Public Council of Governors meeting

Wed 31 July 2024, 18:00 - 19:30

Robens suite at Guy's Hospital and online via MS Teams

Agenda

18:00 - 18:00
0 min

1. Welcome, introductions and apologies

Charles Alexander

18:00 - 18:00
0 min

2. Declarations of interest

Charles Alexander

18:00 - 18:15
15 min

3. Minutes of previous meeting held on 24 April 2024 and review of actions

Charles Alexander

[3] 20240424 Council of Governors minutes vFinal.pdf (4 pages)

18:15 - 18:35
20 min

4. Annual Report and Accounts

Ian Abbs,Steven Davies

[4] 2023-24 GSTT Annual Report and Accounts_final.pdf (138 pages)

4.1. External Audit Report

GSTT AAR 202324 Final.pdf (27 pages)

18:35 - 18:45
10 min

5. Report from Nominations Committee

Charles Alexander

[5] Non-executive director appointment.pdf (3 pages)

18:45 - 18:55
10 min

6. Governors' reports for information

6.1. Lead Governor's Report

[6.1] Lead Governor's Report.pdf (4 pages)

6.2. Strategy, Transformation and Partnership Working Group (notes from meeting on 7 May 2024)

[6.2] 20240507 Strategy Transformation and Partnerships Working Group minutes FINAL.pdf (6 pages)

6.3. Membership Development Working Group (notes from the meeting on 21 May 2024)

[6.3] 20240521 MDWG meeting minutes final AC.pdf (2 pages)

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6.4. Quality and Engagement Working Group (notes from meeting on 11 June 2024)

[6.4] 20240611 Quality & Engagement Working Group meeting notes.pdf (9 pages)

18:55 - 19:30
35 min

7. Q&A with Trust Chair and non-executive directors

19:30 - 19:30
0 min

8. Any other business

8.1. Lead Governor role description

[8] Lead governor role description.pdf (2 pages)

Ogunlaja,Adeola
31/07/2024 10:15:22

COUNCIL OF GOVERNORS

Wednesday 24 April 2024, 6pm – 7.30pm
Robens Suite, Guy's Hospital and MS Teams

Governors present: David Al-Basha, Victoria Borwick, Michael Bryan, Elfy Chevretton, John Clark, Emily Hickson, Peter Harrison, Leah Mansfield, Marianna Masters, Margaret McEvoy, Alison Mould, Mary O'Donovan, Placida Ojinnaka, John Powell, Raska Tupprasoot, Mary Stirling, Claire Wills

In attendance: Charles Alexander (Chair), Ian Abbs (until 7.15pm), Gubby Ayida, Edward Bradshaw (minutes), Miranda Brawn, Simon Friend, Felicity Harvey, Deirdre Kelly, Anita Knowles, Sally Morgan, Pauline Philip (until 7pm), Lucy Yasin

Members of the public and members of staff

1. Welcome and apologies

1.1. The Chair welcomed attendees to the meeting of the Council of Governors (the Council). Apologies had been received from non-executive directors Nilkunj Dodhia, Ian Playford and Reza Razavi, and from the following governors: Koku Adomza, Jordan Abdi, Serina Aboim, Sarah Addenbrooke, Mark Boothroyd, Marcia da Costa, Ibrahim Dogus, Sian Flynn, Katherine Hamer, Joanna McGillivray, Trudy Nickels, Roseline Nwaoba, Rishi Pabary, David Phoenix, Jadwiga Wedzicha and Sonia Winifred.

1.2. The Chair thanked the 17 governors whose terms would end on 30 June 2024, and therefore for whom this was, or may be, their final Council of Governors meeting. In particular, he thanked four governors whose second term was ending and who had served the Trust for six years: Marcia da Costa, Margaret McEvoy, Placida Ojinnaka and Mary Stirling. The Chair also wished good luck to the governors standing for re-election.

2. Declarations of interests

2.1. The Chair noted that a number of recusals would be required in respect of item 5.1, and that these would be noted in the relevant section of the minutes. There were no further declarations of interest.

3. Minutes of the meeting held on 31 January 2024 and review of actions

3.1. The minutes of the previous meeting were approved as an accurate record. No actions had been recorded at that meeting.

4. Matters arising

4.1. The Trust had received an increasing number of applications made under the Freedom of Information Act 2000 in each of the past three years. This reflected a trend of increasing demand for information across both the NHS and the public sector more broadly. Governors noted the main steps the Trust was taking to improve its compliance for responding to these applications to ensure transparency of information. The Audit and Risk Board Committee would consider the matter more fully at its next meeting in May.

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4.2. The Council was reminded about issues within the Assisted Conception Unit at Guy's Hospital. These were under active investigation and management, and the Trust was working in close cooperation

with the Human Fertilisation and Embryology Authority, and the CQC had been informed. Governors sought assurance about how the Trust was taking steps to ensure the issues would not recur.

4.3. A brief update was provided about the ongoing governor elections. There had been 59 nominations for 20 governor seats across a range of constituencies. The voting window was now open and would close on 15 May, with the results being announced on 17 May. All members eligible to vote had received instructions about how to do so. The Trust had reviewed and refreshed its governor induction programme to ensure it was well-placed to accommodate a large number of new governors. A question was asked about the diversity of the nominees; further detail on this would be provided in the next governor newsletter.

ACTION: EB

5. Governor business

Report from the Nominations Committee

Dr Felicity Harvey recused herself from the section of the report concerning her proposed re-appointment. All non-executive directors except the Chair recused themselves from the section of the report regarding non-executive director remuneration.

5.1. The Chair presented a report from the governors Nominations Committee (the Committee), which had met the previous week. The Council of Governors unanimously agreed the Committee's recommendations regarding its updated terms of reference and enlarged membership, and regarding the appointment and re-appointment of two non-executive directors.

5.2. The Committee had agreed that steps would be taken to identify and, in due course, nominate to the Council of Governors two new non-executive directors with expertise in workforce and cyber/technology. The Council fully supported the Committee's resolution, and governors made a number of supportive comments regarding the need to ensure the Trust's cyber security arrangements were robust in light of current and future threats.

5.3. The Council considered non-executive director remuneration and the Committee's recommendation to leave this unchanged at £20,000 per annum. It was recognised that this level of remuneration was higher than many other trusts, yet was very modest when compared to equivalent remuneration in the private sector. The Council was content to leave the level unchanged in light of the Trust's financial constraints and the wider cost of living crisis. The levels of remuneration would, however, be revisited on an annual basis going forward.

RESOLVED:

5.4. The Council of Governors approved:

- the updated Committee terms of reference and membership;
- the re-appointment of Dr Felicity Harvey as non-executive director for a further two years to 14 September 2026;
- the appointment of Professor Shitij Kapur as the non-executive director nominated by King's College London, for a period of six months from 6 May 2024 to 5 November 2024, or until the new Chief Academic Officer of King's College London starts in post (whichever is soonest);
- the retention of non-executive director annual remuneration at £20,000 for a further 12 months.

Trust Constitution

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31/07/2024 10:15:22

5.5. The Constitution sets out the fundamental principles for how the Trust is governed, with a primary focus on the role and composition of the Board of Directors and the Council of Governors. Work had been undertaken during recent months to review and refresh the Constitution, with input received from both the Trust's lawyers and a working group of governors. The primary purpose of the update was to ensure the Trust was aligned with the most recent legislation and to reflect current working practices. The Board of Directors had approved the updates earlier in the day, but the changes could not be formally implemented without similar approval from the Council of Governors. In response to governor

queries it was explained that the role of Deputy Lead Governor should sit outside the Constitution for ease and flexibility, as it was not a formal regulatory requirement to have such a role. It was also clarified that Hillingdon Council had taken a decision not to appoint a governor to the Trust.

RESOLVED:

5.6. The Council of Governors approved the proposed amendments to the Trust Constitution.

Lead Governor role description

5.7. One of the changes that had been made to the Constitution was to remove most of the references to the process for appointing a Lead Governor, due to the complexity of the process as it was described. The process had therefore been simplified and added to the Lead Governor role description, along with a reference to the role of the Deputy Lead Governor. This reflected the approach taken by many foundation trusts and meant the process could be more easily refined in the future, if required.

RESOLVED:

5.8. The Council of Governors approved the updated Lead Governor and Deputy Lead Governor role descriptions.

6. Governor reports

6.1. The Lead Governor presented his report, and drew governors' attention to his concern regarding the number of Trust patients failing to attend their appointments, and the financial and operational impact of these. Building on the Lead Governor's concerns, the Chair of the Quality and Engagement Working Group explained that the Group had explored the issue and had identified the MyChart patient portal occasionally gave patients the wrong locations for their appointments. The Trust was introducing a wayfinding tool to mitigate this risk. Work was also being done to look more closely at the reasons for patients failing to attend appointments, although it was noted the number of cancellations was proportionally fewer for those patients who had arranged their appointment through MyChart.

6.2. An update was also provided about the last meeting of the Strategy, Transformation and Partnerships Working Group, where there had been discussion of the new Trust values. Governors had emphasised the need for the values to reflect the importance of positive health outcomes. An update on the values work would be provided to the Working Group Chair.

ACTION: EB

7. Discussion with non-executive directors

7.1. There was discussion about a range of matters prompted by questions from governors. Continuing the focus on the Trust's new electronic patient record system, governors asked whether Epic as an organisation had done as much as they could to support the Trust since go-live in October 2023. The Chief Executive responded, noting that the Epic team were still on-site and supporting the stabilisation phase of the programme. It was reported that the implementation of Epic had impacted South London and Maudsley NHS Foundation Trust, which was having issues such as processing blood tests as a result of the new system. This would be looked-into and reported back to the relevant governor.

ACTION: EB

7.2. There was discussion about the challenging financial efficiency programme that would be required in 2024/25 and, in particular, the assurances the non-executive directors had received that delivery of the programme would not impair patient safety. Non-executive directors stated that patient safety would not be compromised, and that there was a robust quality impact assessment process led by the Chief Nurse and Chief Medical Officer, this was and operating effectively. In addition, the Trust's Freedom to Speak Up service was available to all staff to raise any related concerns they might have. It was acknowledged that one component of the efficiency programme was to reduce the overall staff paybill, but that this was in the context of staff numbers having risen significantly in recent years. There was discussion about why the staffing increases had not had a corresponding impact on productivity levels.

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7.3. There was further discussion about the financial impact of ‘health tourism’, and about the changes that the Chair had made over the past 12 months to enable the Trust Board to function as efficiently and effectively as possible.

8. Any other business

8.1. There was no other business.

The next meeting of the Council of Governors would be held on 31 July 2024

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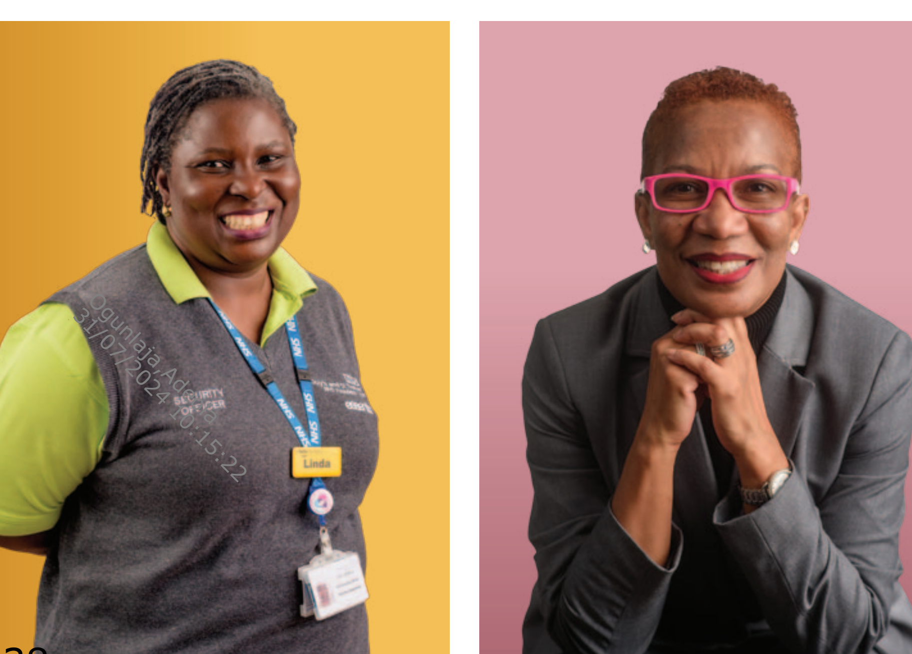
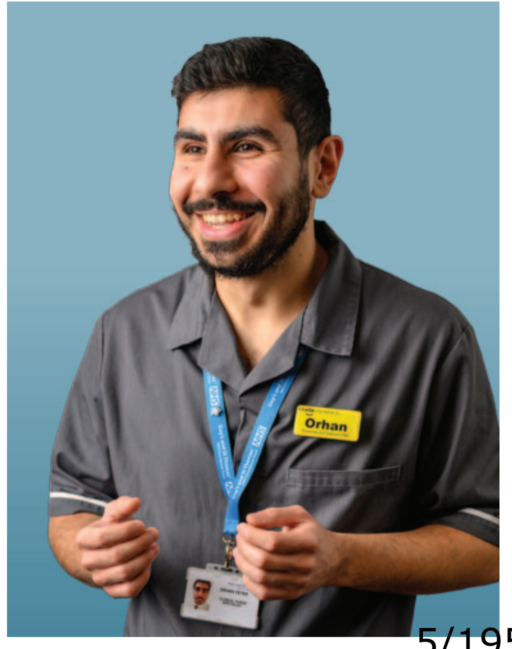
Annual Report and Accounts 2023/24





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Guy's and St Thomas' NHS Foundation Trust Annual Report and Accounts 2023/24

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

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Guy's and St Thomas' NHS Foundation Trust comprises 5 of the UK's best known hospitals – Guy's, St Thomas', Evelina London Children's Hospital, Royal Brompton and Harefield – as well as community services in Lambeth and Southwark, all with long histories of care, clinical excellence, research and innovation.

We are among the UK's busiest and most successful NHS foundation trusts, providing comprehensive care from conception to end of life. We provide local hospital and community services for people in Lambeth and Southwark, as well as specialist care for patients from further afield, including heart and lung, cancer, renal and orthopaedic services.

St Thomas' provides one of the largest intensive care services in the UK and one of London's busiest emergency departments. Evelina London Children's Hospital, and our children's services at Royal Brompton Hospital, provide many specialist services as well as general services for local children and young people.

Guy's is home to the comprehensive Guy's Cancer Centre and the largest dental school in Europe. Royal Brompton Hospital, in the heart of Chelsea, specialises in cardiovascular and respiratory care. Together, our services at Royal Brompton, Harefield and St Thomas' form one of the largest centres in Europe for the advanced treatment of cardio-respiratory diseases. Our teams at Harefield and Guy's hospitals also play a key role in the UK's transplant programme.

We have a long tradition of clinical and scientific achievement. We work closely with our colleagues at King's Health Partners, our Academic Health Sciences Centre, which includes King's College Hospital and South London and Maudsley NHS Foundation Trusts and King's College London. We also work with Imperial Healthcare Partners in north west London, as well as other academic partners including Imperial College London and London South Bank University.

Our reputation for healthcare research and innovation includes the very latest developments in imaging, surgical robotics and artificial intelligence.

We have around 23,600 staff, making us one of the largest employers in central and south London. We aim to reflect the diversity of the local communities we serve and continue to develop new and existing partnerships with local people, patients, neighbouring NHS organisations, local authorities, charitable bodies and GPs.

We strive to recruit and retain the best staff. The dedication and skills of our employees lie at the heart of our organisation and ensure that our services are high quality, safe and patient focused. As teaching hospitals we are proud to be developing the staff and clinicians of tomorrow.

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The pictures of staff within this report were used as part of our 'No place for racism' campaign, which highlights Guy's and St Thomas' commitment to anti-racism.
Visit **guysandstthomas.nhs.uk/anti-racism** to find out more.

Ogunlaja,Adeola
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Dickson Attah, housekeeping assistant

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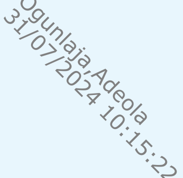

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Nick Koldhar, volunteer

1 Chairman's statement

I would like to extend my heartfelt appreciation to every member of staff at Guy's and St Thomas' NHS Foundation Trust for their hard work and dedication over the past 12 months.

2023/24 has been dominated by the huge operational pressures across the NHS. Managing the impact of industrial action, while focusing on reducing waiting lists and delivering our operational and financial plans, has proved extremely challenging.

It is a testament to the hard work of our staff that, despite this, we were also able to successfully go live with a new electronic health record system, Epic, in October. I'd like to thank our clinical and non-clinical teams, including our colleagues at King's College Hospital and our shared pathology provider Synnovis for ensuring that the largest ever implementation of the Epic system was accomplished safely and successfully.

Our collective focus has now shifted to the stabilisation phase, ensuring that we are using the system effectively to realise the benefits and efficiencies for our patients and staff in the months and years to come.

We recognise that some patients continue to face unacceptable waiting times for NHS treatment. While progress has been made to recover planned (elective) care since the pandemic, we know that we need to do more - especially for patients requiring diagnostic tests or cancer treatment.

We continue to work collaboratively with our partners, particularly in south east London, to meet rising demand for care and to ensure equitable access to treatment. This has included working with our local Integrated Care Board and Acute Provider Collaborative (together with King's College Hospital, Lewisham and Greenwich, South London and Maudsley) and our University partner King's College London as part of King's Health Partners. We look forward to developing these relationships further in a joint effort to address our own patient services and population health more broadly.

We are extremely proud of the diversity of both our staff and the communities we serve, but we know there is more we need to do to make our organisation a truly inclusive and welcoming place for all. As a Board of Directors we strongly supported the publication of the Trust's anti-racism statement and we are committed to understanding and addressing the complex issues that lead to racism, inequality and exclusion.

We are grateful for the significant and continued support of Guy's and St Thomas' Foundation, which continues to fund healthcare research and innovations that improve the experience of our patients, as well as our much-valued staff health and wellbeing programme. I look forward to developing this vital partnership further.

On behalf of the Board, and as Chairman of the Council of Governors, I would like to record my thanks to our governors who provide essential oversight of our efforts to provide the best possible care for the communities we serve.

Finally, I would like to welcome Deirdre Kelly, Nilkunj Dodhia and Pauline Philip who joined the Board as non-executive directors, and extend my thanks to Javed Khan, John Pelly, Sheila Shribman, Priya Singh and Steve Weiner who stepped down from the Board this year.

Charles Alexander, Chairman
24 June 2024

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Merry Veretinskas, clinical nurse specialist - dementia and delirium

2 Performance report

Annual performance statement from the Chief Executive

The Trust has performed well in the context of a year that has been dominated by complex operational pressures, industrial action, high demand for our services and the implementation of Epic – our new electronic health record system. Staff across the Trust have continued to work tirelessly to deliver safe, compassionate, high quality care to as many patients as possible.

This continued focus and dedication has enabled us to meet the majority of our 2023/24 operational objectives, as well as to finish the year with a small financial surplus. We recognise we have more to do to consistently deliver the required levels of operational performance, and to drive up productivity, but we are proud of our progress this year.

In October 2023 we successfully went live with our new electronic health record system, Epic. The launch was delivered jointly with King's College Hospital NHS Foundation Trust and Synnovis, our shared pathology provider, and was the biggest ever single Epic go-live in the world.

The move to Epic integrated hundreds of IT systems previously in use across our organisations into a single, electronic system across multiple hospital and community sites. It gives staff a complete overview of a person's care, and will free up more time to spend on caring for patients. Our new MyChart patient app and online service gives patients secure and easy access to information about their own health and care.

We carried out an extensive training and communication programme to ensure that all staff were ready to use the new system, and this continues following go live, alongside our ongoing development of the system to ensure it meets the needs of both patients and staff.

The implementation required a planned reduction in activity to enable the system to be launched safely, and I am pleased to report that we have now returned to pre-Epic levels of planned (elective) activity, which was a major goal for us to achieve by the end of 2023/24.

Lots of teams are using the new system to improve the way they manage their services. However, we also know that some colleagues have found the transition more challenging and that the system has not always worked as expected in some services. While this is normal and expected for a go-live of this scale, we are working hard to fix problems and make improvements. While we expect this stabilisation phase to continue for some time, work is also being undertaken to prepare for the optimisation phase, so that the transformational benefits of Epic can be fully realised.

Throughout the year, the Trust

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Annual performance statement

has continued to experience significant disruption to planned activity during periods of industrial action, and both clinical and non-clinical staff across the Trust have worked extremely hard to maintain the safety of our patients during these periods. To enable us to maintain access to urgent and emergency services, and prioritise patients with the most serious and urgent health needs, it is regrettable that we had to cancel a significant number of inpatient treatments and outpatient appointments.

While we fully recognise colleagues' right to take part in these strikes, I also understand the frustration and distress this causes for our patients and their families, and the Trust Board continues to press for an urgent resolution.

Despite the high demand for emergency care, our emergency department continues to perform well. Work continues to optimise the Epic system to improve bed management, portering and timely discharges. We are working hard to ensure that all patients requiring emergency care can access not only our own services, but also appropriate care and support for serious mental health issues when required.

Across the NHS there have been phenomenal efforts to restore diagnostic services and planned (elective) care to pre-pandemic levels, and we continue to work closely with our Integrated Care System partners in south east London, including through the Acute Provider Collaborative, to deliver equitable access to care and to reduce waiting times.

Significant progress has been made to reduce the number of patients waiting over 78 weeks for treatment, and we are now focused on also reducing the number of patients waiting over 65 weeks. Our programme to increase theatre activity and improve productivity is a key enabler, with a focus on scheduling, pre-operative assessment, in-theatre flow and bespoke initiatives such as High Intensity Theatre lists which were developed at the Trust.

In January 2024 the Trust was placed into regulatory 'tiering' by NHS England for its under-performance against the national standard that 85% of patients will receive their first treatment for cancer within 62 days. Significant progress has been made since then to address the backlog of patients waiting over 62 days for cancer treatment and to recover and sustain our performance. This work is both internally focused, and with our partners across south east London to improve shared treatment pathways. I would like to thank all colleagues for their hard work and support to address this complex issue which is so important to our patients.

Our financial performance underpins all that we do, including our ability to invest in service improvements. I am pleased to report that we have ended the 2023/24 financial year with a small surplus of £1.9 million, without technical adjustments such as for capital donations, depreciation on donated assets and valuations.

The financial climate across the NHS and wider public sectors remains extremely challenging, and achieving this financial outcome has taken a huge effort from staff across the Trust. To both improve operational efficiency and respond to the changing financial regime, we have had to make some careful spending decisions, but this has enabled us to broadly hold our costs steady and has put us in a better position than many other trusts as we move into 2024/25.

In March 2024, NHS England selected Evelina London Children's Hospital to be the future Principal Treatment Centre for very specialist cancer treatment services for children living in south London and much of south east England. This means that these services will be located in a dedicated children's hospital and will bring our region into line with the way children's cancer care is delivered in the rest of England.

Our staff are our most precious asset and we are determined to create an environment where everyone truly feels welcome and valued. We are committed to being an anti-racism organisation which actively tackles racism in all its forms. Our anti-racism statement, published in January 2024, sets out this specific focus and priority for action, alongside our wider commitment to tackle discrimination in all its forms.

I want to thank and pay tribute to all our incredible staff who are at the heart of everything we do.

Professor Ian Abbs
Chief Executive Officer

Overview

Guy's and St Thomas' NHS Foundation Trust provides a full range of general and specialist hospital services, as well as community services for people in Lambeth and Southwark. The Trust was formed in 1993 from the merger of Guy's and St Thomas' hospitals, and the current Evelina London Children's Hospital was opened in 2005. In 2011 Lambeth and Southwark community services joined the Trust, and in 2021 we merged with Royal Brompton and Harefield NHS Foundation Trust to create one of the largest NHS organisations in the country.

As an NHS foundation trust, we are accountable to Parliament and regulated by NHS England. As part of the NHS we must meet national standards and targets. Our governors and members ensure that we are accountable to and listen to the needs and views of our patients and communities.

At St Thomas' we provide both general hospital services and a wide range of very specialist services and sub-specialties. The site is home to Evelina London Children's Hospital, as well as one of the largest intensive care units in the UK, our maternity services and our busy emergency department.

Our services at Guy's serve a wide population from across south London and further afield. These services include dental, renal, urology and orthopaedic services as well as cancer services, many of which are provided in the Guy's Cancer Centre.

Royal Brompton and Harefield hospitals provide a wide range of specialist heart and lung services, and work closely with our cardio-vascular services at St Thomas'. Together they form one of the largest centres in Europe for the advanced treatment of cardio-respiratory diseases. Our teams at Harefield and Guy's hospitals also play a key role in the UK's transplant programme.

We provide adult and children's community health services for local communities across Lambeth and Southwark, and in some locations in Lewisham. We also provide services at other hospital sites across south London, such as Queen Mary's, Sidcup, and through clinical networks that deliver an extensive range of outpatient care in local hospitals.

Our services are closely involved in clinical and scientific research and, together with our partners, King's College Hospital and South London and Maudsley NHS Foundation Trusts and our shared academic partner King's College London, we form King's Health Partners, one of 8 academic health sciences centres. We also work with Imperial Healthcare Partners in north west London, as well as other academic partners including Imperial College London and London South Bank University.

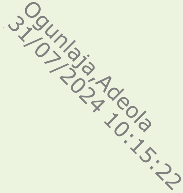
Guy's and St Thomas' is organised into 4 large clinical groups, and the Essentia delivery group, all of which are supported by corporate departments, as outlined in Chapter 7 'Our organisational structure.'

In summer 2024 we will launch our new Trust strategy, vision and values which will provide an ambitious strategic framework for the whole organisation to ensure we continue to provide the best possible care for patients now and in the future.

We are committed to working in close collaboration with our partners to deliver the shared strategic priorities of our Integrated Care Board – particularly in south east London, but also in north west London and beyond. Our collective aim is to deliver timely and effective healthcare to the populations we serve, to improve health outcomes and to reduce inequalities.

The Trust also continues to work closely with the Integrated Care Boards to ensure compliance with capital limits, and utilisation of capital funds. The Trust supports the South East London Integrated Care Board in hosting capital funding for the Acute Provider Collaborative with a particular focus on digital diagnostics.

As a major employer and purchaser of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Overview (continued)

goods and services we also recognise the importance of our wider role as good partner in supporting healthy, sustainable communities.

Our quality objectives and priorities, and further detail about our performance, are included in the Quality Report which is published on our Trust website.

Key operational and financial risks

In common with all NHS organisations, we face the continued challenge of delivering high quality care against the backdrop of rising demand, increased patient acuity and the need to increase productivity and efficiency.

The Trust's 4 main priorities in 2023/24 were: the safe implementation of our new electronic health record system; increasing elective activity and operational productivity; controlling our finances and improving delivery of efficiencies; and supporting the workforce – which together support the delivery of safe, high quality care. Further details of our key risks for 2023/24 are set out on page 73 and 74 of the Annual Governance Statement.

A focus throughout the year was the safe implementation of our new electronic health record system, Epic, through the Apollo programme. The Board, jointly with King's College Hospital and Synnovis, made the difficult decision to delay the go-live of Epic from April 2023 to October 2023 to allow more time to safely deliver the programme. Successfully embedding Epic, including the delivery of benefits set out in the Business Case remains a key strategic priority, and this is closely monitored by the Board and Trust Executive in a number of forums.

The Trust's financial position and uncertainty around the future funding model has also been closely monitored throughout the year. Whilst the Trust delivered a positive financial outturn, this was achieved in part due to a number of non-recurrent measures.

Ogunlaja Adeola
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The delivery of an ambitious cost improvement programme to achieve a sustainable financial position remains a key priority in 2024/25. Further details of the principal strategic risks for the organisation in 2024/25 are available on page 75 of the Annual Governance Statement.

The directors have reasonable expectations that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Trust continues to adopt the 'going concern' basis in preparing the accounts.

Events since the end of the financial year

On 3 June 2024, a criminal cyber-attack was perpetrated against Synnovis, the provider of the Trust's pathology services. This remained an extremely serious incident affecting the Trust and a number of partner organisations in south east London at the time of finalising the annual report and accounts. Given the ongoing nature of the response, as well as the potential for unknown factors, the full impact remained unknown at this stage.

Performance analysis – clinical

We set ourselves an ambitious plan to increase productivity and recover our activity to pre-pandemic levels. Despite the challenging environment, and rising demand for our services, we have remained committed to improving access to our services for patients. Since the implementation of Epic in October 2023, we have seen a steady improvement against a number of key operational standards including a reduction in the cancer backlog and an increase in our elective (planned) care activity levels.

The Trust's clinical performance is monitored against key national standards. The headline measures set by the NHS include the volumes of elective (planned) care being delivered versus those delivered before the Covid-19 pandemic; the number of patients waiting over 62 days for their first cancer treatment; the number of patients waiting over a year, 65 weeks and 78 weeks for routine treatment, and the number of patients waiting over 6 weeks for a routine diagnostic test or procedure. Our Board of Directors regularly reviews progress against a range of internal and external metrics through our quality, financial and performance reporting.

Throughout 2023/24 our focus has been the safe implementation and stabilisation of Epic, our new electronic health record system, while delivering activity against agreed performance targets. To achieve this, in the first half of the year, there was an intensive focus on restoring planned (elective) care to pre-pandemic levels in anticipation of the reduction in activity for the 'go live' of the new system. Following implementation, our focus has been on stabilisation and supporting teams to use the new system effectively. This has included a focus on data quality, increasing activity, and reducing waiting times for treatment and diagnostic tests.

Emergency care

Demand for emergency care has remained high, with more 210,000 patients attending our emergency department at St Thomas' during 2023/24. Our performance against the 4 hour standard was 75.5% in March 2024, just below the national target of 76%. There has been a huge effort to increase patient flow through a range of initiatives, including an increase in the number of staff who are trained to support patients with serious mental health needs, and use of Epic to improve bed management.

We have also focused on ensuring timely ambulance turnaround times to reduce delays for patients coming to hospital, and worked closely with our community teams to ensure prompt discharge when patients are ready to leave hospital, as well

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as to avoid hospital admissions where possible and safe to do so.

Increasing activity

Work has continued to recover planned (elective) care and we have made steady progress against our objective to treat more patients safely and sustainably compared to 2019/20 pre-pandemic levels.

By the end of March 2024 the Trust had delivered an average of 101% of pre-pandemic outpatient activity and 102% of planned (elective) inpatient cases, when compared to pre-pandemic levels.

The speed at which we have been able to recover planned inpatient care has continued to be affected by a number of issues, including capacity, particularly in our operating theatres, and also ongoing periods of industrial action. Staff have worked hard to increase the number of patients we can see, for example through extended working hours and weekend work, as well as targeted investment in additional operating theatres and to minimise the impact of essential maintenance.

Our operating theatre teams have also continued to develop innovative ways of working, such as high intensity theatre (HIT) lists, which have been successful at increasing the number of patients we treat and in reducing waiting lists.

For example, over 5 days, our surgical teams at St Thomas' carried out reconstructive surgery on 22 patients who had been diagnosed with breast cancer or were breast cancer gene carriers. These patients represented 3 months' worth of breast cancer patients and many had been waiting more than a year for their surgery.

HIT lists now cover 9 different surgical specialties including gastrointestinal, gynaecology, orthopaedics, ear nose and throat and urology.

We continue to work with our partners across south east London to ensure equitable access to care and to reduce waiting times.

This includes use of additional operating theatre capacity at Queen Mary's Hospital, Sidcup, where surgical teams from Guy's and St Thomas' work with colleagues from neighbouring hospitals to carry out high volume, low complexity procedures.

Our new Children's Day Surgery Unit at Evelina London Children's Hospital, which opened in December 2023, provides vital additional surgical capacity for patients who don't need to stay overnight. This means we can treat an additional 2,300 children a year, and in its first 4 months of operation, we treated more than 550 children and young people.

We also continue to be a leading centre for robotic-assisted surgery, and this year celebrated being the first trust in the UK to complete 10,000 cases using the da Vinci Surgical System.

Our transplant team at Harefield Hospital also celebrated a successful year and performed 44 heart transplants - the highest number in the country and the hospital's highest number of heart transplants in 10 years.

Reducing waiting times

The Trust has remained focused on reducing the number of patients waiting more than 78 weeks for treatment, often for specialist or complex surgery. By March 2024 we had reduced the number of patients waiting longer than 78 weeks to 63 of the most complex cases. The single largest specialty contributing to this position was our paediatric spinal surgery service, where the highly specialist nature of the service has resulted in a significant mis-match between demand for treatment and service capacity, and we continue to work across the NHS nationally to treat patients waiting in this service as quickly as possible.

We are now focused on reducing the number of patients waiting over 65 weeks against a national target that no patients should be waiting over 65 weeks by the end of September 2024, whilst also reducing our overall waiting list which has grown to 140,000 in recent months, in part due to the reduction in planned activity associated with the launch of Epic.

Alongside our work to reduce the time that patients are waiting, we are committed to ensuring that those who are waiting for treatment remain safe and receive appropriate updates about their care. For example, an innovative IT platform developed at the Trust and funded by Guy's & St Thomas' Charity, is being used to identify deteriorating diabetes patients who are on a waiting list, enabling them to be prioritised for urgent care to stabilise their condition.

Cancer performance

We recognise the importance of prompt diagnosis and treatment for patients with cancer, and this remains an area where we must do more to sustainably improve our performance. In January 2024 the Trust was placed into regulatory 'tiering' by NHS England for its performance against the 62 day cancer standard, in recognition of the complex challenges we face, both within the Trust and working with our partner hospitals who refer patients to us for complex or specialist cancer care.

During the year we have continued to struggle to meet the national standard that 85% of patients will receive their first cancer treatment within 62 days. Our performance against this standard was 41% at the end of March 2024 and the need to significantly improve our performance remains a top priority for both our cancer services and the many teams across the organisation who support these patients. During the second half of the year we have been able to significantly reduce the total number of patients waiting over 62 days, from a peak of 457 to 239 patients at the end of March, which was slightly ahead of target of no more than 255 patients agreed as part of our improvement plan.

As part of the related faster diagnosis standard, the Trust is also expected to diagnose 75% of patients who are referred with suspected cancer within 28 days. In March 2024, 71.2% of patients received their diagnosis within 28 days. Whilst our performance against this standard has improved since earlier this year, there is more to do to meet the target sustainably and it therefore remains an area of ongoing focus, including through work with our partner hospitals and the South East London Cancer Alliance to increase diagnostic capacity.

Diagnostic tests

The demand for diagnostic tests, both internally and from primary care continues to rise in line with national trends, and this has led to an increase in waiting times. The national target is that 95% of patients should receive their routine diagnostic test within 6 weeks of being referred. In March 2024, 52% of our patients were waiting over 6 weeks for a routine diagnostic test.

This represents a significant and important challenge for the Trust, and we are committed to significantly reducing waiting times and increasing activity across all types of diagnostic tests and procedures. We continue to invest in state-of-the-art imaging and diagnostic capacity, and we have opened new scanners this year to support the Targeted Lung Health Check service which is focused on the early detection of lung cancer.

Community care

Our community services deliver care across Lambeth and Southwark in GP practices, health centres, schools, community buildings and in patients' homes. These services collectively supported 164,000 patients in the 6 months since the Epic go-live in October. Our community teams continue to face high demand for their services, which is resulting in patients waiting longer for support than we would wish.

Ensuring patients have easy access to the care they need is a key priority. This year, for example, we started a pilot offering physiotherapy patients treatments in gyms and leisure centres to improve access to musculoskeletal rehabilitation and therapy services closer to home. This has reduced travel time and costs for patients, and also made it easier for them to attend appointments, helping to reduce health inequalities.

Performance analysis – financial

The Trust's Adjusted Financial Performance at the end of the financial year was a surplus of £1.9 million against a planned target of breakeven. This is the measure used by NHS England to rate the Trust's financial performance. The reported position after making a number of technical adjustments was a deficit of £110 million.

The technical adjustments that contributed to the deficit of £110 million are shown in the table below. However, the main adjustment relates to impairments of £106 million arising from the revaluation of land, buildings and the Trust's new electronic patient record system.

Our financial performance

The Trust's plan was to achieve a breakeven position, before technical adjustments such as capital donations, depreciation on donated assets and valuations. Despite the challenging operational and financial environment across the NHS, at the end of the financial year the Trust reported a surplus of £1.9 million before technical adjustments.

The adjustments are shown in the table opposite, and include: capital donations of £6 million, which were £0.2 million below plan; depreciation on donated assets which was a change of £11.6 million and £1.5 million below plan; impairments of £106 million arising from revaluation of land, buildings and the Trust's new electronic patient record system; and donated inventory of £0.7 million.

The key national priority for the NHS continued to be the restoration of planned (elective) care and for cancer treatment to exceed pre-pandemic activity levels. To support this, elective activity was paid for by a variable payment mechanism which incentivised trusts to earn extra income and reduce waiting lists, while unplanned (non-elective) and emergency care was funded via fixed payments. In 2023/24 the Trust also received additional income to support the costs of industrial action.

Cost Improvement programme

At the start of the year, the Trust set an ambitious cost improvement programme of £105.5 million, which reflected the level of savings required to deliver our financial plan, achieve national efficiency targets and treat an increased number of patients.

A number of factors, including industrial action and a planned reduction in elective activity to safely implement our new electronic health record system, affected our ability to meet the planned savings target. Despite this, we successfully delivered £77.9 million at year end, a significant proportion of the planned cost improvement target we had set ourselves.

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Financial performance against plan	Plan £'000	Actual £'000	Variance £'000
Total surplus \ (deficit)	(7,310)	**(110,069)**	(102,759)
Less:			
Capital Donations	5,800	**5,976**	(176)
Impairment movements	0	**(105,657)**	(105,657)
Depreciation on Donated Assets	(13,110)	**(11,590)**	1,520
Donated Inventory	0	**(704)**	(704)
Adjusted Financial Performance	0	**1,906**	1,906

The Adjusted Financial Performance is a measure of the financial performance before a number of technical adjustments as shown in the table above. This is the main financial measure against which the Trust's financial performance is viewed by our regulator. Without these adjustments, the Trust reported a surplus of £1.9 million.

Cash flow

The Trust began the financial year with £131 million of cash and cash equivalents. The majority of the cash reserve resulted from surpluses achieved in previous years and is earmarked for the Trust's capital programme.

During the year, cash balances reduced by £41 million, to £90 million. For details of the Trust's net cash balances, see note 25 in the annual accounts on page 124. These changes during the year are the result of movements in working capital and investment in property and other intangible assets.

The operating surplus after adding back non-cash items resulted in £106 million of net cash generated from operating activities. The Trust spent a net £120 million on investments, including £132 million purchasing intangible assets and property, plant and machinery (including Epic; and received £6 million in capital donations and £7 million in interest. A net £27 million was paid in loans, lease liability repayments, Public Dividend Capital dividends and draw downs. Full details can be found in the statements of cash flows in the annual accounts on page 90.

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Charitable funding

The Trust received £17 million from charitable sources during the year, £6 million of which consisted of donations towards capital expenditure which principally came from Guy's & St Thomas' Foundation.

Capital expenditure

In 2023/24, the Trust spent £68 million, and £5 million of donated assets, on property, plant and equipment (£115 million and £1 million of donated assets in 2022/23). The Trust also spent £57 million on intangible assets, mostly software and other information technology assets (£38 million and £4 million of donated assets in 2022/23). The capital programme is funded from a combination of internally generated resources, surpluses generated in previous years, charitable donations and loans from the Department of Health and Social Care.

Capital loans

A significant part of the Trust's capital programme is funded from loans provided by the Department of Health and Social Care. At the beginning of the financial year, the Trust had drawn down loans totalling £324 million, with £211 million left outstanding for these loans in principal and interest.

During the year, the Trust made principal repayments of £18 million and interest payments of £5 million, creating a cash outflow of £23 million, and interest of £5 million was charged. At the year end, total borrowings equated to £193 million. See note 23.6 in the annual accounts on page 122.

Revaluation of land, buildings and other assets

As part of the preparation of the annual accounts, the Trust is required to assess the value of its land and buildings. This exercise is carried out at the end of each financial year. This year, a valuation was also undertaken of the Trust's new electronic health record system, Epic, as this is a significant intangible asset. This year, the full impact of these revaluations on the income statement is a charge of £108 million (£19 million benefit in 2022/23).

In addition, impairments were charged to the revaluation reserve of £51 million (£22 million in 2022/23). Together, the net impairment charge is £159 million (£2 million in 2022/23). These entries, referred to as impairments, do not reflect any physical damage to our land and buildings or intangible assets; there is no loss of utility or financial loss,

and they have no implications for patient care. More details can be found in note 15 to the annual accounts on page 111.

External audit services

Grant Thornton received £318,000 in audit fees (excluding VAT) in relation to the statutory audit of the Trust and the accounts of its subsidiaries to 31 March 2024. In addition, the Trust paid a further £6,000 to Grant Thornton for their non-statutory audit work. For more details, see note 7.2 to the annual accounts on page 104.

Identifying potential financial risks

In 2024/25, the Trust faces a number of financial risks. These include:

Delivering required efficiency savings – the Trust is required to deliver £94 million efficiency savings. There is a risk that we cannot identify sufficient efficiencies to fully address the financial challenge, or that we cannot deliver these at the required pace. Failure to deliver our planned breakeven position could potentially lead to regulatory intervention under NHS England's Single Oversight Framework.

Clinical income risk – the Trust is entering into contracts with commissioners which contain significant proportions of 'block' income and this presents a risk where activity levels exceed those which are funded. In addition, the Trust has been set a target for elective recovery of services which will lead to adverse income adjustments if not achieved.

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Excess inflation costs – inflationary costs are running at significantly higher levels than those funded through contract income uplifts.

Continued impact of industrial action – unless resolved, continued industrial action will reduce activity and may impact on income if the Trust is unable to meet the targets it has been set for recovery.

Accurate activity reporting – following the implementation of our new electronic health record system on 5 October 2023, the Trust has been working hard to provide activity data for the second half of 2023/24 to meet the national deadline for reporting in May 2024. This has presented a number of challenges, and the focus has been to prioritise activity which triggers a variable payment to enable both the Trust and its commissioners to understand the financial position as accurately as possible.

For 2024/25 the Trust is working with commissioners to improve reporting and reduce any financial risk to the Trust.

Given the Trust's strong history of sound financial management, as and when risks materialise, management action will be taken decisively and rapidly in mitigation.

Capital planning

This year the Trust has refreshed its medium-term capital plan, which is a rolling 5-year capital programme. This plan seeks to deliver our strategic priorities while considering the financial and regulatory capital constraints, and balancing the associated risks. Both clinical and operational teams have been engaged in the development of the plan and considering the demands for capital investment alongside the clinical and operational risks investment would address.

Compared to previous years, 2024/25 will see a significant increase in the level of capital assigned to maintaining existing infrastructure and replacing of medical equipment. This is a conscious effort to address the backlog of capital demand in this area which will remain the focus over the next 5 years. The plan retains the regular maintenance of operating theatres and catheter laboratory replacements in order to minimise the risk of downtime.

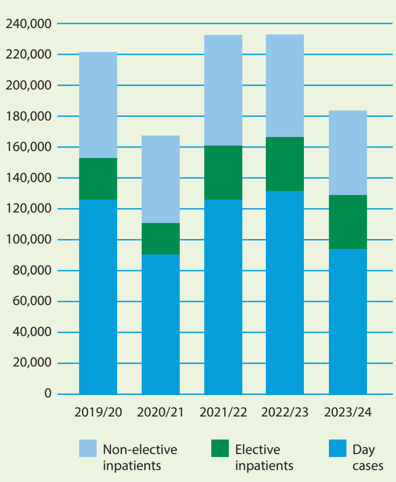
The Trust continues to work with colleagues in south east London and national teams to access additional resources, cash and capital allocations, from strategic reserves and national programmes.

Procurement

The Trust hosts a procurement shared service which also supports Lewisham and Greenwich NHS Trust, and Great Ormond Street Hospital for Children, South London and Maudsley and Oxleas NHS Foundation Trusts. In June 2023 we carried out a full review of procurement activity across the Trust and the shared service. This made a number of recommendations and these are now being implemented to drive cost improvement and value for money.

Trends in activity, income and expenditure

Chart 1: Completed patient spells



The move to Epic led to internal changes in the way that some data is collected, and work to fully understand the impact on 2023/24 data above is being undertaken.

Chart 2: Outpatient attendances

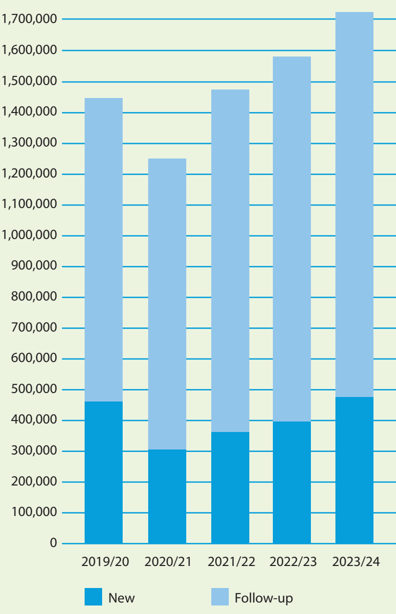
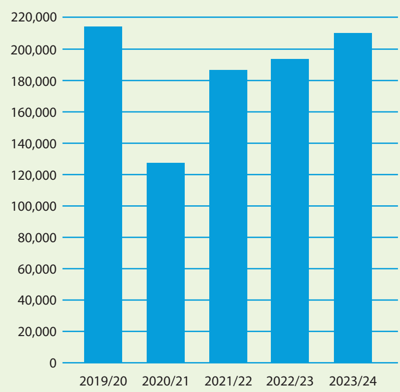


Chart 3: A&E attendances



During 2023/24, we saw in total 1,726,000 outpatients, 89,000 inpatients, 94,000 day case patients and 210,000 accident and emergency attendances.

We also provided over 641,000 contacts in the community, bringing our total patient contacts to 2.8 million.

Please note that the merger with Royal Brompton and Harefield in February 2021, and the implementation of the new electronic health record system,Epic, in October 2023, mean that direct comparisons between years should be made with caution.

Chart 4: Operating income £millions

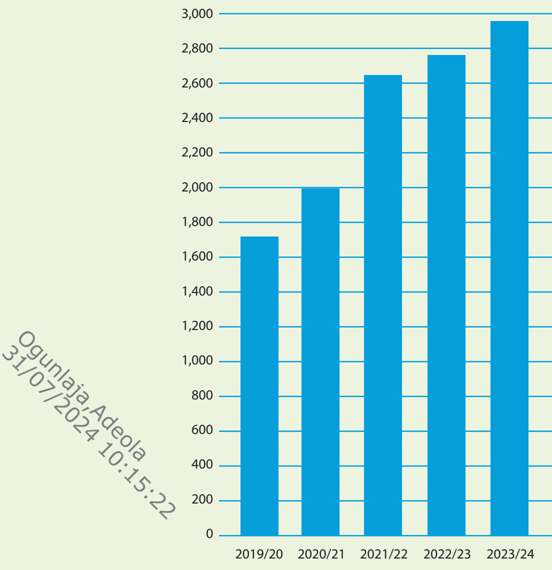
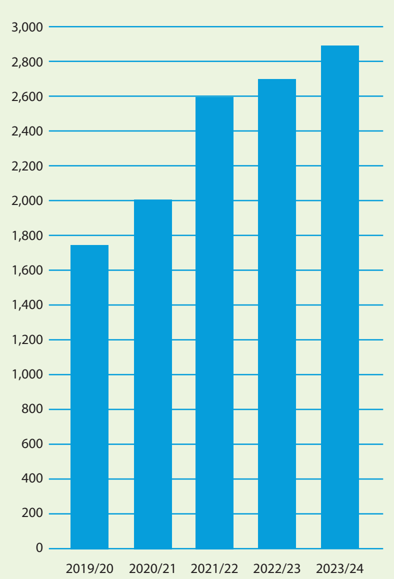


Chart 5: Operating expenditure £millions



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Sustainability report

Environmental sustainability

The Trust's 10-year sustainability strategy 2021-2031, sets out our commitment to providing sustainable healthcare and our plans to comply with the 'NHS Net Zero' report. While we have a long way to go to reach 'net zero' we are continuing to make positive progress across our 3 strategic themes of carbon zero, connecting with nature and cycle of resources.

