its staff.

The contract renewal with Working Well took place in May 2023, which saw the establishment of a formal Partnership Agreement with Gloucestershire Health and Care. This supports the ambition of maintaining one provider for the two Trusts and allows for increased collaboration with the staff health and wellbeing strategy across the Integrated Care System. Quarterly partnership meetings are now held providing the opportunity to discuss contract performance (quality of service and value for money) in addition to any clinical matters and strategic service developments.

Working Well's leadership team have continued to meet with Senior HR colleagues from Recruitment, HR Business Partners, and Medical Staffing on a monthly basis.

These invaluable, informal meetings allow for teams to talk about the support being provided and any specific needs of the Trust.

The contract with Working Well has seen growth in activity in the last year particularly across the following:

- Pre-employment screening which is driven by the Trust's recruitment activities and which also influences the numbers of immunisation checks, vaccinations and blood tests.
- Ill health retirement applications

- Clinic appointments driven by the need for immunisation checks, vaccinations, blood tests.
- Contact tracing driven by the number of disease outbreaks such as varicella, pertussis and measles.
- Blood tests which are driven by colleagues impacted by disease outbreaks, contamination injuries, Entonox exposure and the number of international nurses recruited (requiring additional TB screening).
- Clinical support via telephone or email driven by colleagues asking for immunity status regarding measles

All OH self-referrals continue to be supported by a senior Specialist Nurse or OH Physician who ensure appropriate guidance and signposting is provided, including the benefits of the Trust's wellbeing and benefits provider, VIVUP, as well as the support provided by the 2020 Hub and the Staff Psychology team. The Wellbeing Line is an ICS initiative which is also available to all GHT colleagues in order to support their psychological wellbeing.

Musculoskeletal (MSK) issues are the second largest reason why staff are referred to Working Well, with Stress, Anxiety and Depression being the first, with a close link between the two conditions. The continuing increase in musculoskeletal problems across the Trust is placed a great deal of pressure on the small OH Specialist resource, with delays seen in receiving a consultation. With the risks posed to staff attendance and capability, Working Well enlisted temporary support from an OH MSK Specialist to provide much needed resource. A proactive, preventative MSK project has also been undertaken in the last year reviewing the support provided to the Trust. Key trends reflected included:

- Low awareness of services and initiatives that are available to staff
- Staff not accessing physiotherapy input due to perceived length of wait times

The Service procured a new occupational health management information system in 2023 as part of its digital transformation and the Trust is looking forward to exploring the increased functionality with existing systems such as TRAC and ESR in order to benefit from efficiencies in 24/25.

Working Well was successful in being re-accredited by SEQOHS (Safe, Effective, Quality, Occupational Health Service) in Quarter 3. The SEQOHS accreditation scheme is run by the Faculty of Occupational Medicine and is an independent assessment of the quality of the services delivered by Working Well.

### **Reasonable Adjustments for People who have Become Disabled During the Year**

The Trust has developed a new Reasonable Adjustments policy, which is due to go through the Trust Policy group for approval on 7 May 2024. This Policy provides all staff and line managers with guidance on what is meant by reasonable adjustments, and the processes around requests and approvals, and where to access support. The Policy is supported by a 'Purple Passport' document to support colleagues through the process and enable clear communication of existing adjustments.

New staff employed with a disability are assessed by occupational health to establish the reasonable adjustments they may require. These are facilitated by the division with support from the HR Advisory team if required. The Trust is connected with organisations such as Access to Work to assist with specific adjustments. In the latest NHS Staff Survey results from 2023, 71.11% of respondents said that their employer had made reasonable

adjustments (previously worded as adequate adjustments) to enable them to carry out their work. This is 2.09% below the average for acute Trusts.

The Trust has reviewed the staff car parking scheme and introduced new criteria for the review and allocation of parking permits for staff during 2023. The revised criteria are needs based and include a category for staff who will require a parking permit on the basis of a declared temporary or permanent disability.

## **Equality, Diversity & Inclusion**

All staff members are encouraged to join/engage with our Inclusion Network. There are three sub-groups, chaired by colleagues: Disability/long-term conditions, Ethnic Minorities, and LGBTQ+. Further plans are in place to create a Men's Conversation group and a Woman's Network.

The Trust recognises the importance for our employees to access swift support for a variety of individual health and wellbeing needs. Following the establishment of the 2020 Staff Advice and Support Hub almost five years ago, staff have direct, confidential access to support and signposting for any aspect of their physical or psychological wellbeing. From April 2023 to April 2024, the Hub has received 1,674 contacts. Since the 2020 Hub's launch in May 2019, it has received over 22,385 contacts from colleagues regarding their health, wellbeing and welfare.

The Trust has maintained focus on the Equality, Diversity and Inclusion agenda and in particular the experience of ethnic minority and disabled colleagues, who report the least positive experience of bullying, harassment and discrimination whilst working in the Trust.

The Trust's Equality objectives for 2019-2023 reflect the broader equality issues raised in the Workforce Race Equality Standard (WRES), Workforce Disability Equality Standard (WDES), Gender Pay Gap report and staff survey results. These are:

- Eliminate discrimination on the basis of race, gender and disability. Improve the support and reporting mechanisms for staff when they experience or witness abuse, bullying, harassment or violence in our Trust to ensure staff feel able to respond effectively and receive the support they need.
- Significantly strengthen support provided to staff with disabilities, mental health and long-term health conditions; and support line managers who work with disabled colleagues to ensure they feel safe

Specific activities undertaken in 2023/24 to further progress our Equality Diversity and Inclusion agenda, include:

1. Launched another cohort of the Reciprocal Mentoring Programme in partnership with the Integrated Care Board. The programme will provide insight, create transformational changes and assist in optimising the career development and pipeline of staff with a protected characteristic.
2. Held a well-attended event during Black History Month in partnership with the RCN. This event consisted of a screening of Nursing Narratives, and discussions on why it is important to celebrate Black History Month, Allyship and being an anti-racist organisation.
3. Attended Gloucestershire's Pride in the Park, with over three times the number of colleagues who joined as in 2022.
4. A new Trust-wide EDI Development plan has been established, aligning with the NHSE

Improvement Plan High Impact Actions, the NHS People Plan, and the Equality Delivery Systems Domains. The plan encompasses eight Trust Actions that reflect the National High Impact Actions and the anti-discrimination workstream.

5. Model Employer Aspirations: The Trust is making progress toward its Model Employer Target for the Trust-wide total, Band 8A, and Band 8B, as these groups have seen increased percentages of ethnic minority colleagues. However, the percentages have decreased in VSM, Band 8C, and Band 8D, while Band 9 remains unchanged at 0%. Although the Trust did not meet the percentage trajectory targets set for the 2025 deadline, it did meet or exceed the trajectory targets for 2029 in the Trust-wide total, Band 8A, and Band 8B.
6. A thorough gap analysis maps activities against each High Impact Action (HIA) to identify necessary actions, which are then aligned with our Trust Business Assurance Framework and risks. These actions integrate seamlessly with the Staff Experience Improvement Project (SEIP), The Well-Being Collective (TWBC), and other local and national training opportunities. We prioritize actions based on identified needs and target completion dates, fostering collaborative discussions within the Equality, Diversity, and Inclusion Steering Group.
7. Successfully recruited six new co-chairs across the three inclusion sub-networks. Each network has commenced planning for Pride, Black History Month, and Disability Month for 2024.
8. Celebrated International Women's Day by asking for nominations of colleagues who are inspiring. Over 30 colleagues from across the Trust were nominated.
9. Shared a variety of educational and informative webinars, events and dates to the Inclusion Network, to raise awareness about the importance of EDI practices across the organisation.
10. Re-designing the Equality, Diversity and Inclusion intranet pages. This includes creating an EDI Hub, with new additional information on protected characteristics, types of discrimination, an Inclusion Calendar, and links to all of our previous campaigns. The intranet page is due to go live at the end of May 2024.
11. An Inspire and Empower event was held at a local school. At this event, eighteen Trust colleagues from black, Asian and global majority backgrounds engaged with the 400 children at the school through an assembly and classroom sessions. The school is widely attended by children who are internationally born, speaking English as a second language and/or are from global majority ethnicities. This was a wonderful opportunity empower and inspire children in our community to strive for great things in their future.
12. The 75<sup>th</sup> Anniversary of Windrush was celebrated by raising the Windrush flag outside the Tower Entrance at GRH, followed by readings, cake, refreshments and entertainment from the Music Works in the memorial garden in GRH and outside Sandford Education Centre.

## **Health and Wellbeing**

There is an established workplace wellbeing offer available for colleagues across the Trust, and a new emphasis on the strategic focus on workplace wellbeing. The following recent activity supports this approach:

- Appointment of a new fixed-term role of 'Lead for Colleague Health & Wellbeing' from October 2023.
- In January 2024 a Workplace Wellbeing Steering Group was established, to aid in the collaboration, governance and accountability of the wellbeing agenda at the Trust.
- From February 2024, the Steering Group approved 8 strategic objectives as part of a new 'Workplace Wellbeing Strategic Action Plan', focussed around the following two

priorities:

- **Proactive:** Prevention of wellbeing issues; developing GHT as a healthy workplace.
- **Reactive:** Appropriate provision of *responsive* support for the wellbeing needs of colleagues.
- A new risk for the Trust risk register is in development to enhance the governance of this work: Risk 790: 'Risk of staff's wellbeing being adversely affected by the workplace'.
- A Workplace Wellbeing Strategy is in development, to provide assurance of the activity and vision to enhance the culture of wellbeing at the Trust. *Anticipated in June 2024.*
- The use of available data is being explored to help inform meaningful wellbeing activity, adapted to the needs of this Trust. Systems are being explored for triangulation of data (including sickness, retention, Staff Survey, NQPS); to enable the provision of appropriate support within the offer. Available data at time of writing indicates the following:
  - 41% of respondents in the 2023 NHS Staff Survey reported that they felt unwell due to work-related stress in the last 12 months.
- In addition to looking at indicative data about staff wellbeing, we are exploring options for measuring the *impact* of the wellbeing offer; by looking at evaluation mechanisms.

The workplace wellbeing offer is multi-faceted due to the broad nature of 'wellbeing', but the following services remain at the core of the support available to all staff across GHT and GMS:

- **Staff Advice and Support Hub:** available 9-5, Monday-Friday; providing support and signposting for issues relating to the physical or psychological wellbeing of colleagues. From April 2023 to April 2024, the Staff Advice & Support Hub has received 1,674 contacts. In addition to provision of 1:1 support to staff, the Hub provides 'mobile hubs' where they outreach to educate teams about the available wellbeing support. The team also coordinates monthly 'Menopause workshops', coordinates the Wellbeing Champion network, and drives varied initiatives to enhance the culture of wellbeing across the Trust.
- **Employee Assistance Programme (EAP)** provided by VIVUP: offering 24/7 'in-the-moment' telephone support to all colleagues, for anything affecting their wellbeing. In addition, VIVUP offer 1:1 talking therapy sessions.
- **Staff Psychology Service:** The Staff Psychology Service was initially launched in October 2020 with a 0.5 WTE role as a Psychology Link Worker for six months following the pandemic. In 2021-22, additional investment had been secured using the Charities Together funds combined with staff support vacancies in the Clinical Health Psychology team. The service was redesigned to be situated within the People & OD department to provide an integrated service, delivered in partnership with existing colleague health-wellbeing and team support offers, including the 2020 Hub and the Leadership & OD team. In October 2023 the Staff Psychology Service moved back to sit under the professional line management of the Head of Clinical Health Psychology but continues to operate with existing links to the service lines under the Associate director for Education, Learning and Culture and People and OD delivery group. The Staff Psychology service offers 1:1 support for individuals and managers, trauma focused therapy for work related trauma, team interventions such as decompression groups, reflective practice and Compassion Focused away day support. The service provides specialised training such as 'Compassionate Resilience' workshops, 'Supporting Managers' workshops, hot and cold debrief training as well as bespoke teaching sessions for junior doctors and staff teams. In 2023/24 the team's activities have been accessed as follows:
  - 650 individual therapy appointments attended

- 150 colleagues attending 25 group sessions
- 450 colleagues attending 30 teaching sessions
- 140 colleagues attending 15 Compassionate Resilience workshops
- 50 colleagues attending eight Supporting manager's workshop
- 150 colleagues attending 20 mindfulness sessions
- 30 colleagues attending three psychological debriefs
- 50 colleagues attending eight cold debrief training sessions
- 110 colleagues attending eight hot debrief training sessions
- **Occupational Health:** as seen above in section 'Occupational Health'.
- **Other in-house support options:** In addition to the support options already named, there are many roles across the Trust which directly support the wellbeing of staff; including Legacy Mentors, Professional Nurse Advocates, Professional Midwifery Advocates, Peer Support Advisors. Further, the work of the Library and Knowledge Service, and the Chaplaincy Service also contribute to the wellbeing offer.
- In line with the new Workplace Wellbeing Strategic Action Plan, the following new elements have been, or will be added to the wellbeing offer in 2024:
  - **'Walk & talk' group:** introduced in April 2024, to promote physical activity and social interaction.
  - **Yoga:** free, weekly yoga session delivered across sites was introduced in April 2024; to promote physical and psychological wellbeing, specifically MSK issues which are one of the leading causes of staff sickness. NHS Staff Survey, (2023) indicated that 30% of respondents experienced MSK problems as a result of work activities in the last 12 months.
  - **'Reasonable Adjustments' Policy:** a new Policy and accompanying resource have been designed, as detailed earlier in this report.
  - **'Supporting Wellbeing in your team' Manager training:** this new session will be available to all line managers from mid-May 2024. The session aims to enhance managers awareness and confidence in appropriately supporting the wellbeing of colleagues, by having wellbeing conversations, utilising the available offer by effective signposting, and proactively enhancing psychologically safe cultures within their teams.
  - **'Wellbeing conversations guidance':** a new tool is in development to support both individuals and managers to have more regular wellbeing conversations.
  - **Suicide prevention toolkit:** to be launched on 13 May 2024 to all staff as part of Mental Health Awareness Week. These resources aim to help promote awareness of this topic, whilst providing clarity on 'what to do' and what support is available across different scenarios.
  - **Wellbeing Champions network:** To aid in developing a wellbeing culture and enhancing awareness of wellbeing and the offer across the Trust, this network has been redesigned and has grown by approximately 75% since January 2024.
  - **Intranet pages:** To enhance accessibility, the wellbeing section of the Trust Intranet is being redesigned to make it easier for people to understand what support is available. *Anticipated in May 2024.*
  - **New wellbeing booklet:** To enhance accessibility for staff who don't have regular computer access, this booklet will replicate the new intranet wellbeing structure, with QR codes to make resources readily available through smartphone technology. *Anticipated in July 2024.*
  - **Menopause guidance:** In addition to the menopause workshops coordinated by the Staff Advice & Support Hub, new guidance is being created to enhance awareness of menopause and signpost to suitable support options. *Anticipated in June 2024.*

## **Training, Career Development and Promotion of Disabled Employees**

A variety of mechanisms are in place to help colleagues requiring additional support in their personal learning and development.

The Trust will flex its methods for specific learner needs and adjustments can be made to the learning environment and the learning methodology, including additional resources or room changes.

With the increased use of videos within training delivery, all existing and new training videos now include either a transcript or subtitles. With the addition of new learning technologies such as Virtual Reality the Digital Education Team are ensuring the solutions developed cater for all.

The Education teams have designed an eLearning “wrapper” for accessibility so that it works with screen readers, has flexible contrast settings and variable font sizes all aiding accessibility.

The Post Graduate Medical Education team continues to welcome and support all colleagues joining us at the education centres, which includes not only trust staff, but also local, national and international NHS workforce colleagues. The team regularly offers additional support for teaching events/courses and examinations, and the following requests/needs have been successfully accommodated:

- Mobility; ranging from interim adjustments to more permanent support
- Reduced hearing; installation of Hearing Loops now being extended throughout the centres and on reception
- Impaired sight; adjustable lighting to aid visualisation of presentations
- Dyslexia; most specifically with examination adjustments as per the Royal College Guidelines
- Support with other requests/needs that may not be defined as disability but may have negative effects for an individual such as food allergies, stress and migraines.

Neurodiversity has been identified by the Education, Learning and Development Service as a focus for staff learners, and as such is being placed within the new Education, Learning and Development Policy, currently being written, to provide guidance and support to line managers and staff undertaking learning and development activities.

The Trust Apprenticeship and Careers team work closely with managers to provide any additional support for apprentices and other members of staff with disability onto programmes and into the workplace. The Education, Learning and Development Services Professional Education Practitioners, Practice Educators and Practice Education Facilitators continue to support and signpost Nursing, AHP, and Midwifery colleagues with specific learning difficulty, and provide flexible support to any delegate who requires additional help, regardless of whether they formally identify as disabled.

## **Education, Learning and Development**

It is identified that the provision of Education, Learning and Development opportunities influences the attraction and retention of staff. As a result, our Nursing and ODP Preceptorship programme offering has been designed to provide access to support, guidance and development for all newly registered practitioners. The revised programme

and associated preceptorship policy meets the requirements laid out in the National Preceptorship Framework, resulting in the organisation being awarded the National Preceptorship Quality Mark for the Nursing and ODP programme in October 2023. Through partnership with the University of Gloucestershire, newly registered practitioners can undertake a funded accredited Masters module as part of their Preceptorship programme.

There has been significant work to ensure that we continue to move towards more interprofessional learning. Examples of this include:

- The appointment of a substantive Practice Educator for Simulation to align Simulation Based Education training between Medical and Non-Medical clinicians, working closely with our PGME colleagues, and develop a trust wide strategy.
- The NETS Group brings together colleagues from all disciplines to ensure that all our learners' voices have been heard within the National Education Training Survey and that any actions required are collaborative in their approach.
- Launch of NHS England Safe Learning Environment Charter being implemented Multi-professionally within the SW region and plans to implement within our organisation being currently developed.

Educational governance continues to be a priority. A fixed term post is being developed to support the standardisation of educational documents throughout the organisation such as lesson plans and Training Needs Analysis. The role will support the development of colleagues to promote confidence in educational governance, and to ensure that opportunities are aligned to departmental and organisational priorities with a focus of EDI and wellbeing within learning activities.

Since the publication of the Health Education England – Educator Workforce Strategy (March 2023), establishing the development needs, resources and support for educators has been in focus. A review of educational practices is underway to improve educational governance and many educators have been supported onto level 7 accredited modules to improve educator quality. Quarterly Educators Forum provides a space for upskilling our education workforce through development workshops and aims to strengthen the community of practice. System and regional initiatives compliment Trust efforts to implement the HEE Educator Workforce Strategy to successfully achieve the Long Term Workforce Plan.

The continuous advancement of healthcare demands that professionals remain at the forefront of their respective fields, equipped with the latest knowledge and skills necessary to provide exceptional care. To ensure we achieve this and meet our legal obligations and the NHS Long-Term Workforce Plan we have commenced a review of our Organisational Induction, Statutory, Mandatory and Essential to Role training programmes. This will ensure that our training offerings are aligned to the national Core Skills Training Framework for content and delivery and that all training is assigned appropriately to our staff groups to reduce time out and remove duplication of training. This work will link directly to the outcomes of NHS England's national training review.

Other successes during the 2023/2024 year include:

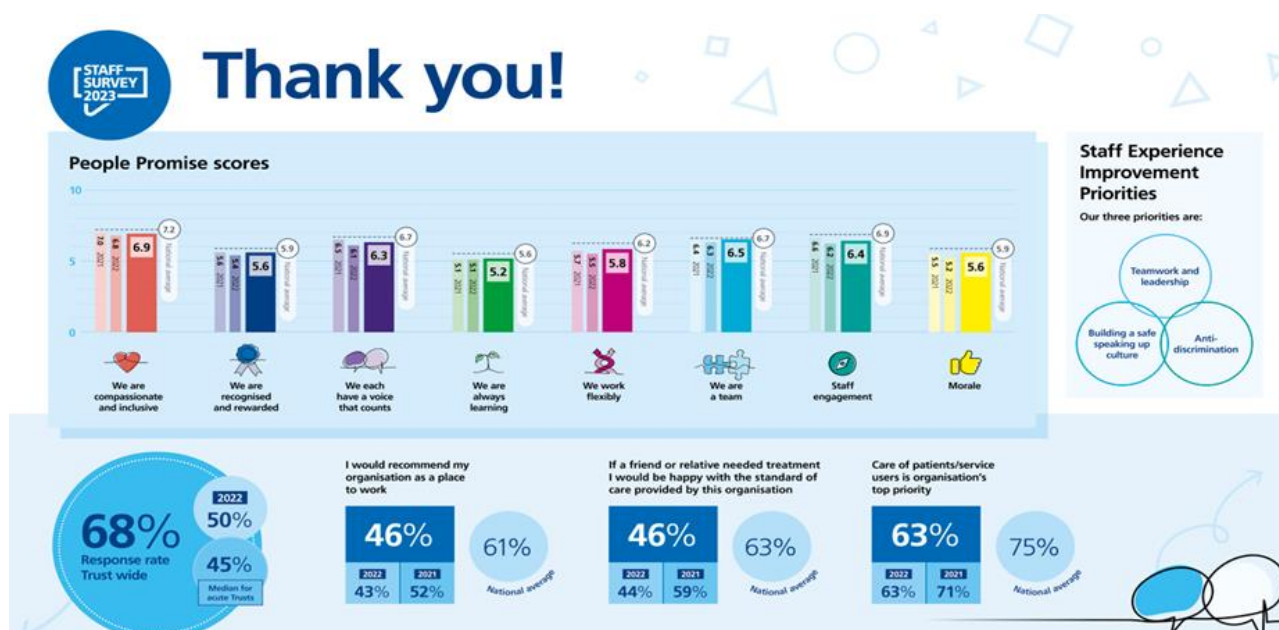
- 172 Internationally Educated Nurses (IENs) supported through OSCE training and subsequent exam between April 2023 – March 2024. Of that 172, 135 were internationally recruited as a band 5 RN, 37 were existing trust staff working in a non-registered post within the organisation but a registered nurse internationally.

- Close partnership with our partner Higher Education Institutes, increasing the number of Nurse and AHP placements.
- Ongoing focus with the Student Nursing Associate (SNA) programme enrolling a further 49 colleagues onto programme this year. This results in a total of 92 SNAs currently on programme and 100 SNAs completing programme since April 2017.
- Continuation of the Registered Nurse Degree Apprenticeship (RNDA Top Up) for registered NA's to become Registered Nurses in two years, enrolling 11 colleagues onto programme this financial year.
- Third cohort of industry placements for T Level students on Health T Level (Adult Nursing Pathway) supported and named T Level employer placement of the year by Cirencester College.
- After having degree apprenticeships in several areas including nursing, cardiac investigations, lung function and audiology – now looking at the Midwifery Degree Apprenticeship as an alternative route into midwifery.
- Collaboration with One Gloucestershire Integrated Care System (ICS), continuing to deliver the workforce agenda for the wider health and social care system.
- Launched a suite of offers and materials to support leaders and managers in the Trust, including: a Management Essentials toolkit aimed at new managers/leaders in the Trust; review and relaunch of our development offer for newly appointed managers: the Developing Leaders Programme; a Leadership and Management Development pathway which displays all in-house and external development offers on one-page.

## Staff Survey

### Response Rates

The response rate for the 2023 Staff Survey was 68% which is a significant increase on the previous year (50% response rate), and places us as one of the Trusts with the highest response rates in the country. We were 23% above the median response rate for comparator organisations (Acute and Acute & Community Trusts).



## Summary of Performance

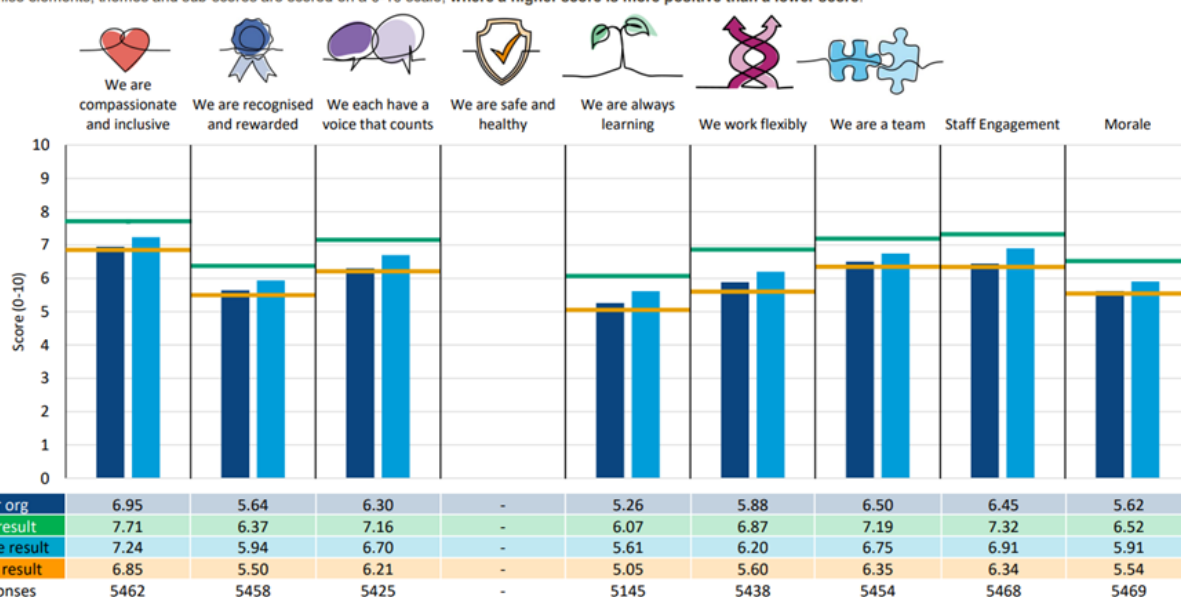
The results show a statistically significant improvement across all of the seven People Promises, Staff Engagement and Morale themes.

