



Warrington and Halton
Teaching Hospitals
NHS Foundation Trust

Annual Report and Accounts 2023–24





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Overview of the Trust



1.1 Chair and Chief Executive's Introduction

In July 2023 we were proud to mark the 75th birthday of the NHS. Reflecting just one of those 75 years, this 2023-24 annual report highlights the significant achievements we have continued to make at Warrington and Halton Teaching Hospitals (WHH). These achievements are remarkable in their own right and even more so when considered against the backdrop of relentless pressures that we continue to face, as can be seen right across the NHS.

Once again, it is only right that we must first and foremost give heartfelt thanks to our circa 5,000-strong workforce and volunteers. It is difficult to put our gratitude into words, just as it is hard to quantify the impact of the unwavering commitment, dedication and passion that can be seen in teams from all areas of WHH. Every day we see and hear examples of staff putting our Trust's five values into practice for the benefit of patients and our local communities - working together, excellence, inclusive, kind, and embracing change.

As will be the case for future years to come, we have remained committed to restoration and recovery, working to reduce the substantial waiting lists built up during the COVID-19 pandemic. We have made some progress in this area and recognise that there is more to do.

We have continued to work collaboratively with others, including place partners in Warrington and Halton and the Cheshire and Merseyside Integrated Care Board. We also continued to play our full part in the leadership of our health and social care system, in the best interest of all of the communities we collectively serve.

We have been consistent and remained focused on our three strategic aims of quality, people, and sustainability. Here are some key highlights:



Steve McGuirk
CBE DL QFSM,
Chair



Professor Simon
Constable FRCP,
Chief Executive

QUALITY

We will always put our patients first, delivering safe and effective care and an excellent patient experience



Delivery has continued to be a constant focus across the Trust, against a backdrop of high Emergency Department attendances, high bed occupancy rates, and high numbers of patients with 'no criteria to reside'. We have complied with all national elective restoration and recovery guidance and continued to prioritise urgent cancer and elective activity. We have participated in a diagnostic assessment of the urgent and emergency care pathway across Warrington and Halton and are developing plans to take this work forward. We have continued to focus strongly on discharge, both that which is within our own control as well as working with health and care partners. We know that there remains more to do in this regard.

June 2023 saw the official opening of improved breast screening facilities at Bath Street Health and Wellbeing Centre for Warrington residents. Creating a single purpose-built location in an accessible town centre location to improve the experience for patients was the culmination of months of work by WHH and other partners. The additional space, including clinic rooms and new mammography screening machine, means patients can now expect reduced waits in an extension to the existing breast screening service.

Building on our commitment to provide services in the heart of our communities, the pioneering new Living Well Hub opened its doors in March 2024. The Town Deal-funded Hub, on Horsemarket Street in Warrington town centre, is designed to help people with their health and wellbeing needs, reduce inequalities and support town centre regeneration. It is one of the first developments of its kind in the country, with 25 organisations providing a wide range of NHS and non-clinical services under one roof.

In Halton, the first and second phases of a multi-million pound project to improve diagnostics testing and reduce the COVID-19 backlog and waiting times for Warrington and Halton residents were completed. Warrington and Halton Diagnostics Centre provides additional checks and

scans that can help diagnose and treat a range of health conditions including heart disease, lung conditions and cancer. Part of the Government-funded Community Diagnostic Centre (CDC) programme, the development has included the refurbishment of existing space within the Nightingale Building at Halton Hospital, and an extension to services at Halton Health Hub in Shopping City. The third phase, a new diagnostics centre next to the existing Captain Sir Tom Moore Building, is set to open in 2025.

Further modernisation work included the opening of a new £1.9m Emergency Computerised Tomography (CT) Department at Warrington. The department is directly accessed from the Emergency Department (A&E) to speed up the transfer of patients requiring urgent scans. The scanner is equipped with the latest technology and makes detailed X-ray imaging available to clinicians 24 hours-a-day, supporting them in making urgent and often life-saving diagnoses.

In January 2024 it was announced that the Trust's maternity service had maintained its 'Good' rating following a Care Quality Commission (CQC) inspection in September 2023. The inspection report reflects the commitment of staff to provide the best possible maternity care within what inspectors described as a 'culture that places people's care at the heart of the service'. As well as highlighting many areas of good practice, inspectors also noted outstanding practice in the Trust's work with partners to overcome barriers to accessing services, which can be faced by some in our communities.

There was also national recognition for the Neonatal Unit at Warrington, with the Family Integrated Care model (FiCare) awarded green FiCare status for the support provided to families following a Northwest Neonatal ODN (Operational Delivery Network) accreditation visit in July 2023. Green is the highest level of accreditation to encourage greater parental involvement in their infants' care while on the unit.



PEOPLE

We will be the best place to work, with a diverse and engaged workforce that is fit for now and the future

2023-24 was a year marked significantly by industrial action. We saw multiple periods of strike action from junior doctors as part of a national dispute, and we also saw healthcare support workers take strike action over retrospective regrading of roles. During all instances, we worked hard to make sure that patient safety was maintained.

Early in 2023 we launched our Women's Staff Network in response to feedback from our staff. One of five thriving staff networks at WHH, it now has almost 300 members from across the Trust. The current focus is on supporting colleagues through all stages of their working lives, including developing our offer for staff returning from maternity leave and menopause support as well as sharing career development and health and wellbeing information. In its first year the network has supported the Trust in gaining membership of the Menopause Friendly Employer scheme.

Support provided to our staff was highlighted in October 2023 when we received a Royal College of Nursing North West Award for Outstanding Contribution to Equality, Diversity, and Inclusion. Our 'Your Future Your Way' programme was recognised for breaking down barriers for colleagues from an ethnic minority background working in nursing, midwifery and the allied health professions. Participants are supported to develop the skills to reach equity and progress into leadership and management roles within the Trust. The programme was also shortlisted in the prestigious Patient Experience Network National Awards (PENNA).

In March 2024 the Trust was recognised by NHS England for the high-quality support provided to internationally recruited nurses and midwives. The NHS Pastoral Care Quality Award is presented to organisations that have met a set of standards for pastoral and professional support throughout the recruitment process, on joining the organisation and beyond.

There was also team recognition for the Research and Development Department, named Research Delivery Team of the Year at the North West Coast Research and Development Awards in June 2023. Recognised for their innovative approach to leading vital clinical research, the judges praised the 'excellent, collaborative and hard-working team' for their impact on the delivery of several major research studies. In October, Colorectal Clinical Nurse Specialists, Louise Foley and Clara Dennis, were announced as winners of the Gary Logue Colorectal Nurse Cancer Awards by Bowel Cancer UK. This award was presented for their commitment to supporting patients with an urgent suspected cancer referral.

The significant contribution made by long-serving WHH staff was celebrated at the Trust's Long Service Awards in February 2023. The awards recognise colleagues who have achieved 25, 30, 35, 40 and 50 years of continuous service with the NHS. This year's award recipients had amassed an impressive 1,860 years of combined service and were invited to attend an afternoon tea celebration with a guest of their choice.

Our staff are also recognised through our annual Thank You Awards event, which is made possible thanks to the support of our partners and local businesses. The awards ceremony for 2023-24 was scheduled to take place in May 2024 at the Concorde Conference Centre, Manchester Airport.

From a governor perspective, we held elections in October 2023 and appointed new staff and public governors. We continued to support the role of governors across the organisation with the development of induction materials and a comprehensive induction programme.

SUSTAINABILITY

We will work in partnership with others to achieve social and economic wellbeing in our communities



In terms of finance, we recorded an adjusted deficit of £30m for 2023-24, which was £14.3m away from our £15.7m deficit plan for the year. We continued to invest significantly in our annual capital programme, with £31.2m planned spend and £31.5m actual spend for the year.

We began implementing our two-year strategy, approved in March 2023. The strategy sets out our ambitions and plans for the coming years to achieve our vision of being a great place to receive healthcare, work and learn.

We developed an outline estates strategy, which sets out our future direction of travel for addressing the issues faced with our ageing estate and facilities. We know that we cannot go on indefinitely making the best use of what we have currently got, and that the people of Warrington and Halton deserve modern care provided in fit-for-purpose environments.

Finally, we continued to invest significantly in our digital infrastructure, including network and device upgrades which will stand us in good stead for the future.

Looking ahead

We will continue to invest significantly in infrastructure initiatives for the benefit of our staff and patients. This includes digital programmes, such as a new patient portal and the appointment of a preferred supplier to replace our existing electronic patient record, as well as significant estates developments.

We are opening a new day case unit at the Captain Sir Tom Moore Building in Halton, constructing the third phase of our Warrington and Halton Diagnostic Centre which will see a new-build facility at the same location, and creating a new theatre within the Nightingale Building thanks to successfully being designated as a regional endoscopy hub.

2024-25 looks set to continue being challenging financially for the Trust, with current plans showing a deficit in the region of £30m. This is dependent upon multiple factors, including the achievement of £19m of efficiency savings. Targets for activity recovery remain a challenge on our resources, both workforce and financially.

Looking forward, we will continue to deliver to the best of our ability for the people of Warrington and Halton and commit to playing the fullest of parts, both within local place partnerships and within the Cheshire and Merseyside Integrated Care System. We will continue working collaboratively with Bridgewater Community Healthcare NHS Foundation Trust as we explore ways of bringing our two organisations together with the aim of making best use of resources and more importantly improving care for our patients.

Steve McGuirk CBE DL QFSM,
Chairman
28th June 2024

Professor Simon Constable FRCP,
Chief Executive
28th June 2024

1.2 About the Trust

The Trust comprises two acute (secondary) care hospitals across two sites in the boroughs of Warrington and Halton and provides services across a number of community hubs. Services are delivered by our workforce of around 5,000 staff, many of whom live in the boroughs we serve.

The principal purpose of the Trust is the provision of goods and services for the purposes of the health service in England. The Trust does not fulfil its principal purpose unless, in each financial year, its total income from the provision of goods and services for the purposes of the health service in England is greater than its total income from the provision of goods and services for any other purposes. The Trust may provide goods and services for any purposes related to:

1. the provision of services provided to individuals for or in connection with the prevention, diagnosis or treatment of illness
2. the promotion and protection of public health

The Trust may also carry out activities other than those mentioned above for the purpose of making additional income available in order to fulfil its principal purpose.

The Trust and its place in the wider health economy

The Trust is part of the Cheshire and Merseyside Integrated Care System which is known as NHS Cheshire and Merseyside. This is one of 42 systems created nationwide on 1 July 2022 by the Health and Care act (2022) to replace more than 100 Clinical Commissioning Groups.

Within this context Warrington and Halton operate as place-based partnerships which aim to develop a plan to address the broader health, public health and social care needs of the local population and design the delivery of integrated services to address these. These partnerships are known as Warrington Together and One Halton and involve the NHS, local authorities, community and voluntary organisations plus local residents and people who use health and social care services.

Halton Hospital is located in Runcorn and is where the majority of elective and diagnostic care is delivered. The Runcorn Urgent Treatment Centre is also located here. Halton Hospital comprises two distinct buildings, the Captain Sir Tom Moore Building (formerly known as Cheshire and Merseyside Treatment Centre) and Nightingale Building (formerly known as Halton General). Some chemotherapy services are also provided on the site at the CanTreat Chemotherapy Centre and the site is home to the Delamere Macmillan Unit.

Although each site focuses on particular aspects of care, outpatient clinics for all specialties and diagnostic services are provided at both Warrington and Halton hospitals so patients can access their appointments closer to home wherever possible.

The hospital sites are eight miles apart and are easily accessible, being very close to the north west motorway networks.



Services provided at Warrington Hospital include:

Emergency Department (A&E), surgical services, general medicine, children's services (paediatrics), cardiac care and cardiac catheter lab, stroke care, cancer care, elderly care, maternity, gynaecology, neonatal, orthopaedic trauma, critical care and ophthalmology.

Support services include occupational therapy, pathology, physiotherapy, pharmacy, dietetics, outpatient services, diagnostic services, radiology and a range of specialist nursing services.

Services provided at Halton Hospital include:

Nightingale Building: General surgery, urology, endoscopy, step down care, cancer care, programmed investigations unit, renal dialysis, chemotherapy and cancer support, a full range of outpatient services.

Also located here:

- Halton Clinical Research Unit
- Runcorn Urgent Treatment Centre which provides care and treatment for illness and injuries that are not life or limb-threatening but require urgent attention. Open 8am to 9pm, seven days a week.

Captain Sir Tom Moore Building: Orthopaedic surgery, urology and gynaecology surgeries, cancer surgeries, post-anaesthetic care unit.

Support services include: Breast care centre, occupational therapy, physiotherapy, dietetics, outpatient services, diagnostic services and a range of specialist nursing services.

The pre-treatment centre (pre-operative and swabbing service) is located on the Halton site.

Services in the community

Through a network of community hubs, virtual service offers and mobile facilities we also provide a range of outpatient services in the community. This is a step towards ensuring services are delivered in the right place to improve access to quality care and address health inequalities.

Examples include:

- Bath Street Health and Wellbeing Centre, Warrington
- Halton Health Hub, Runcorn Shopping City
- Living Well Hub, Warrington
- Mobile screening services
- Virtual wards – using advances in technology and infrastructure to enable patients to receive the care they need at home rather than in hospital
- Virtual consultations – offering video outpatient appointments to enable flexible and responsive care



Trust key headlines in 2023-24



Served a population of **330,000** across both Halton and Warrington boroughs.



Employed around **5,000 staff** comprising 79 nationalities.

Delivered **2,448 babies** in hospital and in the community.



Delivered **59,581** procedures and stays.

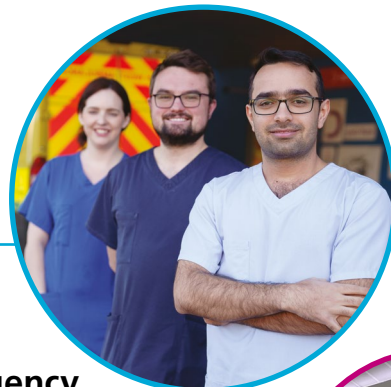


Delivered **101,127** individual new outpatients appointments each year.



Operated **741 beds** – assessment beds and trolleys – across both sites.

Provided **126,415 episodes of emergency care** – 88,066 episodes at the Emergency Department and 38,349 at the Runcorn Urgent Treatment Centre Department.

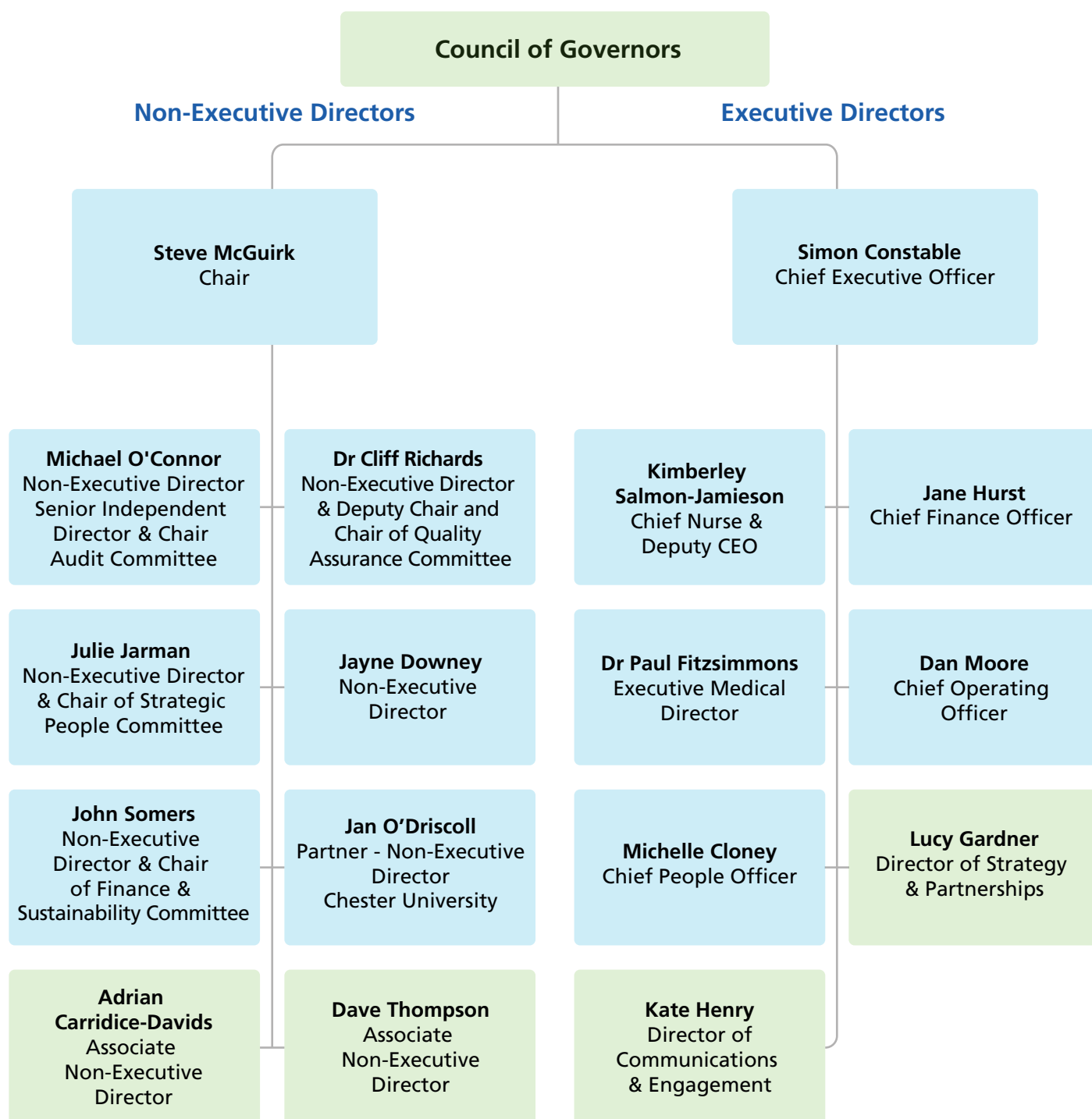


Had an annual turnover of **£365.1 million**.



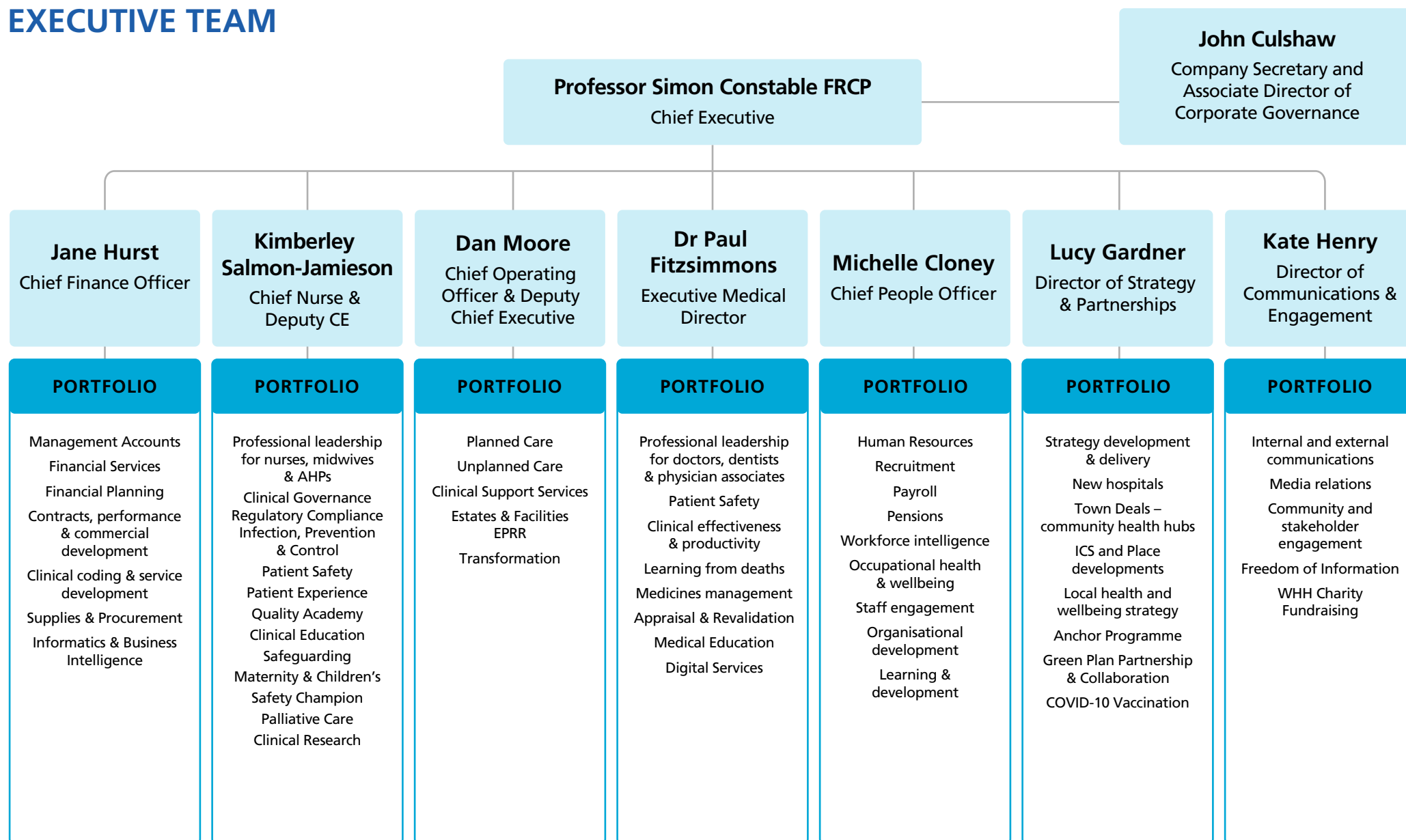
How the Trust is organised

TRUST BOARD

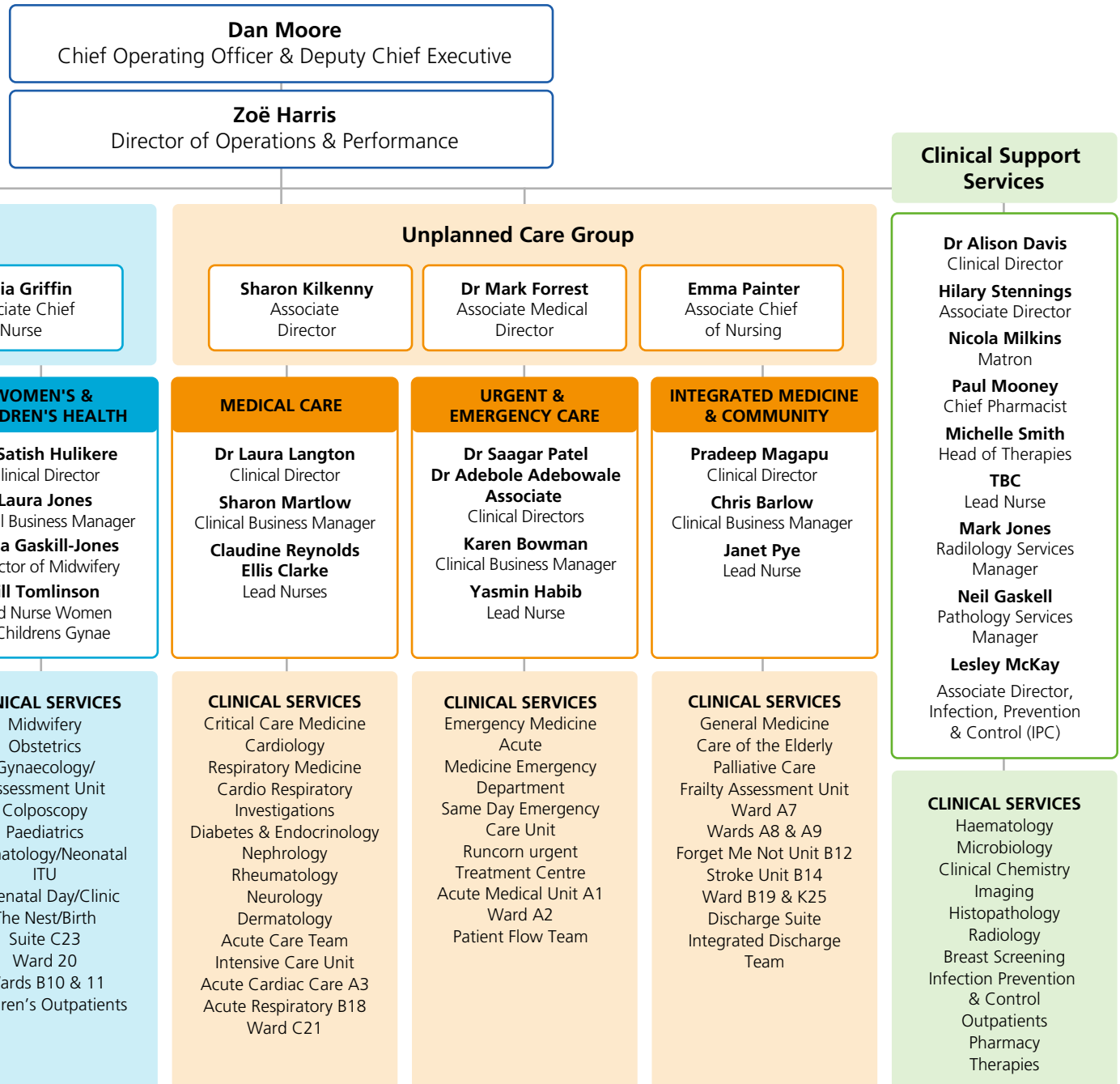


Voting members
 Non-voting members

EXECUTIVE TEAM



CARE GROUPS AND CLINICAL BUSINESS UNITS



Our mission, vision, aims and values

Our Mission

We will be outstanding for our patients, our communities and each other

Our Vision

We will be a great place to receive healthcare, work and learn

Our Aims



QUALITY

We will always put our patients first, delivering safe and effective care and an excellent patient experience