Reducing emissions

In August 2023 we launched the Trust's first Green Travel Plan which aims to support staff, visitors and patients to use more active and sustainable means of transport to reduce our carbon emissions. We have also piloted a Cycle Buddies scheme through which we connect experienced cyclists with new ones to help them become more confident.

Since February 2023, we only offer electric vehicles through our staff salary sacrifice scheme, and electric vehicles now make up over 70% of this fleet. We are also working towards all our Trust vehicles being fully electric, including specialised and patient transport vehicles, by 2030.

Heating our buildings is one of the main contributors to our overall carbon footprint. With funding from the Department for Energy Security and Net Zero, we are progressing plans for a low carbon District Energy Network at St Thomas' Hospital which will increase our resilience and efficiency and help us achieve a significant reduction in carbon emissions.

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Greenspace and air quality

In June 2023, we published our first ever Clean Air Plan jointly with King's College Hospital NHS Foundation Trust. This sets out how we will address air pollution, raise awareness of the issues and improve the health of our patients, staff and local communities. To enable clinicians to have patient-centred conversations around air pollution, we have integrated air quality data into our new electronic health record system, Epic.

We are working hard to improve biodiversity across our sites, and this year we opened our Waste to Wildlife Garden opposite Guy's Hospital with thanks to support from Guy's & St Thomas' Charity. The garden uses waste materials that would have gone to landfill to create a mini urban greenspace, bringing the benefits of plants to people and wildlife.

At Harefield Hospital we have reduced mowing frequency to support wildlife, and our Pulross Community Health Centre was recognised by the Lambeth Biodiversity Forum for their work to support the council's 'beeroads' initiative.

Environmental impact performance indicators 2023/24

2023/24 is the first time we have been able to report a reliable overall figure for our carbon footprint across our whole organisation.

Overall environmental footprint	NHS Carbon Footprint (we can directly control this)	NHS Carbon Footprint Plus (we can influence this)	
tCO2e	65,759	185,192	

Carbon footprint per key area Utilities	2023/24	2022/23*	% change 23/24 vs 22/23
Water (m^3)	808,074	725,092	11%
Imported Electricity (kWh)	50,474,813	43,738,597	15%
Gas (kWh)**	217,484,182	173,698,079	25%
Oil (kWh) ***	2,877,762	8,555,832	-66%
tCO2e for building energy use	51,021	43,026	19%

Waste, acute hospitals	2023/24	2022/23*	
All waste (tonnes)	6,243	6,376	-2%
High temperature disposal (tonnes)	548	560	-2%
Alternative Treatment (tonnes)	1,376	1,647	-16%
Offensive Waste (tonnes)	892	700	27%
Landfill waste (tonnes)	10	12	-15%
Recycling by % of total	31%	30%	3%
tCO2e all waste	1,083	1,188	-9%

Travel and transport	2023/24	2022/23*	
Core fleet (cars, vans and minibuses), vehicles	269	248	8%
tCO2e ****	1,103	917	20%
Air pollution - tNOx	2.84	3.11	-9%
Air pollution - tPM2.5 ****	0.11	0.09	13%
Salary sacrifice fleet, vehicles	268	215	25%
tCO2e	286	257	11%
Grey fleet, mileage	285,052	331,050	-14%
tCO2e	96	115	-16%
Air travel, mileage	632,906	1,053,454	-40%
tCO2e	247	327	-25%
Public transport, mileage claimed	28,510	19,047	50%
tCO2e	3	2	50%
Cycling, mileage claimed	4,901	4,966	-1%

Anaesthetic gases and inhalers	2023/24	2022/23*	
Desflurane tCO2e	0	0.03	-100%
Isoflurane tCO2e	0.11	0.15	-27%
Sevoflurane tCO2e	0.18	0.19	-5%
Nitrous oxide pure tCO2e	670	1st reported in 23/24	n/a
Nitrous oxide mixed - Entonox tCO2e	593	1st reported in 23/24	n/a
Inhalers tCO2e	176.332	213.346	-17%

* Please note that these figures vary from those reported in the 2022/23 Annual Report because more accurate data became available following publication.

** In 2022/23, gas consumption was comparitively lower due to a 7-month outage of a combined heat and power (CHP) plant.

*** Oil usage returned to normal levels in 2023/24. In 2022/23 the oil tanks were filled to mitigate the risk of interruption to gas supplies as a result of the conflict in Ukraine.

**** This reflects the expansion of the patient transport fleet vs 2022/23. These vehicles are larger, and currently predominantly diesel.

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Reducing waste

We are committed to conserving resources in everything we do. In September 2023 we replaced single use cups with reusable ones on our patient beverage trolleys, delivering a better experience for patients, as well as cost savings and a significant reduction in waste across the Trust.

In our clinical areas, we continue to improve the segregation of waste so that non-infectious items can be disposed of at much lower temperatures, reducing our carbon emissions as well as costs.

Throughout the year we have been rolling out technology to weigh and track our food waste, and we are proud to have reduced food waste by 6% compared to 2022/23.

Task force on climate-related disclosures

As set out in NHS England's reporting guidance, we are adopting a phased approach to publishing sustainability disclosures and reporting requirements. We are working hard to ensure that we collect robust data across a wide range of environmental performance indicators, and are pleased to be able to report our full carbon footprint for the first time since the merger with Royal Brompton and Harefield (please refer to the table on page 19).

The Trust Board, through the Transformation and Major Programmes Committee, has responsibility for oversight, management and delivery of our commitments relating to environmental sustainability and climate-related issues and receives an annual sustainability report which outlines our progress.

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A Climate Change Resilience Assessment, finalised in October 2022, considered the resilience of our estate to extremes in external temperature and rainfall. Throughout 2023/24, these findings have driven our planning and prioritisation, and the Board has been provided with regular assurance concerning the implementation of its recommendations. Further information about our approach to managing climate-based risk is set out on page 77 of the Annual Governance Statement.

Our environmental sustainability management plans are governed through the Sustainability Steering Committee, which is co-chaired by the Deputy Chief Executive, and has 3 primary functions: strategy and planning; systems of management control; and performance and assurance.

In addition to this, our clinical and delivery groups are establishing sustainability working groups to lead on the implementation of local sustainability objectives and targets.

Tackling health inequalities

Guy's and St Thomas' recognises that systematic, unfair and avoidable differences in healthcare are present across society and within the populations that we serve. We are committed to ensuring that all people have equal access to high-quality care, and that their experiences and outcomes are as positive as possible.

Health inequalities are complex and result from differences in the circumstances in which people are born, live, work and age. These conditions influence how people think, feel and act, and can affect both physical and mental health and wellbeing.

Our local populations

The Trust delivers local hospital and community services across Lambeth and Southwark, working closely with a wide range of partners, including the South East London Integrated Care Board which has embraced healthcare equity as a core principle. We also work with partners in north west London including the North West London Integrated Care Board, providing specialist heart and lung services at Royal Brompton and Harefield hospitals. In 2023/24 our report is focused on our local populations in south east London, where we provide the majority of our services to local communities.

Lambeth and Southwark are home to diverse patient populations: approximately 50% of people are from non-white communities, and many residents identify with multiple ethnic groups. There are also a wide range of socio-economic experiences, with 38% of residents living within areas rated 1-3 in the Index of Multiple Deprivation, so experience the highest levels of deprivation.

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Clear differences in healthy life expectancy exist across the south east London area, and people living in Lambeth and Southwark will on average live more years in poor health than those living in Bromley, although this inequality is not inevitable.

We know that those who belong to multiple marginalised groups often face additional health disadvantages (The King's Fund, 2024), including suffering from more than one long term health condition and living with mental health issues, such as anxiety or depression. Currently, more than 23% of people living in the most deprived parts of Lambeth live with multiple long-term conditions, and in Southwark this is even higher at 30% - a total of around 109,000 residents (Impact on Urban Health, 2024, Southwark JSNA, 2023).

Reporting health inequality indicators

We recognise the importance of collecting good quality data which enables us to understand more about the populations we serve, where inequalities exist and how we can take targeted action to reduce this.

We are working hard, both within the Trust and with our partners on the South East London Integrated Care Board, to improve the quality and breadth of the data available to us. The implementation of Epic, our new electronic health record system, in October 2023 has affected our ability to collect some information about the patients we serve in 2023/24, although our stabilisation programme is clearly focused on improving our data to allow us to more accurately identify, understand and address healthcare inequalities in future.

For 2023/24 the Trust is unable to accurately report against the key indicators outlined in NHS England's Statement on Information on Health Inequalities (duty under section 13SA of the National Health Service Act 2006).

We have been able to carry out some initial analysis of our patient population waiting for planned (elective) care, comparing age, ethnic group, and socio-economic status. However, further work is needed to validate this data and consider how we use this to tackle inequalities and improve patient care. Going forward we aim to be able to report against all key indicators, including smoking cessation, tooth extractions and emergency admissions.

We are excited about our new Population Health Hub, recently awarded funding by Guy's & St Thomas' Charity to drive transformation and change. This will allow us to scale the use of data to help identify and reach those who face the greatest inequalities in access and experience of healthcare.

We recognise we have more to do to encourage patients and staff to declare and record personal information accurately, ensuring they feel confident in doing so and understand why this is important to enable us to improve the care we provide.

Across the Trust, teams are working hard, with our partners, to ensure healthcare equity is embedded into our treatment pathways. Some examples include:

- **CHILDS framework**

The Child Health Learning and Delivery System (CHILDS) framework was developed by the Children's and Young People's Health Partnership, hosted by Evelina London, and aims to reduce inequalities by focusing on early interventions to support the management of long-term conditions and prevent children needing acute care.

The framework targets the wider issues that can lead to poor health, such as housing, access to fresh food, opportunities for employment and support for parents when talking to schools or health professionals.

This pioneering approach benefits not only the child's health but the whole family. It is delivered by a specialist clinical and population health team who have access to linked primary and secondary care NHS data, as well as advanced analytics to better understand the unmet health needs of children and families living in Lambeth and Southwark.

15 integrated child health teams across Southwark and Lambeth now use the framework, and around 10,000 families have already benefited from self-management guidance to help them manage their child's long-term conditions.

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- **Colorectal surgery pathway**

Multiple long-term conditions, and poorer physical and psychological health, are linked to higher rates of complications and poorer health outcomes following surgery, including for colorectal cancer - the fourth most common cancer in the UK.

The Trust's colorectal surgery pathway has been designed to address these inequalities by helping to optimise patients' health before surgery, and by providing 'enhanced recovery after surgery' to help reduce the stress response and to improve outcomes.

Where appropriate, personalised interventions before surgery include: support with housing, to reduce substance use and to manage mental health; diet management plans, help to access food banks, support with charity grants, as well as activity trackers to encourage physical activity.

Pre and post-surgery support is offered to all patients being treated for colorectal cancer or irritable bowel, and provides a holistic, equitable treatment pathway. It has improved treatment outcomes for patients who often have multiple long-term conditions and complex psychosocial health needs.

Equity of service delivery

We are constantly striving to ensure that our services meet the needs of everyone regardless of their age, disability, ethnicity, sex, religion or beliefs, gender reassignment, sexual orientation, pregnancy and maternity, and marriage or civil partnership, in accordance with the Equality Act 2010 and our Public Sector Equality Duty.

We work hard to ensure all of our processes, practices and outcomes are fair for all and this work is supported and assured by the Trust's equality, diversity and inclusion team. We undertake equality and quality impact assessments to provide assurance that our policies, functions and services are fair and equitable and help drive service level improvements. We continue to:

- design, develop and deliver both new and existing services to meet the needs of all patients, and carers
- collect and analyse patient experience data and feedback, including through the Friends and Family Test, concerns received by our Patient Advice and Liaison Service and complaints and compliments analysed by protected characteristics
- work with patients and their carers to ensure they receive information and communication in their preferred format
- ensure that our environment, facilities and services are accessible to all
- work closely with local schools, colleges voluntary and community organisations to improve social mobility by raising awareness of the 350 different careers within the Trust, as well as education and work experience opportunities.

The Trust is committed to safe-guarding all our patients, including the most vulnerable such as those with learning difficulties and those who are supported by our 'health inclusion' team. We participate in our local, multi-agency safeguarding boards which aim to safeguard vulnerable people through a partnership approach.

Care and treatment is provided

to all patients with their consent, and for patients who cannot consent to treatment, care is provided in their best interests in accordance with the Mental Capacity Act 2005. Our safeguarding service consists of separate teams for adults and children and they work closely with statutory bodies to provide support, guidance and decisions on all safeguarding issues.

The teams also provide training to all staff as part of the Trust's wider training programmes. This includes Barbara's Story, our award-winning training film which raises awareness of dementia and the issues faced by vulnerable patients and their families, as well as specific training to support those with learning disabilities. Our clinical areas have dementia and delirium leads and learning disabilities leads who champion, and work with colleagues to implement best practice in their area.

The Trust provides a comprehensive language and accessible support service to meet the communication needs of our diverse population. Our website has been designed to ensure everyone can access the information they need, regardless of background, ability or needs. We were also the first trust to roll out the 'sunflower' initiative to support patients and staff with hidden disabilities, and the first to install state-of-the-art 'changing places' facilities – which have now been introduced at all our hospital sites.

We undertake comprehensive accessibility audits in all patient-facing areas and work hard to ensure that patients receive accessibility information to help them plan their visit before they arrive for an appointment.

Widening participation

The Trust has a strong commitment to its widening participation strategy, working with local schools and colleges, community groups and other partners to support local people from all backgrounds into the workplace. This includes initiatives such as:

- The Department of Work and Pensions sector-based work academy programme, which provides people with access to entry-level roles and important skills for future employment.
- An internship programme to help build the experience and independence of young people with autism or learning difficulties. Many former interns are now valued members of staff.
- The Aspire 350 programme, a pilot funded by Guy's & St Thomas' Foundation, which works with local young people who are at risk of not achieving their GCSEs.

The Trust is committed to fostering an equal and inclusive environment and collects a range of employment data to monitor and address diversity issues and inequalities, including through the Workforce Race Equality Standard (WRES) and Workforce Disability Equality Standard (WDES).

The results are published in an annual workforce monitoring report on our website and through reporting to NHS England. We chair the London WRES Expert network bringing together organisations across London to work collectively to drive change. We also have a well-established reverse mentoring programme and we continue to develop and support cultural competence amongst our managers and leaders.

A multi-faith spiritual care team, reflecting the diverse faiths and beliefs of our local communities, is available to support patients and staff. The Trust celebrates its rich diversity through events, conferences and its vibrant staff networks, which provide important platforms to support an inclusive and compassionate culture; ensure that the lived experiences of staff are shared; and that staff can provide challenge, direction and innovation.

Professor Ian Abbs
Chief Executive Officer
24 June 2024

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Paul Mouzouros, senior business and delivery manager

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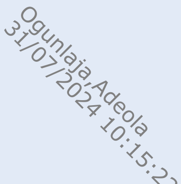

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Julia Gangata, sister

4 Directors' report

Over the past year we have continued to focus on doing everything possible to diagnose and treat as many patients as we safely can. We have successfully achieved the implementation of our new electronic health record system, while managing the high demand for our services and the impact of ongoing industrial action.

Despite the challenging context across the NHS, we have continued to deliver our strategic plans to adapt and improve our services to enable us to care for more patients. We pay tribute to the hard work and dedication of our staff, which has been critical in enabling us to continue delivering on our ambitions.

Following the successful implementation of Epic, our new electronic health record system, in October 2023 the programme has moved into the stabilisation phase. In the first 6 months 290,000 patients have registered for the MyChart patient app and online service across Guy's and St Thomas' and King's College Hospital, including 35,000 users who are over 70 years old. Patients have submitted pre-appointment information on more than 312,000 occasions making consultations more efficient, and we have released 200,000 patient test results via MyChart giving patients faster access to information about their care. Our extensive training and communication programme continues alongside our ongoing development of the system to meet the needs of both patients and staff.

In July 2023 we were proud to open our new Children's Day Treatment Centre at Evelina London. This state-of-the-art facility includes the Children's Day Surgery Unit which houses two new operating theatres to help us treat an additional 2,300 children a year.

We have continued to advance our imaging capability to help diagnose cases of heart and lung disease. The installation of the most powerful scanner of its kind in the diagnostic centre at Royal Brompton Hospital, means the Trust now has the largest heart MRI scanning service for NHS patients in the country, and one of the largest in the world.

To support the increasing demand for eye services, in 2023 we opened the new Minnie Kidd House Community Eye Clinic to assess and monitor people with glaucoma and retinal conditions. This new service means we can care for more patients currently waiting for diagnosis or monitoring, and creates a significant opportunity to treat even more patients, with the potential of saving the sight of many people across south east London.

In March 2024 NHS England announced that Evelina London Children's Hospital had been chosen as the future location for the Children's Cancer Centre for south London and the South East. This means it will provide specialist cancer treatment for children aged 15 and under living in London and much of south east England.

The change in location was decided following a rigorous process, which included a 12-week public consultation and evidence from experts. It ensures the service will meet national guidelines that require a children's intensive care unit to be on site, enabling the provision of more innovative treatments and reducing transfer risks and stress for patients and families.

Teams across the Trust have worked tirelessly to return to, and exceed, pre-pandemic levels of planned care for inpatients, outpatients and diagnostic tests. Alongside this we remain focused on the needs of

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patients requiring urgent or emergency care, and continue to perform well against the 4 hour target in our Emergency department.

We have continued to work closely with our partners across the south east London and the north west London health systems. Through the Acute Provider Collaborative in south east London we are working hard to ensure equitable access to care for patients on the waiting list for high volume specialties such as ophthalmology, dental and orthopaedics.

We look forward to launching our new 2030 Trust strategy later in 2024, alongside a new vision and set of values, which will articulate our commitment to advancing health and wellbeing.

Our local and wider role

The Trust provides a full range of general and specialist care from our 5 main hospitals and in the community in Lambeth and Southwark. We care for patients from our local areas, London and southern England, and in many cases, nationally.

Our staff at St Thomas' Hospital provide emergency services and a wide range of specialties including cardiovascular, respiratory, women's services, acute medicine and elderly care, critical care, gastro-intestinal medicine and surgery, plastic surgery and ophthalmology.

Our Evelina London children's services offer comprehensive healthcare from before birth, throughout childhood and into adult life. Each year we care for almost 104,000 children and young people by providing hospital care and treatment at both the Evelina London Children's Hospital on the St Thomas' site and at the Royal Brompton Hospital. This year saw the opening of our new Children's Day Treatment Centre, which will enable us to treat an additional 2,300 children and young people every year.

We also provide children's community services in Lambeth and Southwark, as well as an extensive range of specialist services for children with rare and complex conditions across clinical networks, that cover 1.7 million children in south London, Kent, Surrey and Sussex.

From Guy's Hospital, our staff provide renal, urology and orthopaedic services, including complex surgery and many specialist services, to a wide population across south east London and beyond. Guy's also hosts the largest dental school in Europe and is also home to the Guy's Cancer Centre which provides diagnosis and treatment for patients with many different types of cancer, including through radiotherapy, chemotherapy and surgery.

Royal Brompton and Harefield hospitals provide specialist care for patients with heart and lung disease, complementing strengths in cardio-respiratory and critical care for both adults and children at Guy's, St Thomas' and Evelina London. These hospitals provide adult critical care, cardiology, cardiac and thoracic surgery and a range of other specialist services. Royal Brompton Hospital provides specialist respiratory services for adults and children, while Harefield Hospital hosts a heart attack centre serving north west London and also provides transplant services.

We provide adult community health services across Lambeth and Southwark, and some specialist services in Lewisham. We work in partnership with colleagues from across the local health economy, including other NHS organisations, local authorities, primary care services and voluntary and community groups. This enables us to deliver care in a range of settings, including GP practices, health centres, schools, community buildings and in patients' own homes.

Standards of care

Under the Care Quality Commission's (CQC) system for regulating health and social care organisations, Guy's and St Thomas' is registered to provide services without conditions or restrictions, having complied with all the essential standards for quality and safety. The Trust's last full inspection and assessment by the CQC was in March and April 2019.

We were pleased to have maintained an overall rating of 'good' and that our community services for adults were rated as 'outstanding'. This was a significant achievement given the size and complexity of the Trust, and reflects the dedication of our staff. The Trust was rated 'outstanding' for caring services and for being well-led, and 'good' for effective and responsive services.

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Our rating for being safe remains as 'requires improvement' as we have not had the opportunity for this to be re-inspected. We continue to focus on a range of activities to improve and assure safety and this includes sharing the outcome and learning from incidents. Royal Brompton and Harefield hospital sites were last assessed by the CQC in October and November 2018, and remain rated as 'good' overall.

The CQC carried out an inspection of the Trust's maternity services at St Thomas' Hospital in September 2022. The service was rated 'good' overall with positive findings and there were no changes to the Trust's overall CQC ratings as a result. It is disappointing that our maternity services were rated 'requires improvement' under the 'Safe' domain, and a range of improvement actions are underway. We have increased both midwifery and medical staffing levels at the Maternity Assessment Unit, and are finalising a business case to improve the environment for women, families and the staff who provide them with care.

The Trust's Quality and Performance Board Committee continued to monitor the full range of clinical and non-clinical performance indicators. It received regular updates on our elective recovery following the pandemic, as well as the clinical and operational impact of the implementation of our new electronic health record, Epic, in October 2023.

These indicators and updates are reported monthly through the integrated performance report. This report is published in Board papers on the Trust website ahead of each quarterly public Board meeting, which ensures that we are open and transparent about our performance.

We continue to work hard to reduce hospital infections and retain a sharp focus on quality, safety and clinical effectiveness. We take complaints very seriously as they form a crucial part of learning from patients, and we continue to work hard to improve the management of complaints.

In December 2023 we launched the new Patient Safety Incident Response Framework accompanied by a new incident reporting software system. The Framework is a new initiative from NHS England which determines how we respond to and learn from incidents which is vital to the delivery of high quality and safe care.

Ensuring our services are well-led

Although the Trust has not had a full well-led inspection or Trust-wide inspection from the CQC since 2019, the Trust Board continues to keep the Trust's readiness for a future inspection under close review. In 2022 we commissioned Deloitte to undertake a mock well-led inspection, and over the past year have been implementing and embedding the recommendations arising from this review.

We continue to focus on a range of actions to ensure compliance with the Health and Social Care Act 2008 (Regulated Activities) and Regulations 2010, including through a well-established programme of multidisciplinary quality visits, peer-to-peer reviews and ward accreditation scheme. The Trust also runs an internal well-led improvement programme to ensure its leadership and governance arrangements are fit for purpose and support the delivery of high-quality care to our patients.

The Board has continued to assess its compliance with the principles of the Code of Governance for NHS provider trusts, and has kept the makeup and responsibilities of its Board committees and their terms of reference under review. Further details can be found in the organisational structure chapter on page 56 and in the Code of Governance published on the NHS England website.

The Trust is committed to carrying out its business fairly, honestly and openly and has a zero-tolerance commitment towards bribery which is set out in a Bribery Act statement on our website and enforced through the Trust Counter Fraud and Bribery Policy.

Engaging patients and the public

We value working closely with local Healthwatch organisations. Through regular liaison meetings, Healthwatch is informed of service developments and progress towards the delivery of our quality priorities. Healthwatch organisations continue to share insights and feedback from their work with local people, which helps to inform improvements in patient care.

This year their work has provided rich insights into local Latin-American communities' experiences of accessing healthcare. We were pleased to provide a comprehensive response to the recommendations in their report, and we continue to take these actions forward. With our local healthcare partners, we again commissioned Healthwatch Lambeth to undertake research into people's experiences of hospital discharge, to complement our own surveys.

Healthwatch organisations have the power to 'enter and view' healthcare premises to observe the delivery of services and the care environment. They did not undertake any onsite visits during 2023/24.

The Trust was not required to undertake any formal public consultation exercises this year. However, the proposal to provide children's specialist cancer care Evelina London Children's Hospital required the Trust to participate in a consultation process led by NHS England.

We have continued to provide information to local authority scrutiny teams on the delivery and development of our services. This has included plans to relocate an existing dialysis unit in Camberwell to a new facility that will be developed during 2024, working in partnership with King's College Hospital and Diaverum. Dialysis patients continue to be involved in this important project, and their views will help us to shape the new unit.

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The Evelina London day surgery team worked with children and young patients to design an app to help reduce young patients' anxiety when they visit hospital for day surgery as well as to design the space-themed artwork for the new Day Treatment Centre.

Our services at Royal Brompton and Harefield hospitals involve young people with heart and lung conditions through their youth forum 'RBH Trailblazers', while adult patients have continued to take part in a digital patient storytelling project - a powerful method that encourages people to share what really matters to them to help improve patients' experiences of care.

Patients and the public are also central to the development of the Trust's new strategy. The findings from 50 patient and public engagement projects, as well as a survey and face-to-face interviews, ensured that we were able to hear from around 700 patients, Foundation Trust members and governors. Their views are helping shape the Trust's new strategy which is due to be published in 2024.

System working and partnerships

The Trust is part of the South East London Integrated Care System and also works with the North West London Integrated Care System via Royal Brompton and Harefield hospitals.

Our strong relationships with the London boroughs within which our hospital and community sites are located enable us to work together to support health, wellbeing, local employment, green sustainability plans and additional investment into the local communities.

We are a founding partner and active member of Lambeth Together and Partnership Southwark, and we work with GPs, the local councils and local community groups to join our services together and meet the health and care needs of local people. We also share learning and work closely with other community services in south east London.

We have close relationships with other providers of hospital services in our area. We are an active partner in the South East London Acute Provider Collaborative with King's College Hospital NHS Foundation Trust and Lewisham and Greenwich NHS Trust, and this enables us to plan, coordinate and deliver services jointly across south east London.

The South East London Cancer Alliance, which the Trust hosts, enables us to work collaboratively to deliver high quality cancer services across primary care, community and hospital services. As the largest provider of cancer care in London, our aim is to ensure that patients receive a timely diagnosis, high quality treatment and an excellent clinical outcome.

In addition, Royal Brompton and Harefield hospitals are members of the Royal Marsden Partners West London Cancer Alliance where we continue to run the new low-dose CT screening programme to enable earlier diagnosis of lung cancer.

As a provider of specialist services for patients from across

southern England and further afield, we work closely with NHS England and NHS organisations across the country to plan and deliver care, and participate in a number of clinical networks for specialist adult and children's services.

The Trust is part of the South London Specialised Services Delegation Programme, a collaboration between 4 specialised service providers and Integrated Care Systems. We are planning for the delegation of NHS England's specialised services budgets and Integrated Care Boards are leading significant system transformation and change to test the triple aim to deliver improved services for patients, and to do so more equitably and efficiently.

Guy's and St Thomas' is part of King's Health Partners, one of 8 Academic Health Sciences Centres nationally – see below.

We continue to work closely with King's College London to deliver under and post graduate education across multiple professions, and to enable the rapid translation of research into clinical practice to benefit our patients. Royal Brompton and Harefield hospitals work closely with Imperial College London, and remain founding members of the Imperial College Health Partners Academic Health Science Network.

Guy's Tower is a major hub for research activity and has many specialist research facilities which continue to strengthen our position as a leader in advanced therapeutics, genomics and regenerative medicine.

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In 2023, we launched our Centre for Translational Medicine, which complements the major 'Medtech hub', including the London Medical Imaging and Artificial Intelligence Centre for Value-based Healthcare, funded by Innovate UK in partnership with King's College London, at St Thomas'.

We continue to provide world-leading research for children and young people in our clinical research facilities in Evelina London Children's Hospital, while Royal Brompton and Harefield hospitals have a range of research facilities for heart and lung, including a clinical research facility on both sites.

The Trust is a key partner, along with our local authorities in Lambeth and Southwark and King's Health Partners, in the SC1 Innovation District which aims to transform healthcare by developing a world-class health science innovation community in south central London.

The Trust continues to work with its partners to build its reputation for clinical innovation, as well as research, and is leading developments in many areas that directly improve the experience of patients, including advances in the use of robotic surgery, new imaging techniques and the use of artificial intelligence and computer technology to help identify those patients waiting for treatment who may require prioritisation.

We have worked in close partnership with Guy's & St Thomas' Foundation to co-develop a shared strategy for the three charities that support our work: Guy's & St Thomas' Charity, Evelina London Children's Charity and Guy's Cancer Charity. The cross-cutting priorities of the 2023-2027 strategy are research and development, workforce of the future, patient experience, diversity, equity and inclusion and supporting capital projects. The Trust is also supported by the Foundation's wider focus on driving more equitable healthcare through its Impact on Urban Health Programmes.

We also work closely with the Royal Brompton and Harefield Hospitals' Charity and a number of other charity partners.

King's Health Partners

King's Health Partners is an Academic Health Sciences Centre bringing together research, education and clinical practice across Guy's and St Thomas', King's College Hospital and South London and Maudsley with King's College London, our shared university partner.

King's Health Partners' strategy centres on the priorities of personalised health, digital health and population health - integrating mental and physical health to drive improvements for patients.

2023 saw the launch of the Centre for Translational Medicine, a partnership between the Trust, King's Health Partners and Guy's & St Thomas' Foundation. The Centre aims to improve the health of people locally, nationally and globally by accelerating research and innovation that improves the detection, prevention, and

treatment of disease.

King's Health Partners offers a wide range of education and training opportunities, developing future generations of healthcare professionals, including through an online learning hub, which was accessed by more than 9,000 staff last year, and hosts a comprehensive series of events and webinars which were attended by almost 6,000 people.

The partnership is an active member of the European University Hospital Alliance and supports international partnerships, including with Aarhus University Hospital, to share best practice and foster excellence in research, clinical care and education.

Investing in our future

We have continued to make significant capital investments to improve the care that we provide to patients. In the past year, a key focus has been the implementation of our new electronic health record system, Epic, which successfully went live in October 2023 and will enable us to transform the way we deliver care and empower our patients.

We also opened a state-of-the-art Children's Day Surgery Unit next to the existing Evelina London Children's Hospital which will allow us to treat an additional 2,300 children and young people every year. Other important estate projects were also completed and include significant improvements to our critical care facilities at St Thomas' and an expansion to the Assisted Conception Unit at Guy's.

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We also continue to make substantial investment in our existing buildings, and in upgrades and replacement of medical equipment and technology to increase resilience and maintain existing infrastructure. This will continue to be a key priority as part of our medium-term capital plan.

Commercial Partnerships

The Trust has a long tradition of innovation and successful business development, and continues to explore commercial opportunities that will generate additional income to support the delivery of NHS services. Over the past year we have progressed several initiatives, including:

- **managed service partnerships** – with Johnson & Johnson Managed Services, Diaverum and Active Care Group (Remeo).
- **expansion of our global networks** – to broaden international business development prospects.
- **consolidation of expertise** – bringing together and enhancing our commercial expertise, particularly in managing our private patient services.
- **recruitment of clinical leadership** – development of a network of clinical leads to support consulting, innovation and private practice endeavours.

The Trust also owns Guy's and St Thomas' Enterprises which independently manages a number of fully or partially-owned companies:

- **Lexica Health and Life Sciences Consultancy Limited** – which manages a number of estates, life sciences and infrastructure projects
- **Synnovis (formerly Viapath)** – our pathology joint venture with King's College Hospital NHS Foundation Trust and Synlab UK & Ireland
- **KHP Ventures** – a joint venture with King's College London and King's College Hospital NHS Foundation Trust to accelerating 'med-tech' initiatives with start-ups and small and medium-sized enterprises
- **Spin-out technology companies** – including Cydar, SpotOn, Zeus, and XRnostics.

For a comprehensive list of subsidiaries and interests in associates and joint ventures, please refer to note 19 of the Accounts.

Better payment practice code

Measure of compliance	Year ended 31 March 2024 Number	Year ended 31 March 2024 £000	Year ended 31 March 2023 Number	Year ended 31 March 2023 £000
Total bills paid in the year	**326,279**	**1,983,149**	367,823	1,725,831
Total bills paid within target	**295,645**	**1,670,084**	238,423	1,139,301
Percentage of bills paid within target	**91%**	**84%**	65%	66%

In 2023/24 we have been working through an action plan to improve our payment performance. Although progress has been made, further work is required to achieve the 95% targets for both value and volume of invoices.

Board of Directors

The Board of Directors 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.

In 2023/24, Board membership comprised the following executive directors:

Chief Executive, Ian Abbs; Chief Nurse, Avey Bhatia; Chief Financial Officer, Steven Davies; Chief Operating Officer and (until January 2024) Deputy Chief Executive, Jon Findlay; Chief People Officer, Julie Screaton; Chief Medical Officer, Simon Steddon; and Deputy Chief Executive, Lawrence Tallon.

The Board also comprised the following non-executive directors:

Chairman Charles Alexander; Miranda Brawn; Nilkunj Dodhia (from July 2023); Simon Friend; Felicity Harvey; Deirdre Kelly (from July 2023); Javed Khan (to March 2024); Sally Morgan; John Pelly (to June 2023); Pauline Philip (from July 2023); Ian Playford; Reza Razavi; Sheila Shribman (to June 2023); Priya Singh (to October 2023); and Steve Weiner (to July 2023). See pages 64-65 for biographies.

All of our Board of Directors meet the standards of the 'Fit and proper persons' regulations' which requires annual self-attestations to be made. There have been no declarations of donations to political parties. Details of external directorships or other positions of authority held by the directors of the Trust where there are related party transactions can be found in Note 29 to the Annual Accounts.

The Board of Directors is not aware of any relevant audit information that has been withheld from the Trust's auditor, and members of the Board take all the necessary steps to make themselves aware of relevant information and to ensure that this is passed to the external auditors where appropriate.

The Trust has a responsibility to meet the Better Payments Practice Code which requires NHS trusts to pay all valid invoices by the due date or within 30 days of receipt of a valid invoice, whichever is later. The target is to pay 95% of invoices, in terms of value and volume, within 30 days. During 2023/24 we have been working through an action plan to improve our payment performance and, although progress has been made, further work is required in 2024/25 to achieve the 95% target. Performance against the code is set out in the table on page 32.

The Trust meets the requirement of Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) which 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 other purposes. For full details see Note 1.3 to the Annual Accounts.

Surpluses from other income that the Trust has received have been used to support the provision of goods and services for the purposes of the health service in England. The directors confirm that the Trust complies with the cost allocation and charging guidance issued by HM Treasury. The directors also consider the Annual Report and Accounts and the Quality Report, ensuring they are fair, balanced and understandable, and provide the information necessary for patients, regulators and stakeholders to assess our performance, business model and strategy.

Professor Ian Abbs
Chief Executive Officer

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Natalia Mlynarska, hospitality assistant

5 Remuneration report

Annual statement

As the Chair of the Senior Leadership Talent, Appointments and Remuneration Committee, I am pleased to present our remuneration report for 2023/24.

In September 2023 the Remuneration Committee was reviewed and refreshed, with a new Chair, streamlined membership and an updated term of reference. Its name was also changed to the Senior Leadership Talent, Appointments and Remuneration Committee to better reflect the breadth of its work.

There were no changes to the Trust's remuneration policy for very senior managers in 2023/24.

The Committee approved a 5% cost of living increase to executive and very senior managerial salaries with effect from 1 April 2023.

Ian Playford
Chair, Senior Leadership Talent, Appointments and Remuneration Committee
24 June 2024

Senior managers' remuneration policy

Remuneration for the Trust's most senior managers (executive directors who are members of the Board of Directors) is determined by the Senior Leadership Talent, Appointments and Remuneration Committee, the membership of which consists entirely of non-executive directors, including the Chairman.

The total remuneration for each of the Trust's executive directors comprises the following elements:

Salary + Pension = Total remuneration

The Trust's remuneration policy in respect of each of the above elements is outlined in the following table.

	Salary	Pension and benefits
Purpose and link to strategy	To provide a core reward for the role. Salary is set at a level appropriate to secure and retain the high calibre individuals needed to deliver the Trust's strategic priorities, without paying more than is necessary.	NHS Pension Scheme arrangements provide a competitive level of retirement income. Life assurance/death in service benefits may be provided as part of an individual's pension arrangements.
Operation	When determining salary levels, an individual's role, experience and performance, and independently sourced data for relevant comparator groups are considered. Executive director salaries are inclusive of a high cost area supplement. Salary increases typically take effect from 1 April each year.	Executive directors are eligible to receive pension and benefits in line with the policy for other employees. Pension arrangements are in accordance with the NHS Pension Scheme. There is no cash alternative. The NHS Pension Scheme is made up of the 1995/2008 Section legacy membership and the 2015 Section for all from 01/04/2022. New executive directors are entitled to join the 2015 Section, which is a career average revalued earnings scheme.
Opportunity	There is no formal maximum limit, however salary increases will ordinarily be in line with increases for the wider NHS workforce (not including incremental progression increases) as recommended by the NHS Pay Review Body. Increases may be higher to reflect a change in the scope of an individual's role, responsibilities or experience.	Existing executive directors are covered by the provisions of the NHS Pension Scheme. Details of the benefits payable under these provisions can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Details of the 2023/24 pension benefits of individual executive directors are available in the single total figure table in the annual report on remuneration. Total pension entitlement for each executive director is available in the total pension entitlement table.

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	Salary	Pension and benefits
Opportunity	Where a new executive director has been appointed to the Board on a salary lower than the typical Trust level for such a role, the salary may be reviewed as the executive director becomes established in the role. Salary adjustments may also reflect wider external market conditions. Salary levels for 2023/24 are set out in the single total figure table in the annual report on remuneration.	A new external recruit will be eligible to join the NHS Pension Scheme. The main features of the 2015 Scheme include: • a career average revalued earnings (CARE) scheme with benefits based on a proportion of pensionable earnings each year during the individual's career • a build-up rate of 1/54th of each year's pensionable earnings with no limit on the number of years that can be taken into account. This is a higher build-up rate than the 1995/2008 Scheme • revaluation of active members' benefits in line with inflation, currently the Consumer Price Index (CPI) plus 1.5% per annum • a normal pension age at which benefits can be claimed without reduction for early payment linked to the state pension age. In accordance with NHS Pension Scheme rules, the employer contribution rate is 20.68%.
Performance measures	The overall performance of the individual is a consideration when reviewing salaries.	None.

Salaries for senior managers are established and maintained taking the following elements into consideration: the individual's role, experience and performance, and independently sourced data for relevant comparable organisations. This includes consideration of salary levels at other members of the Shelford Group (which represents 10 of England's leading academic healthcare organisations). Salaries for senior managers are formally reviewed every 3 years with annual interim reviews.

Senior managers are employed on substantive contracts of employment and are employees of the Trust. Their contracts are open-ended employment contracts which can be terminated by either party with either 3 or 6 months' notice.

The Trust's key workforce policies are held on the Trust intranets. These include equality and diversity and recruitment and selection policies which set out the process for ensuring fair employment, training and career development opportunities for individuals with protected characteristics. As referenced in the equality, diversity and inclusion section on page 48 of this report. The Trust has a comprehensive plan to ensure better and fairer outcomes in access to learning and development, recruitment opportunities and career progression and development.

Disciplinary policies apply to senior managers, including the sanction of instant dismissal for gross misconduct. The Trust's redundancy policy is consistent with NHS redundancy terms for all staff.

Differences between remuneration for executive directors and other employees

The key difference between the remuneration for executive directors and other employees is that the fixed salary of executive directors is considered to be

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inclusive of a high cost area supplement, whereas for other employees this is a separate pay element.

When setting remuneration levels for the executive directors, the committee considers the prevailing market conditions, the competitive environment (in particular, through comparison with the remuneration of executives at other leading NHS multi-specialty academic healthcare organisations of similar size and complexity) and the positioning and relativities of pay and employment conditions across the broader Trust workforce.

In particular, the committee considers the recommendations of the NHS Pay Review Body and the Review Body on Doctors' and Dentists' Remuneration as reflecting most closely the economic environment encountered by the executive directors. The Trust does not therefore consult more widely with employees on such senior managers' remuneration matters.

Annual report on remuneration 2023/24

The remuneration for the Trust Chairman and non-executive directors are determined by the Council of Governors, taking account of the guidance issued by NHS England. There has been no increase to the non-executive remunerations in 2023/24.

Senior Leadership Talent, Appointments and Remuneration Committee

The Senior Leadership Talent, Appointments and Remuneration Committee is responsible for determining the remuneration and other conditions of service of executive directors and very senior managers (VSMs), for identifying and appointing candidates to fill the executive director positions on the Trust Board and for overseeing succession planning across the Trust's senior leadership. The Committee is also responsible for evaluating the balance of skills, knowledge, experience and diversity of the executive directors to help ensure the Board reflects, as far as possible, the ethnic diversity of the Trust's workforce and the communities it serves.

Between 1 April 2023 and 31 August 2023 the Committee was called the Remuneration Committee. The Trust's Chairman was chair of the Remuneration Committee and all non-executive directors were members of the Committee.

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Senior Leadership Talent, Appointments and Remuneration Committee membership and attendance 2023/24

Name	Actual / Possible
Ian Playford [Chair from June 2023]	4 / 4
Charles Alexander [Chair until May 2023]	4 / 4
Miranda Brawn	4 / 4
Simon Friend	4 / 4
Felicity Harvey	4 / 4
Javed Khan [until August 2023]	0 / 2
Sally Morgan [until August 2023]	2 / 2
John Pelly [until June 2023]	1 / 2
Reza Razavi [until August 2023]	1 / 2
Sheila Shribman [until June 2023]	1 / 2
Priya Singh [until October 2023]	1 / 2
Steve Weiner [until July 2023]	2 / 2

From 1 September 2023 the Committee's name was changed to the Senior Leadership Talent, Appointments and Remuneration Committee to better reflect the breadth of its work. The Committee is now chaired by an independent non-executive director and membership comprises 4 additional non-executive directors, including the Trust Chairman.

The following individuals also attend the Senior Leadership Talent, Appointments and Remuneration Committee either regularly or as required:

Ian Abbs, Chief Executive; Julie Screaton, Chief People Officer; Edward Bradshaw, Director of Corporate Governance and Trust Secretary.

Other individuals may also be invited to attend Senior Leadership Talent, Appointments and Remuneration Committee meetings during the year. Executive directors and other Committee attendees are not involved in any decisions, and are not present at any discussions regarding their own remuneration.

Fair pay disclosures

NHS Foundation Trusts are required to disclose the relationship between the total remuneration of the highest-paid director in their organisation and the 25th percentile, median and 75th percentile remuneration of the organisation's workforce.

The banded remuneration of the highest-paid director in 2023/24 was £300,000-£305,000

(£285,000-£290,000 in 2022/23). Based on the mid-point of the banded remuneration, this represents an increase of 5.2% between 2022/23 and 2023/24, which is consistent with the Remuneration Committee's approval of a cost of living increase to Executive salaries during 2023/24.

For employees of the Trust as a whole, the range of remuneration in 2023/24 was from £17,050 to £301,739 (£17,050 to £340,101 in 2022/23). The percentage change in average employee remuneration between 2022/23 and 2023/24 was an increase of 1.8%. The calculation is based on the total for all employees, on an annualised basis, divided by full time equivalent number of employees. Remuneration includes overtime, additional hours worked and selling of annual leave.

The difference in percentages is partly due to the Agenda for change pay offer, announced on 16 March 2023, which included revised pay terms and one-off bonus for 2022/23 and 2023/24. This was accrued in the 2022/23 accounts and included in the total remuneration as part of the 2022/23 fair pay disclosures. To ensure the uplift in salaries has not been counted twice, the subsequent payment made in 2023/24 has been stripped out.

No employees received remuneration in excess of the highest-paid director in 2023/24 (2 employees in 2022/23).

The remuneration of the employee at the 25th percentile, median and 75th percentile is set out in the adjacent table. The pay ratio shows the relationship between the total remuneration of the highest-paid director and each point in the remuneration range for the organisation's workforce.

The calculation is based on full-time equivalent staff working for the Trust on 31 March 2024. Where staff are part time, their salaries have been annualised for the purposes of the ratio calculation.

The 2022/23 pay ratios and total remuneration have been restated because the 2022/23 staff figures double counted some 'Other staff' which occurred when we moved to a new finance system in July 2022. This adjustment has resulted in a change to the pay ratios, which are now lower.

The above disclosure is audited by the Trust's external auditors, Grant Thornton UK LLP.

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Fair pay disclosures

2023/24	25th percentile	Median	75th percentile
Total remuneration (£)	39,132	52,576	63,578
Pay ratio	7.73	5.75	4.76
2022/23 (restated)			
Total remuneration (£)	39,240	50,194	63,882
Pay ratio	7.33	5.73	4.50
2022/23 (original)			
Total remuneration (£)	35,855	44,748	55,057
Pay ratio	8.01	6.42	5.22

Service contracts

The following table contains details of the service contracts in place during 2023/24 for executive directors:

Service contracts

Executive director	Date of service contract	Unexpired term	Notice period
Ian Abbs	Jan 2011	Open ended	6 months
Avey Bhatia	Nov 2020	Open ended	3 months
Steven Davies	Jan 2022	Open ended	3 months
Jon Findlay	Dec 2016	Open ended	3 months
Julie Screaton	Jun 2017	Open ended	3 months
Simon Steddon	Jul 2019	Open ended	6 months
Lawrence Tallon	Mar 2020	Open ended	3 months

Note: the differential in notice periods is as a result of a policy change by the Trust and not any agreements made on a personal basis with the postholder.

Salaries of senior staff

The Trust is a large and complex organisation, when compared with other leading NHS multi-specialty academic healthcare organisations. The Trust recognises that it will be necessary to pay at the upper quartile of NHS salaries, when compared with similar organisations such as members of the Shelford Group and similar private sector organisations. This will enable the Trust to attract and retain individuals with the appropriate experience to fulfil the Trust's senior managerial roles.

The Trust acknowledges that meeting these principles is likely to lead to a number of senior staff being paid more than £150,000. It is satisfied that this is justified.

Salary and benefits of senior managers

The following tables contain details of the salary and benefits of the Trust's senior managers in 2023/24 and 2022/23.

Single total figure 2023/24

Name	Title	Salaries and fees (bands of £5k) £000	Taxable benefits (to nearest £100)	Pension-related benefits (bands of £2.5k) £000	Total (bands of £5k) £000
I.Abbs*	Chief Executive	300-305	11,100	-	310-315
A.Bhatia	Chief Nurse	215-220	-	-	215-220
S.Davies**	Chief Financial Officer	200-205		-	200-205
J.Findlay*	Chief Operating Officer (Joint Deputy Chief Executive until January 2024)	205-210		-	205-210
J.Screaton	Chief People Officer	185-190		-	185-190
S.Steddon	Chief Medical Officer	250-255		182.5-185	435-440
L.Tallon***	Deputy Chief Executive	210-215		97.5-100	310-315
C.Alexander	Chairman	55-60		-	55-60
M.Brawn	Non-Executive Director	20-25		-	20-25
N.Dodhia	Non-Executive Director (from 1 July 2023)	15-20		-	15-20
S.Friend	Non-Executive Director	20-25		-	20-25
F.Harvey	Non-Executive Director and Senior Independent Director	20-25		-	20-25
D.Kelly	Non-Executive Director (from 1 July 2023)	15-20			15-20
J.Khan	Non-Executive Director (until 31 March 2024)	20-25		-	20-25
S.Morgan	Non-Executive Director and Deputy Chair	60-65		-	60-65
J.Pelly	Non-Executive Director (to 30 June 2023)	5-10		-	5-10
P.Philip	Non-Executive Director (from 1 July 2023)	15-20		-	15-20
I.Playford	Non-Executive Director	20-25		-	20-25
R.Razavi	Non-Executive Director	20-25		-	20-25
S.Shribman	Non-Executive Director (to 12 June 2023)	0-5		-	0-5
P.Singh	Non-Executive Director and Deputy Chair (to 31 October 2023)	15-20		-	15-20
S.Weiner	Non-Executive Director (to 22 July 2023)	5-10		-	5-10

Salaries and fees

Salaries and fees includes payment for sold annual leave for J.Findlay and L.Tallon.

No senior manager received any annual or long-term performance bonuses in 2023/24.

A number of senior staff held joint posts with King's College Hospital NHS Foundation Trust during 2023/24: C.Alexander was Joint Chairman for both organisations between December 2022 and January 2024; S.Weiner was a non-executive director on both boards until July 2023, and S.Friend also became a non-executive director at King's College Hospital in September 2023. Salaries and wages disclosed for these individuals in the table above relate purely to their roles on the Guy's and St Thomas' Board. Taxable benefits relate to rental of Trust accommodation.