People Promise elements	2022 score	2022 respondents	2023 score	2023 respondents	Statistically significant change?
We are compassionate and inclusive	6.83	4222	6.95	5462	Significantly higher
We are recognised and rewarded	5.39	4225	5.64	5458	Significantly higher
We each have a voice that counts	6.16	4203	6.30	5425	Significantly higher
We are safe and healthy	5.63	4208	-	-	-
We are always learning	4.97	4086	5.26	5145	Significantly higher
We work flexibly	5.63	4217	5.88	5438	Significantly higher
We are a team	6.33	4216	6.50	5454	Significantly higher
<b>Themes</b>					
Staff Engagement	6.32	4227	6.45	5468	Significantly higher
Morale	5.31	4226	5.62	5469	Significantly higher

Note. 2023 results for 'We are safe and healthy' have not been reported due to an issue with the data. Please see <https://www.nhsstaffsurveys.com/survey-documents/> for more details.

In spite of the positive improvements, we still remain considerably below the average for acute Trusts across all elements.

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.



Note. 2023 results for 'We are safe and healthy' have not been reported due to an issue with the data. Please see <https://www.nhsstaffsurveys.com/survey-documents/> for more details.

These results underline the need for the continuing priority and focus we are placing on our organisation's culture. Following the 2022 staff survey results, the Staff Experience Improvement Programme was established – with support from the Board of Directors – to drive activity and improvement across three interconnected workstreams:

Workstream 1 – Teamwork and Leadership (aligned to People Promise 7: We are a Team)  
 Workstream 2 – Anti-discrimination (aligned to sub-core Equality and Diversity, part of People Promise 1: We are Compassionate and Inclusive)

Workstream 3 – Building a Safe Speaking Up Culture (aligned to People Promise 3: We each have a voice that counts)

Our guiding principles for bringing about culture change in the Trust include:

- Change happens through relationships
- Change happens when people can talk, think and problem-solve together skilfully
- Change only really happens when you work at a behavioural level
- No change comes from stability
- We can't work with what we're not talking about
- People own what they help to create
- The process is as, if not more important, than the outcome
- Change will be sustained when we build internal capacity and capability

The activities under the Teamwork and Leadership workstream are now underway. Following an extensive tender process in the summer we are working in partnership with an OD Consultancy to deliver a range of activities for leaders and teams across the organisation. The first 'wave' of service lines began their activities in March 2024. This includes leader workshops, team workshops and Action Learning Sets. Our ambition is that all staff across the organisation will eventually be invited to participate, although we recognise this will take several years to complete.

## **Workforce Sustainability**

The Trust's Strategic aim of having *a compassionate, skillful and sustainable workforce, organised around the patient which describes us as an outstanding employer who attracts the very best people* remains a core driver for the Workforce Sustainability Programme.

The last year has seen the Workforce Sustainability Programme significantly mature and continue at pace, leading on a number of enabling workstreams to realise far-reaching benefits. Focus has been on the following:

- Improving time to hire with an extensive programme of transformation for efficiencies to be created within the end-to-end recruitment process, including improvements with the Vacancy Control Process. The most improved performance was achieved in Month 12 with a reduction to 43.4 working days against a target of 49 working days.
- Ongoing focus on expanding the supply routes for Band 5 nurses which has seen continued reliance on an NHSE supported overseas pipeline
- Continued focus to increase the pool of Bank staff particularly during times of acute operational pressures, which has seen the implementation of bank pay incentives
- Significant work in establishing improved grip and control around medical locum and nurse agency use. This has included close alignment with the South West Regional collaboration to drive down high-cost agency reliance
- Development of the non-clinical Bank service for launch in 2024/25 which will improve oversight and governance of all non-clinical temporary staffing demand and supply across the Trust
- Through staff focus groups, development of a proposed employee value proposition to offer the Trust a unique and innovative recruitment marketing brand
- Appointment of the Trust's first Marketing and Attraction Lead, driving creative marketing solutions across the Trust's vacancies
- Development of a specification for a medical e-rostering system to launch a formal

procurement exercise in early 2024/25.

- Effective roster reviews across nursing which has also realised significant savings through the conversion of agency shifts to bank
- Establishment of a pan-Trust Retention Group which has identified early opportunities for focus such as improving the exit interview process, and reviewing the Retire and Return Policy to create clarity on the flexibilities this can offer. This group will dovetail into the work of the Staff Experience Improvement Cultural Programme.
- Improved reporting for monitoring progress across all workstreams has been seen, supporting the identification of areas which require greater focus and scrutiny

Looking ahead into 2024/25, the focus will be on the significant demand for increased levels of financial scrutiny. In response, a Workforce Controls Framework is being developed to come into effect from April 2024. The Framework lays out clear principles across a suite of workforce controls, creating rigour and challenge across WTE growth, vacancies, temporary staffing reliance, recruitment demand and supply, and an ongoing monitoring of the 'worked' position. HRBPs and Finance BPs will work in close partnership across their divisions supporting and tracking workforce movement.

Furthermore, a workforce delivery plan will be developed which under-pins the 2024/25 Operating Plan. The plan will reflect the impact on the workforce associated with the known operational activity in order for improved planning and forecasting to be undertaken.

## Expenditure on Consultancy and Off Payroll Engagements

The Trust produced and issued guidance in April 2017 on the engagement of staff off-payroll to ensure compliance with employment law, tax law and HM Treasury guidance for government bodies. This contains a procedure to ensure appointees give assurances to the Trust that they are meeting their Income tax and National Insurance obligations. On occasions the Trust will procure external consultancy support for specific work programmes which follows appropriate governance routes for agreement.

**Table: Highly-paid off-payroll worker engagements as at 31 March 2024 earning £245 per day or greater**

Number of existing engagements as of 31 March 2024	5
Of which...	
No. that have existed for less than one year at time of reporting	4
No. that have existed for between one and two years at time of report	0
No. that have existed for between three and four years at time of reporting	1
No. that have existed for four or more years at time of reporting	0

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

Number of off-payroll workers engaged during the year ended 31 March 2024	9
Of which:	
Not subject to off-payroll legislation *	5
Subject to off-payroll legislation and determined as inscope of IR35 *	0
Subject to off-payroll legislation and determined as outof-scope of IR35 *	4

Number of engagements reassessed for compliance / assurance purposes during the year	6
Of which: number of engagements that saw a change to IR35 status following the review	0

*\*IR35 is the UK's anti-avoidance tax legislation designed to tax "disguised" employment at a rate similar to employment, whereby "disguised employees" means worker who receive payments from a client via an intermediary.*

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

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. This figure must include both off-payroll and on-payroll engagements.	0

## Gender Pay Gap

In 2017 legislation was introduced which requires UK organisations who employ 250 or more employees to report and publish specific details about their gender pay. Public organisations are covered by the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017, which came into force on 31 March 2017. These regulations underpin the Public Sector Equality Duty and require relevant organisations to annually publish their gender pay gap by 30 March on their website and the designated Government website at: [www.gov.uk/genderpaygap](http://www.gov.uk/genderpaygap)

This is Gloucestershire Hospitals NHS Foundation Trust's (GHFT) seventh Gender Pay Gap report. It is based on a snapshot of all GHFT staff on 31 March 2023. On that date, GHFT permanent workforce head count was made up of 8830 staff; (approx. 79.3% women and 20.7% men). The analysis identifies a 'mean' and a 'median' gender pay gap. The measured position on the gender pay gap at 31 March 2023 is as follows:

- The mean gender pay gap is 25.7% in favour of male employees (28.2% in 2022)
- The median gender pay gap is 19.1% in favour of male employees (21.7% in 2022)

This does not mean that a male and a female staff member doing equal work receive different levels of pay. Rather, the above statistics are driven largely by:

1. The pay of the medical workforce which has an amplified effect on statistics relating to the total workforce
2. The distribution of males and females within different parts of the workforce.

The dominant theme is that if the medical workforce is excluded, the median gender pay gap is nullified. Analysing pay across all non-medical staff creates a mean gender pay gap of 1.89% in favour of males, but a median gap of -4.85%. The gender pay gap can be objectively explained, when considering the application of terms and conditions which are set nationally and reward length of service. Furthermore, there is no significant Gender Pay Gap reported across the organisation's non-medical workforce, which accounts for approximately 85% of the total workforce as a result of the agenda for change framework.

The current pay gap is a consequence of the application of nationally driven terms and conditions and clinical excellence awards. The report continues to evidence the assumption that the overarching pay gap is associated with length of service of a number of senior male

doctors, with further analysis demonstrating that the number of females entering the medical workforce and existing staff within pay quartiles 1-3 will gradually lead to a reverse in this pay gap in future years.

## Facilities for Trade Union Representatives

Release time (based on membership numbers) from role is made available to representatives from the larger unions to enable them to fulfil their role in the partnership working processes within the Trust. The following Trade Unions are allocated facilities time under the Trusts Facilities Agreement:

Trade Union	Facilities Time Per Month (days)
British Dietetic Association	1.0
British Orthoptic Society	1.0
Chartered Society of Physiotherapists	1.0
Royal College of Midwives	2.0
Royal College of Nursing	5.5
Society of Radiographers	1.0
Unison	4.5
Unite	3.0

In addition to the above, the position of Staff Side chair is an elected secondment position, reviewed biannually. The pay of the post will equate to the earnings the employee would otherwise have received had he/she been at work, including any allowances and enhancements. The total annual gross salary costs for Trust staff who are accredited representatives, and who have facilities time in accordance with the Trust Agreement is represented below. This includes the salary for the position of Staff Side Chair.

	Hours WTE	Day per month	Salary	FTE	Annual Days	Annual Bill for Union Activities	Annual Bill for Facilities Activities
Rep 01	37.50	21.73	£42,618.00	100.00%	260.7	£42,618.00	£0.00
Rep 02	37.50	1.00	£37,350.00	4.60%	12.0	£1,719.12	£35,630.88
Rep 03	21.75	1.00	£24,718.00	4.60%	12.0	£1,137.71	£23,580.29
Rep 04	30.00	1.00	£40,044.00	4.60%	12.0	£1,843.12	£38,200.88
Rep 05	30.00	1.00	£40,044.00	4.60%	12.0	£1,843.12	£38,200.88
Rep 06	37.50	5.50	£34,581.00	25.32%	66.0	£8,754.20	£25,826.80
Rep 07	37.50	2.25	£37,350.00	10.36%	27.0	£3,868.03	£33,481.97
Rep 08	37.50	2.25	£42,618.00	10.36%	27.0	£4,413.59	£38,204.41
Rep 09	30.38	3.00	£40,545.00	13.81%	36.0	£5,598.54	£34,946.46
Rep10		2.17	£114,967.04	9.99%	26.0	£13,198.00	£101,769.04
Totals	299.63	40.90	£454,835.04	1.88	490.8	£84,993.43	£369,841.61

**Table 1**

No of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
10	1.8

**Table 2**

Percentage of time	No. of employees
0%	0
1-50%	9

51-99%	0
100%	1

Table 3	
Column	Figures
Provider the total cost of facility time	£369,841.61
Provide the total bill	£454,835.04
Provide the percentage of the total pay bill spent on facility time calculated as: (total cost of facility time / total pay bill)*100	81%

Table 4	
Time spent on paid trade 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)*100	21%

## Code of Governance for NHS provider trusts

The **Code of governance for NHS provider trusts** (the Code of governance) was published in October 2022 and has been applicable since 1 April 2023. It replaces the previous NHS foundation trust code of governance issued by Monitor.

The Code of governance sets out a common overarching framework for the corporate governance of NHS providers (being NHS trusts and NHS foundation trusts), reflecting developments in UK corporate governance and the development of integrated care systems. Providers must comply with each of the provisions of the code or, where appropriate, explain in each case why the provider has departed from the code.

The schedule below shows the relevant sections of the annual report that cover these areas. The Trust assessed its compliance with the Code of Governance in February 2024. Whilst the Trust believes it remains compliant with the majority of the provisions of the Code it is recognised there are areas where the Trust needs to strengthen compliance. The following provisions are pulled out in order to explain the areas we do not feel there is evidence of full compliance during the year.

### Appendix B: Provision 2.6

The Trust will develop a policy to facilitate engagement between governors and the Board of Directors, particularly regarding board performance, compliance with the provider licence, and the overall wellbeing of the NHS foundation trust and its collaboration with system partners.

### Appendix B Provision 3.3

The Trust will enhance the sharing of information between governors and the Board of Directors to ensure governors remain informed about board activities, while protecting the confidentiality of commercially or personally sensitive information.

### Appendix A, Section C, Provisions 2.9, 4.4, 4.8 Appendix B, Provisions 2.1 and 2.2

With the support of the Council of Governors the Trust will undertake a review of its Constitution. This review will consider the size and composition of the Council of Governors, the frequency of meetings of the Council of Governors and arrangements for the scheduling of governor elections.

Code Section	Summary of requirement	Section reference
A 2.1	The board of directors should assess the basis on which the trust ensures its effectiveness, efficiency and economy, as well as the quality of its healthcare delivery over the long term, and contribution to the objectives of the ICP and ICB, and place-based partnerships. The board of directors should ensure the trust actively addresses opportunities to work with other providers to tackle shared challenges through entering into partnership arrangements such as provider collaboratives. The trust should describe in its annual report how opportunities and risks to future sustainability have	Overview of performance  Performance report

	been considered and addressed, and how its governance is contributing to the delivery of its strategy.	
A 2.3	The board of directors should assess and monitor culture. Where it is not satisfied that policy, practices or behaviour throughout the business are aligned with the trust's vision, values and strategy, it should seek assurance that management has taken corrective action. The annual report should explain the board's activities and any action taken, and the trust's approach to investing in, rewarding and promoting the wellbeing of its workforce.	Overview of performance and Staff Report
A 2.8	The board of directors should describe in the annual report how the interests of stakeholders, including system and place-based partners, have been considered in their discussions and decision-making, and set out the key partnerships for collaboration with other providers into which the trust has entered. The board of directors should keep engagement mechanisms under review so that they remain effective. The board should set out how the organisation's governance processes oversee its collaboration with other organisations and any associated risk management arrangements.	Overview of performance
B 2.6	<p>The board of directors should identify in the annual report each non-executive director it considers to be independent. Circumstances which are likely to impair, or could appear to impair, a non-executive director's independence include, but are not limited to, whether a director:</p> <ul style="list-style-type: none"> <li>• has been an employee of the trust within the last two years</li> <li>• has, or has had within the last two years, a material business relationship with the trust either directly or as a partner, shareholder, director or senior employee of a body that has such a relationship with the trust</li> <li>• has received or receives remuneration from the trust apart from a director's fee, participates in the trust's performance-related pay scheme or is a member of the trust's pension scheme</li> <li>• has close family ties with any of the trust's advisers, directors or senior employees</li> <li>• holds cross-directorships or has significant links with other directors through involvement with other companies or bodies</li> <li>• has served on the trust board for more than six years from the date of their first appointment</li> <li>• is an appointed representative of the trust's university medical or dental school.</li> </ul>	<p>Directors' Report.</p> <p>All the Non-Executive Directors of the Board are considered to be independent.</p> <p>Attendance table refers to terms of office</p>

	Where any of these or other relevant circumstances apply, and the board of directors nonetheless considers that the non-executive director is independent, it needs to be clearly explained why.	
B 2.13	The annual report should give the number of times the board and its committees met, and individual director attendance.	Directors' Report. Attendance tables in following section.
B 2.17	For foundation trusts, this schedule should include a clear statement detailing the roles and responsibilities of the council of governors. This statement should also describe how any disagreements between the council of governors and the board of directors will be resolved. The annual report should include this schedule of matters or a summary statement of how the board of directors and the council of governors operate, including a summary of the types of decisions to be taken by the board, the council of governors, board committees and the types of decisions which are delegated to the executive management of the board of directors.	Summary in Director's Report and highlighted here regarding areas for improvement
C 2.5	If an external consultancy is engaged, it should be identified in the annual report alongside a statement about any other connection it has with the trust or individual directors.	Balance and Completeness of the Board of Directors section.
C 2.8	The annual report should describe the process followed by the council of governors to appoint the chair and non-executive directors. The main role and responsibilities of the nominations committee should be set out in publicly available written terms of reference	Balance and Completeness of the Board of Directors section.
C 4.2	The board of directors should include in the annual report a description of each director's skills, expertise and experience.	Biographies.
C 4.7	All trusts are strongly encouraged to carry out externally facilitated developmental reviews of their leadership and governance using the Well-led framework every three to five years, according to their circumstances. The external reviewer should be identified in the annual report and a statement made about any connection it has with the trust or individual directors	Directors' Report and Annual Governance Statement
C 4.13	The annual report should describe the work of the nominations committee(s), including: <ul style="list-style-type: none"> <li>• the process used in relation to appointments, its approach to succession planning and how both support the development of a diverse pipeline</li> <li>• how the board has been evaluated, the nature and extent of an external evaluator's contact with the board of directors and individual directors, the</li> </ul>	Balance and Completeness of the Board of Directors section

	<p>outcomes and actions taken, and how these have or will influence board composition</p> <ul style="list-style-type: none"> <li>• the policy on diversity and inclusion including in relation to disability, its objectives and linkage to trust vision, how it has been implemented and progress on achieving the objectives</li> <li>• the ethnic diversity of the board and senior managers, with reference to indicator nine of the NHS Workforce Race Equality Standard and how far the board reflects the ethnic diversity of the trust's workforce and communities served</li> <li>• the gender balance of senior management and their direct reports.</li> </ul>	
C 5.15	<p>Foundation trust governors should canvass the opinion of the trust's members and the public, and for appointed governors the body they represent, on the NHS foundation trust's forward plan, including its objectives, priorities and strategy, and their views should be communicated to the board of directors. The annual report should contain a statement as to how this requirement has been undertaken and satisfied</p>	Board of Directors and Council of Governors
D 2.4	<p>The annual report should include:</p> <ul style="list-style-type: none"> <li>• the significant issues relating to the financial statements that the audit committee considered, and how these issues were addressed</li> <li>• an explanation of how the audit committee (and/or auditor panel for an NHS trust) has assessed the independence and effectiveness of the external audit process and its approach to the appointment or reappointment of the external auditor; length of tenure of the current audit firm, when a tender was last conducted and advance notice of any retendering plans</li> <li>• where there is no internal audit function, an explanation for the absence, how internal assurance is achieved and how this affects the external audit</li> <li>• an explanation of how auditor independence and objectivity are safeguarded if the external auditor provides non-audit services.</li> </ul>	Annual Governance Statement
D 2.6	<p>The directors should explain in the annual report their responsibility for preparing the annual report and accounts, and state that they consider the annual report and accounts, taken as a whole, is fair, balanced and understandable, and provides the information necessary for stakeholders to assess the trust's performance, business model and strategy.</p>	Annual Governance Statement and Going Concern statement
D 2.7	<p>The board of directors should carry out a robust assessment of the trust's emerging and principal risks. The relevant reporting manuals will prescribe associated disclosure requirements for the annual report.</p>	Principal Risks – Performance Report and Annual Governance Statement

D 2.8	The board of directors should monitor the trust's risk management and internal control systems and, at least annually, review their effectiveness and report on that review in the annual report. The monitoring and review should cover all material controls, including financial, operational and compliance controls. The board should report on internal control through the annual governance statement in the annual report.	Annual Governance Statement
D 2.9	In the annual accounts, the board of directors should state whether it considered it appropriate to adopt the going concern basis of accounting when preparing them and identify any material uncertainties regarding going concern. Trusts should refer to the DHSC group accounting manual and NHS foundation trust annual reporting manual which explain that this assessment should be based on whether a trust anticipates it will continue to provide its services in the public sector. As a result, material uncertainties over going concern are expected to be rare	Going concern section and the accounts.
E 2.3	Where a trust releases an executive director, eg to serve as a non-executive director elsewhere, the remuneration disclosures in the annual report should include a statement as to whether or not the director will retain such earnings.	Not applicable.
Appendix B, para 2.3 (not in Schedule A)	The annual report should identify the members of the council of governors, including a description of the constituency or organisation that they represent, whether they were elected or appointed, and the duration of their appointments. The annual report should also identify the nominated lead governor.	Board of Directors and Council of Governors
Appendix B, para 2.14 (not in Schedule A)	The board of directors should ensure that the NHS foundation trust provides effective mechanisms for communication between governors and members from its constituencies. Contact procedures for members who wish to communicate with governors and/or directors should be clear and made available to members on the NHS foundation trust's website and in the annual report.	Board of Directors and Council of Governors
Appendix B, para 2.15 (not in Schedule A)	The board of directors should state in the annual report the steps it has taken to ensure that the members of the board, and in particular the non-executive directors, develop an understanding of the views of governors and members about the NHS foundation trust, eg through attendance at meetings of the council of governors, direct face-to-face contact, surveys of members' opinions and consultations	Board of Directors and Council of Governors
Additional requirement of FT ARM	If, during the financial year, the Governors have exercised their power* under paragraph 10C** of schedule 7 of the NHS Act 2006, then information	This has not happened in 2023/24.

resulting from legislation	on this must be included in the annual report. This is required by paragraph 26(2)(aa) of schedule 7 to the NHS Act 2006, as amended by section 151 (8) of the Health and Social Care Act 2012. * Power to require one or more of the directors to attend a governors' meeting for the purpose of obtaining information about the foundation trust's performance of its functions or the directors' performance of their duties (and deciding whether to propose a vote on the foundation trust's or directors' performance). ** As inserted by section 151 (6) of the Health and Social Care Act 2012)	
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## Board of Directors and Council of Governors

Constitutionally formed, the Council of Governors has the following key responsibilities:

- **Strategic** - Providing advice on our general direction and ensuring that our plans assist in the delivery of our long-term goals.
- **Guardianship** - Ensuring that the Board of Directors conforms to the terms of authorisation, acting as a trustee of the Trust.
- **Advisory** - Providing advice to the Board of Directors to ensure the Trust continues to deliver services to meet the needs of patients, families, and the wider local community.

The Council of Governors is also responsible for:

- Representing the views of the members and acting as a source of information of members' views.
- Working with the Board of Directors to inform the Trust's strategic direction.
- Appointing (and removing) the Chair and Non-Executive Directors.
- Setting the remuneration of the Chair and Non-Executive Directors.
- Approving the appointment of the Chief Executive Officer.
- Appointing the External Auditor.
- Receiving copies of our annual reports, annual accounts and the External Auditor's report.
- Holding the Non-Executive Directors individually and collectively to account.
- Approving any amendments to the core Constitution.

The Board of Directors is legally accountable for the services we provide and is specifically responsible for:

- Setting the Trust's strategic direction (having taken into account the Council of Governors' views).
- Ensuring that clinical services provide high-quality and safe care for patients, families and the community.
- Ensuring that governance arrangements are implemented to provide assurance that there are safe systems of internal control in place.
- Ensuring that a rigorous performance management framework is implemented which ensures the Trust continues to perform well against national and local targets.
- Ensuring the Trust is at all times compliant with its terms of authorisation.

The Constitution sets out the key responsibilities of the Board of Directors. The accountability framework defines the Committees of the Board of Directors and sets out within the approved terms of reference the responsibilities for each of these Committees. Non-Executive Directors are members (or the Chair) of each of these Committees.

In the event of a dispute between the Council of Governors and the Board of Directors, the Council of the Governors and the Board of Directors should meet and attempt to resolve the dispute by negotiation. If agreement cannot be reached, the dispute should be referred to the Chair, whose decision shall be final. In the event that dispute is referred to the Chair and the Chair considers that he/she has a perceived or real interest in the outcome of that dispute and that the dispute would be better resolved externally, then the Chair may refer the dispute for resolution by arbitration under the Rules of the Chartered Institute of Arbitrators (as amended or re-issued from time to time).

Governors' views are shared with the Board of Directors through formal meetings of the Council of Governors, which are chaired by the Trust Chair and attended by the Non-Executive Directors. The Executive Directors are invited to attend the meetings to present reports and information.

The views of members and the public are ascertained by the Governors through engagement with patients, either directly through walkabouts (outside of the pandemic period) or indirectly through the receipt of patient experience information.

Non-executive directors can be removed from office if it is considered not to be in the best interest of the health service that they can continue (e.g., unsatisfactory appraisal; failure to meet fit and proper persons requirements).

The process for termination would be considered by the Council of Governors in collaboration with the Chair and NHS England. Non-executive director appointment dates are detailed under the Board of Directors Skills, Expertise and Experience section.

### **Contacting the governors**

Members can contact their respective governor using the [contact a governor form](#) which is available on the website and is promoted to members through bulletins and other communications they receive.

The link forwards a message to an inbox which is managed by the Office of the Director of Integrated Governance, with communications shared with the relevant governor and/or service to provide a response.

Members can also contact their governor by writing to the Director of Integrated Governance and Company Secretary at Gloucestershire Hospitals NHS Foundation Trust, Trust Headquarters, Sandford Road, Alexandra House, Cheltenham, GL53 7AN.

General Council meetings are open to the public and details are published on the website together with the papers and minutes of the meetings.