PEOPLE

We will be the best place to work, with a diverse and engaged workforce that is fit for now and the future



SUSTAINABILITY

We will work in partnership with others to achieve social and economic wellbeing in our communities

Our Values



Working Together



Excellence



Inclusive



Kind



Embracing Change

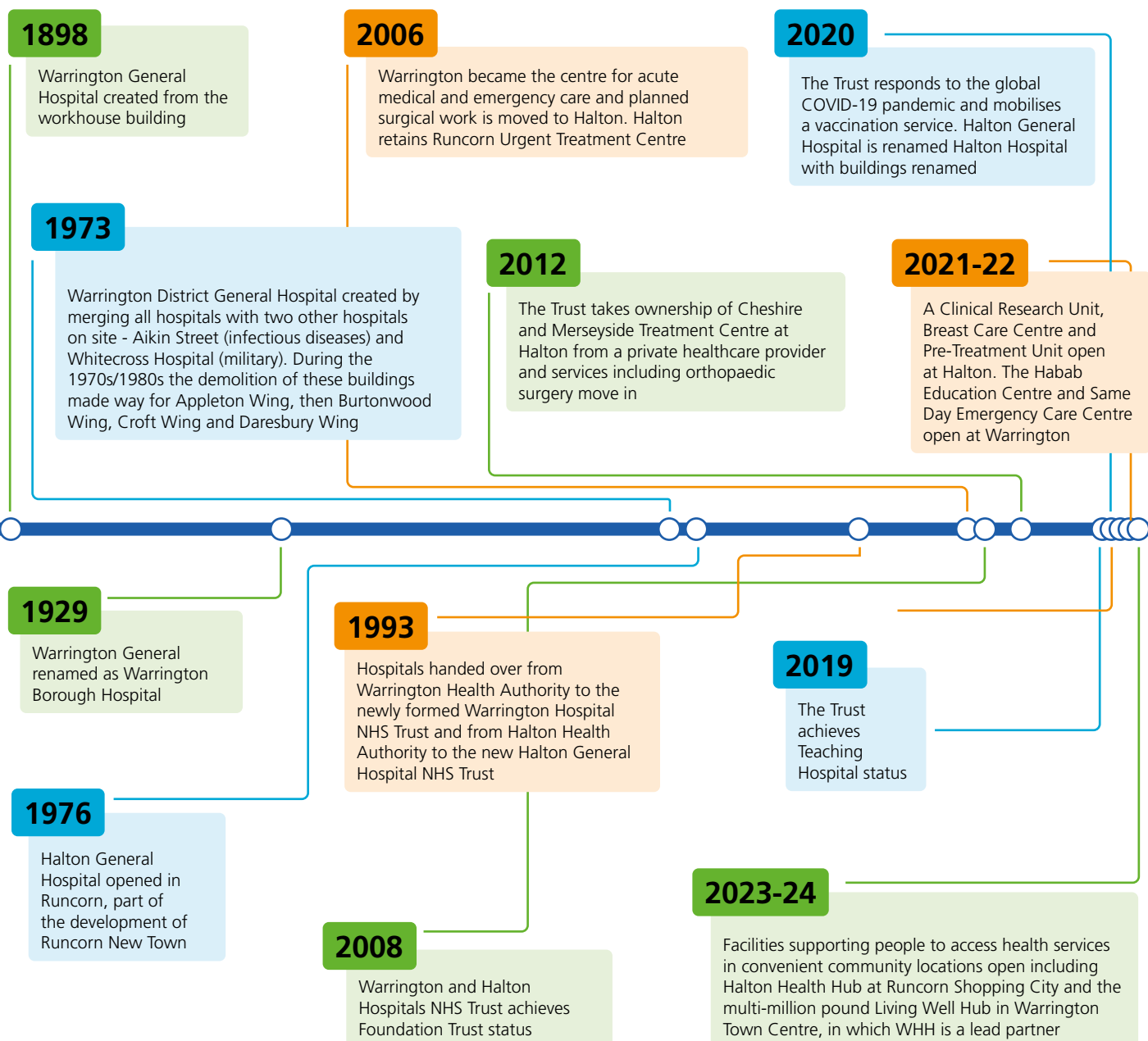
1.3 A brief history of the Trust and its statutory background

Warrington and Halton Hospitals NHS Foundation Trust (WHH) was created on 1 December 2008 from what was formerly known as North Cheshire Hospitals NHS Trust.

In 2008 we were awarded Foundation Trust status and currently have just under 15k (14,712) members. The Trust achieved Teaching Hospital status in November 2019 and was renamed Warrington and Halton Teaching Hospitals NHS Foundation Trust.

The Care Quality Commission rated the Trust 'Good' in 2019, with critical care achieving an 'Outstanding' rating for care. Maternity services retained their 'Good' rating following an inspection in September 2023.

A brief history of Warrington and Halton hospitals



1.4 The future of the Trust

Our vision for the future of Warrington and Halton Teaching Hospitals NHS Foundation Trust is to be a great place to receive healthcare, work and learn. We are committed to providing high quality, safe, and sustainable services, delivered by staff who are trained and supported to deliver their best work and we will work with our partners, across all levels of health and social care, the voluntary sector and the independent sector, to achieve this and meet the needs of our local population. We have three strategic aims framed around Quality, People and Sustainability, which underpin our vision.

Our future vision is encapsulated within our estate strategy, which seeks to create modern, compliant, cost effective and future proofed estates, allowing us to change and adapt how and where we deliver care to set the foundations for the future of Warrington and Halton. This vision has been well established within our overall Trust strategy and we have delivered several significant projects to realise this.

We are continuing to make progress by investing wisely in existing estate to support long-term plans, making the most appropriate and effective use of the clinical space we have. Successes include funding secured with partners to open community hubs, refurbishment of clinical areas and replacement of ageing equipment.

Over the past year we have delivered upwards of £10 million of capital projects to create new estate and enhance existing facilities. This has included the Living Well Hub in Warrington town centre and the opening of our new surgical day case facility in the Captain Sir Tom Moore Building at Halton Hospital.

Additional diagnostic capability has been introduced with the installation of a CT scanner within the Warrington Radiology Department, and phase two of Warrington and Halton Diagnostics Centre, providing spirometry, sleep studies, ultrasound and audiology diagnostic capacity within Halton Health Hub in Runcorn Shopping City. These initiatives will improve the quality of the service we deliver to our residents, reduce waiting times and enhance access to clinical expertise all whilst improving staff and patient satisfaction, and in some cases providing care closer to our communities and delivering on our vision for our estate.

Work continues to deliver upgrades to achieve the vision for our estate. This year we commenced construction to upgrade the catering facilities on our Warrington site to further improve the experience of patients receiving care, and the development of an Endoscopy Hub within the Nightingale Building

at Halton. Our estate strategic aims are unique in that they will support the regeneration of the towns of Warrington and Runcorn, whilst tackling health inequalities, deprivation and supporting new growth, development and prosperity of the local communities.

Our workforce is our greatest strength, and we know that getting things right for our staff is the best way for us to achieve our vision. The developments in infrastructure will create the best conditions for staff to provide excellent patient care, in an environment where people want to be cared for and somewhere where people want to work.

Our WHH vision

Warrington Hospital: To create new and future-proofed hospital estate, replacing ageing and outdated facilities with a modern, sustainable, compliant estate which reflects the town's population growth (the fourth biggest population increase in the North West since 2001), with a focus on unplanned and emergency care.

Halton Hospital: To redevelop the Halton site (through an extension to the newest estate, Captain Sir Tom Moore Building) to create a hospital and wellbeing campus with a focus on planned care.

New estates work and facilities at both Warrington and Halton, and health hubs in accessible locations throughout the communities, are vital to ensure we are able to:

1. Address health inequalities
2. Provide high quality clinical facilities to meet growing demands
3. Level up communities by providing equal access to a dedicated diagnostic and elective centre for Cheshire and Merseyside
4. Future proof estate, facilities and services
5. Deliver a green and sustainable future
6. Innovate the way we work

1.5 Principal risks

The key issues and risks that could affect the Trust in delivering its objectives are as below.

These risks are recorded on the Board Assurance Framework (BAF) and are scrutinised either monthly or bi-monthly by the Board Committees who each have allocated risks, the Trust Board and Audit Committee receives the BAF in full. The BAF is fluid and risks are added or de-escalated as required. Furthermore, risk ratings, descriptions and risk appetites will vary on an ongoing basis as a result of changing circumstances and the implementation of mitigations. These risks are valid on 31 March 2024.

The organisation has identified the following strategic risks (red risks rated at 15 and above) and details of the full Board Assurance Framework including mitigations can be found in the Trust Board papers here: [Board Meetings and Papers :: Warrington and Halton Hospitals NHS Trust \(whh.nhs.uk\)](#)

In January 2024, the Board reviewed and approved the Trust's Risk Appetite Statement:

The risk appetite is the amount and type of risk that an organisation is prepared to pursue, retain or take in pursuit of its strategic objectives after balancing the potential opportunities and threats a situation presents. It represents a balance between the potential benefits of innovation and the threats that change inevitably brings. The Trust has defined the Risk Appetite Statement specifically for five types of risk: Quality, People, Finance and Sustainability, Regulation and Reputation.

During 2023/24 a specific risk appetite was allocated to each of the strategic risks.

Warrington & Halton Teaching Hospitals NHS FT – Risk Appetite Statement

WHH is an ambitious organisation – ambitious for its patients, its workforce and for the communities it serves.

Our goal is to provide high quality care that puts patients first, is both safe and effective and delivers an excellent patient experience. Alongside this, we aim to be the best place to work, with a diverse and engaged workforce, fit for now and the future. Together with our partners in the health and social care system, we will design our services to be fit for purpose and more integrated in order to achieve social and economic wellbeing in our communities.

The NHS unquestionably faces unprecedented economic and operational challenges, but these

challenges are magnified at a local level by additional demographic factors, as well as specific WHH issues. The latter includes, for example, an aging estate on both our hospital sites. Achieving our goals, whilst meeting these challenges, will require significant change as well as extensive collaboration with partners across the NHS family and across the wider, public and third sectors. This degree of change brings significant opportunity but, correspondingly, it requires us to take more risk. Thus, we must endeavour to strike the best balance between the two.

Accordingly, we will continue to be guided by our risk management policy in order to understand and control risk. We will continue to develop our corporate risk register to monitor significant operational risks. We will also continue to apply our board assurance framework to monitor strategic risks and ensure that the risks we take are consistent with the risk appetite set by the Board.

Our risk appetite, therefore, represents a collective agreement, understanding and decision by the Board about the level of risk that we are prepared to accept, after balancing the potential opportunities and threats any given situation presents.

To ensure clarity, we have broken down our approach to expressing our risk appetite into the five main types of risk facing the majority of NHS provider organisations within our own context and terminology, namely quality; financial and operational sustainability; regulation; people; and reputation.

Quality

Providing the best care and treatment we can is our purpose. We will actively avoid risks to the quality of clinical services and will take a cautious and balanced approach. Where innovation may improve quality of care we will however be more open to risk. When making significant decisions about our services, we will assess and record any risks affecting safety, patient experience and clinical effectiveness, and apply the necessary control measures. The impact of changes on quality will be monitored continuously and reported using both quantitative data and qualitative intelligence.



People

We aim to provide a supportive and inclusive culture and working environment, in which both individuals and teams can thrive. We recruit, develop and train current as well as future staff. To achieve our goals in respect of quality services and financial sustainability we will need to take significant decisions about services that will affect our people and may impact their working arrangements. We are therefore open to risk where we can demonstrate longer-term benefits to patients from our decisions. In arriving at those decisions, we will engage with our staff to shape our proposals, to maximise the positive impact on patient care and mitigate any potential adverse impact on staff.

Financial and operational sustainability

We aim to be a highly productive organisation that consistently delivers on all our constitutional performance standards whilst demonstrating public value for money with integrity and probity. We aim to continuously improve and innovate in the best interests of our patients, staff and communities. We are therefore open to seek out risk through innovative approaches, subject to appropriate procedures and controls.

Regulation

Our first aim is to provide safe and effective patient care, alongside an efficient use of resources. We use our regulated status to provide assurance of the quality of the services that we provide, the environment that we operate within and our efficiency. Our regulatory environment assists us in promoting outstanding patient care, working in collaboration with health and social care partners. We are therefore open to this risk.

Reputation

We are an outward-looking organisation and are determined to contribute fully to partnership working within our system and beyond, for example, with other health and social care organisations, local authorities, education partners, and the voluntary, community and faith sectors. Involvement of patients and the public is important to us, and we proactively include them and their representatives as part of our decision-making processes. We are open to reputational risk in that we may take decisions which may attract challenge when we can clearly demonstrate that they will achieve at least the same, if not better, outcomes for our patients, workforce, and the communities we serve.

Risk ID	Executive Lead	Risk Description Strategic Objective at Risk	Strategic objective at risk	Current Rating	Target Rating	Risk appetite
224	Daniel Moore	If there are capacity constraints in the Emergency Department, Local Authority, Private Provider and Primary Care capacity, then the Trust may not be able to provide timely patient discharge, have reduced capacity to admit patients safely, meet the four-hour emergency access standard and have patients waiting more than 12 hours in the department from time of arrival	1	20 (L5xC4)	8 (L2xC4)	Cautious
1215	Daniel Moore	If the Trust does not have sufficient capacity (theatres, outpatients, diagnostics) then there may be delayed appointments and treatments, and the Trust may not be able to deliver planned elective procedures causing possible clinical harm and failure to achieve constitutional standards and financial plans	1	20 (L4xC5)	6 (L3xC2)	Cautious
134	Jane Hurst	If the Trust's services are not financially sustainable then it is likely to restrict the Trust's ability to make decisions and invest; and impact the ability to provide local services for the residents of Warrington and Halton	3	20 (L5xC4)	10 (L5xC2)	Open
1134	Michelle Cloney	If we are not able to reduce the unplanned gaps in the workforce due to sickness absence, high turnover, low levels of attraction, and unplanned bed capacity, then we will risk delivery of patient services and increase the financial risk associated with temporary staffing and reliance on agency staff	2	20 (L4xC5)	8 (L4xC2)	Open
1757	Michelle Cloney/Paul Fitzsimmons	If we fail to effectively plan for and manage industrial action caused by trade unions taking strike action then this could result in significant workforce gaps which would negatively impact service delivery and patient safety	2	20 (4x5)	8 (4x2)	Cautious
2001	Paul Fitzsimmons	If the Trust is unable to mitigate for the challenges faced by its fragile services, then the Trust may not be able to deliver these services to the required standard with resulting potential for clinical harm and a failure to achieve constitutional standards	1	20 (L5xC4)	6 (L2 xC3)	Minimal

Risk ID	Executive Lead	Risk Description Strategic Objective at Risk	Strategic objective at risk	Current Rating	Target Rating	Risk appetite
115	Ali Kennah	If we cannot provide minimal staffing levels in some clinical areas due to vacancies, staff sickness, patient acuity and dependency then this may impact the delivery of basic patient care	1	16 (L4xC4)	12 (L4xC3)	Minimal
1114	Paul Fitzsimmons	If we see increasing demands upon current cyber defence resources and increasing reliance on unfit/end-of-life digital infrastructure solutions then we may be unable to provide essential and effective digital and cyber security service functions with an increased risk of successful cyber-attacks, disruption of clinical and non-clinical services and a potential failure to meet statutory obligations	1	16 (L4xC4)	8 (L2xC4)	Minimal
1372	Paul Fitzsimmons	If the Trust is unable to procure a new Electronic Patient Record then the Trust may have to continue with its current suboptimal EPR or return to paper systems triggering a reduction in operational productivity, reporting functionality and possible risk to patient safety	3	16 (L4xC4)	8 (L2xC4)	Cautious
1898	Lucy Gardner	If we are unable to secure sufficient funding to implement the plan for new hospital facilities, then we may not be able to meet all the requisite estates standards and recommendations and be unable to provide an appropriate environment for high quality and effective patient care and a positive patient and staff experience. Furthermore, this may result in unsustainable growth in backlog maintenance and a requirement to invest in short term solutions	3	16 (L4xC4)	4 (L1xC4)	Seek
125	Daniel Moore	If the hospital estate is not sufficiently funded to enable appropriate maintenance and development, then there will be an increase in capital required to bring the estate to an appropriate condition and subsequent increase in backlog maintenance costs, which may mean a reduction in estates and facilities compliance and possible patient safety concerns.	1	15 (L3xC5)	10 (L2xC5)	Open

Appendix 1

Strategic Objective 1: We will... Always put our patients first delivering safe and effective care and an excellent patient experience.


Strategic Objective 2: We will... Be the best place to work with a diverse and engaged workforce that is fit for now and the future

Strategic Objective 3: We will...Work in partnership with others to achieve social and economic wellbeing in our communities.


1.6 Going concern disclosure

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





Performance Analysis



2.1 Performance measures, KPIs, links to risk and uncertainties

The Performance Assurance Framework (PAF) outlines how the Trust develops and maintains effective systems and processes for monitoring, managing and improving performance across the organisation. The PAF is reviewed and refreshed at least annually.

The PAF sets out the approach the Trust undertakes in ensuring there are effective systems in place to monitor, manage and improve performance. Prompt reviews will be undertaken where performance is deteriorating, and appropriate actions will be implemented to bring performance back to an acceptable level.

The PAF:

1. Sets out clear lines of accountability and responsibility for delivery of performance from ward to Board.
2. Ensures performance objectives are agreed and transparent measurements are set to monitor performance against these standards, targets and plans.
3. Ensures performance delivery is focused and is seen as a continual process which is embedded in all aspects of organisational activity.
4. Provides assurance to the Board, governors, stakeholders and the public that the organisation has strong systems in place to deliver the highest standards of patient care.
5. Supports the achievement of the Trust objectives.
6. Supports the delivery of the requirements of the Trust Foundation Licence, NHS Improvement Oversight Framework and the NHS Standard Contract.
7. Provides focus on and assurance of best value for money ensuring that services meet the needs of the local population and local health economy.
8. Supports the delivery of an engaged and motivated workforce with the right skills and capacity to provide consistent, good quality care.
9. Recognises good performance and improvement and shares good practice.
10. Sets out the process for managing performance risks/issues with a balance between challenge and support.

The Trust Board meets bi-monthly and receives the Integrated Performance Report (IPR) which is presented with explanation from the Executive Directors. The Trust Board may request one or more performance improvement action where there is a concern with any area of performance.

The IPR Dashboard contains the following elements which are designed to provide the Trust Board with assurance around the performance of the Trust against the KPIs and to highlight areas of improvement and good practice:

1. Exception report – the front section of the document is an exception report which highlights KPIs both consistently failing to meet set targets and with special cause variation of a concerning variation. This is followed by a report detailing all KPIs with their 'Making Data Count' variation and assurance category. This section also details assurance and variation movements from the previous IPR.
2. High level summary – the IPR is split into four key areas: Quality, Access and Performance, Workforce and Finance. A high level summary is provided for each of these areas.
3. Dashboard – The dashboard details current and historic levels of performance, reasons for under performance and/or performance deterioration and detail of actions and investigations underway to improve performance against the KPI. The dashboard contains statistical process control charts which look at data over 12+ months to determine if a process is within control or not, or whether there is special cause variation which requires action.

There is an annual rolling programme of auditing of KPIs to ensure there is assurance around the quality of the data and reporting processes which is facilitated by the Trust's internal auditors MIAA.

Trust Strategic Objectives

The Performance Assurance Framework tracks the key performance indicators required to achieve the Trust's 12 Strategic Objectives:



QUALITY

We will always put our patients first, delivering safe and effective care and an excellent patient experience



PEOPLE

We will be the best place to work, with a diverse and engaged workforce that is fit for now and the future



SUSTAINABILITY

We will work in partnership with others to achieve social and economic wellbeing in our communities

1

Patient safety

We will enhance our patients' safety and develop a learning culture where quality and safety is everyone's top responsibility.

5

Looking after our people

We will prioritise the safety, health, wellbeing and experience of our people to ensure work has a positive impact.

9

Working in partnership

We will work collaboratively to provide sustainable, high quality acute services and to support prevention and integrated care in the community.

2

Clinical effectiveness

We will ensure practice is based on evidence so that we do the right things in the right way, to achieve the right outcomes for our patients.

6

Innovating the way we work

We will embrace new ways of working to attract and retain an engaged, responsive, diverse and flexible workforce to care for our patients.

10

Working responsibly

We will continue to address health inequalities, creating social value for our communities, and progressing our Green Plan ambitions.

3

Patient experience

We will place the quality of patient experience at the heart of all we do, where 'seeing the person in the patient' is our norm.

7

Growing our workforce for the future

We will support personal and professional development, ensuring equal access to opportunities, and nurturing, growing and developing diverse teams.

11

Sustainable estate and digitally enabled

We will provide our services in a fit for purpose estate, supported by the realisation of digital opportunities.

4

Research, development and innovation

We will work in partnership on high quality clinical research for the benefit of patients, public and staff.

8

Belonging in WHH

We will enable staff to have a voice through the development of a just and learning culture.

12

Financial sustainability

We will develop and delivering financial sustainability plans with our staff, system partners and stakeholders.



Key Performance Indicators

Operations – access and performance finance

1. Diagnostic waiting times – six weeks
2. RTT – open pathways
3. RTT – number of patients waiting 52+ weeks
4. ED waiting times – national target
5. ED waiting times – ICS trajectory
6. ED waiting times – more than 12 hours
7. Cancer 28-day faster diagnostic
8. Cancer 31 days first treatment
9. Cancer 31 days subsequent surgery
10. Cancer 31 days subsequent drug
11. Cancer 62 days urgent
12. Cancer 62 days screening
13. Ambulance handovers within 15 minutes
14. Ambulance handovers 30 to <60 minutes
15. Ambulance handovers at 60 minutes or more
16. Discharge summaries – % sent within 24hrs
17. Discharge summaries – number not sent within seven days
18. Cancelled operations on the day for a non-clinical reason
19. Cancelled operations – not offered a date for readmission within 28 days
20. Urgent operations – cancelled for a 2nd time
21. Super stranded patients
22. No criteria to reside
23. COVID-19 recovery elective activity
24. COVID-19 recovery diagnostic activity
25. COVID-19 recovery outpatient activity
26. Percentage of patients seen in the fracture clinic within 72 hours
27. Percentage of patients referred to Long COVID service not assessed within 15wks
28. Percentage of zero-day length of stay admissions (as a proportion of total)
29. Reduction in outpatient follow ups
30. COVID-19 recovery cancer first treatment
31. Percentage of patients discharged to their usual place of residence
32. Uncapped theatre utilisation
33. Capped theatre
34. Theatre productivity
35. Virtual appointments

Finance

1. Virtual appointments
2. Cash Balance
3. Capital Programme
4. Better Payment Practice Code
5. 'Agency Ceiling' – Agency Spending (Monthly)
6. Cost Improvement Programme Performance to date
7. Cost Improvement Programme – Plans in Progress (In Year)
8. Cost Improvement Programme – Plans in Progress (Recurrent)



Key Performance Indicators

Workforce

1. Supporting attendance
2. Retention
3. Turnover
4. Bank and agency reliance
5. Core/mandatory training
6. Performance and development review (PDR) – compliance rate

Quality

1. Incidents
2. Duty of Candour
3. HCAI (MSSA)
4. HCAI (MRSA)
5. HCAI (Ecoli)
6. HCAI (Klebsiella)
7. HCAI (CDI)
8. HCAI (PA Gram Negative)
9. Healthcare Acquired Infections COVID-19 hospital onset and outbreaks
10. VTE assessment
11. Inpatient falls and harm levels
12. Pressure ulcers
13. Medication safety
14. Staffing average fill levels
15. Care hours per patient day (CHPPD)
16. HSMR mortality ratio
17. SHMI mortality ratio
18. NICE compliance
19. Complaints
20. Friends and family test (inpatient and day cases)
21. Friends and family (ED and UCC)
22. Mixed sex accommodation breaches (ITU)
23. Sepsis
24. Ward moves between 10pm and 6am
25. Acute kidney injury
26. Postpartum haemorrhage >1500ml
27. Fractured neck of femur
28. MUST nutritional assessment completion

2.2 Detailed analysis and explanation of the financial and operational performance

Performance against equality of service delivery

The Trust continues to strengthen its performance against equality of service from an experience and inclusion perspective. Information relating to ethnicity, deprivation and other protected characteristics is accessible as part of the Key Performance Indicator dashboards. Further

developments are planned with the aim of being able to review and monitor disparities in waiting lists/times/DNAs between different patient groups.

Summary activity (data vs 2019-20 as being most representative year pre-COVID-19 pandemic)

Activity	2023/24	% change 2023/24 vs 2019/20	2022/23	% change 2022/23 vs 2019/20	2019/20
Elective inpatient discharges	2905	-26.62%	2901	-26.72%	3959
Elective day cases discharges	25074	-8.44%	26499	-3.23%	27384
Non-elective discharges	30020	-30.59%	32516	-24.82%	43253
New outpatient attendances (including virtual)	98219	-2.05%	90807	-9.45%	100279
A&E attendances*	129612	15.34%	121686	8.29%	112369

* 2023/24 includes SDEC attendances



Delivering the four-hour standard

4-hour performance type 1 and type 3 including WWIC activity

	Target	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	YTD
% Departed <=4hrs	76%	69.80%	70.98%	68.74%	67.56%	69.17%	68.97%	67.13%	63.19%	61.27%	62.47%	58.96%	64.37%	66.11%
* Number of attendances		9960	11049	10955	10606	10265	10636	11031	10012	10143	10684	10059	10975	126375
* Number of patients breaching 4hrs		3008	3206	3425	3441	3165	3300	3626	3685	3928	4010	4128	3910	42832

4-hour performance type 1 and type 3 including WWIC activity

	Target	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	YTD
% Departed <=4hrs	76%	73.71%	74.67%	72.54%	71.64%	73.35%	72.94%	71.02%	67.97%	66.44%	65.92%	64.18%	69.90%	70.39%
* Number of attendances		11649	12836	12566	12296	11958	12407	12862	11803	11971	12481	11864	12999	147692
* Number of patients breaching 4hrs		3063	3251	3450	3487	3187	3357	3728	3780	4018	4254	4250	3913	43738

The delivery of the four-hour urgent care standard was impacted across the year by the continuing high Emergency Department attendances combined with high bed occupancy resulting in challenges in flow out of the department. Warrington is consistently ranked in the lower middle of the national league tables.