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Pension related benefits

***** I.Abbs and J Findlay were not members of the NHS Pension scheme for the year 2023/24.

****** S.Davies re-joined NHS Pension Scheme on 01/02/2024. The Pension related benefits for the 2 months is nil effect.

******* L.Tallon opted out of NHS Pension Scheme on 01/01/2024.

J. Screaton and A.Bhatia were members of the NHS Pension scheme for the full year. They have no in-year reportable pension related benefits.

As non-executive directors do not receive pensionable remuneration, there are no entries in respect of pensions for non-executive directors.

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 does not represent an amount that will be received by the individual. It is a calculation that is intended to convey to the reader of the accounts an estimation of the benefit that being a member of the pension scheme could provide. The pension benefit table provides further information on the pension benefits accruing to the individual. Pension-related benefits may vary for each individual depending on which specific pension scheme they are in and whether there have been any changes to the pension scheme itself.

The above disclosure is audited by the Trust's external auditors, Grant Thornton UK LLP.

Single total figure 2022/23

Name	Title	Salaries and fees (bands of £5k) £000	Taxable benefits (to nearest £100)	Pension-related benefits (bands of £2.5k) £000	Total (bands of £5k) £000
I.Abbs*	Chief Executive	285-290	14,900	-	300-305
A.Bhatia	Chief Nurse	175-180		130-132.5	305-310
S. Davies**	Chief Financial Officer	190-195		37.5-40	230-235
J.Findlay	Chief Operating Officer and Deputy Chief Executive	200-205		280-282.5	480-485
J.Screaton	Chief People Officer	175-180		102.5-105	280-285
S.Steddon	Chief Medical Officer	245-250		222.5 - 225	470-475
L.Tallon	Deputy Chief Executive	205-210		15-17.5	220-225
C.Alexander	Chairman (from December 2022)	15-20		-	15-20
M.Brawn	Non-Executive Director (from January 2023)	0-5		-	0-5
P.Cleal	Non-Executive Director (to 30 June 2022)	5-10		-	5-10
S.Friend	Non-Executive Director	20-25		-	20-25
F.Harvey	Non-Executive Director	20-25		-	20-25
J.Khan	Non-Executive Director	20-25		-	20-25
S.Morgan	Non-Executive Director and Deputy Chair	50-55		-	50-55
J.Pelly	Non-Executive Director	20-25		-	20-25
I.Playford	Non-Executive Director (from 1 May 2022)	20-25		-	20-25
R.Razavi	Non-Executive Director	20-25		-	20-25
P.Singh	Non-Executive Director and Deputy Chair	30-35		-	30-35
S.Shribman	Non-Executive Director and Senior Independent Director	20-25		-	20-25
H.Taylor	Chairman (to 30 November 2022)	25-30		-	25-30
S.Weiner	Non-Executive Director	20-25		-	20-25

***** I.Abbs was not an NHS Pension scheme member for the year 2022/23.

****** S. Davies opted out of the NHS Pension Scheme in September 2022

Salaries and fees includes payment for sold annual leave for S.Steddon and L.Tallon.

H.Taylor was also Chairman of King's College Hospital NHS Foundation Trust until 30 November 2022, a role now fulfilled by Charles Alexander. Steve Weiner is also a non-executive director at King's College Hospital NHS Foundation Trust.
No senior manager received any annual or long-term performance bonuses in 2022/23.

As non-executive directors do not receive pensionable remuneration, there are no entries in respect of pensions for non-executive directors.

The above disclosure is audited by the Trust's external auditors, Grant Thornton UK LLP.

2023/24 Salary and pension entitlements of senior managers

Name/Title	Real increase in pension at pension age (bands of £2,500) £000	Real increase in pension lump sum at pension age (bands of £2,500) £000	Total accrued pension at pension age at 31 March 2024 (bands of £5,000) £000	Lump sum at pension age related to accrued pension at 31 March 2024 (bands of £5,000) £000	Cash equivalent transfer value at 1 Apri 2023 £000	Real increase in cash equivalent transfer value £000	Cash equivalent transfer value at 31 March 2024 £000
S. Davies* Chief Financial Officer	0	17.5-20	40-45	105-110	668	93	833
S. Steddon Chief Medical Officer	5-7.5	70-72.5	85-90	240-245	1,401	493	2,069
L. Tallon** Deputy Chief Executive	5-7.5	0	25-30	0	204	101	347
A. Bhatia Chief Nurse	0	40-42.5	80-85	220-225	1,512	219	1,910
J. Screaton Chief People Officer	0	5-7.5	70-75	195-200	1,548	112	1,841

***** S.Davies re-joined the NHS Pension Scheme on 01/02/2024.

****** L.Tallon opted out of the NHS Pension Scheme on 01/01/2024.

J. Findlay opted out of the NHS Pension Scheme in March 23.
There are therefore no in-year disclosures relating to J. Findlay.

I.Abbs was not an NHS Pension Scheme member for the year 2023/24 and there was no equivalent disclosure in 2022/23.

As non-executive directors do not receive pensionable remuneration, there are no entries in respect of pensions for non-executive directors.

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's (or other allowable beneficiary's) pension payable from the scheme.CETVs are calculated in accordance with SI 2008 No.1050 Occupational Pension Schemes (Transfer Values) Regulations 2008.

The above disclosure is audited by the Trust's external auditors, Grant Thornton UK LLP.

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Professor Ian Abbs
Chief Executive Officer
24 June 2024

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Prof Eugene Oteng-Ntim, Clinical Director for women's health services

6 Staff report

We employ around 23,600 staff, all of whom contribute to providing high quality patient care in our hospitals and in our community services. The majority are permanently employed clinical staff who are directly involved in delivering patient care. We also employ a significant number of people in non-clinical roles including in our scientific, technical, Essentia and administrative teams who provide vital expertise and support. The table below provides a breakdown of our workforce.

Staff group	Permanently employed	Agency, bank and seconded staff	Total 2023/24
Administration and estates	5,657	424	6,081
Healthcare assistants and other support staff	1,026	517	1,543
Medical and dental	3,021	444	3,465
Nursing, midwifery and health visiting staff	6,674	542	7,216
Nursing, midwifery and health visiting learners	1,343	295	1,638
Scientific, therapeutic and technical staff	3,542	131	3,673
Social care staff	5	–	5
Total average numbers	**21,268**	**2,353**	**23,621**

The numbers above show the average number of staff (Whole Time Equivalent) employed at the Trust.
The above disclosure is audited by the Trust's external auditors, Grant Thornton UK LLP.

Communicating with staff

We are committed to keeping our staff informed of changes across the organisation, involving them in decision-making and engaging them in the Trust's performance. We work hard to ensure that our staff are aware of both internal and external developments that may affect the organisation and the wider NHS.

We place great importance on staff engagement as there is a positive correlation with the quality of patient care. In 2023/24, we continued to achieve high engagement scores in the annual NHS Staff Survey – see overleaf for details.

Our range of well-established communication channels include regular Team Briefings and question-and-answer sessions from the Chief Executive and senior leaders; topic or audience specific newsletters; daily messages on computer desktops; and extensive intranets where staff can find policies, guidance and online tools.

Our annual internal communications survey enables us to understand how effective our communications are and adjust our strategy accordingly. In the last 12 months we have responded to staff feedback by making the recordings of the Chief Executive's monthly Team Briefing available for colleagues; reviewing the timing of the session to enable more colleagues to join; and creating a new calendar on the intranet to recognise the diverse range of events that are held throughout the year – including religious and cultural celebrations. Our Staff Bulletin is emailed to all staff 3 times a week and we are continuing our work to deliver a single, accessible, Trust-wide intranet.

We produce a popular magazine, the GiST, and a monthly e-newsletter, the e-GiST for staff, patients and our foundation trust members. We work closely with the chair of staff side, our staff networks and other staff representatives to ensure the voices of employees are listened to and taken into account.

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Throughout 2023/24 staff have been encouraged to provide their views to help shape decisions on a range of issues including the development of our new Trust strategy, vision and values and how we deliver our anti-racism commitments.

The joint staff committee meets quarterly, acting as a valuable consultative forum for key developments affecting staff, with sub-groups looking at policy and pay issues.

The Trust has 8 staff governors from clinical, non-clinical and community teams who contribute to the development of the organisation and represent colleagues' views at Board level.

Staff survey

The NHS Staff Survey is the largest annual workforce survey in the world and has been conducted every year since 2003. The 2023 survey asked staff 116 questions which were aligned to the NHS People Promises and themes.

The results are benchmarked against our comparator group which is made up of 122 acute and combined acute and community trusts. The Trust's response rate in 2023 was 38%, with 8,903 responses received from the 23,328 eligible staff. This is lower than the national average of 45%, and 3% lower than the Trust's 2022 response rate of 41%.

In 2023, the Trust scored above the national average in 2 areas: We each have a voice that counts and Staff engagement. At sub-score level the results were above national average in Compassionate culture, Raising concerns, Line management, Advocacy and Work pressures. Scores were equal to national average in the Development sub-score.

The engagement theme questions provide insight into people's levels of motivation, involvement and advocacy and our Trust engagement scores remain well above the national average as shown in the table below. These positive scores are reinforced by one of the local questions where 91% of our staff said that they were proud to work at the Trust.

Results indicate that best practice exists within our clinical and delivery groups, with some scores exceeding the best score nationally and we are committed to sharing best practices and promoting continuous improvement in all areas of the organisation.

The response rate for our bank staff was 15% with 496 completing the survey. The Trust's scores for this staff group were above both the national average and the Trust's average in all 7 People Promises and 2 themes, and staff engagement has been consistently positive.

For the first time, staff were asked if they were the

Question	National average	Trust score	Trust Ranking
Staff agreeing that the care of patients/service users is the organisation's top priority	75%	82%	9th nationally and 4th in London.
Staff recommending the Trust to a friend or relative as a place to receive care or treatment	63%	81%	5th nationally and 2nd best in London.
Staff recommending the Trust as a place to work	61%	70%	11th nationally and 3rd best in London.

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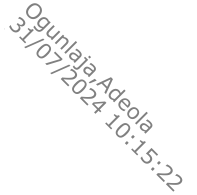
target of unwanted behaviours of a sexual nature from patients and from staff/colleagues. This is in relation to NHS England's sexual safety charter which aims to help protect staff from harassment and inappropriate behaviour and we support the drive to tackle these issues.

Our score for unwanted behaviours experienced by our staff from patients is marginally below the national average at 7.69%, compared to the national average score of 7.73%. However staff experiencing unwanted behaviours from staff/colleagues is higher than average at 4.58% compared to the national average score of 3.82%. The Trust is committed to cultivating a culture where our staff are protected from all forms of unwanted and harmful behaviours and we are working on improvement actions to ensure all staff feel safe.

Addressing areas of concern

The results of the 2023 staff survey indicate that the employee experience at Guy's and St Thomas' has slightly deteriorated since last year, with a number of scores having fallen behind the national average. This is very disappointing and we are committed to fully understanding and addressing the issues reported in the survey. We recognise that a number of organisational challenges such as the introduction of Epic, industrial action and the ongoing work following the merger with Royal Brompton and Harefield, may have impacted the results and contributed to a lower response rate this year. We are committed to working with senior leaders and managers across the Trust to ensure as many staff as possible take up the opportunity to provide their views through the NHS staff survey in 2024/25. The Board has placed a renewed focus on addressing the areas of concern raised by our staff and ensuring that the Trust is a welcoming, fair and inclusive place to work.

- **Health and wellbeing** – we increased access to the occupational health psychological therapies service; delivered wellbeing training for managers; established permanent staff wellbeing zones; organised health information webinars led by our intervention specialists; delivered regular menopause clinics for our staff to get expert advice and support and have now recruited over 300 wellbeing champions across the organisation to help promote health and wellbeing.
- **Management development** – we launched the People Manager Programme which includes modules on career conversations to ensure that all managers have the skills to support their team's career aspirations. Other modules focus on each of the People Promises and themes and also look at creating psychological safety.
- **Diversity, equality and inclusion** – we launched the Trust's anti-racism programme to drive sustained structural and behavioural change, and have embedded equality, diversity and inclusion officers across the Trust to provide guidance and support. To support staff with disabilities, long-term conditions or who are neurodivergent, we have implemented a new workplace adjustment passport, restructured our processes, set up a new knowledge hub, advice line and developed a series of career workshops.
- **Addressing bullying and harassment** – we delivered active bystander workshops to empower staff to call out poor behaviour; continued to grow our network of Inclusion agents across the organisation and encouraged collaborative working with the Speak up champions, reviewed the allegations process to ensure transparency when raising concerns and developed a mediation service to provide a safe and facilitated space to resolve conflict.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NHS Staff Survey Results

Comparison of NHS Staff Survey Results for 2021-23 against National Average (Acute and Acute & Community Trusts)

	National average 2021	Overall Trust score 2021	National average 2022	Overall Trust score 2022	National average 2023	Overall Trust score 2023
Response rate	46%	47%	44%	41%	45%	**38%**
People Promise element						
We are compassionate and inclusive	7.20	7.37	7.18	7.29	7.24	**7.23**
We are recognised and rewarded	5.82	5.97	5.73	5.81	5.94	**5.82**
We each have a voice that counts	6.67	6.98	6.65	6.84	6.70	**6.76**
We are safe and healthy	5.90	6.06	5.89	5.96	Data not published by NHS Staff Survey Coordination Centre*	
We are always learning	5.23	5.74	5.35	5.62	5.61	**5.57**
We work flexibly	5.96	6.17	6.01	6.07	6.20	**6.06**
We are a team	6.58	6.74	6.64	6.68	6.75	**6.68**
Theme						
Staff engagement	6.84	7.24	6.80	7.11	6.91	**7.04**
Morale	5.74	5.97	5.69	5.79	5.91	**5.83**

*** Due to an issue with the quality of the data, the NHS Staff Survey Coordination Centre has not published the results on 'We are Safe and Healthy' people promise element nationally. This affects all NHS trusts in the country and the data is expected to be released in late May 2024.**

Next steps

The results from the staff survey are being reviewed in conjunction with other feedback, gathered throughout the year, which will give us a more complete understanding of what we are doing well and what needs to improve. We are working with stakeholders across the Trust to respond to the results by creating robust Trust-wide and local level action plans to drive positive change across the organisation. These include:

- continuing to improve the working experience of all staff by increasing career progression opportunities; investing in our staff wellbeing offer and ensuring equality, diversity and inclusion underpins all that we do.
- embedding an equality, diversity and inclusion improvement programme with an initial focus on 3 work strands: anti-racism, disability confident and LGBT+ inclusivity; which work towards our continued aim to make Guy's and St Thomas' the very best it can be, both as an employer, and as a provider of high-quality patient care.
- progressing the roll out of the People Manager Programme and prioritising the delivery of modules in areas where our staff survey results indicate they are needed the most. We will ensure the programme supports us to deliver our commitment to be a truly anti-racism organisation and embed a culture of inclusive leadership across the Trust.
- strengthening our workplace adjustments process to improve the visibility of solutions available to our people through Access To Work and local reasonable adjustments solutions of our physical and digital work environments.
- ensuring action plans – for clinical group, Essentia and corporate functions – undergo continuous review, with updates shared during local performance review meetings.
- communicating our progress towards delivering our staff survey action plans during regular Trust-wide Team Briefings and local forums to show our staff that their feedback is valued and their voices are heard.
- reviewing our approach to encourage as many staff as possible to take part in the 2024 survey so that we can gather feedback from a broader range of staff, and linking in with our regional and system partners to learn from best practice.

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Employee costs (including executive directors)

	Permanently employed £000	Agency, bank and seconded staff £000	Year ended 31 March 2024 Total £000	Year ended 31 March 2023 Total £000
Salaries and wages	**1,164,119**	**105,596**	**1,269,715**	1,246,084
Social security costs	**141,307**	**7,107**	**148,414**	138,570
Apprenticeship levy	**6,092**	**421**	**6,513**	5,827
Pension cost: employer's contributions to NHS pensions	**138,874**	**3,255**	**142,129**	134,766
Pension cost: employer contributions paid by NHSE on provider's behalf (6.3%)	**60,867**	**1,448**	**62,315**	58,773
Termination benefits	**8,374**	**–**	**8,374**	526
Temporary staff – agency / contract staff	**–**	**31,633**	**31,633**	35,767
Total gross staff costs	**1,519,633**	**149,460**	**1,669,093**	1,620,313
Included in above:				
Costs capitalised as part of assets	**(33,873)**	**(1,298)**	**(35,171)**	(34,364)
Less income netted off in staff costs	**(9,858)**	**–**	**(9,858)**	(11,741)
Total staff costs	**1 1,475,902**	**148,162**	**1,624,064**	1,574,208
Analysed into operating expenditure				
Employee expenses – staff and executive directors	**1,466,962**	**148,162**	**1,615,124**	1,573,011
Redundancy	**8,374**	**–**	**8,374**	613
Internal audit costs*	**566**	**–**	**566**	584
	1,475,902	**148,162**	**1,624,064**	1,574,208

The above disclosure is audited by the Trust's external auditors, Grant Thornton UK LLP.
*Internal audit costs are total costs incurred by the Trust. Income received in relation to providing internal audit services for other trusts is recorded separately within other income and not netted off within staff costs.

Speak up guardian

We are dedicated to creating a culture where everyone feels able and confident to voice opinions, suggest improvements, share ideas and raise concerns. Our 'Quality matters' newsletter provides a regular focus on quality and safety messages, and our 'Safety signals' emails share good practice, including learning from serious incidents.

The Trust's 'Showing we care by speaking up' initiative encourages all staff to speak up about concerns they may have about patient safety, the way the Trust is run or anything that affects their working life. The initiative is led by the 'Lead freedom to speak up' guardian, who is now supported by two full-time deputy guardians and a network of around 300 Speaking up champions across the Trust.

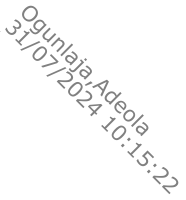
The guardians and champions work together with local inclusion agents and wellbeing champions to provide an integrated and inclusive staff support network.

The guardians play an active and visible role in raising awareness, developing staff and dealing with concerns, while ensuring that our governance processes for raising concerns are robust and effective. The Trust continues to achieve an above average score in the freedom to speak up metrics in the Model Hospital benchmarking.

The number and type of Speak up contacts, are shared on a quarterly basis with the National Guardian's Office and published on the Model Health System website.

Gender pay gap

Information about our gender pay gap is published annually and is available at gender-pay-gap.service.gov.uk as well as on the Trust's website.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Equality, diversity and inclusion

Staff group	Female	Male	Total
Employees	15,777	6,266	22,043
Executive directors	4	5	9
Senior managers	33	27	60
Total	**15,814**	**6,299**	**22,113**

Number of staff employed on 31 March 2024

We are proud to serve diverse communities locally and further afield. This diversity is reflected in the profile of our patients and workforce, and brings many benefits. We recognise that we have more to do to address inequalities across the Trust, and this is shown in our staff survey results and our performance against the Workforce Race Equality Standard and Workforce Disability Equality Standard.

As a result, we have refocused our equality, diversity and inclusion vision, and insured that building an inclusive culture is central to our Trust objectives and governance structures.

We are committed to supporting staff with long-term health conditions, disabilities or who are neurodivergent – including if this is acquired during their employment. The Trust promotes and supports the Department of Work and Pensions' 'Disability Confident scheme', which is designed to demonstrate how we recruit and retain people with disabilities, and how we ensure our processes, training and culture enable all staff to flourish.

The Trust supports a number of initiatives to ensure equal and inclusive access to learning and employment. These include:

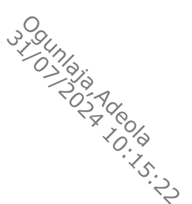
- interactive workshops and mandatory training on bias, micro-aggression and incivility, authentic allies and advancing cultural competence
- developing and empowering our vibrant LGBT+, multicultural, women's leadership, neurodiversity, disability, carers, spiritual care and armed forces staff networks
- increasing the numbers of inclusion agents to help raise awareness of best practice and offer peer to peer support on equality, diversity and inclusion issues
- ensuring equality objectives are in place for all senior managers

- reviewing and updating all people processes to eliminate bias and structural barriers
- an award-winning apprentice recruitment programme and a supported internship programme for individuals with autism or disabilities
- a fellowship programme to help improve ethnic diversity amongst our senior leaders
- a dedicated Armed Forces programme addressing health inequalities in veterans and supporting them and their families to find suitable jobs
- a successful reverse mentoring programme which enables staff to share their experience with senior colleagues to enhance cultural awareness and understanding;
- working closely with partners such as Southwark College, Caretrade and The Prince's Trust to create more employment opportunities and training for local people
- Providing Industry placements for T-Level (health) students
- Delivering the Aspire 350 pilot programme across 3 local schools, including a pupil referral unit to raise attainment in struggling students and promotion of the 350 possible careers in the NHS

The Trust follows good practice and takes all reasonable steps to prevent slavery and human trafficking as demonstrated in our Modern Slavery Act 2015 statement which is available on the Trust website.

Staff turnover

Staff turnover figures are published by NHS Digital using data drawn from the Electronic Staff Record data warehouse. The latest version can be found on the NHS Digital website.



Staff sickness absence

Staff sickness absence	2023/24	2022/23
Total days lost	208,887	232,799
Total staff years	22,230	21,556
Average working days lost (per WTE)*	**9**	**11**

*WTE = Whole Time Equivalent

The sickness absence figures are reported on a calendar basis, rather than for the financial year.

These statistics are published by NHS Digital, using data drawn for January 2023 to December 2023 from the ESR data warehouse.

The latest publication, covering the year to December 2023, can be found on the NHS Digital website.

Safe working environment

Our health and safety service continue to promote the value of a positive health and safety culture whilst maintaining health and safety compliance across the organisation.

Each of our clinical and delivery groups now has a health and safety manager who supports the management of risks at a local level. The team work together to share learnings and best practise, as well as to deliver an active training programme to increase our capability to manage the health, safety and welfare of our workforce.

In July we ran a successful 'summer safety day' at Guy's Hospital which included activities, discussions and demonstrations about a range of health, safety and wellbeing at work topics for our Essentia teams.

This year the Trust had 2 inspections from the Health and Safety Executive: a review of the management of our microbiological containment laboratories; and an inspection of the management of musculoskeletal risk and the risk of violence and aggression in our clinical environment. Both inspections engaged with our staff side representatives and resulted in no enforcement action.

Occupational health service

Our occupational health, safety and wellbeing service is one of the largest in the NHS, delivering services internally to Trust staff, and commercially to local and national companies and businesses. We were the first NHS organisation to achieve the Safe, Effective, Quality Occupational Health Service accreditation in 2011 and have maintained accreditation ever since.

The service comprises of a multidisciplinary team of doctors, specialist nurses, health and safety specialists, wellbeing advisors, psychologists, manual handling advisers, administrators and researchers. They deliver a wide remit of high-quality services to the Trust including:

- fitness for work assessment
- pre-commencement health assessment
- sickness absence management
- management advice line (telephone advice)
- vaccinations and immunisations
- management of body fluid exposures
- health surveillance
- infection prevention and control advice, including outbreak management and contact tracing
- workplace assessment
- travel advice and vaccinations
- policy and strategy development support

Our occupational health team also deliver a wide range of staff health and wellbeing initiatives through our Showing we care about you programme, which is funded by Guy's & St Thomas' Charity. This includes physiotherapy, psychology, tobacco dependence, dietetics, menopause clinics and an innovation fund for employees to lead local health and wellbeing initiatives.

The psychology service for staff has wellbeing psychologists in all clinical groups, and a centralised service for all other areas of the Trust. As well as delivering support and psychological therapies, the service works with the teams to deliver a range of preventative initiatives that respond to current organisational concerns. The team has specialist roles to support racial equity, which are also central to delivery of the Trust's anti-racism agenda.

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The occupational health research team strengthens research collaborations with other clinical academic researchers, and are jointly leading on a comprehensive programme of work and health research. Through the London Centre for Work and Health, a virtual research collaboration across a number of NHS and university partners, our occupational health research team host monthly lunch and learn webinar sessions for clinicians and researchers, providing mentoring support to junior and early career researchers.

Trade union facility time

The following information is published in accordance with The Trade Union (Facility Time Publication Requirements) Regulations 2017. The relevant period is 1 April 2023 until 31 March 2024.

Table 1: relevant union officials

Number of employees who were relevant union officials during the period	Full-time equivalent employee number
68	8.7

Table 2: percentage of time spent on facility time

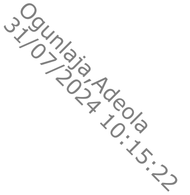
Percentage of employee time spent on facility time	Number of employees
0%	0
1%-50%	65
51%-99%	3
100%	0

Table 3: percentage of pay bill spent on facility time

Total cost of facility time	£507,113
Total pay bill	£1,659,235,000
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.031%

Table 4: paid trade union activities

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) x 100	14%



Countering fraud and corruption

The Trust is committed to ensuring the best use of NHS resources. All staff have access to our counter fraud policy and procedure through the Trust intranets and receive fraud awareness training through presentations and interactive 'fraud chats'.

3 counter fraud specialists work within the Trust's internal audit team to provide guidance and support to staff who raise concerns, and to conduct investigations.

Further details on our approach to fraud and corruption and the Trust Bribery Declaration can be found on our webpage under statutory and strategy publications.

Agency staff

The Trust has continued its focus on reducing the use of agency staff and remaining compliant with NHS Improvement's agency 'cap' which sets maximum pay levels for agency staff. We use robust procedures to monitor and report on agency spend and to reduce the number of breaches of the cap. Pan London agreements have helped to reduce agency costs, while maintaining high standards of care. By summer 2024 all temporary staffing across our sites will be managed through a centralised system which will enable further improvements in reporting and monitoring.

Agency usage, as a percentage of all temporary staffing usage, has seen another reduction and is now at its lowest rate for many years. However, there are still significant variances by staff group and we are continuing to work with our integrated care system, other London trusts and the Workforce Alliance to reduce these.

Expenditure on consultancy

Expenditure on consultancy in 2023/24 was £5,329,000 (£1,893,300 in 2022/23). This increase is a result of the consultancy support required to launch Epic, our new electronic health record system.

High paid off-payroll engagements

Table 1: Off-payroll worker engagements as of 31 March 2024, earning £245 per day or greater	
Number of existing engagements as of 31 March 2024	11
Of which, the number that have existed:	
for less than 1 year at the time of reporting	3
for between 1 and 2 years at the time of reporting	2
for between 2 and 3 years at the time of reporting	0
for between 3 and 4 years at the time of reporting	0
for 4 or more years at the time of reporting	6

Table 2: All 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	11
Of which:	
Not subject to off-payroll legislation*	0
Subject to off-payroll legislation and determined as in-scope of IR35 *	3
Subject to off-payroll legislation and determined as out-of-scope of IR35 *	8
Number of engagements reassessed for consistency/ assurance purposes during the year end	0
Of which: number of engagements that saw a change to IR35 status following the consistency review	0

* A worker that provides their services through their own limited company or another type of intermediary to the client will be subject to off-payroll legislation and the Trust must undertake an assessment to determine whether that worker is in-scope of Intermediaries legislation (IR35) or out-of-scope for tax purposes.

Table 3: 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 officers 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 on payroll and off-payroll engagements	22

Off-payroll engagements

The Trust has a policy that all substantive staff are paid through the payroll. No executive Board members were engaged on an off-payroll basis in 2023/24.

On 6 April 2017, public bodies became responsible for collecting tax from those contractors subject to HMRC's IR35 rules; all contractors are subject to a review to determine whether they are affected by the rules. The number of contractors engaged as at 31 March 2023 is shown in the tables above where daily rates exceed £245 per day and the engagement has lasted longer than six months.

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Staff exit packages

In 2023/24, a total of 62 exit packages were agreed in the year, 25 of which were compulsory redundancies, and 37 were other departures. The total cost of exit packages was £3,111,000.
Summary information for 2023/24 and comparative information for 2022/23 is provided in the table below.

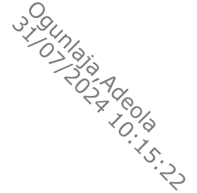
Exit package cost band	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band	
	2023/24	**2022/23**	**2023/24**	**2022/23**	**2023/24**	**2022/23**
<£10,000	4	2	1	2	5	4
£10,000 – £25,000	11	9	2	1	13	10
£25,001 – £50,000	6	3	12	-	18	3
£50,001 – £100,000	4	1	14	1	18	2
£100,001 – £150,000	-	-	7	-	7	-
£150,001 – £200,000	-	1	1	-	1	1
Total number of exit packages by type	**25**	**16**	**37**	**4**	**62**	**20**
Total resource cost £000	**638**	**502**	**2,473**	**111**	**3,111**	**613**

Exit packages: other (non-compulsory) departure payments

There were 37 elements of other departure packages agreed in 2023/24, totalling £2,473k.
Comparative information for 2022/23 is provided in the table below:

	2023/24 Payments agreed	Total value of agreements	2022/23 Payments agreed	Total value of agreements
	Number	**£000**	**Number**	**£000**
Voluntary redundancies including early retirement contractual costs	35	2,410	-	-
Exit payments following Employment Tribunals or court orders	2	63	3	110
Non-contractual payments requiring HMT approval	-	-	1	1
Total	**37**	**2,473**	**4**	**111**

The above disclosure is audited by the Trust's external auditors, Grant Thornton UK LLP.



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Anna Nguyet Thien On, dental nurse

7 Our organisational structure:
disclosures set out in the NHS Code of Governance

The Trust benefits from a strong Board of Directors, whose wide-ranging experience underpins our continued success. Our Council of Governors also play a vital and active role in our work.

Our group operating model is structured so that our clinical services are managed and delivered by 4 clinical groups:

- Cancer and Surgery
- Evelina London Women's and Children's
- Heart, Lung and Critical Care
- Integrated and Specialist Medicine.

These groups have responsibility for operational leadership and delivery of Trust strategy in their areas. Within each clinical group, clinical directorates remain at the heart of decision-making and ensure continued strong clinical leadership.

In addition, the Essentia delivery group is our internal team responsible for capital, estates and facilities management, ensuring our buildings and non-clinical support services meet the needs of patients. A range of corporate services also provide Trust-wide support.

The clinical groups and Essentia have their own executive teams that oversee performance in their areas, for which they are accountable to the Chief Executive through quarterly performance review meetings. They also have their own strategic advisory boards, made up of Trust executive and non-executive directors and, in some groups, non-executive advisors. Although these strategic advisory boards have no assurance function, they play an important role as a 'critical friend', providing advice and challenge to help the groups:

- operate within the Trust's strategic, operational and accountability frameworks
- set strategic objectives and operational priorities, ensuring these are aligned to the Trust's strategy
- understand the barriers to improved performance and the actions that can be taken to deliver such improvement; and
- manage risks and issues appropriately.

The Trust's corporate governance arrangements, as described in this section, provide a robust framework for oversight and scrutiny of the Trust's delivery of its strategy and strategic objectives. They provide assurance that any risks and issues with performance are identified early and addressed appropriately.

Council of Governors

The Council of Governors continues to play a vital role in the work of the Trust, representing the interests of our members and partner organisations and advising us on how best to meet the needs of patients and the communities we serve.

It has a number of statutory duties, including appointing the Chairman and non-executive directors, deciding on their remuneration and other terms and conditions, as well as approving the appointment of the Chief Executive. The Council of Governors holds the non-executive directors to account individually and collectively for the performance of the Board of Directors. The Council of Governors also receives the Trust's Annual Report and Accounts and the auditor's report.

In February 2024 governors were consulted on the Trust's emerging 2024/25 business plan, and provided a range of views and comments that were communicated to and taken into account by the Board. Governors have also contributed to the Trust's new organisational strategy which is being developed to ensure that both the annual plan and longer-term strategy continue to represent the interests of the Trust's members, the public and the Trust's key partners.

The Council of Governors holds regular meetings, and an annual away day, in which governors assess their performance in

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discharging their statutory responsibilities and discuss ways in which to improve their impact and effectiveness.

The Council of Governors runs a Strategy, Transformation and Partnerships Working Group which is the main vehicle for the Trust to discuss its future plans with governors. The Quality and Engagement Working Group is a forum where the Trust and governors discuss patient engagement, quality improvement and safety matters. A third working group, focused on membership development, enables governors to consider how they can engage as effectively as possible with Trust members to ensure they represent their views to the Trust Board.

The patient, public and staff members of the Council of Governors are elected from and by the membership to serve for 3 years. They may stand for election for 2 further terms of 3 years. Some of the organisations we work closely with nominate partnership governors, and a new partnership governor was appointed in 2023/24.

The Trust's constitution requires us to have 40 governors. Elections were held for a number of these seats in spring 2024.

Governors received expenses totalling £434.28 during 2023/24, compared to £3,750.23 in 2022/23. See page 57 for a full list of governors.

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Code of Governance

The Trust has applied the principles of the NHS Code of Governance on a 'comply or explain' basis. In the few cases where the Trust has diverged from the recommended practice set out in the Code of Governance, it has made appropriate disclosures in this Annual Report and has provided explanations as to how its practices are consistent with the principle to which the provision in the NHS Code of Governance relates. The Trust keeps its governance arrangements under regular review, including membership of Board committees and their terms of reference. The NHS Code of Governance is based on the principles of the UK Corporate Governance Code.

Nominations Committee

The Nominations Committee makes recommendations to the Council of Governors on the appointment and remuneration of the Chairman and non-executive directors, and considers the independent appraisal of the Chairman and non-executive directors.

The appointment, renewal or termination of a non-executive director's appointment is managed by the Council of Governors, advised by the Nominations Committee.

In 2023/24, the Council of Governors accepted the Nominations Committee's recommendations to:

- appoint Professor Deirdre Kelly CBE as a non-executive director of the Trust from 1 July 2023
- appoint Dame Pauline Philip DBE as a non- executive director of the Trust from 1 July 2023
- offer Simon Friend a second term of 4 years as a non-executive director of the Trust, to 31 July 2027.

Nilkunj Dodhia also joined the Trust as a non-executive director on 1 July 2023. The Council of Governors, supported by its Nominations Committee, approved this appointment in the previous financial year (2022/23).

Members of the Nominations Committee in 2023/24

Name	Role
David Al-Basha	Patient governor
Charles Alexander	Chairman
Elfy Chevretton	Staff governor
Ibrahim Dogus (from July 2023)	Partnership governor
Margaret McEvoy	Public governor
Warren Turner (to June 2023)	Partnership governor

The Trust managed the identification and appointment of non-executive directors internally during 2023/24 and no external firms were involved in this work.

The Nominations Committee also reviewed and evaluated the balance of skills, knowledge, experience and diversity of the Trust's current non-executive directors, as well as the end dates of those directors' terms, together with the Trust's priorities, strategic ambitions and the key challenges it is facing. This supports succession planning and ensures there is diversity amongst the cohort of non-executive directors on the Board. Biographies of the non-

Council of Governors meeting attendance

April 2023 – March 2024
Meeting dates: 19 April 2023, 26 July 2023,18 October 2023 and 31 January 2024

Patient governors	Elected	Actual / possible attendance
David Al-Basha	August 2022	3 / 4
Victoria Borwick	July 2021	4 / 4
Michael Bryan	July 2021	4 / 4
Nicola Clark	July 2022 (stepped down January 2024)	0 / 3
Peter Harrison	July 2022	4 / 4
Leah Mansfield	July 2021	4 / 4
Joanna McGillivray	July 2022	3 / 4
Trudy Nickels	July 2021	0 / 4
Placida Ojinnaka	July 2018 (re-elected July 2021)	4 / 4
John Powell (Lead Governor)	July 2019 (re-elected July 2022)	4 / 4
Mary Stirling	July 2018 (re-elected July 2021)	4 / 4

Public governors	Elected	Actual / possible attendance
Jordan Abdi	July 2021	2 / 4
Koku Adomza	July 2022	3 / 4
John Clark	July 2022	3 / 4
Marcia Da Costa	July 2018 (re-elected 2021)	3 / 4
Alan Hall	July 2022 (Stepped down August 2023)	2 / 2
Katherine Hamer	July 2022	3 / 4
Marianna Masters	July 2021	1 / 4
Margaret McEvoy	July 2018 (re-elected 2021)	4 / 4
Alison Mould	July 2022	4 / 4
Sonia Winifred	July 2021	0 / 4

Staff governors	Constituency	Elected	Actual / possible attendance
Serina Aboim	Community	July 2021	0 / 4
Mark Boothroyd	Clinical	July 2021	1 / 4
Elfy Chevretton	Clinical	July 2021	3 / 4
Sian Flynn	Non-clinical	July 2021	2 / 4
Roseline Nwaobe	Non-clinical	August 2022	3 / 4
Rishi Pabary	Clinical	July 2021	1 / 4
Raksa Tupprasoot	Clinical	July 2021	3 / 4
Claire Wills	Non-clinical	August 2022	4 / 4

To view the register of interests of our Council of Governors, please contact:

Trust Secretary
4th Floor, Gassiot House
St Thomas' Hospital
Westminster Bridge Road
London SE1 7EH

Partnership governors	Organisation	Appointed	Actual / possible attendance
Sarah Addenbrooke	Royal Borough of Kensington and Chelsea Council	February 2021	1 / 4
Ibrahim Dogus	Lambeth Council	July 2022	0 / 4
Emily Hickson	Southwark Council	July 2022	3 / 4
Mary O'Donovan	South London and Maudsley NHS Foundation Trust	September 2021	1 / 4
David Phoenix	London South Bank University	July 2023	1 / 3
Warren Turner	London South Bank University	September 2014 (until June 2023)	0 / 1
Jadwiga Wedzicha	Imperial College London	February 2021	1 / 4

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executive directors can be found on page 64 and 65, demonstrating the balance and relevance of their skills and expertise.

The Chairman evaluates, through appraisal, all non-executive directors and the Senior Independent Director undertakes an evaluation of the Chairman's performance. The Nominations Committee received updates about the results of the appraisals of the Trust Chairman and non-executive directors during the year.

Our membership

The Trust's membership is an essential and valuable asset. It helps guide our work, decision making and adherence to NHS values. It also provides one of the ways in which the Trust communicates with patients, the public and staff. There are three membership categories:

Patients – anyone aged over 18 years who has been a patient within the last 5 years. Patient carers are also offered patient membership.

Public – anyone aged over 18 who is living around Guy's and St Thomas' hospitals, Royal Brompton or Harefield hospitals, or the rest of England and Wales.

Staff – employees whose contract means they can work for the Trust for at least a year. University employees and registered volunteers not eligible for other categories can also join as staff members.

At 31 March 2024 the Trust had 38,196 members, of whom 7,253 were patient members, 8,424 were public members and 22,519 were staff members.

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Members receive regular mailings and are invited to our Annual Public Meeting, public meetings of the Board of Directors and Council of Governors, and events such as our popular and free-to-attend health seminars.

In September 2023 over 100 people attended our Annual Public Meeting where members, local people, patients, staff and other stakeholders heard about how we have performed during the year and had an opportunity to ask the Board questions.

Board of Directors

Our Board of Directors is made up of our Chairman, Charles Alexander, 10 other non-executive directors and 7 executive directors including the Chief Executive, Ian Abbs. Its role is to:

- set our overall strategic direction within the context of NHS priorities
- monitor our performance against objectives
- provide effective financial stewardship
- ensure that the Trust provides high quality, effective and patient-focused services
- ensure high standards of corporate governance and personal conduct; and
- promote effective dialogue between the Trust and the local communities we serve.

Membership of the Board is balanced, complete and appropriate. The Trust has noted the criteria in the NHS Code of Governance which may impair, or could appear to impair, a non-executive director's independence.

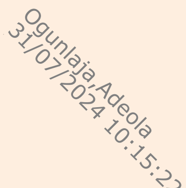
However, the Trust is confident that all of the non-executive directors are independent in character, as they have consistently demonstrated objective and robust scrutiny and constructive challenge in their interactions at the Board, and there are no relationships or circumstances which are likely to affect, or could appear to affect, their judgement.

The Council of Governors appoints the non-executive directors in accordance with the Trust's constitution, which allows them to serve 2 4-year terms, extendable in exceptional circumstances by a further 2 years.

This differs from the guidance in the NHS Code of Governance that non-executive directors should be appointed and subject to re-appointment at intervals of no more than 3 years. The Trust Board of Directors and Council of Governors have taken the view that the scale and complexity of the Trust means non-executive directors need an extended period of time to understand the organisation and its activities before they can be fully effective in their roles. However, the Trust's Constitution, including the clause that stipulates the terms of office, is kept under regular review.

The Trust maintains close oversight of the effectiveness of its corporate governance arrangements and during 2023/24 undertook a comprehensive review and refresh of its corporate governance arrangements. This led to a number of changes in its Board committee structure, which helped to clarify the scope and remit of the committees

Public Board meeting attendance April 2023 – March 2024		
Name	Title	Actual / possible
Ian Abbs	Chief Executive	3 / 4
Charles Alexander	Chairman and non-executive director	4 / 4
Avey Bhatia	Chief Nurse	3 / 4
Miranda Brawn	Non-executive director	4 / 4
Steven Davies	Chief Financial Officer	4 / 4
Nilkunj Dodhia	Non-executive director (from July 2023)	2 / 3
Jon Findlay	Chief Operating Officer (Joint Deputy Chief Executive until January 2024)	4 / 4
Simon Friend	Non-executive director	4 / 4
Felicity Harvey	Senior Independent Director and non-executive director	4 / 4
Deirdre Kelly	Non-executive director (from July 2023)	2 / 3
Javed Khan	Non-executive director (until March 2024)	0 / 4
Sally Morgan	Deputy Chair and non-executive director	3 / 4
John Pelly	Non-executive director (until June 2023)	1 / 1
Pauline Philip	Non-executive director (from July 2023)	3 / 3
Ian Playford	Non-executive director	3 / 4
Reza Razavi	Non-executive director	3 / 4
Julie Screaton	Chief People Officer	4 / 4
Sheila Shribman	Non-executive director (until June 2023)	1 / 1
Priya Singh	Deputy Chair and non-executive director (until October 2023)	2 / 3
Simon Steddon	Chief Medical Officer	4 / 4
Lawrence Tallon	Deputy Chief Executive	4 / 4
Steve Weiner	Non-executive director (until July 2023)	1 / 1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Committee	Membership prior to 31 August 2023	Membership from 1 September 2023
Audit and Risk	• John Pelly (Chair until June 2023) • Nilkunj Dodhia (Chair from July 2023) • Simon Friend • Priya Singh • Steve Weiner (until July 2023)	• Nilkunj Dodhia (Chair) • Miranda Brawn • Simon Friend • Deirdre Kelly • Priya Singh (until October 2023)
Finance, Commercial and Investment	• Simon Friend (Chair) • Ian Abbs • Charles Alexander • Avey Bhatia • Steven Davies • Nilkunj Dodhia (from July 2023) • Jon Findlay • John Pelly (until June 2023) • Ian Playford • Reza Razavi • Lawrence Tallon • Steve Weiner (until July 2023)	• Simon Friend (Chair) • Ian Abbs • Charles Alexander • Avey Bhatia • Steven Davies • Nilkunj Dodhia • Jon Findlay • Pauline Philip • Ian Playford • Lawrence Tallon
Heart, Lung and Critical Care Clinical Group Board	• Sally Morgan (Chair) • Avey Bhatia • Simon Friend • Felicity Harvey • Lawrence Tallon	N/a – This group was disestablished as a formal committee of the Trust Board in August 2023, although continues to meet in a strategic advisory capacity.
Quality and Performance	• Priya Singh (Chair) • All Board members	• Pauline Philip (Chair) • Ian Abbs • Avey Bhatia • Felicity Harvey • Reza Razavi • Lawrence Tallon • Charles Alexander • Jon Findlay • Deirdre Kelly • Simon Steddon
People, Culture and Education	N/a – Committee was established in September 2023.	• Miranda Brawn (Chair) • Ian Abbs • Avey Bhatia • Deirdre Kelly • Julie Screaton • Lawrence Tallon • Charles Alexander • Felicity Harvey • Reza Razavi • Simon Steddon
Senior Leadership Talent, Appointments and Remuneration	• Ian Playford (Chair from June 2023) • Charles Alexander (Chair until May 2023) • All non-executive directors	• Ian Playford (Chair) • Charles Alexander • Simon Friend • Miranda Brawn • Felicity Harvey
Strategy and Partnerships	• Charles Alexander (Chair) • All Board members	N/a – Committee was disbanded in August 2023.
Transformation and Major Programmes	• Ian Playford (Chair from August 2023) • Steve Weiner (Chair until July 2023) • All Board members	• Ian Playford (Chair) • Ian Abbs • Jon Findlay • Felicity Harvey • Simon Steddon • Charles Alexander • Simon Friend • Reza Razavi • Lawrence Tallon

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and to streamline membership. New terms of references were established for all the Board committees as a result, and the changes made were effective from 1 September 2023.

During 2023/24 the Board carried out its duties in public, in private sessions where appropriate, and through a range of committees as follows:

Audit and Risk – which supports an effective system of integrated governance, risk management and internal control across the Trust's activities, in support of the achievement of the Trust's objectives. Further information is set out below.

Finance, Commercial and Investment – which monitors the financial performance of the Trust, its longer-term financial planning and oversees the development and implementation of the Trust's financial and commercial strategies.

Quality and Performance – which monitors the overall quality and safety of services provided by the Trust and in-year operational performance and activity.

Senior Leadership Talent, Appointments and Remuneration – (called the Remuneration Committee until August 2023) – which is responsible for determining the remuneration and other conditions of service of executive directors and very senior managers, for identifying and appointing candidates to fill the executive director positions on the Trust Board and overseeing succession planning across the Trust's senior leadership. Further information is set out on page 62.

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People, Culture and Education (from September 2023) – which oversees delivery of the Trust's workforce and education strategies and the embedding of the Trust's culture and values.

Transformation and Major Programmes – which monitors the Trust's major transformation and development work over the medium term, including the delivery of our estates and digital ambitions.

Heart, Lung and Critical Care Clinical Group Strategic Advisory Board (until August 2023) – which had delegated responsibilities and decision-making rights for the strategic and operational running of the services within the Heart, Lung and Critical Care Clinical Group.

Strategy and Partnerships (until August 2023) – which considered the Trust's strategic, long-term plans and had oversight of the establishment of its major, strategic partnerships.

Membership of the Senior Leadership Talent, Appointments and Remuneration and Audit and Risk Committees is limited to non-executive directors.

Details of external directorships or other positions of authority held by the directors of the Trust can be found in Note 29 to the Annual Accounts.

Non-executive directors received expenses totalling £3,339.09 during 2023/24.

Partnership working

The Trust Board fully recognises the requirement for health and care organisations to work together in the best interests of patients and the public beyond their own organisational boundaries. A key feature of the work of the Board during 2023/24 has therefore been an increasing focus on partnership working in order to improve equity of access and clinical outcomes for patients and members of the public particularly across the South East London Integrated Care System.

The Board and its committees regularly receive system-level data and reports from partner organisations such as the South East London Acute Provider Collaborative. This helps the Board to assess the Trust's contribution to system performance and to take the interests of stakeholders into account during discussion and decision-making.

Audit and Risk Committee

The Audit and Risk Committee provides the Board of Directors with an independent review of financial and corporate governance and risk management. It provides assurance through independent external and internal audit, ensures standards are set and monitors compliance in the non-financial, non-clinical areas of the Trust.

The Trust has an in-house internal audit function which meets the requirements of the Public Sector Internal Audit Standards, providing independent and objective assurance to the organisation. The Audit and Risk Committee is authorised by the Board of Directors to investigate any activity within its terms of reference and to seek any information it requires from staff.

Last year, the Committee approved the internal and external audit work plans and received regular reports from both sets of auditors.

The Committee works closely with Grant Thornton UK, the Trust's external auditors, meeting with them outside formal Committee settings and keeping their work and findings under review. The significant issues relating to the financial statements raised by the external auditors that the Committee considered during the year are included in the notes to the financial statements. Grant Thornton attended each meeting of the Committee, providing opportunities for the Committee to assess their effectiveness. As a result, the Committee was supportive of the Council of Governors' decision to extend Grant Thornton's audit contract for a further 12 months to July 2025.