## Board of Directors meetings

NON-EXECUTIVE DIRECTORS					
All the Non-Executive Directors of the Board are considered to be independent					
Board member	Title	Meeting Attendance (actual/possible)			
		Board of Directors	*Council of Governors	Remuneration Committee	Audit Committee
Deborah Evans	Chair	7/7	6/6	4/7	n/a
Vareta Bryan	Non-Executive Director	4/7	4/6	7/7	n/a
Claire Feehily	Chair of Audit Committee (to August 2023)	1/2	1/2	4/7	2/3
John Cappock	Chair of Audit Committee (from July 2023)	4/4	3/4	6/6	5/5
Kaye Law-Fox	Associate Non-Executive Director	4/7	5/6	2/7	2/5
Sally Moyle	Associate Non-Executive Director	4/7	4/6	n/a	1/5
Marie-Annick Gournet	Non-Executive Director	3/7	4/6	6/7	n/a
Balvinder Heran	Non-Executive Director	7/7	4/6	4/7	n/a
Jaki Meekings-Davis	Non-Executive Director	7/7	6/6	3/7	n/a
Alison Moon	Non-Executive Director	5/7	3/6	6/7	n/a
Michael Napier	Non-Executive Director	6/7	3/6	4/7	3/5

EXECUTIVE DIRECTORS			
Board member	Title	Meeting Attendance (actual/possible)	
		Board of Directors	*Council of Governors
Deborah Lee	Chief Executive Officer (to January 2024)	4/5	4/5
Kevin McNamara	Chief Executive Officer (from January 2024)	2/2	2/2
Mark Pietroni	Medical Director and Director of Safety/Deputy Chief Executive Officer	5/7	1/6
Matt Holdaway	Director of Quality and Chief Nurse	4/7	n/a
Helen Ainsbury	Interim Chief Digital and Information Officer (from April 2023)	6/7	1/6
Karen Johnson	Director of Finance	7/7	3/6

Simon Lanceley	Director of Strategy and Transformation (to June 2023)	2/2	0/1
Ian Quinnell	Interim Director of Strategy and Transformation (from July 2023)	5/5	0/4
Claire Radley	Director for People and Organisational Development	6/7	n/a
Qadar Zada	Chief Operating Officer (to July 2023)	1/1	n/a
David Coyle	Interim Chief Operating Officer (from September 2023 – to December 2023)	2/2	0/3
Al Sheward	Chief Operating Officer (from January 2024)	2/2	2/2

*\*Board members are not routinely required to attend Council of Governors' meetings. During the year, all Board members attended Council of Governors' meetings when invited or requested to do so.*

## **Board Committee Meetings**

### **Finance and Resources Committee Meeting**

<b>DIRECTORS</b>		
<b>Committee Member</b>	<b>Title</b>	<b>Meeting attendance</b>
Jaki Meekings-Davis	Non-Executive Director	10/11
Balvinder Heran	Non-Executive Director	8/11
Helen Ainsbury	Chief Digital and Information Officer	9/11
Karen Johnson	Director of Finance	9/11
Deborah Lee	Chief Executive Officer (to January 2024)	6/9
Kevin McNamara	Chief Executive Officer (from January 2024)	3/3
Mark Pietroni	Medical Director	5/11
Mike Napier	Non-Executive Director	9/11
Qadar Zada	Chief Operating Officer (to July 2023)	1/3
Ian Quinnell	Director of Strategy and Transformation	6/9
Simon Lanceley	Director of Strategy and Transformation (to June 2023)	3/3

### **Quality and Performance Committee Meeting**

<b>DIRECTORS</b>		
<b>Committee Member</b>	<b>Title</b>	<b>Meeting attendance</b>
Alison Moon	Non-Executive Director (until March 2024)	9/10
Matt Holdaway	Director of Quality and Chief Nurse	9/10
Vareta Bryan	Non-Executive Director	8/10
Claire Feehily	Non-Executive Director (to August 2023)	2/3

John Cappock	Non-Executive Director (from July 2023)	5/6
Deborah Lee	Chief Executive Officer (until January 2024)	3/6
Kevin McNamara	Chief Executive Officer (from January 2024)	3/3
Mark Pietroni	Medical Director	7/10
Karen Johnson	Director of Finance	3/10
Qadar Zada	Chief Operating Officer (to July 2023)	3/3
Al Sheward	Chief Operating Officer (January 2024)	2/3

### Audit and Assurance Committee Meeting

NON-EXECUTIVE DIRECTORS		
Committee Member	Title	Meeting attendance
John Cappock	Non-Executive Director (Chair) (from July 2023)	2/2
Claire Feehily	Non-Executive Director (Chair) (to August 2023)	2/3
Alison Moon	Non-Executive Director (to March 2024)	0/5
Balvinder Heran	Non-Executive Director	0/5
Marie-Annick Gournet	Non-Executive Director	4/5
Mike Napier	Non-Executive Director	3/5
Deborah Lee	Chief Executive Officer (to January 2024)	3/5
Jaki Meekings-Davis	Non-Executive Director	3/5
Vareta Bryan	Non-Executive Director	1/5
Karen Johnson	Director of Finance	5/5

### People and OD Committee Meeting

DIRECTORS		
Committee Member	Title	Meeting attendance
Balvinder Heran	Non-Executive Director (Chair)	5/5
Vareta Bryan	Non-Executive Director	4/5
Marie-Annick Gournet	Non-Executive Director	3/5
Claire Radley	Director for People	3/5

## Council of Governors and Meetings

Governor	Constituency/Class	Tenure	Meeting attendance (actual/possible)	
			Council of Governors	Governance and Nominations Committee
Elected Governors				
Liz Berragan	Public Governor, Gloucester	3 years from October 2020 (to October 2023)	0/3	n/a
Carolyne Claydon	Staff Governor, Other and Non-Clinical	3 years from October 2020 (to October 2023)	1/3	n/a
Anne Davies	Public Governor, Cotswolds	3 years from October 2020 (to October 2023)	3/3	n/a
Pat Eagle	Public Governor, Stroud	3 years from October 2019 (second term)	2/6	n/a
Mike Ellis	Public Governor, Cheltenham	3 years from October 2021	5/6	1/2
Bill Evans	Public Governor, Forest of Dean	3 years from September 2022 (to January 2024)	2/5	n/a
Andrea Holder	Public Governor, Tewkesbury (Lead Governor)	3 years from October 2021	6/6	2/2
Fiona Hodder	Public Governor, Gloucester	3 years from September 2022	4/6	n/a
Rachel Lowings	Staff Governor, Nursing and Midwifery	3 years from September 2022	4/6	n/a
Jeremy Marchant	Public Governor, Stroud	3 years from January 2022 (second term)	6/6	n/a
Sarah Mather	Staff Governor, Nursing and Midwifery	3 years from October 2020 (to October 2023)	2/3	1/2
Peter Mitchener	Public Governor, Cheltenham	3 years from September 2022	6/6	n/a
Russell Peek	Staff Governor, Medical and Dental	3 years from October 2020	5/6	n/a
Juliette Sherrington	Staff Governor, Allied Health Professionals	3 years from December 2021 (to November 2023)	4/4	n/a
Merleen Watson	Public Governor, Out of County	3 years from September 2022 (to February 2024)	3/6	n/a
Adam White	Public Governor, Tewkesbury	3 years from September 2022 (to August 2023)	0/3	n/a
Appointed Governors				
Matt Babbage	Gloucestershire County Council	3 years from September 2022 (second term)	4/6	n/a
Pat Le Rolland	Age UK Gloucestershire	3 years from March 2023 (to October 2023)	3/3	1/1
Maggie Powell	Healthwatch	3 years from September 2020 (second term)	5/6	1/2

## Balance and Completeness of the Board of Directors

The Executive and Non-Executive Directors of the Board provide a balance and breadth of knowledge, experience and skills. The Executive Directors have at a senior level considerable NHS experience in a range of areas including finance, medicine, nursing, strategic and operational planning, research and workforce development. Their expertise is complemented by the Non-Executive Directors who have extensive private and public sector experience in medicine, business, commerce, banking, accounting, audit, research,

management and leadership, marketing, NHS service provision, health care and social policy, and local enterprise.

The Governance and Nominations Committee and the Remuneration Committee consider the balance and breadth of knowledge, experience and skills required on the Board at each appointment and reappointment of directors and have ensured the maintenance of a balanced and complete Board throughout the year.

GatenbySanderson (recruitment consultants) were instructed under a framework agreement during 2023/24 to support recruitment of executive and non-executive recruitment. GatenbySanderson has no connections to the Trust or individual directors.

### **Board member biographies**

#### **Deborah Evans, Chair**



**Appointed**  
May 2022

#### **Expertise and Experience**

Deborah is an experienced Chair with 25 years Board-level involvement in health and social care. Notable appointments from her executive career include Chief Executive of NHS Bristol; Chief Executive of Bristol, North Somerset, and South Gloucestershire PCT cluster; and latterly Managing Director of West of England Academic Health Science Network, which convened 21 NHS Trusts/CCGs, three universities and other stakeholders to promote innovation and spread improvement in the NHS.

Since 2017, Deborah has been Trustee of Brunelcare, a housing and social care charity providing nursing homes, re-enablement, home care, and supported living and previously served as chair of the organisation.

#### **Alison Moon, Vice-Chair and Senior Independent Director**



**Appointed**  
September 2017

**Expertise and Experience**

Alison is an established Board level Director with extensive Executive and Non-Executive experience both in the NHS and Charitable sector. Alison has held leadership and transformational roles at organisation, system and regional levels. With a clinical background as a nurse, Alison brings a systems and people perspective and passion which focusses on population health, reducing health inequalities and the quality of healthcare services. Alison is a Non-Executive Member of the Bristol, North Somerset and South Gloucestershire Integrated Care Board. Alison is also an independent Executive Coach.

**Marie-Annick Gournet, Non-Executive Director**



**Appointed**  
December 2020

**Expertise and Experience**

Marie-Annick Gournet has over 20 years' experience of working in senior leadership roles both in higher education and the voluntary sector. Her formative years in teaching started in two Bristol secondary schools in 1987. She worked at both; the University of Bristol for five years, while completing her PhD there and the University of the West England (UWE) for 25 years. There she occupied a range of senior leadership roles, including Programme Leader, Director of Widening Participation and Disability, and Director of the Learning for All Hub. Throughout her professional career she has volunteered with a range of organisations in diverse Non-Executive Director roles including Governor at South Gloucestershire and Stroud College, Chair of the Strategic Advisory Group for Avon and Somerset Constabulary, Chair of Governor at Bristol Future Academy, Chair of the Black South West Network and Trustee at St Georges Bristol where she chairs the Education sub-committee. In September 2017, Marie-Annick set up MAG Consulting which offer services in pedagogy, diversity and intercultural communication. She is passionate about diversity and inclusion and this sits at the heart of her professional approach.

**Balvinder Heran, Non-Executive Director**



**Appointed**  
May 2019

**Expertise and Experience**

Balvinder was appointed Deputy Chief Executive of Dudley Council on 29 March 2021. She is responsible for four directorates – regeneration and enterprise, housing, public realm, commercial and customer services. Prior to this she was Joint Strategic Director Information Assets and Digital Development for Buckinghamshire NHS Healthcare Trust, Clinical Commissioning Group, and County Council and Chief Information Officer (CIO) for the Buckinghamshire Integrated Care System (ICS). Balvinder specialises in transforming services shaped around individual needs through the effective use of ICT, digital solutions, information, performance improvement measures and service re-design.

**John Cappock, Non-Executive Director**



**Appointed**  
July 2023

**Expertise and Experience**

John Cappock lives in Bristol. He is a Chartered Accountant and is originally from Dublin. A graduate of University College, Dublin, John undertook his professional accountancy qualification at the University of the West of England, Bristol. John has spent the bulk of his career within Higher Education and has served as University Secretary and Chief Operating Officer at a number of Universities. He was a Non-Executive Member, deputy Board Chair and Chair of Finance of Bristol, North Somerset and South Gloucestershire (BNSSG) NHS Clinical Commissioning Group. He is an Independent Non-Executive Member and Chair of Audit and Risk for the BNSSG NHS Integrated Care Board. John also serves as an independent member of the Audit and Risk Committee of the General Optical Council, which is the regulator for the Optical profession. He has previously served as a non-executive in Higher and Further Education and on the Board of a Housing Association.

**Jaki Meekings-Davis, Non-Executive Director**



**Appointed**

February 2023

### **Expertise and Experience**

Jaki has more than thirty years' experience in the NHS in both commissioning and finance roles including Director of Specialist Commissioning for the South of England and Director of Finance of the South West Regional Health Authority. Prior to joining the NHS she had a successful career as an accountant in local government and the water industry. Jaki is a former president of the Chartered Institute of Public Finance and Accountancy and the Healthcare Financial Management Association and is currently a member of both, Cipfa's Practice Oversight Panel and Nomination Committee, and a Co-opted member of Finance and General Purposes Committee, University of Gloucestershire. An experienced Non-Executive Director and Trustee, her recent roles include Non-Executive Director and Chair of the Audit and Charitable Funds Committees at North Bristol NHS Trust and Trustee of The Cheltenham Trust and Friends of the Wilson charities. She has lived in Gloucestershire since 1998.

### **Michael Napier, Non-Executive Director**



**Appointed**  
May 2021

### **Expertise and Experience**

Mike Napier is an experienced senior executive with a background covering a range of corporate services. He spent 31 years with Shell plc, during which time he headed their global Procurement, Real Estate, Shared Services and Corporate Communications divisions. He has lived and worked in a number of countries across five continents. He also has more than fifteen years' experience as a non-executive director in the UK.

### **Sally Moyle, Associate Non-Executive Director**



**Appointed**  
May 2022

## **Qualifications**

### **Expertise and Experience**

As a Professor in Health and Care Education Sally has over 20 years' academic experience of developing and leading innovation and change within Higher Education. She is currently the Pro Vice Chancellor for Health and Science at the University of Worcester and is a member of the University Executive Board.

She provides academic leadership to the Academic Schools of Nursing and Midwifery, Allied Health and Community, Medicine, Sports and Exercise, Science and the Environment and Psychology with a focus on delivering an outstanding academic experience for all students, enhancing research and enterprise, and developing the University's educational offer. She previously worked in a range of senior leadership roles at the University of West of England, Bristol. She is passionate about ensuring that health and care programmes develop practitioners for the future who will have a positive impact in their chosen field. Sally's professional background is in nursing and her area of expertise is within the field of Emergency Care and Advanced Clinical Practice, with a focus of developing and supporting new roles within the health and care sector. She has extensive experience of working in partnership with external organisations to develop innovative programmes to support workforce need.

### **Kaye Law-Fox, Associate Non-Executive Director**



### **Appointed**

January 2023

### **Expertise and Experience**

Kaye Law-Fox has over 20 years public sector executive and senior management experience. Skilled in designing and delivering complex national and regional change programmes in regulated sectors; she has worked for agencies of the Home Office, and for the London Ambulance Service, as well as in the private and charity sectors. Her expertise and interest are for right-sizing regulatory regimes, strategic governance and corporate systems of internal control and risk management. Kaye is also Chair of Gloucestershire Managed Services, the Trust's wholly owned subsidiary estates and facilities company, and is the Senior Independent Director of a registered provider of social housing in Wales. Since 2003, she has been an independent board member for housing associations varying in size and complexity, and a sector skills body. She has chaired Boards of a social housing and care provider, a commercial asset management and development subsidiary company, operations, audit and risk, remuneration and professional standards committees, and numerous task and finish groups and executive recruitment panels. Kaye has a first degree in management systems, and higher degrees in health management and rural resource management.

## **Vareta Bryan, Non-Executive Director**



### **Appointed**

February 2023

### **Expertise and Experience**

Vareta has over 25 years' leadership and senior management experience in Social Care, Health and the voluntary sector. She has expertise in health and social care service provision, partnership working across the health and social care system delivering service transformation that improves services and outcomes for patients, service users and staff. She also has a strong background in and commitment to equality, diversity and inclusion in service provision, employment practice and organizational development. Formerly a Lay Member with Gloucestershire NHS Clinical Commissioning Group, and a Trustee with North and West Gloucester Advice Bureau since 2015. Vareta has a longstanding commitment to the voluntary and community sectors having both worked and held voluntary positions on a range of boards in the sector. Vareta's interests are gardening, healthy lifestyle coaching, teaching plant-based cooking, travelling, reading and enjoying her grandchildren

## **Kevin McNamara, Chief Executive**



### **Appointed**

January 2024

### **Expertise and Experience**

Kevin joined the Trust as Chief Executive Officer (CEO) in January 2024 from Great Western Hospital NHS Foundation Trust where he was the CEO from 2019, leading over 5,500 staff and local communities through the COVID-19 pandemic. Kevin has worked for the NHS since 2003, having worked for the South-Central Strategic Health Authority, before joining Great Western Hospital in 2009 where he was the Director of Strategy and Community Service before becoming CEO in 2019.

As CEO, Kevin is ultimately responsible for the day-to-day leadership of the organisation through his executive team and for ensuring the implementation of the Board's strategic objectives.

### **Matt Holdaway, Chief Nurse/Director of Quality**



**Appointed**  
February 2022

#### **Expertise and experience**

Matt has worked in acute care in a variety of trusts all of his career and has a clinical background in adult critical care. He has held a number of senior nursing and governance leadership roles prior to joining Gloucestershire Hospitals where he is professional lead for nurses, midwives and allied Health Professionals as well as being responsible for the delivery of the Trust's quality agenda.

### **Karen Johnson, Director of Finance**



**Appointed**  
January 2020

#### **Expertise and Experience**

Karen Johnson is responsible for ensuring good stewardship of the public finances. She has worked in the public sector for 29 years and prides herself on helping to make a difference to individuals and the community. She is fully committed to ensuring the Trust provides good value for money while maintaining good quality services. Her key focus is to move the Trust to a financially sustainable position and will work closely with divisions and individuals to achieve this. Karen joined the Trust in January 2020 from Great Western Hospitals NHS Foundation Trust, where she was Director of Finance from 2015.

## **Claire Radley, Director of People and Organisational Development**



**Appointed**  
February 2022

### **Expertise and Experience**

Claire joined the Trust in February 2022 having previously been the Director for People at the Royal United Hospital Bath NHS Foundation Trust and Assistant Director of OD at Cardiff and Vale Health Board. Prior to that Claire worked in Policing in roles spanning research, performance, culture change and organisational development, working for a local police force and then in a national role as the advisor to the Chair of the College of Policing.

## **Ian Quinnell, Director of Strategy and Transformation (Interim)**



**Appointed**  
July 2023

### **Expertise and Experience**

Ian has been with the Trust for 10 years and was previously the Deputy Director for Strategy & Transformation before taking on the interim Director role. Having previously worked at the University of Birmingham and within the Electricity Distribution sector, Ian has over 25 years of Project and Programme Management experience in the delivery of IT, Organisational Change and the reconfiguration of clinical services as well as capital developments.

Within his Deputy role, Ian has led a team of Project and Programme Managers to deliver several of the Trust's strategic programmes of work that have included the Strategic Site Developments, our Fit for the Future Programme, the Culture Engagement Programme and our Financial Savings Programme.

Ian is responsible for working with our partners, staff and patients to define the Trust's Strategy and for leading the Transformation Programme to get us there.

### **Helen Ainsbury, Chief Digital and Information Officer (Interim)**



**Appointed**  
April 2023

#### **Expertise and Experience**

Helen joined the Trust in April 2023 as interim Chief Digital Information Officer. She began her career in the private sector over 25 years ago, before working for an international Non-Governmental Organisation and then joining the NHS, at Great Ormond Street, in 2003. She has also worked for North Bristol Trust and was Chief Information Officer, for six years, at what is now Manchester University Hospitals.

Helen's route to Board level began in business intelligence and she retains a passion for data-driven digital and organisational transformation which delivers measurable benefits to patients and staff.

### **Mark Pietroni, Medical Director and Deputy Chief Executive**



**Appointed**  
March 2019

#### **Expertise and Experience**

Mark has had a varied career path starting in London in Infectious Diseases, then 15 years in Bangladesh, and returning in 2012 to a role as Director of Public Health for South Gloucestershire. He was appointed to a part time role as a consultant in Acute Medicine at this Trust in 2016 and then as Speciality Director for Unscheduled Care in 2017.

A year into his role as Medical Director his overseas experience proved invaluable to the Trust response to the Covid pandemic. He was appointed Deputy Chief Executive in November 2020. He continues to work as an acute physician one day a week alongside his executive role.

### **Al Sheward, Chief Operating Officer**



#### **Appointed**

December 2023

#### **Expertise and Experience**

Al joined the Trust from Great Western Hospitals where he had held the position of Deputy Chief Operating Officer since May 2020. Prior to his time at Great Western, Al was Winter Director for the Bath and North East Somerset, Swindon and Wiltshire Integrated Care System.

Al played a key role in establishing the Swindon Integrated Care Alliance Coordination Centre building on experience from his time on the Isle of Wight and West Yorkshire, where he led a team using video-based technology to support residents in over 750 care homes across the UK

### **Board members who left in year**

#### **Claire Feehily, Non-Executive Director**



#### **Appointed**

February 2017 – August 2023

#### **Expertise and Experience**

Claire Feehily has more than 30 years' experience in health, social care, housing and government sectors. Formerly the Chair of Healthwatch Gloucestershire and an NHS non-executive director since 2010, Claire is also a qualified accountant and MBA. Claire is a Trustee and Audit Chair with the National Heritage Lottery Fund and more locally she is on the board of The Brandon Trust and is Chair of Stroud and Cotswolds Citizens Advice.

In 2022 Claire was appointed to the BSW Integrated Care Board where she is Senior Independent Director and Audit Chair. Claire has particular expertise in financial and risk

governance, and in helping organisations to engage properly with colleagues and those who use services. Claire provides non-executive Board oversight on Raising Concerns.

### **Rebecca Pritchard, Associate Non-Executive Director**



#### **Appointed**

February 2021 – July 2023

#### **Expertise and Experience**

Rebecca has held senior and board level positions in UK and US financial services companies, working across the public, private and third sectors. She is a non-executive director of SWIG Finance, a social lender in the southwest, and a director of Responsible Finance, the membership and advocacy organisation for lenders supporting disadvantaged communities. From 2013 to 2020, she was head of UK Business Banking at Triodos, the leading European sustainable bank and previously specialised in the development and funding of capital projects and partnerships.

In addition to her banking and finance expertise, Rebecca has a strong interest in working with values-based organisations at a strategic level to tackle social inequality, improve sustainability, and successfully navigate change through strong employee and stakeholder engagement. Rebecca has lived in rural Gloucestershire and worked in the southwest for more than 20 years. She has part-time caring responsibility for a family member with chronic health issues. Rebecca had been an Associate Non-Executive Director of the Trust, but is now a Non-Executive Director of GMS, the Trust's managed services subsidiary.

### **Deborah Lee, Chief Executive Officer**



#### **Appointed**

June 2016 – January 2023

#### **Expertise and Experience**

Deborah Lee joined the Trust as Chief Executive Officer (CEO) in June 2016 from the University Hospitals Bristol NHS Foundation Trust (UHB NHSFT) where she was the Chief Operating Officer and Deputy CEO. Deborah has been nationally recognised by the Health Service Journal as one of the Top 50 Inspirational Women in Healthcare and has made the

Top 50 NHS Chief Executives list for the last two years running. She qualified originally as a registered nurse, before returning to university to read economics and subsequently gained an MBA from Bristol Business School. Deborah started her NHS management career in 1990 and has worked in acute, primary and community sectors, holding board appointments in five different organisations.

**Simon Lanceley, Director of Strategy and Transformation**



**Appointed**

January 2018 until June 2023

**Expertise and Experience**

Simon joined the Trust in January 2018, from GE Healthcare Partners, the health and social care Consultancy arm of GE Healthcare. Simon led the development of our overarching Trust strategy and was responsible for three enabling strategies; Clinical, Estates and Engagement & Involvement. Simon was also Executive lead for our Transformation and Programme Management Office (PMO), Sustainability, Trust Charity and Group relationship and contract management of the Trust's subsidiary Gloucestershire Managed Services.

## Statement of Accounting Officer's responsibilities

### Statement of the Chief Executive's responsibilities as the accounting officer of Gloucestershire Hospitals 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 Gloucestershire Hospitals 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 Gloucestershire Hospitals NHS Foundation 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 and
- 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 them to ensure that the accounts comply with requirements 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*.

A handwritten signature in black ink, reading "K. McNamara." with a long horizontal stroke underneath.

**Kevin McNamara**  
**Chief Executive**

Date: 26 June 2024

## NHS Oversight Framework

NHS England's NHS Oversight Framework provides the framework 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:

- a) 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)
- b) 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.

*The segment in which the Trust has been placed by NHS England is segment 3.*

This segmentation information is the trust's position as at the end of March 2024. Current segmentation information for NHS trusts and foundation trusts is published on the NHS England website: <https://www.england.nhs.uk/publication/nhs-system-oversight-framework-segmentation/>.

## 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, whilst 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*.

As highlighted in this statement and the wider annual report, there are systems and audits in place to ensure that the Board regularly reviews the effectiveness of its internal controls including the review and oversight of the Board Assurance Framework, which supports the determination of the level of assurance Board requires and its appropriateness to satisfy the Board on the effectiveness of its control environment.

### The 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 policies, aims and objectives of Gloucestershire Hospitals NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Gloucestershire Hospitals NHS Foundation Trust for the year ended 31 March 2024 and up to the date of approval of the annual report and accounts.

### Capacity to handle risk

As Accounting Officer, I am accountable for ensuring that the Trust can discharge its legal duty for all aspects of risk. Leadership arrangements for risk management are detailed in the Trust's Risk Management strategy. Active leadership from all managers at all levels to ensure effective risk management is a fundamental part of an integrated approach to quality, corporate and clinical governance, performance management and assurance. It is highlighted in this Annual Report and through Auditor Opinion statements that internal audit reviews have not provided me with full assurance of the effectiveness of some of our existing control arrangements which I aim to address in the forthcoming year. I am responsive to the work of Internal Auditors in supporting the Trust in understanding the areas we would wish to prioritise for improvement, and we will act accordingly in order to continually advance our risk and control environment.