Performance was impacted by a high number of patients with 'no clinical right to reside' with circa 24% of the available acute general adult beds being occupied by a patient with no clinical right to reside. The Trust continues to work closely with community and local authority partners to overcome these challenges as well as increasing bed capacity to meet the increased demand for services.

In November 2023, SDEC (medicine and surgery) and ED ambulatory activity transitioned to being recorded as type 5 with all pathways running through the SDEC Unit, supporting the ambition to reduce ED occupancy and corridor care. An average of 1,520 patients per month have been seen since November 2023 with a conversation rate of 11.2%.

Diagnostics waiting times

The diagnostic performance against the target of less than 5% of patients waiting more than six weeks for a diagnostic test has not been achieved across all modalities. Radiology has fully recovered within year and endoscopy remains on a recovery trajectory. Challenges remain for echo and sleep studies with recovery plans in place.

Diagnostics 6+ week waiters

	Target	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
% of patients waiting 6+ weeks	5%	25.60%	25.34%	25.62%	25.76%	25.05%	22.49%	20.40%	17.33%	14.90%	14.33%	11.43%	10.68%
Number of patients waiting		8680	9200	9262	9328	9265	9416	9291	8555	7871	7555	7313	7865
Number of patients waiting 6+ weeks		2222	2331	2373	2403	2321	2118	1895	1483	1173	1083	840	840

Referral to treatment (RTT) waiting times

	Target	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Incomplete pathways % <18 weeks	92%	54.25%	53.72%	52.53%	49.96%	50.51%	49.84%	51.30%	51.50%	50.63%	50.88%	56.71%	56.78%
Number of incomplete pathways		31411	31411	32047	32227	33417	33470	33358	33040	34064	33271	36691	36344
Number of patients waiting 18+ weeks		14369	14538	15213	16126	16537	16787	16247	16023	16816	16343	15882	15709
Number of patients waiting 52+ weeks		1897	2189	2505	2916	3372	3638	3737	3626	3425	2991	2674	2508
Number of patients waiting 65+ weeks		423	471	564	680	921	1094	1324	1317	1378	1233	997	630
Number of patients waiting 78+ weeks		39	51	46	40	65	61	76	129	198	265	229	66

	Target	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Waiting list including eRS waiters		35079	35320	36349	36817	38003	37892	37050	36286	36853	36410	36691	36344

The Trust did not achieve the 18-week referral to treatment standard in 2023/24 due to the on-going impact of the COVID-19 pandemic and the focus on recovery for clinical priority patients and long waiting patients.

Throughout the year the Trust has complied with all national elective restoration and recovery guidance and participated in the National Clinical Validation Programme and Patient Initiated Digital Mutual Aid Service (PIDMAS), completing the programme of work within the expected timescales. The Trust continues to undertake a recovery elective programme with:

1. Urgent cancer and elective activity being prioritised along with all patients being clinically reviewed in conjunction with guidance released for the management of vulnerable patients
2. Prioritisation of P2, 65- and 78-week breaches for scheduling into capacity
3. 2024-25 planning submission in line with current national and local guidance for reduction of waiting lists has been completed
4. Harm assurance on all long waiting patients which continues to be undertaken. Patients are prioritised through using a clinical urgency score which identifies the most at-risk patients
5. Funding that was approved in October 23 to use insourcing to support the reduction in the waiting list. This has been used to treat circa 2,400 patients and can be seen in the reduction of over 52-waits. Insourcing will continue in 2024-2025

National discharge policy – no criteria to reside

In March 2020 the national policy Hospital Discharge and Community Support: Policy and Operating Model was published and provided discharge-to-assess funding via the NHS to help cover the cost of rehabilitation and reablement care following discharge from hospital. There is a continued policy requirement that health and social care systems will build upon this work referenced in the revised guidance Hospital Discharge and Community Support Guidance published on 31 March 2022.

Whilst funding arrangements have changed, the essence of the policy requires trusts to adopt the discharge-to-assess principles where full assessment of need, especially long term, takes place in a more appropriate setting outside the hospital delivering:

1. A reduction the length of stay for people in acute care
2. Improvements in people's outcomes following a period of rehabilitation and recovery
3. A minimised need for long-term care at the end of a person's rehabilitation

Central to the approach is the stratification of patients' needs firstly into their right to reside and then onto simplified pathways (pathway 1 for home, pathway 2 for rehabilitation and pathway 3 for care homes) and the establishment of a transfer hub to oversee the initial assessment of need and co-ordination of discharge.

The policy and new operating model sets an ambition that people with no criteria to reside are discharged within two hours of being determined not to have a criterion to reside.

Achieving the ambitions for people, ensuring system flow, and supporting our system vision to support people to live well and independently at home requires investment in the hospital discharge team function and additional community service capacity so people can be discharged to the right destination.

The Warrington and Halton system strategy of developing integrated care aims to help support people to:

1. Receive the right care in the right location at the right time
2. Have a 'home first' focus wherever possible
3. Ensure that stays in acute settings are for the right length of time, and that people move from an acute setting, to continue their recuperation most appropriate to their needs
4. Ensure system capacity is optimised for those who need the care most

The vital role that the Hospital Transfer of Care Hub (formerly Discharge Team), reablement at home and domiciliary care plays is largely acknowledged however there are significant challenges with the current staffing model within the team. Investment proposals have been progressed to build on current good practice and deliver:

1. A change to the discharge model to a 'pull' model – the team actively seeks out patients with no criteria to reside and plans their transfer
2. A diversification of the skill mix within the team, creating case manager roles as single points of contact for wards and families for discharge planning and co-ordination
3. Building on the transfer hub established to optimise resources towards ensuring the right amount of care is provided in the right place and enhancing from a five to a seven-day service
4. An enhancement of the staffing establishment in ICAHT and domiciliary care to promote independence and optimise flow achieving a next day discharge for 80% of patients

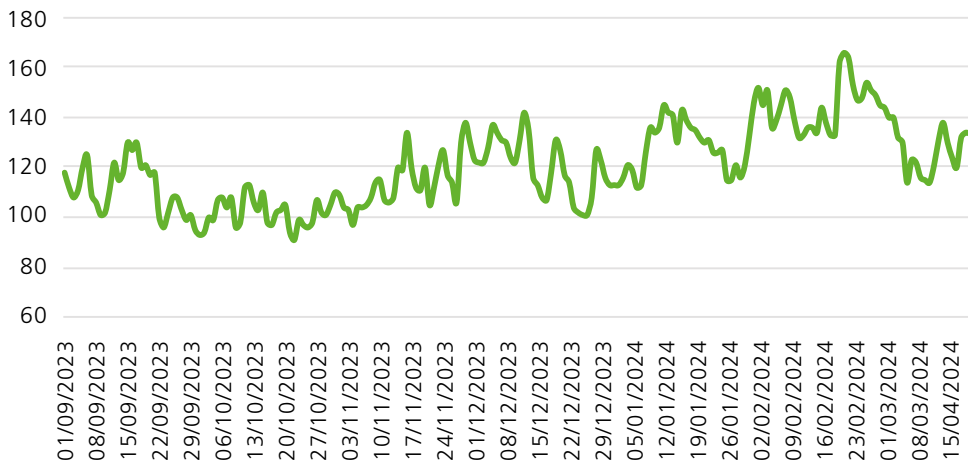
The number of patients with a 'clinical no right to reside' has remained higher than the national average. In year extensive partnership working across the health and social care economy ensured

that patients were supported to return home or on to more appropriate care settings once their acute care was complete, thus ensuring that beds remained available for incoming patients.

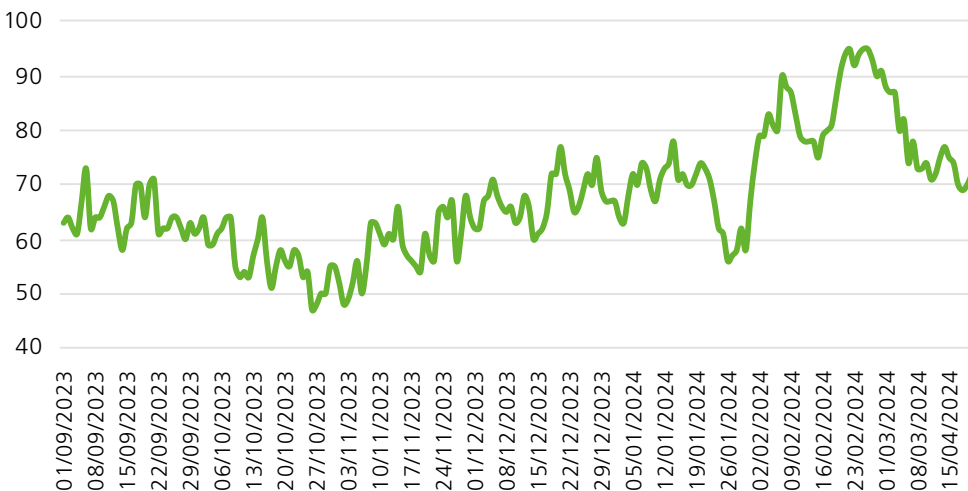
The successful discharge of frail, older patients following emergency admission to hospital relies on effective joint working between NHS, social care partners and the independent sector. Early assessment and review using the most appropriate multidisciplinary team at the point of entry to urgent and acute services was essential for frail older patients to ensure a timely and appropriate diagnosis is made, and then a plan for discharge can be implemented.

The charts below show the number of patients who have a no criteria to reside and the number who are over 21 days and classified as super stranded.

No Criteria to Reside



LOS 21+days No Criteria to Reside



Cancer waiting times and regulatory requirements

The Trust has seen a challenging year with regards to cancer performance, but this remains in line with the regional and national picture.

From 1 October 2023, after a clinical review of the national cancer waiting times standards, they have been rationalised into three key headline standards which are:

1. The 28-day faster diagnosis standard which requires patients referred from GPs as urgent suspected cancer or a national screening programme to have cancer diagnosed or excluded within 28 days. The operational standard will be 75% moving to 80% by March 2026
2. The 62-day referral to treatment standard, which includes referrals from GPs, National Screening Programme and consultant upgrade patients. There is recognition nationally that there is variation in practice in relation to consultant upgrades and therefore there will be a requirement that all patients not already on a 62-day pathway will be upgraded at the point of referral to a cancer MDT. The operational standard will remain at 85% with a commitment to achieving at least 70% by March 2024
3. The 31-day standard which combines the existing 31 days from decision to treat to first treatment and 31 days to subsequent treatment from the earliest clinically appropriate date (ECAD). The operational standard will be 96%

The 62-day backlog size has remained under the trajectory which is encouraging and is also one of the smallest backlogs in the Alliance, deemed not be an overall risk at that level.

The 104-day backlog has ceased to be monitored at a national level but will continue to be monitored by the organisation as good practice for this group of patients.

The 31-day standard has been met consistently during 2023/24.

The 62-day standard has seen an improvement with the combined standards in place and the interim commitment of 70% has been achieved.

There are several key initiatives such as the Faster Diagnosis Framework Programme (formerly RDS) and the revised FIT pathway pilot in place which have continued throughout the year and contributed to the performance.

Cancer waiting times

	Target	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
All cancers 31-day wait from diagnosis to first treatment	96%	94.94%	95.65%	97.80%	98.59%	98.85%	98.59%	98.86%	98.86%	97.14%	96.43%	97.62%	98.70%
All cancers 62-day wait for first treatment - from urgent GP referral	85%	52.58%	54.93%	70.87%	63.54%	70.49%	64.29%	79.89%	73.16%	72.34%	78.38%	77.36%	83.97%
28-day faster diagnosis	75%	69.60%	74.72%	75.67%	75.47%	75.08%	75.86%	78.93%	75.13%	78.22%	77.65%	79.37%	78.10%

National Targets and Minimum Standards	Target	Apr	May	Jun	QTR-1	Jul	Aug	Sep	QTR-2	Oct	Nov	Dec	QTR-3	Jan	Feb	Mar	QTR-4	YTD
All Cancers: 31-day wait for second or subsequent treatment	Numerator	9	9	14	32	16	16	15	47									79
	Denominator	9	9	14	32	16	18	17	51									83
	94%	100.00%	100.00%	100.00%	100.00%	100.00%	88.89%	88.24%	92.16%									95.18%
Surgery	Numerator	5	3	4	12	8	6	7	21									33
	Denominator	5	3	4	12	8	6	7	21									33
	98%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%									100.00%
Anti Cancer Drug Treatments	Numerator	5	3	4	12	8	6	7	21									33
	Denominator	5	3	4	12	8	6	7	21									33
	98%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%									100.00%
Radiotherapy	Numerator	5	3	4	12	8	6	7	21									33
	Denominator	5	3	4	12	8	6	7	21									33
	94%																	
All Cancers: 62-day wait for first treatment	Numerator	25.5	19.5	36.5	81.5	30.5	43.0	31.5	105.0	69.5	69.5	51.0	190.0	87.0	61.5	65.6	214.0	590.5
	Denominator	48.5	35.5	51.5	135.5	48.0	61.0	49.0	158.0	87.0	95.0	70.5	252.5	111.0	79.5	78.0	268.5	814.5
	85%	52.58%	54.93%	70.87%	60.15%	63.54%	70.49%	64.29%	66.46%	79.89%	73.16%	72.34%	75.25%	78.38%	77.36%	83.97%	79.70%	72.50%
From urgent GP referral – post local breach re-allocation	Numerator	10.0	14.5	6.0	30.5	6.0	8.0	5.5	19.5									50.0
	Denominator	11.0	16.0	7.0	34.0	8.0	8.5	6.5	23.0									57.0
	90%	90.91%	90.63%	85.71%	89.71%	75.00%	94.12%	84.62%	84.78%									87.72%
From NHS Cancer Screening Service referral – post local breach re-allocation	Numerator	10.0	14.5	6.0	30.5	6.0	8.0	5.5	19.5									50.0
	Denominator	11.0	16.0	7.0	34.0	8.0	8.5	6.5	23.0									57.0
	90%	90.91%	90.63%	85.71%	89.71%	75.00%	94.12%	84.62%	84.78%									87.72%

Cancer waiting times

National Targets and Minimum Standards		Target	Apr	May	Jun	QTR-1	Jul	Aug	Sep	QTR-2	Oct	Nov	Dec	QTR-3	Jan	Feb	Mar	QTR-4	YTD
All Cancers: 31-Day Wait From Diagnosis To First Treatment	Numerator		75	66	89	230	70	86	70	226	87	87	68	242	108	82	76	266	964
	Denominator		79	69	91	239	71	87	71	229	88	88	70	246	112	84	77	273	987
	96%		94.94%	95.65%	97.80%	96.23%	98.59%	98.85%	98.59%	98.69%	98.86%	98.86%	97.14%	98.37%	96.43%	97.62%	98.70%	97.44%	97.67%
Cancer: Two Week Wait From Referral To Date First Seen	All Cancers	Numerator	637	878	830	2345	747	718	643	2108	702	609	485	1796	528	532	591	1651	7900
		Denominator	1013	1050	1072	3135	1083	1070	981	3134	1158	1049	851	3058	977	983	1036	2996	12323
		93%	62.88%	83.62%	77.43%	74.80%	68.98%	67.10%	65.55%	67.26%	60.62%	58.06%	56.99%	58.73%	54.04%	54.12%	57.05%	55.11%	64.11%
	Symptomatic Breast Patients (Cancer Not Initially Suspected)	Numerator	13	42	26	81	29	39	24	92	23	12	11	46	10	10	12	32	251
		Denominator	59	63	42	164	56	41	25	122	61	69	41	171	51	46	50	147	604
	93%	22.03%	66.67%	61.90%	49.39%	51.79%	95.12%	96.00%	75.41%	37.70%	17.39%	26.83%	26.90%	19.61%	21.74%	24.00%	21.77%	41.56%	
All Cancers: 62-day wait for First treatment - Consultant Upgrade	Numerator	10.0	16.5	24.5	51.0	28.0	19.5	15.5	63.0										114.0
	Denominator	10.5	16.5	25.5	52.5	29.5	20.5	16.5	66.5										119.0
	95.24%	100.00%	96.08%	97.14%	94.92%	95.12%	93.94%	94.74%											95.80%
28 Day Faster Diagnosis	Numerator	705.0	798.0	737.0	2240.0	800.0	732.0	616.0	2148.0	794.0	719.0	596.0	2109.0	653.0	704.0	724.0	2081.0	8578.0	
	Denominator	1013.0	1068.0	974.0	3055.0	1060.0	975.0	812.0	2847.0	1006.0	957.0	762.0	2725.0	841.0	887.0	927.0	2655.0	11282.0	
	75%	69.60%	74.72%	75.67%	73.32%	75.47%	75.08%	75.86%	75.45%	78.93%	75.13%	78.22%	77.39%	77.65%	79.37%	78.10%	78.38%	96.03%	



2.3 Financial performance

The Trust's resources are managed within a financial governance framework that incorporates systems of financial control, budgetary control and the financial responsibilities for individuals outlined within the Trust's corporate governance policies and procedures. Financial and quality governance arrangements incorporate benchmarking activities and an internal audit function to ensure the economic, efficient and effective use of resources, including value for money.

Financial performance is reported into the non-executive led Finance and Sustainability Committee, which meets monthly. Standing items on the agenda include the monthly financial position, CIP position, capital schemes and cost pressure analysis to ensure regular review of any financial challenges and implementation of recovery measures.

The Trust has a policy and governance framework in place to guide staff on the appropriate use of resources through its Standing Orders, Standing Financial Instructions and Scheme of Delegation. In addition, there is a robust system for developing and routinely reviewing policies and procedures and staff are appropriately updated and guided or trained on their application.

Independent assurance is provided through the Trust's internal audit programme and the work undertaken by counter fraud. Reports are presented to the Audit Committee in each meeting. In addition, further assurance on the use of resources is obtained from external agencies, including the external auditors and the regulators. The Trust recorded an adjusted deficit of £30m which is £14.3m away from the £15.7m original deficit plan, however the ICS adjusted the plan to £21.2m excluding industrial action costs and lost income. This adjusted deficit is the value which NHSE monitors the Trust against and the movement from plan was approved by the ICS.

The annual capital programme was £31.2m (including IFRS16 and donated assets) and the actual spend for the year was £31.5m.

The cash balance at the end of the year was £17.6m which including £7.4m support to manage the revenue position in April. The cash balance will be utilised to fund the retrospective pay for Healthcare Support Workers and both capital (£7.3m) and revenue creditors.

[\(For detailed report please see the accounts section\)](#)



2.4 How equality of service delivery to different groups has been promoted through the organisation

As a public sector organisation, all NHS Trusts are required to demonstrate how they meet the Public Sector Equality Duty as outlined in section 149 of the Equality Act 2010.

The Trust ensures it provides equality of access to its patients, workforce and members of the public. It is committed to furthering equality, diversity, inclusion and human rights, and works in partnership with a variety of external partners and advocacy groups. This allows for a greater understanding of the local population, their health needs and any barriers to accessing health care, which enable the Trust to better address potential health inequalities across the boroughs that we serve. At Warrington and Halton Teaching Hospitals (WHH), adherence to the Public Sector Specific Equality Duties are demonstrated through the production of the Workforce Equality Analysis Report and the Equality Duty Assurance Report which is published annually on the Trust website.

In addition to the Equality Act 2010 and Human Rights Act 1998, the Armed Forces Act 2021 further enshrines the Armed Forces Covenant into law to help prevent service personnel and veterans being disadvantaged when accessing public services.

The Act introduces a duty to have 'due regard' to the principles of the Armed Forces Covenant, as follows:

- The unique obligations of, and sacrifices made by, the armed forces
- The principle that it is desirable to remove disadvantages arising for service people from membership, or former membership, of the armed forces
- The principle that special provision for service people may be justified by the effects on such people of membership, or former membership, of the armed forces

WHH considers the element of 'due regard' associated with the Armed Forces Act 2021 in its equality analysis and considerations process. Progress and achievements against the Armed Forces Act 2021 are reported through the Equality Duty Assurance Report annually to demonstrate progress against the Act and its duties.

In April 2022 the Trust, in line with the specific duties of the Public Sector Equality Duty, reviewed and refreshed its equality objectives. Part of this review included the formation of two new strategies:

- Workforce Equality, Diversity and Inclusion Strategy 2022-2025
- Patient, Service User and Carers Diversity, Inclusion and Belonging Strategy 2022-2025

The two strategies provide an approach to delivering on the expectations of the Public Sector Equality Duty and Armed Forces Act 2021 whilst supporting the delivery of the Trust's commitment to being an inclusive employer and outstanding place to receive healthcare. The contents of the strategies were informed by national reports, regulated reporting such as the Workforce Equality Standards and known health inequality data to ensure they delivered meaningful impact.

The Workforce Equality, Diversity and Inclusion Strategy 2022-2025 sets out the Trust's commitment to be the best place to work, creating a culture of belonging for all. The Patient, Service User and Carers Diversity, Inclusion and Belonging Strategy 2022-2025 was designed with our patients and communities at its centre, acknowledging the role WHH plays in ensuring our hospitals are accessible and that our services address health inequalities in our community.

The Workforce Equality, Diversity and Inclusion Sub Committee and the Patient Equality, Diversity and Inclusion Sub Committee are chaired by the Chief People Officer and Deputy Chief Nurse, respectively. Both committees in turn ensure oversight of the equality, diversity and inclusion agenda via respective Board committees with escalations reported to the Board of Directors as required. The sub-committees have internal and external stakeholder membership, with active involvement from patient representatives, staff networks and members of third sector bodies.

The Trust complies with the Equality Delivery System (EDS) reporting, which is in place for both patients and service users and workforce. The Trust participated in the pilot for the refreshed EDS 2022 framework which was completed in the 2022/23 financial year. EDS grading is completed on an annual basis is graded in collaboration with community partners, key stakeholders and the wider public. This is published annually and is available on the Trust website.

A commitment to undertaking equality analysis ensures that our policies, strategies, functions and any services we deliver endeavour not to lead to an unfavourable effect on different people. Equality analysis also helps to identify any positive action we can take to promote equality of opportunity and access for our patients, workforce and communities.

Equality Impact Assessments (EIA) are used as a tool for Warrington and Halton Teaching Hospitals (WHH) to evidence that it is paying 'due regard' to the general aims of the Public Sector Equality Duty, Armed Forces Act 2021 and Human Rights Act 1998.

In 2022-2023 the Trust refreshed its EIA process to adopt a two-stage EIA process ensuring that EIAs are meaningful and enable the organisation to actively eliminate discrimination, harassment, and victimisation, foster good relations between people who share a protected characteristic and those who don't and advance equality of opportunity between all. The updated process also puts ownership on the authors requirement to identify both positive and negative impacts with learnings shared widely.

The Trust also ensures that due regard is given to other vulnerable groups where evidence shows potential barriers to healthcare or where health inequalities are known, such as, but not limited to:

- Carers
- Deprived communities
- Armed Forces and Military Veterans

The Trust is confident in securing the views of its patients, their families and our workforce and this is evidenced by the following:

- Trust Friends and Family Test scores – inpatients, Emergency Department, maternity and outpatients
- National Patient Survey results
- Patient feedback reported through Patient Experience and Inclusion Team and local community partners and Healthwatch
- National NHS Staff Survey – completed on an annual basis
- National People Pulse Surveys – completed on a quarterly basis

Scores and data collated from the Friends and Family Test, survey results and subsequent action plans and key themes identified through engagement with the public and community partners are reported monthly to the Patient Experience Sub-Committee. The Trust assesses feedback from the Friends and Family Test and national sby protected characteristic to review if there are any disproportionate impact on patients' experience.

Learnings from patient feedback and results are presented to the Patient Experience Sub-Committee and are used in patient stories, enabling continued learning across the Trust.

Data and qualitative information collated from the National NHS Staff Survey and People Pulse Surveys are reported to the Operational People Committee and Workforce Equality, Diversity and Inclusion Sub-Committee to monitor findings and subsequent action plan progress. This includes breaking down the results by protected characteristic to identify any disproportionate impacts, this is supported by the Trust Staff Networks of which there are four:

1. Multi-Ethnic Staff Network
2. PROGRESS Staff Network – supporting the LGBTQIA+ Community
3. Disability Awareness Network
4. Armed Forces and Military Veterans Community Staff Network



Armed Forces and Veterans Community Staff Network



Multi-Ethnic Staff Network



Progress LGBTQ+ Network



Disability Awareness Network



The Trust in 2022/23 was successfully recognised for its work in the equality, diversity and inclusion agenda. This included the attainment of three equality related accreditations in addition to those already achieved:

1. **Disability Confident Leader (Level 3)** – part of the UK Government Scheme recognising our commitment to supporting people living with a disability or long-term health condition to access and thrive in work
2. **In-Trust Cheshire and Merseyside Navajo Charter Mark** for the LGBTQIA+ community. This accreditation recognises the commitment WHH continues to make to improve the experience and health outcomes of the LGBTQIA+ community – both for our patients and our workforce
3. **Stonewall Diversity Champions Accreditation** – this accreditation recognises our commitment to continue to improve our policies, procedures and workstreams to positively impact on the LGBTQIA+ community

The Trust in 2022/23 also made a commitment to strive to achieve the NHS North West Anti-Racist Organisation Framework Accreditation – highlighting that WHH is an inclusive organisation with zero tolerance to any form of discrimination, harassment and victimisation.