Auditor independence and objectivity are safeguarded by the minor and entirely immaterial value of non-audit work Grant Thornton provides to the Trust, which is set out in note 7.2 to the accounts.

At its meeting in June 2024 the Committee reviewed the draft Annual Report and Accounts and approved their submission to the auditors before being laid before Parliament.

During the year, the Committee also received updates about the Trust's Board Assurance Framework and received reports on a number of topics including information governance; cyber security; emergency preparedness, resilience and response and counter fraud activities.

Audit and Risk Committee membership and attendance April 2023 – March 2024

Name	Actual / possible
Nilkunj Dodhia [Chair from July 2023]	3 / 3
John Pelly [Chair until June 2023]	2 / 2
Miranda Brawn	3 / 3
Simon Friend	5 / 5
Deirdre Kelly [from January 2024]	1 / 1
Priya Singh [until October 2023]	2 / 3
Steve Weiner [until July 2023]	0 / 2

Senior Leadership Talent, Appointments and Remuneration Committee

The Senior Leadership Talent, Appointments and Remuneration Committee is responsible for determining the remuneration and other conditions of service of executive directors and very senior managers (VSMs), and for identifying and appointing candidates to fill the executive director positions on the Trust Board.

The Committee has a responsibility for succession planning and evaluating the balance of skills, knowledge and expertise of executive directors. Biographies of the executive directors can be found on page 67, demonstrating the balance and relevance of the skills and expertise of the executive Board members.

Working with the Council of Governors

The Board of Directors interacts regularly with the Council of Governors to ensure that it understands their views and those of our members.

Senior Leadership Talent, Appointments and Remuneration Committee membership and attendance 2023/24

Name	Actual / possible
Ian Playford [Chair from June 2023]	4 / 4
Charles Alexander [Chair until May 2023]	4 / 4
Miranda Brawn	4 / 4
Simon Friend	4 / 4
Felicity Harvey	4 / 4
Javed Khan [until August 2023]	0 / 2
Sally Morgan [until August 2023]	2 / 2
John Pelly [until June 2023]	1 / 2
Reza Razavi [until August 2023]	1 / 2
Sheila Shribman [until June 2023]	1 / 2
Priya Singh [until October 2023]	1 / 2
Steve Weiner [until July 2023]	2 / 2

Governors are invited to attend 4 public Board meetings a year. These are followed by a meeting of the Council of Governors which includes a session reflecting on the Board meeting.

Governor representatives also observe the Quality and Performance, Finance, Commercial and Investment, the People, Culture and Education and the Transformation and Major Programmes Board Committee meetings as well as the 5 clinical and delivery group strategic advisory boards. They then report back to their colleagues at the

appropriate forums, which may include one of the 3 Council of Governors' working groups or the quarterly 'triangulation' meetings that have been established to enable governors to triangulate everything they have seen and heard through their various interactions with the Trust and to prioritise topics and questions to raise with the Board.

There are many ways in which the Board develops an understanding of the views of governors, including through attendance at the quarterly Council of Governors meetings, the Annual Public Meeting, and informal interactions for example with governor observers before and after Board committee and clinical group strategic advisory board meetings. A small number of non-executive directors attend each 'triangulation' meeting which helps to build relationships between the 2 groups as well as provide further opportunity to hold non-executive directors to account for the Trust's performance.

Governors are invited to meet other members at the Annual Public Meeting. Should a disagreement arise between the Council of Governors and the Board of Directors, it would be referred to a panel consisting of the Chairman, the Chief Executive and two governors nominated by the Council of Governors.

The Chairman would not participate in the nomination of governors to this panel. The panel would use all reasonable endeavours to resolve any disagreement.

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Trust Executive Committee

The Trust Executive Committee is the primary executive decision-making forum of the Trust.

The membership of Trust Executive Committee brings together executive members of the Trust's Board of Directors, directors of the Trust's corporate functions, chief executives of the clinical groups and the Managing Director of Essentia. Its role is to:

- set Trust values and oversee the establishment of an organisational culture that aligns with these values and which promotes equality, diversity and inclusion for patients and staff
- prioritise and allocate resources across clinical groups and corporate functions
- oversee the development and management of the Trust's external partnerships, locally, regionally and nationally
- oversee the development and delivery of strategies, programmes, plans and policies that enable the Trust to achieve its strategic and operational objectives
- monitor and scrutinise quality of care, operational performance and financial performance, ensuring the Trust adheres to guidelines and meets all relevant standards
- support clinical groups to make operational decisions within their clinical services and, with a clear focus on agreed priorities, provide the Board of Directors with the assurance that the management of clinical and non-clinical services has been subject to scrutiny, and to ensure quality and safe services for patients.

The Trust Executive Committee has established a number of committees to enable it to discharge its functions more effectively. These committees are chaired by senior executive directors. The main committees of the Trust Executive Committee are set out below.

Strategic Finance Committee – oversees the Trust's financial performance and the development and implementation of the Trust's financial strategy.

Trust Operations Board – ensures our clinical services are safe, effective, caring, responsive and efficient by monitoring and scrutinising the performance of clinical services across the organisation, and makes decisions on the coordination of resources in response to opportunities, pressures and risks.

Trust Risk and Assurance Committee – oversees the management of risk and safety across the organisation, whilst ensuring that appropriate governance systems and processes are in place to monitor and deliver high quality, safe patient care.

Board of Directors – non-executive directors

Charles Alexander CBE
Chairman

Charles was appointed Chairman of Guy's and St Thomas' with effect from December 2022.

Charles has had a long and distinguished career working at board level across a number of different sectors, including very senior leadership roles at NM Rothschild and GE Capital Europe. He is Chairman of VIVID Housing, a leading housing association and housing development company in south England.

He is a strong supporter of the arts and has served as the lead non-executive director at the Department of Culture, Media and Sport. He spent 6 years volunteering with Trinity Hospice, providing support to patients and families at the end of life.

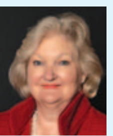
He was formerly Chair of both the Royal Marsden NHS Foundation Trust and the Royal Marsden Cancer Charity, roles he held between 2016 and 2022, and of King's College Hospital NHS Foundation Trust between December 2022 and January 2024.

Baroness Sally Morgan
Non-executive director and Deputy Chair

Sally joined the Board in February 2021 having previously been a Chair and non-executive director of Royal Brompton & Harefield NHS Foundation Trust. Sally was made a life peer in 2001.

She has served as Minister of State in the Cabinet Office, Political Secretary to the Prime Minister and Director of Government Relations at 10 Downing Street, Chair of OFSTED and board member of the Olympic Delivery Authority. Sally is Master of Fitzwilliam College, Cambridge, a post she has held since 2019.

Sally chairs the Heart, Lung and Critical Care Clinical Strategic Advisory Group Board and is a non-executive member of all other clinical group strategic advisory boards.



Dr Felicity Harvey CBE
Non-executive director and and Senior Independent Director

Felicity has considerable senior leadership and national and international strategic planning experience. She was Director General for Public and International Health until her retirement from the Civil Service in June 2016. Prior to that, Felicity was Director of the Prime Minister's Delivery Unit. After qualifying in medicine in 1980 at St Bartholomew's Medical College, London, she completed an International MBA.

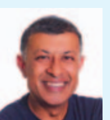
Since her retirement in 2016, Felicity has been both a member and Chair of the Independent Oversight and Advisory Committee for WHO Health Emergencies (IOAC). She is also a Visiting Professor at the Institute of Global Health, Imperial College, London was non-executive director of Mediclinic International plc, now adviser to Mediclinic Group Ltd. an international private healthcare services group, and non-executive director of Halcyon Topco Ltd (Sciensus Group). Felicity joined the Board in September 2016 and became Senior Independent Director in June 2023. She also chairs the Cancer and Surgery Clinical Group Strategic Advisory Board.

Professor Miranda Brawn
Non-executive director

Miranda is a business expert, board advisor, investor and philanthropist across many sectors, with a career that spans financial service, law, charity and health.

Before joining the Bar of England and Wales as a barrister and senior banking lawyer, she worked as an investment banker. She has served as an equality commissioner for Lambeth Council and is the Founder, President and Board Chair of The Miranda Brawn Diversity Leadership Foundation.

Miranda is an award-winning champion for diversity, inclusion and sustainability. She commenced 'The Brawn Review: Boardroom Sustainability, Inclusion and Corporate Governance' during her time at the University of Oxford as a Senior Visiting Fellow. Miranda chairs the Trust's People, Culture and Education Board Committee.



Nilkunj Dodhia
Non-executive director
(From July 2023)

Nilkunj previously served as a non-executive director at Chelsea and Westminster Hospital NHS Foundation Trust, a position he held since November 2015.

Previously, Nilkunj was regional director of McKinsey & Company's health strategy and systems practice. He also served as a non-executive director at Epsom and St. Helier University Hospitals NHS Trust and chaired the South West London Elective Orthopaedic Centre (SWLEOC).

Currently, Nilkunj is an executive at Oracle, where he channels his passion for health technology, digitally enabled transformation, and the utilisation of data to enhance patient care and support caregivers. He holds an MBA from INSEAD and is a fellow of the Institute of Chartered Accountants in England and Wales.

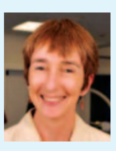
Nilkunj chairs the Trust's Audit and Risk Committee.

Simon Friend

Non-executive director

Simon is a chartered accountant and was a partner at PricewaterhouseCoopers LLP (PwC), where his career spanned more than 35 years. He has a depth of expertise in finance and audit, as well as a thorough understanding of governance across a range of sectors, technical rigor and board experience at the highest level. Simon is also a member of Council at the Royal Academy of Arts, non- executive director of Bevan Brittan LLP a national law firm, and a non-executive director of Otsuka Pharmaceutical Europe Limited. He is also a non-executive director of King's College Hospital NHS Foundation Trust.

Simon joined the Guy's and St Thomas' Board in February 2021, having previously been a non- executive director of Royal Brompton & Harefield NHS Foundation Trust. He chairs the Finance, Commercial and Investment Board Committee.



Professor Deirdre Kelly CBE

Non-executive director

(From July 2023)

Deirdre has non-executive experience on the boards of a number of healthcare bodies including the Care Quality Commission, the General Medical Council, NHS Blood and Transplant, the Health Research Authority and the Royal Wolverhampton NHS Trust.

She is also a professor of paediatric hepatology at the University of Birmingham and Consultant Paediatric Hepatologist at Birmingham Women's and Children's Hospital NHS Foundation Trust. She set up the Paediatric Liver Unit at Birmingham Women's and Children's Hospital which provides a national and international service for children.

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She is currently the National Clinical Lead for the Paediatric Hepatitis C Operational Delivery Network.

Deirdre also chairs the Evelina London – Women's and Children's Clinical Group Strategic Advisory Board.

Pauline Philip DBE

Non-executive director

(From July 2023)

Pauline has experience working in Board-level roles across the NHS, including as Chief Executive at Luton and Dunstable NHS Foundation Trust. From 2002 to 2010, she was the Executive Director responsible for Patient Safety at the World Health Organisation.

Since 2016, she has been NHS England's National Director for Emergency and Elective Care working closely with Government, the service, and a wide range of stakeholders.

Pauline also has non-executive experience - she is presently Chair of Beaumont Hospital in Dublin and Chair of Lifebox, a global non-profit organisation that she co-founded with the aim of making surgery and anaesthesia safer worldwide.

Pauline chairs the Trust's Quality and Performance Board Committee and the Integrated and Specialist Medicine Clinical Group Strategic Advisory Board.

Ian Playford

Non-executive director

Prior to joining the Board in May 2022, Ian had been a non-executive director at Royal Brompton & Harefield NHS Foundation Trust.

He has over 30 years' experience as a senior executive across the public and private sector. His previous roles include interim chief executive at the Government Property Agency, where he managed the Government's warehouse and science estate.

He was also a group property director of Kingfisher PLC and has been a member of the board of HM Courts and Tribunals Service and the Queen Victoria Hospital NHS Foundation Trust in East Grinstead.

Ian chairs the Trust's Transformation and Major Programmes, and Senior Leadership Talent, Appointments and Remuneration committees, as well as the Essentia Group Strategic Advisory Board.

Professor Reza Razavi

Non-executive director

Reza is Vice President and Vice-Principal of Research at King's College London (KCL), and served as Director of the Medical Engineering Centre of Research Excellence at KCL, funded by the Wellcome Trust and the Engineering and Physical Sciences Research Council, one of four such centres in the UK.

Reza is also a children's cardiologist at Evelina London Children's Hospital. He helped to establish the Trust's cardiovascular MRI service and developed the world's first cardiovascular MRI cardiac catheterisation programme. He also serves as Director of the London Medical Imaging and AI Centre for Value Based Healthcare funded by Innovate UK and Office for Life Sciences. Reza joined the Board in May 2016.

Board of Directors – non-executive directors

Dr Javed Khan OBE

Non-executive director
(Until March 2024)

Javed was previously Chief Executive of the charity Barnardo's and chair of the Chair of Buckinghamshire, Oxfordshire and Berkshire West Integrated Care Board. He regularly advises government ministers and recently led an independent review into government policy for a smoke-free England.

Javed has also been a member of the advisory board for the Children's Commissioner for England and served as a member of the Government's Grenfell Recovery Taskforce. He joined the Trust Board in February 2021 having previously been a non-executive director at Royal Brompton & Harefield NHS Foundation Trust.

Dr Priya Singh

Non-executive director and Deputy Chair (Until October 2023)

Priya was formerly an executive director at the largest international professional indemnity organisation and has a background in primary care and legal medicine.

She is Chair of the National Council for Voluntary Organisations (NCVO) and Chair of Frimley Integrated Care Board.

Priya joined the Board in November 2015, was appointed Deputy Chair in 2021. She brought substantial strategic, risk and safety experience to her role on the Board and chaired the Quality and Performance Committee.

John Pelly OBE

Non-executive director
(Until June 2023)

John qualified as an accountant in 1978 and spent the early part of his career in the commercial sector. He joined the NHS in 1990 as Finance Director of West Lambeth Health Authority, becoming Finance Director of Guy's and St Thomas' NHS Trust on the merger of the two hospitals in 1993.

John was subsequently Chief Operating Officer of the Trust until he took up the position of Chief Executive of Queen Elizabeth Hospital NHS Trust in south London. In 2008 he was appointed Chief Executive of Moorfields Eye Hospital NHS Foundation Trust, a position he held until his retirement from the NHS in November 2015. John joined the Board in January 2017 and chaired the Audit and Risk Committee.

Dr Sheila Shribman CBE

Non-executive director and Senior Independent Director (until June 2023)

Sheila was the Department of Health's National Clinical Director for Children, Young People and Maternity for 7 years until March 2013.

She was a consultant paediatrician for more than 25 years and was Medical Director of Northampton General Hospital for 11 years where she led the successful integration of children's hospital, community and mental health services, working closely with the local authority. She joined the Board in June 2013 and was chair of Evelina London Women's and Children's Clinical Group Board.

Steve Weiner

Non-executive director (until July 2023)

Steve lives locally in Southwark. He has spent most of his career in finance with international consumer goods group, Unilever. He retired from his role as Global Controller and part of Unilever's finance leadership team in 2018.

He has extensive experience in making operational and commercial decisions involving large budgets and complex financial constraints, and in leading and developing multi-cultural teams. Steve joined the Board in July 2014 and chaired the Transformation and Major Programmes Board Committee.

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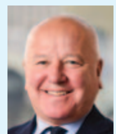
Board of Directors – executive directors



Professor Ian Abbs
Chief Executive

Ian became Chief Executive in August 2019. He was appointed Medical Director in January 2011 and Chief Medical Officer in January 2017. He joined the Trust as a consultant renal physician and honorary senior lecturer at King's College London in 1994 and has had a distinguished clinical and academic career, which has included a broad range of senior management positions.

In addition to his clinical work, Ian has played a key role in the development of the Trust's life science partnerships, and has been responsible for many aspects of the Trust's digital transformation and innovation agenda.

Avey Bhatia
Chief Nurse

Avey returned to the Trust as Chief Nurse in November 2020, having trained as a Critical Care nurse at St Thomas' in the early part of her career. Avey qualified in 1991 and her clinical experience includes theatres, general intensive care, coronary care and cardiothoracic nursing.

She became Chief Nurse and Director of Infection Prevention and Control at St George's University Hospitals NHS Foundation Trust in February 2017. Avey holds a postgraduate diploma in health services management and a Masters in Public Administration.

She is also Interim President of the Florence Nightingale Foundation and Honorary Vice President of The Nightingale Fellowship. She is the Trust's Director of Patient Experience, the executive lead for adults' and children's safeguarding and the executive lead for infection, prevention and control.

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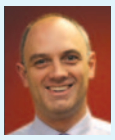
Steven Davies
Chief Financial Officer

Steven was appointed as Chief Financial Officer in January 2022. He joined Guy's and St Thomas' in 2018 as Finance Director, leading the finance department, financial management for the Trust and delivering a number of key strategic developments. He has extensive experience of NHS revenue and capital, major projects, change management, contracts, partnerships and commercial activities.

He has worked in the NHS for over 20 years, initially joining the service on the national finance graduate scheme. Steven has worked for a number of NHS organisations in and around London, including Moorfields Eye Hospital NHS Foundation Trust where he was Chief Financial Officer and Deputy Chief Executive.



Jon Findlay
Chief Operating Officer

Jon was appointed as Chief Operating Officer in January 2017. Previously Jon was Chief Operating Officer and Deputy Chief Executive at Southend University Hospital NHS Foundation Trust, an executive director role he held since January 2014.

Before working at Southend, Jon was Director of Operations at Guy's and St Thomas' where he was responsible for operational performance and the strategic development of clinical services. He has many years' experience in director-level roles that span clinical operations, service modernisation, performance improvement, human resources and workforce planning.

Jon also fulfilled the role of joint Deputy Chief Executive between April 2023 and January 2024.

Julie Screaton
Chief People Officer

Julie was appointed as Director of Workforce and Organisational Development in June 2017 and became Chief People Officer in 2018. Julie has wide ranging experience of leading workforce and organisational development teams in the NHS, having worked at regional and trust level.

In her previous position, as Regional Director, London and the South East for Health Education England, Julie was responsible for £1.4 billion of investment in education, training and workforce development across London, Kent, Surrey and Sussex.

Dr Simon Steddon
Chief Medical Officer

Simon joined the Trust as a consultant renal physician in 2005 and became a Clinical Director in 2008 before serving as the Trust's Chief Operating Officer from 2014 to 2016. He was appointed as the Trust's Medical Director in 2016, and then Executive Medical Director in 2019. Simon took up his role as Chief Medical Officer in September 2022. He has a PhD from Queen Mary University of London and an MBA from Westminster Business School.

Lawrence Tallon
Deputy Chief Executive

Lawrence was appointed as Deputy Chief Executive in March 2020. Prior to joining Guy's and St Thomas' he was Director of Strategy, Planning and Performance at University Hospitals Birmingham NHS Foundation Trust. Lawrence has held a wide range of healthcare leadership roles, both in the UK and abroad. He also worked at the Department of Health in the offices of both the Secretary of State and the NHS Chief Executive, and was previously Managing Director of the Shelford Group.

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Liz O'Sullivan, Head of arts

8 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.

Based on information from these themes, providers are segmented from 1 to 4, where '4' reflects providers receiving the most support, and '1' reflects providers with maximum autonomy. A foundation trust will only be in segments 3 or 4 where it has been found to be in breach or suspected breach of its licence.

Segmentation

At 31 March 2024 Guy's and St Thomas' NHS Foundation Trust remained in segment 2 of the NHS Oversight Framework.

In January 2024 the Trust was placed into regulatory 'tiering' by NHS England for its performance against the national standard that 85% of patients will receive their first treatment for cancer within 62 days.

Whilst this is not formal enforcement action connected to the Trust's licence to provide healthcare services, it provides an opportunity for the Trust to access bespoke support from NHS England to help it to meet this standard quickly and sustainably.

Significant progress has been made since then to address the backlog of patients waiting over 62 days for cancer treatment and to recover our performance. This work is both internally focused, and with our partners across south east London to improve shared treatment pathways.

Current segmentation information for NHS trusts and foundation trusts is published on the NHS England website:

www.england.nhs.uk/publication/nhs-system-oversight-framework-segmentation/

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Jigar Modi, deputy clinical engineering manager

9 Statement of the Accounting Officer's responsibilities

Statement of the Chief Executive's responsibilities as the Accounting Officer of Guy's and St Thomas' 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 Guy's and St Thomas' 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 Guy's and St Thomas' 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 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*.

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Professor Ian Abbs
Chief Executive Officer and Accounting Officer
24 June 2024

Appendix 1: Annual governance statement 2023/24

Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the 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 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*.

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 Guy's and St Thomas' 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 Guy's and St Thomas' 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

Leadership of the risk management process

As Chief Executive, I am responsible for overseeing risk management across all organisational, financial and clinical activities across acute and community services. All executive directors report to me and their performance is held to account through both individual and team objectives that also reflect the strategic objectives of the Board.

The governance arrangements underpinning the Guy's and St Thomas' clinical group operating model are kept under regular review. Executive committees have been established to create clear accountabilities and leadership for managing risk, with alignment to Board committee structures. The Board continues to receive minutes and assurances from each of its committees to demonstrate the Trust's capacity to handle risk. The Trust Board Assurance Framework aligns with national guidance and reflects assurance on the high-level strategic risks that are deemed the most significant through the year.

The Trust risk management policy, which I own as Chief Executive, sets out the accountability and reporting arrangements for risk management and the processes that maintain robust internal control. The policy aims to promote a positive culture towards the management of risk and provides clear, systematic approaches to ensure risk assessment is integral to all clinical, managerial and financial processes. As outlined in our risk management policy, the Chief Medical Officer carries responsibility for ensuring this policy is implemented correctly and is sufficiently effective. The Chief Medical Officer, in conjunction with the Chief Nurse, also holds responsibility for clinical governance and the appropriate monitoring of clinical standards, including morbidity and mortality. These functions are overseen by our executive sub-committee, the Trust Risk and Assurance Committee.

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The Chief Financial Officer oversees the adoption and operation of the Trust standing financial instructions and is the lead for counter fraud. All executive directors, clinical groups and directorate management teams have a role in ensuring a strong risk management approach is operationally embedded in all aspects of the Trust's activities, both clinical and non-clinical, and that risk management is a core component of job descriptions of the Trust's senior managers. Our Audit and Risk Committee enables non- executive directors to provide objective oversight of our risk management function and leadership.

Equipping staff to manage risk

Managers at all levels of the organisation have a responsibility to identify and manage their local risks and to promote an environment where proactive risk reporting identifies perceived or real threats to patient safety. Each clinical group maintains a group risk register and oversees the management of risk within their respective directorates. Significant risks are escalated through our corporate governance committee structure for inclusion in the corporate risk register, which is reviewed by the Trust Risk and Assurance Committee monthly for escalation to the Trust Executive Committee.

Trust policies and procedures are authorised statements setting out how the Trust manages particular risks and staff receive training commensurate with their role as part of policy implementation. Trust policies represent the voice of the Trust and set standards for all services. Local procedures and protocols exist for site-specific or group-specific processes that align to Trust policy.

The Trust learns from good practice through a range of mechanisms including clinical supervision, peer review, effective performance management, continuing professional development, clinical audit, the application of evidence-based practice and reflective practice. Executive performance review meetings are in place to hold clinical groups to account and assurance on the management risk within their directorates and services. These mechanisms are in place and embedded across our clinical and delivery groups.

Learning from investigations, particularly around patient safety is now manged through our Patient Safety Incident Response Framework (PSIRF) which replaced root cause analyses in 2023. A patient or staff safety story linked to relevant agenda items is shared at each Quality and Performance Board Committee meeting. A 'Quality Matters' newsletter is published monthly for all staff and includes key messages and examples of learning. Our Learning from Improvement Group meets monthly with clinical group attendance to share and discuss learning from adverse events and dissemination across the Trust. This committee reports into our Patient Safety Committee, a sub-committee of the Trust Risk and Assurance Committee for corporate and clinical assurance into the Trust Executive. The Trust Risk and Assurance Committee also receives assurance from our patient experience, learning from deaths, health and safety, and patient safety committees for holistic oversight of learning and improvement.

Our internal audit department undertook their annual review of our risk management and board assurance frameworks in 2023. They found the Trust's capacity and ability to handle risk was maintained at substantial assurance and made no significant recommendations. The Trust continues to annually audit its risk management framework policy effectiveness, which comes to the Audit and Risk Committee for noting. Internal audit maintains a robust annual audit plan and audit activity to provide objective, internal assurance to the Board on all manner of risk control such as Trust operations, performance and financial management.

Board and Board committee agendas continue to be structured around a comprehensive forward plan of reports that are closely linked to the Trust's statutory and regulatory responsibilities. This helps ensure the Board and its committees are sighted on the Trust's compliance with these responsibilities and can take timely action where risks to compliance arise.

The risk and control framework

Risk management is guided by the risk management policy, but requires commitment, collaboration and participation from all members of staff. The process starts with systematic identification of risks which are then evaluated, graded and either managed locally (with risk control measures identified and implemented to mitigate the potential for

harm), or escalated for possible inclusion in the directorate's, clinical group's or corporate (executive) risk register. The Trust utilises a risk register to oversee and manage operational risk across the Trust. This allows the central Quality and Assurance team to fulfil the role of Chief Risk Officer to monitor change in risk scores, as well as challenge non-moving risk within the system. Thematic reviews of risk types (for example clinical or patient safety) are undertaken periodically and reported to risk oversight committees for assurance on control (for example, high level clinical risks reported to the Trust's patient safety committee). The Learning for Improvement Group, chaired by the Director of Quality and Assurance and the Deputy Chief Medical Officer for Safety and Clinical Effectiveness meets monthly with multiple internal and external stakeholders to ensure detailed scrutiny of, and learning from, incidents as well as the early identification of emerging themes and associated organisational risks.

A risk management matrix with clear risk descriptors and tolerance levels is used to support a consistent approach to assessing and responding to clinical and non-clinical risks within the boundaries of the Trust's risk evaluation framework. The Trust seeks to reduce risks as far as possible; however, it is recognised that delivering healthcare carries inherent risks that can never be completely eradicated. The Board and its committees are aligned to assure that there is independent and strategic focus on both risk and assurance.

During 2023/24, the Trust implemented a new electronic health record, Epic, which meant the Trust would experience a relatively high state of risk in the short term in order to achieve a major strategic objective in launching the new system. The Trust Board renewed its risk appetite statement and tolerance levels for the year in order to achieve longer term benefits for patients, staff and our partners through the use of Epic. Our arrangements provide the necessary support to deliver our operational priorities, improvement plans and strategic ambitions as outlined in our risk appetite statement. The Trust Executive Committee continues to reinforce the importance of clinical leadership and oversee a number of supporting sub-committees, all with corporate governance assurance lines to the Board. Our clinical groups continue to strengthen their internal governance arrangements within the Trust's corporate governance framework.

The Board Assurance Framework sets out the Trust's principal risks to achieving our strategic objectives and the key controls and assurances available to the Board of Directors on the management of these significant areas of risk. The Board Assurance Framework incorporates five tiers of assurance encompassing day-to-day operational controls, how we obtain performance oversight of these controls, our sources of internal objective assurance, and external independent assurance. It highlights the following areas where, at 31 March 2024, the Board had limited assurance despite significant management attention:

- delivering levels of activity in line with the Trust's plan
- the ability to deliver safe, high quality care to patients across all sites and services
- the ability to invest in infrastructure to mitigate risks to clinical services
- the ability to fully realise the opportunities to transform ways of working using Epic and the benefits set out in the business case

Key controls, assurances and actions on these risks include:

- our performance management framework, including performance dashboards and monthly Integrated Performance Report
- analysis of patient experience, ward-level performance, incidents and complaints, monthly financial reporting and quality improvement activity
- assurances provided through the work of the Trust Risk and Assurance Committee and executive sub-committees across quality performance and risk
- learning from deaths, emergency preparedness and data security
- risk assessments and analysis of risk registers and the Board Assurance Framework
- oversight from the Quality and Performance Board Committee, the Transformation and Major Programmes Board Committee and the Audit and Risk Committee, and reports from these committees to the Board
- clinical audit, including national audits, audits arising from national guidance (for example from NICE), confidential enquiries and local audits related to risk or patient safety
- assurances through internal audit, the Care Quality Commission (CQC), NHS England and NHS Resolution
- external regulatory and assessment body inspections and reviews including Royal Colleges, Postgraduate Deanery, Information Commissioner's Office and Health and Safety Executive (HSE) reports
- self-assessment against the compliance framework and CQC registration requirements
- quality assurance visits, including those led by executive directors, non-executive directors and governors
- freedom to speak up guardian and guardian of safe working hours (for doctors in training)
- steps taken to strengthen the Apollo programme governance at both executive and Board level, including the establishment of a Joint Oversight Committee in collaboration with King's College Hospital NHS Foundation Trust
- recruitment of Epic specialists into the Apollo programme team who have experience of deploying Epic in other NHS trusts.

Each year the Board completes a formal risk review to identify risks which might threaten the achievement of the Trust's strategy and assigns them to a lead executive director, as well as to the appropriate Executive and Board committees for management. This review was last undertaken in December 2023 by the whole Board in a bespoke risk session, which conformed the Trust's strategic risks on the Board Assurance Framework. These are outlined as the major in-year risks for 2023/24 later in this statement.

The Trusts risk management and Board assurance frameworks are under review by our Internal Audit teams. The internal audit will conclude in May 2024; however, an internal annual risk management audit was completed in 2023 by the corporate risk and assurance team, which demonstrated strong compliance with the risk management policy across all clinical and delivery groups. A new risk management system was implemented in May 2024 to further strengthen the systems for risk control and assurance across the Trust.

Quality governance arrangements

Our quality governance framework is built upon the principles described within the eight domains of NHS England's well-led framework and the five quality domains outlined by the Care Quality Commission. The Board actively engages in quality of care with patients, the public, staff and other relevant stakeholders through a number of different mechanisms and forums.

Quality targets and measures are reviewed at clinical group level through performance meetings with Trust Executive Directors and the Clinical Group Executive Team. Summary data is provided in monthly performance reports for the Board and through Board sub-committees such as the Quality and Performance Committee. The monthly Board report includes up-to-date information on key quality indicators including patient safety, patient experience and clinical effectiveness.

The Trust's Scheme of Delegation details matters reserved for the Board and the responsibilities and accountabilities of its committees. Such matters include the approval of the Trust's strategy, approval of the Trust's annual operating and capital expenditure budgets, approval of changes in corporate structure, and the oversight of operations. All powers of the Trust which have not been retained as reserved by the Board of Directors shall be exercised on behalf of the Board by the Chief Executive, supported by other executive directors. The Scheme of Delegation also sets out the statutory responsibilities of the Council of Governors as required by the NHS Act 2006.

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There are four clinical groups and one delivery group:

- Cancer and Surgery Clinical Group
- Evelina London – Women's and Children's Clinical Group
- Heart Lung and Critical Care Clinical Group
- Integrated and Specialist Medicine Clinical Group
- Essentia Group

Each clinical group contains a number of clinical directorates reporting to them for assurance on quality, performance, workforce and finance. These have their specific leadership teams to ensure delivery. The corporate functions supporting and providing oversight and assurance for clinical group delivery are specific directorates with clear executive leads such as finance, workforce, digital technology and information and quality and assurance as examples.

Quality committees are in place to monitor and review all elements of quality from complaints, incidents, risks, mortality as examples with clinical group representation to ensure full oversight.

Assessing the quality of performance information

To deliver on our commitment to uphold the highest standards of governance the Trust makes use of its integrated performance framework to monitor key performance indicators at Directorate, Clinical Group and at a Trust level whilst employing peer benchmarking to support the production and management of robust performance information and in turn to offer effective insight and strategic direction within the Trust. The integrated performance information used is created and analysed by subject matter experts and is provided for Board and public scrutiny, alongside its integration and use at an operational level, offering alignment and improved robustness of data quality. A risk-based assessment of the data associated with key indicators helps coordinate our comprehensive internal audit programme aiming to offer the Board assurance with regards to delivering and maintaining good data quality in the Trust. Post go-live Epic governance currently offers increased scrutiny with regards to the quality of our performance information with a coordinated and collaborative data quality programme in place during Epic stabilisation.

Following the go-live of Epic in October 2023 there was a delay to the Trust's ability to generate and submit all external data and reports in line with statutory and regulatory requirements. This is not uncommon when trusts implement new electronic health record systems, and steps were taken to address this issue in a timely manner

Assurance on compliance with the Health and Social Care Act 2008

The Trust is fully compliant with the registration requirements of the CQC. The Trust maintains an up to date statement of purpose, reviewed and submitted regularly to the CQC; our latest CQC ratings are published online and link to our CQC licence RJ1 on the CQC's website. A range of mechanisms are in place to provide assurance of compliance with the Health and Social Care Act 2008 (Regulated Activities) and Regulations 2010, as set out in the CQC's guidance for providers. These include a well-established programme of multidisciplinary quality visits to services, peer-to-peer reviews and quality rounds. Assurance on compliance with CQC regulations forms part of our existing quality assurance frameworks business as usual. Surveillance and assurance methods include mock well-led inspections, quality assessment frameworks, clinical audit, data analysis and policy effectiveness audits. Table-top review of information is also triangulated from the integrated performance reports, executive performance review meetings, risk management data, staff experience and feedback, patient experience, complaints, and soft intelligence. The Trust's new ward accreditation scheme is in place to further develop quality assessment, assurance and oversight.

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The CQC last carried out an inspection of the Trust in September 2022, on the maternity services at St Thomas' Hospital. The service was rated 'good' overall with positive findings and further improvement required under the safe domain. The Trust has not had a full well-led inspection and Trust-wide services inspection since 2019, which resulted in a 'good' overall rating with 'outstanding' for well-led. The Trust undertook an external mock well-led inspection in 2022 to aid the Trust's readiness for CQC and the changing regulatory model. Improvement actions have been taken forward to further enhance the Trust's governance arrangements so we can continue to maintain our 'outstanding' rating for well-led.

Managing risks to data security

Cyber risk is formally included on the Trust corporate risk register with an action plan in place to ensure that appropriate cyber risk mitigations are deployed. All staff receive data security training as part of their corporate induction upon joining the Trust, with annual information governance and information security training mandated for all staff. Training requirements are supported by comprehensive policies and guidance to ensure access to relevant and up-to-date information. An information asset owner, with responsibility for managing information risks, is named for each key information asset and is supported by specialist information security and information governance staff. Registers of information assets, flows and uses are maintained, reviewed and updated in year.

On 3 June 2024, a criminal cyber-attack was perpetrated against Synnovis, the provider of the Trust's pathology services. This remained an extremely serious incident affecting the Trust and a number of partner organisations in south east London at the time of finalising the Annual Report and Accounts. Given the ongoing nature of the response, as well as the potential for unknown factors, the full impact remained unknown at this stage.

The Trust's annual Data Security and Protection Toolkit submission to NHS England on 30 June 2023 achieved an assessment of 'Approaching Standards', reflecting the need to (a) complete the upgrade the Trust's Windows 10 IT environment; (b) decommission, replace or upgrade the unsupported server estate. Whilst these requirements are progressing, with monthly updates to NHS England, some shortfall remains at the time of writing, and therefore the current status for the Trust remains at 'Approaching Standards'.

Managing risks from legacy IT systems

The Trust has a sizable technology debt in terms of the continued use of legacy IT systems. The Trust's new electronic health record system (Epic) which was launched in October 2023 will partially address this risk. A significant financial investment has also been put in place to deliver a programme of work to fully replace or upgrade key Trust systems and infrastructure, including upgrades to the Trust's internal network and telephony systems, and deployment of an 'evergreen' Windows 10 capability. A revised data centre strategy has been initiated following the outage in July 2022.

Information incidents

All information incidents and near misses are investigated and used as opportunities to improve processes and reduce risks. This is reinforced by information governance and information security awareness training that focuses on the need for safe processing and protection of personal and sensitive data.

In 2023/24, two information incidents within the Trust met the threshold for notification to the Information Commissioner's Office (ICO). Of these:

- one incident related to the malicious destruction of records
- one incident related to the breach of confidentiality of a patient

Both incidents remain open at the time of writing. The ICO has requested further information regarding the destruction of records incident, and this has been provided – the Trust awaits the ICO feedback / decision. The Trust is also awaiting the first contact letter from the ICO regarding the data breach.

Major in-year risks 2023/24 and in 2024/25

Major in-year risks 2023/24

The key risks to delivery of the Trust's strategic objectives are recorded in detail in the Board Assurance Framework and monitored at least quarterly by the Board or its committees acting on its behalf. In 2023/24 the key risks with potential impact on achieving our strategic objectives were:

- The Trust's activity and productivity levels may not be sufficient to recover in line with our strategic plans, which may impact our ability to provide safe and responsive care to patients and meet national strategic demands.
- The Trust may fail to deliver safe, high quality care to patients across all sites and services.
- The Trust's aging estate infrastructure may not receive the necessary investment to mitigate risks to clinical services and to respond to the increasing extreme climate change risks.
- The Trust may fail to hire and retain staff and senior leaders with the right skills and behaviours which may undermine the Trust's ability to deliver services in line with agreed quality standards and strategic priorities.
- The Trust may be unable to ensure the resilience of its workforce by failing to maintain staff health and wellbeing, which could undermine the Trust's ability to deliver services.
- The Trust may be unable to sustain financial efficiencies and secure sufficient income and/or capital for services, curtailing its ability to deliver high quality care.
- The Trust may be unable to maintain its current levels of research ambition and partnerships, and may fail to attract sufficient investment and income in order to remain a research industry leader.
- The Trust's and systems' priorities may not align, leading to uncertainty that hampers effective system working.
- Changes to the specialised commissioning financial regime, in particular delegation, could have a significant financial impact on the Trust.
- The Trust may not successfully implement its new electronic health record system, Epic, due to the readiness of the technology, underpinning infrastructure, and workforce capability and structure.
- The Trust may experience increased operational pressure and a heightened state of clinical risk during the Epic implementation, which may result in medium-term organisational impact from system issues and hazards following go-live that could affect patients, staff and the Trust wider strategic objectives.
- The availability of a sufficient Capital Departmental Expenditure Limit (CDEL) allocation and the ability to generate surpluses may restrict future investment in the Trust's strategic and operational objectives.
- Operational and programmatic demands may reduce the focus on the development and/or delivery of the Trust's strategic ambitions. The evolutionary position of the Trust's operating model's implementation and possibility of an inspection prior to completion could mean the Trust may be unable to assure itself of adequate adherence to CQC quality standards. This could negatively impact the Trust's 'Outstanding' CQC rating for Well-Led and 'Good' rating overall.

Major in-year risks 2024/25

As with all NHS organisations, we face continual challenges in balancing the delivery of high-quality care with rising demand, rising acuity and the need to increase both productivity and efficiency to meet challenging activity requirements. The Trust safely implemented Epic, its new electronic health record, in October 2023. This remains an ongoing strategic priority to optimize and embed the system, and risks to delivering it remain on our Board Assurance Framework to keep sight of our controls and assurance managing these. We recognise that strategic and transformational change internally and across our local health economy will be required to address any risks that we identify. These operational and programmatic demands may reduce focus on the development and delivery of our strategic ambitions. We will continue to monitor and manage the risks that arise from the changing health economy landscape and across our estate at Guy's, St Thomas', Harefield and Royal Brompton hospitals as well as our community services.

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The Trust's four main priorities for 2024/25 are to:

- Ensure all patients receive timely, high quality care, with a particular focus on treating more patients who need planned care, and on diagnosing and treating cancer
- Deliver our financial plan, focusing on reducing our costs and increasing productivity so that we can deliver excellent care today and in the future
- Deliver the benefits of Epic, including the MyChart patient portal, to improve safety, patient experience and efficiency
- Support, develop and empower our staff, building an inclusive culture with a specific focus on anti-racism

To enable these priorities, we will continue to work with partners, where this supports the delivery of common goals, and continue to drive innovation. Elective recovery to clear the large backlog of patients waiting for treatment following the COVID-19 pandemic remains an achievable but challenging risk for the Trust. Continued increasing demand for services, coupled with staffing and capacity challenges, requires robust management A key way to address this will be to improve our operational and surgical productivity internally, whilst continuing to work collaboratively with our partners in the South East London Acute Provider Collaborative to improve the timeliness of access to services which will benefit patients across the system.

The Trust's financial position and uncertainty around future funding is another cause of risk for 2024/25. Whilst the Trust delivered a positive 2023/24 financial outturn, this was achieved in part with the benefit of a number of non-recurrent measures. The Trust's underlying financial position therefore remains delicate, and a key risk in 2024/25 is the extent to which the Trust can deliver a challenging financial efficiency programme.

In 2022 the Trust lost its designation as a Biomedical Research Centre with the National Institute for Health and Care Research which will impact the Trust in terms of investment and income. Additionally, future changes to the specialist commissioning regime and allocation of capital departmental expenditure limits are likely to impact our ability to generate surpluses which may restrict future investment on strategic or operational objectives.

The risk profile linked to Epic, the Trust's new electronic health record system, has changed following its safe implementation in October 2023. The key risk now relates to the ongoing stabilisation of the system, to address workflow issues and ensure our staff are familiar with how the system operates in order to optimise the system's capabilities for the benefits of our patients. In managing these risks, the Trust continues to work jointly with King's College Hospital NHS Foundation Trust and our shared pathology provider Synnovis.

Supporting the workforce is critical for delivery of the Trust's priorities and will strengthen the Trust's ability to recruit and retain staff. The national situation for NHS organisations on recruitment and retention of staff is challenging and impacted further with industrial action reflecting the strength of feeling amongst many staff groups and professions. The Trust has taken positive steps in 2023/24 to declare and document its commitments to being an anti-racism organisation, and this is just one example of the steps it has taken to build an inclusive culture where all staff can do their best at work. The Trust has a wide range of staff networks that also underpin its commitments to greater equality and inclusion.

The principal strategic risks for the organisation in 2024/25 therefore remain broadly the same as for 2023/24, but the effectiveness of their controls and assurance will need to be kept under close review in light of the current health and economic climate. These will be overseen on

the Board Assurance Framework and are detailed below.

A full review of the Board Assurance Framework and principal strategic risks was undertaken by the Board of Directors in December 2023 where it was agreed to carry forward all the strategic risks from 2023/24 for Board-level assurance into the next financial year. Subsequently, it has been agreed that the risk relating to 'increased operational pressure and a heightened state of clinical risk during the Epic implementation' should be taken off the Board Assurance Framework, given the Epic go-live took place in October 2023 and a safe implementation phase has now passed. In addition, whilst the risk of the loss of patient personal data and the delivery of clinical services is compromised by a cyber-attack or other significant IT outage is already included on the Trust's corporate risk register, consideration will be given to also establishing this as one of the Trust's principal strategic risks on its Board Assurance Framework in 2024/25.

NHS England well-led framework

In 2023/24 the Trust has kept its corporate governance arrangements under review to ensure it meets the standards set out in the NHS England well-led framework. This included internal consideration of the effectiveness of the governance arrangements, a thorough review of the purpose and scope of each Board committee as well as reflecting on the recommendations from the external well-led review undertaken by Deloitte in 2022/23. Whilst this review had concluded the Trust exhibits many characteristics of a well-led organisation, it made recommendations about how to further strengthen leadership and governance across the organisation, particularly around the ongoing transition to a group model.

Accordingly, in September 2023 the Trust implemented a refreshed Board governance framework which included a new People, Culture and Education Committee established to provide dedicated Board-level oversight of strategic and operational workforce matters. Refreshed terms of references were agreed for each Board committee, and committees began to operate on a new 'distributed membership' model of subsets of executive and non-executive directors to have smaller, more focused and more efficient committees. The remit of clinical and delivery group boards was also clarified as being strategic advisory, and not assurance-seeking, forums. Corporate governance at an executive level continues to operate effectively and is run with a continuous improvement mindset, particularly for the key governance forums such as the Trust Executive Committee and the quarterly clinical group performance review meetings. A 'live' corporate governance improvement plan is in place as part of the Trust's aspiration that its well-led arrangements continue to be assessed by the CQC as 'outstanding'.

Risks to foundation trust governance and corporate governance statement assurance

The Trust has assessed its compliance with the NHS Code of Governance via its Audit and Risk Committee.

The external well-led review commissioned by the Trust during 2022/23 gave the Trust assurance that its corporate governance arrangements are fit for purpose and appropriate for the size and complexity of the organisation and, as indicated above, these arrangements have been further strengthened during 2023/24.

Embedding risk management and incident reporting

The ways in which risk management is embedded in the Trust is covered in the risk and control framework above.

All staff are encouraged to report incidents and near misses as part of an open and fair culture. The Trust has implemented mandatory training for level 1 national training on incident and safety management for all staff. Level 2 national training is required for managers across the Trust.

The electronic incident reporting system gives feedback when an incident is investigated if the member of staff wishes to receive this. The Trust purchased new risk management software in 2022/23 to ensure delivery of the new National Learning from Patient Safety Events incident reporting process. This new software was rolled out Trust-wide in March 2024 and brings together all sites and services onto one incident management system for the first time since the merger with Royal Brompton and Harefield Hospitals. The system is a key enabler for embedding the new National Patient Safety Incident Response Framework.

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Staff are prompted by the incident reporting system to follow the 'duty of candour' process, with duty of candour information and training widely available.

During 2023/24, the Trust has continued to demonstrate a healthy incident reporting culture and remains one of the highest reporters of incidents within our cluster. The Trust has seen a continued rise in incidents reported compared with the previous year and the majority of incidents reported are of no, or low, harm. This trend has continued through the rollout of the new incident reporting system. The Trust moved away from the serious incident framework to the new national Patient Safety Incident Response Framework in December 2023. The Trust is now investing in resources to proactively improve patient safety across its priority incident areas, where patient safety incident investigation reports are reviewed and discussed at our learning for improvement group to ensure learning is shared and implemented. Actions following all patient safety incident investigations are tracked and reported regularly on progress to completion.

In 2023/24, the Trust reported 5 'never events' across the organisation. This is a reduction from 6 events in 2022/23, but a continued reduction in this number remains a key objective. All reported incidents are reviewed and learning responses applied in accordance with our patient safety response plans to ensure the lessons are learnt and shared across the Trust. Any themes are identified so that future recurrences can be prevented by coordinated work. One theme arising out of never events is the consistent and safe use surgical checklists to improve surgical safety, with two never events and one near miss in the financial year. Surgical safety is one of the Trust's priority incident areas, where a quality improvement work stream has been established to oversee Trust-wide action and assurance in this area.

Equality impact assessments are an integral part of the Trust's patient and public engagement toolkit and inform the engagement strategy during any transformation or service change. They are required for all new Trust business cases and during all policy development, including those related to employment.

Public stakeholders' involvement in managing risk

The Trust's patient and public involvement policy and guidance describes how the Trust will comply with relevant legislation, and is described in 'Putting patients first: a policy for involvement and consultation'. All departments, both clinical and non-clinical, are responsible for planning and undertaking patient and public involvement initiatives.

The Trust serves diverse and dispersed populations which straddle a broad geography. There is a strong desire to work closely with patients, families, carers and public stakeholders within and across geographies and communities. The Trust provides information and assurance to the public on its performance against its principal risks and objectives in a number of different ways including:

- Guy's and St Thomas' NHS Foundation Trust had 38,196 members at the end of March 2024. These are represented by a Council of Governors that comprises patients, public, staff and stakeholder governors.
- The Council of Governors receives regular updates on the status of the Board objectives and uses this, along with the ratings by NHS England and the CQC, to hold the non-executive directors to account for the performance of the Board.
- Patients, carers and public stakeholders are involved in developing new services and where key changes are proposed to existing services which may impact upon them.
- The Council of Governors is informed of any proposed changes, including how potential risks to patients will be minimised, through its relevant working groups.

- The Trust has an agreed process to advise and engage with overview and scrutiny committees when there are proposed changes that may impact on service users.
- The Trust Healthwatch liaison group meets quarterly to enable regular liaison and communication between the Trust and local Healthwatch bodies.

Compliance with developing workforce safeguards recommendations

The Trust's People Strategy sets out its workforce priorities and plans aligned with 'Together we care', the Trust's organisational strategy. As part of the annual business planning cycle an annual workforce planning process is run to triangulate staffing with predicted activity levels and finance plans. Clinical and delivery group level plans are aggregated to form an overall Trust plan, with strategies and business cases to close potential workforce shortfalls considered through the relevant committees.