The Board of Directors has ultimate responsibility for risk management and internal control. This is managed through the Board's corporate governance arrangements, including layers of risk reporting through the Board's committee structure, which ensures a link between risk management at Board and at local divisional level.

Divisional governance arrangements support and enable effective risk management processes, including the maintenance of Divisional Risk Registers which are reported routinely through the Risk Management Group with escalation to the Trust Risk Register as per policy.

### Risk Management Training and Guidance

Staff are trained and equipped to manage risk in the following ways:

- Mandatory risk, health and safety training on induction and thereafter every three years.
- Mandatory annual information governance training.
- Training on raising and scoring risks in accordance with the Trust's risk management policy.
- Training for managers on incident investigation and risk management.
- Advanced investigations training for staff required to lead serious incident investigations.
- Support, guidance and training available through the Risk Management Strategy.

The Audit Committee, comprising Non-Executive Directors (and excluding the Chairman as a core member), oversees and has reviewed throughout the year the effectiveness of the system of internal control and overall assurance processes associated with managing risk.

For the year ahead, taking into account also the independent assessments of the effectiveness of our control environment which as stated, highlight the need for ongoing improvement, I have commenced restructuring of the executive team portfolios to focus on an enhanced accountability framework and integrated governance system, such that we deliver a combination of corporate and quality governance, combined with risk and performance management to give the Board of Directors and key stakeholders assurance regarding the quality and effectiveness of the services that the Trust provides.

### Learning from Good Practice

It is recognised at the Trust that learning from good practice is as important as learning from when things go wrong. This is achieved at the Trust in a number of ways, including:

- Regular and proactive management of risk and risk assessments undertaken by operational management to identify immediate remedial action to be taken and escalated to executives, committees and Board where appropriate.
- The quality improvement programme includes celebrating excellence, and the activity is focused on themes coming out of incident reviews and quality indicators such as falls and pressure ulcers by way of examples.
- Ensuring implementation of NICE guidelines and technology appraisals guidance so evidenced based recommendations for health are adopted.

### **The risk and control framework**

Our risk and control framework is designed to provide assurance that there is an effective system of internal control to manage the principal risks identified by the organisation which was in operation throughout the year. The Board identifies strategic risks facing the Trust, and ensures these are captured in the Board Assurance Framework through which it monitors the controls in place and the assurances available to ensure these risks are being managed effectively. The Board also receives assurances from all standing committees who each have strategic risks assigned across their remits, and Executives ensure that key risks have been identified and are being monitored through their attendance and

leadership of the Risk Management Committee, which approves additions and removals to the Trust's Risk Register.

Risk management requires participation, collaboration, and commitment from all staff. The process starts with the systematic identification of risk via structured risk assessments documented on risk registers. These risks are then analysed to determine their relative importance using a risk scoring matrix. Low scoring risks are typically managed by the area in which they are identified. Higher scoring risks, risks which cannot be managed locally, or risks with directorate or Trust wide implications are managed at progressively higher levels within the organisation. Risk control measures are identified and implemented to support mitigation.

As my conclusion and other sections of this Annual Governance Statement and Annual Report reiterate, we have managed a number of major risks during the year. We also have potentially significant risks facing the Trust in 2024-25 and beyond with regard to delivery of our business plans and the associated cost reduction plans as part of system cost reduction ambitions and performance efficiencies. This is at the same time as ongoing responses to the increasing acuity of patients and increasing demand, in particular being exacerbated by our workforce challenges. We will ensure we focus on our role as a key system partner and anchor organisation in addressing these risks as much depends on the quality of both the organisation's and integrated system's response to these challenges.

Key quality risks are monitored through the risk management process on the Trust Risk Register (TRR) and Board Assurance Framework (BAF). These documents reflect the organisation's risk profile and support the Board in making a declaration on the effectiveness of the Trust's system of internal control in the Annual Governance Statement.

Board committees scrutinise risks related to their areas of oversight and risk domains in the risk matrix on a quarterly basis as follows:

- Quality and Performance Committee: Oversight of patient safety, quality, reputation and statutory risks.
- People and Organisational Development Committee: Oversight of workforce, equality, diversity and inclusion, and health and safety.
- Finance and Resources Committee: Oversight of finance and business, digital, cyber and data security, and risks relating to estates and facilities, and the subsidiary company Gloucestershire Managed Services (GMS).
- Audit and Assurance Committee: Responsible for scrutinising the overall systems of internal control and for ensuring the provision of effective independent assurance via internal audit, external audit and local counter fraud services.

The role of the Committees is to seek assurance on the current controls and mitigation plans and to refer or re-evaluate risks for further consideration by the Trust Leadership Team. The Trust has an information governance policy and a Senior Information Risk Owner responsible for fidelity to the policy. Improvements to data security are delivered through the review of incidents, and also the Data Security and Protection Toolkit (DPST) is our annual online national self-assessment which enable the Trust to measure its compliance against the National Data Guardian security standards.

The Trust recognises that reliable data and information of high-quality information enables and underpins the effective delivery of safe, effective patient care delivered to a high standard as well as informing service design and improvement efforts. The Trust defines high quality information as; complete, accurate, relevant, up to date (timely) and free from duplication (for example, where two or more difference records exist for the same patient). The Trust undertakes the following actions to improve data quality:

- Identification, review and resolution of potential duplication of patient records;
- Monitoring of day case activity and regular attenders;
- Gathering of user feedback;
- All existing reports have been reviewed and revised;
- Routine Data Quality (DQ) reports are automated and are routinely available to all staff on the Trust intranet via the Business Intelligence portal 'Insight';
- The Trust continues to work with an external partner to advise the Trust on optimising the recording of clinical information and the capture of clinical coding data;
- The Trust regularly sends mandatory secondary user services (SUS) data submissions to NHS Digital, and via these submissions we receive DQ reports back from SUS. Based on SUS DQ reports we action all red and amber items highlighted in report to improve Data Quality;
- The Trust commissioned the Good Governance Institute to review its board-level committee structures and subgroups to reduce duplication, and introduce a leaner governance framework and this work will be taken forward following the appointment of a new Director of Integrated Governance who commenced in post in May 2024;
- The Board Assurance Framework has been reviewed, refreshed and rationalised into a mature, dynamic document that is reviewed each month by Executives, Committees and Board to identify key areas of risk, concern, and action.

The remit of the Trust's Risk Management Group (RMG) is to scrutinise the risk management processes and reporting mechanisms to provide system assurance and hold Divisions and Directors to account for the devolved management function. The RMG meets monthly and reports to the Audit and Assurance Committee.

The Board of Directors reviewed and determined the Trust's risk appetite as part of a board development session in November 2022 and implemented this for the 2023/24 financial year. Plans in are in place to conduct a further review in early 2024/25 alongside the development of the Trust strategy and a refresh of the BAF.

### The Board Assurance Framework (BAF)

The Board Assurance Framework acts as the Trust's primary mechanism for ensuring that the Board receives assurance that the Trust is actively pursuing its corporate objectives and the risks to these objectives are being treated and mitigated. It enables the Board to understand the risks which have the potential to impact on the organisational strategic objectives and how these are being managed.

The risks identified in the Board Assurance Framework cover the full range of strategic objectives and include consideration of present risks, future risks, risks arising from within the organisation and risks occurring as a result of external pressures and changes. A new process has been developed to strengthen the BAF as a key governance document and source of assurance. Executive director leads refresh the content of the Board Assurance Framework on a monthly basis, looking at the principal risks to delivering and achieving

the strategic objectives to consider any changes to the risk itself and the risk rating, controls in place, sources of assurance and any gaps.

During the year, the Board undertook ongoing assessments of significant risks to the attainment of Trust objectives and maintained oversight of a range of specific risks, including; failing to deliver quality governance frameworks, risks to the effective delivery of urgent and emergency care, workforce planning risks to mitigate the inability to attract a skilful compassionate workforce, protecting the information held by the Trust (data security) from cyber-attack and also the risks arising from the implementation of the Electronic Patient Record, and failing to deliver integrated care & to engage with the Integrated Care System, and non-delivery of recurrent financial sustainability. The Trust has of course focused on the risks of not making the necessary improvements in maternity and urgent and emergency care services and those posed by the constant challenges of demand and capacity management which we are taking a system approach with the ICB and system partners to tackle.

In connection with our focus on urgent and emergency care, as indicated in the Performance Analysis section of the Annual Report, ambulance handovers were of such concern that we were required to make immediate improvements to prevent the longest waiters given we had been reporting significant delays in quarter 3 of the financial year. Our 2 audits of Ambulance borne activity has demonstrated some internal flow and process issues that are being addressed through our ambulance handover improvement plan. In addition, the audit programme has also identified 15-20% of patients who arrive by Ambulance would have benefited from being seen in the community by another service rather than being conveyed to the Emergency Department. This has become a focus of the Gloucestershire Working as One programme of work. However, we have yet to see this result in significant change for this group of patients but will continue with improvement efforts in partnership with our system players.

Such weakness in the control of this key performance measure has meant that our External Auditors have highlighted significant weakness in governance arrangements around ambulance handovers in relation to value for money.

Finally, as was indicated in last year's annual report, estates related risks have also continued to be an area of focus and the previously mentioned GMS governance review will strengthen our approach accordingly, but our attention to relevant management systems in areas such as water safety and fire safety amongst other key estate functions continues and will be a key area of focus in the next financial year.

Board Committees undertake a detailed scrutiny of their risks, controls, assurances and gaps for their assigned strategic objectives at each meeting, and are then responsible for agreeing the level of assurance that exists with regard to the strategic objectives and using a Red, Amber, Green rating to track this. The full Board Assurance Framework is reviewed at each Board of Directors meeting, and is scrutinised at each Audit and Assurance Committee meeting.

The last external review utilising key components of NHS England's Well Led Framework was undertaken in March 2023 by the Good Governance Institute. This firm was appointed to deliver a lean governance programme focusing on effective assurance practices and lean systems improvement methodology. They reviewed the Board and its committees with a focus on improving assurance processes and the quality governance structure.

The review highlighted that overall, a number of governance processes were working effectively, and identified four main areas for improvements around executive oversight, administration, prospective agendas and alignment of organisational development activity. With a view to addressing these areas we have launched Board and Executive development programmes with an external facilitator and developed our Accountability Framework which will be focused on continuous improvement in our governance architecture and its effectiveness.

Assurance on compliance with such as CQC registration requirements is monitored regularly through the Quality and Performance Committee using such as Quality and Integrated performance reports. Action plans emanating from decisions are progress checked via reports to the Committee and a detailed regulatory update report from the Quality team allow for a wider assessment of the Trust's position against its compliance obligations.

### **Risk Monitoring, Escalation and Assurance Process**

The Board-approved Risk Management Strategy sets out the Trust's framework within which the Trust leads, directs and controls the risks to its key functions. The strategy is supported by associated policies and procedures, systems, processes and assurance mechanisms.

The Risk Register Procedure outlines the processes for updating and disseminating the Trust's Risk Register, agreeing and monitoring the action plans to eliminate or reduce risk.

#### **Embedded Risk Management**

The structure of governance in the organisation is designed to allow a prompt response to a significant change in circumstances. The Executive and the wider management structure across the Trust continue to apply dynamism to all aspects of risk management (identification, assessment and mitigation).

The Board has sight of timely and accurate information to assess risks to compliance with the Trust's Licence. Trust performance is reviewed by the Finance and Resources Committee, the People and Organisation Development Committee and the Quality and Performance Committee, and by the Board at each meeting. The Committees undertake detailed reviews of any indicators that show sustained adverse performance.

All directors have confirmed that they meet the criteria for being a fit and proper person as prescribed by the Trust's NHS Licence and Health and Social Care Act 2008 (Regulated Activities) Regulations 2014.

The Trust assesses compliance with the NHS Foundation Trust Licence Condition 4 (Foundation Trust Governance). The Board last formally reviewed its self-certification in 2022 and confirmed no material risks had been identified regarding compliance with its Licence. A further review will take place in the next financial year. The Trust believes that whilst there are a number of areas of focus for ongoing and necessary improvement in governance structures, overall, it has effective systems and processes in place to maintain and monitor the following conditions, namely the:

- Effectiveness of governance structures to include reporting lines and accountability between the Board, its sub-committees, and the executive management team;
- Responsibilities of directors and sub-committees;

- Submission of timely and accurate information to assess risks to compliance with the Trust's Licence; and
- Degree and rigour of oversight the Board has over the Trust's performance

To assure itself of the validity of its statement, required under NHS Foundation Trust condition 4(8)(b), the Trust has assessed the extent with which it complies with the Code of Governance, and this is detailed in the Code of Governance report of this Annual Report.

The Board Assurance Framework enables the Board to understand the risks which have the potential to impact on the organisation's strategic objectives. The Board Assurance Framework provides the Trust with a single, comprehensive, method for the effective and focused management of the principal risks to meeting the Trust's overall strategic objectives. The risks identified from the BAF cover the full range of strategic objectives and include consideration of present risks, future risks, and emerging risks as a result of external pressures and changes.

The Board's consideration of its risk appetite empowered curiosity with regard to future and emerging risk and the developments in Trust planning and alignment with the system priorities will lead to a further review of the strategic risk profile when the Trust considers its new strategy in the next financial year. As with all NHS organisations, balancing the need to deliver high quality care in the context of increasing demand and complexity, and attracting and retaining staff while working to improve productivity is a continual challenge.

Risk management is embedded in the activity of the organisation and integrated with business, financial and workforce planning (an area that will undergo further development in 2024). For example, the intolerable risks process, undertaken as part of the business planning cycle, used information on Trust risk registers to inform priority funding decisions.

#### Local and Divisional Risk Registers

Each Division has its own risk register, which captures how divisional risks are being managed and each Specialty has its own sub-set of the Divisional risk register to ensure local ownership and management of the risks. Management of the Trust Risk Register and corporate risk register is through the Risk Management Group to the Trust Leadership Team, which meets monthly to validate new significant risks, and remove mitigated risks from the register. This process is replicated at governance meetings throughout the Trust at the appropriate levels, to ensure that current risks and their controls / actions are on risk registers and managed dynamically as the risk environment changes.

#### Incident reporting

The Trust promotes a strong culture of reporting incidents. To reinforce the importance of this, the Trust incident reporting process enables staff to submit reports and encourages them to seek feedback on these reports from local managers. Themes are reported by divisional Quality and Patient Safety teams to Divisional Quality Boards and Specialty Governance groups. Health and Safety teams report to Divisional Health and Safety groups and to the Trust Health and Safety Committee. The Risk Management Group monitors performance against key performance indicators. The Risk Management Group reports to the Audit and Assurance Committee.

Serious Incidents (SIs) are identified via the weekly SI panel. These are reported to each meeting of the Quality and Performance Committee (QPC), together with evidence of our

meeting reporting standards and learning. A summary of the current SIs is reported to the Trust Board at each meeting. In most cases a SI investigation is triggered when the impact of the incident reaches level four or five “Impact” on the Trust matrix, which is usually in the category for harm, or matters of service continuity. The purpose of the report is to provide assurance that SI investigations are carried out in a timely way action plans are subsequently appropriately closed.

The operational committee responsible for SIs is the Safety and Experience Review Group (SERG). Chaired by the Director of Safety, it also has the Executive Medical Director, Executive Director of Quality and Chief Nurse and a Clinical Commissioning Group representative included in its membership. The SERG monitors progress of the investigations and any high-level trends recommending any further investigation. Information on the complaints and concerns reported to the Trust during each month is presented to the Quality and Performance Committee.

Transition from the SI framework to the Patient Safety Incident Response Framework (PSIRF) commenced on 1<sup>st</sup> March 2024 and systems have been reviewed to align with the PSIRF framework which is a new system for responding to and learning from patient safety incidents in the NHS. It aims to improve patient safety, engagement and oversight.

Business continuity plans, dealing with emergency preparedness and civil contingency requirements, are in place across the Trust and the Chief Operating Officer is responsible for oversight of these plans and this function.

Public stakeholders are involved in managing risks which impact on them through appropriate partnership fora, including the Integrated Care System governance mechanisms. Our work with the system on aligning our strategies and our business planning will further enable a system approach to risk management.

### Workforce Safeguards

The Board delegates to its committees the role of overseeing workforce strategies and staffing systems which assure the Board that staffing processes are safe, sustainable and effective. This includes complying with the Developing Workforce Safeguards recommendations. Key elements of the workforce assurance framework are:

- Oversight by the People and Organisational Development Committee, and Quality and Performance Committee, of information including workforce efficiencies and productivity, performance metrics and strategic workforce priorities. Workforce data including vacancy rates, staff turnover, sickness levels and performance against targets for completion of mandatory training and staff appraisals is also monitored.
- Quality and Performance Committee considered Safer Staffing reports into a Strategic Nursing Workforce Review, which provided assurance as to the Trust’s compliance with the Health and Social Care Act 2008 Regulation 18 on the deployment of sufficient numbers of suitably qualified, competent, skilled and experienced persons, and the Care Quality Commission’s well-led framework.
- Regular reports on Midwifery and Nurse staffing, which include information on workforce planning, planned versus actual staffing levels, turnover and retention, and attraction and recruitment strategies.
- Quarterly Guardian of Safe Working Hours reports are received.
- Oversight by the Audit and Assurance Committee of an annual internal audit plan, which focuses over time on risks to internal controls, including workforce safeguards.

## Compliance statements

### Care Quality Commission

The Foundation Trust is compliant with the overall registration requirements of the Care Quality Commission (CQC) but has a number of warning notices relating to Maternity and Urgent and Emergency Care Services which identify the specific areas in which we are not fully complying with the relevant requirements. These were identified subsequently in the inspection reports published on the CQC's website following their inspections of urgent and emergency care and maternity services in the period of this report. The CQC can issue a warning notice when there is a breach of:

- A regulation
- A section of the Health and Social Care Act 2008 (as amended)
- A 'relevant enactment'
- A condition previously placed on a registration

We are working to ensure that the requirements of these notices lead to full compliance but most importantly, that they strengthen the quality, safety and experience of our services and how we disseminate the learning more widely across our services. The priority areas of focus cover elements of staff training, flexible staffing, fire safety arrangements, equipment testing and oversight of quality governance.

A number of quality improvement workstreams have been initiated and with particular regard to maternity services, the Integrated Care Board is overseeing our progress with improving processes in relation to risk assessment, peer review, audit, escalation and flexible staffing induction protocols. A key theme I intend to address is our capability to evidence that we are a learning organisation and at the beginning of the new financial year a number of conversations have already taken place with other NHS organisations to help us focus deliberately on continuous quality improvement, which include valuable support from our Maternity Improvement Advisors.

After the end of the financial year to which this Annual Report relates, on 9 May 2024, the CQC issued an enforcement notice, putting a number of reporting conditions in place to ensure focused attention and improved pace, including:

- Stronger systems to provide and up to date and overarching view of quality and safety across the maternity service;
- Systems and processes to identify and action timely identification and learning from incidents across all teams in the department.

These include immediate actions that the Trust is expected to take and the service will report progress to the CQC on a monthly basis against. There will also be additional system oversight and coordination in place through this next period, so we can ensure that improvements that need to be made are embedded.

The service is also reviewing internal process so there is an effective system of governance, aligned to Board reporting, to ensure improvements, including oversight of themes and trends from incidents and learning is acted upon and shared in a timely way.

## Registers of Interest

The Foundation Trust has published on its website 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 twelve months, as required by the '*Managing Conflicts of Interest in the NHS*' guidance.

## Pension Scheme

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained within the Scheme regulations are complied with. 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.

## Equality and Diversity and Human Rights

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with. Service change and business cases are subject to Quality and Equality Impact Assessments to ensure that proposals do not adversely impact on the quality and equality of services. An area for focus this coming year will be to further improve our approach to equality, diversity and inclusion in the context of the wider culture work taking place within the Trust.

## Climate Change

The Foundation Trust has undertaken risk assessments on the effects of climate change and severe weather and has developed a Green Plan following the guidance of the Greener NHS programme. The Trust ensures that its obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with. Other sections of the Annual Report provide further detail on our approach to achieving net zero.

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

As Accounting Officer, I have responsibility for ensuring economy, efficiency and effectiveness of the use of resources and I am supported by my executive team that has responsibility for overseeing the day-to-day operations of the Trust. Performance in this area is monitored by the Board on a regular basis, as well as through assurance reports from its standing committees. The Board discusses and approves the Trust's strategic and annual plans (and budgets) taking into account the views of the Council of Governors.

The Trust's Audit and Assurance Committee supports the Board and me as Accounting Officer by reviewing the comprehensiveness and reliability of assurances on governance, risk management and the control environment. The scope of the Audit Committee's work is defined in its terms of reference and encompasses all the assurance needs of the Board and the Accounting Officer. The Audit Committee is engaged with the work of internal audit and external audit and is chaired by a Non-Executive Director.

The Audit and Assurance Committee has acknowledged that progress has been made during the year to align and embed Clinical Audit and NICE activity as part of the wider quality management system that brings together quality planning, improvement, and control

in order to deliver quality assurance. Ongoing improvements in this area will support our improvement journey. Additionally, the Audit and Assurance Committee has sought assurance from the Trust's internal and external auditors from the agreed audit programmes which have been developed through consideration of the gross risks, key controls and gaps in assurance as identified by the Board Assurance Framework.

The Finance and Resources Committee undertakes on behalf of the Board regular in-depth reviews of the Trust's financial position, business cases for significant revenue and capital investments, and the investment of cash balances.

The Board has monitored progress against the key risks facing the Trust and assured itself that the strategic intent of the Trust appropriately addresses opportunities and the risks facing the Trust and the continual improvement of its business.

The Quality and Performance Committee, the People and Organisational Development Committee, have ensured that programmes of work, and the developments of policy and strategy, address identified risk areas. The committees have also considered the sources of assurance and incorporated the findings of these assurances in future work programmes.

The Code of Governance section of this Annual Report includes further description of the Board's committee structure, and attendance records and outlines compliance with the Corporate Governance Code and explanations of any departures.

Internal audit services support the Trust's improvement work concerning its internal control system by providing an objective and independent opinion on the effectiveness of risk management, control and governance in support of achievement of the Trust's agreed objectives. The Trust's internal audit plan, agreed by the Board, sets out the full range of audits across the Trust and includes reviews relevant to economy, efficiency and effectiveness of resource use.

#### Information governance

Information governance incidents are reviewed and investigated throughout the year and reported internally. Any incidents which meet the criteria set out in NHS Digital Guidance on notification, based on the legal requirements of the UK General Data Protection Regulation (UK GDPR) and guidance from the Information Commissioner's Office (ICO), are reported to the ICO through the DSP Toolkit where they may also be monitored by NHS England.

Nine incidents have been reported to the ICO during the 2023/24 reporting period. This compares to 15 reported in the previous period.

*Table: Summary of incidents reported to the Information Commissioner's Office under Article 33 of General Data Protection Regulation*

Month Incident Reported	Nature of Incident	Number Affected
April 2023	Gynaecology patient list was found by patient in her maternity notes - these are a set of health records taken home by maternity patients.	10

June 2023	Audio recording from a family complaint meeting (run time 1hr 10mins) copied to an additional complainant via the AMS portal, in error.	1
June 2023	A sanctions letter relating to unacceptable conduct by a patient was sent to an unrelated person of same name.	1
July 2023	Data relating to one patient included in error in another patients report. Data integrity breach due to report with incorrect data being used to support referral / application process with partner organisations. Error compounded when apology made as details of root cause shared with the complainant, including the fact that the incorrect data was from another patient with the same name and going through the same application process, therefore putting the second patient's confidentiality at risk	2
July 2023	Patient record reported by member of the public to have been inappropriately accessed and information shared via a WhatsApp group	4
Oct 2023	A letter that was written to update a patient's GP on their condition and progression of their cancer treatment was sent to another patient in error	1
Nov 2023	Disciplinary details relating to a member of staff, documented as part of a People & OD investigation report, shared in error as part of another member of staff investigation panel process.	1
Nov 2023	A copy of a patient's discharge summary has been shared in error with another patient on discharge	1
Jan 2024	A printed sheet detailing patient identifiers and clinical details for a Multi-Disciplinary Team (MDT) meeting found in a public place	11

All of the above incidents have now been closed by the ICO with the ICO expressing satisfaction with the steps taken by the Trust to mitigate the effects and minimise the risk of recurrence, and requiring no further action, unless new matters came to light.

Internally, we also work to identify broader lessons learnt such that we minimise the risks of recurrence. In the case of breaches by staff we are also requested to report the outcome of disciplinary action when concluded so that ICO can further consider the issue of criminal liability under s170 Data Protection Act 2018 for unauthorised access or disclosure.

Summary of confidentiality incidents internally reported 2023/24	
Reportable breaches	(detailed above) 9
Number of confirmed Non-reportable breaches	195
Number of no breach / Near miss incidents.	272
Total number of confidentiality incidents internally reported	476

A total of 169 of the 272 no breach/near miss reported incidents relate to lost SmartCards which are disabled when reported as missing.

The effectiveness and capacity of these systems has been routinely monitored by our Trust's Digital and Information Service governance group, Digital Care Delivery Group. A performance Summary is presented to our and Finance and Resources Committee twice a year.

### Data quality and governance

The Trust took the following actions to assure the Board that there are appropriate controls in place to ensure the accuracy of the data.