Performance report: health inequalities

In November 2023 NHS England published a statement setting out the monitoring and reporting responsibilities of NHS bodies (ICBs, Trusts and Foundation Trusts) to identify and act on health inequalities.

The three aims of the statement are:

- understanding healthcare needs
- understanding health access, experience, and outcomes
- publishing information on health inequalities

Indicators and associated data sources are specified with the statement, and are aligned to the five healthcare inequalities priorities and the Core20PLUS5 approach. Analysis of the data for each indicator the Trust is required to report on is detailed below.

Context – Trust catchment population

Census 2021 data – key statistics:

Halton

- Population of 128,478
- White is the stated ethnicity for 96.5% of the population
- Ranked 31st most income-deprived of all 316 local authorities in England
- 35/79 neighbourhoods among the 20% most income-deprived in England; 12 were in the 20% least income-deprived neighbourhoods
- Ranked in the bottom 20% of local authorities in England for health in 2021
- Female healthy life expectancy is 58, male healthy life expectancy is 61.4

Warrington

- Population of 210,974
- White is the stated ethnicity for 93.5% of the population
- Ranked 153rd most income-deprived of all 316 local authorities in England
- 22/127 neighbourhoods among the 20% most income-deprived in England. 40 were in the 20% least income-deprived neighbourhoods
- Ranked around average among local authority areas in England for health in 2021
- Female healthy life expectancy is 64.8, male healthy life expectancy is 64.6

The above is a snapshot of available statistics but shows that the Trust catchment is one of two halves. The Halton population is considerably more deprived

and healthy life expectancy is worse than that of Warrington residents by 6.8 years for females and 3.2 years for males.

Summary analysis of required indicators set out in the statement

Due to the reporting timetable of the Trust, only 11 months of data has been provided from April 2023 to March 2024. Data for the pre-pandemic period has been provided for April 2018 to March 2019. Below is a summary of the analysis for each indicator, work being undertaken to address health inequalities and a gap analysis. In line with the guidance in

the statement, a separate detailed report is to be published alongside the annual report.

The statement sets out that the data for each indicator should be analysed by deprivation, age, sex and ethnicity.

Elective activity vs pre-pandemic levels for under 18s and over 18s

Analysis of the specified data sets shows that elective admissions for under 18s totalled 691 in 2023/24 vs 1064 in the pre-pandemic comparison period. For adults this is 25,516 and 28,136 respectively.

While overall elective admissions figures are lower following the pandemic, the data suggests that for both periods the proportion of elective admissions from the most deprived quintile is consistent for both adults and children. In fact, for under 18s the proportion of elective admissions from the most deprived quintile is higher than for adults, at just over 34% vs 27%, for both periods. In both age categories and for both periods' elective admissions from the most deprived quintile represents the highest proportion.

By age group, adults aged 50 and over accounted for 74.7% of all elective admissions in 2018/19. In 2023/24, this increased to 77.8%. This is consistent with the ageing population of the Trust's catchment. For under 18s, admissions for the 10 to 14 age bracket remained consistently the highest proportion both pre and post-pandemic at 29%. Since the pandemic, there was an increase in elective admissions for 14 to 17-year-olds of 4.5% and a drop for under 1s of 4.5%.

By gender the figures remain consistent for under 18s with an even split, with a 1.3% variance between the reporting periods. For adults, the data suggests a 1.8% increase in elective admissions for males, and the same percentage decrease for females.

White British is the most common stated ethnicity for both reporting periods for both adults and children, reflecting the stated ethnicities of our catchment populations.

Emergency admissions for under 18s

In 2023/24 there were 2,685 emergency admissions for under 18s. The highest proportion of emergency admissions were from the most deprived quintile at 34.4%. By age group, the highest proportion of admissions is for under 1-year-olds at 29.1% and this is closely followed by 1 to 4-year-olds at 28.2%. However, versus the pre-pandemic period the proportion of emergency admissions for under 1s decreased by 6.5%. The 2023/24 period also shows a small change in proportions of admissions for 5 to 9, 10 to 14 and 14 to 17-year-olds, increasing by approximately 2% against 2018/19. By sex the proportions are almost evenly split at 48.4% for female and 51.5% for males.

As with elective admissions, White British stated ethnicity is overwhelmingly the highest proportion of emergency admissions at 75.5%. This is reflective of the overall ethnic breakdown of our catchment populations across Halton and Warrington.

Tooth extractions due to decay for children admitted as inpatients to hospital, aged 10 years and under (number of admissions, not number of teeth extracted)

Due to the very low numbers within the data for this indicator, they have not been included due to concerns around data de-anonymisation.

Smoking cessation

The Trust established a new tackling tobacco dependency service in July 2023. It is operating across our acute inpatient settings. The service includes behavioural advice and provision of smoking cessation aids, including nicotine replacement therapy (NRT).

The maternity service also provides in-house smoking cessation support.

The majority of our patients who smoke live in the most deprived areas of our Trust catchment population and we work closely with our community smoking cessation services to target support within the hospital and in the community. The in-house service makes onward referrals to community pharmacy or local authority smoking cessation services where appropriate.



Work to address health inequalities

The Trust has been actively working to address health inequalities across our populations since 2021. The Trust has formalised its approach to improving health inequalities as part of its focus as an anchor institution, and has an agreed set of principles in place:

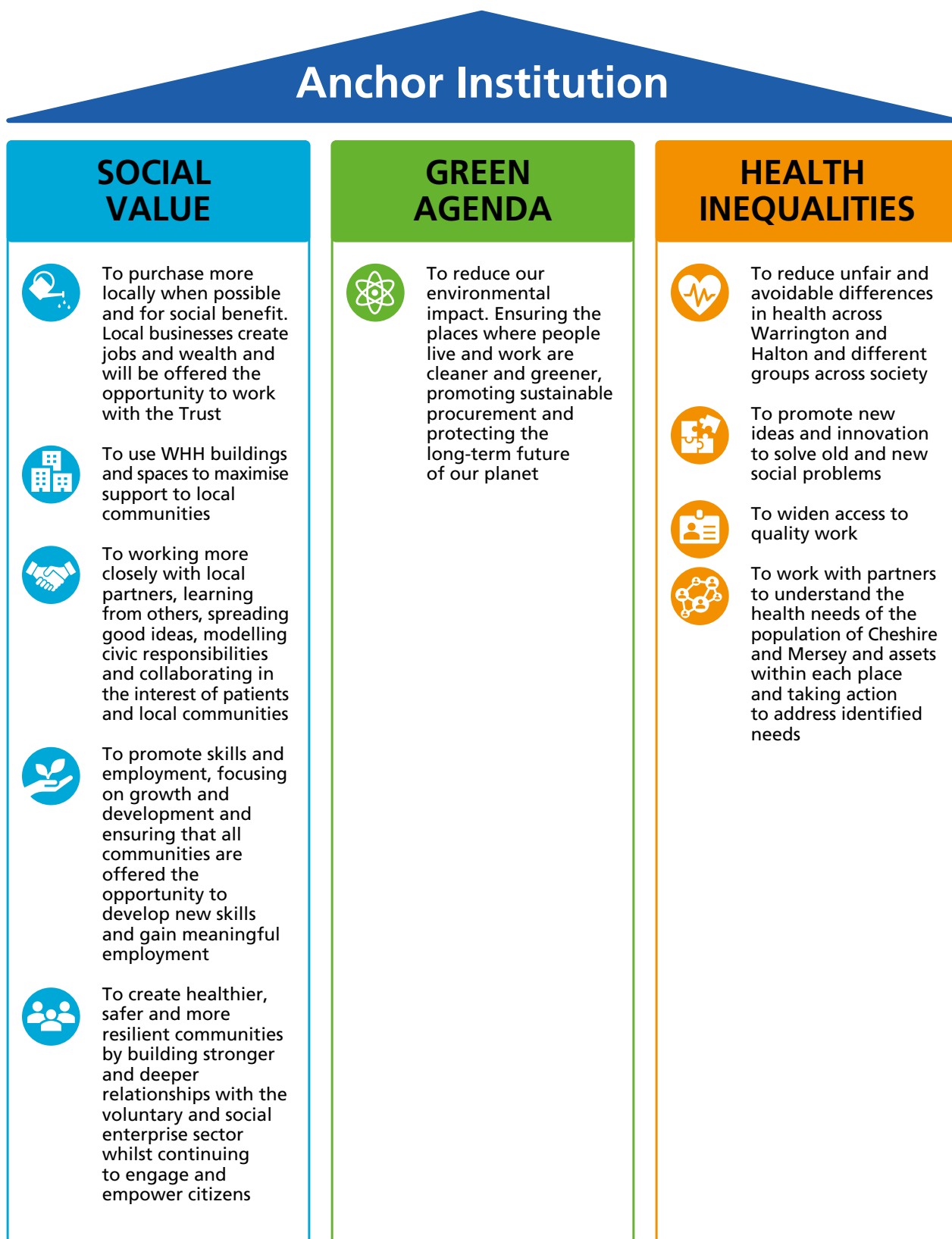


Figure 1. Anchor Institution principles

The Trust serves a population which experiences considerable health inequalities. Tackling health inequalities is a key component of the Trust's strategy and it is using the following NHS framework to systematically tackle health inequalities which includes:

- Influencing multi-agency action to address social determinants of health
- Using our influence as an anchor institution
- Tackling inequalities in healthcare provision

Influencing multi-agency action to address social determinants of health

The Trust is part of the Cheshire and Merseyside All Together Fairer steering group, which is working across nine local authority areas towards becoming a Marmot community to tackle health inequalities.

As an active member of the local Health and Wellbeing Boards and the Integrated Care Partnership local Place Partnership Boards, the Trust is contributing its expertise and resources to tackle health inequalities. Two examples are given below, one from Halton and one from Warrington.

One Halton

The Trust is co-chair of the Wider Determinants workstream, making up the five priority work streams of the One Halton place-based partnership. Workplans are in development which will then be adopted as part of the One Halton workplan for 2024-25.

The workstream aims to address factors affecting the overall health and wellbeing of Halton residents focusing on:

- Economic regeneration
- (Violent) crime reduction, with a focus on domestic abuse
- Education, workforce and education
- Living conditions
- Adopting a Marmot approach

Warrington Living Well Hub

Opened in March 2024, the Living Well hub is designed to target and address health inequalities in Warrington by providing a range of services focused on prevention and early intervention in a town centre location with proximity to the areas of the town with the highest levels of deprivation.

The Hub is a space where providers from across mental and physical health, social care and the third sector come together to deliver integrated services, support, and learn from one another for the collective benefit of the local population. The Trust led this multi-agency project which has been a key part of the town's regeneration plans.



Using our influence as an anchor institution

The Trust has been an early adopter of the NHS Cheshire and Merseyside Prevention Pledge and has embedded its approach to tackling health inequalities within its principles as an anchor institution.

Tackling inequalities in healthcare provision

The Trust has delivered or is undertaking a significant amount of work to address health inequalities, including but not limited to:

- Maternity teams Lunar, Sunlight and River
- Elective recovery including a new theatre, endoscopy unit and community diagnostic centres
- Active Hospitals – ready, dress go! And national re-conditioning games
- Smart Heart schools programme
- The work of the Alcohol Care Team
- A new in-house tackling tobacco dependency programme for acute inpatients to compliment the already established smoking cessation team within maternity services
- The High Intensity Users service which provides 12 weeks of one-to-one support connecting people who frequently attend Emergency Department to appropriate community support
- The appointment of a Director of Population Health and Inequalities
- Halton Health Hub (opened Dec 2022)
- Digital inclusion cafes, supported by Warrington VCA and banking groups
- Regular wellness sessions for patients, visitors and staff to offer blood pressure checks, atrial fibrillation checks and smoking cessation advice



2.5 Customer satisfaction scores

The National Adult Inpatient Survey has been an annual requirement since 2002 by the Care Quality Commission (CQC) which looks at the experiences of adults that have been an inpatient at Warrington and Halton Teaching Hospitals (WHH) during November 2022. The aim is to obtain detailed patient feedback on the standards of service and care, this can then be used to help set priorities for delivering a better service for patients and the public. The results are also used by the CQC to measure and monitor performance at both regional and national levels. The results are also used by the CQC as intelligence to monitor, influence and add weight at inspection planning stages to identify possible areas or fields to look at on inspection.

At WHH the survey is undertaken by IQVIA on behalf of the Trust with sampling completed by the WHH Data Warehouse Team. They follow the national guidance issued on the NHS Patient Survey Programme by the CQC on behalf of NHS England and the Department of Health and Social Care.

The Trust response rate for 2022 was 29%, a 10% decrease in comparison to the 2021 response rate (39%). The national average response rate for this survey was 40%, this is made up of a mix of Specialist, Acute and Community Trusts.

The survey is made up of 11 sections, which are:

1. **Admission to hospital**
2. **The hospital and ward**
3. **Doctors**
4. **Nurses**
5. **Your care and treatment**
6. **Operations and procedures**
7. **Leaving hospital**
8. **Feedback on the quality of your care**
9. **Respect and dignity**
10. **Overall experience**
11. **Long-term condition**



The results of the National Inpatient Survey 2022 have been analysed in direct comparison to the results of the same survey undertaken in 2021 to ascertain where improvements have been made and to highlight areas of improvement. Results have been broken down into sections and rag rated according

to performance. Table one below demonstrates where the results have improved, stayed the same or improved in the 2022 survey from the 2021 survey.

Table 1 – National Inpatient Survey Results 2022 compared to 2021

	Questions – Declining performance trajectory	Questions – Static performance	Questions – Improving performance trajectory	Questions – New question so unable to compare	Total
Admission to hospital	0	2	0	0	2
The hospital and the ward	1	7	4	0	12
Doctors	0	2	1	0	3
Nurses	0	4	0	0	4
Care and treatment	0	6	1	0	7
Operations and procedures	0	2	3	0	2
Leaving hospital	0	5	5	1	11
Feedback on care	0	0	1	0	1
Respect and dignity	0	1	0	0	1
Overall experience	0	1	0	0	1
Long term conditions	0	0	0	1	1
Total	1	30	12	2	45

Overall results demonstrate a secure picture:

- One question demonstrating a decline in performance
- 30 questions demonstrating a static performance
- 12 questions demonstrating an improvement in performance
- Two questions are new to the 2022 survey therefore unable to directly compare performance

Analysis of the survey results in 2022 have demonstrated a decline in performance in relation to 1 question detailed in table one. These areas are as follows:

- **Question 7:** Did the hospital staff explain the reasons for changing wards during the night in a way you could understand?
- The survey results for 2022 indicate a reduction in performance from a score of 7.2 to 6.5 a reduction of 0.7.

Analysis of the survey results in 2022 have demonstrated an improvement in relation to 12 questions detailed in table one. These areas are:

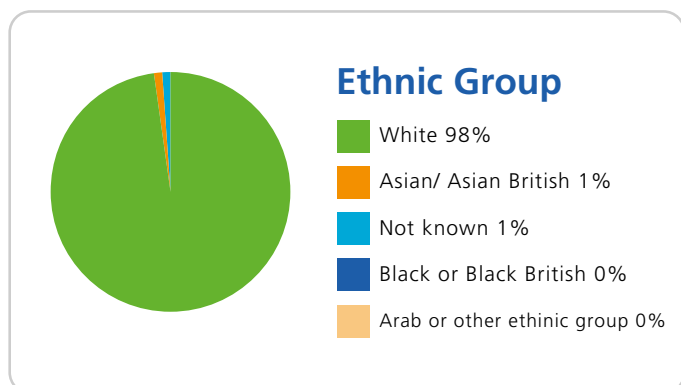
- Patients being prevented from sleeping at night by noise from other patients
- Patients being prevented from sleeping at night by hospital lighting
- Patients offered food that met any dietary needs or requirements you had
- Patients able to get hospital food outside of set meal times
- Patients when asked doctors questions, got answers they could understand
- Patients given enough privacy when being examined or treated
- Staff discussed whether additional equipment or changes to the home required for leaving the hospital
- Staff provided information about what they should or should not do after leaving hospital
- Staff explained what would happen next with care
- Staff discussed further health or social services after leaving hospital
- Patients felt after leaving hospital they got support to recover and manage condition
- Patients able to give feedback on the quality of care

The respondent demographic characteristics recorded for the National Adult Inpatient Survey 2022 are:

- Ethnicity
- Religion
- Long term conditions – physical or mental health conditions, disabilities or illnesses that have lasted or are expected to last 12 months or more
- Sex – At birth you were registered as...
- Age

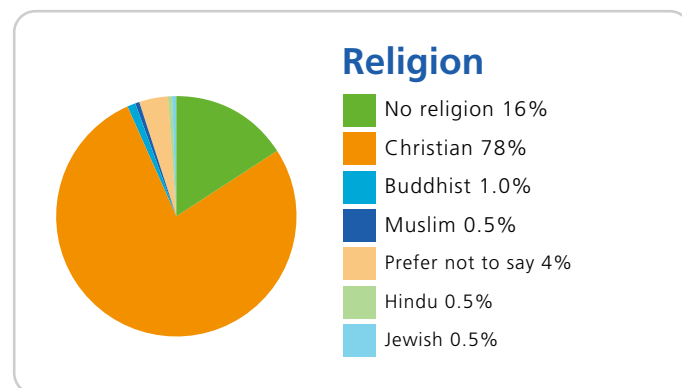
Ethnicity

Of those surveyed 98% stated their ethnicity was 'white'. This is made up of English/Welsh/Scottish/Northern Irish/British/Irish and any other white background.



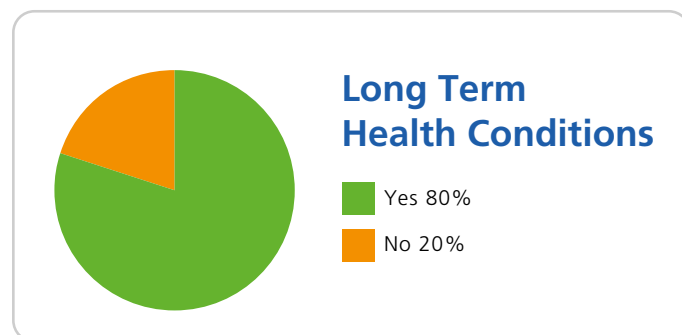
Religion

Of those surveyed 78% stated their religion as 'Christian' followed by 16% stating they did not identify with any religion.



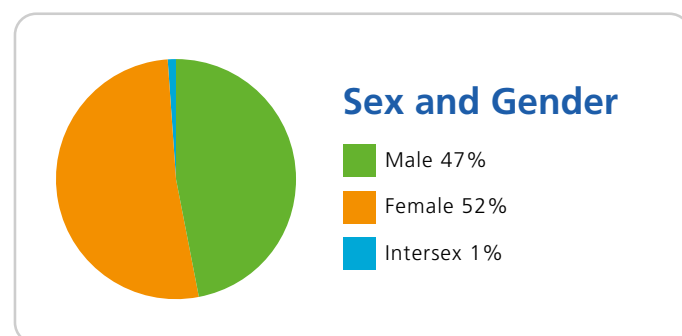
Long term conditions

Of those surveyed 80% of respondents said they have physical or mental health conditions, disabilities or illnesses that have lasted or are expected to last 12 months or more.



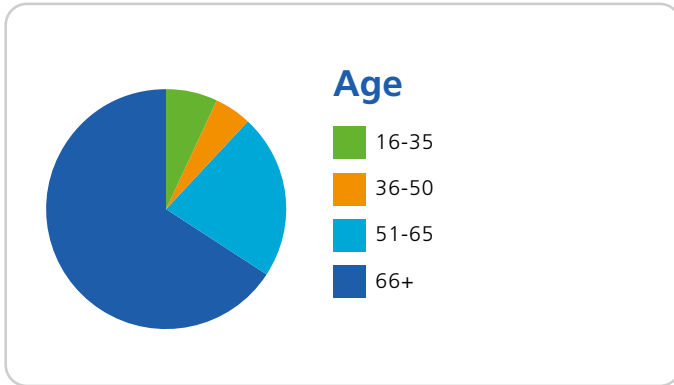
Sex and gender

Of those surveyed 52% of participants identified as female with 47% identifying as male. There was one participant who stated their gender is different from the sex they were registered with at birth.



Age

Of those surveyed 58% stated they were over 66 years of age followed by 30% stating they were aged between 51 and 65.



Accessibility formats:

The 2022 online survey included the following accessible formats:

- Change font size
- Change background colour
- Screen-reader compatible
- Other language options
- British Sign Language (BSL)

By request, contractors were also able to supply:

- A helpline – utilising LanguageLine Solutions® for interpretation
- Large-print questionnaires
- Easy Read format
- Braille

Dissent posters were also displayed in common languages across the Trust.

2.6 Risk profile

As part of the Board Assurance Framework, key strategic risks are identified and linked to the Trust's three core strategic objectives:



QUALITY

We will always put our patients first, delivering safe and effective care and an excellent patient experience



PEOPLE

We will be the best place to work, with a diverse and engaged workforce that is fit for now and the future



SUSTAINABILITY

We will work in partnership with others to achieve social and economic wellbeing in our communities



The Trust opened the year with 12 strategic risks it felt could affect the achieving of its objectives. Two of these risks were rated at a score of 25 which is the highest score on the on Trust's adopted risk grading method. A further three risks were rated 20, five rated 16, one rated 15, one rated 12.

The Trust also closed the financial year with 12 strategic risks it felt could affect the Trust in achieving its objectives, although not all the risk were the same and when the year opened. None of these risks scored 25, six were rated 20, four rated 16, one rated 15 and one rated 12.

A risk that was de-escalated during 2023/24 related to the prevention of nosocomial COVID-19 infection and a new risk added was associated with the ability to secure sufficient funding for new hospital facilities.

The existing risks described in the Annual Governance Statement continue to be acknowledged as the principal risks to the Trust with likely new risks emerging in the new year.

The Trust Board reviewed and approved the Trust's Risk Appetite Statement at its meeting on 7 February 2024. Full details can be found within the Annual Governance Statement.

2.7 Environment

Progress has been made in several areas of the Trust's green plan. Schemes of work are being identified and led by staff, reflecting the engagement of staff with sustainability issues.

To avoid contributing greenhouse gases to the atmosphere through medical gas leakage and waste, the nitrous oxide manifold is being decommissioned on the Halton General Hospital site and replaced with machines to hold single cylinders. As a potent greenhouse gas, nitrous oxide has a global warming potential of nearly 310 times that of carbon dioxide per kilogram. In 2022, departmental logs suggested nitrous oxide usage of approx 73-323L per day on the Halton General Hospital site. Through interrogating supply figures, the Estates Team calculated approx. 444L per day passing through the manifold system, suggesting wastage of gas through the central supply line. Switching to the cylinder gas system represents a significant opportunity to reduce gas waste and subsequent release into the atmosphere. Progress is reported to the CLEAR North West Group (Consensus for Lowering Emissions in Anaesthetic Rooms), overseen by the north west net zero manager.

Sustainability is a consideration in all new capital building schemes. The Living Well Hub on Horsemarket Street in Warrington town centre opted for the heating system to be provided by air source heat pumps to remove the need for a carbon powered heating system.

To support future estate developments, the Trust is working jointly with other providers within the region and the ICS Sustainability Team to develop a joint bid to access funding from the Low Carbon Skills Fund. This funding would enable the Trust to develop a heat decarbonisation plan which would identify opportunities to reduce carbon to be considered in future estate developments.

The head gardener has implemented improvements for nature and biodiversity across the Warrington estate. There are now two wildflower meadows, bird boxes, wild nature areas and fruit trees situated on-site to enhance provision for nature and enhance staff opportunities to enjoy green space. The Kendrick Wing building is also home to an informal colony of wild honey bees, who have been in residence for more than three years.

Task force on climate related disclosures

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

The phased approach incorporates the disclosure requirements of the governance pillar for 2023/24. These disclosures are provided below with appropriate cross referencing to relevant information elsewhere in the annual report and accounts and in other external publications.

Delivery of environmental ambitions has been included with the Trust Strategy 2023-2025 under objectives 10.2 and 10.4. Key performance indicators have been agreed, and progress is reported to the Trust Board twice annually. This includes an update on relevant climate-related issues as identified through the plan. Ad-hoc updates are brought to the Board for assurance as and when there are significant impacts on Trust programmes of work as relating to climate issues.

The green plan is supported by an action plan to support delivery of the goals for each area of focus. Owners have been assigned to all actions along with timescales. This includes both clinical and non-clinical members of staff as relates to individual portfolios across the Trust's areas of operation. Elements of this plan undertaken and completed in 2023/24 are described in section 2.7 of this report.

The Trust currently does not have a dedicated post for management and delivery of the green plan and associated actions, and as such this role is undertaken jointly by the Estates and Facilities Directorate and the Strategy and Partnerships Directorate. Oversight is undertaken by the Director of Strategy and Partnerships, who is also the executive lead for the green plan, with escalation and assurance governed through the Executive Team to Trust Board where appropriate.

2.8 Information about social, community, anti-bribery and human rights issues

The Modern Slavery Bill was introduced into Parliament on 10 June 2014 and passed into UK law on 26 March 2015. The Modern Slavery Act is an act to make provision about slavery, servitude and forced or compulsory labour and about human trafficking, including the provision for the protection of victims.

A person commits an offence if:

- The person holds another person in slavery or servitude and the circumstances are such that the person knows or ought to know that the other person is held in slavery or servitude
- The person requires another person to perform forced or compulsory labour and the circumstance are such that the person knows or ought to know that the other person is being required to perform forced or compulsory labour

The Trust is fully aware of the responsibilities it bears towards patients, employees, and the local community and as such, has a strict set of ethical values that we use as guidance regarding our commercial activities. We therefore expect that all suppliers to the Trust adhere to the same ethical principles.

The Trust has a non-pay budget of £81m (inclusive of drugs at £20m) of which more than £60m per annum is spent on goods and services.