Workforce metrics are monitored regularly by the Chief Nurse and Chief Medical Officer to ensure safe staffing levels. Local and Trust-wide strategies are in place to support the recruitment and retention of staff as well as to reduce our reliance on temporary staff. Longer-term workforce plans include the consideration and implementation of new roles, such as the physician associate and nursing associate roles within the appropriate governance frameworks. To ensure staff have the right skills commensurate with their role, a wide range of training and development is provided both Trust-wide and within directorates and clinical groups. Ongoing training requirements are monitored through annual appraisal and revalidation, performance development review and monthly statutory and mandatory training reports.

Staffing levels are reviewed regularly and e-rostering systems are in place for nursing and medical staff. Staffing levels are managed to ensure resources are deployed for optimum efficiency taking into account patient acuity. The Trust is compliant with Workforce Safeguards which incorporate the National Quality Board standards. The Trust has a number of workforce controls in place to reduce reliance on agency staff; for example, local sign-off on the use of agency staff and restrictions on usage for specific groups and bands of staff, depending on safe staffing levels.

Key performance indicators are reviewed monthly at Trust, clinical group and cost centre level. The Trust regularly reviews 'Model Hospital' metrics to ensure safe staffing levels and to benchmark workforce productivity, including skill mix and staff costs per weighted activity unit.

Compliance statements

The 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 12 months as required by the Managing Conflicts of Interest in the NHS guidance.

The Trust has also published a separate up-to-date register of interests for the full Board of Directors and maintains a separate register of interests for its Council of Governors.

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.

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

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The Trust's 'Green plan' is its Sustainability strategy (2021-2031) which complies with the 'net zero' statutory target set by the Climate Change Act 2008 and sector targets set in the 'NHS Net Zero' report. The Strategy comprises three strategic themes: Carbon zero, Connecting with nature and Cycle of resources and is being implemented through a series of management plans and governed through a Sustainability Steering Committee. The Trust has reviewed the resilience of its estate to likely extremes in external temperature and rainfall caused by climate change and, building on that, will develop a full Climate Change Adaptation Plan in 2024/25.

Equality, Diversity and Inclusion

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and inclusion are complied with. This includes Workforce Race Equality Standard Workforce Disability Equality Standard, Equality Impact Assessments and People Strategy objectives.

As indicated previously, one of the Trust's key priorities in 2024/25 is to develop and empower our staff by building an inclusive culture with a specific focus on anti-racism. However, we recognise that we need to do more to address inequality and health inequalities and we have an extensive work plan, which includes:

- commissioning an anti-racism development programme for senior leaders and developing a positive pathways offer for career development of staff with protected characteristics.
- Undertaking continuous Trust-wide engagement on current issues and listening to the experiences of our staff
- developing the maturity of staff networks and working together to co-create and action work across the Trust
- supporting clinical groups to embed inclusive practices and behaviours with associated action plans and accountability with clear governance by the Trust Board
- strengthening the numbers of Inclusion Agents across all directorates and teams to help raise awareness of best practice and offer peer to peer support and sign posting on equality, diversity and inclusion issues
- ensuring equality objectives are in place for senior managers
- refreshing people processes to eliminate bias and structural barriers
- reviewing our Employee Value Proposition ensuring all new policies, transformational work, or changes to buildings and space have completed an equality impact assessment.

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

Key processes for efficient and effective use of resources

The Trust ensures economy, efficiency and effectiveness through a variety of means, including:

- a robust pay and non-pay budgetary control system
- a suite of effective and consistently applied financial controls
- effective tendering procedures
- robust establishment controls
- annual external audit
- continuous service and cost improvement and modernisation.

The Trust benchmarks efficiency in a variety of ways, including through the national reference costs index and by use of national benchmarking data, Getting It Right First Time and use of the 'Model Hospital' data sets. This is shared with directorates for use in business planning and to identify improvement opportunities.

The emphasis of internal audit work is on governance and internal control processes. Where scope for improvement is identified during an internal audit review, appropriate recommendations are made for operational implementation.

Data quality and governance

The quality and assurance and performance and information teams work as a single unit to ensure data provided to the Board is validated and accurate, with performance information being created and scrutinised by subject matter experts and those with the required analytical skills to do so. This includes the necessary governance and thorough oversight to produce and promote excellent data quality.

The quality and assurance teams collate data monthly from a variety of sources including Datix, Sharepoint for policies, and local spreadsheets for topics such as NICE guidance compliance. A senior clinical analyst validates the data and issues the Trust Integrated Performance Report (IPR) pack to users which supports effective data driven decision making with regards to the Trusts strategic priorities.

In some cases, data is owned by a governance committee, for example the Acutely Ill Patients Group is responsible for the collection and validation of data relating to the deteriorating patient and response times in relation to this. The group would also agree whether that data represented a good position or if improvement was needed.

The Trust has a number of policies and protocols describing the desired outcome or key performance indicator which assists the Trust Board in determining if they are assured by the data they are receiving. For example, the Trust's position relating to mortality outcomes is demonstrated by the Summary Hospital-Level Mortality Indicator and the Hospital Standardised Mortality Ratio which are benchmarked nationally to give Board members a clear picture of the Trust's performance in this area. A range of audits – internal and external – give assurance about the accuracy of data throughout the year.

The Trust's Quality and Performance Board Committee reviews all data and information relating to quality of care and patient experience, supported both by the standardised monthly Integrated Performance Report and other ad-hoc reports.

The Trust employs information assurance processes in the production of the monthly IPR, including local and Trust-wide validation of data and national benchmarking where available, including comparison against the Shelford Group average for all relevant metrics. The IPR is published as part of the Board papers and is available on the Trust's website.

Regular audits are undertaken on the quality of waiting list data, and themes as well as actions for services to improve are fed back and actioned through the formal monthly reporting cycles.

Following go-live of the Epic system teams are working to support stabilisation of our new electronic health record. In practice, this has involved high levels of focus in relation to how we count and code our activity within the Trust alongside a Trust-wide coordinated approach to the quality and assurance surrounding our data in the new Epic environment. In terms of elective waiting time data, there is a programme of work in place to support increased accuracy of this data post Epic go-live, including through system fixes, adapting the Epic system, applying machine learning as well as other rule-based techniques and manual validation.

One of the key themes associated with the Epic system is that processes previously undertaken and supported by administrative staff are now increasingly required to be supported by clinical staff. We have seen an increase in unoutcomed and unsigned visits which has led to increases in our waiting lists as teams get used to new processes, and data is reviewed for inclusion / exclusion in these requirements. In-system Epic reports and additional dashboards have been developed to support monitoring and targeted interventions with services seeing higher levels of outcome activity.

The Epic system has improved pathway management functionality compared to our legacy PiMS system, but we are seeing higher volumes of pathways in our RTT and diagnostic waiting lists which has caused a higher-than-expected increase in our overall waiting list numbers. Our validation teams are reviewing defined priority cohorts of patients on our waiting lists and has also developed additional training materials to assist users and we are identifying key service areas with training needs.

At the end of the 2023/24 financial year our centralised administration operating model programme began implementing plans for a central administrative teams function that will work to improve our efficiency and expertise in pathway validation and oversight in 2024/25.

Further changes in 2023 included the recommissioning of the Trust's Activity Recording Panel. This governance committee provides an opportunity for income and performance recording experts to discuss the accuracy of patient recording and any changes to this post-Epic.

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 Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit and Risk Committee and the Quality and Performance Board Committee, and plans to address weaknesses and ensure continuous improvement of the system are in place.

Processes for maintaining and reviewing the system of internal control

The Board

The Board and its committees have met regularly and kept arrangements for internal control under review through discussion and approval of policies and procedures and monitoring of outcomes agreed as indicators of effective controls.

Through its committees, the Board regularly reviews reports on operational performance which include key national priority and regulatory indicators with additional sections devoted to safety, clinical effectiveness and patient experience. These reports are supported by more granular reports reviewed by Board committees, regular executive review meetings, and performance review meetings between the Trust executive team and executive teams from each of the clinical and delivery groups.

Audit and Risk Committee

The Audit and Risk Committee has provided the Board of Directors with an independent and objective review of financial and corporate governance and internal financial control within the Trust. The Committee has received reports from external and internal audit, including reports relating to the Trust's counter fraud arrangements.

In June 2024 the Audit and Risk Committee agreed that the criminal cyber-attack perpetrated against Synnovis, the provider of the Trust's pathology services on 3 June, was not, at this stage, a significant internal control weakness.

Quality and Performance Committee and Trust Risk and Assurance Committee

The Quality and Performance Committee is a sub-committee of the Board of Directors and provides assurance through monitoring and reviewing the overall quality, safety and performance of services against national standards and the monitoring of in-year financial performance.

The Trust Risk and Assurance Committee reports to the Trust Executive Committee, which, in turn, reports to the Trust Board – primarily through it's Quality and Performance, and Audit and Risk committees – , and ensures that appropriate governance systems and processes are in place to monitor any risk to the delivery of high quality, safe patient care, including review of the Trust's clinical procedures and risk management policies.

Internal audit

Internal audit works to a risk-based audit plan, agreed by the Audit and Risk Committee. Its remit covers risk management, governance and internal control processes, both financial and non-financial, across the Trust. The work includes identifying and evaluating controls and testing their effectiveness, in accordance with Public Sector Internal Audit Standards.

A report is produced at the conclusion of each audit assignment and, where scope for improvement is found, recommendations are made and appropriate action plans agreed with management. Reports are issued to and followed-up with the responsible executive directors, and the results of audit work and all recommendations arising are reported to the Audit and Risk Committee.

Internal audit reports are also made available to the external auditors, who may use these to inform their annual opinion. In addition to the planned programme of work, internal audit provides advice and assistance to senior management on control issues and other matters of concern. The internal audit team also provides an anti-fraud service to the Trust.

Internal audit work also covers service delivery and performance, financial management and control, human resources, operational and other reviews. Based on the work undertaken, including a review of the Trust's Board Assurance Framework process, the Head of Internal Audit opinion concluded as follows:

"I have considered all of the work conducted by internal audit and counter fraud staff covering the period 1 June 2023 to the date of this opinion. Internal Audit set out a work plan in June 2023 and has completed 19 projects. Although this is fewer than anticipated, there has been sufficient coverage of key systems to enable me to form an opinion.

In relation to one of the key risks, concerning cyber security, Internal Audit have relied on assurances from management that, currently, there is sufficient coverage of cyber risks by other assurance providers such as KPMG providing a review of IT resilience and EY which is undertaking a maturity and resilience review across the ICS. Following extensive discussion with senior staff, Internal Audit are awaiting the outcome of these reviews to assess whether there are any gaps in assurance which need to be filled by internal audit work.

There were no limitations placed on the scope of internal audit work and the service operated in accordance with the Audit Charter, which was refreshed in February 2023.

I have considered all reactive investigations and proactive work conducted by The Trust's local counter fraud specialists. This includes oversight of all fraud investigations and personal conduct of specific enquiries during the year.

In my opinion, with the exception of those areas in which limited assurance reports have been issued as reported to the committee during the year, the controls in those areas reviewed are adequate and effective. Where weaknesses have been identified as a result of audit or counter fraud reviews, management have responded positively and recommendations have or are being addressed by management and actions have been confirmed through follow up work by internal audit.

I am satisfied that the Board Assurance Framework contains the key risks faced by the organisation and that the Board and relevant responsible committee has effective oversight of the key risks. Some minor improvements could be made with information on high-impact, locally-managed, project risks being shared, periodically, with the Board. This is addressed in our review of the Board Assurance Framework.

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I confirm that I have monitored compliance with the Public Sector Internal Audit Standards. In my view, Internal Audit complies with those standards that are applicable to the public sector and compliance was independently assessed in 2021, which concluded that the Shared Internal Audit Service's self-assessment is accurate and as such we conclude that they generally conform to the requirements of the Public Sector Internal Audit Standards." Simon Lane CIPFA, Associate Director of Finance, 7 June 2024.

Clinical audit

The Trust's Quality Improvement and Clinical Audit committee meets bimonthly with a focus on Clinical Groups to share the detail of the clinical audits they have completed and in progress. For the areas that do not sit directly into a clinical group they report assurance once a year on their clinical audit and quality improvement activity, such as the Chief Medical Officer's office.

Trust-wide priority audits are discussed at every committee meeting, based on a schedule developed from risks on the corporate risk register, changes to CQC or regulatory models, or if a theme is identified through quality assurance monitoring. National audit reports are shared back to the clinical groups and feedback collected from the participating clinicians on how and if we need to change the processes in the Trust as a result of the audits' recommendations.

The Quality Improvement and Clinical Audit committee reports quarterly to Trust Risk and Audit Committee and focuses on clinical group assurance per report with an update of the published audits and reports from the Healthcare Quality Improvement Partnership and the National Confidential Enquiry into Patient Outcome and Death and the impact of work for the Trust. Each directorate within the clinical groups is encouraged to produce and deliver on its annual audit plan that must include relevant national audits and Trust wide audits, local audits that are critical for quality monitoring and assurance such as infection prevention, cleanliness and any other clinical audit the directorate identifies for quality monitoring.

The Trust's move to a new electronic health record has posed challenges in national audit data submission for the financial year 2023/24. Work is ongoing to improve the extraction and data quality, with national audit leads liaising with respective national audit partners whilst data reporting from Epic is optimised.

Conclusion

To the best of my knowledge no significant issues have been identified in 2023/24. I am confident that the internal control systems are operating well and that the work we have done to maintain and develop our risk management systems will help us to consolidate this position in the future. The Trust is committed to the continuous improvement of the processes of internal control and assurance. A review of the processes and systems that ensure the completeness, effectiveness and accuracy of the Trust's Board Assurance Framework and risk management processes by internal audit concluded that there is substantial assurance overall.

Professor Ian Abbs
Chief Executive Officer
24 June 2024

Ogunlaja Adeola
31/07/2024 10:15:22

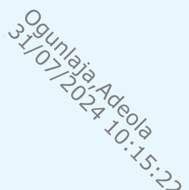
Charles Herradura, gastrointestinal medicine and surgery endoscopy manager

10 Annual accounts

Foreword to the accounts

These accounts, for the year ended 31 March 2024, have been prepared by the Guy's and St Thomas' NHS Foundation Trust in accordance with paragraphs 24 and 25 of Schedule 7 within the NHS Act 2006 and are presented to Parliament pursuant to Schedule 7, paragraph 25 (4) (a) of the National Health Service Act 2006.

Professor Ian Abbs
Chief Executive Officer and Accounting Officer
24 June 2024



Independent auditor's report to the Council of Governors of Guy's and St Thomas' NHS Foundation Trust

Report on the audit of the financial statements

Opinion on financial statements

We have audited the financial statements of Guy's and St Thomas' NHS Foundation Trust (the 'Trust') (the 'group') for the year ended 31 March 2024, which comprise the Consolidated Statement of Comprehensive Income, the Statements of Financial Position, the Statements of Cash Flows, the Consolidated Statement of Changes in Taxpayers' Equity, the Statement of Changes in Taxpayers' Equity, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards in conformity with the requirements of the Accounts Directions issued under Schedule 7 of the National Health Service Act 2006, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2023-24.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the group and of the Trust as at 31 March 2024 and of the group's expenditure and income and the Trust's expenditure and income for the year then ended; and
- have been properly prepared in accordance with international accounting standards as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2023-24; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law, as required by the Code of Audit Practice (2020) ("the Code of Audit Practice") approved by the Comptroller and Auditor General. 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 Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the Accounting Officer's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or the Trust to cease to continue as a going concern.

In our evaluation of the Accounting Officer's conclusions, and in accordance with the expectation set out within the Department of Health and Social Care Group Accounting Manual 2023-24 that the group and Trust's financial statements shall be prepared on a going concern basis, we considered the inherent risks associated with the continuation of services provided by the group and Trust. In doing so we had regard to the guidance provided in Practice Note 10 Audit of financial statements and regularity of public sector bodies in the United Kingdom (Revised 2022) on the application of ISA (UK) 570 Going Concern to public sector entities. We assessed the reasonableness of the basis of preparation used by the group and Trust and the group and Trust's disclosures over the going concern period.

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.

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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 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 Accounting Officer with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report and Accounts, 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 and Accounts. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other information we are required to report on by exception under the Code of Audit Practice

Under the Code of Audit Practice published by the National Audit Office in April 2020 on behalf of the Comptroller and Auditor General (the Code of Audit Practice) we are required to consider whether the Annual Governance Statement does not comply with the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2023/24 or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider 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 this regard.

Opinion on other matters required by the Code of Audit Practice

In our opinion:

- the parts of the Remuneration Report and the Staff Report to be audited have been properly prepared in accordance with NHS Foundation Trust Annual Reporting Manual 2023/24; and
- based on the work undertaken in the course of the audit of the financial the other information published together with the financial statements in the annual 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

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

- we issue a report in the public interest under Schedule 10 (3) of the National Health Service Act 2006 in the course of, or at the conclusion of the audit; or
- we refer a matter to the regulator under Schedule 10 (6) of the National Health Service Act 2006 because we have reason to believe that the Trust, or an officer of the Trust, is about to make, or has made, a decision which involves or would involve the incurring of unlawful expenditure, or is about to take, or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency.

We have nothing to report in respect of the above matters.

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Responsibilities of the Accounting Officer

As explained more fully in the Statement of the Chief Executive's responsibilities as the Accounting Officer, the Chief Executive, as Accounting Officer, is responsible for the preparation of the financial statements in the form and on the basis set out in the Accounts Directions included in the NHS Foundation Trust Annual Reporting Manual 2023/24, 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 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 the Accounting Officer has been informed by the relevant national body of the intention to dissolve the Trust and the group without the transfer of the 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. Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and Trust and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks (international accounting standards and the National Health Service Act 2006, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2023-24).
- We enquired of management and the Audit and Risk Committee, concerning the group and Trust's policies and procedures relating to:
  - the identification, evaluation and compliance with laws and regulations;
  - the detection and response to the risks of fraud; and
  - the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.
- We enquired of management, internal audit and the Audit and Risk Committee, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- We assessed the susceptibility of the group and Trust's financial statements to material misstatement, including how fraud might occur, evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls, the propensity of externally set financial targets to influence management's approach to revenue recognition and any other fraud risks identified for the audit. We determined that the principal risks were in relation to:
- unusual journals, year-end journals, accrual journals, potential management bias in relation to accounting estimates, and critical judgements
- Our audit procedures involved:
  - evaluation of the design effectiveness of controls that management has in place to prevent and detect fraud;
  - journal entry testing, with a focus on unusual journals, as deemed appropriate by the audit team, year-end journals, post year end journals, and accrual journals;

Ogunlaja Adeola
31/07/2024 10:15:22

- challenging assumptions and judgements made by management in its significant accounting estimates in respect of land and building valuations.
- assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.

These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

- We communicated relevant laws and regulations and potential fraud risks to all engagement team members, including potential for fraud in revenue and expenditure recognition, and the significant accounting estimates related to land and building valuations, intangible asset valuation. We remained alert to any indications of non-compliance with laws and regulations, including fraud, throughout the audit.
- Our assessment of the appropriateness of the collective competence and capabilities of the group and Trust's engagement team included consideration of the engagement team's:
  - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
  - knowledge of the health sector and economy in which the group and Trust operates
  - understanding of the legal and regulatory requirements specific to the group and Trust including:

    the provisions of the applicable legislation

    NHS England's rules and related guidance

    the applicable statutory provisions.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
  - The group and Trust's operations, including the nature of its income and expenditure and its services and of its objectives and strategies to understand the classes of transactions, account balances, financial statement consolidation processes, expected financial statement disclosures and business risks that may result in risks of material misstatement.
  - The group and Trust's control environment, including the policies and procedures implemented by the group and Trust to ensure compliance with the requirements of the financial reporting framework.

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

Report on other legal and regulatory requirements – the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Matter on which we are required to report by exception – the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report to you if, in our opinion, we have not been able to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2024.

We have nothing to report in respect of the above matter.

Ogunlaja,Adeola
31/07/2024 10:15:22

Responsibilities of the Accounting Officer

The Chief Executive, as Accounting Officer, is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of the Trust's resources.

Auditor's responsibilities for the review of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

We are required under paragraph 1 of Schedule 10 of the National Health Service Act 2006 to be satisfied that the 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 Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in January 2023. This guidance sets out the arrangements that fall within the scope of 'proper arrangements'. When reporting on these arrangements, the Code of Audit Practice requires auditors to structure their commentary on arrangements under three specified reporting criteria:

- Financial sustainability: how the Trust plans and manages its resources to ensure it can continue to deliver its services;
- Governance: how the Trust ensures that it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness: how the Trust uses information about its costs and performance to improve the way it manages and delivers its services.

We have documented our understanding of the arrangements the Trust has in place for each of these three specified reporting criteria, gathering sufficient evidence to support our risk assessment and commentary in our Auditor's Annual Report. In undertaking our work, we have considered whether there is evidence to suggest that there are significant weaknesses in arrangements.

Report on other legal and regulatory requirements – Certificate

We certify that we have completed the audit of Guy's and St Thomas' NHS Foundation Trust in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice.

Use of our report

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Trust's Council of Governors 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 Trust and the Trust's Council of Governors as a body, for our audit work, for this report, or for the opinions we have formed.

Signature: Paul Dossett

Paul Dossett, Key Audit Partner

for and on behalf of Grant Thornton UK LLP, Local Auditor

London

25th June 2024

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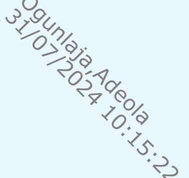
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Consolidated statement of comprehensive income for the year ended March 31 2024

	NOTE	March 31 2024 £000	March 31 2023 £000
Operating income from patient care activities	3	**2,546,567**	2,464,371
Other operating income	4	**345,110**	314,145
TOTAL INCOME		**2,891,677**	2,778,516
Operating expenses	7.1	**(2,958,066)**	(2,706,904)
OPERATING (DEFICIT)/SURPLUS		**(66,389)**	71,612
FINANCE COSTS			
Finance income	10	**6,913**	3,162
Finance expenses	11	**(6,828)**	(7,550)
Public Dividend Capital charge	35	**(39,251)**	(37,668)
Net finance costs		**(39,166)**	(42,056)
Other (Losses)	9	**(3,590)**	(5,248)
Share of (loss)/profit of associates/joint ventures	19.1	**(395)**	635
Corporation tax (expense)		**(529)**	(247)
(DEFICIT)/SURPLUS FOR THE YEAR		**(110,069)**	24,696
Other comprehensive (expense)/income			
Impairments	15	**(50,708)**	(21,624)
Revaluations	18	**17,650**	64,695
Other		**(2,150)**	1,929
TOTAL COMPREHENSIVE (EXPENSE)/INCOME FOR THE YEAR		**(145,277)**	69,696

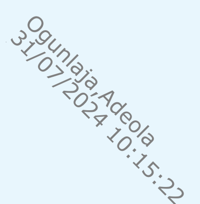
The notes on pages 92 to 129 form part of these accounts.
All revenue and expenditure is derived from continuing operations.

Note 12 includes the Trust's analysis of performance.

Statement of financial position as at March 31 2024

		GROUP		TRUST	
		March 31 2024	March 31 2023	**March 31 2024**	March 31 2023
	NOTE	**£000**	£000	**£000**	£000
NON-CURRENT ASSETS					
Property plant and equipment	13	**1,603,268**	1,686,524	**1,603,234**	1,686,456
Intangible assets	14	**151,998**	157,171	**151,998**	157,171
Right of use assets	16	**157,642**	162,479	**157,320**	161,774
Investment property	17	**71,548**	75,134	**71,548**	75,134
Investments in joint ventures and associates	19.1	**1,475**	2,050	**2,305**	2,050
Other investments/financial assets	20	**479**	146	**10,080**	10,589
Trade and other receivables	22.2	**15,220**	7,911	**6,858**	7,911
TOTAL NON-CURRENT ASSETS		**2,001,630**	2,091,415	**2,003,343**	2,101,085
CURRENT ASSETS					
Inventories	21	**50,730**	48,015	**50,730**	48,015
Receivables	22.1	**223,838**	245,495	**218,792**	232,110
Cash and cash equivalents	25	**89,863**	130,760	**86,478**	125,918
TOTAL CURRENT ASSETS		**364,431**	424,270	**356,000**	406,043
CURRENT LIABILITIES					
Trade and other payables	23.1	**(390,774)**	(414,000)	**(388,508)**	(411,984)
Borrowings	23.3	**(39,341)**	(51,623)	**(39,337)**	(51,259)
Other liabilities	23.2	**(43,561)**	(68,547)	**(43,388)**	(68,006)
Provisions	24.1	**(5,658)**	(1,755)	**(5,658)**	(1,755)
TOTAL CURRENT LIABILITIES		**(479,334)**	(535,925)	**(476,891)**	(533,004)
NON-CURRENT LIABILITIES					
Borrowings	23.3	**(287,086)**	(301,673)	**(286,659)**	(301,188)
Provisions	24.1	**(12,639)**	(13,925)	**(12,639)**	(13,925)
TOTAL NON-CURRENT LIABILITIES		**(299,725)**	(315,598)	**(299,298)**	(315,113)
TOTAL ASSETS EMPLOYED		**1,587,002**	1,664,162	**1,583,154**	1,659,011
TAXPAYERS' EQUITY					
Public Dividend Capital		**661,263**	593,146	**661,263**	593,146
Revaluation reserve	18	**529,138**	564,338	**529,138**	564,338
Other reserves		**743**	743	**743**	743
Income and expenditure reserve		**395,858**	505,935	**392,010**	500,784
TOTAL TAXPAYERS' EQUITY		**1,587,002**	1,664,162	**1,583,154**	1,659,011

Professor Ian Abbs
Chief Executive Officer and Accounting Officer
24 June 2024



Consolidated cash flow statement for the year ended March 31 2024

	NOTE	GROUP		TRUST	
		March 31 2024	March 31 2023	**March 31 2024**	March 31 2023
		£000	£000	**£000**	£000
Cash flows from operating activities					
Operating (deficit)/surplus from continuing operations		**(66,389)**	71,612	**(66,919)**	70,295
Non-cash income and expenses					
Depreciation and amortisation	7.1	**100,842**	98,025	**100,511**	97,616
Impairments and reversals of impairments	15	**107,792**	(19,293)	**107,792**	(19,293)
Income recognised in respect of capital donations		**(5,976)**	(4,613)	**(5,976)**	(4,613)
(Decrease)/Increase in trade and other receivables		**16,442**	(70,879)	**16,465**	(69,742)
(Increase) in inventories		**(2,715)**	(3,641)	**(2,715)**	(3,641)
(Decrease)/Increase in other liabilities		**(24,986)**	5,154	**(24,618)**	5,275
(Decrease)/Increase in trade and other payables		**(16,699)**	41,496	**(16,949)**	42,042
Increase/(Decrease) in provisions		**2,592**	(3,279)	**2,592**	(3,220)
Corporation tax paid		**(369)**	(645)	**–**	–
Other movements in operating cash flows		**(4,384)**	7,523	**(3,904)**	6,972
NET CASH GENERATED FROM OPERATING ACTIVITIES		**106,150**	121,460	**106,279**	121,691
Cash flows from investing activities					
Interest received	10	**6,913**	3,162	**6,913**	3,162
Purchase of financial assets		**(333)**	(675)	**(225)**	(875)
Proceeds from settlements of financial assets	19.1	**180**	605	**1,400**	895
Purchase of intangible assets		**(57,213)**	(41,640)	**(57,213)**	(41,640)
Purchase of property, plant and equipment		**(75,062)**	(122,883)	**(75,062)**	(122,869)
Proceeds from sale of property, plant and equipment		**–**	23	**–**	23
Receipt of cash donations to purchase capital assets		**5,865**	4,553	**5,865**	4,553
NET CASH USED IN INVESTING ACTIVITIES		**(119,650)**	(156,855)	**(118,322)**	(156,751)
Cash flows from financing activities					
Public Dividend Capital received		**68,117**	31,620	**68,117**	31,620
Movement in loans from the Department of Health and Social Care (DHSC)	23.4	**(18,134)**	(18,134)	**(18,134)**	(18,134)
Capital element of lease liability repayments	23.4	**(26,312)**	(29,334)	**(26,312)**	(29,334)
Capital element of service concession payments	23.4	**(296)**	(284)	**(296)**	(284)
Interest paid on DHSC loans	23.4	**(5,011)**	(5,444)	**(5,011)**	(5,444)
Other interest	11	**(189)**	–	**(189)**	–
Interest element of lease liability repayments	23.4	**(1,562)**	(2,095)	**(1,562)**	(2,095)
Interest element of service concession obligations	23.4	**(107)**	(117)	**(107)**	(117)
Public Dividend Capital paid		**(43,903)**	(31,003)	**(43,903)**	(31,003)
NET CASH GENERATED FROM FINANCING ACTIVITIES		**(27,397)**	(54,791)	**(27,397)**	(54,791)
Net (decrease) in cash and cash equivalents		**(40,897)**	(90,186)	**(39,440)**	(89,852)
Cash and cash equivalents at April 1		**130,760**	220,946	**125,918**	215,770
Cash and cash equivalents at March 31	25	**89,863**	130,760	**86,478**	125,918

Statement of changes in taxpayers' equity

GROUP 2023/24	Public Dividend Capital £000	Revaluation reserve £000	Other reserves £000	Income and expenditure reserve £000	Total £000
Taxpayers' equity at April 1 2023	593,146	564,338	743	505,935	**1,664,162**
Deficit for the year	–	–	–	(110,069)	**(110,069)**
Net Impairments	–	(50,708)	–	–	**(50,708)**
Revaluations – property, plant and equipment	–	16,782	–	–	**16,782**
Revaluations – Intangible	–	11	–	–	**11**
Revaluations – right of use assets	–	857	–	–	**857**
Other	–	(2,142)	–	(8)	**(2,150)**
Public Dividend Capital received	68,117	–	–	–	**68,117**
Taxpayers' equity as at March 31 2024	**661,263**	**529,138**	**743**	**395,858**	**1,587,002**

GROUP 2022/23	Public Dividend Capital £000	Revaluation reserve £000	Other reserves £000	Income and expenditure reserve £000	Total £000
Taxpayers' equity at April 1 2022	561,526	519,338	743	452,171	**1,533,778**
Impact of implementing IFRS 16 on 1 April 2022	–	–	–	29,068	**29,068**
Surplus for the year	–	–	–	24,696	**24,696**
Impairments	–	(21,624)	–	–	**(21,624)**
Revaluations – property, plant and equipment	–	64,125	–	–	**64,125**
Revaluations – right of use assets	–	570	–	–	**570**
Other	–	1,929	–	–	**1,929**
Public Dividend Capital received	31,620	–	–	–	**31,620**
Taxpayers' equity as at March 31 2023	**593,146**	**564,338**	**743**	**505,935**	**1,664,162**

TRUST 2023/24	Public Dividend Capital £000	Revaluation reserve £000	Other reserves £000	Income and expenditure reserve £000	Total £000
Taxpayers' equity at April 1 2023	593,146	564,338	743	500,784	**1,659,011**
Deficit for the year	–	–	–	(108,774)	**(108,774)**
Impairments	–	(50,708)	–	–	**(50,708)**
Revaluations – property, plant and equipment	–	16,782	–	–	**16,782**
Revaluations – intangible	–	11	–	–	**11**
Revaluations – right of use assets	–	857	–	–	**857**
Other	–	(2,142)	–	–	**(2,142)**
Public Dividend Capital received	68,117	–	–	–	**68,117**
Taxpayers' equity as at March 31 2024	**661,263**	**529,138**	**743**	**392,010**	**1,583,154**

TRUST 2022/23	Public Dividend Capital £000	Revaluation reserve £000	Other reserves £000	Income and expenditure reserve £000	Total £000
Taxpayers' equity at April 1 2022	561,526	519,338	743	448,115	**1,529,722**
Impact of implementing IFRS 16 on 1 April 2022	–	–	–	29,068	**29,068**
Surplus for the year	–	–	–	23,601	**23,601**
Impairments	–	(21,624)	–	–	**(21,624)**
Revaluations – property, plant and equipment	–	64,125	–	–	**64,125**
Revaluations – right of use assets	–	570	–	–	**570**
Other	–	1,929	–	–	**1,929**
Public Dividend Capital received	31,620	–	–	–	**31,620**
Taxpayers' equity as at March 31 2023	**593,146**	**564,338**	**743**	**500,784**	**1,659,011**

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Notes to the accounts

1 Accounting policies

1.1 Basis of preparation of the financial statements

NHS England has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2023/24 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts.

Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

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.

1.2 Basis of consolidation

The Group financial statements consolidate the financial statements of the Trust and all of its subsidiary undertakings made up to the year ended 31 March 2024 and incorporate its share of the results of joint ventures and associates using the equity method of accounting. Subsidiary accounts have been prepared on a going concern basis. Subsidiary entities are those over which the Trust is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The income, expenses, assets, liabilities, equity and reserves of subsidiaries have been consolidated in full into the appropriate financial statement lines and group financial statements have been prepared.

The subsidiaries are consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which control is no longer held by the Group. Where subsidiaries' accounting policies are not aligned with those of the Trust (including where they report under UK FRS 102) then amounts are adjusted during consolidation where differences are material. Inter-entity balances, transactions, unrealised profits arising from intra-group transactions and gains/losses are eliminated in full on consolidation.

In accordance with the DHSC GAM 2023/24 a separate Statement of Comprehensive Income for the parent (the Trust) has not been presented by the directors.

All notes in the accounts refer to the Group. The Trust notes are included only where they are deemed to be materially different.

Associate entities are those over which the Trust has the power to exercise a significant influence. Associate entities are recognised in the Trust's financial statements using the equity method. The investment is initially recognised at cost. It is increased or decreased subsequently to reflect the Trust's share of the entity's profit or loss or other gains and losses (e.g. revaluation gains on the entity's property, plant and equipment) following acquisition. It is also reduced when any distribution is received from the associate. e.g. share dividends are received by the Trust from the associate.

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Joint ventures are arrangements in which the Trust has joint control with one or more other parties, and where the Trust has the rights to the net assets of the arrangements. Joint ventures are accounted for using the equity method.

Joint operations are arrangements in which the Trust has joint control with one or more other parties and has the rights to the assets, and obligations for the liabilities, relating to the arrangement.

1.3 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.

Standard credit terms are 30 days and so payments are expected within one month after satisfying the performance obligations.

1.3.1 Revenue from NHS contracts

The main source of income for the Trust is contracts with commissioners for health care services. Funding envelopes are set at an Integrated Care System (ICS) level. The majority of the Trust's NHS income is earned from NHS commissioners under the NHS Payment Scheme (NHSPS) which replaced the National Tariff Payment System on 1 April 2023. The NHSPS sets out rules to establish the amount payable to trusts for NHS-funded secondary healthcare.

Aligned payment and incentive contracts form the main payment mechanism under the NHSPS. In 2023/24 API contracts contain both a fixed and variable element. Under the variable element, providers earn income for elective activity (both ordinary and day case), out-patient procedures, out-patient first attendances, diagnostic imaging and nuclear medicine, and chemotherapy delivery activity. The precise definition of these activities is given in the NHSPS. Income is earned at NHSPS prices based on actual activity. The fixed element includes income for all other services covered by the NHSPS assuming an agreed level of activity with 'fixed' in this context meaning not varying based on units of activity. Elements within this are accounted for as variable consideration under IFRS 15 as explained below.

High costs drugs and devices excluded from the calculation of national prices are reimbursed by NHS England based on actual usage or at a fixed baseline in addition to the price of the related service.

In 2022/23 fixed payments were set at a level assuming the achievement of elective activity targets within aligned payment and incentive contracts. These payments are accompanied by a variable-element to adjust income for actual activity delivered on elective services and advice and guidance services. Where actual elective activity delivered differed from the agreed level set in the fixed payments, the variable element either increased or reduced the income earned by the Trust at a rate of 75% of the tariff price.

The Trust also receives income from commissioners under Commissioning for Quality Innovation (CQUIN) and Best Practice Tariff (BPT) schemes. Delivery under these schemes is part of how care is provided to patients. As such CQUIN and BPT payments are not considered distinct performance obligations in their own right; instead they form part of the transaction price for performance obligations under the overall contract with the commissioner and accounted for as variable consideration under IFRS 15. Payment for CQUIN and BPT on non-elective services is included in the fixed element of API contracts

with adjustments for actual achievement being made at the end of the year. BPT earned on elective activity is included in the variable element of API contracts and paid in line with actual activity performed.

Where the relationship with a particular integrated care board is expected to be a low volume of activity (annual value below £0.5m), an annual fixed payment is received by the provider as determined in the NHSPS documentation. Such income is classified as 'other clinical income' in these accounts.

Elective recovery funding provides additional funding to integrated care boards to fund the commissioning of elective services within their systems. In 2023/24, trusts do not directly earn elective recovery funding, instead earning income for actual activity performed under API contract arrangements as explained above. The level of activity delivered by the trust contributes to system performance and therefore the availability of funding to the trust's commissioners. In 2022/23 elective recovery funding for providers was separately identified within the aligned payment and incentive contracts.

1.3.2 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.

1.3.3 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.

1.3.4 Other forms of income

Grants and donations

Government grants are grants from government bodies other than income from commissioners or Trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure.

Where the grant is used to fund capital expenditure, it is credited to the consolidated statement of comprehensive income once conditions attached to the grant have been met. Donations are treated in the same way as government grants.

Apprenticeship service income

The value of the benefit received when accessing funds from the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider from the Trust's Digital Apprenticeship Service (DAS) account held by the Department for Education, the corresponding notional expense is also recognised at the point of recognition for the benefit.

Revenue from education and training

Health Education England provide funding to maintain education and training capacity, retain students on education and training programmes, and enable students to provide their skills to the NHS to support the response. Income is recognised in line with the requirements of IFRS 15. 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 obligation.

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1.4 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.

1.5 Pension costs

NHS Pension Scheme

Most past and present employees are covered by the provisions of the NHS Pension Schemes. Details of the benefits payable and rules of the schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period. 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.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows.

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2024, is based on valuation data as 31 March 2023, updated to 31 March 2024 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from April 2024.

The Department of Health and Social Care has recently laid Scheme Regulations confirming the employer contribution rate will increase to 23.7% of pensionable pay from 1 April 2024 (previously 20.6%). The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.

NEST Pension Scheme

Where staff are not eligible for, or choose to opt out of, the NHS Pensions Scheme, they are entitled to join the National Employment Savings Trust (NEST) scheme. NEST is a government-backed, defined contribution pension scheme set up to make sure that every employer can easily access a workplace pension scheme. The employer's contribution rate in 2023/24 was 3% (2022/23: 3%).

1.6 Expenditure on 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.

1.7 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
- it forms part of the initial equipping and setting-up cost of a new building, ward or unit irrespective of their individual or collective cost; or
- collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control

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 is 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 (i.e. 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 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 location requirements of the services being provided. Assets held at depreciated replacement cost have been valued on an alternative site and /or reduced site basis where this would meet the location and service requirements.

HM Treasury adopts a standard approach to depreciated replacement cost valuations using a modern equivalent asset basis, and, where it would meet the location requirements of the service being provided, an alternative site can be valued. As at 31 March 2016 a valuation using an alternative site basis was carried out for the first time on assets on the Guy's and St Thomas' Estate.

Land and buildings (including Investment properties) are valued by an independent registered chartered surveyor on a regular basis and in accordance with Royal Institution of Chartered Surveyors' Valuation Standard as required under IAS16 to reflect fair value. As at 31 March 2024 land and buildings for the full Trust estate were valued by Gerald Eve. The same valuer was used in the valuation of the estate at 31 March 2023. Enhancements to leasehold properties are valued at historic cost.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, borrowings costs. Assets are revalued and depreciation commences when the assets are brought into use, with subsequent revaluation on an annual basis.

Valuation guidance issued by the Royal Institute of Chartered Surveyors states that valuations are performed net of VAT where the VAT is recoverable by the entity.

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 economic lives in a manner consistent with the consumption of economic or service delivery benefits.

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives is shown below:

- Buildings, 3-72 years
- Dwellings, 24-39 years
- Plant and machinery, 2-20 years
- IT hardware, 2- 20 years
- Furniture and fittings, 4-15 years.

Buildings and dwellings are depreciated on their current value over the estimated remaining life of the asset as advised by the professional valuer. The Trust revalues its estates on an annual basis. This has the impact that the useful life for buildings may vary subtly year on year.

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' ceases 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 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 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 all of the following criteria from IFRS 5 are met:

- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
- the sale must be highly probable i.e.:
  - management are committed to a plan to sell the asset;
  - an active programme has begun to find a buyer and complete the sale;
  - the asset is being actively marketed at a reasonable price;
  - the sale is expected to be completed within 12 months of the date of classification as 'held for sale'; and
  - the actions needed to complete the plan indicate it is unlikely that the plan will be dropped

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, government grant and other 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.

1.8 Intangible fixed 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. Intangible assets are capitalised when: they are capable of being used in the Trust's activities for more than one year; they can be valued; and they have a cost of at least £5,000.

They are recognised only where it is probable that the 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 when it meets the requirements set out in IAS 38 only where all of the following can be demonstrated:

- The project is technically feasible to the point of completion and will result in an intangible asset for sale or use;
- The Trust intends to complete the asset and sell or use it;
- The Trust has the ability to sell or use the asset;
- How the intangible asset will generate probable future economic or service delivery benefits e.g. The presence of a market for it or its output, or, where it is to be used for internal use, the usefulness of the asset;
- Adequate financial, technical and other resources are available to the Trust to complete the development and sale or use the asset; and
- The Trust can measure reliably the expenses attributable to the asset during development.

Software

Software which is integral to the operation of hardware, e.g. 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, e.g. application software, is capitalised as an intangible asset.

Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Intangible assets held for sale are measured at the lower of their carrying amount or fair value less costs to sell.

Amortisation

Intangible assets are amortised over their expected useful economic

lives in a manner consistent with the consumption of economic or service delivery benefits.

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives is shown in the table below:

- Information technology / development expenditure 2–15 years
- Software licences and trademarks, 2–15 years.

1.9 Investment property

Investment properties are measured at fair value. Changes in fair value are recognised as gains or losses in income/expenditure.Only those assets which are held to generate a commercial return, or capital appreciation, or both are considered to be investment properties. Where an asset is held, in part, for support service delivery objectives, then it is considered to be an item of property, plant and equipment. Properties occupied by employees, whether or not they pay rent at market rates, are not classified as investment properties.

1.10 Heritage artefacts and archives

The Trust reviews heritage artefacts in accordance with FRS 102- Heritage Assets. Where there is an open market, such assets will be valued at market value, assets with no marketable value will be held at replacement cost.

Where it is impossible to establish a value by either of these methods, the Trust will consider other valuation methodologies such as insurable value, otherwise the asset will be held at nil value but disclosed as a note to the accounts.

Further information on the acquisition, disposal, management and preservation of the Trust's heritage asset as required by FRS 102 can be found in the notes to the financial statements.

1.11 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using weighted average cost.

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.

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.

1.13 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 in the PDC dividend policy issued by the Department of Health and Social Care.

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This policy is available at **www.gov.uk/government/publications/guidance-on-financing-available-to-nhs-trusts-and-foundation-trusts**.

In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

1.14 Value Added Tax

Most of the activities of the NHS Foundation 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 tax is recoverable, the amounts are stated net of VAT.

1.15 Corporation Tax

The Trust is a Health Service Body within the meaning of s519A ICTA 1988 and accordingly is exempt from taxation in respect of income and capital gains within categories covered by this. There is a power for the Treasury to disapply the exemption in relation to specified activities of a Foundation Trust (s519A)(3) to (8) ICTA 1988). Accordingly, the Trust is potentially within the future scope of income tax in respect of activities where income is received from a non public sector source.

The tax expense on the surplus or deficit for the year comprises current and deferred tax due to the Trust's trading commercial subsidiaries. Current tax is the expected tax payable for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of the assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised on the taxable temporary differences arising on the initial recognition of good will or for temporary differences arising from the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit.

Deferred taxation is calculated using rates that are expected to apply when the related deferred tax asset is realised or the deferred taxation liability is settled. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the assets can be utilised.

1.16 Other reserves

The other reserves balance of £743k was created by a technical accounting adjustment when the original NHS Trust was created in 1993.

1.17 Foreign exchange

The functional and presentational currency of the Trust is sterling.

A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction.

Where the Trust has assets or liabilities denominated in a foreign currency at the Statement of Financial Position date:

- monetary items (other than financial instruments measured at 'fair value through income and expenditure') are translated at the spot exchange rate on 31 March;
- non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction; and
- non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

Exchange gains or losses on monetary items (arising on settlement of the transaction or on re-translation at the Statement of Financial Position date) are recognised as income or expenditure in the period in which they arise.

Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

1.18 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, i.e. when receipt or delivery of the goods or services is made.

De-recognition

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.

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 and liabilities are classified as subsequently measured at amortised cost.

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 expenses. 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.

Determination of fair value

For financial assets and financial liabilities carried at fair value, the carrying amounts are determined from market prices.

Impairment of financial assets

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets the Trust recognises an allowance for expected credit losses.

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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).

Expected credit losses are estimated via a provision matrix that assigns differing percentages and timings in terms of categories of debt. These are based on an assessment of: past performance, current/future market and general economic conditions and any other considerations relevant to specific categories of debtor.

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.

1.19 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.

1.19A The Trust as 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.

1.19B The Trust as 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.

1.19C 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 has been used in determining the lease term where lease arrangements contain 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 has a value below £5,000. No adjustments have been made in respect of leases previously classified as finance leases.

The Trust as lessor

Leases of owned assets where the Trust is lessor were unaffected by initial application of IFRS 16. For existing arrangements where the Trust is an intermediate lessor, classification of all continuing sublease arrangements has been reassessed with reference to the right of use asset.

1.20 Provisions and contingencies

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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 2023 between the range of 4.03% to 4.72%. In calculating the early retirement and injury benefit provisions, the HM Treasury discount rate of 2.45% in real terms has been used (prior year 1.7%).

Clinical negligence costs

The NHS Resolution operates a risk pooling scheme under which the Trust pays an annual contribution to the NHS Resolution which in return settles all clinical negligence claims. Although the 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 the NHS Resolution on behalf of the Trust is disclosed in the notes to the Statement of Comprehensive Income 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 the NHS Resolution and, in return, receives assistance with the costs of claims arising. The annual membership contributions, and any 'excess' payable in respect of particular claims, are charged to operating expenses as and when the liability arises.

Commercial insurance

In addition to the NHS Resolution Property Expenses and Liabilities to Third Parties Schemes, the Trust also holds commercial insurance. The annual premium is charged to operating expenses.

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 the Contingencies note where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in the Contingencies note, unless the probability of a transfer of economic benefits is remote. Contingent liabilities are defined as:

- possible obligations arising from past events, the existence of which 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 obligation cannot be measured with sufficient reliability.

1.21 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.

1.22 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 accruals basis with the exception of provisions for future losses.

1.23 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.

1.24 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2023/24.

1.25 Standards, amendments and interpretations in issue but not yet effective or adopted

IAS 8 requires that the impact of accounting standards that have been issued, but are not yet effective, is disclosed.

IFRS 17 Insurance Contracts
Application required for accounting periods beginning on or after 1 January 2023. Standard is not yet adopted by the FReM which is expected to be from April 2025; early adoption is not permitted. Not expected to have a material impact when applied.

IFRS 14 Regulatory Deferral Accounts
Not UK-endorsed. Applies to first time adopters of IFRS after 1 January 2016. Therefore, not applicable to DHSC group bodies.

1.26 Critical judgements in applying accounting policies

The Trust has made critical judgements in relation to the modern equivalent asset revaluation assumption as at 31 March 2024.