The Director of Quality and Chief Nurse jointly with the Medical Director and Chief Operating Officer lead the production of the Quality and Performance Report. The governance and production of the Quality and Performance Report is overseen by the Quality and Performance Committee (QPC). This is a board assurance committee, chaired and led by a Non-Executive Director, whose membership is made up of Non-Executive Directors, Executive Directors (clinical and non-clinical) with other attendees invited from across the Trust, Council of Governors and One Gloucestershire Integrated Care Board (ICB). Much of the data contained within the report is reviewed by the Committee throughout the year.

Quality priorities are identified with regard to local and national priorities, performance against quality metrics within the organisation, and the views of our stakeholders, leading to the selection of those that have the highest possible impact across the overall Trust. Board members, Governors, Integrated Care Board, Gloucestershire Healthwatch and the Gloucestershire Health Overview and Scrutiny Committee were invited to input into the Quality Report. The Integrated Care Board, Gloucestershire Healthwatch and Gloucestershire Health Overview and Scrutiny Committee were also invited to provide statements for inclusion in the Report.

Our quality improvement plans play a key role in our report as the plans are monitored quarterly across the year at the Quality Delivery Group which is chaired by the Director of Quality and Chief Nurse so that if support can be given to the project this is done in a timely way. Contributions to the Quality Account are made by staff across the whole organisation. Support is given to those contributing who have not written reports before.

Most local quality data is collected through the Business Intelligence Unit and where relevant our Clinical Audit department. The Trust adopts the national definitions when available or agrees data definitions with the relevant lead. The results are then reported in the Quality and Performance Report and Trust Quality reports and Quality Accounts.

The Trust produces a series of data quality reports which enable operational and validation team staff to review a wide range of data including waiting times data for accuracy and if necessary, to amend or update it. Operational staff work to detailed protocols to allow them to record the various component that contribute to the waiting times datasets in line with national definitions.

### **Review of effectiveness**

As Accounting 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 NHS Foundation 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 Assurance Committee, Finance and Resources Committee, Quality and Performance Committee, and People and Organisational Development Committee. Each Committee concludes on the assurances it has attained via reports to the Board which provide assurances where we are discharging our responsibilities effectively. Plans to address weaknesses and ensure continuous improvement of the system are in place and will continue to be monitored by the respective committees.

The Executive Directors, who have responsibility for the development and maintenance of the system of internal control, provide me with assurance in a variety of ways, including through reports on the implementation of audit action plans and reports of the work of the Board Committees, and their respective sub-committees and groups.

The Board maintains oversight of the system of internal control through a framework of governance and assurance. The Board delegates assurance functions in relation to governance, quality, workforce, finance and operational performance to its committees, enabling the Board to focus on the most significant risks and issues and to set a strategic direction based on clarity around the quality of the Trust's services and the strength of its internal controls.

Committee Chairs provide a Key Issues and Assurance Report (KIAR) from each committee meeting to draw the Board's attention to those matters requiring escalation or where the Committees have rated assurance as low or required actions to improve the level of assurance. These reports also link to the Board Assurance Framework, which is monitored by Board Committees and regularly refreshed to ensure it reflects the Trust's shifting priorities and objectives as well as any the changes to the internal and external environment.

Throughout 2023/24 work took place to develop and strengthen the Integrated Performance Report to provide the Board with an integrated summary of key metrics within four quadrants of performance: quality, people, operations and finance. This work was led by the Chief Operating Officer and the new report will be introduced from June 2024.

The committees, their responsibilities and a summary of activities undertaken through 2023/24 are set out below:

#### *Finance and Resources Committee (FRC)*

Provides assurance to the Board as to the effective management and utilisation of the Trust's resources and maintains oversight of financial control and management arrangements, and delivery of the Estates Strategy and oversight that Gloucestershire Managed Services (GMS) is performing effectively and delivering its annual business plan. This includes:

- Approving strategies and monitoring their implementation.
- Receiving regular reports from sub-committees and groups responsible for managing operational performance, financial sustainability and capital project implementation.
- Approval of business cases for investment and review of the achievement of business

case benefits post-investment.

In addition to standing reports relating to operational activity and performance, finance and capital programme, key areas of focus for the Committee during the year included:

- Considering biannual reports on the Procurement Service and Cyber Security & Information Governance.
- Costing Strategy and Costing updates.
- Five-Year Medium-Term Plan.
- Reserved Matters
- Terms of Reference
- Articles of Association for Gloucestershire Managed Services (GMS).

During the year the Trust has faced material financial challenges including delivery of its cost improvement plans. The details of these challenges are referenced earlier in this Annual Report and include:

- Recruitment issues leading to increased temporary staffing costs.
- A challenging financial sustainability programme.
- Escalation capacity issues due to no criteria to reside levels.
- Increased mental health presenting patients leading to increased mental health nursing costs.
- Additional costs from industrial action.
- Non pay inflation costs, in particular relating to energy costs.

Upon identification of these pressures the Trust put support arrangements in place to focus on the drivers and available actions to address these – with actions being undertaken both by the Trust and by system partners, which include the ICS, Gloucester Health and Care (community and mental health provider) and the Council. Actions included: Operational expenditure reviews with divisions; System level expenditure reviews to identify opportunities; Impact of workforce plans and temporary staffing arrangements; Review of balance sheet and one-off opportunities.

#### *Quality and Performance Committee (QPC)*

The Quality and Performance Committee provides assurance to the Board as to the adequacy of controls to ensure the provision of high quality and safe care. This includes:

- Receiving regular reports from sub-committees and groups focused on the core elements of quality – safety, effectiveness and patient experience, plus key areas of regulatory control, such as information governance and the Mental Health Act.
- Monitoring compliance in areas such as safeguarding, infection control and safe working.
- Reviewing independent assurance on quality from the internal auditor and regulatory and other review bodies.
- Monitoring key quality metrics through regular reports.
- Reviewing the effectiveness of governance and assurance processes such as mortality review.
- Overseeing the implementation of significant quality improvement schemes.

In addition to standing reports covering the quality domains, key areas of focus for the Quality and Performance Committee in 2023/24 were:

- Boarding oversight.
- Ambulance handover delays
- Maternity performance and regulatory compliance.
- Patient experience
- Fractured Neck of Femur
- PALS contacts and complaints monitoring
- Staffing assurance
- Care Quality Commission (CQC) action plans.

#### *Audit and Assurance Committee*

The Audit and Assurance Committee is responsible for providing assurance to the Board on the Trust's financial and internal controls and risk management systems, the integrity of the financial statements and the effectiveness of the internal audit function.

This includes:

- Agreeing an annual Internal Audit Plan, which includes both core internal control matters and areas identified by the Board as high risk or requiring improvement.
- Agreeing an annual counter fraud plan which is both proactive in reviewing and establishing fraud controls and reactive in responding to possible incidences of fraud.
- Reviewing the Trust's governance framework and processes, including the Board Assurance Framework.

In addition to standing reports related to risk and internal controls, key areas of focus for the Committee to provide assurance to the Board as to the effectiveness or otherwise of internal controls in 2023/24 was through the Trust's Internal Audit Plan which set out a range of audits across the Trust. The Committee routinely reviews the outcomes and recommendation of the Internal Audit reports and the management response, including progress against action plans.

The Audit and Assurance Committee also approved the external audit plan and reviewed the ISA260 and monitored the control recommendations within it. Additionally, the Committee approved the Trust's Counter Fraud Work Plan and received routine updates throughout the year.

#### *People and Organisational Development Committee (PODC)*

The People and Organisational Development Committee provides assurance to the Board on the delivery of Workforce, Recruitment and People strategies. The Committee will be actively monitoring the delivery of the Culture Change Programme, addressing issues raised in the Staff Survey.

This includes:

- Regular reports on staff wellbeing
- Ensuring sustainability and availability of workforce supply
- Promoting equality and diversity

## *Appointments and Remuneration Committee*

The Appointments and Remuneration Committee oversees the performance of executive members of the Board and assesses the mix of skills required on the Board. A full report of the business of the committee is provided within the Remuneration section of the annual report.

## *Council of Governors*

Another key element of the Trust's governance and assurance framework, is the Council of Governors, which obtains assurance regarding the performance of the Board from the Non-Executive Directors and hold them to account for the same.

## *Role of Internal Audit*

The Trust uses a comprehensive Internal Audit service (BDO) as part of its assurance process around internal controls. An annual risk-based internal audit work programme is approved by the Audit and Assurance Committee and progress is reported at each meeting. The work programme may be amended during the year to respond to the Trust's changing needs or any emerging risks.

Reports of each review within the work programme include an assurance rating for Design and Operational Effectiveness, either:

- Substantial Assurance
- Moderate Assurance
- Limited Assurance
- No Assurance

Each review also includes a management response which describes the actions the Trust will take to address any recommendations for improvement. The Audit and Assurance Committee receives regular reports on progress to implement these actions. The following areas were reviewed by the Internal Auditor in 2023/24 and the assurance ratings for Design and Operational Effectiveness are shown:

Report	Assurance rating	
	Design	Operational Effectiveness
Workforce planning	Moderate	Moderate
Appraisals and revalidation	Moderate	Moderate
Allied Health Professionals	Moderate	Moderate
Cyber security	Moderate	Moderate
Organisational readiness assessment	Moderate	Limited
Mental Health Act	Limited	Limited
Consultant job planning	Limited	Limited
Freedom to Speak Up	Moderate	Limited
Divisional governance (Medicine)	Moderate	Limited
Payroll additions	Limited	Limited

The Trust received a Head of Internal Audit Opinion of 'limited assurance' that there was a sound system of internal control designed to meet the Trust's objectives. The audit

opinion definition for Limited assurance states “Our audit work provides assurance that the arrangements will deliver only some of the key objectives and risk management aims of the organisation in the areas under review. There is a significant risk of failure or non-compliance”.

The Compliance statements section of this report highlights that the CQC has issued a number of warning notices relating to Maternity and Urgent and Emergency Care Services which identify the specific areas in which we are not fully complying with the relevant requirements. We are working to ensure that the requirements of these notices lead to full compliance but most importantly, that they strengthen the quality, safety and experience of our services and how we disseminate the learning more widely across our services. The priority areas of focus cover elements of staff training, flexible staffing, fire safety arrangements, equipment testing and oversight of quality governance.

A number of quality improvement workstreams have been initiated and with particular regard to maternity services, the Integrated Care Board is overseeing our progress with improving processes in relation to risk assessment, peer review, audit, escalation and flexible staffing induction protocols. A key theme I intend to address is our capability to evidence that we are a learning organisation.

## Conclusion

The Gloucestershire Hospitals NHS Foundation Trust Board is committed to continuous improvement of its governance arrangements to ensure that robust systems are in place which ensure risks are both correctly identified and managed and that serious incidents and incidents of non-compliance with standards and regulatory requirements are escalated and are subject to prompt and effective remedial action, so that the patients, service users, staff and stakeholders of the Trust can be confident in the quality of the service we deliver and the effective, economic and efficient use of resources.

As was indeed highlighted last year by the previous Chief Executive, I also recognise that there is much work to be done over the coming months to continuously improve our governance and control systems, hence the appointment to a new Board role of Director of Integrated Governance. The work of the regulators and our own auditors have supported that view.

The role of internal audit is to provide an objective opinion to the Board, through the Audit and Assurance Committee on the adequacy and effectiveness of the internal control system to ensure the achievement of our objectives in the areas reviewed. They have not been assured and so they have provided us with limited assurance this time, that there is a sound system of internal controls. In forming that view they took account of the number of limited assurance reports in the areas they reviewed, but also the results of our CQC inspection visits and ‘requires improvement’ ratings and warning notices, although noting ‘good’ ratings in respect of Caring and Effective domains and improvements in our responsiveness to audit recommendations.

I am satisfied that all internal control issues raised have been, or are being, addressed by the Trust through appropriate action plans and that the implementation of these action plans is monitored and I am keen to ensure we make progress with our improvement activity at pace. There remain potentially significant risks facing the Trust going into 2024/25 and beyond regarding delivery of our plans and the associated cost reduction requirements (system and Trust) acuity of service users and demand and workforce challenges. Adding

to this, is the work we need to complete to ensure we satisfy the conditions of our regulators, but more importantly to deliver the best care we can for our patients and service users.

Successful partnership and system working is vital for the ongoing quality and sustainability of local health and care and our work to ensure effective integrated governance arrangements will be of fundamental importance. Collaborations and partnerships are increasingly the cornerstone of effective integrated health and care delivery and our Board will pay close attention to our part in this. Key to this work is the appointment (starting in Autumn 2024) to a new role of Director of Improvement and Delivery to help strengthen both our improvement capability and also our work with the wider system.

Following my review since joining the Trust in January 2024, and taking into account regulatory inspections and internal audit reviews, my opinion is there is evidence as highlighted in this governance statement of significant control issues in the systems of internal control designed to meet the Trust's objectives.

The specifics of those significant control issues are contained in this Statement and elsewhere, and cover limited assurance reports from our Internal Auditors, CQC Section 29a notices for the Emergency Department and Maternity services, and additionally for the latter, a Section 31 notice in May 2024. Ambulance handover performance whilst we do see some improvement, needs to improve further to have confidence in the controls. There are action plans and improvement schemes to address all these issues which are monitored by the Board and its committees, and for Maternity, additional support and oversight is provided through the Integrated Care Board.

With grip and focus across the coming year, I aim to be in a position to better conclude at the end of 2024/25 that the Trust has an adequate and effective governance assurance system in operation that enables the identification and control of risks. As we embark on the challenges of the next financial year, I am committed to leading implementation of the required improvements.



**Kevin McNamara**  
**Chief Executive**

Date: 26 June 2024

## **Accountability Report Conclusion**

This concludes the Accountability Report of Gloucestershire Hospitals NHS Foundation Trust for the year ending 31 March 2024.



**Kevin McNamara**  
**Chief Executive**

Date: 26 June 2024

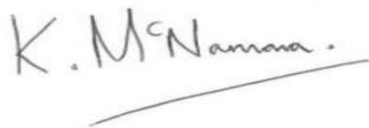
Gloucestershire Hospitals NHS Foundation Trust

Annual accounts for the year ended 31 March 2024

## **Foreword to the accounts**

### **Gloucestershire Hospitals NHS Foundation Trust**

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

A handwritten signature in dark ink, reading "K. McNamara.", with a horizontal line drawn underneath it.

**Signed**

<b>Name</b>	<b>Kevin McNamara</b>
<b>Job title</b>	<b>Chief Executive</b>
<b>Date</b>	<b>26 June 2024</b>

## Consolidated Statement of Comprehensive Income

		Trust	Group	Trust	Group
		2023/24	2023/24	2022/23	2022/23
	Note	£000	£000	£000	£000
Operating income from patient care activities	3	741,334	741,907	679,334	679,924
Other operating income	4	55,160	62,945	49,870	56,119
Operating expenses	6, 8	(801,033)	(809,000)	(727,191)	(733,221)
<b>Operating surplus/(deficit) from continuing operations</b>		<b>(4,539)</b>	<b>(4,148)</b>	<b>2,013</b>	<b>2,822</b>
Finance income	10	4,898	4,287	2,630	1,553
Finance expenses	11	(6,599)	(6,599)	(3,356)	(3,356)
PDC dividends payable		(7,086)	(7,086)	(6,415)	(6,415)
<b>Net finance costs</b>		<b>(8,787)</b>	<b>(9,398)</b>	<b>(7,141)</b>	<b>(8,218)</b>
Other gains / (losses)	12	9	75	(41)	(220)
Corporation tax expense		-	(306)	-	(283)
<b>Surplus / (deficit) for the year from continuing operations</b>		<b>(13,317)</b>	<b>(13,777)</b>	<b>(5,169)</b>	<b>(5,899)</b>
<b>Surplus / (deficit) for the year</b>		<b>(13,317)</b>	<b>(13,777)</b>	<b>(5,169)</b>	<b>(5,899)</b>
<b>Other comprehensive income</b>					
<b>Will not be reclassified to income and expenditure:</b>					
Revaluations	16	4,067	4,067	8,290	8,290
<b>Total comprehensive income / (expense) for the period</b>		<b>(9,250)</b>	<b>(9,710)</b>	<b>3,121</b>	<b>2,391</b>
<b>Surplus/ (deficit) for the period attributable to:</b>					
Gloucestershire Hospitals NHS Foundation Trust		(13,317)	(13,777)	(5,169)	(5,899)
<b>TOTAL</b>		<b>(13,317)</b>	<b>(13,777)</b>	<b>(5,169)</b>	<b>(5,899)</b>
<b>Total comprehensive income/ (expense) for the period attributable to:</b>					
Gloucestershire Hospitals NHS Foundation Trust		(9,250)	(9,710)	3,121	2,391
<b>TOTAL</b>		<b>(9,250)</b>	<b>(9,710)</b>	<b>3,121</b>	<b>2,391</b>

## Statements of Financial Position

		Trust	Group	Trust	Group
		31 March	31 March	31 March	31 March
		2024	2024	2023	2023
Note		£000	£000	£000	£000
<b>Non-current assets</b>					
Intangible assets	13	15,221	15,221	16,483	16,483
Property, plant and equipment	14	345,538	345,575	340,969	341,054
Right of use assets	17	22,168	22,168	16,663	16,663
Other investments / financial assets	18	-	1,944	-	1,885
Receivables	22	3,424	3,424	3,901	3,901
Other assets	24	600	-	600	-
<b>Total non-current assets</b>		<b>386,951</b>	<b>388,332</b>	<b>378,617</b>	<b>379,987</b>
<b>Current assets</b>					
Inventories	21	11,736	12,504	11,279	12,312
Receivables	22	27,261	27,055	43,493	46,797
Cash and cash equivalents	25	54,845	59,421	46,879	51,394
<b>Total current assets</b>		<b>93,842</b>	<b>98,980</b>	<b>101,651</b>	<b>110,503</b>
<b>Current liabilities</b>					
Trade and other payables	26	(93,644)	(96,654)	(98,863)	(104,978)
Borrowings	28	(8,356)	(8,356)	(5,904)	(5,904)
Provisions	29	(4,001)	(4,001)	(7,929)	(7,929)
Other liabilities	27	(15,354)	(15,354)	(11,022)	(11,160)
<b>Total current liabilities</b>		<b>(121,355)</b>	<b>(124,365)</b>	<b>(123,718)</b>	<b>(129,971)</b>
<b>Total assets less current liabilities</b>		<b>359,438</b>	<b>362,947</b>	<b>356,549</b>	<b>360,518</b>
<b>Non-current liabilities</b>					
Borrowings	28	(57,034)	(57,034)	(41,793)	(41,793)
Provisions	29	(3,299)	(3,299)	(2,824)	(2,824)
Other liabilities	27	(5,787)	(5,787)	(7,603)	(7,603)
<b>Total non-current liabilities</b>		<b>(66,120)</b>	<b>(66,120)</b>	<b>(52,220)</b>	<b>(52,220)</b>
<b>Total assets employed</b>		<b>293,318</b>	<b>296,827</b>	<b>304,329</b>	<b>308,298</b>
<b>Financed by</b>					
Public dividend capital		407,649	407,649	397,288	397,288
Revaluation reserve		31,970	31,970	27,903	27,903
Other reserves		210	210	210	210
Income and expenditure reserve		(146,511)	(146,511)	(121,073)	(121,073)
Charitable fund reserves	20	-	3,509	-	3,969
<b>Total taxpayers' equity</b>		<b>293,318</b>	<b>296,827</b>	<b>304,329</b>	<b>308,298</b>

The notes on pages 9 to 65 form part of these accounts.

Signed

Name

Position

Date

*K. McNamara*

Kevin McNamara

Chief Executive

26 June 2024

## Statement of Changes in Equity for the year ended 31 March 2024

Trust	Public dividend capital £000	Revaluation reserve £000	Other reserves £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2023 - brought forward	397,288	27,903	210	(121,073)	304,329
<b>Total Comprehensive Income</b>					
Surplus/(deficit) for the year	-	-	-	(13,317)	(13,317)
Revaluations	-	4,067	-	-	4,067
<b>Total Comprehensive Income For the year</b>	<b>-</b>	<b>4,067</b>	<b>-</b>	<b>(13,317)</b>	<b>(9,250)</b>
Application of IFRS 16 measurement principles to PFI liability on 1 April 2023	-	-	-	(12,121)	(12,121)
Public dividend capital received	10,385	-	-	-	10,385
Public dividend capital repaid	(24)	-	-	-	(24)
<b>Taxpayers' and others' equity at 31 March 2024</b>	<b>407,649</b>	<b>31,970</b>	<b>210</b>	<b>(146,511)</b>	<b>293,318</b>

## Statement of Changes in Equity for the year ended 31 March 2023

Trust	Public dividend capital £000	Revaluation reserve £000	Other reserves £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2022 - brought forward	361,345	19,613	210	(117,004)	264,165
<b>Total Comprehensive Income</b>					
Surplus/(deficit) for the year	-	-	-	(5,169)	(5,169)
Revaluations	-	8,290	-	-	8,290
<b>Total Comprehensive Income For the year</b>	<b>-</b>	<b>8,290</b>	<b>-</b>	<b>(5,169)</b>	<b>3,121</b>
Implementation of IFRS 16 on 1 April 2022	-	-	-	1,100	1,100
Public dividend capital received	35,943	-	-	-	35,943
<b>Taxpayers' and others' equity at 31 March 2023</b>	<b>397,288</b>	<b>27,903</b>	<b>210</b>	<b>(121,073)</b>	<b>304,329</b>

## Consolidated Statement of Changes in Equity for the year ended 31 March 2024

Group	Public dividend capital £000	Revaluation reserve £000	Other reserves £000	Income and expenditure reserve £000	Charitable fund reserves £000	Total £000
Taxpayers' and others' equity at 1 April 2023 - brought forward	397,288	27,903	210	(121,073)	3,969	308,298
<b>Total Comprehensive Income</b>						
Surplus/(deficit) for the year	-	-	-	(13,317)	(460)	(13,777)
Revaluations	-	4,067	-	-	-	4,067
<b>Total Comprehensive Income For the year</b>	<b>-</b>	<b>4,067</b>	<b>-</b>	<b>(13,317)</b>	<b>(460)</b>	<b>(9,710)</b>
Application of IFRS 16 measurement principles to PFI liability on 1 April 2023	-	-	-	(12,121)	-	(12,121)
Public dividend capital received	10,385	-	-	-	-	10,385
Public dividend capital repaid	(24)	-	-	-	-	(24)
<b>Taxpayers' and others' equity at 31 March 2024</b>	<b>407,649</b>	<b>31,970</b>	<b>210</b>	<b>(146,511)</b>	<b>3,509</b>	<b>296,827</b>

## Consolidated Statement of Changes in Equity for the year ended 31 March 2023

Group	Public dividend capital £000	Revaluation reserve £000	Other reserves £000	Income and expenditure reserve £000	Charitable fund reserves £000	Total £000
Taxpayers' and others' equity at 1 April 2022 - brought forward	361,345	19,613	210	(117,004)	4,699	268,864
<b>Total Comprehensive Income</b>						
Surplus/(deficit) for the year	-	-	-	(5,169)	(730)	(5,899)
Revaluations	-	8,290	-	-	-	8,290
<b>Total Comprehensive Income For the year</b>	<b>-</b>	<b>8,290</b>	<b>-</b>	<b>(5,169)</b>	<b>(730)</b>	<b>2,391</b>
Implementation of IFRS 16 on 1 April 2022	-	-	-	1,100	-	1,100
Public dividend capital received	35,943	-	-	-	-	35,943
<b>Taxpayers' and others' equity at 31 March 2023</b>	<b>397,288</b>	<b>27,903</b>	<b>210</b>	<b>(121,073)</b>	<b>3,969</b>	<b>308,298</b>

## **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.

### **Other reserves**

On the original setting up of the Trust in 2003 there was an error made on the initial PDC to cover the value of the net assets of the organisation. The adjustment was credited to other reserves and will remain with the Trust until the Trust is dissolved.

### **Income and expenditure reserve**

The balance of this reserve is the accumulated surpluses and deficits of the trust.

### **Charitable funds reserve**

This reserve comprises the ring-fenced funds held by the NHS charitable funds consolidated within these financial statements. These reserves are classified as restricted or unrestricted; a breakdown is provided in note 20.