It is important to ensure that suppliers to the Trust have in place robust systems to ensure that their own staff, and organisations within their own supply chain are fully compliant with the requirements of the Modern Slavery Act 2015.

In compliance with the consolidation of offences relating to trafficking and slavery within the Modern Slavery Act 2015, the Trust has an ongoing process of reviewing its supply chains with a view to confirming that such behaviour is not taking place.

The standard NHS Terms and Conditions of Contract which form the basis of all orders and contracts with supplier have a specific clause contained within them relating to modern slavery that determine that suppliers (and their sub-contractors) will:

- Comply with the Modern Slavery Act 2015
- Implement due diligence policies for its sub-contractors
- Respond promptly to all slavery and trafficking due diligence questionnaires.
- At the request of the Trust, prepare and deliver an annual slavery and trafficking report setting out steps to ensure slavery and trafficking is not taking place within its supply chain
- Implement a system for all employees to ensure compliance with the Slavery Act

As part of the Trust's commitment to ensuring that we do not trade with organisations who do not meet the requirements of the act, suppliers will be required to provide a copy of their annual Modern Slavery Action Statutory Statement detailing actions undertaken to ensure they meet and enforce the requirements of the act.

This will only apply to a supplier defined as a 'commercial organisation' in accordance with the act if it:

- Supplies goods and services
- Has a turnover of not less than £36m

The Trust's Procurement Team is committed to raising awareness with all suppliers by ensuring that all suppliers the Trust trades with are aware of our commitment to ensure compliance with the act.

As part of the Trust's ongoing procurement processes, when trading with new suppliers, and prior to establishing the supplier on Trust systems, the supplier will be requested to confirm in writing that they are compliant with the act.

The Trust's Procurement Team is committed to raising awareness with all suppliers by ensuring that all suppliers the Trust trades with are aware of our commitment to ensure compliance with the act.

As part of the Trust's ongoing procurement processes, when trading with new suppliers, and prior to establishing the supplier on Trust systems, the supplier will be requested to confirm in writing that they are compliant with the act. The act is referred to in all tendering activity undertaken by the Trust's Procurement Team. All tendering for goods and services is managed centrally by the procurement team. A copy of the act will be sent to all organisations involved in the tendering process along with a short statement from the trust reminding bidders of their obligations under the act. All suppliers will be requested to issue a statement as part of their tender response regarding their compliance with the act.

The Trust employs more than 5,000 staff comprising 74 nationalities. Most of these staff are employed and paid under national pay arrangements established under Agenda for Change or medical and dental provisions. A small number of staff, which comprises the Trust Board and very senior managers, are employed under local pay and terms and conditions of service which are established by the Remuneration Committee of the Board.

All staff are appointed subject to meeting the NHS Standards on Employment Checks which includes references, health checks, DBS checks, immigration checks and identity checks. In addition, the Trust has developed several values and behaviours which are fully embedded into the organisation. The Trust expects its existing staff to comply with these standards and all future appointments will be expected to demonstrate these attributes as part of the appointment process. This ensures that the Trust can be confident, before staff commence employment, that we know some background about our staff and that they have a legal right to work for the Trust.

By adopting the national pay, terms and conditions of service, the Trust has the assurance that all staff will be treated fairly and will comply with the various legislation. This includes the assurance that staff receive at least the National Living Wage.

The Trust has various employment policies and procedures in place designed to provide guidance and advice to staff and managers but to also comply with employment legislation. Every policy is impact assessed from an equality and diversity perspective.

The Trust does have specific policies in place to deal with the safeguarding of children and vulnerable adults but does not have a specific policy on the Modern Slavery Act and does not feel the need to develop one. However, should the Trust become aware of any issue covered under the Modern Slavery Act, it would immediately report the matter to the police. The Trust has an extensive training and development programme which is based on a minimum requirement to complete all statutory and mandatory training and other ad-hoc training which staff are required to undertake for their various roles. Training needs are identified through individual performance development reviews (PDRs) and a personal development plan produced.

The Trust employs a Head of Culture and Inclusion who takes the lead on the Modern Slavery Act. Where possible, the Trust also supports awareness raising events both locally and nationally to support disability, the lesbian, gay, bisexual, trans community (LGBT+), honour crime and forced marriages amongst others.

In relation to fraud risks to the organisation, the Trust agrees an annual counter fraud plan using a nominated and nationally Accredited Local Counter Fraud Specialist (LCFS) via its internal audit provider Mersey Internal Audit Agency (MIAA). The MIAA counter fraud specialist provided services in line with the agreed work plan which is approved at the Audit Committee.

Regular monitoring of counter fraud activity is undertaken via the Trust's Audit Committee via progress reports and an annual report of counter fraud activity. This monitoring process includes the identification of any fraudulent activity against the Trust. During 23/24 MIAA received seven potential fraud referrals, of which one progressed to investigation and was closed, five referrals were closed and one remains open. There were also two cases carried forward from the previous years of which one remains open and one has been closed.

2.9 Any important events since year end

There were no events after the reporting period that require disclosure.



Professor Simon Constable FRCP,
Chief Executive
28 June 2024



Accountability Report



3.1 Directors' report

Board of Directors

Between 1 April 2023 and 31 March 2024, there were five ordinary and six extraordinary meetings of the Board of Directors.

In compliance with the requirements of the Health and Social Care Act 2012, the Board holds part of its meetings in public, followed by a private business section. Meetings of the Board of Directors are held bi-monthly, with a private Board Development Session held on the months in between formal meetings.

Board meetings are facilitated as hybrid meetings, whereby members and guests have the opportunity to attend in person or via video-conferencing utilising Microsoft Teams software.

The Board has overall responsibility for the strategic direction of the Trust, taking into account the views of the Council of Governors. Executive and non-executive directors have an open invitation to attend meetings of the Council of Governors. The Board is responsible for ensuring that the day-to-day operation of the Trust is as effective, economical and efficient as possible and that all areas of identified risk are managed appropriately.

A detailed Schedule of Reservation and Delegation of Powers is in place, and it sets out explicitly those decisions which are reserved for the Board, those that may be determined by standing committees, and those that are delegated to managers.

The Trust has an established governance structure with the following committees, each chaired by a non-executive director, with the exception of the Nominations and Remuneration Committee and the Charitable Funds Committee which are chaired by the Trust Chair.

The committees were established to provide assurance to the Board of Directors:

- Nominations and Remuneration Committee
- Audit Committee
- Charitable Funds Committee
- Finance and Sustainability Committee
- Strategic People Committee; and
- Quality Assurance Committee

The balance, completeness and appropriateness of the members of the Board is reviewed periodically and when vacancies arise among executive or non-executive directors.



Chair and CEO

Steve McGuirk CBE, QFSM, DL Chair

Steve joined the Trust as Chair in April 2015. He has been reappointed for further terms of office until March 2026.

He previously served as Chief Fire Officer and Chief Executive of Cheshire and then Greater Manchester Fire and Rescue Services, and was president of the Chief Fire Officers Association.

He was Deputy Lieutenant for Greater Manchester and has extensive experience in governance of public authorities.

At WHH Steve is chair of the:

- Trust Board of Directors
- Council of Governors
- Board Nominations and Remuneration Committee
- Governor Nominations and Remuneration Committee
- Charitable Funds Committee

Steve, who lives in Warrington, is a trustee of the Fire Research and Training Trust and an assessor for the Queen's Award for Voluntary Service. He is also a Strategic Advisory Board member for the National Leadership Centre.

He was awarded the Long Service and Good Conduct Medal in 1996, the Queen's Fire Service Medal in 2002, and the CBE in 2005.



Professor Simon Constable FRCP Chief Executive

Simon was appointed Chief Executive of Warrington and Halton Teaching Hospitals NHS Foundation Trust (WHH) in November 2019. A consultant physician and clinical pharmacologist by background, Simon joined the Trust as Executive Medical Director in February 2015.

Prior to taking up the post at WHH, he worked with the NHS Leadership Academy, Harvard University and the Institute for Healthcare Improvement on clinical leadership, employee engagement and transformational change within the NHS.

Simon has held several clinical leadership roles at the Royal Liverpool and Broadgreen University Hospitals, and is a visiting professor at the University of Chester.

He studied medicine at Guy's and St Thomas' Hospitals in London, before undertaking postgraduate training in the UK and New Zealand.

Directors of the Trust

– the non-executive directors

Steve McGuirk CBE, QFSM, DL (see page 55)

Dr Cliff Richards, MBE Deputy Chair

Cliff joined the Trust as a non-executive director having previously been Chair of Halton CCG from 2012 until retirement in 2017. He was appointed as Deputy Chair of the Trust in November 2022.

He was also previously the inaugural Chair of Merseyside CCG Network, and Chair of Cheshire and Merseyside Urgent and Emergency Network.

He undertook GP training before joining Brookvale Practice in Runcorn as a partner in 1983, which he led until 2014. He has been a trainer and appraiser, and a member of several regional forums including Cheshire and Merseyside Cancer Network.

Cliff has a strong patient focus through his GP career and other leadership and commissioning roles.

He was awarded an MBE in recognition of his contribution to services to health in Cheshire and Merseyside.



Michael O'Connor Senior Independent Director

Mike is a partner with an international law firm and joined the Trust's board in November 2021.

He has practiced as a commercial lawyer for more than 30 years and has a wide range of experience and knowledge representing commercial business and public sector bodies. Mike is the Trust's Senior Independent Director, as appointed by the Trust Board in consolidation with the Council of

Governors in November 2022. Mike led his firm's infrastructure projects group for 15 years and was head of its Manchester office for three years.

Mike, who lives in Warrington, was a non-executive at North West Ambulance Services NHS Trust for seven years.

He has chaired the Bridgewater Hall board of trustees for six years and is also chair of a medical charity providing services to music and contemporary arts festivals.



Julie Jarman

Julie joined the Board of Warrington and Halton Hospitals NHS Foundation Trust as a non-executive director in January 2022.

She has a background in community development and has spent most of her career in the voluntary sector, working on anti-poverty projects both in the UK and in international development.

For many years Julie was the England Country Director for Oxfam's UK Poverty Programme. More recently, she was responsible for strategy at the Equalities

and Human Rights Commission.

In her current role Julie works for Stockport Borough Council as Head of Fair and Inclusive Stockport.

Prior to joining Warrington and Halton Teaching Hospitals she was a non-executive director of Greater Manchester Mental Health Foundation Trust for seven years.

Julie has a strong interest in mental health, equalities and population health, and sits on the Board of Trustees for three charities including Mind in Salford.



Jayne Downey

Jayne started as an associate non-executive director of the Trust in November 2011, and was appointed as a non-executive director of the Board in May 2022. Jayne has almost 40 years' nursing experience and has worked across a number of nursing specialities including orthopaedics, general surgery and A&E.

She previously worked at Warrington and Halton Hospitals between 2004 and 2007 as Head of Governance and Risk Management.

Prior to that she held director of nursing positions in both specialist and commissioning NHS organisations, having

moved into nurse management at a specialist orthopaedic hospital in 1998.

Originally from Widnes, Jayne has a clear passion for nursing, governance and quality.

She qualified as an enrolled nurse in 1985 and subsequently as a registered nurse in 1989.

Jayne has worked at both local and national levels across public and private health care sectors supporting organisations with risk management and CQC compliance, including responsibility for supporting organisations in achieving and maintaining CQC 'outstanding' ratings.



John Somers

John joined the board as a non-executive director in October 2022.

He is an experienced leader who has more than 22 years' board level experience in public and private sector organisations.

For the past 14 years he has worked in various senior NHS roles across commissioning, community services and acute hospital care.

His most recent position until retirement was as Chief Executive Officer of Sheffield Children's NHS Foundation Trust, which he joined in 2014.

John held a regional leadership role in an Integrated Care System and a local leadership role in a Place-based Accountable Care Partnership with a track record of successfully delivering transformational change by partnership working. He also worked as an executive reviewer for the CQC.

John, who trained as a chartered accountant, has a passion for the NHS and is keen to utilise his experience to improve services for the residents of Warrington and Halton.



Jan O'Driscoll (from 1 July 2023)

**Partner non-executive director
(Chester University)**

Jan is the Dean of Lifelong Learning at the University of Chester and heads up the Centre for Foundation Studies, which delivers the University's foundation years.

In her Dean role, Jan champions students returning to learning, particularly mature students seeking to enter academia at a later stage of life. Jan has an academic background in the sociology of health and politics and taught in universities and colleges prior to moving into management roles.

She developed a growing interest in local people having access to their local university, particularly for communities that may not always be represented within a university population.

Jan started her own degree journey on a foundation year aged 28 after previously working as a florist and children's nanny. She began at the University of Chester in 2015 to start up a new department offering foundation years of study.

Jan joined the board of Warrington and Halton Teaching Hospitals in 2023 and is also a trustee for Chester Cathedral Education Trust.



Associate Non-executive Directors

Adrian Carradice-Davids

Adrian joined the Trust in November 2021 as an associate non-executive director.

He has held senior roles in the third and public sectors where he was responsible for initiatives that addressed both physical and social regeneration.

Adrian previously served as a non-executive director in the NHS in Lincolnshire and Blackpool, and in the housing sector for 10 years where he served as risk and audit chair.

As a business consultant he worked on government contracts developing

strategic partnerships to address youth facilities provision and services for our aging population. He also served as advisor to the Government Office for the North West.

Adrian has managed trans-European structural funds supporting neighbourhoods across Europe and worked with the British Embassy/Consulate in China and India to support the development of micro businesses.

He is committed to empowering communities to take more responsibility for their health and assisting in developing services focused on prevention.



Dave Thompson MBE DL

Dave is Chief Executive of Warrington Disability Partnership and joined the Trust as an associate non-executive director in November 2021.

As well as founding the internationally recognised user-led charity he is also founder and event co-ordinator of Disability Awareness Day, the world's largest annual voluntary-led disability exhibition.

In 2015 Dave retired from a 20-year NHS career where he worked in governance, nursing and quality. He was Assistant Director of Inclusion and Partnerships for 10 years.

Dave has chaired the NHS North West Equality, Diversity and Inclusion Forum as well as national and international conferences on disability, independent living and equality, diversity and inclusion. He has presented lectures and training to more than 60,000 staff from statutory, private and third sectors.

A full-time wheelchair user since 1989 following a spinal cord injury, Dave has a unique understanding of healthcare services from three perspectives – patient, senior management and as a service provider.



The Executive Directors

Professor Simon Constable – Chief Executive (see page 55)

Kimberley Salmon-Jamieson Chief Nurse and Deputy Chief Executive

Kimberley was appointed Deputy Chief Executive in 2020 in addition to her roles as Chief Nurse and Director of Infection, Prevention and Control at WHH.

She joined the Trust in 2016, having held senior leadership positions at two separate acute trusts in Greater Manchester. Prior to that she held a senior nursing role at Central Manchester Foundation Trust (now MFT) in 2008.

Kimberley began her career at Salford Royal Hospitals, undertaking a variety of

roles before completing an MSc in clinical nursing. She was awarded sponsorship in 2016-17 to undertake the Health and Social Care Strategic Leadership Programme at the University of Yale's Global Health Leadership Institute.

Kimberley's unremitting focus is on patient-centred quality and safety improvement. She is passionate about the engagement of clinical staff in leadership and the nurturing of newly qualified employees to encourage professional development opportunities and increase the diversity of the workforce.



Daniel Moore Chief Operating Officer

Dan was appointed Chief Operating Officer in January 2021, having previously joined Warrington and Halton Teaching Hospitals NHS Trust in 2018 as its Director of Operations and Performance.

His role is to oversee operational delivery and performance achievement across the Trust.

Prior to his current role, Dan held a number of senior operational positions within the NHS. During that time he

has worked in operations management across acute hospital trusts in Greater Manchester and Cheshire.

Throughout his career, Dan has maintained a keen interest in furthering his academic knowledge; he holds a Master's in Business Administration (MBA) from Manchester Business School, and a BSc in operational management from Lancaster University Management School.

In March 2024 Dan was successfully appointed as Deputy Chief Executive. He will start this role on 1 April 2024.



Jane Hurst Chief Finance Officer (from 1 October 2023)

Jane was appointed Chief Finance Officer in September 2023, having joined the Trust in September 2016 as Deputy Director of Finance (Strategy) prior to becoming Deputy Chief Finance Officer in October 2019. In May 2017 she took on additional responsibility as the Trust's Freedom to Speak up Guardian, supporting staff to cultivate a speak up culture.

A qualified accountant with 26 years' NHS experience, Jane is committed to supporting and developing individuals and teams to be the best they can be. She led her current team to achieve HfMA National Team of the Year in 2020, Level 3 FFF Accreditation in 2022 and several other national and regional awards. Jane is passionate about ensuring the Finance Directorate is trained to provide professional advice and guidance to the Trust and wider health and social care system, supporting the delivery of high quality patient care.



Michelle Cloney Chief People Officer

Michelle was appointed Director of Human Resources and Organisational Development in November 2017, having undertaken the role in an interim position in March 2017.

Prior to joining the Trust she was Associate Director of Workforce at Pennine Lancashire Transformation Programme and Senior Responsible Officer for Workforce, Organisational Development and Leadership, working across organisational boundaries within East Lancashire and Blackburn with Darwen.

Michelle started her NHS career in nursing in 1984 and developed a passion for working with teams to deliver excellent care to patients and service users. Moving into HR and OD in 1997, she gained extensive knowledge and experience including the management of HR services, employee engagement, staff health and wellbeing, equality, diversity and inclusion.

Michelle is committed to supporting staff to put patients at the heart of all we do and to enable them to recognise the Trust as a great place to work and receive care.



Dr Paul Fitzsimmons Executive Medical Director

Paul joined the Trust in December 2021 from Liverpool University Hospitals Foundation Trust where he was the Deputy Executive Medical Director for five years.

A consultant geriatrician and stroke physician by background, he studied medicine at Manchester University before undertaking postgraduate training in the north west.

Paul is also the Trust's Caldicott Guardian and Executive Lead for Digital.

Prior to joining Warrington and Halton Teaching Hospitals NHS Foundation Trust, Paul was a Healthcare Leadership Fellow at the Health Foundation and Ashridge University. He has extensive experience of delivering quality improvement, patient safety initiatives, digital clinical programmes and hospital service reconfigurations.



Lucy Gardner Director of Strategy and Partnerships

Lucy joined the Trust in February 2016 from her role as a director at Ernst & Young's healthcare advisory practice.

She has held a number of operational management positions within the NHS and subsequently, in her role at Earnest & Young, led largescale change programmes to deliver significant financial, quality and performance benefits within healthcare.

Since joining WHH, Lucy has led the development and delivery of the

Trust's strategy, as well as key strategic programmes including our new hospitals bid and securing funding to deliver the Living Well Hub in Warrington town centre.

Lucy started her career 17 years ago as an NHS general management trainee, gaining a master's degree in health and social care leadership and management.

She is committed to developing others and working in partnership with other organisations and individuals to not only deliver outstanding healthcare, but also to enable wider regeneration.



Kate Henry **Director of Communications and Engagement**

Kate joined the Trust in October 2022 and brings a wealth of experience in internal and external communication, engagement and consultation, crisis and reputation management, and marketing and branding.

She has led award-winning teams nationally and locally in the NHS over the past 17 years, including in roles focused on communicating and engaging about organisational and service change, quality improvement, and research and innovation. Kate's most recent NHS role

was as director of communications at a mental health and community services provider, after which she worked as a consultant advising private and third sector organisations on strategic communications.

Kate has an MSc in corporate communications and reputation management from Manchester Business School and a CMI Level 7 diploma in strategic management and leadership.

She is passionate about effective internal communication and engagement, and the impact that this has on patient care. Kate is also executive lead for the Trust's charity.



Andrea McGee **Chief Finance Officer and Deputy Chief Executive (until 30 September 2023)**

Andrea has worked in the NHS for nearly 30 years and joined the Trust in February 2016.

She was appointed Deputy Chief Executive in addition to her Chief Finance Officer role in 2020.

A qualified accountant (ACCA), Andrea was previously Director of Finance and Information at Calderstones Partnership NHS FT.

During her time with the NHS she has gained experience working within

acute, mental health, learning disability, community and ambulance services and has led finance, procurement, estates and information teams.

She is currently Vice Chair of the National Finance Academy Leadership Group and Chair of the Cheshire and Merseyside Procurement Steering Group, as well as being a member of the Cheshire and Merseyside ICS Finance Committee.

Andrea is a strong supporter of staff development and has received personal and team awards for finance staff development in the north west and nationally.



Significant interests of directors or governors

Register of Interests

A register of significant interests of directors and governors which may conflict with their responsibilities is available on the Trust's website here:

[Statutory information: Warrington and Halton Hospitals NHS Trust \(whh.nhs.uk\)](https://www.warringtonandhaltonhospitals.nhs.uk)

Board Member Terms of Appointment

Board Member	Term of Appointment
Steve McGuirk (Chair)	First Term 01.04.2015 to 31.03.2018
	Second Term 01.04.2018 to 31.03.2021
	Third Term 01.04.2021 to 31.03.2023
	(appointed for a further term in November 2022 effective 01.04.2023 – 31.03.2026)
Prof Simon Constable	CEO from 14.11.2019
Cliff Richards	10.06.2019 to 09.06.2022
	Second term 10.06.2022 to 09.06.2025
Michael O'Connor	01.11.2021
Julie Jarman	01.01.2022
Jayne Downey	01.11.2021, voting from 01.05.2022
John Somers	01.10.2022
Jan O'Driscoll	01.07.2023
Andrea McGee	From 01.02.2016 to 30 September 2023
Jane Hurst	From 01.10.2023
Kimberley Salmon-Jamieson	From 07.09.2016
Daniel Moore	20.01.2021
Michelle Cloney	From 01.11.2017, voting from 01.11.2021
Paul Fitzsimmons	01.12.2021

Non-Voting Members Term of Appointment

Adrian Carradice-Davids	01.11.2021
Dave Thompson	01.11.2021
Lucy Gardner	01.02.2016
Kate Henry	01.10.2022

Attendance at Board of Director Meetings and Sub-Committees

1 April 2023 to 31 March 2024

Board Member	Trust Board 5 meetings and 6 extraordinary meetings	Audit Committee 5 meetings	Quality Assurance Committee 12 meetings	Finance & Sustainability Committee 12 meetings	Strategic People Committee 12 meetings
	Attendance (Actual/Max)				
Non-Executive Directors					
Steve McGuirk (Chair)	9/11	–	–	–	–
Cliff Richards	8/11	4/5	10/12	–	–
Michael O'Connor	9/11	5/5	–	–	9/12
Julie Jarman	10/11	5/5	n/a	12/12	12/12
Jayne Downey	10/11	3/5	12/12	–	–
John Somers	10/11	5/5	n/a	9/12	–
Jan O'Driscoll	4/10	0/3	n/a	n/a	n/a
Prof Simon Constable	11/11	n/a	–	–	–
Andrea McGee (to 30.09.23)	4/4	2/3	3/6	4/6	4/6
Kimberley Salmon-Jamieson	9/11	n/a	7/12	6/12	10/12
Daniel Moore	10/11	n/a	11/12	11/12	11/12
Michelle Cloney	10/11	n/a	11/12	12/12	10/12
Paul Fitzsimmons	11/11	–	8/12	11/12	10/12
Jane Hurst (from 01.10.23)	7/7	2/2	5/6	6/6	5/6

The work of the Audit Committee

The Audit Committee is required to report annually to the Board and to the Council of Governors outlining the work it has undertaken during the year and where necessary, highlighting any areas of concern. The Audit Committee is responsible on behalf of the Board for independently reviewing the systems of integrated governance, risk management, assurance and internal control. The committee's activities cover the whole of the Trust's governance agenda, not just the finances, and is in support of the achievement of the Trust's objectives.

During the reporting period, the committee has been composed of at least three non-executive directors with a quorum of two. During the year the committee met five times. Michael O'Connor holds the position of Chair of the Audit Committee. The required relevant and recent financial experience and background necessary for the membership of the Audit Committee is met by members of the committee. The Chair of the Trust is not a member of the Audit Committee in line with best practice.

Regular attendees at the committee meetings were the Trust's external auditors Grant Thornton (External Auditors from January 2017), Mersey Internal Audit Agency (MIAA - Internal Audit and Counter-Fraud Services), the Chief Finance Officer, the Director of Integrated Governance and Quality and the Company Secretary.

In year the significant issues that the committee considered in relation to financial statements, operations and compliance were as below. They were addressed through inclusion in the Internal Audit work plan and assurance sought for each element.

1. High assurance was provided in the following: performance indicators, data quality, risk management core controls, accounts payable, accounts receivable, treasury management.
2. Substantial assurance was provided in the following: Conflicts of interest, general ledger, waiting list management, medicines reconciliation, bank and agency, data security and protection toolkit.
3. Moderate assurance was provided in the following: Sickness absence.

There were no areas reported as providing limited or no assurance.



Governance and risk management

During the year the Trust continued to develop and enhance its governance and risk management systems and processes. It also fully appraised its key strategic risks, approved the Trust's Risk Appetite Statement and refreshed its Board Assurance Framework which is fully reviewed by the Board at each of its meetings and at committee meetings monthly or bi-monthly in year. There was further alignment of the relevant elements of the Board Assurance Framework to the committees of the Board. Each strategic risk is allocated to a committee for focused oversight and scrutiny. Risk Management Core Controls was included in the 2023/24 Internal Audit Plan, receiving a high assurance rating.

The Audit Committee monitored and tracked all material governance activity during the reporting period to ensure that the system of internal control, risk management and governance is fit for purpose and compliant with regulatory requirements, aligned to best practice where appropriate and provides a solid foundation to support a substantial assurance rating from the Head of Internal Audit (HOIA).