The Trust's valuers, Gerald Eve LLP, carried out a professional valuation of the modern equivalent asset (MEA) required to have the same productive capacity and service potential as existing Trust assets. Through discussion with Gerald Eve, the Trust has considered where its 4 principal hospitals could be theoretically relocated whilst still delivering the same service delivery. For Harefield, which is located in a reasonably economic location no specific alternative site assumption was made. For Guy's, St Thomas' and Royal Brompton, which are all located in very high value locations, the Trust and Gerald Eve have continued to adopt the same hypothetical alternative site assumptions as previously, that is: for Guy's and St Thomas', a hypothetical alternative site located in the northern half of Lambeth; and for Royal Brompton, a hypothetical alternative site within the adjoining borough of Hammersmith & Fulham. Valuations have been prepared on the basis that the Trust cannot recover VAT on new non-domestic buildings but is able to recover VAT on professional fees associated with construction work. There are a number of additional assumptions that feed into the overall valuation such as gross internal area assumptions for the MEA.

To guide the land values the valuer has considered recent relevant local land sales whilst taking into account the size of overall MEA hospital site. However, there has been limited new land transactions over the last 6-12 months which may not be unusual against the backdrop of rising build costs and higher finance and interest rates and reduced the demand from developers. This year the valuer has therefore had to consider the wider trends in land values at a more national level, market sentiment and the impact of the above factors on residual land values. Consequently, the valuer has concluded that there has been a circa -5% reduction in land values. This assumption drives the overall reduction in land net book value.

The Trust has deemed that, apart from those involving estimations (see 1.28), no additional disclosures in relation to critical judgements are required with regard to significant effects on the amounts recognised in the financial statements when applying the Trust's accounting policies.

1.27 Sources of estimation uncertainty

In the application of the Trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

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:

1) Valuation of land and buildings

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

The Trust seeks professional advice from its valuers annually in determining the value of its land and buildings. The Trust based the valuation of land and buildings in 2023/24 and 2022/23 on the views of Gerald Eve for the combined Guy's and St Thomas' and Royal Brompton and Harefield sites. The values in the valuer's report have been used to inform the measurement of property assets at valuation in these financial statements. The valuer exercised his professional judgement in providing the valuation and it remains the best information available to the Trust. However, the valuer uses informed assumptions regarding obsolescence, rebuild rates and the area of the sites required to accommodate modern equivalent assets with the same service potential which could change and have a material impact on the valuation.

Over the recent period there has been an economic environment of high inflation, rising interest rates (climbing from 0.25% on 02 February 2022 to the current level of 5.25%) and increasing cost of debt. This has been exacerbated by global political turbulence. This continues to feed into yield levels and reduced acquisition activity. There is currently a lack of transactions which reflect the current investment and funding environment and as such the March 2024 valuation may carry a greater degree of uncertainty than would be the case under more stable economic conditions. However, despite the conditions in the prevailing market, the March 2024 valuation is not reported as being subject to material valuation uncertainty as defined by VPS and VPGA 10 of the RICS Valuation – Global Standards.

The net book value at 31 March 2024 of the Trust's property plant and equipment valued by professional valuers and reflected in these financial statements is £1,323,176k (£1,375,066k at March 2023)

There are a number of inputs into the valuation model that could change in either direction such as land values, making it difficult to predict the future impact on the Trust's balance sheet. For illustrative purposes only, a 5% change in the net book value would adjust the balance sheet by approx. £66,159k. The impact of any movement would be split across the Statement of Comprehensive Income and Revaluation Reserve.

Other areas of Estimation Uncertainty: Investment Property

The Trust holds investment properties, including the Chelsea Farmers' Market. This site currently has planning permission for residential and retail development and was valued by Gerald Eve at 31 March 2024 and 31 March 2023. There are a number of inputs into the valuation such as construction costs and property sale prices. The fair value of this property reflects the prevailing state of the market and economic conditions and can lead to significant swings year on year. As at 31 March 24, the valuation of Chelsea Farmers Market was £68.14m (£71.73m 31 March 2023). This valuation reflects the safeguarding status for Crossrail 2 on the property, which has significantly depressed the site value. Should this safeguarding be removed in the future we would anticipate the valuation to increase by approximately 5%.

The Trust makes a number of other estimates in its financial statements which are not considered to be subject to a material uncertainty.

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2 Segmental reporting

From the 1 April 2022, the Trust's Operating Model was structured under 4 large clinical groups and 1 delivery group: Evelina London Women's and Children's Services; Integrated and Specialist Medicine; Cancer and Surgery; Heart, Lung and Critical Care; and Essentia.

For the purposes of reporting however, the Trust currently operates as a single reportable operating segment, which is the provision of healthcare services. The segmental reporting format reflects the Trust's management and internal reporting structure in place during 2023/2024. The Board of Directors, led by the Chief Executive is the chief operating decision maker within the Trust. It is only at this level that consolidated revenues and expenditure are fully reported and the overall financial and operational performance of the Trust is assessed.

The chief mechanism for financial management and control is a detailed budget report and forecast prepared at account code level each month. An aggregated summary budget is presented by the Chief Financial Officer and Director of Finance to the agreed Board and Committee meetings during the year. This report is made available to the public at the quarterly Board meetings and via the Trust's public website.

3 Operating income from patient care activities (Group)

All income from patient care activities relates to contract income recognised in line with accounting policy 1.3

3.1 Income from patient care activities (by source)

	Year ended March 31 2024 £000	Year ended March 31 2023 £000
NHS England	**1,345,876**	1,336,555
Clinical Commissioning Groups (CCGs)*	**–**	232,299
Integrated Care Boards	**1,087,580**	810,305
Other NHS providers	**5,421**	5,817
NHS other	**3,876**	823
Local authorities	**20,045**	10,828
Non-NHS: private patients	**73,683**	62,655
Non-NHS: overseas patients (non-reciprocal, chargeable to patient)	**6,596**	2,766
Injury cost recovery scheme	**1,231**	507
Non-NHS: other	**2,259**	1,816
Total income from patient care activities	**2,546,567**	2,464,371
Of which:		
Related to continuing operations	**2,546,567**	2,464,371
Related to discontinued operations	**–**	–

*CCGs were reformed into Integrated Care Boards during 2022/23. There are therefore no income streams with CCGs in 2023/24.

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3.2 Income from patient care (by nature)

	Year ended March 31 2024 £000	Year ended March 31 2023 £000
Acute services		
Income from commissioners under API contracts*	**1,825,512**	1,824,460
High cost drugs income from commissioners (excluding pass-through costs)	**300,819**	246,470
Other NHS clinical income**	**125,351**	46,619
Mental Health Services		
Income from commissioners under API contracts*	–	1,625
Community services		
Income from commissioners under API contracts*	**132,378**	106,048
Income from other sources (eg local authorities)	**20,045**	11,021
All services		
Private patient income	**73,683**	62,655
Elective recovery fund (comparative only)	–	56,201
National pay award central funding***	**1,147**	42,771
Additional pension contribution central funding****	**62,315**	58,773
Other clinical income	**5,317**	4,727
	2,546,567	2,464,371

* Aligned payment and incentive contracts are the main form of contracting between NHS providers and their commissioners. More information can be found in the 2023/25 NHS Payment Scheme documentation.
www.england.nhs.uk/pay-syst/nhs-payment-scheme/.

** For categories that fall outside of Elective and Non-elective inpatients, First and Follow up outpatient, A&E and High cost drugs income categories these are included within Other NHS Clinical income.

*** 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.

**** 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.

3.3 Income from activities arising from commissioner requested services

Under the terms of its provider licence, 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:

	Year ended March 31 2024 £000	Year ended March 31 2023 £000
Income from services designated as commissioner requested services	**2,462,798**	2,396,627
Income from services not designated as commissioner requested services	**83,769**	67,744
	2,546,567	2,464,371

3.4 Overseas visitors (relating to patients charged directly by the provider)

	Year ended March 31 2024 £000	Year ended March 31 2023 £000
Income recognised this year	**6,596**	2,766
Cash payments received in-year	**1,652**	1,186
Amounts added to provision for impairment of receivables	**5,764**	2,194
Amounts written-off in-year	**2,012**	1,787

4 Other operating income (Group)

	NOTE	Year ended March 31 2024 £000	Year ended March 31 2023 £000
Other operating income from contracts with customers:			
Research and development		**74,864**	64,512
Education, training and research		**80,631**	78,311
Non-patient care services to other bodies		**47,111**	34,007
Reimbursement and top up funding		**–**	7,980
Income in respect of staff recharges		**7,995**	7,479
Other income*		**101,026**	97,066
Other non-contract operating income:			
Research and development		**1,319**	1,319
Peppercorn leased assets		**111**	–
Education and training – notional income from apprenticeship fund		**2,070**	1,702
Contributions to expenditure – consumables (inventory) donated from DHSC group bodies for COVID response		**450**	2,578
Charitable and other contributions to expenditure and capital assets		**17,300**	9,791
Operating leases – minimum lease receipts	**6.1**	**12,233**	9,135
Other non-contract income		**–**	265
		345,110	314,145

*Other income includes: £22m classified as facilities and services income, £16m from clinical tests, £14m from subsidiaries, £6m from clinical excellence awards, £3m from catering, £2.5m from staff accommodation rentals. The remaining comes from a range of income activities including income from commercial activities.

5 Additional income disclosures

5.1 Additional information on contract revenue (IFRS 15) recognised in the period

	Year ended March 31 2024 £000	Year ended March 31 2023 £000
Revenue recognised in the reporting period that was within deferred income: contract liabilities at the previous period end.	**68,290**	65,179

5.2 Transaction price allocated to remaining performance obligations

	Year ended March 31 2024 £000	Year ended March 31 2023 £000
Revenue from existing contracts allocated to remaining performance obligations is expected to be recognised:		
Within one year (Note 23.2)	**41,992**	68,290
Total revenue allocated to remaining performance obligations	**41,992**	68,290

The Trust has exercised the practical expedients permitted by IFRS 15 paragraph 121 in preparing this disclosure. Revenue from (i) contracts with an expected duration of one year or less and (ii) contracts where the Trust recognises revenue directly corresponding to work done to date is not disclosed.

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6 Operating leases - Trust as Lessor

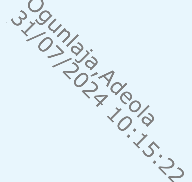
This note discloses income generated in operating lease agreements where The Trust is the lessor.

6.1 Operating leases income (Group)

Lease receipts recognised as income in year:	Year ended March 31 2024 £000	Year ended March 31 2023 £000
Minimum lease receipts	**12,233**	9,135
	12,233	9,135

6. Future lease receipts (Group)

Future minimum lease receipts due:	Year ended March 31 2024 £000	Year ended March 31 2023 £000
– not later than 1 year	**8,464**	7,734
– later than 1 year but not later than 2 years	**8,355**	7,087
– later than 2 years but not later than 3 years	**8,031**	6,884
– later than 3 years but not later than 4 years	**8,090**	8,479
– later than 4 years but not later than 5 years	**6,819**	6,674
– later than 5 years	**79,055**	81,018
	118,814	117,876



7 Operating expenses (Group)

7.1 Operating expenses comprise:

	NOTE	Year ended March 31 2024 £000	Year ended March 31 2023 £000
Purchase of healthcare from NHS and DHSC bodies		**7**	1,137
Purchase of healthcare from non-NHS and non-DHSC bodies		**53,248**	52,131
Staff and executive directors costs	8	**1,615,124**	1,573,011
Remuneration of non-executive directors		**355**	351
Supplies and services – clinical (excluding drugs costs)		**366,571**	329,387
Supplies and services – general		**12,469**	23,709
Supplies and services – clinical: utilisation of consumables donated from DHSC group bodies for COVID response		**1,154**	3,815
Inventories written down (consumables donated from DHSC group bodies for COVID response)		**–**	52
Drugs costs (drugs inventory consumed and purchase of non-inventory drugs)		**340,083**	333,389
Inventories written down (net including drugs)		**1,236**	1,238
Provisions arising / released in year		**–**	55
Consultancy		**5,329**	1,893
Establishment		**40,423**	42,866
Premises – business rates collected by local authorities		**7,285**	10,266
Premises – other		**175,449**	142,524
Transport – business travel only		**–**	581
Transport – other (including patient travel)		**20,035**	24,193
Depreciation on property, plant and equipment and right of use assets		**91,905**	86,899
Amortisation	14.1	**8,937**	11,126
Impairments net of reversals	15	**107,792**	(19,293)
Credit loss allowance		**7,122**	4,696
Change in provisions discount rate		**333**	(515)
Audit services – statutory audit*		**318**	253
Internal audit – staff costs	8	**566**	584
Internal audit – non staff		**–**	2
Clinical negligence – amounts payable to NHS Resolution (premium)		**36,306**	32,031
Legal fees		**1,632**	1,994
Insurance		**2,105**	2,829
Research and development – non-staff		**19,482**	17,300
Education and training – non-staff		**7,158**	(38)
Education and training – notional expenditure funded from apprenticeship fund		**2,070**	1,702
Expenditure on short term leases (current year only)		**992**	2,034
Redundancy costs (staff costs)	8	**8,374**	613
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (e.g. PFI / LIFT) on IFRS basis		**1,832**	2,628
Car parking and security		**–**	18
Hospitality		**269**	371
Other losses and special payments – non-staff		**(115)**	(546)
Other**		**22,220**	21,618
		2,958,066	2,706,904

* Audit services – statutory audit, the figure is net of VAT. Of the total £318k audit fees, £72k relates to fees charged for the audit of the subsidiaries, and £246k for the statutory audit of the Group accounts.

** Other operating expenses largely includes expenditure on commercial activities and NHS Blood and Transplant.

7.2 Other auditor remuneration

Payments made to our auditor for non-audit work in 2023/24 were £6k relating to grant assurance services (2022/23 £6k). These fees are listed net of VAT.

7.3 Limitation on auditor's liability

Limitation on auditor's liability for external audit work carried out for the financial years 2023/24 is £2million (2022/23 £2million).

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8 Employee benefits (Group)

	Group	
	Year ended	Year ended
	March 31 2024 Total £000	March 31 2023 Total £000
Salaries and wages	**1,269,715**	1,246,084
Social security costs	**148,414**	138,570
Apprenticeship levy	**6,513**	5,827
Employer contributions to NHS Pensions	**142,129**	134,766
Pension cost – employer contributions paid by NHSE on provider's behalf (6.3%)	**62,315**	58,773
Termination benefits	**8,374**	526
Temporary staff – agency and contract staff	**31,633**	35,767
Total gross staff costs	**1,669,093**	1,620,313
Recoveries in respect of seconded staff	**(9,858)**	(11,741)
Total staff costs	**1,659,235**	1,608,572
Of which:		
Costs capitalised as part of assets	**35,171**	34,364
Analysed into Operating Expenditure (note 7.1)		
Employee expenses – staff and executive directors	**1,615,124**	1,573,011
Redundancy	**8,374**	613
Internal audit costs*	**566**	584
Total employee benefits excluding capitalised costs	**1,624,064**	1,574,208

* Internal audit costs are total costs incurred by the Trust. Income received in relation to providing internal audit services for other trusts is recorded separately within other income and not netted off within staff costs.

8.1 Retirements due to ill-health (Group)

During 2023/24 there were 14 early retirements from the Trust agreed on the grounds of ill-health (3 in the year ended March 31 2023). The estimated additional pension liabilities of these ill-health retirements is £2,058k (£25k in 2022/23). The cost of these ill-health retirements will be borne by the NHS Business Services Authority – Pensions Division.

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9 Other gains and losses

	Group	
	Year ended	Year ended
	March 31 2024 **£000**	March 31 2023 £000
Loss on disposal of property, plant and equipment	**(41)**	(57)
Gain on disposal of property, plant and equipment	**2**	3
Gain on disposal of right of use assets	**19**	–
Loss on disposal of intangible assets	**(2)**	–
Total (losses) on disposal of assets	**(22)**	(54)
Fair value losses on investment properties	**(3,586)**	(5,225)
Gains on foreign exchange	**18**	31
Total other (losses)	**(3,590)**	(5,248)

10 Finance income

	Group	
	Year ended	Year ended
	March 31 2024 **£000**	March 31 2023 £000
Interest on bank accounts	**6,913**	3,162
	6,913	3,162

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11 Finance expenses

	Group	
	Year ended March 31 2024 £000	Year ended March 31 2023 £000
Loans from the Department of Health and Social Care. (see note 23.6)	**(4,931)**	(5,349)
Interest on lease obligations	**(1,575)**	(2,096)
Finance costs on service concession arrangements	**(108)**	(117)
Unwinding of discounts on provisions	**(25)**	13
Other finance costs	**(189)**	(1)
Total finance expense	**(6,828)**	(7,550)

12 Trust performance – Notes to the Consolidated Statement of Comprehensive Income

	Group	
	Year ended March 31 2024 £000	Year ended March 31 2023 £000
Total comprehensive income per SOCI	**(145,277)**	69,696
Less reserve movements in other comprehensive income/(expense)	**35,208**	(45,000)
Total comprehensive (expense) / income before reserve movements	**(110,069)**	24,696
Add back in year impairments and reversals of impairments relating to market valuations included in surplus above (see note 15.1)	**105,657**	(19,925)
DHSC capital equipment and inventory	**704**	1,289
Capital Donations and Peppercorn income	**(5,976)**	(4,613)
Add back depreciation on donated assets	**11,590**	11,655
Adjusted financial performance	**1,906**	13,102

The adjusted financial performance is the primary view which is used by the Board of Directors in assessing the performance of the Trust.

The Consolidated Statement of Comprehensive Income shows a deficit of £110,069k (2022/23 Surplus £24,696k) for the Group. When valuation based impairments, depreciation on donated assets, adjustments for capital donations and I&E movements associated with centrally procured inventory are adjusted for, the total surplus for the Group is £1,906k.

In accordance with Section 408 of the Companies Act 2006, the Trust is exempt from the requirement to present its own income statement and statement of comprehensive income. The unconsolidated deficit relating to the Foundation Trust for the year ended 31 March 2024 was £108,774k (2022/23 surplus of £23,601k).

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13 Property, plant and equipment

13.1 Property, plant and equipment at 31/03/2024 comprises the following elements:

GROUP AND TRUST	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction and payments on account £000	Plant and machinery £000	IT hardware £000	Furniture and fittings £000	Total £000
Cost or valuation at April 1 2023	**277,921**	**1,114,450**	**22,232**	**203,327**	**215,106**	**56,637**	**5,340**	**1,895,013**
Additions purchased	–	4,095	–	60,616	3,046	277	–	**68,034**
Additions – Assets purchased from cash donations/grants	–	175	–	4,827	151	–	–	**5,153**
Impairments charged to operating expenses	(640)	(65,238)	(22)	(1,614)	–	–	–	**(67,514)**
Impairments charged to the revaluation reserve	(12,900)	(35,108)	(974)	–	–	–	–	**(48,982)**
Reversal of impairments credited to operating expenses	–	2,511	–	–	–	–	–	**2,511**
Revaluation to revaluation reserve	–	(18,445)	(446)	1,135	(88)	(1,613)	–	**(19,457)**
Reclassifications	–	81,665	–	(105,451)	10,884	22,898	217	**10,213**
Disposals	–	–	–	–	(15,340)	(10,246)	–	**(25,586)**
Reclassification to Right of Use Asset	(3,120)	(3,335)	–	–	–	–	–	**(6,455)**
Cost or valuation at March 31 2024	**261,261**	**1,080,770**	**20,790**	**162,840**	**213,759**	**67,953**	**5,557**	**1,812,930**
Accumulated depreciation at April 1 2023	–	24,481	1	–	135,871	43,685	4,451	**208,489**
Provided during the year	–	33,851	693	–	19,864	8,124	425	**62,957**
Revaluation to revaluation reserve	–	(31,542)	(694)	–	(1,212)	(2,789)	(2)	**(36,239)**
Disposals	–	–	–	–	(15,299)	(10,246)	–	**(25,545)**
At March 31 2024	**–**	**26,790**	**–**	**–**	**139,224**	**38,774**	**4,874**	**209,662**
Net book value March 31 2024								
Owned – Purchased	187,571	821,109	20,247	158,248	62,806	29,130	647	**1,279,758**
On-SoFP PFI contracts and other service concession arrangements	–	2,235	–	–	98	–	–	**2,333**
Owned – Donated/Granted	73,690	230,636	543	4,592	11,630	50	36	**321,177**
Total at March 31 2024	**261,261**	**1,053,980**	**20,790**	**162,840**	**74,534**	**29,180**	**683**	**1,603,268**

The reclassification line of Property, Plant and Equipment and Intangible Assets nets to zero across all notes. Additions to assets under construction may be moved between the tangible and intangible notes when assets are created causing an imbalance which nets to zero when all notes are viewed together.

A separate schedule for the Trust's property, plant and equipment has not been produced as the subsidiaries assets are considered immaterial.

Freehold and long leasehold properties occupied by the whole of the Guy's and St Thomas' NHS Foundation Trust estate were valued as at 31 March 2024 and 31 March 2023 by an external valuer, Gerald Eve LLP, a regulated firm of Chartered Surveyors. The valuations have all been prepared in accordance with the requirements of the RICS Valuation – Global Standards, the UK national standards, International Valuation Standards and IFRS. The valuations of specialised properties were derived using the Depreciated Replacement Cost (DRC) method, with other in-use properties reported on a Current Value in Existing Use basis. Further disclosures around the valuation are included in note 1.

a) Depreciated Replacement Cost (DRC)

The basis used for the valuation of specialised operational property for financial accounting purposes is Depreciated Replacement Cost (DRC). The RICS Standards at Appendix 4.1, restating International Valuation Application 1 (IVA 1) provides the following definition:

> *"The current cost of replacing an asset with its modern equivalent asset less deductions for physical deterioration and all relevant forms of obsolescence and optimisation."*

Those buildings which qualify as specialised operational assets, and therefore fall to be assessed using the Depreciated Replacement Cost approach, have been valued on a modern equivalent asset basis.

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13.2 Property, plant and equipment at 31/03/2023 comprises the following elements:

GROUP AND TRUST	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction and payments on account £000	Plant and machinery £000	IT hardware £000	Furniture and fittings £000	Total £000
Cost or valuation at April 1 2022	**294,243**	**1,018,744**	**18,639**	**147,570**	**274,578**	**73,380**	**5,561**	**1,832,715**
Reclassification of existing finance leased assets to right of use assets on 1 April 2022	–	–	–	–	(1,993)	(1,886)	–	**(3,879)**
Additions purchased	–	7,107	9	106,542	1,020	73	5	**114,756**
Additions – Assets purchased from cash donations/grants	–	–	–	620	169	–	3	**792**
Impairments charged to operating expenses	(752)	(9,622)	–	–	–	–	–	**(10,374)**
Impairments charged to the revaluation reserve	(15,570)	(6,054)	–	–	–	–	–	**(21,624)**
Reversal of impairments credited to operating expenses	–	31,194	–	–	–	–	–	**31,194**
Revaluation to revaluation reserve	–	35,558	1,310	–	–	–	–	**36,868**
Reclassifications	–	39,373	2,274	(51,404)	9,125	6,235	37	**5,640**
Disposals	–	(1,850)	–	–	(67,793)	(21,165)	(266)	**(91,074)**
Cost or valuation at March 31 2023	**277,921**	**1,114,450**	**22,232**	**203,327**	**215,106**	**56,637**	**5,340**	**1,895,013**
Accumulated depreciation at April 1 2022	–	24,362	43	–	181,241	58,636	4,131	**268,413**
Provided during the year	–	28,595	541	–	22,318	6,206	575	**58,235**
Revaluation to revaluation reserve	–	(26,674)	(583)	–	–	–	–	**(27,257)**
Disposals	–	(1,802)	–	–	(67,688)	(21,157)	(255)	**(90,902)**
At March 31 2023	**–**	**24,481**	**1**	**–**	**135,871**	**43,685**	**4,451**	**208,489**
Net book value March 31 2023								
Owned – Purchased	200,351	846,508	21,543	201,726	64,998	12,872	675	**1,348,673**
On-SoFP PFI contracts and other service concession arrangements	–	2,483	–	–	169	–	–	**2,652**
Owned – Donated / Granted	77,570	240,978	688	1,602	13,179	80	214	**334,312**
Owned – equipment donated from DHSC and NHSE for COVID response	–	–			888	–		**888**
Total at March 31 2023	**277,921**	**1,089,969**	**22,231**	**203,328**	**79,234**	**12,952**	**889**	**1,686,524**

b) Existing Use Value (EUV)

The basis used for the valuation of non-specialised operational owner-occupied property for the financial accounting purposes under IAS16 is fair value, which is the market value subject to the assumption that the property is sold as part of the continuing enterprise in occupation. This can be equated with EUV, which is defined in the RICS Standards at UK PS 1.3 as:

> *"The estimated amount for which a property should exchange on the date of the valuation between a willing buyer and a willing seller in an arm's-length transaction, after proper marketing wherein the parties had acted knowledgeably, prudently and without compulsion, assuming that the buyer is granted vacant possession of all parts of the property required by the business and disregarding potential alternative uses and any other characteristics of the property that would cause its Market Value to differ from that needed to replace the remaining service potential at least cost."*

c) Impairments

Impairments are charged to the revaluation reserve to the extent that the revaluation reserve holds a previous revaluation surplus for that asset. Thereafter, they are charged to operating expenses.

Some assets that increased in value in 2023/24 had an impairment charge to income and expenditure in prior years. For these assets the increase in value resulted in a reversal of the impairment charge from prior years, creating a credit that is contained within the *"impairments net of reversals"* in the Statement of Comprehensive Income.

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14 Intangible assets

14.1 As at March 31 2024

GROUP AND TRUST	Software licences £000	Information technology £000	Development expenditure £000	Assets under construction £000	Total £000
Cost April 1 2023	11,092	91,680	17,848	133,022	**253,642**
Additions purchased / internally generated	124	8,393	–	47,984	**56,501**
Additions – grants / donations of cash	–	–	–	712	**712**
Impairments charged to operating expenses	–	(41,161)	–	(521)	**(41,682)**
Other impairments to revaluation reserve	–	(9)	–	(1,554)	**(1,563)**
Other adjustments to revaluation reserve	11	–	–	–	**11**
Reclassifications	33,020	121,688	(17,848)	(147,073)	**(10,213)**
Disposals / derecognition	(3,678)	(23,775)	–	–	**(27,453)**
Gross cost at March 31 2024	**40,569**	**156,816**	**–**	**32,570**	**229,955**
Amortisation April 1 2023	8,477	77,066	10,928	–	**96,471**
Provided during the year	1,579	7,358	–	–	**8,937**
Reclassifications	8	10,920	(10,928)	–	**–**
Disposals / derecognition	(3,678)	(23,773)	–	–	**(27,451)**
Amortisation at March 31 2024	**6,386**	**71,571**	**–**	**–**	**77,957**
Net book value March 31 2024	**34,183**	**85,245**	**–**	**32,570**	**151,998**
Purchased assets	34,087	84,838	–	21,550	**140,475**
Donated / granted assets	96	407	–	11,020	**11,523**
Total at March 31 2024	**34,183**	**85,245**	**–**	**32,570**	**151,998**

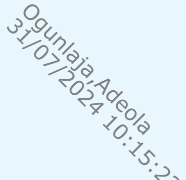
14.2 As at March 31 2023

GROUP AND TRUST	Software licences £000	Information technology £000	Development expenditure £000	Assets under construction £000	Total £000
Cost April 1 2022	15,091	101,326	24,246	104,344	**245,007**
Additions purchased / internally generated	127	111	–	37,641	**37,879**
Additions – grants / donations of cash	–	–	–	3,761	**3,761**
Impairments charged to operating expenses	–	–	–	(632)	**(632)**
Reclassification	764	5,747	(59)	(12,092)	**(5,640)**
Disposals / derecognition	(4,890)	(15,504)	(6,339)	–	**(26,733)**
Gross cost at March 31 2023	**11,092**	**91,680**	**17,848**	**133,022**	**253,642**
Amortisation April 1 2022	11,801	85,490	14,777	–	**112,068**
Provided during the year	1,561	7,080	2,485	–	**11,126**
Disposals / derecognition	(4,885)	(15,504)	(6,334)	–	**(26,723)**
Amortisation at March 31 2023	**8,477**	**77,066**	**10,928**	**–**	**96,471**
Net book value March 31 2023	**2,615**	**14,614**	**6,920**	**133,022**	**157,171**
Purchased assets	2,479	13,956	6,920	122,712	**146,067**
Donated / granted assets	136	658	–	10,310	**11,104**
Total at March 31 2023	**2,615**	**14,614**	**6,920**	**133,022**	**157,171**

15 Impairments

15.1 Impairment of assets (Group and Trust)

	NOTE	March 31 2024 £000	March 31 2023 £000
Impairments charged to operating expenditure:			
Impairments arising from professional valuation (PPE)	13.1	**(65,900)**	(10,374)
Reversals of impirments arising from professional valuation (PPE)	13.1	**2,511**	31,194
Impairments arising from professional valuation (Right of Use Asset)		**(1,107)**	(895)
Impairments arising from valuation (Intangible)	14.1	**(41,161)**	–
Abandonment of assets in course of construction (Intangible)	14.1	**(521)**	(632)
Abandonment of assets in course of construction (PPE)	13.1	**(1,614)**	–
Net impairment reversal charged to expenditure		**(107,792)**	19,293
Impairments charged to revaluation reserve			
Professional valuation impairments of land value		**(12,900)**	(15,570)
Professional valuation impairments of building and dwellongs value		**(36,082)**	(6,054)
Impairments of right of use assets		**(163)**	–
Other adjustments (intangibles)		**(1,563)**	–
Total impairments charged to Revaluation reserve		**(50,708)**	(21,624)
Total Net impairments		**(158,500)**	(2,331)
Impairments charged to operating expenses:			
Of which Departmental Expenditure Limit (DEL)		**(2,135)**	(632)
Of which Annually Managed Expenditure (AME)		**(105,657)**	19,925
		(107,792)	19,293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15.2 Analysis of valuation movements and impairments

During 2023/24 impairment transactions relate to the professional valuation of the Trustwide estate (£64.5m), professional valuation of the electronic patient records (Apollo) intangible asset (£41.2m) and to a much lesser extent, the abandonment of some assets under construction (£2.1m).

Property Valuation
Land and buildings across the full estate were valued independently by Gerald Eve as at 31 March 2024. The valuation included positive and negative valuation movements. Revaluation losses were taken to the revaluation reserve to the extent there was a revaluation surplus. Any losses over and above the revaluation surplus were charged to the Statement of Comprehensive Income (SOCI).

Where the revaluation resulted in an increase in an asset's value, this increase was credited to the revaluation reserve unless it reversed a revaluation loss previously recognised in operating expenses, in which case it was credited initially to operating income and thereafter to the revaluation reserve.

Intangible Valuation:
The impairment was calculated by a third party expert, assessing the value in use which is equal to the cost of replacement. The methodology assesses the changes in market such as inflationary impact as well as assessing the cost capitalised and the impact on the organisation if the effort had to be re-performed and to achieve the same functionality.

The movements arising from the valuations can be summarised as follows:

	March 31 2024 £000	**March 31 2024 £000**	**March 31 2024 £000**	March 31 2023 £000	March 31 2023 £000	March 31 2023 £000
	Revaluation reserve	**SOCI**	**Total**	Revaluation reserve	SOCI	Total
Impairments from professional valuations						
Impairments in land value	**(12,900)**	**(640)**	**(13,540)**	(15,570)	(752)	(16,322)
Impairments in building and dwellings value	**(36,082)**	**(65,260)**	**(101,342)**	(6,054)	(9,622)	(15,676)
Impairments in right of use assets	**(163)**	**(1,107)**	**(1,270)**	–	(895)	(895)
Reversal of previous impairments (buildings)	**–**	**2,511**	**2,511**	–	31,194	31,194
Impairments of intangible assets	**–**	**(41,161)**	**(41,161)**	–	–	–
Total impairments from professional valuation	**(49,145)**	**(105,657)**	**(154,802)**	(21,624)	19,925	(1,699)
Abandoned assets under construction	**–**	**(2,135)**	**(2,135)**	–	(632)	(632)
Other impairments (tangible and intangible)	**(1,563)**	**–**	**(1,563)**	–	–	–
Total net impairments	**(50,708)**	**(107,792)**	**(158,500)**	(21,624)	19,293	(2,331)
Revaluations upwards from professional valuation to revaluation reserve						
Increase in value of right of use assets	**600**	**–**	**600**	923	–	923
Increase in building and dwellings value to revaluation reserve	**13,345**	**–**	**13,345**	64,125	–	64,125
Other revaluation adjustments (tangible, intangible and right of use assets)	**3,705**	**–**	**3,705**	–	–	–
	17,650	**–**	**17,650**	65,048	–	65,048
Total movement to PPE arising from professional valuation	**(35,637)**	**(63,389)**	**(99,026)**	42,501	20,820	63,321
Total movement to Right of Use assets from professional valuation	**437**	**(1,107)**	**(670)**	923	(895)	28
Total movement to Intangibles from professional valuation	**–**	**(41,161)**	**(41,161)**	–	–	–

16 Leases – The Trust as a Lesee

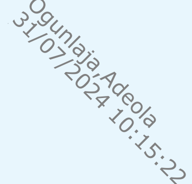
This note details information about leases for which the Trust is a lessee.

The majority of lease arrangements where the Trust is the lessee involve the leasing of buildings. Other lease arrangements involve the leasing of equipment and vehicles.

16.1 Right of use assets 2023/24

	Property (land and buildings) £000	Plant and machinery £000	Transport Equipment £000	Information technology £000	Total £000	Of which: leased from DSHC group bodies £000
Valuation / gross cost at 1 April 2023	**155,412**	**15,217**	**8,125**	**11,760**	**190,514**	**51,566**
Additions – lease liability	7,354	1,138	2,643	–	**11,135**	**–**
Additions – peppercorn leases	111	–	–	–	**111**	**–**
Remeasurements of the lease liability	7,114	–	–	(7)	**7,107**	**6,469**
Impairments charged to operating expenses	(1,107)	–	–	–	**(1,107)**	**–**
Impairments charged to the revaluation reserve	(163)	–	–	–	**(163)**	**–**
Revaluations	(1,105)	717	37	308	**(43)**	**–**
Disposals/derecognition – lease termination	(293)	–	–	–	**(293)**	**–**
Reclassifications from PPE	6,455	–	–	–	**6,455**	**–**
Valuation/gross cost at 31 March 2024	**173,778**	**17,072**	**10,805**	**12,061**	**213,716**	**58,035**
Accumulated depreciation at 1 April 2023	**18,884**	**3,288**	**2,589**	**3,274**	**28,035**	**4,138**
Provided during the year – right of use asset	18,530	3,382	3,977	2,291	**28,180**	**4,349**
Provided during the year – peppercorn leased asset	768	–	–	–	**768**	**–**
Revaluations	(900)	–	–	–	**(900)**	**–**
Reclassifications	–	–	685	(685)	**–**	**–**
Disposals/derecognition – lease termination	(9)	–	–	–	**(9)**	**–**
Accumulated depreciation at 31 March 2024	**37,273**	**6,670**	**7,251**	**4,880**	**56,074**	**8,487**
Net book value at 31 March 2024	**136,505**	**10,402**	**3,554**	**7,181**	**157,642**	**49,548**

Net book value of right of use assets leased from other NHS providers	2,783
Net book value of right of use assets leased from other DHSC group bodies	46,765
	49,548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16.2 Right of use assets 2022/23

Group	Property (land and buildings) £000	Plant and machinery £000	Transport Equipment £000	Information technology £000	Total £000	Of which: leased from DSHC group bodies £000
Valuation / gross cost at 1 April 2022	–	–	–	–	–	–
IFRS 16 implementation – reclassification of existing finance leased assets from PPE or intangible assets	–	1,993	–	1,886	**3,879**	**–**
IFRS 16 implementation – adjustments for existing operating leases / subleases	137,788	8,016	8,031	10,182	**164,017**	**51,566**
Additions	18,225	5,253	94	–	**23,572**	**–**
Impairments to operating expenses	(895)	–	–	–	**(895)**	**–**
Revaluations to revaluation reserve	294	(45)	–	(308)	**(59)**	**–**
Valuation/gross cost at 31 March 2023	**155,412**	**15,217**	**8,125**	**11,760**	**190,514**	**51,566**
Accumulated depreciation at 1 April 2022	**–**	**–**	**–**	**–**	**–**	**–**
Provided during the year	19,513	3,288	2,589	3,274	**28,664**	**4,138**
Revaluations to revaluation reserve	(629)	–	–	–	**(629)**	**–**
Accumulated depreciation at 31 March 2023	**18,884**	**3,288**	**2,589**	**3,274**	**28,035**	**4,138**
Net book value at 31 March 2023	**136,528**	**11,929**	**5,536**	**8,486**	**162,479**	**47,428**

Net book value of right of use assets leased from other NHS providers	**2,915**
Net book value of right of use assets leased from other DHSC group bodies	**44,513**
	47,428

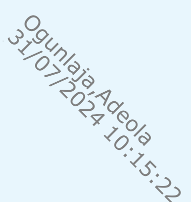
16.3 Reconcilliation of the carrying value of lease liabilities

Lease liabilities are included within borrowings in the statement of financial position. A breakdown of borrowings is disclosed in note 23.

Group	2023/24 £000	2022/23 £000
Carrying value at 1 April	**139,540**	**3,879**
IFRS 16 implementation – adjustments for existing operating leases	–	141,422
Lease additions	11,135	23,572
Lease liability remeasurements	7,107	–
Interest charge arising in year	1,575	2,096
Early terminations	(303)	–
Lease payments (cash outflows)	(27,874)	(31,429)
Carrying value at 31 March	**131,180**	**139,540**

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 7.1.

Cash outflows in respect of leases recognised on-SoFP are disclosed in the reconciliation above.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16.4 Maturity analysis of future lease payments at 31 March 2024

Group	Total	Of which leased from DHSC group bodies:
	March 31 2024 £000	**March 31 2024 £000**
Undiscounted future lease payments payable in:		
– not later than 1 year;	**22,821**	**4,788**
– later than 1 year and not later than 5 years;	**79,459**	**22,203**
– later than 5 years	**36,462**	**25,667**
Total gross future lease payments	**138,742**	**52,658**
Finance charges allocated to future periods	**(7,562)**	**(3,053)**
Net lease liabilities at 31 March 2024	**131,180**	**49,605**
Of which:		
Leased from other NHS providers		**2,807**
Leased from other DHSC group bodies		**46,798**
		49,605

16.5 Maturity analysis of future lease payments at 31 March 2023

Group	Total	Of which leased from DHSC group bodies:
	March 31 2023 £000	**March 31 2023 £000**
Undiscounted future lease payments payable in:		
– not later than 1 year;	**33,646**	**4,368**
– later than 1 year and not later than 5 years;	**67,042**	**17,298**
– later than 5 years	**46,436**	**27,846**
Total gross future lease payments	**147,124**	**49,512**
Finance charges allocated to future periods	**(7,584)**	**(2,779)**
Net lease liabilities at 31 March 2023	**139,540**	**46,733**
Of which:		
Leased from other NHS providers		**2,930**
Leased from other DHSC group bodies		**43,803**
		46,733

17 Investment property

Investment property carrying values

	GROUP AND TRUST	
	2023/24	2022/23
	£000	£000
Carrying value at April 1	**75,134**	80,359
Movement in fairvalue	**(3,586)**	(5,225)
Carrying value at March 31	**71,548**	75,134

Investment properties were valued by Gerald Eve as at 31 March 2024. Valuations were carried out in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual and International Financial Reporting requirements. The assets were valued by reference to the market conditions prevailing at the valuation date. Under IFRS13 this valuation is classed as a level 2 valuation (i.e. based on observable market data). The largest element of the Investment Property portfolio is the Chelsea Farmer's Market.

18 Revaluation reserve movements

Property, plant and equipment

	GROUP AND TRUST	
	2023/24	2022/23
	£000	£000
Revaluation reserve at April 1	**564,338**	519,338
Impairments (Note 15.1)	**(50,708)**	(21,624)
Revaluations	**17,650**	64,695
Other	**(2,142)**	1,929
Revaluation reserve at March 31	**529,138**	564,338

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19 Subsidiaries and interests in associates and joint ventures

The Guy's and St Thomas' principal subsidiary undertakings, associates and joint ventures as included in the Financial Statements at March 31 2024 are set out below. The accounting date of the financial statements for the subsidiaries, SpotOn Clincial Diagnostics, Collaborative Procurement Partnership LLP and KHP MedTech is March 31 2024. The accounting date for Synnvois Analytics, Services and Group is December 31 2023. For the joint venture/associate undertakings that have different accounting year-end dates, interim accounts to March 31 have been used.

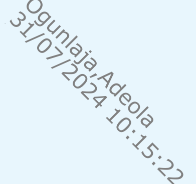
	Country of incorporation	Beneficial interest	Principal activity
Subsidiary undertakings			
Guy's and St Thomas' Enterprises Ltd	UK	100%	Holding company
Pathology Services Ltd [1]	UK	100%	Healthcare services
Lexica Health and Life Sciences Consultancy Limited[1]	UK	100%	Healthcare services
The Chelsea Private Hospital Ltd	UK	100%	Dormant
Associates and joint ventures			
KHP MedTech Innovations Ltd[1]	UK	30%	Healthcare services
SpotOn Clinical Diagnostics Ltd[1]	UK	30%	Healthcare services
King's Health Partners Ltd[2]	UK	25%	Healthcare services
Collaborative Procurement Partnership LLP	UK	25%	Healthcare services
Synnovis Group LLP[1]	UK	24.5%	Healthcare services
Synnovis Services LLP[1]	UK	24.5%	Healthcare services
Synnovis Analytics LLP[1]	UK	24.5%	Healthcare services

[1] Not directly owned by Guy's and St Thomas' NHS Foundation Trust

[2] Limited by guarantee – no cash investment has been made, Guy's and St Thomas' NHS Foundation Trust holds 25% voting rights.

19.1 Investments in joint ventures and associates

	GROUP	
	2023/24	2022/23
	£000	£000
Carrying value at April 1	**2,050**	1,345
Additions	**–**	675
Share of (losses) / profits	**(395)**	635
Profit Distribution / Dividends received	**(180)**	(605)
Carrying Value at March 31	**1,475**	2,050



20 Other investments / financial assets

Non-current	GROUP 2023/24 £000	2022/23 £000	TRUST 2023/24 £000	2022/23 £000
Carrying value at April 1	**146**	146	**10,589**	9,667
Additions	**333**	–	**891**	1,242
Loan repayments	**–**	–	**(1,400)**	(320)
Carrying value at March 31	**479**	146	**10,080**	10,589

2023/24 Group other investments / financial assets

Organisation	Current £000
Cydar Investments	146
KHP Ventures	333
	479

2023/24 Trust other investments / financial assets

Organisation	£000	Interest rate	Maturity date
Pathology Services Ltd (loan + interest)	7,395	Base rate +2%	Mar 2029
Guy's and St Thomas' Enterprises Limited (loan + interest)	2,685	Base rate +2%	Dec 2029
	10,080		

'Trust Loans with Pathology Services Limited (PSL), Guy's and St Thomas' Enterprises Limited are removed from the Group Accounts following consolidation adjustments.

21 Inventories

	GROUP AND TRUST March 31 2024 £000	March 31 2023 £000
Drugs	**11,397**	10,519
Consumables	**39,333**	37,496
	50,730	48,015

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 £450k of inventory items purchased by DHSC (2022/23: £2,577k).

These inventories were recognised as additions to inventory at deemed cost with the corresponding benefit recognised in income.

22 Trade and other receivables

22.1 Current

	GROUP	
	March 31 2024 £000	March 31 2023 £000
Contract receivables: invoiced	**137,321**	121,616
Contract receivables: not yet invoiced	**80,133**	112,919
Capital receivables	**3,365**	9,633
Allowance for impaired receivables	**(46,229)**	(40,422)
Prepayments	**22,707**	26,334
VAT and other tax receivable	**11,873**	3,736
Clinical pension tax provision reimbursement funding from NHSE	**95**	100
Other receivables	**14,573**	11,579
	223,838	245,495

22.2 Non-current

	GROUP	
	March 31 2024 £000	March 31 2023 £000
Contract receivables	**2,764**	2,638
Capital receivables	**8,362**	–
Clinical pension tax provision reimbursement funding from NHSE	**4,094**	5,273
	15,220	7,911

22.3 Allowances for credit losses

	GROUP AND TRUST	
	2023/24 Contract receivables and contract assets £000	**2022/23 Contract receivables and contract assets £000**
Allowances as at 1 April	**40,422**	36,726
New allowances arising	**12,880**	5,355
Reversal of allowances	**(5,758)**	(659)
Utilisation of allowances	**(1,315)**	(1,000)
Allowances as at 31 March	**46,229**	40,422

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23 Current liabilities

23.1 Trade and other payables

	GROUP	
	March 31 2024	March 31 2023
	£000	£000
Trade payables	**106,866**	59,813
Capital payables	**38,411**	40,286
Accruals	**182,764**	251,582
Receipts in advance	**1,449**	1,314
Social security costs	**18,572**	18,343
Other taxes payable	**19,672**	17,444
PDC dividend payable	**82**	4,734
Pension contributions payable	**20,812**	19,685
Other payables	**2,146**	799
	390,774	414,000

23.2 Other liabilities

	GROUP	
Current	**March 31 2024**	March 31 2023
	£000	£000
Deferred income: contract liabilities	**41,992**	68,290
Deferred grants	**1,569**	257
	43,561	68,547

23.3 Borrowings

	GROUP	
	March 31 2024	March 31 2023
Current	**£000**	£000
Capital loans from Department of Health and Social Care (DHSC)	**17,856**	19,062
Lease liabilities	**21,363**	32,432
Obligations under PFI, LIFT or other service concession contracts (excluding lifecycle)	**122**	129
	39,341	51,623
Non-current	**£000**	£000
Capital loans from Department of Health and Social Care (DHSC)	**174,831**	191,839
Lease liabilities	**109,817**	107,108
Obligations under PFI, LIFT or other service concession contracts (excluding lifecycle)	**2,438**	2,726
	287,086	301,673
Total borrowings (current and non-current)	**326,427**	353,296

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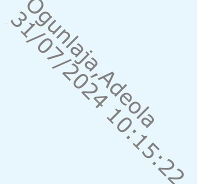
23.4 Reconciliation of liabilities arising from financing activities 2023/24

GROUP	Loans from DHSC £000	Lease liabilities £000	Service concession obligations £000	Total £000
Carrying value as at 1 April 2023	**210,901**	**139,540**	**2,855**	**353,296**
Cash movements:				
Financing cash flows – payments and receipts of principal	(18,134)	(26,312)	(296)	**(44,742)**
Financing cash flows – payments of interest	(5,011)	(1,562)	(107)	**(6,680)**
Non-cash movements:				
Additions	–	11,135	–	**11,135**
Lease liability remeasurements	–	7,107	–	**7,107**
Application of effective interest rate	4,931	1,575	108	**6,614**
Early termination	–	(303)	–	**(303)**
Carrying value at 31 March 2024	**192,687**	**131,180**	**2,560**	**326,427**

23.5 Reconciliation of liabilities arising from financing activities 2022/23

GROUP	Loans from DHSC £000	Lease liabilities £000	Service concession obligations £000	Total £000
Carrying value as at 1 April 2022	229,131	3,879	3,139	**236,149**
Cash movements:				
Financing cash flows – payments and receipts of principal	(18,135)	(29,334)	(284)	**(47,753)**
Financing cash flows – payments of interest	(5,444)	(2,095)	(117)	**(7,656)**
Non-cash movements:				
IFRS 16 implementation – adjustments for existing operating leases/subleases	–	141,422	–	**141,422**
Additions	–	23,572	–	**23,572**
Application of effective interest rate	5,349	2,096	117	**7,562**
Carrying value at 31 March 2023	**210,901**	**139,540**	**2,855**	**353,296**



23.6 Schedule of borrowings from the Department of Health and Social Care

Loan start date	Loan end date	Interest rate %	Total loan drawn down £000	Principal and accrued interest outstanding April 1 2023 £000	Principal repaid during 2023/24 £000	Interest paid during 2023/24 £000	Interest charge (I&E) for 2023/24 £000	Principal and accrued interest outstanding March 31 2024 £000
Jun-11	Jun-36	3.27	75,000	46,493	(3,405)	(1,478)	1,451	43,061
Mar-12	Mar-37	2.85	80,000	52,085	(3,728)	(1,461)	1,458	48,354
Sep-13	Nov-23	1.95	9,000	1,133	(1,125)	(16)	8	–
* Apr-14	Apr-29	2.54	30,000	15,778	(2,400)	(381)	354	13,351
* Jun-15	Jun-30	2.06	20,000	11,184	(1,480)	(221)	213	9,696
Feb-16	Feb-41	1.9	25,000	18,407	(1,020)	(343)	343	17,387
Feb-16	Feb-41	1.9	14,000	10,528	(582)	(196)	196	9,946
Feb-16	Feb-41	1.9	33,768	27,076	(1,499)	(505)	504	25,576
Feb-16	Feb-31	1.38	27,232	19,827	(2,478)	(264)	261	17,346
Nov-17	Nov-42	1.76	10,000	8,390	(417)	(146)	143	7,970
			324,000	**210,901**	**(18,134)**	**(5,011)**	**4,931**	**192,687**

* Loans transferred from the Royal Brompton and Harefield NHS Foundation Trust. For disclosure purposes the full history of the loan has been disclosed, rather than just the movement since 1 February 2021.