## Statements of Cash Flows

		Trust	Group	Trust	Group
		2023/24	2023/24	2022/23	2022/23
	Note	£000	£000	£000	£000
<b>Cash flows from operating activities</b>					
Operating surplus / (deficit)		(4,539)	(4,148)	2,013	2,822
<b>Non-cash income and expense:</b>					
Depreciation and amortisation	6.1	32,177	32,225	29,498	29,546
Net impairments	7	19,187	19,187	8,205	8,205
Income recognised in respect of capital donations	4	(8,059)	(8,059)	(3,876)	(3,876)
(Increase) / decrease in receivables and other assets		16,709	20,163	(17,682)	(20,381)
(Increase) in inventories		(457)	(193)	(2,341)	(2,941)
Increase / (decrease) in payables and other liabilities		(1,119)	(4,378)	17,280	22,191
(Decrease) in provisions		(4,371)	(4,371)	(16,916)	(16,916)
Movements in charitable fund working capital		-	5	-	(510)
Tax paid		-	(306)	-	(283)
<b>Net cash flows from / (used in) operating activities</b>		<b>49,528</b>	<b>50,125</b>	<b>16,181</b>	<b>17,857</b>
<b>Cash flows from investing activities</b>					
Interest received		3,979	4,083	1,423	1,423
Purchase of intangible assets		(2,847)	(2,847)	(5,757)	(5,757)
Purchase of PPE		(41,457)	(41,457)	(61,111)	(61,111)
Sales of PPE		93	93	13	13
Initial direct costs or up front payments in respect of new right of use assets (lessee)		(46)	(46)	-	-
Receipt of cash donations to purchase assets		7,659	7,659	3,496	3,496
Net cash flows from charitable fund investing activities		-	204	-	130
<b>Net cash flows from / (used in) investing activities</b>		<b>(32,619)</b>	<b>(32,311)</b>	<b>(61,936)</b>	<b>(61,806)</b>
<b>Cash flows from financing activities</b>					
Public dividend capital received		10,385	10,385	35,943	35,943
Public dividend capital repaid		(24)	(24)	-	-
Repayment on loans from DHSC		(1,729)	(1,729)	(1,729)	(1,729)
Capital element of lease liability repayments		(5,048)	(5,048)	(4,993)	(4,993)
Capital element of PFI, LIFT and other service concession payments		(1,657)	(1,657)	(775)	(775)
Interest on loans		(750)	(750)	(838)	(838)
Interest paid on lease liability repayments		(277)	(277)	(219)	(219)
Interest paid on PFI, LIFT and other service concession obligations		(2,153)	(2,153)	(2,318)	(2,318)
PDC dividend paid		(8,534)	(8,534)	(4,520)	(4,520)
Cash flows from (used in) other financing activities		844	-	1,409	-
<b>Net cash flows from / (used in) financing activities</b>		<b>(8,943)</b>	<b>(9,787)</b>	<b>21,960</b>	<b>20,551</b>
<b>Increase / (decrease) in cash and cash equivalents</b>		<b>7,966</b>	<b>8,027</b>	<b>(23,795)</b>	<b>(23,398)</b>
<b>Cash and cash equivalents at 1 April - brought forward</b>		<b>46,879</b>	<b>51,394</b>	<b>70,674</b>	<b>74,792</b>
<b>Cash and cash equivalents at 31 March</b>	25	<b>54,845</b>	<b>59,421</b>	<b>46,879</b>	<b>51,394</b>

## **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.

#### **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**

##### **NHS Charitable Funds**

The Trust is the corporate trustee to the Gloucestershire Hospitals charitable fund. The Trust has assessed its relationship to the charitable fund and determined it to be a subsidiary because the Trust is exposed to, or has rights to, variable returns and other benefits for itself, patients and staff from its involvement with the charitable fund and has the ability to affect those returns and other benefits through its power over the fund.

The charitable fund's statutory accounts are prepared to 31 March in accordance with the UK Charities Statement of Recommended Practice (SORP) which is based on UK Financial Reporting Standard (FRS) 102. On consolidation, necessary adjustments are made to the charity's assets, liabilities and transactions to:

- recognise and measure them in accordance with the Trust's accounting policies; and
- eliminate intra-group transactions, balances, gains and losses.

##### **Gloucestershire Hospitals Subsidiary Company Ltd**

The Trust wholly owns Gloucestershire Hospitals Subsidiary Company Ltd. (known as Gloucestershire Managed Services, GMS) which form part of the consolidated accounts. GMS provides the estates, facilities, sterile services and materials management services for the Trust. Its turnover for the period ended 31st March 2024 was £95m (2022-23 £79m) and its gross assets at 31st March 2024 totalled £15.9m (2022-23 £13.6m).

The Gloucestershire Hospitals Subsidiary Company Ltd statutory accounts are prepared to 31 March in accordance with UK Financial Reporting Standard (FRS) 102. On consolidation, necessary adjustments are made to the company's assets, liabilities and transactions to:

- recognise and measure them in accordance with the Trust's accounting policies; and
- eliminate intra-group transactions, balances, gains and losses.

#### **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.

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 BPT on non-elective services are 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.

High cost drugs and devices excluded from the calculation of national prices are reimbursed by NHS England based on actual usage. Or at a fixed baseline in addition to the price of the related service.

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 allocations 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 additional 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 once any conditions attached to the grant have been met. Where the grants is used to fund capital expenditure, it is credited to the Statement of Comprehensive Income. 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 Discontinued operations**

Discontinued operations occur where activities either cease without transfer to another entity, or transfer to an entity outside of the boundary of Whole of Government Accounts, such as private or voluntary sectors. Such activities are accounted for in accordance with IFRS 5. Activities that are transferred to other bodies within the boundary of Whole of Government Accounts are 'machinery of government changes' and treated as continuing operations.

## **Note 1.9 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. Assets that were most recently held for their service potential but are surplus with no plan to bring them back into use are measured 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.

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 alternative site basis where this would meet the location requirements.

A full revaluation is required every 5 years. The last full revaluation was undertaken as at 31 March 2022. A desk top valuation, on an MEA basis and excluding VAT, was undertaken by the Trust's independent valuer as at 31 March 2024.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees. 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 on a straight line basis 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 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) and Local Improvement Finance Trust (LIFT) 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.

## 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:

	<b>Min life Years</b>	<b>Max life Years</b>
Land	-	-
Buildings, excluding dwellings	13	43
Dwellings	27	41
Plant & machinery	5	15
Transport equipment	5	7
Information technology	3	15
Furniture & fittings	7	10

## **Note 1.10 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. 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 on a straight line in a manner consistent with the consumption of economic or service delivery benefits.

### **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:

	<b>Min life Years</b>	<b>Max life Years</b>
Development expenditure	1	8
Software licences	1	8

### **Note 1.11 Inventories**

Inventories are valued at the lower of cost and net realisable value. Pharmacy inventory is measured on a weighted average basis and all other inventories are 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 1.12 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 1.13 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 and financial liabilities at fair value through income and expenditure**

Financial assets measured at fair value through profit or loss are those that are not otherwise measured at amortised cost or at fair value through other comprehensive income. This category also includes financial assets and liabilities acquired principally for the purpose of selling in the short term (held for trading) and derivatives. Derivatives which are embedded in other contracts, but which are separable from the host contract are measured within this category. Movements in the fair value of financial assets and liabilities in this category are recognised as gains or losses in the Statement of Comprehensive income. Within the group accounts shares held by the charity are held at fair value.

### **Impairment of financial assets**

For all financial assets measured at amortised cost including lease receivables and contract receivables 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 are determined by type and age of receivable with differing percentages applied to the various categories of receivables.

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 1.15 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. For existing arrangements where the Trust was an intermediate lessor, classification of all continuing sublease arrangements was been reassessed with reference to the right of use asset.

## Note 1.16 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rates effective from 31 March 2024:

		Nominal rate	Prior year rate
Short-term	Up to 5 years	4.26%	3.27%
Medium-term	After 5 years up to 10 years	4.03%	3.20%
Long-term	After 10 years up to 40 years	4.72%	3.51%
	Exceeding 40 years	4.40%	3.00%

HM Treasury provides discount rates for general provisions on a nominal rate basis. Expected future cash flows are therefore adjusted for the impact of inflation before discounting using nominal rates. The following inflation rates are set by HM Treasury, effective from 31 March 2024:

	Inflation rate	Prior year rate
Year 1	3.60%	7.40%
Year 2	1.80%	0.60%
Into perpetuity	2.00%	2.00%

Early retirement provisions and injury benefit provisions both use the HM Treasury's post-employment benefits discount rate of 2.45% in real terms (prior year: 1.70%).

## Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the trust is disclosed at Note 29.2 but is not recognised in the Trust's accounts.

## Non-clinical risk pooling

The trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any excesses payable in respect of particular claims are charged to operating expenses when the liability arises.

## Note 1.17 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in Note 30 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in Note 30, unless the probability of a transfer of economic benefits is remote.

Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

### **Note 1.18 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 of the audit of the annual accounts.

### **Note 1.19 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 1.20 Corporation tax**

Section 148 of the Finance Act 2004 amended S519A of the Income and Corporation Taxes Act 1988 to provide power to the Treasury to make certain non-core activities of Foundation Trusts potentially subject to Corporation Tax. This legislation became effective in the 2005/06 financial year. In determining whether or not an activity is likely to be taxable a three-stage test may be employed:

- The provision of goods and services for purposes related to the provision of healthcare authorised under Section 14(1) of the Health and Social Care act 2003 (HSCA) is not treated as a commercial activity and is therefore tax exempt;
- Trading activities undertaken in house which are ancillary to core healthcare activities are not entrepreneurial in nature and not subject to tax. A trading activity that is capable of being in competition with the wider private sector will be
- Only significant trading activity is subject to tax. Significant is defined as annual taxable profits of £50,000 per trading activity.

The majority of the Trust's activities are related to core health care and are not subject to tax. However, the Trust's commercial subsidiary is subject to Corporation Tax.

The Trust operates a wholly owned subsidiary limited liability company Gloucestershire Managed Services (GMS) which has a liability for Corporation Tax due on surpluses at financial year end. Corporation Tax payable on surpluses at financial year end is assessed by a qualified financial advisor and a Corporation Tax liability is recorded in the Trust balance sheet.

### **Note 1.21 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 1.22 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 1.23 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 1.24 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 1.25 Early adoption of standards, amendments and interpretations**

No new accounting standards or revisions to existing standards have been early adopted in 2023/24.

**Note 1.26 Standards, amendments and interpretations in issue but not yet effective or adopted**

IFRS17 Insurance Contracts standard is not yet adopted by the FreM this is expected to be from April 2025. An assessment of how this will affect the financial statements has not yet been undertaken.

IFRS18 Presentation and disclosure in the financial statements standard is not yet adopted by the FReM.

**Note 1.27 Critical judgements in applying accounting policies**

Apart from judgements involving estimations (see below) that management has made in the process of applying the Trust accounting policies there have been no material critical judgements made on the amounts recognised in the financial statements.

**Note 1.28 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:

**Property Valuation**

The value of land, buildings and dwellings is £252,483k measured on a Modern Equivalent Asset basis by the Trusts independent valuer during February with a valuation date as at 31st March 2024. The valuation has been made by applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standards 2020 Red Book. The value does not take into account potential future changes in the market value which cannot be predicted with any certainty. The valuer is an expert therefore there is a high degree of reliance on the valuers expertise.

## Note 2 Operating Segments

The financial information presented to the Trust Board by the Director of Finance regarding performance of the Trust is based on the whole Trust as one entity (i.e. it is not split over operating segments). The Trust's internal management structure is based on operating divisions i.e. Surgery, Medicine, Diagnostics and Specialties, Women and Children, Estates and Facilities and Corporate Services. The Divisional boards are provided with financial information specific to their operational areas. The group position includes the Trust's subsidiary company and its charity (which is not separately shown due to materiality).

For segmental reporting, information is provided to the Board to inform them of the Trust, GMS and overall group position. This is shown below.

	2023/24			2022/23		
	Trust	GMS	Group	Trust	GMS	Group
	£000	£000	£000	£000	£000	£000
Expenditure	814,709	94,411	822,991	737,003	77,880	743,495
Income	801,392	95,330	809,214	731,834	79,087	737,596
<b>Operational surplus / (deficit)</b>	<b>(13,317)</b>	<b>919</b>	<b>(13,777)</b>	<b>(5,169)</b>	<b>1,207</b>	<b>(5,899)</b>

Assets and Liabilities of the group are not reported separately to the board.

### Reconciliation of Statement of Comprehensive Income (SOCl)

	2023/24	2022/23
	£000	£000
Statement of Comprehensive Income	(13,317)	(5,169)
Net Impairments charged to operating surplus / (deficit)	18,106	8,205
IFRIC 12 Adjustments	1,783	-
Grants and donations	(7,107)	(2,985)
<b>Adjusted financial performance surplus / (deficit)</b>	<b>(535)</b>	<b>51</b>

**Note 3 Operating income from patient care activities**

All income from patient care activities relates to contract income recognised in line with accounting policy 1.4

Note 3.1 Income from patient care activities (by nature)	2023/24		2022/23	
	Trust	Group	Trust	Group
	£000	£000	£000	£000
Income from acute services	715,159	715,159	642,149	642,149
<b>All services</b>				
Private patient income	4,374	4,374	4,119	4,119
National pay award central funding**	345	345	13,403	13,403
Additional pension contribution central funding*	19,869	20,442	17,943	18,533
Other clinical income	1,587	1,587	1,720	1,720
<b>Total income from activities</b>	<b>741,334</b>	<b>741,907</b>	<b>679,334</b>	<b>679,924</b>

\*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.

Note 3.2 Income from patient care activities (by source)	2023/24		2022/23	
	Trust	Group	Trust	Group
	£000	£000	£000	£000
<b>Income from patient care activities received from:</b>				
NHS England	179,158	179,731	175,151	175,741
Clinical commissioning groups	-	-	115,025	115,025
Integrated care boards	548,304	548,304	376,202	376,202
Other NHS providers	363	363	287	287
NHS other	6,996	6,996	6,575	6,575
Non-NHS: private patients	4,374	4,374	4,119	4,119
Non-NHS: overseas patients (chargeable to patient)	282	282	192	192
Injury cost recovery scheme	714	714	674	674
Non NHS: other	1,143	1,143	1,109	1,109
<b>Total income from activities</b>	<b>741,334</b>	<b>741,907</b>	<b>679,334</b>	<b>679,924</b>
<b>Of which:</b>				
Related to continuing operations	741,334	741,907	679,334	679,924
Related to discontinued operations	-	-	-	-

**Note 3.3 Overseas visitors (relating to patients charged directly by the provider)**

	2023/24	2022/23
	£000	£000
Income recognised this year	282	192
Cash payments received in-year	174	129
Amounts added to provision for impairment of receivables	122	359
Amounts written off in-year	91	13

**Note 4 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	3,353	-	3,353	2,749	-	2,749
Education and training	20,072	1,407	21,479	17,731	1,454	19,185
Non-patient care services to other bodies	12,643	-	12,643	11,343	-	11,343
Reimbursement and top up funding	-	-	-	1,185	-	1,185
Income in respect of employee benefits accounted on a gross basis	3,708	-	3,708	4,994	-	4,994
Receipt of capital grants and donations and peppercorn leases	-	8,059	8,059	-	3,876	3,876
Charitable and other contributions to expenditure	-	545	545	-	1,483	1,483
Charitable fund incoming resources	-	1,735	1,735	-	1,220	1,220
Other income	11,423	-	11,423	10,084	-	10,084
<b>Total other operating income</b>	<b>51,199</b>	<b>11,746</b>	<b>62,945</b>	<b>48,086</b>	<b>8,033</b>	<b>56,119</b>
<b>Of which:</b>						
Related to continuing operations			62,945			56,119
Related to discontinued operations			-			-

A separate note for the Trust is not provided as the Trust figures are immaterially different from the Group.

**\* Analysis of Other operating income: Other contract income**

	2023/24	2022/23
	Total	Total
	£000	£000
Car parking	4,274	3,087
Creche services	963	1,005
Catering	1,387	1,213
Other	4,799	4,779
<b>Total</b>	<b>11,423</b>	<b>10,084</b>

**Note 5.1 Additional information on contract revenue (IFRS 15) recognised in the period**

	<b>2023/24</b>	<b>2022/23</b>
	<b>£000</b>	<b>£000</b>
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	11,023	11,766

**Note 5.2 Transaction price allocated to remaining performance obligations**

	<b>31 March 2024</b>	<b>31 March 2023</b>
	<b>£000</b>	<b>£000</b>
Revenue from existing contracts allocated to remaining performance obligations is expected to be recognised:		
within one year	15,354	11,022
after one year, not later than five years	2,515	7,603
after five years	3,272	-
<b>Total revenue allocated to remaining performance obligations</b>	<b>21,141</b>	<b>18,625</b>

**Note 5.3 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:

	<b>2023/24</b>	<b>2022/23</b>
	<b>£000</b>	<b>£000</b>
Income from services designated as commissioner requested services	735,394	671,816
Income from services not designated as commissioner requested services	6,513	8,108
<b>Total</b>	<b>741,907</b>	<b>679,924</b>

**Note 5.4 Fees and charges (Group)**

The following disclosure is of income from charges to service users where the full cost of providing that service exceeds £1 million and is presented as the aggregate of such income. The cost associated with the service that generated the income is also disclosed.

Where fees exceed £1m these have been recorded in note 4 analysis of other operating income.

A separate note for the Trust is not provided as the Trust figures are immaterially different from the Group.

# **Note 6.1 Operating expenses**

	2023/24		2022/23	
	Trust	Group	Trust	Group
	£000	£000	£000	£000
Purchase of healthcare from NHS and DHSC bodies	1,252	1,252	210	210
Purchase of healthcare from non-NHS and non-DHSC bodies	5,514	5,514	6,160	6,160
Staff and executive directors costs	465,714	493,344	451,868	475,802
Remuneration of non-executive directors	183	221	198	227
Supplies and services - clinical (excluding drugs costs)	47,075	62,564	70,196	79,479
Supplies and services - general	91,433	39,813	63,272	21,750
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	97,403	97,404	88,018	88,021
Consultancy costs	1,447	1,455	695	755
Establishment	1,556	1,632	1,836	1,872
Premises	1,465	14,273	2,375	13,802
Transport (including patient travel)	2,162	2,947	1,962	2,755
Depreciation on property, plant and equipment	28,013	28,061	26,455	26,503
Amortisation on intangible assets	4,164	4,164	3,043	3,043
Net impairments	19,187	19,187	8,205	8,205
Movement in credit loss allowance: contract receivables / contract assets	2,344	2,256	326	316
Increase/(decrease) in other provisions	-	-	(24,242)	(24,242)
Change in provisions discount rate(s)	9	9	50	50
Fees payable to the external auditor				
audit services- statutory audit	397	445	143	174
other auditor remuneration (external auditor only)	-	-	-	-
Internal audit costs	104	125	84	103
Clinical negligence	20,843	20,843	20,185	20,185
Legal fees	4,005	4,112	265	466
Insurance	621	930	314	314
Research and development	142	142	29	29
Education and training	3,628	3,819	3,801	3,968
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (e.g. PFI / LIFT)	2,259	2,259	1,697	1,697
Car parking & security	-	71	-	16
Hospitality	31	31	6	6
Losses, ex gratia & special payments	21	21	28	28
Other NHS charitable fund resources expended	-	2,022	-	1,514
Other	61	84	12	13
<b>Total</b>	<b>801,033</b>	<b>809,000</b>	<b>727,191</b>	<b>733,221</b>
<b>Of which:</b>				
Related to continuing operations	801,033	809,000	727,191	733,221
Related to discontinued operations	-	-	-	-

**Note 6.2 Limitation on auditor's liability (Group)**

The limitation on auditor's liability for external audit work is £1 million (2022/23: £1 million).

**Note 7 Impairment of assets (Group)**

	2023/24	2022/23
	£000	£000
<b>Net impairments charged to operating surplus / deficit resulting from:</b>		
Abandonment of assets in course of construction	1,081	-
Notional multi storey building impairment due to revaluation.	17,173	8,205
Other buildings impairment due to revaluation.	933	
<b>Total net impairments charged to operating surplus / deficit</b>	<b>19,187</b>	<b>8,205</b>
Impairments charged to the revaluation reserve	-	-
<b>Total net impairments</b>	<b>19,187</b>	<b>8,205</b>

## Note 8 Employee benefits

	2023/24		2022/23	
	Trust	Group	Trust	Group
	£000	£000	£000	£000
Salaries and wages	341,895	364,185	331,506	350,056
Social security costs	40,021	41,960	37,395	38,988
Apprenticeship levy	2,001	2,099	1,786	1,863
Employer's contributions to NHS pensions	65,226	67,095	58,851	60,765
Temporary staff (including agency)	17,490	18,479	23,194	24,607
NHS charitable funds staff	-	443	-	387
<b>Total gross staff costs</b>	<b>466,633</b>	<b>494,261</b>	<b>452,732</b>	<b>476,666</b>
Recoveries in respect of seconded staff	-	-	-	-
<b>Total staff costs</b>	<b>466,633</b>	<b>494,261</b>	<b>452,732</b>	<b>476,666</b>
<b>Of which</b>				
Costs capitalised as part of assets	917	917	864	864

### Note 8.1 Retirements due to ill-health (Group)

During 2023/24 there were 4 early retirements from the trust agreed on the grounds of ill-health (8 in the year ended 31 March 2023). The estimated additional pension liabilities of these ill-health retirements is £118k (£490k 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](http://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.

**Note 10 Finance income**

Finance income represents interest received on assets and investments in the period.

	2023/24		2022/23	
	Trust	Group	Trust	Group
	£000	£000	£000	£000
Interest on bank accounts	3,979	4,083	1,423	1,423
NHS charitable fund investment income	-	204	-	130
Other finance income	919	-	1,207	-
<b>Total finance income</b>	<b>4,898</b>	<b>4,287</b>	<b>2,630</b>	<b>1,553</b>

**Note 11.1 Finance expenditure**

Finance expenditure represents interest and other charges involved in the borrowing of money or asset financing.

	2023/24		2022/23	
	Trust	Group	Trust	Group
	£000	£000	£000	£000
<b>Interest expense:</b>				
Interest on loans from the Department of Health and Social Care	754	754	839	839
Interest on lease obligations	277	277	219	219
<b>Finance costs on PFI, LIFT and other service concession arrangements:</b>				
Main finance costs	2,152	2,152	1,146	1,146
Contingent finance costs*	-	-	1,172	1,172
Remeasurement of the liability resulting from change in index or rate*	3,396	3,396	-	-
<b>Total interest expense</b>	<b>6,579</b>	<b>6,579</b>	<b>3,376</b>	<b>3,376</b>
Unwinding of discount on provisions	20	20	(20)	(20)
<b>Total finance costs</b>	<b>6,599</b>	<b>6,599</b>	<b>3,356</b>	<b>3,356</b>

\* 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 36.

**Note 11.2 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015 (Group)**

The Trust did not incur any late payment penalties (2022/23 Nil).

**Note 12 Other gains / (losses)**

	2023/24		2022/23	
	Trust	Group	Trust	Group
	2023/24 £000	2023/24 £000	2022/23 £000	2022/23 £000
Gains on disposal of assets	73	73	79	79
Losses on disposal of assets	(64)	(64)	(120)	(120)
<b>Total gains / (losses) on disposal of assets</b>	<b>9</b>	<b>9</b>	<b>(41)</b>	<b>(41)</b>
Fair value gains / (losses) on charitable fund investments		66		(179)
<b>Total other gains / (losses)</b>	<b>9</b>	<b>75</b>	<b>(41)</b>	<b>(220)</b>

**Note 13.1 Intangible assets (Group)- 2023/24**

<b>Group</b>	<b>Software licences</b>	<b>Development expenditure</b>	<b>Intangible assets under construction</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Valuation / gross cost at 1 April 2023 - brought forward</b>	<b>15,703</b>	<b>10,471</b>	<b>2,117</b>	<b>28,291</b>
Additions	111	1,630	1,161	<b>2,902</b>
Revaluations	-	-	-	-
Reclassifications	(3,709)	706	(1,914)	<b>(4,917)</b>
<b>Valuation / gross cost at 31 March 2024</b>	<b>12,105</b>	<b>12,807</b>	<b>1,364</b>	<b>26,276</b>
<b>Amortisation at 1 April 2023 - brought forward</b>	<b>6,305</b>	<b>5,503</b>	-	<b>11,808</b>
Provided during the year	2,577	1,587	-	<b>4,164</b>
Reclassifications	(5,019)	102	-	<b>(4,917)</b>
<b>Amortisation at 31 March 2024</b>	<b>3,863</b>	<b>7,192</b>	-	<b>11,055</b>
<b>Net book value at 31 March 2024</b>	<b>8,242</b>	<b>5,615</b>	<b>1,364</b>	<b>15,221</b>
<b>Net book value at 1 April 2023</b>	<b>9,398</b>	<b>4,968</b>	<b>2,117</b>	<b>16,483</b>

**Note 13.2 Intangible assets (Group) - 2022/23**

<b>Group</b>	<b>Software licences £000</b>	<b>Development expenditure £000</b>	<b>Intangible assets under construction £000</b>	<b>Total £000</b>
<b>Valuation / gross cost at 1 April 2022 - as previously stated</b>	<b>8,927</b>	<b>10,471</b>	<b>3,127</b>	<b>22,525</b>
Additions	4,172	-	1,594	5,766
Reclassifications	2,604	-	(2,604)	-
<b>Valuation / gross cost at 31 March 2023</b>	<b>15,703</b>	<b>10,471</b>	<b>2,117</b>	<b>28,291</b>
<b>Amortisation at 1 April 2022 - as previously stated</b>	<b>4,918</b>	<b>3,847</b>	<b>-</b>	<b>8,765</b>
Provided during the year	1,387	1,656	-	3,043
<b>Amortisation at 31 March 2023</b>	<b>6,305</b>	<b>5,503</b>	<b>-</b>	<b>11,808</b>
<b>Net book value at 31 March 2023</b>	<b>9,398</b>	<b>4,968</b>	<b>2,117</b>	<b>16,483</b>
<b>Net book value at 1 April 2022</b>	<b>4,009</b>	<b>6,624</b>	<b>3,127</b>	<b>13,760</b>