System of internal control

The Trust's governance structure aligns the Trust's various governance groups to the Trust Board committees. The Board Assurance Framework provides an overview of the internal control environment and evidence of the effectiveness of the controls that manage the risks to the Trust in achieving its strategic objectives as identified in the annual plan. The Audit Committee is charged by the Board in reviewing and evaluating the system of internal control through the delivery of the internal audit plan. The Chair of the Audit Committee provides an annual report of the work of the committee to the Board as well as periodic escalation reports following each meeting.

Internal audit activities

MIAA acted as internal auditors for the Trust during the year. Internal Audit is an independent and objective appraisal service which has no executive responsibilities within the line management structure. It pays particular attention to any aspects of risk management, control or governance affected by material changes to the Trust's risk environment, subject to Audit Committee approval. A detailed programme of work is discussed with the Executive Team and set out for each year in advance and then carried out along with any additional activity that may be required during the year.

In approving the internal audit work programme, the committee uses a three-cycle planning and mapping framework to ensure all areas are reviewed at the appropriate frequency.

Detailed reports, including follow-up reviews to ensure remedial actions have been completed, are presented regularly to the committee by Internal

Audit throughout the year. All such information and reports are fully recorded in the minutes and papers prepared for each Audit Committee meeting.

External audit

Grant Thornton LLP commenced its initial three-year term as Auditors to the Trust in January 2017. The company then commenced a two-year term in October 2020, following a competitive procurement exercise and recommendation by the Council of Governors. The contract contained the option to extend for additional years and following support from the Audit Committee and approval by the Council of Governors, an extension up to 30 September 2024 was agreed.

During the year, the auditors reported on the 2022-23 financial statements. No material or significant issues were raised in respect of these statements and accounts. Technical support has been provided on an ongoing basis to the Trust and representatives of Grant Thornton have attended each Audit Committee meeting. Grant Thornton has since audited these 2022-23 financial statements and their report and opinion is enclosed herein.

Anti-fraud activity

The committee and the Trust are supported in carrying out anti-fraud activity by MIAA's Anti-Fraud Service (AFS) working to a programme agreed with the Audit Committee. The role of AFS is to assist in creating an anti-fraud culture within the Trust: deterring, preventing and detecting fraud, investigating suspicions that arise, seeking to apply appropriate sanctions and redress in respect of monies obtained through fraud. Where such cases are substantiated, the Trust will take appropriate disciplinary measures.

Pro-active work has also included the AFS raising awareness of mandate fraud within the Trust using a variety of means, including delivering fraud awareness presentations to the Finance and Procurement Departments. The AFS held a meet and greet stand at both hospitals during International Fraud Awareness Week. The AFS also produced and disseminated a variety of anti-fraud awareness material to staff, either directly or via the Communications and Engagement Team, including newsletters, 64 Fraud Prevention Checks (FPCs), six Fraud Prevention Notices (FPNs), recent cases articles, six intelligence bulletins, four payslip messages and links to MIAA's new fraud related podcasts.

During 2023-24 the AFS received seven fraud referral queries of which five cases were closed, one remains open and one fraud referral converted to an investigation. Of the two investigation cases carried forward from the previous year, one has closed, and one remains open. The 2023-24 self-assessment against the Government Functional Standard 013 for Counter Fraud resulted in the Trust achieving an overall 'green' rating.

The Foundation Trust governors and membership following elections in November 2023

The Council of Governors is made up of the following representative constituencies:

- 17 public governors – elected by the Trust’s public membership who represent the local community
- 5 staff governors – elected by the Trust’s staff members, whom they represent
- 6 partner governors – nominated by partner organisations who work closely with the Trust

Governor elections

Public and staff governor elections were held between September and November 2023, to appoint or renew governor terms of five public governors and two staff governors. Details of the current composition of the Council of Governors as of 31 March 2024 is detailed below.

Governors are appointed for a term of three years and are eligible for re-election or re-appointment at the end of their initial term, for two further terms (nine years in total).

Understanding the views of the governors, members and the public

The Board recognises the value and importance of engaging with governors in order that the governors may properly fulfil their role as a conduit between the Board and the Trust’s members, the public and stakeholders.

The Board and Council of Governors meet regularly and enjoy a strong and working relationship. Each is kept advised of the other’s progress through the chair and includes standing items at both the Board meeting and Council of Governors meeting for the chair to share any views or issues raised by directors, governors and members.

Any disputes or disagreements between the Board and the Council of Governors are set out in the Trust’s Constitution section 9: Resolution of Disputes with Board of Directors.

Members of the Board are invited to attend all Council of Governors meetings (four per year) and some governor committees to provide input and

support. Each committee of the council is supported by relevant executive directors and senior managers from the Trust who report openly and collaboratively on the activities and performance of the Trust.

The Governors Nominations and Remuneration Committee (GNARC) met once in 2023/24 to review the extension of the Terms of Office for the associate non-executive directors; the extension was supported until 31 March 2024. The role of this committee is outlined in more detail in the Remuneration Report.

The Council of Governors receive copies of all Board meeting agendas and minutes in accordance with the requirements of the Health and Social Care Act 2012 and the Trust’s Constitution. All governors (and members of the public) are able to observe the meeting of the Board held in public in order to understand the issues raised at the Trust Board. Governors are encouraged to attend the Board meetings in order to observe the non-executive directors’ performance at the meetings in challenging and scrutinising reports presented by the executive directors. Governors also attend Board committees as observers which supports the governors in discharging their duty of holding the non-executive directors, individually and collectively, to account for the performance of the Board. They provide a formal written report to the Council of Governors with their views about the manner in which the respective non-executive director chaired the meeting. Furthermore, the lead governor attends the private Board meeting as an observer.

The chair provides informal briefings to governors through a monthly informal question and answer session, enabling governors to raise matters outside of formal council meetings.

At governors’ meetings there is a standing item for public and staff governors to ask questions of the Board members, questions may be in relation issues raised by constituency members or member of the public or queries following governor observational visits. Questions are submitted in writing following governor only meetings where the Council of Governors meeting agendas are reviewed and approved. Responses to questions are provided by executive or non-executive directors in meeting papers and discussed in detail at meetings.

The Council has the following statutory powers and responsibilities:

- Hold the non-executive directors to account individually and collectively for the performance of the Board
- The appointment and, if appropriate, removal of the chair
- The appointment and, if appropriate, removal of the other non-executive directors
- Approve the remuneration and allowances, and other terms and conditions of office, of the chair and other non-executive directors
- Approve the appointment of the chief executive on recommendation from the Board Nominations and Remuneration Committee
- Appoint, re-appoint and, if appropriate, remove the auditor
- Receive the annual report and accounts and any report on these provided by the auditor
- Approve any 'significant transactions' as defined within the Trust's constitution
- Approve an application by the Trust to enter into a merger, acquisition, separation or dissolution
- Decide whether the Trust's non-NHS work would significantly interfere with its principal purpose, which is to provide goods and services for the health service in England, or performing its other functions; and
- Approve amendments to the Trust's constitution

In addition to the statutory responsibilities, the CoG focuses on the following activities:

- Contribute to the business planning process and the development of forward plans for the Trust in co-operation with the Board of Directors
- Represent the interests of the communities served by the Trust and ensure they are appropriately represented
- Consult with members and reflects the view of the membership; and
- Develop and maintain the Trust's membership and engagement strategy
- Consider whether the interests of the public at large have been factored into decision-making and seek assurance on the Board's performance in the context of the whole system and as part of the wider provision of health and social care
- Consider how the Board's decision making complies with the triple aim – duty of better health and wellbeing for everyone; better quality of health services for all; sustainable use of NHS resources; as well as the role the Trust is playing in reducing health inequalities.

All committees are attended by non-executive, executive directors and senior management who provide advice and support in order for the committee to carry out its functions in the provision assurance to the Council of Governors.

Other meetings and involvement

Alongside the formal meetings and committees, a number of briefing sessions and workshops have taken place to both inform the governors of Trust initiatives and work programmes and gain their views and support.

In line with the requirements of the Provider Licence all governors have made 'fit and proper person test' declarations.

Composition of the Council of Governors – 31 March 2023

Constituency (5 public)	Governor	Term (of 3)	Term Ends
Warrington North – 5 seats	Norman Holding	3	30.11.2024
	Gillian McKinnon	1	30.11.2025
	Keith Bland	3	30.11.2025
	Colin Jenkins	3	30.11.2026
	Anne Robinson	3	30.11.2025
Warrington South – 5 seats	Diane Nield	1	30.11.2025
	Sue Fitzpatrick	2	30.11.2026
	Carol Ann Kelly	1	30.11.2026
	Mark Britton	1	30.11.2025
	Nigel Richardson	1	30.11.2024
Halton – 5 seats	Linda Mills	2	30.11.2024
	Edward Rawlinson	1	30.11.2025
	John Fagan	1	30.11.2024
	Nathan Fitzpatrick	1	30.11.2024
	Colin McKenzie	2	30.11.2025
Rest of England – two seats	Kevin Keith	2	30.11.2026
	VACANT		
STAFF (5)		Term (of 3)	Term Ends
Medical and Dental	Akash Ganguly	1	20.11.2024
Nursing and Midwifery	Jonathan Cliffe	1	30.11.2025
Staff – Support	VACANT		
Clinical Scientist or Allied Health Professionals	Rachel Bold	1	30.11.2026
Estates, Administration, Managerial	Gemma Leach	1	30.11.2025
Constituency (Partners – appointed by Trust 6)		DATE	N/A
Halton Borough Council	Cllr Chris Loftus	06.2023	
Warrington Borough Council	Cllr Paul Warburton	06.2021	
Warrington Sikh Gurdwara	Kuldeep Singh Dhillon	01.2021	
Warrington and Vale Royal College	Nichola Newton	06.2019	
Education Sector	VACANT		
Private Sector	VACANT		

The Council of Governors

Membership and attendance of the Council of Governors and sub-committees as of 31 March 2023

Governor	Council of Governors	Governors Nominations & Remuneration Committee
Steve McGuirk, Chair	4/5	1/1
Cliff Richards, Non-Executive Director	4/5	–
Michael O'Connor, Non-Executive Director	4/5	–
Julie Jarman, Non-Executive Director	2/5	–
John Somers, Non-Executive Director	4/5	–
Jayne Downey, Non-Executive Director (from 01.05.2022)	3/5	–
Jan O'Driscoll	0/3	–
Warrington North		
Norman Holding, LEAD Governor	5/5	1/1
Colin Jenkins	5/5	–
Anne Robinson	3/5	–
Gillian McKinnon	1/5	–
Keith Bland MBE	5/5	–
Warrington South		
Sue Fitzpatrick	4/5	1/1
Paul Bradshaw (to 31.11.23)	2/4	–
Diane Nield	4/5	–
Mark Britton	4/5	–
Carol Anne Kelly (from 01.12.23)	1/1	–
Nigel Richardson	4/5	–
Halton		
John Fagan	4/5	1/1
Linda Mills	3/5	–
Nathan Fitzpatrick	4/5	–
Colin McKenzie	3/5	–
Edward Rawlinson	1/5	–
Rest of England		
Kevin Keith	2/5	–
VACANT SEAT		
Staff Governors		
Gemma Leach – estates, administrative and managerial	2/5	–
Jonathan Cliff – nursing and midwifery	1/5	–
VACANT SEAT –SUPPORT		
Rachel Bold – clinical scientist/Allied Health Professionals (from 01.12.2023)	0/1	–
Akash Ganguly, Medical and Dental	3/5	–
Partner Governors		
Cllr Paul Warburton, Warrington Borough Council	1/5	–
Cllr Chris Loftus, Halton Borough Council	3/4	–
Nichola Newton, Warrington and Vale Royal College	1/5	–
Kuldeep Singh-Dhillon, Warrington Sikh-Gurdwara	0/5	1/1
VACANT SEAT- EDUCATION SECTOR		
VACANT SEAT- PRIVATE SECTOR		

Changes to the Foundation Trust Constitution in year

As per Article 45 'Amendment to the Constitution' the Trust may make amendments to its constitution if more than half of the members of the Board of Directors of the Trust voting approve the request. In year, there were no amendments made to the Trust Constitution.

Governors Register of Interests

A register of interests for the Council of Governors is available publicly to view via the Trust website: <https://whhft.mydeclarations.co.uk/declarations>

Governors may be contacted at:

Warrington and Halton Teaching Hospitals
NHS Foundation Trust
Foundation Trust Office
Ground Floor, Kendrick Wing
Warrington Hospital
Lovely Lane
Warrington WA5 1QG

Telephone – 01925 662139

E-mail – whh.foundation@nhs.net

The Foundation Trust Membership

As an NHS Foundation Trust, Warrington and Halton Teaching Hospitals has a membership scheme that means that members of the public aged 12 and over, (anyone aged between 12 and 16 must have parental consent to become a member) can become members of the Trust. Staff automatically become members on appointment, with the opportunity to opt out should they wish.

Members play a key role in the hospitals, providing input into what services they want their hospitals to provide. They do this by electing public and staff governors who represent the membership's views and views of the local community.

At its meeting on the 10 August 2023, the Council of Governors approved the process to complete a cleanse of the public members database. This was timed to run prior to the 2023 Governor Elections. All members, whom the Trust did not have an email address for were contacted via post asking them to opt into membership and provide an email address, in order to make communications with members more cost efficient and effective. Members were given the option to opt into postal communication only should this be their preferred choice.

Following this exercise the Trust public membership has reduced significantly, However the Trust now has a more engaged membership. The Trust communicates regularly with members via the quarterly Members Newsletter sent via email.

There are two constituencies of membership of the Foundation Trust, those are public and staff. The public constituency comprises of those members that live in one of the public constituencies.

- Warrington North
- Warrington South
- Halton (including Weaver Vale)
- Rest of England

The staff constituency is divided into five classes, staff automatically become staff members unless they choose to opt-out of the membership:

- Medical and dental
- Nursing and midwifery
- Support
- Clinical Scientist or Allied Health Professional
- Estates, administration and managerial

The figures for current membership constituencies as at 31 March 2024, are detailed below:

Constituency Membership	31 March 2024
Warrington North	573
Warrington South	723
Halton (inc Weaver Vale)	783
Rest of England	963
Total Public	3046
Staff	4712
Total membership	7,758

Membership Strategy

At its meeting on the 9 November 2023, the Council of Governors approved the Warrington and Halton Teaching Hospitals Membership Strategy 2023-25. The new strategy builds on the success of the Trust's Working with People and Communities Strategy 2022-2025 and seeks to help the organisation progress as

a Foundation Trust that better supports its members and actively recruits new members. The aim of the strategy is to improve membership recruitment and engagement and enable the Council of Governors to set implementation plans to successfully deliver the objectives set out within the Strategy. These are:

Objective 1: High Quality Information

Provision of high-quality Information to WHH members to provide them with the knowledge they need to understand the offer of membership at WHH and to be ambassadors for the Trust.

Objective 2: Inclusivity

Ensure our membership is reflective of the different people and communities, we serve, with a focus on attracting younger members and those from groups that are currently underrepresented.

Objective 3: Sustainability

Taking meaningful steps so we can make sure that we are promoting sustainability in all membership communications and activities.

The Council of Governors receives quarterly reporting on progress against the objectives set out in the Membership Strategy. The Membership Strategy was

approved by the Board of Directors at its meeting, 6 December 2023, as per the process set out in the Trust Constitution.

Membership demographics

* Demographic profile vs borough profile %, data sources: Local Government Association, census 2011 and WHH FT Database.



Ethnicity	Warr BC	WHH Warr memb.	Halton BC	WHH Halton memb.
Asian (Chinese, Indian, Pakistani, other Asian)	1.5	2.4	1	0.3
Black (Black Africa, Black Caribbean)	0.5	0.6	0.1	0
Mixed (Mixed Asian/White, Mixed Black/White African/Caribbean, Mixed Other)	2.3	0.4	1	0.5
White (British, Irish, Other)	95.7	93.4	98	97
Not declared	0	0.5	0	0.6

3.2 NHS Improvement's Well-Led Framework

As part of a commitment to simplifying regulatory approaches, NHS England (was Improvement) worked closely with the Care Quality Commission (CQC) to bring together their respective approaches to the well-led key line of enquiry (KLOE). This resulted in a new, wholly joint well-led framework structured around eight key lines of enquiry introduced in 2017-18:

1. Is there the leadership capacity and capability to deliver high quality sustainable care?
2. Is there a clear vision and credible strategy to deliver high quality sustainable care to people and robust plans to deliver?
3. Is there a culture of high-quality sustainable care?
4. Are there clear responsibilities, roles and systems of accountability to support good governance and management?
5. Are there clear and effective processes for managing risks, issues and performance?
6. Is appropriate and accurate information that is being effectively processed, challenged and acted upon?
7. Are the people who use services, public, staff and external partners are being engaged and involved to support high quality sustainable services?
8. Are there robust systems and processes for learning, continuous improvement and innovation?

The CQC carried out a well-led assessment between 30 April and 2 May 2019. It rated the Trust 'Good' for well-led because:

1. Leaders had the integrity, skills and abilities to run the service. They were visible and approachable in the services for patients and staff
2. The Trust had a well embedded vision and values which were well understood by staff. The Trust had refreshed its strategy which was focused on sustainability of services and aligned to local plans within the wider health economy
3. Staff felt respected, supported and valued. They were focused on the needs of patients receiving care. The service had an open culture where patients, their families and staff could raise concerns without fear
4. Leaders operated effective governance processes, throughout the service and with partner organisations

5. Leaders and teams used systems to manage performance effectively. They identified and escalated relevant risks and issues and identified actions to reduce their impact. The trust had made improvements to its risk management since the last inspection
6. The Trust collected reliable data and analysed it. The Trust had a good range of reports and dashboards for staff to understand performance, make decisions and improvements
7. Leaders and staff actively and openly engaged with patients, staff, equality groups, the public and local organisations to plan and manage services. They collaborated with partner organisations to help improve services for patients
8. The Trust was committed to continually learning and improving services. Staff received training in quality improvement methodology and were encouraged to share learning

In September 2023 undertook an inspection of the Trust's maternity services resulting in the Trust retaining the rating of 'Good'.

The Annual Governance Statement within this report outlines the review of leadership and governance in line with NHS Improvement's well-led framework in arriving at its overall evaluation of the organisation's performance, internal control and Board assurance. Work on self and external assessment continues and these assurances can be found in the Annual Governance Statement.

The Trust can confirm that there are no material inconsistencies between:

- The Annual Governance Statement
- The Corporate Governance Statement
- Annual report; and
- Reports from the CQC planned and responsive reviews of the Trust and any consequent action plans developed by the Trust.



3.3 Statement of cost allocation HM Treasury

We have complied with the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information guidance.

3.4 Political donations

There were no donations of a political nature in the period.

3.5 Better Payment Practice Code

The Better Payment Practice Code gives NHS organisations a target of paying 95% of invoices within agreed payment terms or in 30 days where there are no terms agreed.

Performance for the financial year is contained in the table below:

	2023-24	2023-24
	Number	£000
Non-NHS trade invoices paid in the period	45,834	136,550
Non-NHS trade invoices paid within target	42,271	126,581
Percentage of non-NHS trade invoices paid within agreed payment terms or in 30 days	92%	93%
NHS trade invoices paid in the period	2,397	20,251
NHS trade invoices paid within target	1,847	16,663
Percentage of NHS trade invoices paid within agreed payment terms or in 30 days	77%	82%

The total paid within 2022/23 for late payment of commercial debt was £4k (£0k in 2021/22).

3.6 Interest payments

In year, the Trust made payments totalling £3,291.91 for the late payment of invoices. There are no accrued charges as at 31 March 2024.

3.7 Stakeholder relations

Development of services involving other local services/agencies and involvement in local initiatives.

As part of our documented, strategic intention to play a more significant role as an anchor organisation across the boroughs of Halton and Warrington, the Trust has delivered on, and is currently leading a number of key strategic projects at 'place' designed to enhance social value, reduce the organisation's carbon footprint and address identified health inequalities within our local communities.

Halton Health Hub, a standalone outpatient unit situated within Shopping City in Runcorn, opened in November 2022 and provides a range of Trust services including optometry, orthoptics, audiology and dietetics for adults and children. The Hub continues to provide space for partners to deliver preventative and early intervention services. This includes the delivery of an out-of-hours GP service provided by the local GP Federation, and the commencement of sessions delivered by Halton Borough Council's Health Improvement Team, to provide local smoking cessation services and tier three weight management services. Halton Health Hub also hosts 'Travel Well' link workers from Halton Travel Well. This service is delivered by Wellbeing Enterprises, a local Community Interest Company, in partnership with Liverpool City Region Combined Authority and the Trust, and is designed to improve the health and wellbeing of residents through a range of interventions, with a focus on the increasing uptake of active travel options.

The Living Well Hub in Warrington opened in March 2024. Located within Warrington town centre, the Hub operates a service model to support early intervention, prevention of ill-health and the promotion of self-care. The service model for the Hub brings together a wide range of services from more than 20 different partner organisations including physical and mental health, local authority support services, and numerous services from the voluntary and local community sector. The schedule of services delivered from the Hub focuses on a number of key target cohorts of the local population where the most significant challenges around health outcomes exist. These include children and families, older people and care leavers/children in care. The timetable has been developed jointly by all partners to ensure that the opportunities for collaborative and integrated working are fully leveraged and offer a joined-up and 'one-stop' offer for service users.

The Runcorn Health and Education Hub is being developed in partnership with Mersey Care NHS Foundation Trust, Bridgewater Community Healthcare NHS Foundation Trust, Halton Borough Council, voluntary and third sector partners and Riverside College. It will deliver services targeting populations of high need, including young people and families, as well as those with long term condition needs from the heart of Runcorn Old Town. In addition to health and care services, flexible education facilities will support the growth of our future workforce, helping local people into local jobs. The building design has been developed and reviewed jointly by all partners to realise a functional, flexible space that meets the needs of delivery and of the population. The timetable to support delivery of the service model is under development, with excellent representation and engagement from operational and service providers from all partners.

The Trust's director of strategy and partnerships is co-chair of the Wider Determinants of Health workstream, making up one of the five priority work streams of the One Halton place-based partnership. Workplans are in development which will then be adopted as part of the One Halton workplan for 2024-25. The workstream aims to address factors affecting the overall health and wellbeing of Halton residents focusing on economic regeneration, (violent) crime reduction, education and workforce, living conditions and adopting a Marmot approach.

Consultation with large groups and organisations, including the overview and scrutiny committees of local authorities covering the membership areas.

The Trust is committed to meeting the legal duties on public involvement for NHS organisations (working in partnership with people and communities: statutory guidance, the patient and public involvement strategy 2021-2026 and National Healthcare Inequalities Improvement Programme) and will always seek to apply best practice principles to engagement and involvement activity. This includes listening to, and understanding, the experiences of our populations to further develop services and using feedback to influence planning processes. This is in addition to the regular statutory patient surveys and friends and family test.

There were no planned service changes that met the requirement for public consultation during the period covered by this annual report. The Trust continued to engage with patients, carers and communities in a variety of ways, including through the Experts by Experience programme, the foundation trust membership and by participation in a programme of engagement events within the communities of Halton and Warrington, such as Warrington Pride, Disability Awareness Day, Warrington Mela and Armed Forces Day. We are supported in these events by staff from our services, and often public governors, to help us seek ongoing feedback and engagement within the most vulnerable and under served communities across both boroughs.

Our Experts by Experience are volunteers with lived experience who help us to understand how it feels to either access services, or to care for someone who does. The programme was relaunched in July 2023 and during the year we recruited 61 additional participants, taking the total to 129. The Experts by Experience programme supports the Trust to include patient insight and experience during changes, developments, or improvements to patient-facing services through mechanisms such as surveys, ward visits, group workshops, and assessments.

Patient and public engagement was a key part of digital projects delivering a new phlebotomy eBooking system and the Patient Engagement Portal. Our Experts by Experience also supported capital projects including the launch of reconfigured breast screening services at Bath Street Health and Wellbeing Centre, Community Diagnostic Centre developments (phases 1 and 2) at Halton Hospital/Halton Health Hub, and the opening of Warrington's Living Well Hub. Engagement was also central to the Trust's strategy development programme.

To engage with the third sector, representatives from the Trust regularly attend monthly external community meetings including Warrington Disability Partnership's Staying Connected Forum, Halton Voluntary, Community, Faith and Social Enterprise Network meetings and Warrington Dementia Network, as well as quarterly Maternity Voices Partnership meetings.

Descriptions of significant partnerships and alliances entered into by the NHS foundation trust to facilitate the delivery of improved healthcare

The Trust has established strong and positive partnerships with many organisations and institutions at national level, regional – Cheshire and Merseyside – level and more locally at 'place' level – Halton and Warrington boroughs. At Cheshire and Merseyside level the Trust is a core and active member of Cheshire and Merseyside Acute and Specialist Trusts Provider Collaborative (CMAST), within which the Trust CEO leads the work to develop and improve clinical pathways across the region. Active partnerships at 'place' level include all local acute healthcare providers, local authorities, NHS Cheshire and Merseyside, Bridgewater Community Healthcare, Mersey Care, primary care, local colleges and universities and local third sector organisations.

Examples include active engagement in both Warrington and Halton's Place Based Partnership Boards, underpinned by input into supporting workstreams. This includes chairing the Warrington Together Estates Enabler Group on behalf of partners across the system at Warrington, and being the co-Senior Responsible Officer for delivery of the Wider Determinants of Health workstream within One Halton.

The Trust is committed to using the system and partnership approaches that have emerged over the past few years to support its recovery from the COVID-19 pandemic and future direction. The Trust has a history of being innovative and working in partnership with others to maximise opportunities to improve patient care and has committed to working together with other acute and specialist trusts across Cheshire and Merseyside to improve the quality of care delivered to patients. This is delivering benefits for Warrington and Halton patients, as well as patients in surrounding areas. For example, work is underway with the Cheshire and Merseyside Pathology Network to maximise the benefits of delivering pathology services at scale across a wider footprint.