No security has been pledged against these loans.

All borrowing relates to capital loans that were secured to support the Trust's plans to redevelop its hospital sites, upgrade IT and other infrastructure.

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24 Provisions for liabilities

24.1 Overall provisions

GROUP AND TRUST

	March 31 2024 £000	March 31 2023 £000
Current		
Pensions: injury benefit	**98**	81
Pensions: early departure	**36**	20
Legal claims	**221**	389
Clininician pension tax reimbursement	**95**	100
Other*	**5,208**	1,165
	5,658	1,755

	March 31 2024 £000	March 31 2023 £000
Non-current		
Pensions: injury benefit	**1,372**	1,283
Pensions: early departure	**263**	137
Clinician pension tax reimbursement	**4,094**	5,273
Other*	**6,910**	7,232
	12,639	13,925

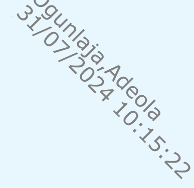
Total provisions	March 31 2024 £000	March 31 2023 £000
Pensions: injury benefit	**1,470**	1,364
Pensions: early departure	**299**	157
Legal claims	**221**	389
Clinician pension tax reimbursement	**4,189**	5,373
Other*	**12,118**	8,397
	18,297	15,680

24.2 Changes in provisions

	Pensions - injury benefits £000	Legal claims £000	Pensions early departure £000	Clinician pension tax reimbursement £000	Other* £000	Total £000
As at April 1 2023	1,364	389	157	5,373	8,397	**15,680**
Change in Discount Rate	105	–	228	(903)	–	**(570)**
Arising during the year	75	121	9	–	5,208	**5,413**
Utilised during the year	(97)	(81)	(36)	(37)	(355)	**(606)**
Reversed unused	–	(208)	(61)	(516)	(1,132)	**(1,917)**
Unwinding of discount	23	–	2	272	–	**297**
At March 31 2024	**1,470**	**221**	**299**	**4,189**	**12,118**	**18,297**

24.3 Expected timing of cash flows

Timing of provisions	Pensions - injury benefits £000	Legal claims £000	Pensions early departure £000	Clinician pension tax reimbursement £000	Other* £000	Total £000
Within one year	98	221	36	95	5,208	**5,658**
Between one and five years	364	–	133	232	4,676	**5,405**
After five years	1,008	–	130	3,862	2,234	**7,234**
	1,470	**221**	**299**	**4,189**	**12,118**	**18,297**



* Other provisions largely consist of provisions for dilapidations and provisions for redundancies.

As at 31 March 2024 £372m is included in provisions of NHS Resolution in respect of clinical negligence liabilities of Guy's and St Thomas' NHS Foundation Trust (£486m at March 31 2023).

The timing of the provisions cash flow represents our best estimate of future liabilities based on available input from NHS professionals in the respective areas.

25 Cash and cash equivalents movement

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	GROUP		TRUST	
	2023/24	2022/23	**2023/24**	2022/23
	£000	£000	**£000**	£000
At April 1	**130,760**	220,946	**125,918**	215,770
Net change in year	**(40,897)**	(90,186)	**(39,440)**	(89,852)
At 31 March	**89,863**	130,760	**86,478**	125,918
Broken down into:				
Cash at commercial banks and in hand	**5,297**	6,020	**1,912**	1,178
Cash with the Government Banking Service	**84,566**	124,740	**84,566**	124,740
Total cash and cash equivalents	**89,863**	130,760	**86,478**	125,918

26 Contractual capital commitments

	GROUP AND TRUST	
	31 March 2024	31 March 2023
	£000	£000
Property, plant and equipment	**19,659**	24,611
Intangible assets	**15,947**	44,027
	35,606	68,638

27 Contingencies

Contingent liabilities

	GROUP AND TRUST	
	31 March 2024	31 March 2023
	£000	£000
Contingent liability for claims	**(128)**	(72)
Net contingent liability	**(128)**	(72)

Contingent liabilities recorded are in respect of Public and Employee liability cases and the Property Expenses Scheme as advised by the NHS Resolution. This represents the best estimate of future liabilities based on available input from NHS professionals in the respective areas.

28 Events after the reporting date

On 3 June 2024, a criminal cyber-attack was perpetrated against Synnovis, the provider of the Trust's pathology services. This remained an extremely serious incident affecting the Trust and a number of partner organisations in south east London at the time of finalising the annual report and accounts. Given the ongoing nature of the response, as well as the potential for unknown factors, the full impact remained unknown at this stage.

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29 Related party transactions

Guy's and St Thomas' NHS Foundation Trust is a body corporate established by order of the Secretary of State for Health. It falls within the Department of Health and Social Care's (DHSC) consolidation boundary. DHSC is regarded as a related party. The DHSC is the parent department of the Trust. During the year Guy's and St Thomas' Foundation Trust has had a number of material transactions with the Department and with other entities for which the department is regarded as the parent Department as listed below:

- NHS Foundation Trusts
- Public Health England
- Special Health Authorities
- NHS Trusts
- Health Education England
- Non-Departmental Public Bodies
- Department of Health
- Integrated Care Boards and NHS England
- Other Department of Health and Social Care bodies

Per note 19, the Trust has 4 wholly owned subsidiaries. There are no material transactions between the Trust and its subsidiaries. Related party transactions were made on terms equivalent to those that prevail in arm's length transactions and are eliminated when preparing the group consolidated accounts.

The Trust works closely with its partners in King's Health Partners: King's College Hospital NHS Foundation Trust, South London and Maudsley NHS Foundation Trust and King's College London.

The Trust had a number of transactions with non consolidated charities with connections to the Trust. Details, along with other related parties, are included in the table below.

	Amounts due (invoiced) from related parties		**Amounts owed (invoiced) to related parties**	
	2023/24 £000	2022/23 £000	**2023/24 £000**	2022/23 £000
Non-NHS Related party transactions				
Guy's and St Thomas' Charity	**4,139**	1,209	**–**	–
King's College London	**9,618**	12,297	**2,843**	5,402
Synnovis*	**3,863**	4,441	**210**	6
Royal Brompton and Harefield Hospitals Charity	**575**	7	**–**	95

	Income from related party		**Expenditure with related party**	
	2023/24 £000	2022/23 £000	**2023/24 £000**	2022/23 £000
Non-NHS Related party transactions				
Guy's and St Thomas' Charity	**8,012**	4,977	**–**	–
King's College Hospital	**33,221**	34,049	**23,229**	27,741
Royal Brompton and Harefield Hospitals Charity	**1,856**	1,252	**–**	–

* Includes transactions with Synnovis Group LLP, Synnovis Services LLP, Synnovis Analytics LLP

A number of Board level staff held joint posts with King's College Hospital NHS Foundation Trust during 2023/24: Charles Alexander was Joint Chairman for both organisations between December 2022 and January 2024, Beverley Bryant has been Chief Digital Information Officer for both organisations since September 2019; Steve Weiner was a Non-Executive Director on both boards until July 2023, and Simon Friend is currently a Non Executive Director on both boards.

Since September 2020 Dr Felicity Harvey has been a Non-Executive Director at Sciensus (formerly 'Healthcare at Home'), which provides services to Guy's and St Thomas' as well as many other NHS Organisations for the provision of medicines in the home of patients with long term conditions on expensive medicines. The Trust has recorded £76m of invoices from Sciensus during 2023/24,being coded to 'Drugs' in Note 7. The Trust has a year-end creditor of £3.3m.

Simon Friend is the Independent Non-Executive Director at Bevan Brittan LLP, who provide some legal and advisory services to the Trust. The Trust is showing £52k of expenditure with Bevan Brittan LLP during 2023/24 and no creditor as at 31 March 2024.

Nilkunj Dodhia is a Director at Oracle, an organisation that has contracts with the Trust. The Trust has recorded £1,057k of invoices from Oracle during 2023/24, and no creditor as at 31 March 2024.

The Council of Governors includes representatives from organisations that work closely with the Trust including Lambeth Council, Southwark Council, Royal Borough of Kensington and Chelsea Council, and London South Bank University.

Aside from these transactions none of the other Board members, the members of the Council of Governors, members of the key management staff or parties related to them have undertaken any material transactions with Guy's and St Thomas' NHS Foundation Trust.

30 Financial assets and liabilities

30.1 Carrying value and fair value of financial assets

GROUP	**Held at amortised cost**	Held at amortised cost
	March 31 2024	March 31 2023
	£000	£000
Carrying values of financial assets as at 31 March		
Trade and other receivables (excluding non-financial assets) – with NHS and DHSC bodies	**95,187**	69,076
Trade and other receivables (excluding non-financial assets) – with other bodies	**103,955**	106,115
Other investments / financial assets	**1,954**	2,196
Cash and cash equivalents	**89,863**	130,760
Total carrying value of financial assets at 31 March	**290,959**	308,147

30.2 Carrying value and fair value of financial liabilities

GROUP	**Held at amortised cost**	Held at amortised cost
	March 31 2024	March 31 2023
	£000	£000
Carrying values of financial liabilities as at 31 March		
Loans from DHSC	**192,687**	210,901
Obligations under leases	**131,180**	139,540
Obligations under service concession contracts	**2,560**	2,855
Trade and other payables (excluding non financial liabilities) – with NHS and DHSC bodies	**31,891**	30,181
Trade and other payables (excluding non financial liabilities) – with other bodies	**286,858**	259,238
Provisions under contract	**7,131**	8,325
Total at 31 March	**652,307**	651,040

The carrying value and fair value of the financial assets and financial liabilities are not materially different.

30.3 Maturity of financial liabilities

The following maturity profile of financial liabilities is based on the contractual undiscounted cash flows.
This differs to the amounts recognised in the statement of financial position which are discounted to present value.

	Group and Trust	
	March 31 2024	March 31 2023
	£000	£000
In 1 year or less	**364,468**	347,957
In more than 2 years but not more than 5 years	**167,824**	175,419
In more than 5 years	**159,152**	171,698
	691,444	695,074

30.4 Loan disclosure

	Current	Non current	Total	Weighted average interest rate %
	£000	£000	£000	
March 31 2024				
Fixed interest rate instruments	**17,856**	**174,831**	**192,687**	2.44%
March 31 2023				
Fixed interest rate instruments	19,062	191,839	210,901	2.44%

30.5 Financial risk management

International Financial Reporting Standard (IFRS) 7 requires disclosure of the role that financial instruments have had during the year in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the Trust has with NHS commissioners and the way those commissioners are financed, the Trust is not exposed to the degree of financial risk faced by most business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The NHS Foundation Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the NHS Foundation Trust in undertaking its activities.
The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's standing financial instructions and policies agreed by the Board of Directors. Trust treasury activity is subject to review by the Trust's internal auditors.

Currency risk
The Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Trust makes some purchases in foreign currency and these are converted to Sterling at the spot rate on the day of payment, and overall the Trust has minimal exposure to currency rate fluctuations.

Interest rate risk
Where appropriate, the Trust may borrow from Government and commercial sources, as disclosed in Note 23. The borrowings are for 1 – 25 years, in line with the life of the associated assets. Interest rates on the ITFF (Govt) loans are fixed. The Trust therefore has low exposure to interest rate fluctuations.

Credit risk
Because the majority of the Trust's income comes from contracts with other public sector bodies, the Trust has limited exposure to credit risk. The maximum exposures as at March 31 2024 are in receivables from customers, as disclosed in the Trade and other receivables note.

Liquidity risk
Most of the Trust's operating costs are incurred under contracts with NHS commissioners, which are financed from resources voted annually by Parliament. The Trust funds its capital programme from its own resources and donations, and where necessary by accessing loans from government and commercial bodies.

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31 Third party assets

Guy's and St Thomas' NHS Foundation Trust held cash and cash equivalents which relate to monies held by the Trust on behalf of patients or other parties and in which the Trust has no beneficial interest. These are split into the following:

£183k (£186k at March 31 2023) which relates to monies held by the Trust on behalf of patients.

£2,996k (£2,929k at March 31 2023) is held as client monies on behalf of tenants as a result of assurities.

These amounts have been excluded from the cash and cash equivalents figure reported in the accounts.

	31 March 2023	31 March 2022
	£000	£000
Monies on deposit	**3,179**	3,115
Total Third Party Assets	**3,179**	3,115

32 Losses and special payments

	Group and Trust			
Losses	**Year ended March 31 2024 Cases**	**Year ended March 31 2024 £000**	Year ended March 31 2023 Cases	Year ended March 31 2023 £000
Cash losses	**7**	**–**	6	1
Bad debts and claims abandoned	**795**	**2,767**	1,178	2,989
Stores losses, theft and other	**34**	**1,247**	44	1,410
Total losses	**836**	**4,014**	1,228	4,400
Special payments	**Year ended March 31 2024 Cases**	**Year ended March 31 2024 £000**	Year ended March 31 2023 Cases	Year ended March 31 2023 £000
Ex gratia payments	**29**	**11**	31	13
Special severance payments	**–**	**–**	1	1
Total special payments	**29**	**11**	32	14
Total losses and special payments	**865**	**4,025**	1,260	4,414
Of which cases of £300k or more:	**1**	**603**		

During the year a write off to stock of £603k was processed due to the expiration of seasonal vaccine stock. £330k has subsequently been received from SEL ICB and the vaccine manufacturer, resulting in a net cost of £273k to the Trust.

The amounts quoted above are reported on an accruals basis but exclude provision for future losses.

33 Heritage assets

Historic artefacts

The remains of a Roman boat lie in the Guy's Hospital site, beneath the Cancer Treatment Centre. The artefact has been disclosed as a non-operational heritage asset. As well as being of significance in its own right, the artefact assists in interpreting and presenting our hospital to the public and provides a valuable research resource for heritage professionals. Subject to conditions not deteriorating, the Roman Boat will remain preserved in situ and thus will remain on the Trust's land. The ground conditions around the boat are subject to regular monitoring. Should conditions deteriorate to a certain level, then a decision will be taken to remove the boat. The Trust holds scheduled monument consent from the Department for Culture, Media and Sport.

The Trust does not consider that reliable cost or valuation information can be obtained for the Roman boat, and even if valuations can be obtained, the cost would be onerous compared with the additional benefits derived by the Trust and the users of the accounts. This is because of the nature of the asset held and the lack of comparable market values. The Trust therefore does not recognise this asset on its Statement of Financial Position.

Donated artefacts received during the year had a value of nil (nil 2022/23). There were no disposals of artefacts during either year.

34 The Late Payment of Commercial Debts (interest) Act 1998

The Trust incurred £324k (£15k 2022/23) in charges relating to the late payment of Commercial Debts.

35 Public Dividend Capital (PDC) dividend

The Trust is required to demonstrate that the PDC dividend payable is in line with the actual rate of 3.5% of average relevant net assets. The dividend payable relating to the period to March 31 2024 was £39,251k (£37,668k 2022/23).

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contacts

Chief Executive
If you have a comment for the Chief Executive,
contact:
Ian Abbs, Chief Executive
Tel: 020 7188 0001

Patient Advice and Liaison Service (PALS)
If you require information, support or advice about our services,
contact:

PALS

Tel: 020 7188 8801 (St Thomas')
or 020 7188 8803 (Guy's)
Email: pals@gstt.nhs.uk

Tel: 020 7349 7715 (Royal Brompton)
or 01895 826572 (Harefield)
Email: pals@rbht.nhs.uk

Membership
If you are interested in becoming a member of our NHS Foundation Trust,
contact:
Tel: 0800 731 0319
Email: members@gstt.nhs.uk

Recruitment
If you are interested in applying for a job at Guy's and St Thomas',
contact:
The Recruitment Centre
Tel: 020 7188 0044
www.guysandstthomas.nhs.uk/careers

Further information
If you have a media enquiry or require further information,
contact:
Anita Knowles, Director of Communications
Tel: 020 7188 5577
Email: communicationsteam@gstt.nhs.uk

www.guysandstthomas.nhs.uk

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Guy's and St Thomas' NHS Foundation Trust

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St Thomas' Hospital Westminster Bridge Road London SE1 7EH

Evelina London Children's Hospital Westminster Bridge Road London SE1 7EH

Tel: 020 7188 7188

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www.evelinalondon.nhs.uk

Royal Brompton Hospital Sydney Street London SW3 6NP
Tel: 020 7352 8121

Harefield Hospital Hill End Road Harefield UB9 6JH
Tel: 01895 823 737

www.rbht.nhs.uk

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Guy's and St Thomas' NHS Foundation Trust

Auditor's Annual Report for the year ended 31 March 2024

June 2024 – Final

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Contents

We are required under Schedule 10 paragraph 1(d) of the National Health Service Act 2006 to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.
The Code of Audit Practice issued by the National Audit Office (NAO) requires us to report to you our commentary relating to proper arrangements.

We report if significant matters have come to our attention. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

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The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed for the purpose of completing our work under the NAO Code and related guidance. Our audit is not designed to test all arrangements in respect of value for money. However, where, as part of our testing, we identify significant weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose all irregularities, or to include all possible improvements in arrangements that a more extensive special examination might identify. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting, on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

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Introduction

Purpose of the Auditor's Annual Report

This report brings together a summary of all the work we have undertaken for Guy's and St Thomas' NHS Foundation Trust during 2023/24 as the appointed external auditor. The core element of the report is the commentary on the value for money (VfM) arrangements. Here we draw the reader's attention to relevant issues, recommendations arising from our work and how the Trust has responded to recommendations made in previous years. The responsibilities of the Trust are set out in Appendix A.

Responsibilities of the appointed auditor

Opinion on the financial statements

Auditors provide an opinion on the financial statements which confirms whether they:

- give a true and fair view of the financial position of the Trust as at 31 March 2024 and of its expenditure and income for the year then ended
- have been properly prepared in accordance with international accounting standards as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2023/24, and
- have been prepared in accordance with the requirements of the National Health Service Act 2006.

We also consider the Annual Governance Statement, the relevant disclosures within the Annual Report including the remuneration report and undertake work relating to the Whole of Government consolidation exercise.

Value for money

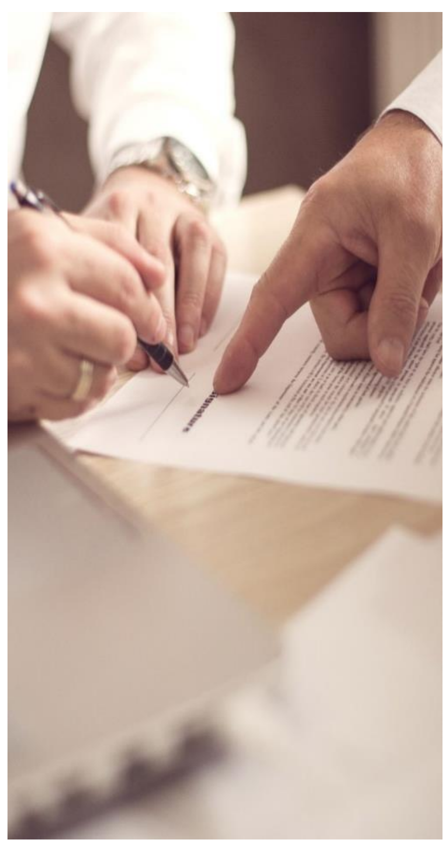
We report our judgements on whether the Trust has proper arrangements in place regarding arrangements under the three specified criteria:

- financial sustainability
- governance
- Improving economy, efficiency and effectiveness

Other powers

Auditors of a Foundation Trust have a duty to consider whether there are any issues arising during their work that indicate possible or actual unlawful expenditure or action leading to a possible or actual loss or deficiency that should be referred to the relevant NHS regulatory body.

Auditors of Foundation Trusts also have the duty to consider whether to issue a report in the public interest (PIR), where it is appropriate to do so



The Value for Money Auditor responsibilities are set out in Appendix B.

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Executive summary

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Executive summary

Under Schedule 10 paragraph 1(d) of the National Health Service Act 2006, we are required to be satisfied whether the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources (referred to as Value for Money). The National Audit Office (NAO) Code of Audit Practice ('the Code'), requires us to assess arrangements under three areas as set out below.

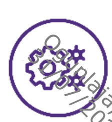
Financial sustainability

The Trust delivered a £1.9m surplus in 2023/24 and has set a breakeven plan for 2024/25 at the 2 May 2024 NHSE planning submission. The breakeven 2024/25 financial plan includes a £94m CIP requirement which equates to 3.4% of total expenditure and is part of c. £100m SEL system deficit plan for 2024/25. Work is ongoing with the Trust targeting identification of all schemes against the savings target by the end of June 2024. At the end of April 2024, the Trust had £52.4m CIP identified (56% of the £94m target). Additionally, the Trust appears to have an effective approach to identify and manage financial risks, with detailed reporting to the Finance, Commercial, and Investment Committee and Board of Directors. Our work has not identified evidence of significant weaknesses within the arrangements in place. We have raised two improvement recommendation which have been accepted by Management.

Governance

The Trust has established an effective system for monitoring and assessing risks, with regular reviews by overseeing committees and high-rated risks reported to the Audit and Risk Committee. Policies are in place to prevent and detect fraud, supported by the annual budget setting process aligning with NHSE planning deadlines and involving internal and external engagement. The Trust ensures effective budgetary control and timely management information through regular performance review meetings and integrated performance reporting. Our work has not identified evidence of significant weaknesses within the arrangements in place.

Improving economy, efficiency and effectiveness



The Trust effectively assesses financial and operational performance through the Integrated Performance Report (IPR) and internal audit reviews. Challenges in reporting data internally and externally have been encountered in 2023/24 with the implementation of the new electronic patient record system (Epic) in October 2023. The Trust holds an overall CQC rating of "Good" and has oversight of clinical quality and safety through the Quality and Performance Committee. The Trust is in Tier 1 for Cancer and Diagnostic performance. Our work has not identified evidence of significant weaknesses within the arrangements in place., and we have raised two improvement recommendation which has been accepted by Management.

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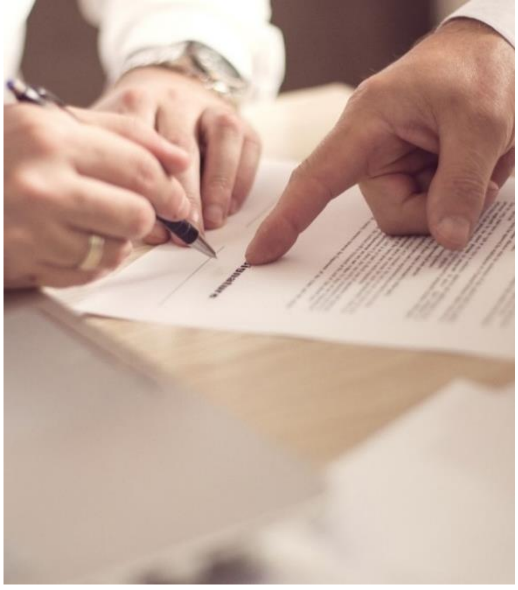
We have completed our audit of your financial statements and issued an unqualified audit opinion on [TBC June 2024], following the Audit Committee meeting on [TBC June 2024. Our findings are set out in further detail on page(s) x (to x).



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Executive summary (continued)

Overall summary of our Value for Money assessment of the Trust's arrangements

Criteria	2023/24 Risk assessment as per Audit Plan		2023/24 Auditor judgement on arrangements		2022/23 Auditor judgement on arrangements
Financial sustainability	Risk of significant weakness regarding the Trust's arrangements to secure financial sustainability.	A	No significant weaknesses in arrangements identified, but two improvement recommendation arising from medium term financial improvements and 2024/25 CIP delivery	R	Significant weakness in arrangements for financial sustainability identified and one key recommendations made relating to deliverability of the 2023/24 savings programme.
Governance	No risk of significant weakness regarding the Trust's governance arrangements has been identified at this stage.	G	No significant weaknesses in arrangements identified	A	No significant weaknesses in arrangements identified, but two improvement recommendation made.
Improving economy, efficiency and effectiveness	No risk of significant weakness regarding the Trust's economy, efficiency and effectiveness arrangements has been identified at this stage.	A	Our work did not identify any areas where we considered that key recommendations were required. We have made Two improvement recommendations relating to arrangements in respect of data quality, Epic stabilisation cancer and diagnostic performance.	A	No significant weaknesses in arrangements identified, but three improvement recommendation made.

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G	No significant weaknesses in arrangements identified or improvement recommendation made.
A	No significant weaknesses in arrangements identified, but improvement recommendations made.
R	Significant weaknesses in arrangements identified and key recommendations made.

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Opinion on the financial statements and use of auditor's powers

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Opinion on the financial statements

Audit opinion on the financial statements

We anticipate issuing an unmodified opinion on the financial statements following the June Audit and Risk Committee meeting.

Grant Thornton provides an independent opinion on whether the Trust's financial statements:

- give a true and fair view of the financial position of the Trust as at 31 March 2024 and of its expenditure and income for the year then ended
- have been properly prepared in accordance with international accounting standards as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2023/24, and
- have been prepared in accordance with the requirements of the National Health Service Act 2006

We conducted our audit in accordance with:

- International Standards on Auditing (UK)
- the Code of Audit Practice (2020) published by the National Audit Office, and
- applicable law

We are independent of the Trust in accordance with applicable ethical requirements, including the Financial Reporting Council's Ethical Standard.

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Findings from the audit of the financial statements

The Trust provided draft accounts in line with the national deadline.

Draft financial statements were of a reasonable standard and supported by detailed working papers.

Audit Findings Report

We report the detailed findings from our audit in our Audit Findings Report. A final version of our report was presented to the Trust's Audit and Risk Committee on 19 June 2024. Requests for this Audit Findings Report should be directed to the Trust.

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Other reporting requirements and use of auditor's powers

Remuneration and Staff Report

Under the Code of Audit Practice (2020) published by the National Audit Office, we are required to audit specified parts of the Remuneration and Staff Report included in the Trust's Annual Report for 2023/24. These specified parts of the Remuneration and Staff Report have been properly prepared in accordance with the requirements of the Department of Health and Social Care Group Accounting Manual 2023/24.

Annual Governance Statement

Under the Code of Audit Practice (2020) published by the National Audit Office, we are required to consider whether the Annual Governance Statement included in the Trust's Annual Report for 2023/24 does not comply with the guidance issued by NHS England, or is misleading or inconsistent with the information of which we are aware from our audit. We have nothing to report in this regard

Annual Report

Under the Code of Audit Practice (2020) published by the National Audit Office, we are required to consider whether, based on the work undertaken in the course of the audit of the Trust's financial statements for 2023/24, the other information published together with the financial statements in the Trust's Annual Report for 2023/24 is consistent with the financial statements. We have nothing to report in this regard.

Whole of Government Accounts

To support the audit of Consolidated NHS Provider Accounts, the Department of Health and Social Care group accounts, and the Whole of Government Accounts, we are required to examine and report on the consistency of the Trust's consolidation schedules with their audited financial statements. This work includes performing specified procedures under group audit instructions issued by the National Audit Office. The Trust required additional work on it's submission having been selected as part of the NAO's sampled bodies.

Our work did not identify any significant issues.

Ogunlaja, Adeola
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We bring the following matters to your attention:

Referrals to the relevant regulatory body

We did not make a referral under Schedule 10 paragraph 6 of the National Health Service Act 2006. We do not consider that any unlawful expenditure has been made or planned for

Public Interest Report

Under Schedule 10 paragraph 3 National Health Service Act 2006, auditors have the power to make a report if they consider a matter is sufficiently important to be brought to the attention of the audited body or the public as a matter of urgency, including matters which may already be known to the public, but where it is in the public interest for the auditor to publish their independent view.

We did not issue a report in the Public Interest with regard to arrangements at the Trust.

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Value for Money
Commentary on arrangements

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The current NHS landscape

National context

In 2023/24, the NHS has continued to show commitment to patient care and service delivery. Advancements in digital health technologies including virtual wards have the potential to support service redesign, reduce waiting times, and improve patient outcomes. Data published by NHS England in April 2024 indicates that performance against key metrics for elective waiting times, diagnostic tests access, and A&E 4 hour waits all improved year on year, though performance is still some way from target. These achievements demonstrate the resilience and adaptability of NHS staff amidst ongoing pressures.

Integrated Care Systems, established on 1st July 2022, remain at varying stages of maturity. Some systems have developed changes to patient pathways designed to improve outcomes, create efficiencies, tailor services to the needs of their local population and address local health inequalities. Most systems continue to face significant challenges, including workforce shortages, rising demand for healthcare services, and efficient resource management, all resulting in financial sustainability uncertainties.

Pay and productivity remain key challenges nationally. Staffing numbers have increased significantly since 2019/20 with staff costs now exceeding the funding available in many systems, exacerbated by industrial action costs. At the same time, activity growth has not kept pace, leaving a “productivity gap” that is not yet fully understood. This is further hampered by staff absences and pressures in social care staffing. NHS England has requested that all systems formally review the workforce increases seen over recent years. Many NHS bodies are already recognising an urgent need to manage down their temporary and agency staff costs, and recruit and retain the substantive staff they need to deliver services. There also needs to be a continued focus on quality and ensuring system governance is sound. Learning from public inquiry reports and maintaining high standards of behaviour is key to improving patient safety and building public trust.

These challenges are likely to make 2024/25 another challenging year for all local health services. However, the NHS is focusing on the recovery of core services through continuous improvement in access, quality, and productivity whilst transforming the way care is delivered and creating stronger foundations for the future.

Local context

Overview of the Trust

Guy’s and St Thomas’ NHS Foundation Trust (GSTT or the Trust) delivers a wide range of secondary and community services for people in Lambeth and Southwark, as well as specialist care for patients from further afield, including heart and lung, cancer and renal services. It operates from 5 main hospitals – Guy's Hospital, St Thomas' Hospital, Evelina London Children's Hospital, Royal Brompton Hospital and Harefield Hospital, and in the community in Lambeth and Southwark.

The Trust has experienced ongoing operational pressures in 2023/24, driven by high demand for elective and emergency care, but also following implementation of a new electronic patient record system in October 2023. The Trust is currently in SOF2 segmentation within NHSE System Oversight Framework. The Trust is part of the South East London Integrated Care System. The area has a diverse population, whose health and care needs are complex. The population is also growing: it is predicted to increase by nearly 10% by 2029. As in many systems serving large metropolitan populations, there are significant challenges from inequality, with the populations of the most deprived and vulnerable communities having significantly lower life expectancy and poorer health than those in more affluent areas.

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On 4 June 2024, the Trust’s pathology provider, Synnovis, confirmed that they have been the victim of a ransomware cyber attack. This has since had a significant impact on the delivery of Trust services, as well as across partner organisations in mental health, community and primary care services across south east London. We will consider the impact and Trust response as part of our 2024/25 audit work.

It is within this context that we set out our commentary on the Trust’s value for money arrangements in 2023/24 and make recommendations where any significant weaknesses or improvement opportunities in arrangements have been identified to support management in 2024/25.

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Financial sustainability

We considered how the Trust:	Commentary on arrangements	Assessment
identifies all the significant financial pressures that are relevant to its short and medium-term plans and builds these into them	The Trust delivered a £1.9m surplus in 2023/24 and has set a breakeven plan for 2024/25 at the 2 May 2024 NHSE planning submission. The Trust ended the year with a cash balance of £89.9m which is a reduction of £40.9m in year. The main driver of this is capital payments of £90.7m. The Trust maintains financial oversight through monthly finance reports, detailed cash flow forecasting, and regular updates on cash position, with a year-end projection for a favourable outcome. The Trust's Long Term Financial Model indicates the need for recurrent financial improvements and efficiencies of around £266m over the next five years, with a medium-term financial plan prepared to achieve this while aligning with the Integrated Care System.	A
plans to bridge its funding gaps and identify achievable savings	In our 2022/23 Auditors Annual Report we reported a significant weakness in financial sustainability arrangements and one key recommendation was made regarding the deliverability of the 2023/24 £125.8m savings programme (CIP) which was c. 4.6% of Trust expenditure. In 2023/24 the Trust delivered £97.8m of savings, with 66% of this being recurrent CIP and 34% non-recurrent. The breakeven 2024/25 financial plan includes a £94m CIP requirement which equates to 3.4% of total expenditure. Work is ongoing to identify schemes with the Trust targeting identification of schemes against 100% of their savings targets by the end of June 2024. At the end of April 2024, the Trust had £52.4m CIP identified (56% of the £94m target).	A
plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities	The Trust's financial planning aligns with its strategic and statutory priorities, with investments and disinvestments supporting the organisation's overall direction and priorities. The Trust has processes in place to manage capital expenditure and business planning, incorporating improvement initiatives to enhance services. Additionally, it uses data for benchmarking to inform financial decisions, ensuring alignment with NHS bodies and sustainable service delivery.	G
ensures its financial plan is consistent with other plans such as workforce, capital, investment and other operational planning which may include working with other local public bodies as part of a wider system	The Trust ensures consistency between its financial plan and other operational plans, such as workforce, capital, and investment, by aligning its workforce planning approach with financial and operational planning. The Trust's operational planning submission aligns with national planning guidance and system priorities while reflecting changes in NHS planning. The Trust acknowledges potential risks due to inconsistencies in planning assumptions across local public bodies.	G
identifies and manages risk to financial resilience, e.g. unplanned changes in demand, including challenge of the assumptions in underlying plans	The Trust has a robust approach to identifying and managing financial risks, including unplanned changes in demand and challenges to planning assumptions. The reports provided to the Finance, Commercial, and Investment Committee and Trust Executive Committee in 2023/24 included detailed explanations on how these risks are being managed. The Trust also outlined key drivers of the financial position, quantified the financial impact of risks, and provided a breakdown of key risks with potential mitigations.	G

Ogunlaja Adeola 31/07/2024 10:15:22

G	No significant weaknesses in arrangements identified or improvement recommendation made.
A	No significant weaknesses in arrangements identified, but improvement recommendations made.
R	Significant weaknesses in arrangements identified and key recommendations made.

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Financial sustainability (continued)

Areas for improvement

The Trust's financial plan for 2023/24 as agreed in May 2023 was a breakeven plan. This was updated to a £10.1m surplus target following additional funding related to industrial action and centrally held budgets contributing to this. As a result of net costs relating to the Epic system implementation, industrial action costs and under-delivery of CIP the Trust delivered a surplus of £1.9m in 2023/24.

A breakeven plan for 2024/25 has been agreed as part of the 2 May 2024 NHSE planning submission, which includes delivery of a £94 million efficiency requirement. This is set within the c.£100m deficit financial plan for the SEL system.

The Trust produces monthly finance reports detailing cash flow positions, expenditure, and cash flow forecasts for a 12-month period. Additionally, the Trust's medium term financial plan indicates the need for recurrent financial improvements and efficiencies of c. £266m over the next five years. This will be very challenging and requires the organisation to start to work with system partners and the clinical and corporate groups to make a multi-year Cost Improvement Program.

Improvement opportunity 1 – Given the need for recurrent financial improvements and efficiencies over the medium term, it is recommended that the Trust actively engages with system partners and clinical and corporate groups to develop a multi-year Cost Improvement Program. The medium terms financial plan should also be updated for the latest financial assumptions.

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In our 2022/23 Auditor's Annual Report we reported a significant weakness in financial sustainability arrangements and one key recommendation was made regarding the deliverability of the £125.8m 2023/24 savings programme, which was c. 4.6% of Trust expenditure. In 2023/24 the Trust delivered £97.8m of savings, with 66% of this being recurrent CIP and 34% non-recurrent. The breakeven 2024/25 financial plan includes a £94m CIP requirement which equates to 3.4% of total expenditure. We note the CIP target is lower than the amount delivered in 2023/24 and lower than a number of other Trusts with c.5% targets typically set. Although there are recognised risks to delivery of the CIP target for 2024/25, the target appears more deliverable than the target set in 2023/24.

The Trust has an ongoing process to develop savings schemes with a timetable attached for identification of savings by key milestones. All Groups and Corporate functions are tasked to identify and record plans to achieve at least 100% of their savings targets by the end of June 2024. At the end of April 2024, the Trust had £52.4m CIP identified (56% of the £94m target).

Improvement opportunity 2 – The Trust should continue to monitor the progress of financial efficiency targets closely, particularly with the aim of achieving identification of 100% of schemes against the £94m CIP target by the end of June 2024.

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Governance

We considered how the Trust:	Commentary on arrangements	Assessment
monitors and assesses risk and how the Trust gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud	The Trust has implemented an effective system for monitoring and assessing risks, as well as gaining assurance over the effective operation of internal controls. Board Assurance Framework (BAF), risks are thoroughly managed, recorded, and mapped to strategic objectives, with regular reviews by the Board and overseeing committees. The Risk and Assurance team reports high rated risks to the Trust Risk Assurance Committee (TRAC), which oversees the Corporate Risk Register The Trust also has policies in place to prevent and detect fraud, such as the Standards of Business Conduct, Counter Fraud & Bribery Policy, and Raising Matters of Concern Policy.	G
approaches and carries out its annual budget setting process	The Trust's annual budget setting process for 2023/24 follows a robust approach, aligning with NHSE planning deadlines and involving thorough internal and external engagement. Regular updates on the planning process are provided to the Finance, Commercial and Investment Committee (FCIC) and Trust Board, ensuring effective financial decision-making. Additionally, the Trust's clinical groups play a crucial role in financial planning for each Care Group, with involvement from Medical Directors and Chief Nurses in the process.	G
ensures effective processes and systems are in place to ensure budgetary control; to communicate relevant, accurate and timely management information; supports its statutory financial reporting; and ensures corrective action is taken where needed, including in relation to significant partnerships	The Trust ensures effective budgetary control and timely management information through monthly performance review meetings (PRMs) and the oversight of the Finance, Commercial, and Investment Committee. The Trust Integrated Performance Report (IPR) provides management information, supporting statutory financial reporting requirements. The Finance Report, including high-level summaries and detailed financial data, facilitates corrective action when needed, including in relation to significant partnerships. This demonstrates the Trust's commitment to robust financial management processes and proactive corrective actions.	G
ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency, including from audit committee	Detailed board papers and involvement of senior officers, as well as the effective functioning of the Audit and Risk Committee, all contribute to the governance and decision-making within the Trust. The Board appears to make informed decisions through detailed papers facilitating challenge and debate.	G
monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of staff and board member behaviour	The Trust ensures appropriate standards by maintaining an effective overall governance framework, up-to-date codes of conduct, and an 'Assurance Map' to oversee compliance with statutory and regulatory responsibilities. It monitors gifts, hospitality, and conflicts of interest, and ensures compliance with regulatory requirements.	G

G No significant weaknesses in arrangements identified or improvement recommendation made.

A No significant weaknesses in arrangements identified, but improvement recommendations made.

R Significant weaknesses in arrangements identified and key recommendations made.

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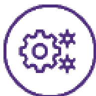
Improving economy, efficiency and effectiveness



We considered how the Trust:	Commentary on arrangements	Assessment
uses financial and performance information to assess performance to identify areas for improvement	The Trust has systems in place to assess financial and operational performance, overseen by the Finance, Commercial, and Investment Committee. The Integrated Performance Report (IPR) provides a comprehensive overview of operational performance and is presented to the Quality and Performance Committee, covering key domains and specific indicators, including local and national targets. The Trust ensures data quality through internal audit reviews, increased automation, and validation by experts. The implementation of a new system (EPIC) aims to address accuracy issues but has faced issues reporting data internally and externally – see next page for further details. There is evidence of the Trust learning from regulators, commissioning reviews, and benchmarking efficiency using national data and external comparisons, such as the national reference costs index, Getting It Right First Time (GIRFT), and the 'Model Hospital' data sets.	A
evaluates the services it provides to assess performance and identify areas for improvement	The most recent CQC inspection was conducted in 2019 with the Trust given an overall 'Good' rating. The Trust is engaged in an overall quality improvement program to assess CQC readiness. As of 2023/2024, there has not been an updated CQC report, and the Trust is in Tier 1 for Cancer and Diagnostic performance.	A
ensures it delivers its role within significant partnerships and engages with stakeholders it has identified, in order to assess whether it is meeting its objectives	The Trust appears to play an active role in significant partnerships and with regards to stakeholder engagement. The Board of Directors receives regular updates, ongoing review of partnership arrangements, and active involvement in the South East London Integrated Care System (ICS) and the Acute Provider Collaboration (APC) showcase its commitment to meeting objectives and fostering effective governance within partnerships.	G
commissions or procures services, assessing whether it is realising the expected benefits	The Trust's has established a Transformation and Major Projects Committee, which monitors projects and contracts to realise expected benefits. Regular reporting to the Trust's Finance, Commercial, and Investment Committee and the use of online contract management further support this process.	G

Ogunlaja,Adeola
31/07/2024 10:15:22

G	No significant weaknesses in arrangements identified or improvement recommendation made.
A	No significant weaknesses in arrangements identified, but improvement recommendations made.
R	Significant weaknesses in arrangements identified and key recommendations made.

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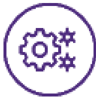
Improving economy, efficiency and effectiveness (continued)



Areas for improvement

EPIC implementation

On 5 October 2023, Guy's and St Thomas' NHS Foundation Trust (GSTT) went live with a new electronic health record system (Epic), in collaboration with King's College Hospital NHS Foundation Trust and Synnovis, the shared pathology provider. The implementation marked the biggest ever single Epic go-live in the world and consolidated multiple IT systems previously used into a single system. The safe implementation of the Epic system was a key objective for the Trust in 2023/24, with a robust programme of work and governance arrangements in place to oversee the complex implementation. Following external assurance, the Trust received a Go/No-Go assessment, ultimately leading to the decision to Go-Live on 5th October 2023.

Since the go-live, efforts have focused on stabilizing the new system, with the establishment of a Joint Stabilisation Board and other governance workstreams to address day-to-day stabilisation and issues. The Trust faced operational and data reporting challenges post go-live, prompting a joint external review with King's. The review identified opportunities for improvement and led to the development of a detailed action plan covering Business Intelligence Reporting and data quality, patient pathway management, training, and structures and management, which are now monitored as part of the stabilisation governance arrangements.

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The reporting programme at Guy's and St Thomas' NHS Foundation Trust (GSTT) has been focused on in-system priority reports, PTL reconciliation, and timely submission of the 9 core mandatory reports, including month-end RTT, cancer, emergency department, and waiting list returns, in line with NHSE schedules since the go-live of the new electronic health record system.

The Joint Stabilisation Board (JSB) is an executive-level body comprising members from three organisations, meeting monthly to realise the Apollo benefits and approve cross-organisational approaches and strategies for Apollo-wide changes and priorities. The Workflow Oversight Committee (WOC) meets weekly to review and oversee Workflow Optimisation Team (WOT) progress, decisions, and escalations, reporting to the JSB and being held accountable by it. WOTs are 21 clinically-led teams prioritizing issue resolution and change action within the services they cover. Additionally, GSTT has a separate, individual Epic Stabilisation group, allowing for a trust-level view of stabilization activities undertaken at the WOT and WOC levels to inform JSB discussions and decision-making.

There have been significant technical challenges with diagnostic applications and processing orders in EPIC, leading to performance issues in Diagnostic. Technology fixes have been largely implemented to address these issues. Additionally, workflow and individual user difficulties have been identified, and a robust project management approach is in place to address these. Efforts are being made to move activity levels back towards pre-go-live levels, requiring significant clinical and program resources.

The Trust continues to submit required external returns and is now submitting 95% of'priority 1' external returns (complete or on track). We understand the Trust has returned to normal acute activity reporting timelines for month 1 2024/25, with backdated submissions of M7-12 activity were made on 23 May 2024. Good progress has been made on key priority internal dashboards.

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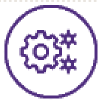
Improving economy, efficiency and effectiveness (continued)



Areas for improvement

EPIC implementation (continued)

Reflecting on the issues arising since the Epic implementation, including the governance arrangements in place prior to and since go-live, and the improvements made in reporting since October 2023, overall, we are satisfied that there is no significant weakness in arrangements. We have made an improvement recommendations as set out below.

Improvement opportunity 3 –The Trust should continue enhanced oversight of the stabilisation and benefits realisation issues arising from the Epic implementation - this should include appropriate Executive and senior management oversight. Effectiveness of arrangements in place should be considered on an ongoing basis, and if these are not deemed to be improving performance, they should be revisited in 2024/25.

Tier 1 - Cancer performance and diagnostics

In 2023/24 the Trust was placed in 'Tier 1' of the national oversight framework for cancer performance and for diagnostics, and we have raised an improvement recommendation in respect of this. In common with many Trusts, GSTT has faced challenges in improving performance against key cancer and diagnostic performance metrics in 2023/24. The Trust continues to be an outlier for DM01 performance, with the Trust's submitted position for March 2024 being 48.5%. Detailed service level performance planning is underway to support services in tackling issues related to Data Quality (DQ), management of the Patient Tracking List, demand and capacity and infrastructure and resource challenges. Significant progress has been made in reducing the cancer backlog since January with the latest position being 245, this has risen slightly in the past few weeks but remains <10% of the overall cancer Patient Tracking List. The March Faster Diagnosis Standard position is 71.2% with the Trust reaching the April 2024 planning ambition early and the 62 day position is 41%, which has improved 10 percentage points since February. Several actions have been undertaken to improve cancer and diagnostic performance.

Improvement opportunity 4 - The Trust should continue to ensure it maintains focus on achieving sustained improvements against its cancer and diagnostics metrics, with ongoing senior management oversight. Effectiveness of arrangements in place should be considered on an ongoing basis, and if these are not deemed to be improving performance, they should be revisited in 2024/25.

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Value for Money Recommendations raised in 2023/24

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Recommendations raised in 2023/24

	Recommendation	Type of recommendation *	Criteria impacted	Evidence	Impact or possible future impact	Actions agreed by Management
1	Given the need for recurrent financial improvements and efficiencies over the medium term, it is recommended that the Trust actively engages with system partners and clinical and corporate groups to develop a multi-year Cost Improvement Program. The medium terms financial plan should also be updated for the latest financial assumptions.	Improvement	Financial sustainability	Review of the Medium-Term Financial plan and Cost Improvement Programme. With current pipeline just for 24/25	The lack of multiyear saving plans and the inability to deliver recurrent savings will impact the Trust's ability to deliver sustainable financial balance.	Actions;The Trust is actively engaged with system partners regarding a multi-year efficiency programme, and has supported the introduction of a new system financial sustainability group to be initiated in July 2024. The Trusts 5 year medium term financial plan does include efficiency plans and work will be undertaken to ensure they are robust. Responsible Officer; Damien O'Brien Executive Lead; Steven Davies Due Date; September 2024.
2	The Trust should continue to monitor the progress of financial efficiency targets closely, particularly with the aim of achieving identification of 100% of schemes against the £94m CIP target by the end of June 2024.	Improvement	Financial sustainability	Review of 23/24 Cost Improvement program and 24/25 current CIP position	The inability to deliver recurrent savings will impact the Trust's ability to deliver sustainable financial balance	Actions; The Trust is working hard to ensure full identification of it's CIP programme, on a full-year recurrent basis. Oversight is managed through the Trust Executive Committee. Responsible Officer; Damien O'Brien Executive Lead; Steven Davies Due Date; September 2024.

Ogunlaja,Adeola 31/07/2024 10:15:22

* Explanations of the different types of recommendations which can be made are summarised in Appendix B.