**Note 14.1 Property, plant and equipment (Group) - 2023/24**

<b>Group</b>	<b>Land £000</b>	<b>Buildings excluding dwellings £000</b>	<b>Dwellings £000</b>	<b>Assets under construction £000</b>	<b>Plant &amp; machinery £000</b>	<b>Transport equipment £000</b>	<b>Information technology £000</b>	<b>Furniture &amp; fittings £000</b>	<b>Charitable fund PPE assets £000</b>	<b>Total £000</b>
<b>Valuation/gross cost at 1 April 2023 - brought forward</b>	<b>12,000</b>	<b>228,339</b>	<b>253</b>	<b>42,341</b>	<b>53,640</b>	<b>140</b>	<b>41,199</b>	<b>60</b>	<b>-</b>	<b>377,972</b>
Transfers by absorption	-	-	-	-	-	-	-	-	-	-
Additions	-	12,730	-	23,491	4,145	-	1,319	55	-	41,740
Impairments	-	(19,118)	-	(1,081)	-	-	-	-	-	(20,199)
Reversals of impairments	400	1,089	3	-	-	-	-	-	-	1,492
Revaluations	-	(5,623)	-	-	-	-	-	-	-	(5,623)
Reclassifications	-	22,463	-	(27,250)	2,603	-	3,950	-	-	1,766
Disposals / derecognition	-	-	-	-	(2,711)	-	-	-	-	(2,711)
<b>Valuation/gross cost at 31 March 2024</b>	<b>12,400</b>	<b>239,880</b>	<b>256</b>	<b>37,501</b>	<b>57,677</b>	<b>140</b>	<b>46,468</b>	<b>115</b>	<b>-</b>	<b>394,437</b>
<b>Accumulated depreciation at 1 April 2023 - brought forward</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,816</b>	<b>87</b>	<b>17,980</b>	<b>34</b>	<b>-</b>	<b>36,917</b>
Transfers by absorption	-	-	-	-	-	-	-	-	-	-
Provided during the year	-	9,695	-	-	5,906	12	7,039	8	-	22,660
Revaluations	-	(9,690)	-	-	-	-	-	-	-	(9,690)
Reclassifications	-	-	-	-	1,551	-	50	-	-	1,601
Disposals / derecognition	-	-	-	-	(2,627)	-	-	-	-	(2,627)
<b>Accumulated depreciation at 31 March 2024</b>	<b>-</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>23,646</b>	<b>99</b>	<b>25,069</b>	<b>42</b>	<b>-</b>	<b>48,862</b>
<b>Net book value at 31 March 2024</b>	<b>12,400</b>	<b>239,874</b>	<b>256</b>	<b>37,501</b>	<b>34,031</b>	<b>41</b>	<b>21,399</b>	<b>73</b>	<b>-</b>	<b>345,575</b>
<b>Net book value at 1 April 2023</b>	<b>12,000</b>	<b>228,339</b>	<b>253</b>	<b>42,341</b>	<b>34,824</b>	<b>53</b>	<b>23,219</b>	<b>26</b>	<b>-</b>	<b>341,055</b>

**Note 14.2 Property, plant and equipment (Group)- 2022/23**

<b>Group</b>	<b>Land £000</b>	<b>Buildings excluding dwellings £000</b>	<b>Dwellings £000</b>	<b>Assets under construction £000</b>	<b>Plant &amp; machinery £000</b>	<b>Transport equipment £000</b>	<b>Information technology £000</b>	<b>Furniture &amp; fittings £000</b>	<b>Charitable fund PPE assets £000</b>	<b>Total £000</b>
<b>Valuation / gross cost at 1 April 2022 - as previously stated</b>	<b>11,450</b>	<b>206,287</b>	<b>277</b>	<b>23,944</b>	<b>72,932</b>	<b>199</b>	<b>42,479</b>	<b>409</b>	<b>-</b>	<b>357,977</b>
IFRS 16 implementation - reclassification to right of use assets	-	-	-	-	(23,403)	-	-	-	-	(23,403)
Transfers by absorption	-	-	-	-	-	-	-	-	-	-
Additions	-	15,093	-	37,475	5,043	-	2,751	7	-	60,369
Impairments	-	(13,910)	(24)	-	-	-	-	-	-	(13,934)
Reversals of impairments	550	5,179	-	-	-	-	-	-	-	5,729
Revaluations	-	(487)	-	-	-	-	-	-	-	(487)
Reclassifications	-	16,177	-	(18,966)	(673)	(59)	4,985	(356)	-	1,108
Disposals / derecognition	-	-	-	(112)	(259)	-	(9,016)	-	-	(9,387)
<b>Valuation/gross cost at 31 March 2023</b>	<b>12,000</b>	<b>228,339</b>	<b>253</b>	<b>42,341</b>	<b>53,640</b>	<b>140</b>	<b>41,199</b>	<b>60</b>	<b>-</b>	<b>377,972</b>
<b>Accumulated depreciation at 1 April 2022 - as previously stated</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>32,287</b>	<b>29</b>	<b>20,691</b>	<b>384</b>	<b>-</b>	<b>53,391</b>
IFRS 16 implementation - reclassification to right of use assets	-	-	-	-	(20,722)	-	-	-	-	(20,722)
Provided during the year	-	8,777	-	-	5,363	12	7,100	6	-	21,258
Revaluations	-	(8,777)	-	-	-	-	-	-	-	(8,777)
Reclassifications	-	-	-	-	2,120	46	(702)	(356)	-	1,108
Disposals / derecognition	-	-	-	-	(232)	-	(9,109)	-	-	(9,341)
<b>Accumulated depreciation at 31 March 2023</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,816</b>	<b>87</b>	<b>17,980</b>	<b>34</b>	<b>-</b>	<b>36,917</b>
<b>Net book value at 31 March 2023</b>	<b>12,000</b>	<b>228,339</b>	<b>253</b>	<b>42,341</b>	<b>34,824</b>	<b>53</b>	<b>23,219</b>	<b>26</b>	<b>-</b>	<b>341,055</b>
<b>Net book value at 1 April 2022</b>	<b>11,450</b>	<b>206,287</b>	<b>277</b>	<b>23,944</b>	<b>40,645</b>	<b>170</b>	<b>21,788</b>	<b>25</b>	<b>-</b>	<b>304,586</b>

**Disclosure**

Included within the dwelling figures above at 31st March 2023 are a number of properties formerly in the ownership of Gloucestershire Royal NHS Trust and East Gloucestershire NHS Trust (which now form the Gloucestershire Hospitals NHS Foundation Trust) sold to a registered Housing Association in April 2000 and June 2004 respectively. These units were for residential accommodation mainly to NHS staff and families. The registered Housing Association is now responsible for this provision with the Trust having nomination rights. Both separate agreements contain a 99 year lease with a Trust option to break at 30 years and every 5 years, which if exercised will enable the Trust to take back the freehold of the land and buildings with vacant possession at no cost. They have been valued by the independent professional advisor on a residual value basis.

Included within buildings is the PFI scheme consisting of a Diagnostic & Treatment centre, therapy services, a new accident and emergency department and 75 inpatient bed spaces. The scheme was handed over in April 2002 and runs for 31 years and 10 months from that date. The initial scheme cost including all fees was £39.6m. The value of the building at the Statement of Financial Position date is £52.6m (2022/23 £42.9m).

Land and Buildings values have been determined by the Trust's Independent Valuer, their revaluation of the Trust estate to DRC values is consistent with Department of Health and Social Care guidance.

The residential accommodation properties have been valued at residual value.

A separate note for the Trust is not provided as the Trust figures are immaterially different from the Group.

**Note 14.3 Property, plant and equipment financing (Group) - 31 March 2024**

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
Owned - purchased	12,400	184,697	256	27,988	30,151	0	21,399	53	276,944
On-SoFP PFI contracts and other service concession arrangements	-	52,317	-	-	-	-	-	-	52,317
Owned - donated/granted	-	2,860	-	9,513	3,880	41	-	20	16,314
<b>NBV total at 31 March 2024</b>	<b>12,400</b>	<b>239,874</b>	<b>256</b>	<b>37,501</b>	<b>34,031</b>	<b>41</b>	<b>21,399</b>	<b>73</b>	<b>345,575</b>

**Note 14.4 Property, plant and equipment financing (Group) - 31 March 2023**

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
Owned - purchased	12,000	176,619	253	42,112	31,428	1	23,219	-	285,631
On-SoFP PFI contracts and other service concession arrangements	-	49,378	-	-	-	-	-	-	49,378
Off-SoFP PFI residual interests	-	-	-	-	-	-	-	-	-
Owned - donated/granted	-	2,342	-	229	3,396	52	-	26	6,045
<b>NBV total at 31 March 2023</b>	<b>12,000</b>	<b>228,339</b>	<b>253</b>	<b>42,341</b>	<b>34,824</b>	<b>53</b>	<b>23,219</b>	<b>26</b>	<b>341,054</b>

**Note 14.5 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	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Not subject to an operating lease	12,400	239,874	256	37,501	34,031	41	21,399	73	345,575
<b>NBV total at 31 March 2024</b>	<b>12,400</b>	<b>239,874</b>	<b>256</b>	<b>37,501</b>	<b>34,031</b>	<b>41</b>	<b>21,399</b>	<b>73</b>	<b>345,575</b>

**Note 14.6 Property plant and equipment assets subject to an operating lease (Trust as a lessor) - 31 March 2023**

<b>Group</b>	<b>Land</b>	<b>Buildings excluding dwellings</b>	<b>Dwellings</b>	<b>Assets under construction</b>	<b>Plant &amp; machinery</b>	<b>Transport equipment</b>	<b>Information technology</b>	<b>Furniture &amp; fittings</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Not subject to an operating lease	12,000	228,339	253	42,341	34,824	53	23,219	26	<b>341,054</b>
<b>NBV total at 31 March 2023</b>	<b>12,000</b>	<b>228,339</b>	<b>253</b>	<b>42,341</b>	<b>34,824</b>	<b>53</b>	<b>23,219</b>	<b>26</b>	<b>341,054</b>

## **Note 15 Donations of property, plant, equipment and intangible assets**

Donated Additions - relate to assets either purchased wholly or items partially funded from the Trust's own charitable funds. The Charitable Funds are administered by the Trust's Main Board as Corporate Trustee. Funds are registered with the Charity Commissioner as registration number 1051606. Additionally from time-to-time, an external charity working closely with the Trust may provide funding directly for a capital project. The Trust received donated medical equipment valued at £345k and intangible assets valued at £55k (2022/23 £371k).

## **Note 16 Revaluations of property, plant and equipment**

The value and remaining useful asset lives of land and buildings assets are estimated by the Trust's Independent Valuer. The valuations are carried out in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual. Valuations are carried out primarily on the basis of depreciated replacement cost for specialised operational property and existing use value for non-specialised operational property.

A Modern Equivalent Asset Optimised Alternative site valuation was undertaken as at 1st April 2017 by the Trust's Independent Valuer. The underlying principle is that the valuation of land and buildings should reflect a modern configuration of the estate required for the provision of the same services as already provided by the existing estate. With service delivery requirements evolving, this requires the Trust to consider whether the existing buildings are optimal in terms of number and size. If the Trust were starting with a "clean sheet", the Modern Equivalent Asset aligned to service delivery would be very different to the current layout in terms of buildings configuration and the number of sites.

The Modern Equivalent Asset Optimised Alternative Site model was updated and a desktop valuation was undertaken by the Trust's independent valuer as at 31 March 2024.

## **Note 17 Leases - Gloucestershire Hospitals NHS Foundation Trust as a lessee**

The Trust leases various properties for the provision of services and accommodation, medical equipment and vehicles.

**Note 17.1 Right of use assets (Group) - 2023/24**

Group	Property (land and buildings)	Plant & machinery	Transport equipment	Information technology	Total	Of which: leased from DHSC group bodies
	£000	£000	£000	£000	£000	£000
<b>Valuation / gross cost at 1 April 2023 - brought forward</b>	<b>8,048</b>	<b>22,289</b>	<b>421</b>	<b>-</b>	<b>30,758</b>	<b>425</b>
Transfers by absorption	-	-	-	-	-	-
Additions	5,918	2,455	229	227	8,829	-
Remeasurements of the lease liability	110	1,686	28	-	1,824	-
Movements in provisions for restoration / removal costs	898	-	-	-	898	-
Impairments	(480)	-	-	-	(480)	-
Revaluations	(366)	-	-	-	(366)	-
Reclassifications	-	(1,766)	-	-	(1,766)	-
Disposals / derecognition	(899)	(401)	(60)	-	(1,360)	-
<b>Valuation/gross cost at 31 March 2024</b>	<b>13,229</b>	<b>24,263</b>	<b>618</b>	<b>227</b>	<b>38,337</b>	<b>425</b>
<b>Accumulated depreciation at 1 April 2023 - brought forward</b>	<b>1,811</b>	<b>12,127</b>	<b>157</b>	<b>-</b>	<b>14,095</b>	<b>210</b>
Transfers by absorption	-	-	-	-	-	-
Provided during the year	2,002	3,225	169	5	5,401	215
Revaluations	(366)	-	-	-	(366)	-
Reclassifications	-	(1,601)	-	-	(1,601)	-
Disposals / derecognition	(899)	(401)	(60)	-	(1,360)	-
<b>Accumulated depreciation at 31 March 2024</b>	<b>2,548</b>	<b>13,350</b>	<b>266</b>	<b>5</b>	<b>16,169</b>	<b>425</b>
<b>Net book value at 31 March 2024</b>	<b>10,681</b>	<b>10,913</b>	<b>352</b>	<b>222</b>	<b>22,168</b>	<b>-</b>
<b>Net book value at 1 April 2023</b>	<b>6,237</b>	<b>10,162</b>	<b>264</b>	<b>-</b>	<b>16,663</b>	<b>215</b>
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						-

**Note 17.2 Right of use assets (Group) - 2022/23**

Group	Property (land and buildings) £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Total £000	Of which: leased from DHSC group bodies £000
<b>Valuation / gross cost at 1 April 2022 - brought forward</b>	-	-	-	-	-	-
IFRS 16 implementation - reclassification of existing leased assets from PPE or intangible assets	-	23,403	-	-	23,403	-
IFRS 16 implementation - adjustments for existing operating leases / subleases	8,002	8,339	311	-	16,652	408
Transfers by absorption	-	-	-	-	-	-
Additions	-	1,774	102	-	1,876	-
Remeasurements of the lease liability	46	632	29	-	707	17
Disposals / derecognition	-	(11,859)	(21)	-	(11,880)	-
<b>Valuation/gross cost at 31 March 2023</b>	<b>8,048</b>	<b>22,289</b>	<b>421</b>	<b>-</b>	<b>30,758</b>	<b>425</b>
<b>Accumulated depreciation at 1 April 2022 - brought forward</b>	-	-	-	-	-	-
IFRS 16 implementation - reclassification of existing leased assets from PPE or intangible assets	-	20,722	-	-	20,722	-
Transfers by absorption	-	-	-	-	-	-
Provided during the year	1,811	3,264	170	-	5,245	210
Disposals / derecognition	-	(11,859)	(13)	-	(11,872)	-
<b>Accumulated depreciation at 31 March 2023</b>	<b>1,811</b>	<b>12,127</b>	<b>157</b>	<b>-</b>	<b>14,095</b>	<b>210</b>
<b>Net book value at 31 March 2023</b>	<b>6,237</b>	<b>10,162</b>	<b>264</b>	<b>-</b>	<b>16,663</b>	<b>215</b>
<b>Net book value at 1 April 2022</b>	-	-	-	-	-	-
Net book value of right of use assets leased from other NHS providers						215
Net book value of right of use assets leased from other DHSC group bodies						-

A separate note for the Trust is not provided as the Group figures relate to the Trust only.

### Note 17.3 Revaluations of right of use assets

ROU assets were remeasured in line with lease contracts.

Revaluations were carried out on peppercorn leases.

### Note 17.4 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 28.1.

	Trust 2023/24 £000	Group 2023/24 £000	Trust 2022/23 £000	Group 2022/23 £000
<b>Carrying value at 1 April</b>	<b>16,022</b>	<b>16,022</b>	<b>3,512</b>	<b>3,512</b>
Prior period adjustments			-	-
<b>Carrying value at 1 April - restated</b>	<b>16,022</b>	<b>16,022</b>	<b>3,512</b>	<b>3,512</b>
IFRS 16 implementation - adjustments for existing operating leases			14,920	14,920
Transfers by absorption	-	-	-	-
Lease additions	8,783	8,783	1,876	1,876
Lease liability remeasurements	1,824	1,824	707	707
Interest charge arising in year	277	277	219	219
Early terminations	-	-	-	-
Lease payments (cash outflows)	(5,325)	(5,325)	(5,212)	(5,212)
Other changes	-	-	-	-
<b>Carrying value at 31 March</b>	<b>21,581</b>	<b>21,581</b>	<b>16,022</b>	<b>16,022</b>

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.

### Note 17.5 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 £000	31 March 2024 £000	31 March 2024 £000	31 March 2024 £000
<b>Undiscounted future lease payments payable in:</b>				
- not later than one year;	4,364	-	4,364	-
- later than one year and not later than five years;	11,405	-	11,405	-
- later than five years.	8,301	-	8,301	-
<b>Total gross future lease payments</b>	<b>24,070</b>	<b>-</b>	<b>24,070</b>	<b>-</b>
Finance charges allocated to future periods	(2,489)	-	(2,489)	-
<b>Net lease liabilities at 31 March 2024</b>	<b>21,581</b>	<b>-</b>	<b>21,581</b>	<b>-</b>
<b>Of which:</b>				
Leased from other NHS providers	-	-	-	-
Leased from other DHSC group bodies	-	-	-	-

**Note 17.6 Maturity analysis of future lease payments at 31 March 2023**

	<b>Group</b>		<b>Trust</b>	
		Of which leased from DHSC group bodies:		Of which leased from DHSC group bodies:
	<b>Total</b>		<b>Total</b>	
	<b>31 March</b>	<b>31 March</b>	<b>31 March</b>	<b>31 March</b>
	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Undiscounted future lease payments payable in:</b>				
- not later than one year;	3,847	214	3,847	214
- later than one year and not later than five years;	8,113	-	8,113	-
- later than five years.	4,559	-	4,559	-
<b>Total gross future lease payments</b>	<b>16,519</b>	<b>214</b>	<b>16,519</b>	<b>214</b>
Finance charges allocated to future periods	(497)	(1)	(497)	(1)
<b>Net finance lease liabilities at 31 March 2023</b>	<b>16,022</b>	<b>213</b>	<b>16,022</b>	<b>213</b>
<b>Of which:</b>				
Leased from other NHS providers		213		213
Leased from other DHSC group bodies		-		-

**Note 18 Other investments / financial assets (non-current)**

	Trust	Group	Trust	Group
	2023/24	2023/24	2022/23	2022/23
	£000	£000	£000	£000
<b>Carrying value at 1 April - brought forward</b>		<b>1,885</b>		<b>2,063</b>
Acquisitions in year		432		359
Movement in fair value through income and expenditure		66		(179)
Disposals		(439)		(358)
<b>Carrying value at 31 March</b>	<b>-</b>	<b>1,944</b>	<b>-</b>	<b>1,885</b>

**Note 18.1 Other investments / financial assets (current)**

The Group has no current investments/financial assets (2022/23 nil).

## Note 19 Disclosure of interests in other entities

The Trust has no interests in other non-consolidated subsidiaries, joint ventures, associates or unconsolidated entities (2022/23 nil).

## Note 20 Analysis of charitable fund reserves

The Gloucestershire Hospitals Charitable Fund has been consolidated within this set of accounts.

	<b>31 March 2024 £000</b>	<b>31 March 2023 £000</b>
<b>Unrestricted funds:</b>		
Unrestricted income funds	1,547	1,527
<b>Restricted funds:</b>		
Other restricted income funds	1,962	2,442
	<b>3,509</b>	<b>3,969</b>

Unrestricted income funds are accumulated income funds that are expendable at the discretion of the trustees in furtherance of the charity's objects. Unrestricted funds may be earmarked or designated for specific future purposes which reduces the amount that is readily available to the charity.

Restricted funds may be accumulated income funds which are expendable at the trustee's discretion only in furtherance of the specified conditions of the donor and the objects of the charity. They may also be capital funds (e.g. endowments) where the assets are required to be invested, or retained for use rather than expended.

## Note 21 Inventories

	<b>Trust 31 March 2024</b>	<b>Group 31 March 2024</b>	<b>Trust 31 March 2023</b>	<b>Group 31 March 2023</b>
Drugs	5,446	5,446	4,731	4,731
Work In progress	-	-	-	-
Consumables	5,995	6,763	6,251	7,284
Energy	295	295	296	296
<b>Total inventories</b>	<b>11,736</b>	<b>12,504</b>	<b>11,279</b>	<b>12,312</b>
<b>of which:</b>				
Held at fair value less costs to sell	-	-	-	-

Inventories recognised in expenses for the year were £137,432k (2022/23: £110,963k). Write-down of inventories recognised as expenses for the year were £0k (2022/23: £0k).

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 £209k of items purchased by DHSC (2022/23: £1,084k).

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

	Trust	Group	Trust	Group
	31 March	31 March	31 March	31 March
	2024	2024	2023	2023
	£000	£000	£000	£000
<b>Current</b>				
Contract receivables	25,383	24,381	40,423	40,917
Allowance for impaired contract receivables / assets	(3,917)	(3,957)	(1,670)	(1,797)
Prepayments (non-PFI)	4,026	4,481	3,280	4,123
VAT receivable	1,748	2,010	1,440	3,359
Other taxes receivable	21	21	20	20
NHS charitable funds receivables	-	119	-	175
<b>Total current receivables</b>	<b>27,261</b>	<b>27,055</b>	<b>43,493</b>	<b>46,797</b>
<b>Non-current</b>				
Contract receivables	2,080	2,080	2,209	2,209
Other receivables	1,344	1,344	1,692	1,692
<b>Total non-current receivables</b>	<b>3,424</b>	<b>3,424</b>	<b>3,901</b>	<b>3,901</b>
<b>Of which receivable from NHS and DHSC group bodies:</b>				
Current	7,826	7,826	27,327	27,327
Non-current	1,344	1,344	1,692	1,692

## 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
<b>Allowances as at 1 Apr 2023 - brought forward</b>	<b>1,797</b>	<b>-</b>	<b>1,670</b>	<b>-</b>
New allowances arising	2,362	-	2,411	-
Reversals of allowances	(106)	-	(67)	-
Utilisation of allowances (write offs)	(96)	-	(97)	-
<b>Allowances as at 31 Mar 2024</b>	<b>3,957</b>	<b>-</b>	<b>3,917</b>	<b>-</b>

## 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
<b>Allowances as at 1 Apr 2022 - as previously stated</b>	<b>1,502</b>	<b>-</b>	<b>1,361</b>	<b>-</b>
New allowances arising	316	-	353	-
Utilisation of allowances (write offs)	(21)	-	(44)	-
<b>Allowances as at 31 Mar 2023</b>	<b>1,797</b>	<b>-</b>	<b>1,670</b>	<b>-</b>

## Note 22.4 Exposure to credit risk

The Trust considers there is currently no material exposure to credit risk, the majority of receivables value is for the NHS contracts, the remaining values are for Road Traffic accidents which has a Compensation Recovery Unit bad debt percentage notified to the Trust

**Note 23 Finance leases (Gloucestershire Hospitals NHS Foundation Trust as a lessor)**

The Trust does not receive any lease income

**Note 24 Other assets**

Other assets represent Gloucestershire Hospitals 100% holding in its subsidiary company GMS which is a limited company registered within England and Wales. The company is a trading subsidiary providing estates, facilities, sterile services and material management.

**Note 25.1 Non-current assets held for sale and assets in disposal groups**

There are no non-current assets held for sale or assets in the disposal groups.