The Trust continues to work in partnership with Liverpool University Hospitals NHS FT and the Clinical Research Network Northwest Coast (CRN NWC) to enhance clinical research and improve participation in research trials across Warrington and Halton. Evidence shows that patients that choose to take part in research become more engaged with their own health and care and often require fewer clinical appointments. The Halton Clinical Research Unit (HCRU) is a large, open ward space with room for beds across three bays with an additional two private rooms. The unit is staffed by a multidisciplinary team of research practitioners including doctors, research nurses, pharmacy, microbiology and pathology, and administrators to deliver trials to the people of Warrington and Halton.

Partnership working extends beyond healthcare organisations, enabling the Trust to truly address health inequalities in the broadest sense across a range of areas. The Trust recognises the role it can play in preventing illness and addressing health inequalities and as such continues to expand and explore further opportunities to support the prevention agenda working with multiple partners, including voluntary and third sector partners. For example, by working with Warrington & Vale Royal College, the Trust has established a supported internship scheme to support the recruitment of students with special educational needs and disabilities (SEND) into placements across roles at the Trust.

The aim of the project is to support the students to develop work-based skills so they can go onto apply for and secure future employment. Additionally, through our partnership work with Halton Borough Council and Runcorn Shopping City we are demonstrating the value of partnership working with commercial organisations to contribute to regeneration of our most deprived neighbourhoods.

By working in partnership, the Trust has already realised a number of funding opportunities to progress this work outside of traditional NHS England / Department of Health funding. This includes working in partnership with our local One Public Estate board, through relationships developed with Liverpool City Region, and opportunities presented working with our local councils and housing associations.

The Trust has formalised the partnership working model of the Living Well Hub through the introduction of a unique Collaboration and Contribution Agreement. Believed to be the first of its kind in the country, the agreement sets out the shared

responsibility and financial liabilities for the Hub facility across four core partners including the local authority, mental health and community healthcare providers across Warrington. The agreement ensures that the ongoing costs of the Living Well Hub are covered by the larger partners at Place, enabling the presence of smaller partners to be determined by their ability to add value to the public rather than by their ability to pay a room rental fee.

A regional Laboratory Information Management System (LIMS) is being procured and will be rolled out across Cheshire and Merseyside. A regional solution will enable the standardisation of managing and reporting of pathology results – a key enabler in creating a Cheshire and Merseyside Pathology network. The Trust is working closely with Mersey and West Lancashire NHS Foundation Trust to develop the target operating model for an East Pathology Hub, with the aim to streamline pathology services across the east of the region.



Professor Simon Constable FRCP,
Chief Executive
28 June 2024



Remuneration Report



4.1 Annual Statement on remuneration

Statement from the Chair of the Nominations and Remuneration Committee

Statement from the Chair of the Nominations and Remuneration Committee:

The Board of Directors delegates the responsibility to a Board Nominations and Remuneration Committee (NARC) to make decisions regarding the nomination, appointment, remuneration and conditions of service for executive directors including the chief executive. This committee also has general oversight of the Trust’s pay policies, but only determines the reward package for directors and staff not covered by agenda for change. The vast majority of staff remuneration, including the first layer of management below Board

level, is covered by the NHS Agenda for Change pay structure.

The membership of the committee consists of the Trust chair and all non-executive directors. The chief executive, company secretary and chief people officer also attend as appropriate.

During the period 1 April 2023 and 31 March 2024, the committee met on five occasions.

Committee members attendance at meetings is given in the table below.

Member	Attendance (Actual v Max)
Steve McGuirk, Chair	5/5
Cliff Richards, Non-Executive Director	4/5
Mike O’Connor Non-Executive Director	4/5
Jayne Downey, Non-Executive Director	3/5
John Somers, Non-Executive Director	3/5
Julie Jarman, Non-Executive Director	3/5
Jan O’Driscoll, Partner Non-Executive Director	0/4

Nominations

In year the committee considered and approved the following:

1. Process for the appointment of the chief finance officer
2. Appointment of the chief finance officer
3. Process for the appointment of the chief nurse
4. Appointment of the chief nurse
5. Process for the appointment of the deputy chief executive

Remuneration

In year the committee considered and approved the following:

1. Remuneration of the chief operating officer
2. Very senior managers pay – following acceptance of the of the Senior Salaries Review Body recommendations

4.2 Senior Manager Remuneration Policy

On 2 June 2015, the Secretary of State for Health wrote formally to all chairs of all NHS Provider Trusts, NHS Foundation Trust and Clinical Commissioning Groups in relation to the pay for very senior managers (defined as chief executives and executives) and the need to ensure that executive pay remains proportionate and justifiable.

The Trust does not consult with employees when preparing the Senior Manager Remuneration Policy. However, the pay and conditions of all employees are taken into account when setting the remuneration policy for senior managers.

The Trust's executive pay structure is very simple and only includes basic pay and enhancements for the chief executive officer and deputy chief executive officer roles. All pay is taxed at source and there are no bonus payments. Salaries are benchmarked against the NHS Providers national report and similar trusts in the Cheshire and Merseyside and wider North West region. All new appointments are sourced at the benchmark level and adjustments are made only if the market rate or existing salary indicates this is necessary. Where salaries of very senior managers exceed £150,000 per annum, these have been reviewed and found to be appropriate with market rate, maintain relativities with other very senior manager posts and to match pay in the jobs from which individuals were recruited.

Performance appraisal

Performance of the executive directors is assessed and managed through regular appraisal against predetermined objectives along with one to one reviews with the chief executive. Similarly, the chair conducts both one-to-ones and a formal appraisal with the chief executive. Any deficit in performance is identified during these regular meetings. Serious performance issues are managed via our organisational performance capability management policy. Performance of the non-executive directors is assessed and managed through regular appraisal by the chair against predetermined objectives along with regular one to one reviews with each non-executive director.

Provisions for termination of contract

There are no special contractual compensation provisions for early termination of executive directors' contracts. Early termination by reason of redundancy is subject to the normal provisions of the Agenda for Change (AfC): NHS Terms and Conditions of Service Handbook (section 16). For those above the minimum retirement age, early termination by reason of redundancy is in accordance with the NHS Pension Scheme. Employees above the minimum retirement age who themselves request termination by reason of early retirement are subject to the normal provisions of the NHS Pension Scheme. The principles for determining how payments for loss of office will be approached, including: how each component will be calculated and whether, and if so how, the circumstances of the loss of office and the senior manager's performance are relevant to any exercise of discretion would all be considered on a case by case basis by the Nominations and Remuneration Committee and would be approved by NHS Improvement in advance. The Trust is required to report what constitutes the Senior Manager Remuneration Policy in tabular format set out on the next page. At the date of completion of this Annual Report there have been no changes to this policy and no future changes are anticipated.

Components of remuneration package of executive and non-executive directors

Basic pay in accordance with their contract of employment (executive) and letters of appointment (non-executive).

Components of remuneration that is relevant to the short and long term Strategic Objectives of the Trust

The directors do not receive any remuneration tailored towards the achievement of Strategic Objectives.

Explanation of how the components of remuneration operate

Basic pay of the executive directors is determined by the Board Nominations and Remuneration Committee, taking into account past performance, future objectives, market conditions and comparable remuneration information from trusts within the locality. Basic pay of the non-executive directors is determined by the Governor Nominations and Remuneration Committee.

Terms are scrutinised by the Board's Nominations and Remuneration Committee.

Maximum amount that could be paid in respect of the component

Maximum payable is the directors' annual salaries as determined by the relevant Nominations and Remuneration Committee.

Payment for loss of office

Notice periods are included in all directors' contracts and are currently set at six months. Payments in lieu of notice are contained within the contract of employment and are subject to tax and national insurance deductions. Payments made other than through notice periods are set out in the Organisational Change Policy i.e. through redundancy/mutually agreed severance schemes. All payments to any staff member outside contractual terms are scrutinised by the Board's Nominations and Remuneration Committee.

Explanation of any provisions for recovery

If an individual is overpaid in error, there is a contracted right to recover the overpayment.

Diversity and inclusion

The Trust has a Workforce Equality, Diversity and Inclusion (EDI) Strategy 2022-2025 and an Equality and Diversity policy in place which is used as a reference point for equality and diversity. Both governance documents highlight the importance of equality impact analysis in the form of an Equality Impact Assessment being completed for all policies and procedures. This is therefore relevant to all policies pertaining to remuneration, for example, the Trust Organisation Change policy.

In addition, the Trust's Workforce EDI Strategy includes objectives focused on improving and reviewing the Trust's approach to attraction, recruitment and retention, ensuring processes are fair, equitable and continue to promote diversity. This is and will continue to be a consideration for the Nominations and Remuneration Committee in its decision making.

The Trust completes its gender pay gap reporting on an annual basis by the Workforce EDI Team which is reviewed at the Workforce EDI Sub-Committee and ratified at the Strategic People Committee on behalf of the Trust Board. This is reported annually on the Trust website and can be found here: <https://whh.nhs.uk/about-us/corporate-publications-and-statutory-information/equality-diversity-and-human-rights>

All progress relating to objectives of the Workforce EDI Strategy 2022-2025 are monitored and reported to the Workforce Equality, Diversity and Inclusion Sub-Committee and Strategic People Committee for assurance. A copy of the Workforce EDI Strategy is available via our external website.



4.3 Annual Report on remuneration

Annual Report on directors' remuneration – year ended 31 March 2024 (and comparison year ended 31 March 2023) (subject to audit)

The following table includes salary, benefits-in-kind and all pension related benefits received (whether in cash or otherwise) by each director during the year under review. Pension related benefits included here are the annual increase (expressed in £2,500 bands) in pension entitlement less any contributions paid by employees.

The value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20, less the contributions made by the individual. The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights. This value derived does not represent an amount that will be received by the individual. It is a calculation that is intended to provide an estimation of the benefit being a member of the pension scheme could provide. The pension benefit table provides further information on the pension benefits accruing to the individual.

SENIOR MANAGERS REMUNERATION 2023-24 (and comparison 2022-23 - subject to audit)

INCLUDES SALARY SACRIFICE

	2023/24						2022/23					
	Directors' Salary and fees (bands of £5,000)	Taxable benefits (to the nearest £100)	Annual Performance related Bonuses (in bands of £5,000)	Long-term Performance related Bonuses (in bands of £5,000)	All Pension related Benefits (bands of £2,500)	Total (bands of £5,000)	Directors' Salary and fees (bands of £5,000)	Taxable benefits (to the nearest £100)	Annual Performance related Bonuses (in bands of £5,000)	Long-term Performance related Bonuses (in bands of £5,000)	All Pension related Benefits (bands of £2,500)	Total (bands of £5,000)
	£000's	£	£000's	£000's	£000's	£	£000's	£	£000's	£000's	£000's	£
Executive Directors												
Prof Simon Constable, Chief Executive	200-205	0	0	0	0	200-205	190-195	0	0	0	55-57.5	245-250
Andrea McGee, Chief Finance Officer and Deputy Chief Exec until 30 September 2023	80-85	0	0	0	0	80-85	155-160	0	0	0	115-117.5	270-275
Kimberley Salmon- Jamieson Chief Nurse & Deputy Chief Exec	160-165	0	0	0	0	160-165	145-150	0	0	0	105-107.5	250-255
Dan Moore, Chief Operating Officer	135-140	0	0	0	0	135-140	125-130	0	0	0	5-7.5	135-140
Michelle Cloney, Chief People Officer	135-140	0	0	0	0	135-140	120-125	0	0	0	97.5-100	220-225
Dr Paul Fitzsimmons, Medical Director	200-205	0	0	0	0	200-205	190-195	0	0	0	37.5-40	225-230
Lucy Gardner, Director of Strategy & Partnership	135-140	0	0	0	35-37.5	170-175	125-130	0	0	0	32.5-35	160-165

2023/24						2022/23					
Directors' Salary and fees (bands of £5,000)	Taxable benefits (to the nearest £100)	Annual Performance related Bonuses (in bands of £5,000)	Long-term Performance related Bonuses (in bands of £5,000)	All Pension related Benefits (bands of £2,500)	Total (bands of £5,000)	Directors' Salary and fees (bands of £5,000)	Taxable benefits (to the nearest £100)	Annual Performance related Bonuses (in bands of £5,000)	Long-term Performance related Bonuses (in bands of £5,000)	All Pension related Benefits (bands of £2,500)	Total (bands of £5,000)
£000's	£	£000's	£000's	£000's	£	£000's	£	£000's	£000's	£000's	£

Executive Directors

Kate Henry, Director of Communications & Engagement from October 2022	115-120	0	0	0	0	115-120	55-60	0	0	0	0	55-60
Jane Hurst, Chief Finance Officer from 1 October 2023	65-70	0	0	0	0-2.5	90-95	0	0	0	0	0	0
Pat McLaren Director of Communications and Engagement until 15 October 2022	0	0	0	0	0	0	55-60	0	0	0	0	55-60

Chair and non-executive directors

Steve McGuirk, Chair	45-50	0	0	0	0	45-50	45-50	0	0	0	0	45-50
Clifford Richards, Non-Executive Director	10-15	0	0	0	0	10-15	10-15	0	0	0	0	10-15
Michael O'Connor, Non-Executive Director from November 2021	10-15	0	0	0	0	10-15	10-15	0	0	0	0	10-15
Julie Jarman, Non-Executive Director from January 2022	10-15					10-15	10-15	0	0	0		10-15
Jayne Downey, Non-Executive Director from April 2022	10-15					10-15	10-15	0	0	0		10-15

2023/24						2022/23					
Directors' Salary and fees (bands of £5,000)	Taxable benefits (to the nearest £100)	Annual Performance related Bonuses (in bands of £5,000)	Long-term Performance related Bonuses (in bands of £5,000)	All Pension related Benefits (bands of £2,500)	Total (bands of £5,000)	Directors' Salary and fees (bands of £5,000)	Taxable benefits (to the nearest £100)	Annual Performance related Bonuses (in bands of £5,000)	Long-term Performance related Bonuses (in bands of £5,000)	All Pension related Benefits (bands of £2,500)	Total (bands of £5,000)
£000's	£	£000's	£000's	£000's	£	£000's	£	£000's	£000's	£000's	£

Chair and non-executive directors

John Somers, Non-Executive Director from August 2022	10-15	0	0	0	0	10-15	5-10	0	0	0	0	5-10
Terry Atherton, Non-Executive Director until September 2022	0	0	0	0	0	0	5-10	0	0	0	0	5-10
Dr Margaret Bamforth Non-Executive Director until April 2022	0	0	0	0	0	0	0-5	0	0	0	0	0-5
Adrian Carridice-Davids Associate Non-Executive Director from November 2021	5-10	0	0	0	0	5-10	5-10	0	0	0	0	5-10
David Thompson Associate Non-Executive Director from November 2021	5-10	0	0	0	0	5-10	5-10	0	0	0	0	5-10

Pension entitlements year ended 31 March 2024 (subject to audit)

Name and title	Real increase in pension at age 60 (bands of £2,500)*	Real increase in pension lump sum at age 60 (bands of £2,500)*	Total accrued pension at age 60 at 31st March 2023 (bands of £5,000)	Lump sum at age 60 related to accrued pension at 31st March 2023 (bands of £5,000)	Cash Equivalent Transfer Value at 1st April 2022	Real increase in Cash Equivalent Transfer Value*	Cash Equivalent Transfer Value at 31st March 2023	Employer's contribution to stakeholder pension
	£000	£000	£000	£000	£000	£000	£000	£000
Prof Simon Constable, Chief Executive	0	27.5-30	30-35	85-90	567	97	736	0
Andrea McGee, Chief Finance Officer & Deputy Chief Executive until 30 September 2023	0	27.5-30	65-70	175-180	1220	138	1,492	0
Kimberley Salmon-Jamieson, Chief Nurse and Deputy Chief Exec	0	37.5-40	55-60	150-155	956	196	1269	0
Dan Moore, Chief Operating Officer	0	25-27.5	25-30	70-75	352	133	535	0
Dr Paul Fitzsimmons, Medical Director	0	32.5-35	35-40	95-100	513	142	726	0
Michelle Cloney, Chief People Officer	0	32.5-35	60-65	170-175	1226	191	1,559	0
Lucy Gardner, Director of Strategy & Partnership	2.5-5	0	20-25	5-10	181	64	282	0
Kate Henry, Director of Communication & Engagement from 1st October 2022	0	0	20-25	0	226	30	293	0
Jane Hurst, Chief Finance Officer from 1st October 2023	0-2.5	0-2.5	40-45	110-115	732	23	869	0

Notes:

Note 1. As non-executive directors do not receive pensionable remuneration, there will be no entries in respect of pensions for non-executive directors. The benefits and related CETVs do not allow for potential future adjustment for some eligible employees arising from the McCloud judgement.

Total remuneration

During the year the following payments were made by the Trust to the executive and non-executive directors.

	2023-24 £000	2022-23 £000
Remuneration including employers' national insurance contribution for executive and non-executive directors	1,531	1,477
Employers' contribution to pension in relation to executive directors	151	145

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

4.4 Remuneration Report

Expenses paid to directors and governors (unaudited)

Expenses paid to directors of the Trust include all business expenses arising from the normal course of business and are paid in accordance with the Trust's policy. Non-executive directors are also reimbursed reasonable expenses relating to their work as directors of the Trust.

Expenses paid to governors are made in accordance with the Trust's constitution and related to the work as governors of the Trust. Governors do not receive

any other payments from the Trust. All governors have a responsibility to ensure that they incur only reasonable expenses, which includes travel costs for attendance at, for example, Council of Governors and committee meetings held at the Trust or for attendance at training courses and conferences and that the cost to the Trust is kept as low as possible. The table below states the total amount of expenses reimbursed to directors and governors for 2023-24 and comparative figures for 2022-23.

	Number in Office	Number claiming expenses during the year	Total expenses Claimed	Number in Office	Number claiming expenses during the year	Total expenses Claimed
	2023-24	2023-24	2023-24	2022-23	2022-23	2022-23
	Number	Number	£	Number	Number	£
Directors	17	8	1,453.51	20	15	1500
Governors	28	1	24	25	0	0
Total	2023-24: £1,477.51					

Fair pay multiple (subject to audit)

Financial year 2022-23 recalculated based on 2023-24 pay elements.

2023-24	25th Percentile	Median	75th Percentile
Salary component of pay	£21,878	£36,586	£42,591
Total Pay and benefits excluding pension benefits	£26,790	£36,586	£52,143
Pay and benefits excluding pension: pay ratio for highest paid director	7.30 :1	5.53 :1	3.88 :1
2022/23	25th Percentile	Median	75th Percentile
Salary component of pay	£21,878	£28,946	£49,975
Total pay and benefits excluding pension benefits	£26,790	£35,023	£49,975
Pay and benefits excluding pension: pay ratio for highest paid director	7.19 :1	5.5 :1	3.85 :1

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

The banded remuneration of the highest paid director in the organisation in the financial year 2023-24 was £202,500 (2022-23 £192,500). This is a change between years of 5.19%.

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

For employees of the Trust as a whole, the range of remuneration in 2023-24 was £6,000 to £406,634 (2022-23 £6,000 to £352,107). The percentage change in the average employee remuneration between years is 3.18%. 52 employees received remuneration in excess of the highest-paid director in 2023-24 (2022-23: 56 employees).

Expenditure on consultancy

The Trust has incurred the following expenditure on consultancy services:

	2023-24	2022-23
Total expenditure (£000's)	386	286



Professor Simon Constable FRCP,
Chief Executive
28 June 2024

4.5 Reporting high paid off-payroll arrangements

For all off-payroll engagements as of 31 March 2024 for more than £245 per day and that last for longer than six months

Number of existing engagements as of 31 March 2023	0
Of which...	
Number that have existed for less than one year at time of reporting	0
Number that have existed for between one and two years at time of reporting	0
Number that have existed for between two and three years at time of reporting	0
Number that have existed for between three and four years at time of reporting	0
Number that have existed for four or more years at time of reporting	0

Existing off-payroll engagements, outlined above, have at some point been subject to a risk-based assessment as to whether assurance is required that the individual is paying the right amount of tax and, where necessary, that assurance has been sought.

For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2023 and 31 March 2024, for more than £245 per day and that last for longer than six months:

Number of new engagements, or those that reached six months in duration between 1 April 2022 and 31 March 2023	0
Of which...	
Number assessed as within the scope of IR35	0
Number assessed as NOT within the scope of IR35	0
Number engaged directly (via PSC contracted to Trust) and are on the Trust's payroll	0
Number of engagements reassessed for consistency/assurance purposes during the year	0
Number of engagements that saw a change to IR35 status following the consistency review	0

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

Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year	0
Number of individuals that have been deemed 'board members and/or senior officials with significant financial responsibility' during the financial year	37*

*All directors, and bands 8d and 9 (all on payroll) employed within 2023/24



Staff Report Introduction

5.0 Staff report introduction

The Trust employs more than 4,500 staff comprising of 79 nationalities. Most of these staff are employed and paid under national pay arrangements established under Agenda for Change or medical and dental provisions. A small number of staff, which comprises the Trust Board and very senior managers (VSM), are employed under local pay and terms and conditions of service which are established by the Remuneration Committee of the Board and adhere to national parameters for these roles.

All staff are appointed subject to meeting the NHS Standards on Employment Checks which includes workplace references, health checks, DBS checks, immigration checks and identity checks. This ensures that the Trust can be confident, before staff commence with the Trust, that we know some background about our staff and that they have a legal right to work for the Trust. In addition, the Trust has developed a number of values and behaviours which are fully embedded into the organisation. The Trust expects its staff to demonstrate these values and behaviours in their day-to-day work, and all future appointments are required to demonstrate these values and behaviours as part of the selection process.

By adopting the national pay and terms and conditions of service, the Trust has the assurance that all staff will be treated fairly and will comply with various legislation. This includes the assurance that staff receive at least, the National Living Wage, and that equal pay considerations are met.

The Trust has various employment policies and procedures in place designed to provide guidance and advice to staff and managers, and to also comply with employment legislation. Every policy is impact assessed from an equality, diversity and inclusion perspective, ensuring that equality of opportunity is considered as well as ensuring no staff experience discrimination, harassment or victimisation.

The Trust has specific policies in place to deal with the Safeguarding of Children and Adults at Risk, with our approach to the Modern Slavery Act embedded into current safeguarding policies. The Trust employs a head of culture and inclusion, and a lead nurse for safeguarding children and adults, who take the lead on the Modern Slavery Act. The Trust supports awareness raising events both locally and nationally on such matters, including events focused on hate crime, disability, LGBTQIA+, race, honour crime and forced marriages.

The Trust has an extensive training and development programme which is based on a minimum requirement to complete all statutory and mandatory training and other role specific training which staff are required to undertake for their various roles. Training needs are identified through individual appraisals, and a specific personal development plan is produced.

The Trust recognises that its workforce is central to achieving its mission of 'being outstanding for our patients, communities and each other'. By harnessing the talents of the workforce and creating the conditions for staff to provide excellent care, the Trust believes it will be recognised as 'outstanding' – somewhere where people want to be cared for, and somewhere where people want to work.



People Strategy

Launched in 2022, the strategy is aligned to the NHS People Plan, NHS People Promise and the NHS Future of HR and OD report, creating an overarching strategic people delivery plan for 2022-2025.

Our strategic objective for our workforce is to 'be the best place to work, with a diverse and engaged workforce that is fit for now and the future'. We will achieve this strategic objective through the four People Pillars set out in the People Strategy:

- **Looking after WHH people** – We will prioritise the safety, health and wellbeing of our people to ensure work has a positive impact through the recognition and appreciation of our people, and by providing the best patient and staff experience.
- **Innovating the way we work** – We will embrace new ways of working to attract and retain an engaged, responsive, diverse and flexible workforce to care for our patients.
- **Growing our WHH workforce for the future** – We will support personal and professional development ensuring equal access to opportunities, and will nurture, grow and develop diverse teams with a shared purpose to care for our patients.
- **Belonging in WHH** – We will enable staff to have a voice, through the development of a just and learning culture which values diversity, inclusion, compassionate leadership and equity for all.

The Trust has continued to deliver against its people objectives, recognising their importance in supporting the workforce. Successes to date include:

- The development of WHH leaders to support staff health and wellbeing
- Refreshed appraisal and health and wellbeing conversations
- Maintaining SEQOSH accreditation
- Development of a formalised OH support mechanism with a focus on service delivery
- Implementation of new electronic recruitment system
- Implementation of new electronic occupational health system
- Enhanced use of apprenticeships
- Enhanced digital capability.
- Widening participation in development programmes including 'supported internship' programme for adults with learning disabilities
- Staff voice leading improvement
- Equality related objectives for all staff
- Digital equality and health inequality analysis
- Enriched core training and development offer

We continue to strive to be the best place to work with a diverse and engaged workforce that is fit for now and for the future.

5.1 Analysis of staff costs

	2023-24	2022-23 Total £000s
Salaries and wages	182,934	170,235
Social security costs	19,494	16,956
Apprenticeship levy	942	808
Pension costs (employer contributions to NHS Pensions)	20,835	18,994
Pension costs (other)	101	106
Pension costs (employer contributions paid by NHSE on Provider's behalf (6.3%))	9,142	8,117
Termination benefits	65	91
Temporary staff – external bank	34,952	25,771
Temporary staff – agency /contract staff	8,900	14,795
Total employee benefit expenses	277,365	256,093
Less costs capitalised as part of assets	(1,541)	(1,048)
Total per employee expenses	275,824	255,045

5.2 Analysis of average staff numbers

The average number of employees is calculated as the whole-time equivalent number of employees under contract of service in each week in the financial year, divided by the number of weeks in the financial year.

Staff Category	2023-24		2022-23		2021-22	
	Permanently Employed	Other	Permanently Employed	Other	Permanently Employed	Other
Medical and dental	214	121	201	117	201	120
Administration and estates	1224	26	1166	33	1,154	64
Healthcare assistants and other support	719	18	672	14	679	37
Nursing, midwifery and health visiting	1144	9	1024	18	974	84
Scientific, therapeutic and technical	550	6	532	10	535	11
Total	3851	180	3595	192	3,543	316

5.3 Breakdown each year end of each gender by directors, other senior managers and employees

Below is a breakdown of the number of male and female directors and senior managers, calculated by using the average headcount for each month in the financial year.