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Recommendations raised in 2023/24

	Recommendation	Type of recommendation *	Criteria impacted	Evidence	Impact or possible future impact	Actions agreed by Management
3	The Trust should continue enhanced oversight of the stabilisation and benefits realisation issues arising from the Epic implementation - this should include appropriate Executive and senior management oversight. Effectiveness of arrangements in place should be considered on an ongoing basis, and if these are not deemed to be improving performance, they should be revisited in 2024/25.	Improvement	Improving economy, efficiency and effectiveness	Review of committee minutes and reports and meetings with Management	Lack of assurance regarding the use of the new system, and outputs to support performance and decision making at the Trust. Impact on patient safety, service quality, and the ability of the Trust to meet its objectives	Actions; The Trust has implemented an Epic optimisation structure to ensure that all benefits of a single EHR are fully realised and maximised. Responsible Officer; Jon Findlay Executive Lead; Jon Findlay Due Date; March 2025
4	The Trust should continue to ensure it maintains focus on achieving sustained improvements against its cancer and diagnostics metrics, with ongoing senior management oversight. Effectiveness of arrangements in place should be considered on an ongoing basis, and if these are not deemed to be improving performance, they should be revisited in 2024/25.	Improvement	Improving economy, efficiency and effectiveness	Review of committee minutes and reports and meetings with Management	Impact on patient safety, service quality, and the ability of the Trust to meet its objectives.	Actions; The Trust has in place a robust performance management framework to ensure recovery and improvement of both Cancer and Diagnostic performance. Improvement trajectories and timelines have been developed in consultation with NHS England; Responsible Officer; Sarah Clarke (Cancer) / Jo Johnson (DM01) Executive Lead; Jon Findlay Due Date; March 2025.

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31/07/2024 10:15:22

* Explanations of the different types of recommendations which can be made are summarised in Appendix B.

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Appendices

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Appendix A: Responsibilities of the NHS Trust

Public bodies spending taxpayers' money are accountable for their stewardship of the resources entrusted to them. They should account properly for their use of resources and manage themselves well so that the public can be confident.

Financial statements are the main way in which local public bodies account for how they use their resources. Local public bodies are required to prepare and publish financial statements setting out their financial performance for the year. To do this, bodies need to maintain proper accounting records and ensure they have effective systems of internal control.

All local public bodies are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. Local public bodies report on their arrangements, and the effectiveness with which the arrangements are operating, as part of their annual governance statement.

The directors of the Trust are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are required to comply with the Department of Health & Social Care Group Accounting Manual and prepare the financial statements on a going concern basis, unless the Trust is informed of the intention for dissolution without transfer of services or function to another entity. An organisation prepares accounts as a 'going concern' when it can reasonably expect to continue to function for the foreseeable future, usually regarded as at least the next 12 months.

The Trust is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

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31/07/2024 10:15:22

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Appendix B: Value for Money Auditor responsibilities

Value for Money arrangements work

All NHS Trusts are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. The Trust's responsibilities are set out in Appendix A.

NHS Trusts report on their arrangements, and the effectiveness of these arrangements as part of their annual governance statement.

Under Schedule 10 paragraph 1(d) National Health Service Act 2006, we are required to be satisfied whether the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The National Audit Office (NAO) Code of Audit Practice ('the Code'), requires us to assess arrangements under three areas:

Financial Sustainability

Arrangements for ensuring the Trust can continue to deliver services. This includes planning resources to ensure adequate finances and maintain sustainable levels of spending over the medium term (3-5 years).

Governance

Arrangements for ensuring that the Trust makes appropriate decisions in the right way. This includes arrangements for budget setting and management, risk management, and ensuring the Trust makes decisions based on appropriate information.

Improving economy, efficiency and effectiveness

Arrangements for improving the way the Trust delivers its services. This includes arrangements for understanding costs and delivering efficiencies and improving outcomes for service users.

2023/24 is the fourth year that we have reported our findings in this way. We undertake and report the work in three phases as set out in the Code.

Phase 1 – Planning and initial risk assessment

As part of our planning we assess our knowledge of the Trust's arrangements and whether we consider there are any indications of risks of significant weakness. This is done against each of the reporting criteria and continues throughout the reporting period.

Information which informs our risk assessment	
Cumulative knowledge of arrangements from the prior year	Key performance and risk management information reported to the Board
Interviews and discussions with key officers	NHS Oversight Framework (NOF) rating
Progress with implementing recommendations	Care Quality Commission (CQC) reporting
Findings from our opinion audit	Annual Governance Statement including the Head of Internal Audit annual opinion

Phase 2 – Additional risk-based procedures and evaluation

Where we identify risks of significant weakness in arrangements we will undertake further work to understand whether there are significant weaknesses. We use auditor's professional judgement in assessing whether there is a significant weakness in arrangements and ensure that we consider any further guidance issued by the NAO.

Phase 3 – Reporting our commentary and recommendations

The Code requires us to provide a commentary on your arrangements which is detailed within this report. Where we identify weaknesses in arrangements we raise recommendations. A range of different recommendations can be raised by the Trust's auditors as follows:

- **Key recommendations** – the actions which should be taken by the Trust where significant weaknesses are identified within arrangements.
- **Improvement recommendations** – actions which should improve arrangements in place but are not a result of identifying significant weaknesses in the Trust's arrangements.

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Appendix C:
Follow-up of previous recommendations

	Recommendation	Type of recommendation *	Date raised	Progress to date	Addressed?	Further action?
1	We recommend that the Trust progress at speed to develop a pipeline of savings schemes so that the Trust can be confident that it will deliver against the £125.4m target. The pipeline of schemes will also support delivery into 2024/25 and beyond. As the Trust is going through the development of its savings programme, it should continue to reassess the level of risk contained in it, how this risk can be mitigated, and communicate with the ICS if there is going to be a likely impact on its ability to deliver the overall financial plan for 2023/24. The programme, once fully developed should be underpinned by robust assumptions, validated by staff delivering the CIPs and triangulated with other supporting plans, for example workforce and activity plans, as well as with system plans. Progress against delivery should be reported to the FCIC and the Board, and support provided to services to deliver remedial action as soon as possible, if delivery is off track.	Key	June 2023	The trust has implemented new reporting structure for CIP and the target for 24/25 is below 23/24 but work is still required to ensure the CIP is delivered to plan. The recommendation is now an improvement rather than key to reflect the progress made.	Partly	The recommendation has been re-raised. See improvement Recommendation No. 2
2	Building on the work undertaken in 2022/23, we recommend that the Trust develops a medium term financial plan, supported by a multi- year efficiency/financial improvement programme, to provide assurance that the Trust can get back to a underlying breakeven financial position.	Improvement	June 2023	Further work is required to develop a sustainable medium term financial plan.	Partly	The recommendation has been re-raised. See improvement Recommendation No. 1

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31/05/2024 10:15:52

* Explanations of the different types of recommendations which can be made are summarised in Appendix B.

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Appendix C: Follow-up of previous recommendations

	Recommendation	Type of recommendation *	Date raised	Progress to date	Addressed?	Further action?
3	Whilst our review did not identify any significant weaknesses in arrangements prior to the incident occurring, or in the Trust's response, we recommend the Trust produces a single improvement plan arising from the various reviews undertaken and assigns an Executive-level sponsor (o several) to monitor delivery. Delivery against the plan should be reported to the Board or Committee, to ensure the Trusts learns lessons from the incident and puts arrangements in place to prevent similar issues occurring in the future.	Improvement	June 2023	An integrated improvement action plan has been developed and presented to the Audit and Risk Committee	Yes	N/A
4	We recommend that as part of its investigations into the incident, and as part of the revised go-live plan for EPIC, the Trust ensures that sufficient time and resource is dedicated to both reconciliation and cleansing of data from the time period it ran as a 'paper hospital', and migration of this data onto the new systems. This should occur under clinical and operational oversight from all affected specialties to mitigate the risk of further negative patient impact'	Improvement	June 2023	The GSTT review into last summer's IT incident identified 29 recommendations for actions the Trust should take to rebuild trust, to care for those affected, and to ensure a similar incident cannot happen again. Progress implementing these actions is being tracked monthly with regular updates reported to Executives and the Board.	Yes	N/A
5	We recommend that the Trust implement an annual review of the Board Assurance Framework BAF risks at the public Board meeting to ensure that the strategic risks of the Trust are made visible to the Trust's stakeholders.	Improvement	June 2023	The Trust had a documented and well-understood process for the management of the strategic risks on the Board Assurance Framework and was shared at March 24 Board.	Yes	N/A

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* Explanations of the different types of recommendations which can be made are summarised in Appendix B.

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Appendix C: Follow-up of previous recommendations

	Recommendation	Type of recommendation *	Date raised	Progress to date	Addressed?	Further action?
6	We recommend the Trust considers either aligning its Committee timetable to Board to ensure the Trust Board receives the most up-to-date performance data or, alternatively, provide the most up-to-date IPR to the Board for information as part of the paper pack.	Improvement	June 2023	The trust has reviewed the timing of the reporting and scheduling of its performance reviews and Board committees. Core IPR reports are also supplemented with more up to data information on, for example, elective recovery.	Yes	N/A
7	We recommend the Trust's internal audit function or another suitable team in the Trust (e.g. Business Intelligence) undertakes an independent data quality review of the indicators that remain affected by the cyber attack and the IT incident. This would provide additional assurance that performance reporting has been recovered and is reliable.	Improvement	June 2023	Review of the Guy's and St Thomas' IT critical incident report from the Deputy Chief Executive Officer was presented to Audit and Risk Board Committee	Yes	N/A
8	The Trust should continue enhanced oversight of the areas highlighted above through its performance monitoring arrangements until sustained improvement of performance is achieved. Performance reporting in areas of particular challenge could be improved by greater focus on actions and assigning responsibility and accountability. Effectiveness of arrangements put in place should be considered on an ongoing basis, and if these are not deemed to be improving performance, they should be revisited.	Improvement	June 2023	Enhanced oversight has continued	Partly	The recommendation has been re-raised. See improvement Recommendation No. 4

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* Explanations of the different types of recommendations which can be made are summarised in Appendix B.

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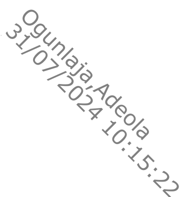
GUY'S AND ST THOMAS' NHS FOUNDATION TRUST
COUNCIL OF GOVERNORS
WEDNESDAY 31 JULY 2024

Title:	**Non-executive director appointment**
Responsible director:	**Charles Alexander, Trust Chair**
Author:	**Edward Bradshaw, Director of Corporate Governance and Trust Secretary**
Purpose:	To seek the Council of Governors' approval to appoint a new non-executive director
Main strategic priority:	All strategic priorities
Paper previously presented at:	• Nominations Committee (approved in correspondence, June 2024)
Recommendations:	The COUNCIL OF GOVERNORS is asked to: 1. **Approve** the recommendation from the Nominations Committee to appoint Professor Graham Lord as the non-executive director nominated by King's College London from 1 September 2024 to 31 August 2028 and note that, in doing so, he will replace the incumbent, Professor Shitij Kapur.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GUY'S AND ST THOMAS' NHS FOUNDATION TRUST

COUNCIL OF GOVERNORS

WEDNESDAY 31 JULY 2024

1. Introduction

1.1. The Trust's Constitution requires the Trust to have a cohort of non-executive directors, "one of whom shall be appointed having been nominated by King's College London".

1.2. Between May 2016 and May 2024 this position was held by Professor Reza Ravazi.[1] In April 2024 the Council of Governors agreed to accept the recommendation of the Nominations Committee to appoint Professor Shitij Kapur as the non-executive director nominated by King's College London to replace Professor Razavi, for a period of six months from 6 May 2024 to 5 November 2024, or until the new Chief Academic Officer, a non-executive director role on the Board of Directors at both Guy's and St Thomas' and King's College Hospital NHS Foundation Trusts started in post (whichever was soonest).

1.3. Professor Graham Lord, currently Vice-President and Dean of the Faculty of Biology, Medicine and Health at the University of Manchester, has been appointed as the new Chief Academic Officer, and Non-Executive Director on the Board of Directors at Guy's and St Thomas' NHS Foundation Trust. Professor Lord will take up this role with effect from 1 September 2024. Formal notification has also been received from King's College London that they wish Professor Lord to replace Professor Kapur as the nominated non-executive director on the Guy's and St Thomas' Board of Directors from 1 September 2024.

1.4. In June 2024 the Nominations Committee of the Council of Governors unanimously endorsed the appointment of Professor Lord and has recommended that the Council of Governors now formally approve the appointment.

2. Overview of Professor Graham Lord

2.1. Professor Graham Lord has been appointed as the new Senior Vice President (Health & Life Sciences) of King's College London and Executive Director of King's Health Partners (KHP). It is also intended that Professor Lord will serve as a non-executive director on the Board of Directors of both Guy's and St Thomas' and King's College Hospital, subject to approval from the respective councils of governors.

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[1] Professor Razavi is Professor of Paediatric cardiovascular Science at King's College London and an Honorary Consultant Paediatric Cardiologist at Guy's and St Thomas'

2.2. Professor Lord will join the partners on 1 September 2024 from the University of Manchester where he is currently the Vice-President and Dean of the Faculty of Biology, Medicine and Health. He is also an Honorary Consultant Transplant Nephrologist at Manchester NHS Foundation Trust and Executive Director of the Manchester Academic Health Science Centre.

2.3. Prior to joining the University of Manchester in 2019, Professor Lord held the position of Director of the National Institute for Health and Care Research (NIHR) Biomedical Research Centre at Guy's and St Thomas' and King's College London and was Professor of Medicine and Head of the Department of Experimental Immunobiology at King's College London.

2.4. A leading clinician-scientist, Professor Lord trained in Medicine at the University of Cambridge, gained a PhD at Imperial and completed his postdoctoral training at Harvard University. He then established a research group seeking to understand the regulation of the immune system to enhance the treatment of severe inflammatory diseases. His clinical interest is in multi-organ transplantation and the genetics of long-term transplant failure. He has significant commercial expertise, having founded companies in the US that focus on immune-oncology, infectious diseases and autoimmunity.

2.5. The Council of Governors is also asked to note that Professor Lord's appointment arose from a policy decision in King's Health Partners (KHP) taken by all four partner organisations (King's College London, the Trust, King's College Hospital NHS Foundation Trust and South London and Maudsley NHS Foundation Trust) to relaunch the research initiatives of the partners. The Trust Chair, Chief Executive and Chief Medical Officer all played roles in the appointment of Professor Lord, and believe Professor Lord's distinguished health and leadership background and passion for academic healthcare ecosystems will be invaluable in supporting the Trust and its partners to realise the unrivalled possibilities for better health that lie across the organisations.

3. Next steps

3.1. The Council of Governors is asked to note that whilst technically this appointment is, as for all non-executive directors, a decision for the Council of Governors, this particular non-executive director position is unique in that its genesis is from a formal nomination to the Trust from the President and Principal of King's College London and not from a typical recruitment process. As such, governors should not unreasonably withhold their consent for the appointment, and it would be expected that any rejection of the nomination would need to be supported with a clear rationale as to why the candidate was fundamentally unsuitable to discharge the duties of the role.

4. Recommendation

4.1. The Council of Governors is asked to **approve** the appointment of Professor Graham Lord as the non-executive director nominated by King's College London from 1 September 2024 to 31 August 2028 and note that, in doing so, he will replace the incumbent, Professor Shitij Kapur.

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GUY'S AND ST THOMAS' NHS FOUNDATION TRUST

COUNCIL OF GOVERNORS

WEDNESDAY 31 JULY 2024

Title:	**Lead Governor's Report**
Paper author:	**John Powell, Lead Governor**
Purpose of paper:	For information
Main strategic priority:	All Trust Strategic Priorities
Relevant BAF risk(s):	N/a
Key issues summary:	• A report from the Lead Governor to acknowledge what the Governors have achieved over the last three months and to outline plans for the next three months.
Paper previously presented at:	• N/a
Recommendation(s):	The COUNCIL OF GOVERNORS is asked to: 1. **Note** the report.

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GUY'S AND ST THOMAS' NHS FOUNDATION TRUST

COUNCIL OF GOVERNORS

WEDNESDAY 31 JULY 2024

1.1. The Council of Governors has undergone a certain amount of domestic surgery this last few weeks as several of our number reached the end of their tenure, making way for new blood in our ranks. It was therefore only right that they were given an opportunity to have an early insight into the Council of Governors, our work, and the level of commitment we would ideally like them to show. It was a well-attended forum – held on 8th July mainly in person, but also online – with some existing governors also in attendance. My thanks to Corporate Affairs – Edward Bradshaw in particular – for drafting the order of business and presentation, plus of course our Chair Charles Alexander for leading the proceedings.

1.2. Further to this we are offering new governors the opportunity of having a Governor 'buddy'. The knowledge, skills and expertise gained by a number of our more experienced governors can be a huge asset to newly-elected colleagues, and ensure they make the most of their respective tenures. Judging by feelings expressed at this forum it seems this is likely to be a popular move despite the vast diversity of expertise contained within the group.

1.3. Clearly, I cannot delve too deeply into this report without referring to the cyber-attack on Synnovis, the provider of the Trust's pathology services, that has had very serious implications to Trust operations. As a Council of Governors we are vested with the duty of becoming a 'critical friend' to the Trust Board, but this has been yet more challenging as a result of this latest savage blow to post-Covid recovery. Even putting the pandemic to one side and acknowledging the longer-term impact that is still having, the critical IT incident in summer 2022, the ongoing industrial action, and now an attack on Synnovis just as major new projects are coming to fruition, would challenge even the most efficient of organisations. Setting a balance between sympathy and keeping one's eye on the ball has, to say the least, been tricky. With regard to all these issues, however, I must pay tribute to the Trust for keeping governors updated with progress toward recovery, and providing relevant data sets when appropriate to illustrate how things are progressing.

1.4. Triangulation meetings continue to precede Board and Council meetings where we have the opportunity to both review issues at hand as well as question visiting Non-Executive Directors on aspects of current performance of the Trust. Governor visits have been restored post-pandemic and a number of common themes exposed. Whilst sitting in the shadow of the major issues currently challenging the Trust, staff wellbeing repeatedly hits governor radars, and cannot be ignored given the huge practical pressures hitting frontline staff.

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1.5. An early opportunity for our new governors lies in the all-important Nominations Committee where three vacancies exist for public, staff, and partnership constituencies. The deadline for expressions of interest has been set for this Council meeting on 31st July.

1.6. Advancements in technology now sees AdminControl, the Trust's secure information sharing portal, being used now to circulate monthly newsletters for governors, papers for governor meetings, Trust governance meetings and other general information. There have been publicised dates for training on the use of this portal which many governors have taken advantage of.

1.7. Changes to tenures were mentioned in my previous report and these have now kicked in, meaning that governors can now be elected for up to three terms of three years, with the Lead Governor having a tenure of two years renewable on re-election for a second. This affects me personally as I will reach the two-year mark next month. The role of Lead Governor is challenging, but also in my view a huge honour, as one of the key roles in the biggest NHS trust in the country. I have enjoyed immensely my tenure as Lead Governor to an incredibly skilled and capable Council, and it is therefore with a heavy heart that I must say that I will not be seeking re-election for a second term. I have never taken on a role that I have not fervently believed that I can give my best shot to, and unfortunately my personal circumstances are now dictating that of the far too many plates I have spinning at present, this is one of those that has to be put away.

1.8. I do believe, however, that I leave the Council in a positive position to move on with a new incumbent in the hot seat. Over the past couple of years, we have re-organised significantly our modus operandi to match the entirely different working world that we live in post-pandemic. Quite early in my tenure I was able to witness first-hand the dedication and hard work of frontline staff while I was an inpatient following open heart surgery, the quality of which was at times quite humbling. The first day of industrial action in December 2022 saw a seamless transition of working that had no impact on patient care that I ever saw. Since then, I believe I have been able to see the Trust operating from both sides of the glass.

1.9. The development of our Action Tracker, a living document recording any topics raised by the Council, enables governors to focus their minds on live issues. We have reviewed the working groups and seen positive changes that have fine-tuned the Constitution, and a new post of Deputy Lead Governor has evolved with Katherine Hamer ably filling the first tenure. As the biggest Trust in the country, it certainly seemed logical to me that no one individual should be leading such a crucial forum, and the informal addition of a small 'executive' group working with the deputy and Lead has been another positive step.

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1.10. We have reviewed governor commitment to the cause and identified several governors who were not attending key meetings, and it was this that in part prompted the new governor welcome session three weeks ago. Recognising people's new level of commitment in their own work environments we have standardised our meeting structure. Triangulation meetings preceding Board and Council meetings now combine the previous informal meetings along with accountability sessions with Non-Executive Directors. I very much hope that the recently-appointed 20

new colleagues will engage as fully as possible with these meetings, all of which are hybrid in nature, offering the opportunity to join us online should the need arise.

1.11. Aside from this we have also seen the development of the Apollo programme and the implementation of Epic and MyChart – a game changer for communication channels for patients which has long been identified by governors as a concern. We have seen the retirement of long-serving Chair, Sir Hugh Taylor, and the appointment of current Trust Chair Charles Alexander.

1.12. Through all this we have retained the role of 'critical fiend' to the Trust levying questions on such key issues as missed patient appointments and potential strategies to minimise these and the issues with the Assisted Conception Unit. I believe these and other issues have been raised objectively and constructively, and that the Council is well placed now to move forward with a new Lead Governor to take us into 2025-26 and beyond.

1.13. Finally, although my final act will be to address the Annual Public Meeting in September, I would like to put on record my sincerest and humblest gratitude to Charles Alexander, Edward Bradshaw, Katherine Hamer, and all my Council of Governor colleagues for the help and support (and often the patience) they have shown me over the past two years.

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GUY'S AND ST THOMAS' NHS FOUNDATION TRUST

STRATEGY, TRANSFORMATION & PARTNERSHIPS WORKING GROUP

TUESDAY 07 MAY 2024

Title:	**Strategy, Transformation and Partnership Working Group (STPWG)**
Responsible executive:	**Leah Mansfield, Patient Governor**
Paper author:	**Jed Nightingale, Strategy Business Support Manager**
Purpose of paper:	For information
Main strategic priority:	All
Key issues summary:	A report on the Working Group's discussion on the following: • Overview of the Medium-Term Capital Plan • Overview of the Trust Robotic Surgery Strategy • Update on the new Trust strategy development process
Paper previously presented at:	None
Recommendation(s):	The COUNCIL OF GOVERNORS is asked to: 1. Note the key discussion points at the Strategy, Transformation and Partnership Working Group (STPWG)

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GUY'S AND ST THOMAS' NHS FOUNDATION TRUST

STRATEGY, TRANSFORMATION & PARTNERSHIPS WORKING GROUP

TUESDAY 07 MAY 2024

Governors in attendance: Leah Mansfield (Chair), Mary Stirling, Alison Mould, Margaret McEvoy, Claire Wills, Katherine Hamer, Michael Bryan, Elfy Chevretton, Victoria Borwick, Roseline Nwaoba, Placida Ojinnaka

Trust staff in attendance: Tom Davies (item 4), Ben Challacombe (item 5), Alice Jenner (item 5), Lawrence Tallon, Emma Saunders, Jed Nightingale, Elena Spiteri

Apologies: Jordan Abdi, Marcia Da Costa, Sian Flynn, Peter Harrison, David Phoenix, Felicity Harvey, Steven Davies, Jackie Parrott

1. Welcome, introduction and apologies

1.1. The Chair welcomed everyone to the Strategy, Transformation and Partnership Working Group. Apologies were noted.

2. Declaration of Interest

2.1. There were no declarations of interest.

3. Previous meeting report and matters arising

3.1. The minutes of the previous meeting of the Group, held on the 6th February 2024, were approved as a true record.

3.2. Actions from the previous meeting:
Action 5.6 – Hendrika Santer-Bream to follow up by email for more suggestions for new values from governors. Leah has also taken this request to Council of Governors and is currently awaiting feedback from Ed Bradshaw. Governors will hear more in due course.
Action 6.1 – Leah Mansfield to raise the issue of high intensity theatre lists at the Transformation and Major Programmes Board Committee. This has been closed.

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Action 4.8 – Slides from the Research and Development presentation at the previous STPWG were to be circulated. Jed Nightingale to follow up.

4. Medium-Term Capital Plan

4.1. Presentation slides were circulated prior to the meeting. Tom Davies, Head of Strategic Finance, introduced a presentation on the national context and allocation of capital, the availability of capital and the Trust's Medium Term Capital Plan.

4.2. Tom Davies set out the changes to capital funding NHS capital is now allocated in three via Integrated Care System (ICS) level allocations, nationally allocated funds and other national programmes. The Trust receives capital funding via the South East London ICS and may also apply for funding from national schemes.

4.3. The Trust's medium-term capital plan has been updated to cover 2023/24 – 2028/29. It is a five-year view of the allocation of capital resources within the constraints of both available cash and the annual capital departmental expenditure limit (CDEL) allocation. The Trust's CDEL allocation from the ICS sets out how much the Trust is able to spend on capital each year.

4.4. The capital funding plan over the next five years is split into five blocks: medical equipment replacement, estates backlog maintenance, digital maintenance and cyclical upgrades, theatres and cath lab refurbishment and clinical/delivery group strategic priorities.

4.5. The management of the Medium-Term Capital Plan (MTCP) is overseen by the Trust Investment Portfolio Board (IPB) and its subsidiary boards that cover estates, technology and medical equipment. All schemes require the relevant business case approvals in accordance with the Trust's Standing Financial Instructions prior to allocation of budget and commitment of expenditure or contracts.

4.6. The following was discussed:

- Any additional externally generated capital is included/constrained against CDEL and the expenditure limit. However, there are different arrangement, such as rental agreements that are not limited by CDEL. Philanthropic donations do not count against CDEL.
- Any real estate or asset that may be disposed of generates a credit against CDEL and increases the ability to spend capital, but this has to be planned in advance with the system.
- The Trust capital team prioritises spending based on risk, planning and working with Clinical Groups, Essentia and clinical and operational teams across the Trust. The Trust can use revenue funding to mitigate and address risks and issues that arise in-year but for which there is not a capital plan to address.

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- The medium-term capital plan will continue to be reviewed to ensure capital funding is used efficiently and strategically, including ensuring effective governance and visibility of capital spending both within the Trust and with the system.

5. Robotics Surgery Strategy

5.1. Presentation slides were circulated prior to the meeting. Alice Jenner, Head of Strategy for Cancer and Surgery Clinical Group, and Ben Challacombe, Urology Consultant and Clinical Lead for Robotics, presented on the robotics surgery strategy, including clinical priorities and ongoing work.

5.2. Building on organisational enthusiasm, the Trust robotics surgery strategy was initially launched in 2018/19, setting out the vision to be a UK National Centre of Excellence for multi-speciality robotic surgery. This includes surgical robots across multiple specialties and with different capabilities, innovative surgical practice, and specialist training opportunities. The strategy builds on our strengths: depth of skills within robotics in the Trust, relationships with our academic partners, and the scale and breadth of our surgical services.

5.3. Since the strategy's launch, there has been investment to purchase several robots from multiple manufactures, with robotic surgery now being offered across seven specialities. There is ongoing work to optimise the current programme, further expand robotic capacity, strengthen research and training, and review commercial opportunities.

5.4. There has been strong strategic alignment around robotics across the Trust and with our partners. This includes the Trust-wide Surgical Vision and Cancer Strategy as well as three Clinical Group Strategies (Cancer and Surgery; Heart, Lung and Critical Care; Evelina London Women's and Children's). Our strategic ambitions also align with our academic and charity partners' strategies, and the Trust's Centre for Innovation, Transformation and Improvement (CITI) is supporting partnerships with industry.

5.5. Ben Challacombe spoke about the benefits of surgical robotics, the current refresh of the robotic surgical strategy and next steps. Robotics is central to the whole of surgery with the vast majority of oncology, gynae-oncology and reconstructive surgery using a robotic approach.

5.6. The refreshed draft robotic surgical strategy sets out the vision to bring the benefits of robotic surgery to as many patients as possible through a multi-speciality, multi-site, multi-platform Centre of Excellence. There are four priorities around clinical practice, research and innovation, training and education, and partnerships that are enabled by workforce development, digital and data, programme infrastructure, and branding and communications. Financial investment and theatre space are key to further develop opportunities in

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robotics. A new roadmap will be developed to set out steps to achieve the strategy's ambitions and tested with charity and industry partners.

5.7. Governors thanked Alice and Ben for the presentation. The following points were discussed:

- The robotic surgical training centre will bring together specialties, increase working with industry, and support delivery of the robotic surgery vision.
- Sufficient theatre space to make best use of existing robots and any future additional robots is an ongoing challenge.
- While there are upfront investments to enable robotic surgery, there are benefits for patients that also are cost saving, such as reduced likelihood of returning to theatre, reduced need for radiotherapy, and reduced transfusions.
- Robotics procedures have been taking place since 2004 and, across all the specialties, it is known to be the standard of care for a lot of modern procedures. Investment in robotic surgery supports recruitment and retention of the best surgeons, as well as the Trust's reputation for surgery.
- A fellowship programme for senior trainees is run within a number of specialties now. GSTT has trained more female fellows than anywhere else in the UK, all of whom are now practicing robotic surgeons.

6. New Trust Strategy update

6.1. Lawrence Tallon provided an update on the ongoing programme of work to develop the new Trust strategy and values. There has been rich engagement throughout strategy development process with patients, members of the local community, governors, staff (including senior leaders) and many partner organisations. This process has been brought together with work to develop new Trust values.

6.2. The strategy will be hopeful and ambitious, acknowledging previous, current and future challenges, but also providing an outlook for a better future. Five strategic priorities have been identified: delivering healthcare excellence, improving the health of our populations, valuing all our people, innovating for a better future and modernising our infrastructure. The focus has been working through what the strategic objectives on delivery to 2030 will look like under these priorities.

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7. Updates for committees attended by Governors

7.1. At the Finance Board Committee meeting held last week, the medium-term capital strategy and annual financial plan were reviewed. The Trust has significant savings targets and requires a focus on efficiency.

7.2. Members were encouraged to read the report from April on the People and Education Committee shared by Claire Wills.

8. Any other business

8.1. There were no items of AOB.

The next Strategy, Transformation and Partnership Working Group meeting will be held on Tuesday 3rd September at 5:30pm-7pm.

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COUNCIL OF GOVERNORS
MEMBERSHIP DEVELOPMENT WORKING GROUP

Tuesday 21 May 2024
5.30pm – 7.00pm, MS Teams

Governors in attendance:	Claire Wills Elfy Chevretton Leah Mansfield	Peter Harrison Placida Ojinnaka Roseline Nwaoba
Trust staff in attendance:	Edward Bradshaw Elena Spiteri	Andrea Carney Anna GrinbergsSaull

1. Welcome and apologies

The Trust Secretary welcomed colleagues to the meeting of the Membership Development Working Group (the Group). Unfortunately the governor chair of the Group had needed to cancel her attendance at the last minute, and had asked the Trust Secretary to oversee proceedings on her behalf.

Formal apologies had been received from governors - Mary Stirling, David Phoenix, Joanna McGillivray, Alison Mould, Katherine Hamer, John Clark, Victoria Borwick, Sarah Addenbrooke and Jordan Abdi.

2. Declarations of interest

There were no declarations of interest.

3. Minutes of previous meeting

The notes of the meeting held on 8th January 2024 were agreed as a true record.

4. Review of action log

The Group noted the updates that had been made to the action log.

5. Patient and Public Engagement (PPE) strategy development

The PPE team provided an update on the development of the new PPE strategy. This update included background information on the Trust's PPE Strategy and its connection to the work of the Group, an overview of the process and the work done so far, and the timelines for completion.

The members of the Group shared their views on the priorities for Foundation Trust membership engagement, which would be collated along with the view of other stakeholders to inform the strategy's aims and priorities.

6. Membership action plan update

The Group received an overview of the membership action plan, centred around three primary objectives.

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Objective 1: To ensure a sufficiently large and representative membership.

- The working group acknowledged the ongoing membership engagement and recruitment activities conducted by the membership office.

- It was noted that the current membership remained stable at over 38,000 members. The number of patient and public members had increased marginally from 15,588 to 15,609 since January 2024.
- Demographic information was provided about current patient and public members including gender, age, location, and ethnicity profiles. Notably, a significant number of the Trust's membership had not provided details about their gender, age, or ethnicity. This meant it was difficult for the Trust to fully assess the extent to which the membership was reflective of the Trust's local populations.
- However, on the basis of the information held, it was recognised that there were opportunities to target membership communications at ethnically diverse and younger cohorts of members.

- The Working Group received an update on the steps taken by the membership office to improve the data we store on members and to enhance awareness of membership benefits and the governor's role.

Objective 2: To optimise the benefits of membership.

- The Working Group received an update on the routine work undertaken by the membership office since January 2024 to optimise the benefits of membership, including involvement opportunities in PPE activities and governor elections. They also reviewed open rates of the Trust newsletter and the number of members attending health seminars.
- Consideration was given to how the benefits of membership could be broadened, for example into other involvement activities. The previous discussion, regarding the new PPE strategy, was identified as a channel by which this could be achieved.

Objective 3: To improve governor-to-member engagement

- It was noted that governors actively promoted membership and their role by setting up stalls at Guy's Hospital and chairing members' seminars.

The members of the working group were invited to propose the steps for enhancing awareness of membership benefits and governor's role. It was suggested that staff governors should work closely with the membership office to promote membership.

The next meeting would be held on Tuesday 5 November 2024.

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GUY'S AND ST THOMAS' NHS FOUNDATION TRUST
QUALITY AND ENGAGEMENT WORKING GROUP
TUESDAY 11 JUNE 2024

Title:	**Council of Governors Quality and Engagement Working Group Meeting Notes, 11 June 2024**
Governor Lead:	**Leah Mansfield, Working Group Lead**
Contact:	**Andrea Carney & Sarah Allen, Working Group Secretariat**

Purpose:	For information
Strategic priority reference:	TO TREAT AS MANY PATIENTS AS WE CAN, SAFELY
Key Issues Summary:	A report on the Working Group's discussion of the following: • A Council of Governors briefing on the cyber-attack affecting Synnovis pathology services • The development of the Trust's new Patient and Public Engagement Strategy • The development of the Trust's new Carers Strategy • Quarterly reports on Patient Experience and Patient and Public Engagement For Information only: • Reports / updates from committees recently attended by Governors (brief verbal updates, as necessary)
Recommendations:	The GROUP is asked to: 1. Note the key discussion points at the Quality and Engagement Working Group meeting on 11 June.

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GUY'S AND ST THOMAS' NHS FOUNDATION TRUST

QUALITY AND ENGAGEMENT WORKING GROUP

TUESDAY 11 JUNE 2024

QUALITY AND ENGAGEMENT WORKING GROUP MEETING NOTES

PRESENTED FOR INFORMATION

1. Introduction

1.1. This paper provides notes from the Council of Governors Quality and Engagement Working Group (QEWG) meeting held online on Tuesday 11 June 2024.

This meeting was attended by: Sarah Allen (Head of Patient Experience), Victoria Borwick (Public Governor), Michael Bryan (Patient Governor), Andrea Carney (Head of Patient and Public Engagement), Elfy Chevretton (Staff Governor), Marcia Da Costa (Public Governor), Anna Grinbergs-Saull (Senior Patient and Public Engagement Manager), Katherine Hamer (Public Governor), Margaret McEvoy (Public Governor), Leah Mansfield (QEWG Chair), Alison Mould (Public Governor), Placida Ojinnaka (Patient Governor), John Powell (Patient Governor), Mary Stirling (Patient Governor), Mark Tsagli (Patient Experience Specialist), Claire Wills (Staff Governor).

The briefing was attended by the above and: Charles Alexander (Trust Chair), Robert Craig (Director of Operations & Development, Heart Lung & Critical Care) Jon Findlay (Chief Operating Officer) Peter Harrison (Patient Governor), Denis Lafitte (Chief Information Officer, King's College Hospital), Dave Phoenix (Partnership Governor)

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1.2. Apologies were received from: Stephanie Petit, Elena Spiteri

1.3. Leah Mansfield, Chair of the Quality and Engagement Working Group welcomed attendees and opened the meeting, noting that the first thirty minutes of the meeting would be dedicated to providing the Council of Governors with an overview of the recent cyber-attack on the Trust's pathology partner, Synnovis, after which the meeting would return to the substantive agenda items.

2. Agenda Item 2: Council of Governors briefing and Q&A: cyber-attack affecting Synnovis pathology services

2.1. The Trust Chair provided an overview of the incident, including the Trust's latest understanding about how the incident had arisen, and that the incident response was being co-ordinated by NHS England London region. The Trust was working with its partners within the Integrated Care System (ICS) and both regionally and nationally to restore pathology services to full capacity as quickly and safely as possible. There was particular attention to the mutual aid being provided by partner NHS providers outside south east London, given the cyber-attack had affected both King's College Hospital NHS Foundation Trust and primary care services across the six SE London boroughs in the system. Given the seriousness of the incident, the National Cyber Security Centre was also involved. It was also explained that pathology services were still taking place, but it was the speed of communications of the results that was the issue.

2.2. Representatives from the Trust's senior management, including the clinical operations and digital, technology and information (DT&I) directorates were in attendance to receive and answer a number of questions from governors about the incident. In this discussion the following key points emerged:

- The Trust's investigations into the cause of the incident were ongoing;
- There was currently no indication that the back-up systems had been infected which, if confirmed, would enable a quicker restoration of services. However, there was, as yet, no firm timetable about when services would be fully restored;
- Key affected services included transplantation and any that were more heavily-dependent on blood transfusions;
- The incident had been referred to the Information Commissioner's Office (ICO); however, it was currently unclear whether there had been any data loss arising from the incident;

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- The Trust was confident that the organisations involved, including Synnovis, were taking the right steps in response to the incident; and
- Whilst the Trust had disconnected its digital link with the Synnovis data centre as soon as the incident was reported, regular checks were being made on whether the Epic electronic health record system had been contaminated.
- Governors would continue to be kept appraised of the situation as it developed.

The Working Group Lead closed the briefing, extending thanks to the Trust Chair, and opened the substantive Quality Engagement Working Group meeting.

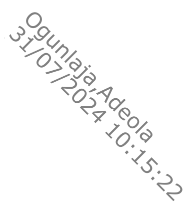
3. Agenda Item 3: Notes from the last meeting and matters arising

3.1. The notes were approved as an accurate record of the last meeting held on 26 March 2024.

3.2. Matters arising – questions raised by Governors after the last meeting:

- Two questions concerned MyChart – an update on MyChart will be included in September's meeting
- One question concerned Patient Safety Incident Response Framework and training for staff – Quality Assurance colleagues will include a response in their update in September
- One included a suggestion about connecting with MBRRACE to inform improvements to maternity care for Black women – colleagues in Women's Services are aware of this programme.

4. Agenda item 4: Developing a new Patient and Public Engagement Strategy: aims and priorities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4.1. The Senior PPE manager presented the item, noting key points from papers shared in advance of the meeting. Governors were asked for feedback on the PPE Strategy aims and their views on what the strategy should convey about the Trust's approach to patient and public engagement. In discussion the following points were noted:

- Health outcomes are a key issue for patients. The strategy and its aims could more clearly reflect on the impact that PPE could have on health outcomes. Patients might expect positive health outcomes to be a priority.
- Communication is important and is a common frustration for patients.
- Joined up care is another common priority area for patients.
- Treatment should be patient centred and patient focused. Making patients a priority does not necessarily sound the same as ensuring patient focused and patient centred care.
  - 'Care' means doing everything to ensure patients have a good outcome. 'Patient first' can sound too driven by priorities and process.
  - Patients may want to hear that their health is a priority for the Trust and that the Trust is committed to "supporting you through your health journey"
- It should be clear to patients, carers and Foundation Trust members that there is something to do or get involved with at all levels of time commitment. Making sure that people know that different levels of involvement are helpful and welcomed.

Action: Governors to share further questions or comments by email should they wish

5. Developing a Carer's Strategy

5.1. The Head of Patient Experience presented an introduction to the development of a carer's strategy:

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- The previous carer's strategy focused on three areas:
  - Implementing a carers passport
  - Developing a training course to help build skills and resilience
  - Supporting staff as carers

- Outcomes: the training was well received, but paused during the COVID-19 pandemic, there was low uptake of the carers passport, workforce has begun pieces of work to support staff as carers, but there is more to do.
- The new strategy is being co-developed with staff and carers to propose 3-5 year commitments
- The aim is to publish the final strategy by autumn 2024
- This work has been informed by:
  - The Trust carers survey
  - A survey for carers of people with dementia
  - The bereaved relatives survey
  - A stakeholder and staff workshop held in November 2023 attended by clinical colleagues and Local Authority and voluntary sector partners.
- These highlighted the following as priority areas for the new strategy:
  - Identifying carers – when and how is the best time?
  - Supporting carers – understanding how needs may change over time
  - Working with carers – working in partnership and providing easy access to resources in a crisis
  - Training and education for staff and carers – enhancing existing skills, delivering training in different formats and providing people with support to take part
- Carer engagement activities are planned over 6-8 weeks in June-August 2024
- Governors were asked for their views on the following questions
  - Carers Strategy – What are the 3 most important things you think we should consider or include?
  - Carers passport – What do you think are the 3 most important things that a carers passport should include?

5.2. Governors welcomed the presentation and during the discussion, raised the following points:

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- Discussions with carers highlight the importance of a clear signposting system for support. This is included in the strategy themes, but the detail beneath these should include respite care, external resources, carers allowance advice. This would be in line with other support organisations, and while the Trust can't do everything, providing access to information is critical

- Young people and children who are carers have specific needs. It is important that these are also addressed.
  - The current focus is on adults, but the Head of Patient Experience suggested that children and young people could be involved at a later stage.

Action: Governors to share further thoughts via email should they wish

6. Agenda Item 6: Patient and public engagement updates (papers attached)

6.1. Item 6a: The Head of Patient Experience noted highlights from the Quarterly Patient Experience report that was circulated with papers in advance of the meeting:

- The MyChart helpline continues to receive a high volume of calls with over 11,000 calls received in Q4 which is almost twice the volume of PALS contacts during a quarter. The system is still in its early stages after 6 months.
- Telephony continues to be an area of concern for patient experience. The CITI team is establishing a project to address this area and this may be included in a future working group meeting agenda
- Answers to large proportion of PALS quick enquiries can be answer using the information that is available on the Trust website, however patients do not seem to find this. It is expected that the development of chatbots may help support a significant number of these quick enquiries enabling the PALS team to work on more detailed individual concerns.

Governors welcomed the updates and noted that:

- Some survey results based on very low response rates
  - The Head of Patient Experience explained that response rates are increasing but there continue to be low response rates in some areas, in part due to issues with sending survey links via text messaging, this is due to restart in late Summer. A range of feedback methods are available to patients including paper although feedback suggests that some patients prefer text message surveys or QR codes over physical copies.

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- The report highlights the positive impact of volunteering, with volunteers going on to develop careers in the Trust.

6.2 Item 6b: The Head of Patient and Public Engagement presented the patient and public engagement report, which was circulated in advance of the meeting.

- The patient and public engagement team continues to support the implementation of the cancer and surgery strategies, and is supporting the clinical group to review requests for support in a large number of individual projects.
- Key projects involving patient and public engagement include the development of a new satellite dialysis clinic in Brixton.
- The Evelina London PPE specialist has begun work to re-establish the youth forum.

Governors thanked the Lead for the update.

7. Agenda Item 7: Reports/updates from committees recently attended by Governors

- The Chair noted the written reports shared in advance of the meeting. No verbal updates provided.

8. Agenda Item: Any other business

- The Chair extended thanks to outgoing Governors for their contributions to the working group throughout their terms.
- The Heads of PPE and Patient Experience noted their thanks to the outgoing governors for their support and confirmed that Governors are welcome to continue to contribute to various areas of the Trust's work as Foundation Trust members.
- The Head of PPE shared a request from participants in the Elizabeth Garrett Anderson programme for Governors support with clinical service observations. Governors will receive further information via email and will be welcome to take part.

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Action: Staff to share the Elizabeth Garrett Anderson programme request.
Action: Governors to respond via email to express interest in supporting the programme

ACTIONS

Governor questions submitted post-meeting;	
4.1	Governors to share further thoughts on the PPE strategy via email
5.2	Governors to share further thoughts on the carers strategy via email
8.1	Staff to share the Elizabeth Garrett Anderson programme request.
8.1	Governors to respond via email to express interest in supporting the EGA programme

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Guy’s and St Thomas’ NHS Foundation Trust

Lead Governor: role description, April 2024

Role description

The Lead Governor acts as a key liaison point between the Trust and the Council of Governors to help ensure the smooth running of the Council of Governors business. The Lead Governor is also required by the Trust’s regulator (NHS England) as the main point of contact between governors and NHS England where communication via the Trust or Trust Chair may not be appropriate.

The Lead Governor’s main duties are set out in the Trust Constitution and are as follows:

- Facilitating communication between governors and members of the Board of Directors;
- Assisting the Chairman in settling the agenda for meetings of the Council of Governors and other meetings involving governors;
- Chairing the Council of Governors when required to do so by the Standing Orders;
- Contributing to the appraisal of the Chairman in such manner and to such extent as the person conducting the appraisal may see fit;
- Initiating proceedings to remove a governor where circumstances set out in the Constitution for removal have arisen;
- Liaising, as appropriate, with councils of governors for other NHS foundation trusts, and
- Such other duties as may be approved by the governors.

In practice, the duties above have evolved to include other tasks such as:

- Speaking on behalf of the Council of Governors at certain meetings or events, such as the Annual Public Meeting;
- Chairing governor-only meetings;
- Meeting regularly with the Trust Chair and Trust Secretary to maintain and improve the support provided to the Council of Governors;
- Acting as a point of contact for any governor wishing to raise matters with the Trust Chair in the event that a governor may not wish to do so directly;
- Leading the governors in fulfilling their statutory duties such as holding non-executive directors to account and communicating with the Trust’s membership;
- Taking steps to review and improve the effectiveness of the Council of Governors;
- Facilitating and supporting the establishment and maintenance of a diverse Council of Governors;
- Consulting with governors and co-ordinating responses on issues relating to the Council of Governors and activities of governors; and
- Updating governors as appropriate on relevant matters taken up on their behalf.

Any governor wishing to be considered for this role will be required to relinquish other responsibilities such as chair of any working groups.

The role of Lead Governor has no enhanced voting rights or formal delegated powers from the Council of Governors.

The Deputy Lead Governor will stand in for the Lead Governor in times of their absence.

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Person specification

To be able to fulfil this role effectively, the Lead Governor will have:

- The confidence of governor colleagues and members of the Board of Directors;
- The ability to influence and negotiate, and present well-reasoned arguments;
- Excellent interpersonal skills including listening skills and the ability to exercise good judgement, compassion and objectivity
- A willingness to set aside their own view in favour of finding a settled Assembly decision, and ensuring that individual issues are not taken forward as the Assembly view;
- The ability to ensure that the Council of Governors adheres to the Trust's values;
- The ability to challenge constructively;
- The ability to chair both large and small meetings effectively;
- An understanding of the Trust's constitution, the local, regional and wider NHS strategic landscape and the general aims and ambitions of the Trust;
- An understanding about the role of NHS England, the basis on which NHS England may take regulatory action and the Trust's relationship with NHS England;
- Sufficient time to dedicate to the role, in addition to other governor responsibilities.

Election process

The following process will apply where there is a vacancy, or impending vacancy, for the Lead Governor role:

- Corporate Affairs will write to all governors asking for expressions of interest in the role.
- All nominees should send Corporate Affairs a short statement of up to 150 words about their suitability for the role. The submission deadline will be no fewer than two calendar weeks after the initial email.
- If there is only one nomination, the nominee for that position will be considered to have been elected without contest.
- If there is more than one nomination for either role, an election will take place.
- All governors will be sent the suitability statements received, and asked to submit their vote to Corporate Affairs via email. Governors will be given no fewer than two calendar weeks to vote.
- Each governor will have one vote.
- Nominees will not be allowed to vote for themselves.
- The nominee with the most votes would be considered to have been elected. Corporate Affairs will draw lots in the event of a tie.

Tenure

The Lead Governor is elected for a term of two years, after which they are eligible to serve one final term of two years, subject to a full re-election process outlined above.

A new election can be triggered before the end of the Lead Governor's tenure if, at any stage, the Trust Secretary receives emails from 20% or more of the governors in post at that time to request an election is held.

The Lead Governor may resign from the office at any time by giving written notice to the Trust Secretary, and shall cease to hold the office immediately if they cease to be a governor.

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Appraisal

The Lead Governor will be subject to an annual high-level appraisal with the Trust Chair.