**Note 25.2 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.

	<b>Trust</b>	<b>Group</b>	<b>Trust</b>	<b>Group</b>
	<b>2023/24</b>	<b>2023/24</b>	<b>2022/23</b>	<b>2022/23</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>At 1 April</b>	<b>46,879</b>	<b>51,394</b>	<b>70,674</b>	<b>74,792</b>
Net change in year	7,966	8,027	(23,795)	(23,398)
<b>At 31 March</b>	<b>54,845</b>	<b>59,421</b>	<b>46,879</b>	<b>51,394</b>
<b>Broken down into:</b>				
Cash at commercial banks and in hand	-	2,897	-	2,314
Cash with the Government Banking Service	54,845	56,524	46,879	49,080
<b>Total cash and cash equivalents as in SoFP</b>	<b>54,845</b>	<b>59,421</b>	<b>46,879</b>	<b>51,394</b>

**Note 25.3 Third party assets held by the trust**

The Trust does not hold any cash or cash equivalents which relate to monies held on behalf of patients or other parties (2022/23 nil)

**Note 26.1 Trade and other payables**

	Trust	Group	Trust	Group
	31 March	31 March	31 March	31 March
	2024	2024	2023	2023
	£000	£000	£000	£000
<b>Current</b>				
Trade payables	12,398	21,029	4,948	11,337
Capital payables	850	850	912	912
Accruals	61,937	55,212	75,131	73,953
Social security costs	11,462	11,891	10,071	10,423
PDC dividend payable	513	513	1,961	1,961
Pension contributions payable	6,484	6,925	5,840	6,100
NHS charitable funds: trade and other payables	-	234	-	292
<b>Total current trade and other payables</b>	<b>93,644</b>	<b>96,654</b>	<b>98,863</b>	<b>104,978</b>
<b>Non-current</b>				
<b>Total non-current trade and other payables</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Of which payables from NHS and DHSC group bodies:</b>				
Current	11,241	11,940	7,380	9,090
Non-current	-	-	-	-

## Note 27 Other liabilities

	Trust	Group	Trust	Group
	31 March	31 March	31 March	31 March
	2024	2024	2023	2023
	£000	£000	£000	£000
<b>Current</b>				
Deferred income: contract liabilities	15,354	15,354	11,022	11,160
<b>Total other current liabilities</b>	<b>15,354</b>	<b>15,354</b>	<b>11,022</b>	<b>11,160</b>
<b>Non-current</b>				
Deferred income: contract liabilities	5,787	5,787	7,603	7,603
<b>Total other non-current liabilities</b>	<b>5,787</b>	<b>5,787</b>	<b>7,603</b>	<b>7,603</b>

## Note 28.1 Borrowings

	Trust	Group	Trust	Group
	31 March	31 March	31 March	31 March
	2024	2024	2023	2023
	£000	£000	£000	£000
<b>Current</b>				
Loans from DHSC	1,735	1,735	1,731	1,731
Lease liabilities	4,051	4,051	3,705	3,705
Obligations under PFI, LIFT or other service concession contracts (excl. lifecycle)	2,570	2,570	468	468
<b>Total current borrowings</b>	<b>8,356</b>	<b>8,356</b>	<b>5,904</b>	<b>5,904</b>
<b>Non-current</b>				
Loans from DHSC	12,175	12,175	13,904	13,904
Lease liabilities	17,530	17,530	12,317	12,317
Obligations under PFI, LIFT or other service concession contracts	27,329	27,329	15,572	15,572
<b>Total non-current borrowings</b>	<b>57,034</b>	<b>57,034</b>	<b>41,793</b>	<b>41,793</b>

**Note 28.2 Reconciliation of liabilities arising from financing activities (Group)**

<b>Group - 2023/24</b>	<b>Loans from DHSC £000</b>	<b>Lease liabilities £000</b>	<b>PFI and LIFT schemes £000</b>	<b>Total £000</b>
<b>Carrying value at 1 April 2023</b>	<b>15,635</b>	<b>16,022</b>	<b>16,040</b>	<b>47,697</b>
<b>Cash movements:</b>				
Financing cash flows - payments and receipts of principal	(1,729)	(5,048)	(1,657)	<b>(8,434)</b>
Financing cash flows - payments of interest	(750)	(277)	(2,153)	<b>(3,180)</b>
<b>Non-cash movements:</b>				
Application of IFRS 16 measurement principles to PFI liability on 1 April 2023	-	-	12,121	<b>12,121</b>
Additions	-	8,783	-	<b>8,783</b>
Lease liability remeasurements	-	1,824	-	<b>1,824</b>
Remeasurement of PFI / other service concession liability resulting from change in index or rate	-	-	3,396	<b>3,396</b>
Application of effective interest rate	754	277	2,152	<b>3,183</b>
<b>Carrying value at 31 March 2024</b>	<b>13,910</b>	<b>21,581</b>	<b>29,899</b>	<b>65,390</b>

<b>Group - 2022/23</b>	<b>Loans from DHSC £000</b>	<b>Lease liabilities £000</b>	<b>PFI and LIFT schemes £000</b>	<b>Total £000</b>
<b>Carrying value at 1 April 2022</b>	<b>17,363</b>	<b>3,512</b>	<b>16,815</b>	<b>37,690</b>
<b>Cash movements:</b>				
Financing cash flows - payments and receipts of principal	(1,729)	(4,993)	(775)	<b>(7,497)</b>
Financing cash flows - payments of interest	(838)	(219)	(1,146)	<b>(2,203)</b>
<b>Non-cash movements:</b>				
IFRS 16 implementation - adjustments for existing operating leases / subleases	-	14,920	-	<b>14,920</b>
Additions	-	1,876	-	<b>1,876</b>
Lease liability remeasurements	-	707	-	<b>707</b>
Application of effective interest rate	839	219	1,146	<b>2,204</b>
<b>Carrying value at 31 March 2023</b>	<b>15,635</b>	<b>16,022</b>	<b>16,040</b>	<b>47,697</b>

## Note 29.1 Provisions for liabilities and charges analysis (Group)

Group	Pensions: early departure costs £000	Legal claims £000	Other £000	Total £000
<b>At 1 April 2023</b>	<b>1,173</b>	<b>80</b>	<b>9,500</b>	<b>10,753</b>
Change in the discount rate	9	-	(294)	(285)
Arising during the year	53	63	4,463	4,579
Utilised during the year	(100)	(51)	(4,054)	(4,205)
Reversed unused	-	-	(3,651)	(3,651)
Unwinding of discount	20	-	89	109
<b>At 31 March 2024</b>	<b>1,155</b>	<b>92</b>	<b>6,053</b>	<b>7,300</b>
<b>Expected timing of cash flows:</b>				
- not later than one year;	98	92	3,811	4,001
- later than one year and not later than five years;	391	-	101	492
- later than five years.	666	-	2,141	2,807
<b>Total</b>	<b>1,155</b>	<b>92</b>	<b>6,053</b>	<b>7,300</b>

GMS do not have any provisions

The pensions provisions relate to payments made to NHS Pensions for staff members who have had to retire early. Payments are made quarterly.

The Legal claims provision relates to clinical negligence legal costs where the Trust is liable to pay the excess costs.

Other provisions include £1,365k relating to an NHSI requirement to provide for tax charges relating to pensions, this is offset by a long term debtor for the same value.

## Note 29.2 Clinical negligence liabilities

At 31 March 2024, £286,050k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Gloucestershire Hospitals NHS Foundation Trust (31 March 2023: £321,459k).

## Note 30 Contingent assets and liabilities

	Trust	Group	Trust	Group
	31 March	31 March	31 March	31 March
	2024	2024	2023	2023
	£000	£000	£000	£000
<b>Value of contingent liabilities</b>				
NHS Resolution legal claims	(44)	(44)	-	-
Other	(252)	(252)	(230)	(230)
<b>Gross value of contingent liabilities</b>	<b>(296)</b>	<b>(296)</b>	<b>(230)</b>	<b>(230)</b>
Amounts recoverable against liabilities	-	-	-	-
<b>Net value of contingent liabilities</b>	<b>(296)</b>	<b>(296)</b>	<b>(230)</b>	<b>(230)</b>
<b>Net value of contingent assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Note 31 Contractual capital commitments

	Trust	Group	Trust	Group
	31 March	31 March	31 March	31 March
	2024	2024	2023	2023
	£000	£000	£000	£000
Property, plant and equipment	6,165	6,165	15,787	15,787
Intangible assets	224	224	472	472
<b>Total</b>	<b>6,389</b>	<b>6,389</b>	<b>16,259</b>	<b>16,259</b>

## Note 32 Other financial commitments

The Trust has no non-cancellable contracts (which are not leases, PFI contracts or other service concession arrangements) (2022-23 nil)

### **Note 33 Defined benefit pension schemes**

The Trust's past and present employees are covered by the provisions of the NHS Pension Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. It is not possible for the Trust to identify its share of the underlying scheme liabilities. Therefore, the scheme is accounted for as a defined contribution scheme.

Employer's pension cost contributions are charged to operating expenses as and when they become due.

**Note 34 On-SoFP PFI, LIFT or other service concession arrangements**

Information on PFI is included in note 14.2

**Note 34.1 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:

	Trust	Group	Trust	Group
	31 March 2024	31 March 2024	31 March 2023	31 March 2023
	£000	£000	£000	£000
<b>Gross PFI, LIFT or other service concession liabilities</b>	<b>44,604</b>	<b>44,604</b>	<b>23,151</b>	<b>23,151</b>
<b>Of which liabilities are due</b>				
- not later than one year;	4,593	4,593	1,569	1,569
- later than one year and not later than five years;	18,775	18,775	9,115	9,115
- later than five years.	21,236	21,236	12,467	12,467
Finance charges allocated to future periods	(14,705)	(14,705)	(7,111)	(7,111)
<b>Net PFI, LIFT or other service concession arrangement obligation</b>	<b>29,899</b>	<b>29,899</b>	<b>16,040</b>	<b>16,040</b>
- not later than one year;	2,570	2,570	468	468
- later than one year and not later than five years;	12,706	12,706	5,428	5,428
- later than five years.	14,623	14,623	10,144	10,144

**Note 34.2 Total on-SoFP PFI, LIFT and other service concession arrangement commitments**

Total future commitments under these on-SoFP schemes are as follows:

	Trust	Group	Trust	Group
	31 March 2024	31 March 2024	31 March 2023	31 March 2023
	£000	£000	£000	£000
<b>Total future payments committed in respect of the PFI, LIFT or other service concession arrangements</b>	<b>82,112</b>	<b>82,112</b>	<b>71,332</b>	<b>71,332</b>
<b>Of which payments are due:</b>				
- not later than one year;	7,374	7,374	5,746	5,746
- later than one year and not later than five years;	31,385	31,385	24,457	24,457
- later than five years.	43,353	43,353	41,129	41,129

**Note 34.3 Analysis of amounts payable to service concession operator**

This note provides an analysis of the unitary payments made to the service concession operator:

	Trust	Group	Trust	Group
	2023/24	2023/24	2022/23	2022/23
	£000	£000	£000	£000
<b>Unitary payment payable to service concession operator</b>	<b>7,194</b>	<b>7,194</b>	<b>5,606</b>	<b>5,606</b>
<b>Consisting of:</b>				
- Interest charge	2,152	2,152	1,146	1,146
- Repayment of balance sheet obligation	1,657	1,657	775	775
- Service element and other charges to operating expenditure	2,259	2,259	1,697	1,697
- Capital lifecycle maintenance	1,126	1,126	816	816
- Contingent rent	-	-	1,172	1,172
<b>Total amount paid to service concession operator</b>	<b>7,194</b>	<b>7,194</b>	<b>5,606</b>	<b>5,606</b>

**Note 35 Off-SoFP PFI, LIFT and other service concession arrangements**

Gloucestershire Hospitals NHS Foundation Trust has no current off-statement of financial position PFI contracts.

**Note 36 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 36.1 Impact of change in accounting policy on the allocation of unitary payment**

	IFRS 16 basis (new basis)	IAS 17 basis (old basis)	Impact of change
	2023/24	2023/24	2023/24
	£000	£000	£000
<b>Unitary payment payable to service concession operator</b>	<b>7,194</b>	<b>7,194</b>	<b>-</b>
<b>Consisting of:</b>			
- Interest charge	2,152	1,100	<b>1,052</b>
- Repayment of balance sheet obligation	1,657	468	<b>1,189</b>
- Service element	2,259	2,827	<b>(568)</b>
- Lifecycle maintenance	1,126	1,126	<b>-</b>
- Contingent rent	-	1,673	<b>(1,673)</b>
- Addition to lifecycle prepayment - capital	-	-	<b>-</b>

**Note 36.2 Impact of change in accounting policy on primary statements**

<b>Impact of change in PFI accounting policy on 31 March 2024 Statement of Financial Position:</b>	<b>£000</b>
Increase in PFI / LIFT and other service concession liabilities	(14,328)
Decrease in PDC dividend payable / increase in PDC dividend receivable	424
Increase in cash and cash equivalents (impact of PDC dividend only)	-
<b>Impact on net assets as at 31 March 2024</b>	<b>(13,904)</b>

<b>Impact of change in PFI accounting policy on 2023/24 Statement of Comprehensive Income:</b>	<b>£000</b>
PFI liability remeasurement charged to finance costs	(3,396)
Increase in interest arising on PFI liability	(1,052)
Reduction in contingent rent	2,241
Reduction in PDC dividend charge	424
<b>Net impact on surplus / (deficit)</b>	<b>(1,783)</b>

<b>Impact of change in PFI accounting policy on 2023/24 Statement of Changes in Equity:</b>	<b>£000</b>
Adjustment to reserves for the cumulative retrospective impact on 1 April 2023	(12,121)
Net impact on 2023/24 surplus / deficit	(1,783)
<b>Impact on equity as at 31 March 2024</b>	<b>(13,904)</b>

<b>Impact of change in PFI accounting policy on 2023/24 Statement of Cash Flows:</b>	<b>£000</b>
Increase in cash outflows for capital element of PFI / LIFT	(1,189)
Decrease in cash outflows for financing element of PFI / LIFT	1,189
Decrease in cash outflows for PDC dividend	-
<b>Net impact on cash flows from financing activities</b>	<b>-</b>

## Note 37 Financial instruments

### Note 37.1 Financial risk management

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

IFRS 7, Financial Instruments Disclosure and Presentation, requires disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities.

#### Credit Risk

Because of the continuing service provider relationship that the NHS Foundation Trust has with local Intergrated Care Boards and NHS England and the way those bodies are financed, the NHS Foundation Trust is not exposed to the degree of credit risk faced by many other business entities. The maximum exposures at 31 March 2024 are in receivables from customers as disclosed in note 22.1 to the accounts. The Trust mitigates its exposure to credit risk through regular review of the debtor balances and calculating a bad provision at the year end.

The following shows the age of such financial assets that are past due and for which no provision for bad or doubtful debts has been raised.

	31 March 2024 £000	31 March 2023 £000
By up to 3 months	1,086	3,131
By three to six months	478	791
By more than 6 months	499	69
	<u>2,063</u>	<u>3,991</u>

#### Market Risk

This is the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market prices.

The NHS Foundation Trust has limited powers to borrow or invest surplus funds. Cash is held on deposit with a number of safe harbour institutions which are deemed to have significantly low risk and high liquidity.

100% of the Foundation Trust's financial assets and 100% of its financial liabilities carry nil or fixed rates of interest. Gloucestershire Hospitals NHS Foundation Trust is not, therefore, exposed to significant interest-rate risk. The Trusts PFI scheme unitary payments are linked to RPI.

#### Liquidity risk

This is the risk that the NHS Foundation Trust will encounter difficulties meeting obligations associated with financial liabilities.

The NHS Foundation Trust's net operating costs are incurred under annual service agreements with local Intergrated Health Boards, which are financed from resources voted annually by Parliament. The Foundation Trust also largely finances its capital expenditure from funds made available from Government under an agreed limit. Gloucestershire Hospitals NHS Foundation Trust is not, therefore, exposed to significant liquidity risks.

#### Inflation risk

There is a risk moving forward that charges in relation to the PFI may be affected by excess inflationary pressures in the economy.

## Note 37.2 Carrying values of financial assets (Group)

	Held at amortised cost £000	Held at fair value through I&E £000	Total book value £000
<b>Carrying values of financial assets as at 31 March 2024</b>			
Trade and other receivables excluding non financial assets	23,869	-	23,869
Cash and cash equivalents	57,741	-	57,741
Consolidated NHS Charitable fund financial assets	1,799	1,944	3,743
<b>Total at 31 March 2024</b>	<b>83,409</b>	<b>1,944</b>	<b>85,353</b>

	Held at amortised cost £000	Held at fair value through I&E £000	Total book value £000
<b>Carrying values of financial assets as at 31 March 2023</b>			
Trade and other receivables excluding non financial assets	41,024	-	41,024
Cash and cash equivalents	49,193	-	49,193
Consolidated NHS Charitable fund financial assets	2,376	1,885	4,261
<b>Total at 31 March 2023</b>	<b>92,593</b>	<b>1,885</b>	<b>94,478</b>

## Note 37.3 Carrying values of financial assets (Trust)

	Held at amortised cost £000	Held at fair value through I&E £000	Total book value £000
<b>Carrying values of financial assets as at 31 March 2024</b>			
Trade and other receivables excluding non financial assets	23,589	-	23,589
Cash and cash equivalents	54,845	-	54,845
<b>Total at 31 March 2024</b>	<b>78,434</b>	<b>-</b>	<b>78,434</b>

	Held at amortised cost £000	Held at fair value through I&E £000	Total book value £000
<b>Carrying values of financial assets as at 31 March 2023</b>			
Trade and other receivables excluding non financial assets	45,657	-	45,657
Cash and cash equivalents	46,879	-	46,879
<b>Total at 31 March 2023</b>	<b>92,536</b>	<b>-</b>	<b>92,536</b>

**Note 37.4 Carrying values of financial liabilities (Group)****Carrying values of financial liabilities as at 31 March 2024**

	Held at amortised cost £000	Total book value £000
Loans from the Department of Health and Social Care	13,910	13,910
Obligations under leases	21,581	21,581
Obligations under PFI, LIFT and other service concessions	29,899	29,899
Other borrowings	-	-
Trade and other payables excluding non financial liabilities	79,048	79,048
Other financial liabilities	-	-
Provisions under contract	-	-
Consolidated NHS charitable fund financial liabilities	234	234
<b>Total at 31 March 2024</b>	<b>144,672</b>	<b>144,672</b>

**Carrying values of financial liabilities as at 31 March 2023**

	Held at amortised cost £000	Total book value £000
Loans from the Department of Health and Social Care	15,635	15,635
Obligations under leases	16,022	16,022
Obligations under PFI, LIFT and other service concessions	16,040	16,040
Trade and other payables excluding non financial liabilities	92,298	92,298
Consolidated NHS charitable fund financial liabilities	292	292
<b>Total at 31 March 2023</b>	<b>140,287</b>	<b>140,287</b>

**Note 37.5 Carrying values of financial liabilities (Trust)****Carrying values of financial liabilities as at 31 March 2024**

	Held at amortised cost £000	Total book value £000
Loans from the Department of Health and Social Care	13,910	13,910
Obligations under leases	21,581	21,581
Obligations under PFI, LIFT and other service concessions	29,899	29,899
Trade and other payables excluding non financial liabilities	76,800	76,800
<b>Total at 31 March 2024</b>	<b>142,190</b>	<b>142,190</b>

**Carrying values of financial liabilities as at 31 March 2023**

	Held at amortised cost £000	Total book value £000
Loans from the Department of Health and Social Care	15,635	15,635
Obligations under leases	16,022	16,022
Obligations under PFI, LIFT and other service concessions	16,040	16,040
Trade and other payables excluding non financial liabilities	86,820	86,820
<b>Total at 31 March 2023</b>	<b>134,517</b>	<b>134,517</b>

## Note 37.6 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.

	Trust	Group	Trust	Group
	31 March 2024	31 March 2024	31 March 2023	31 March 2023
	£000	£000	£000	£000
In one year or less	88,158	90,640	94,715	100,485
In more than one year but not more than five years	38,908	38,908	26,304	26,304
In more than five years	35,256	35,256	24,799	24,799
<b>Total</b>	<b>162,322</b>	<b>164,804</b>	<b>145,818</b>	<b>151,588</b>

## Note 38 Losses and special payments

	2023/24		2022/23	
	Total number of cases Number	Total value of cases £000	Total number of cases Number	Total value of cases £000
<b>Group and trust</b>				
<b>Losses</b>				
Bad debts and claims abandoned	787	108	961	18
<b>Total losses</b>	<b>787</b>	<b>108</b>	<b>961</b>	<b>18</b>
<b>Special payments</b>				
Ex-gratia payments	20	14	58	25
Special severance payments	-	-	2	48
<b>Total special payments</b>	<b>20</b>	<b>14</b>	<b>60</b>	<b>73</b>
<b>Total losses and special payments</b>	<b>807</b>	<b>122</b>	<b>1,021</b>	<b>91</b>
Compensation payments received				

## Note 39 Gifts

There are no gifts which require disclosure

**Note 40 Related parties**

Gloucestershire Hospitals NHS Foundation Trust is a body corporate established by order of the Secretary of State for Health.

During the period, none of the Board Members or members of the key management staff or parties related to them has undertaken any material transactions with Gloucestershire Hospitals NHS Foundation Trust.

The Department of Health and Social Care is regarded as a related party. During the period, Gloucestershire Hospitals NHS Foundation Trust, including in carrying out its role of host to the Gloucestershire Finance, Procurement and Estates Shared Services, has had a significant number of material transactions with the Department and with other entities for which the Department is regarded as the parent Department. These entities are listed below:

Related parties may include but are not limited to:

- Department of Health and Social Care Ministers
- Board members of the Trust
- The Department of Health and Social Care
- Other NHS providers
- ICB's and NHS England
- Other Health Bodies
- Other Government Departments
- Local authorities

**Note 41 Events after the reporting date**

There have been no events after the reporting date.

## **Independent auditor's certificate of completion of the audit**

### **Issue of opinion on the audit of the financial statements**

In our audit report for the year ended 31 March 2024 issued on 27 June 2024 we reported that, in our opinion, the financial statements of Gloucestershire Hospitals NHS Foundation Trust (the 'foundation trust') and its subsidiaries (the 'group'):

- gave 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 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
- had been prepared in accordance with the requirements of the National Health Service Act 2006.

### **Foundation trust's arrangements for securing economy, efficiency and effectiveness in its use of resources**

In our audit report for the year ended 31 March 2024 issued on 27 June 2024, we were required to report to you if we had not been able to satisfy ourselves that the foundation trust had made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. In that opinion, we reported a significant weakness in the foundation trust's governance arrangements and arrangements to secure financial sustainability.

### **Certificate of completion of the audit**

In our audit report for the year ended 31 March 2024 issued on 27 June 2024, we explained that we could not formally conclude the audit on that date until we had completed the work necessary to issue our statement on consolidation schedules. We have now completed our work in this areas.

No matters have come to our attention since that date that would have a material impact on the financial statements on which we gave our opinion.

We certify that we have completed the audit of Gloucestershire Hospitals 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 issued by the Comptroller & Auditor General.



Michelle Hopton (Key Audit Partner)  
For and on behalf of Deloitte LLP  
Appointed Auditor  
Bristol, United Kingdom  
8 July 2024

# **Independent auditor's report to the board of governors and board of directors of Gloucestershire Hospitals NHS Foundation Trust**

## **Report on the audit of the financial statements**

### **Opinion**

In our opinion the financial statements of Gloucestershire Hospitals 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 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 group and foundation trust statements of comprehensive income;
- the group and foundation trust statements of financial position;
- the group and foundation trust statements of changes in taxpayers' equity;
- the group and foundation trust statements of cash flows; and
- the related notes 1 to 41.

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](http://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 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 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 the following area, and our specific procedures performed to address it are described below:

- determination of whether an expenditure is capital in nature is subjective: we tested a sample of expenditure to assess whether they meet the relevant accounting requirements to be recognised as capital in nature and assessed whether the capitalised expenditure is recognised in the correcting accounting period.

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 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.

On 19 June 2024 we reported to the foundation trust significant weaknesses in the foundation trust's governance arrangements, arrangements to secure financial sustainability and economy, efficient and effectiveness arrangements.

The significant weaknesses reported were:

- in respect of the foundation trust's arrangements to secure financial sustainability, specifically how the Trust is able to achieve its cost improvement target for the year. We noted that the delivery of the financial plan for 2024/25 is dependent upon material unidentified efficiency savings and that the Trust's oversight framework segmentation is rated as 3. Our recommendations for improvement included that the Trust accelerate its efforts to identify and realise specific opportunities to deliver its plan, and in planning for future periods, begin the identification of savings opportunities and project planning for their delivery further ahead of the start of the period.
- In respect of the foundation trust's governance arrangements, specifically the opinion of the Trust's Head of Internal Audit is that only 'limited' assurance can be placed on the framework of governance, risk and control. The findings include weaknesses in the processes and controls in place around a number of areas including (but not limited to) shared service – payroll and consultant job planning. Our recommendation for improvement included for the Trust to implement the agreed actions to address the issues noted within the internal audit reports.
- In respect of the foundation trust's governance arrangements, specifically in relation to the foundation trust's reported significant delays in relation to ambulance handovers which resulted in additional review and scrutiny from the Secretary of State. Our recommendation included for the Trust to continue to develop the urgent care strategy to ensure a sustainable urgent care services was delivered while maintaining patient quality.

In our 2021/22 Certificate of completion of the audit, issued on 12 October 2022, we reported to the foundation trust significant weaknesses in the foundation trust's arrangements for improving economy, efficiency and effectiveness in the use of resources.

The significant weaknesses reported were:

- weakness in the foundation trust's governance arrangements in how the Foundation Trust monitors and ensures appropriate standards; and
- weakness in the foundation trust's arrangements for improving economy, efficiency and effectiveness in its use of resources, in how the foundation trust uses information about its performance to improve the way it manages and delivers its service.

These weaknesses reflect the findings of the Care Quality Commission's (CQC) inspection report issued in October 2022. The report had an overall rating of "Requires Improvement" and this was the rating given to safe, responsive and well-led domains of the quality rating. During the 2023/2024 additional CQC inspections have been completed which continue to highlight actions by the foundation trust which are needed to address the key matters. We recommended the foundation trust develop and monitor a detailed action plan to address the findings of the CQC report and to review the monitoring controls in place to identify issues in future. The significant weaknesses have not yet been addressed.

### **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 202[x] [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.

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 this matter.

### **Delay in certification of completion of the audit**

We cannot formally conclude the audit and issue an audit certificate until we have completed the work necessary to issue our statement on consolidation schedules. We are satisfied that our remaining work in this area is unlikely to have a material impact on the financial statements.

### **Use of our report**

This report is made solely to the Board of Governors and Board of Directors (“the Boards”) of Gloucestershire Hospitals 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.



Michelle Hopton (Key Audit Partner)  
For and on behalf of Deloitte LLP  
Appointed Auditor  
Bristol, United Kingdom  
27 June 2024



## **Independent auditor's certificate of completion of the audit**

### **Issue of opinion on the audit of the financial statements**

In our audit report for the year ended 31 March 2024 issued on 27 June 2024 we reported that, in our opinion, the financial statements of Gloucestershire Hospitals NHS Foundation Trust (the 'foundation trust') and its subsidiaries (the 'group'):

- gave 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 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
- had been prepared in accordance with the requirements of the National Health Service Act 2006.

### **Foundation trust's arrangements for securing economy, efficiency and effectiveness in its use of resources**

In our audit report for the year ended 31 March 2024 issued on 27 June 2024, we were required to report to you if we had not been able to satisfy ourselves that the foundation trust had made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. In that opinion, we reported a significant weakness in the foundation trust's governance arrangements and arrangements to secure financial sustainability.

### **Certificate of completion of the audit**

In our audit report for the year ended 31 March 2024 issued on 27 June 2024, we explained that we could not formally conclude the audit on that date until we had completed the work necessary to issue our statement on consolidation schedules. We have now completed our work in this areas.

No matters have come to our attention since that date that would have a material impact on the financial statements on which we gave our opinion.

We certify that we have completed the audit of Gloucestershire Hospitals 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 issued by the Comptroller & Auditor General.



Michelle Hopton (Key Audit Partner)  
For and on behalf of Deloitte LLP  
Appointed Auditor  
Bristol, United Kingdom  
8 July 2024