	2023-24		2022-23		2021-22		2020-2021		2019-2020		2018-2019	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Directors (executive, non-executive and associate non-executive director)	7	9	9	7	8	8	8	8	8	8	8	8
Senior managers (band 8a and above)	60	243	58	230	57	210	57	191	54	168	53	160
Other employees	893	3,709	808	3,414	964	3,673	913	3,568	843	3,459	813	3,440

5.3.1 Gender pay gap

The Trust is committed to furthering equality, diversity and human rights and reducing inequalities in the workplace. Warrington and Halton Teaching Hospitals addresses equality and fair access to career pathways and progression in our Workforce Equality, Diversity and Inclusion Strategy 2022-2025.

Under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 and with reference to the Cabinet Office website (<https://gender-pay-gap.service.gov.uk/>), WHH is required to report annually by 30 March on its gender pay gap. A summary of the data for 2023/24 can be found in this table:

	Female	Male	Pay Gap
Mean hourly rate	£18.87	£23.55	19.89%
Median hourly rate	£16.84	£17.94	6.13%
Mean bonus pay	£7,822	£6,232	+25.5%
Median bonus pay	£5,350	£5,350	0%

A full report, including the analysis of the data, can be found here: <https://whh.nhs.uk/about-us/corporate-publications-and-statutory-information/equality-diversity-and-human-rights>

5.4 Sickness absence data

Supporting attendance

The Trust has a clear and robust framework within which managers are able to address the issues of attendance and sickness absence with a consistent, supportive and fair approach through the Supporting Attendance Policy. There is a strong focus on workforce health and wellbeing across the organisation, as set out within our People Strategy.

Initiatives such as health and wellbeing drop-in events have successfully been held, targeting areas with higher sickness absence rates and offering education, support and signposting to health and wellbeing services. The Trust has started to introduce health and wellbeing appraisals and bespoke training for managers around the importance of healthy and wellbeing. These preventative measures support the workforce to remain healthy in the workplace.

<https://digital.nhs.uk/data-and-information/publications/statistical/nhs-sickness-absence-rates>

Staff turnover

Improving staff turnover and retention is a fundamental part of the People Strategy and NHS People Plan. A reduction in staff turnover is an outcome of the Trust's focus on staff wellbeing and personal development. In addition, the Trust continues to support individuals to return to the workplace following retirement, recognising their invaluable skills and experience. Fifty per cent of individuals who retire return to the Trust in some capacity.

The Trust supports staff to achieve a work/life balance by offering both flexible and agile working arrangements. Individuals and line managers are encouraged to reflect upon the flexibility of roles and are supported to do so through dedicated policies and toolkits.

The Trust measures both overall turnover and retention and of the permanent staff only. The below table outlines the annual permanent turnover and retention percentages for 2023/2024. For all other information in respect of staff turnover, please use the following link:

[NHS workforce statistics published by NHS Digital](#)

	2023-2024	2022-2023	2021-2022	2021-2022
Permanent Staff Turnover	11.34%	13.8%	14.6%	10.2%
Permanent Staff Retention	89.89%	85.6%	87.5%	91.8%

5.5 Staff policies and actions applied during the financial year

1. Adoption Leave Policy
2. Agile Working Policy
3. Annual Leave Policy
4. Annual Leave Policy for Consultant Medical and Dental Staff
5. Appraisal Policy
6. Apprenticeship Policy
7. Bank Agency Staffing Policy
8. Conflict of Interest Policy
9. Consultant and SAS Job Planning Policy
10. Disciplinary Policy
11. Employment Break Policy
12. Employee Subject Access Request Policy
13. Equality Diversity and Inclusion Policy
14. Employing Reservists and Cadets in the NHS Policy
15. Fire Safety Policy
16. First Aid Policy
17. Flexible Working Policy
18. Health and Safety Policy
19. Health Clearance Policy
20. Induction Policy
21. Local Clinical Excellence Awards Policy
22. Lone Worker Policy
23. Job Planning Policy for Medical and Dental Staff
24. Maintaining High Professional Standards (MHPS) Procedures of Medical and Dental Staff Policy
25. Management of Needlestick, Sharps and Inoculation Injury, including Sharps Policy
26. Management of Personal Relationships at Work Policy
27. Maternity Policy
28. Medical Illustration Photography Policy
29. Mental Health and Wellbeing Policy
30. Multi-professional Clinical Supervision Policy
31. Non-Medical Staff Study Leave Funding Policy
32. On Call Policy
33. Organisational Change Policy
34. Overtime Policy
35. Paternity and Partner Leave Policy
36. Pay Progression Policy
37. Payment of Travel and Expenses Policy
38. Preceptorship Policy
39. Professional Clinical Registration Policy
40. Protection of Pay Policy
41. Recruitment and Selection Policy
42. Recovery of Employee Related Overpayments and Outstanding Debt Policy
43. Remediation Policy for Medical and Dental Staff
44. Removal Expenses Policy
45. Resolving Workplace Issues Policy
46. Resuscitation Policy
47. Retirement and Long Service Policy
48. Revalidation Policy
49. Secondment Policy
50. Shared Parental Leave Policy
51. Special Leave Policy
52. Staff Car Park Policy
53. Study and Professional Leave Policy for Non-Training Grade Medical Staff
54. Supporting Attendance Policy
55. Supporting Performance Improvements Policy
56. Strengthened Medical Appraisal Policy
57. Time off for TU Reps Policy
58. Training and Development Policy
59. Transfer of Patients and Clinicals Handover Policy (Adults)
60. Transitioning at Work Policy
61. Uniform and Workwear Policy
62. Freedom to Speak Up Policy
63. Work Experience Policy
64. Workplace Alcohol, Drug and Substance Misuse Policy
65. Fit & Proper Persons Policy

5.5.1 Equality, Diversity and Inclusion

The Trust is committed to equality, diversity and inclusion across our workforce. We aim to be a leading organisation, which is recognised locally, regionally and nationally, for promoting equality, diversity and inclusion.

As part of the specific duties outlined in the Public Sector Equality Duty, the Trust published the Workforce Equality, Diversity and Inclusion Strategy for 2022-2025 in April 2022. This includes a review of the organisations strategic objectives and aligns a separate strategy for patients, service users and staff.

The strategy outlines the Trust's commitment to workforce equality, diversity and inclusion, ensuring WHH is the best place to work and details the steps we will take to be an inclusive employer creating a culture of belonging for all. The strategy is aligned to the NHS People Plan, and internal People Strategy 2022-2025, outlining the ambition for our workforce strategy to support the delivery of the NHS Long Term Plan.

The integrated 'People Promises' within the Workforce Equality, Diversity and Inclusion Strategy 2022-2025 are:

Looking after our WHH people:

1. We will address health inequalities at WHH.
2. We attract and retain people at WHH creating a positive impact on our communities.

Innovating the way we work:

3. Create an open, productive and learning environment that educates and addresses privilege and everyday bias.
4. Reach into WHH communities, understanding and drawing from the communities it serves, acting as an 'anchor institution'.

Growing our WHH Workforce for the future:

5. Ensure that WHH talent management, recruitment and career pathways address underrepresentation and promote diversity.
6. Champion policies and practices that achieve tangible, measurable improvements to workforce equality, diversity and inclusion.

Belonging in WHH:

7. To understand, encourage and celebrate diversity, making WHH a place where we all feel we belong.
8. Develop and embed a 'restorative just culture' across WHH that helps to eliminate cultures that bring blame or fear.

The Trust continues to undertake a strategic review of equality, diversity and inclusion practice within the organisation which has resulted in a revised Equality Impact Assessment and 'due regard' toolkit. This has included the implementation of Equality Impact Assessment training, available to all staff within the organisation. This ensures the cascading of information through operational teams. This approach will enable the organisation to demonstrate the importance of thinking of equality, diversity and inclusion at the outset of any policy, programme, project and as part of the and organisational change review process. In addition, work has progressed to integrate equality analysis and health inequalities to ensure that our services work to reduce the known inequalities of our communities.

The development of ensuring opportunities to engage with our staff voice has continued with the investment in our Staff Networks. The organisation has five thriving staff networks in the following areas:

- Multi-Ethnic Staff Network
- Progress LGBTQ+ Network
- Disability Awareness Staff Network
- Armed Forces and Veterans Community Staff Network
- Women's Staff Network – introduced in 2023-24 responding to our staff voice

Staff Network members have also had the opportunity to participate in a career development programme developed in partnership with the staff network and implemented as a result of the findings in both the statutory Workforce Race Equality Standard (WRES) and Workforce Disability Equality Standard (WDES). This has also led to the development of career progression and cultural competency training programmes, such as the Your Future Your Way leadership development programme.

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As part of our organisation commitment to being recognised as a Trust which promotes and celebrates diversity the Trust is actively seeking to act as a pioneer in the equality, diversity and inclusion agenda. The Trust is recognised for its work in this agenda by a series of charter marks and accreditations externally. They include:

- Disability Confident Leader – demonstrating our commitment to supporting people in work who have a disability
- In-Trust Merseyside and Cheshire Navajo Charter Mark – supporting the LGBTQIA+ community, both in healthcare and accessing work
- Veterans Covenant Healthcare Alliance (VCHA) – supporting our armed forces and military veterans' community in accessing healthcare and work
- Stonewall Diversity Champions – supporting the LGBTQIA+ workforce
- Henpicked Menopause Friendly Organisation – membership commenced in 2023/24 to work towards being a menopause friendly Trust
- Armed Forces Covenant: Employer Recognition Scheme – Silver Award – recognition for the work the Trust is doing to support our armed forces communities in accessing employment
- NHS Rainbow Badge Phase II – Bronze Award – achieved in recognition of the work being undertaken to improve the experience and access of our local LGBTQIA+ communities

In addition, the Trust made a commitment to strive to achieve the NHS North West Anti-Racist Organisation Framework Accreditation – highlighting that WHH is an inclusive organisation with zero tolerance to any form of discrimination, harassment and victimisation. To support this the Trust refreshed its zero-tolerance statement in 2023-24, recognising the importance of co-designing this with our staff. A copy of this can be found [here](#).

To ensure a representation voice as part of the Equality Delivery System review process, the Trust has engaged with staff network members, union representatives, community partners and other internal stakeholders. This ensures that the views of a wide range of equality and diversity characteristics, and other socioeconomic factors are considered as part of our equality reporting and sustainability processes.

As part of the Trust's Public Sector Equality Duty requirements, the Trust has met all of its statutory reporting throughout 2023/24. All reports are published on the Trust website (available here: <https://whh.nhs.uk/about-us/corporate-publications-and-statutory-information/equality-diversity-and-human-rights>).

The outputs of these publications continue to direct our engagement with our patients, our workforce and our communities, and has been an integral part of the Trust's operational and strategic equality, diversity and inclusion agenda. Specifically in 2023/24 a focus was on ensuring that the Trust's equality, diversity and inclusion reporting was accessible to all audiences. This includes revised formats, wording and layouts, working with our local partners to meet technical guidance.

5.5.2 Actions taken in year - health and wellbeing employees

Actions taken in the financial year to provide employees systematically with information on matters of concern to them as employees:

We have continued to communicate with our workforce through a variety of different methods, both physically and digitally. We make use of a variety of platforms such as the monthly team brief, the emailed weekly update and daily safety briefing arising from the daily safety huddle.

The safety huddle outcomes are used within clinical areas as part of the daily face-to-face huddle and handover. In addition, the culture, engagement and inclusion team visit all clinical and non-clinical areas across the organisation to deliver any key messages or information on campaigns that will be of interest to the workforce. The team also ensure that the organisation's People Champion boards which are placed in department areas are kept updated with initiatives that affect our workforce.

The organisational monthly team brief has been refreshed for 2022/23 responding to the needs of the workforce with daytime and evening sessions and there is an expectation that all team members unable to attend the monthly team brief have this information provided to them as part of their team meetings. Team brief continues to be an open invitation to all staff within the organisation, presented by our Chief Executive in a virtual format. The content focuses on our Quality, People and Sustainability (QPS) framework with subject matter experts providing information on upcoming changes to Trust services and offers whilst also ensuring that there is an opportunity for any questions to be asked.

Our social media profile continues to grow utilising this opportunity to communicate via X (formally Twitter), Instagram, Facebook and LinkedIn ensuring a wide reach for our communications. Our executive directors and senior leadership team continue to be a visible presence within the Trust engaging with staff through executive visits and seeking opinions, experience and feedback.

Actions taken in the financial year to consult employees or their representatives on a regular basis so that the views of employees can be taken into account in making decisions which are likely to affect their interests:

The Trust has a strong culture of partnership working with Staff Side colleagues and the Trust continues with the ongoing Joint Negotiating and Consultative Committee (JNCC) meetings providing a forum for communication and collaborative working. The groups meet every two months as a forum for consultation and negotiation on range of issues that are of common interest to the workforce. Staff Side colleagues work in partnership with the People Directorate on a range of engagement initiatives such as enhancing staff facilities, WHH staff lottery and the You Made A Difference monthly recognition panels. There is also a bi-monthly Joint Negotiating Committee which feeds into JNCC, relating to medical staff. In addition to the formal partnership working structures, there are a range of informal 'touch points' each month between the People Directorate and Staff Side colleagues.

Staff side colleagues, members of the organisation's Staff Networks, People Champions and other staff voice groups are members of other committees where their experience can support and influence changes across the Trust. This includes the Workforce Equality, Diversity and Inclusion Sub-Committee and Strategic People Committee who include workforce stories and experience as part of a standard agenda item. The Workforce Equality, Diversity and Inclusion Sub-Committee reports into Strategic People Committee which is chaired by a non-executive director.

In addition, in internal mechanisms, employee voice is also heard through the national annual staff survey and the quarterly People Pulse survey which provides consistent questions aligned to the NHS People Promise. The continued development and support of Staff Networks during in 2023/24 has culminated in the introduction of a Women's Network and all Staff Networks promote collaborative working and ensure that employee voice is heard and acted upon. Each Staff Network has an executive sponsor and the chairs of each network meet regularly with the Chief Executive and Chief People Officer to escalate any issues or concerns and share best practice.

Our Culture and Engagement Team continue to seek engagement from all areas of our workforce in bringing ideas to life to improve our patient care and staff experience. To ensure that there is equality of opportunity and diversity of thought in our decision-making the culture and inclusion team support improving diversity in staff group mechanisms to ensure representation from our workforce profile and local population census.

Information on health and safety performance and occupational health:

Our Occupational Health and Wellbeing Team deliver our in-house occupational health service and have responsibility for supporting staff health and wellbeing. The department is a Safe Effective Quality occupational health service (SEQOSH) accredited nurse-led unit with a team of fully qualified Occupational Health Nurses. The department provides pre-employment health clearance, vaccinations, winter vaccination campaigns, well-being and health support, response to management referrals, support with ill health retirement, health surveillance, needlestick injuries and physiotherapy.

The organisation also has an in-house mental wellbeing hub providing a space where staff feel safe within a confidential environment to explore any difficulties they may be facing. The team has a senior staff counsellor supported by two additional counsellors and offer a range of therapeutic and self-care interventions. Treatments include, cognitive behaviour therapy, hypnotherapy, counselling, EDMR commonly used for post-traumatic stress, group therapy and mental health training for individuals and line managers.

In 2023/24, Occupational Health continued to provide proactive public health initiatives to support the health needs of the workforce. The team consists of specialist nurses, physiotherapists, administrators and an external occupational health doctor offering a robust occupational health and wellbeing service supporting Commissioning for Quality Innovation (CQUIN) targets and our People Strategy.

Key highlights of the year include:

Winter vaccination programme

- The Trust supported the delivery of an accelerated winter vaccination programme for flu and COVID-19
- 2,352 flu vaccinations were delivered
- 1,113 COVID-19 vaccinations were delivered

Partnership working

- Extension of Ruby League Cares partnership to deliver OffLoad sessions to teams across the organisation to support health and wellbeing
- Delivery of bespoke programme in partnership with the Brathay Trust, a bespoke mental wellbeing intervention targeted at individuals experiencing significant mental ill health in the workplace
- Wellbeing Wednesday delivery or health promotion activity in partnership with local organisation LiveWire

Response to national measles


- With rising cases of measles nationally and locally, the Occupational Health Team responded through increasing immunity of all staff
- More than 200 measles vaccinations have been delivered
- As a result of the campaign the immunity of the workforce has increased by 2.8%

Digitalisation of occupational health

- Occupational health records have been fully digitalised
- Implementation of new occupational health system to support the workforce and enable robust electronic referral mechanisms

Bespoke interventions

- Health and wellbeing day events for areas experiencing high levels of sickness
- Proactive blood pressure monitoring in high risk areas



Phlebotomy

5.6 NHS Staff Survey

Staff experience and engagement

The organisation has a dedicated staff engagement and wellbeing function based within the People Directorate which is responsible for ensuring that all members of the workforce feel valued, included, supported and developed irrespective of staff group or protected characteristic. In 2023/24 the Trust re-established the team as a culture and engagement function, with the purpose of driving forward quality improvements which lead to improved organisational culture.

This team is supported by subject matter experts in other areas, including, occupational health and mental wellbeing, equality, diversity and inclusion, learning and development, apprenticeships and HR business partnering.

There are formal and informal mechanisms in place to support and facilitate effective staff engagement across the whole organisation. Formal mechanisms include the People Champion Network, our trade unions and also Staff Networks such as the Multi-Ethnic Staff Network, Progress LGBTQ+ Network, Disability Awareness Network, Women's Network and Armed Forces and Veterans Community Staff Network. In addition in 2023/24, the Trust launched a specific staff voice group aimed at our workforce aged 16 to 29. This was as a result of our staff survey results in 2022.

Informal mechanisms include monthly visibility of the Culture and Engagement Team within clinical and non-clinical areas to disseminate information, share best practice and highlight opportunities for staff voices to be heard and to facilitate staff participation.

The culture and engagement function also leads on the National NHS Staff Survey annually and quarterly People Pulse Surveys. These mechanisms allow for our workforce to share their voice in a confidential space. The team then work with senior leaders and managers to develop robust action plans to address findings from surveys to improve the experience of all our workforce.

In addition, the Culture and Engagement Team support staff engagement through internal mechanisms such as the monthly You Made a Difference Award, which celebrates members of our workforce who have gone above and beyond in their work, making a difference to the lives of those around them. In September 2023 and January 2024 the Trust held long service celebrations, recognising our staff meeting milestones in their NHS career. In March 2023 the Trust also recognised the impact of all our workforce and held its annual Thank You Awards at the Concorde Conference Centre in Manchester. This will be followed in May 2024 with a further annual celebration event.

NHS Staff Survey

The NHS Staff Survey is conducted annually. From 2021/22 the survey questions align to the seven elements of the NHS 'People Promise' and retains the two previous themes of engagement and morale. These replaced the 10 indicator themes used in 2020/21 and earlier years. All indicators are based on a score out of 10 for specific questions with the indicator score being the average of those.

The response rate to the 2023/24 survey among Trust staff was 45.3% (2022/23: 34.9%).

Scores for each indicator together with that of the survey benchmarking group (acute and acute and community trusts) are presented below.

Indicators ('People Promise' elements and themes)	2023/24		2022/23		2021/22	
	Trust score	Benchmarking group score	Trust score	Benchmarking group score	Trust score	Benchmarking group score
People Promise:						
We are compassionate and inclusive	7.48	7.24	7.3	7.2	7.3	7.2
We are recognised and rewarded	6.16	5.94	5.9	5.7	6.1	5.8
We each have a voice that counts	6.91	6.70	6.7	6.6	6.9	6.7
We are safe and healthy	6.37	6.06	6.1	5.9	6.1	5.9
We are always learning	5.77	5.61	5.2	5.4	5.1	5.2
We work flexibly	6.38	6.20	6.0	6.0	6.1	5.9
We are a team	6.97	6.75	6.6	6.6	6.7	6.6
Staff engagement	6.98	6.91	6.8	6.8	6.9	6.8
Morale	6.22	5.91	5.8	5.7	5.9	5.7

The 2023 national NHS Staff Survey results highlight that the Trust saw a positive improvement across all nine themes of the survey in comparison with 2022 results. This analysis highlights that the Trust performed better than the average Trust for all nine themes of the 2023 national NHS Staff Survey.

In addition, the results indicate that the Trust scored significantly higher than other Trusts in compassionate leadership, diversity and equality and staff health and wellbeing. Additionally, when looking at the previous year, the Trust saw a significant improvement across the following areas:

- A 7% increase in the likelihood of staff recommending the organisation as a place to work
- A 10% improvement in staff reporting they received an appraisal, annual review, or development discussion
- A 7.2% rise in perceived effectiveness of immediate managers in addressing employees' concerns

- A 7.6% increase in employees feeling comfortable approaching their line managers to discuss flexible working options
- A 6.3% enhancement in teamwork effectiveness within the Trust towards achieving objectives

Where questions are comparable to 2022, there are no question-level scores which have declined, with 50 questions demonstrating significant improvements. At theme level, there was an improvement across metrics for bullying, discrimination and harassment, including analysis across different protected characteristics. In addition, questions associated with the Patient Safety Incident Response Framework (PSIRF) will allow for further work to be developed in 2024-25 to improve incident reporting and embed a culture of learning. This found an overall moderate improvement in comparison to the 2022 survey results. It does however highlight that there are improvements required in how staff feel they will be treated should they report an incident and whether they will receive feedback on any lessons learned should they report.



To support this, further work is being implemented via the PSIRF lead and is included in the 2024 Quality Priorities for the Trust with feedback via Quality Assurance Committee.

Overall, the results show a statistical positive difference compared with other acute and acute and community trusts for the following:

- We are compassionate and inclusive
- We are recognised and rewarded
- We each have a voice that counts
- We are safe and healthy
- We are a team
- Staff engagement
- Morale

The 2023 Staff Survey results provide the Trust with the opportunity to directly respond to staff feedback through robust assurance and priority setting, both at organisational and local departmental level. Following their release, the results have been shared with the wider organisation in a variety of accessible methods that capture all staff by utilising existing engagement approaches and communication channels. This includes verbal, written text and infographics.

All care groups and corporate services received their results by People Promise theme. Further work to develop local action plans for improvement are currently underway led by the Culture, Engagement and Inclusion Team and HR business partners. Service leads will work with the People Directorate to develop key priorities against their local results to deliver during 2024-25. This will be supported by a programme of work and support offered by the People Directorate.

Local actions will be presented and monitored through the People Directorate governance processes at Operational and Strategic People Committee. All care groups and corporate services will have priority actions in place by mid Q1 2024-25 to make reasonable improvements towards completion, in preparation for the opening of the 2024-25 survey in September 2024.

In addition to local priorities, the Culture, Engagement and Inclusion Team are collaborating with trade unions, staff networks, people champions and clinical leads to identify organisational priorities which demonstrate how the Trust is responding to feedback.

It is important that this is undertaken via a collaborative approach in order to secure buy-in, whilst also empowering individuals and ensuring that their contribution is valued by the organisation. This aims to have an impact on future staff engagement scores. This collaborative approach demonstrates that the organisation values the contribution and feedback that the workforce has made and enables the Culture, Engagement and Inclusion Team to facilitate collaborative interventions that directly resonate with and are owned by our workforce.

5.7 Trade union facility time

The Trust's statistics relating to our trade union (Facility Time Publication Requirements) Regulations Data 2022-23 for the period ending 31 March 2023 (published in July 2023) are as follows:

Table 1 – Number of employees who were relevant union officials during the period 22-23

No. employees who were relevant union officials	Full time equivalent employee number
25	22.5

Table 2 – Percentage of time spent on facility time

Percentage	No. of individuals
0%	17
1 – 50%	6*
51 – 99 %	0
100 %	2

* Excluding the chair and deputy chair, the six active representatives' capacity for trade union deployment in hours is estimated at 171.5 hours in total for the year.

Table 3 – Total cost of facility time

Percentage	£
Total cost of facility time	£42,762
Total pay bill (2019 – 20)	£255,045,000
% total pay bill spent on facility time	0.017%

Table 4 – Paid trade union activities

	%
Paid TU activity time as a percentage of paid facility time	6.19 %

Note: 2023/24 data not available until July; the Trust typically reports a year in arrears.



5.8 Staff exit packages

Redundancy and other departure costs have been paid in accordance with the provisions of Agenda for Change and the NHS Pension Scheme.

Exit costs are accounted for in full in the year of departure. Where the organisation has agreed early

retirements, the additional costs are met by the Warrington and Halton Teaching Hospitals and not by the NHS pension scheme. Ill-health retirement costs are met by the NHS pension scheme and are not included in the table.

Exit package cost band	Number of compulsory redundancies	Cost of compulsory redundancies	Number of other departures agreed	Cost of other departures agreed	Total number of exit packages	Total cost of exit packages	Number of departures where special payments have been made	Cost of special payment element included in exit
	Number	£000	Number	£000	Number	£000	Number	£000
<£10,000			15	50				
£10,00 – £25,000			1	14				
£25,001 – £50,000	1	27						
£50,001 – £100,000								
£100,001 – £150,000								
£150,001 – £200,000								
>£200,000								
Total	1	27	16	64				

The number and value of exit packages agreed in 2022/23 are listed in the table below for comparison.

Exit package cost band	Number of compulsory redundancies	Cost of compulsory redundancies	Number of other departures agreed	Cost of other departures agreed	Total number of exit packages	Total cost of exit packages	Number of departures where special payments have been made	Cost of special payment element included in exit
	Number	£000	Number	£000	Number	£000	Number	£000
<£10,000			22	79	22	79		
£10,00 – £25,000			1	13	1	13		
£25,001 – £50,000								
£50,001 – £100,000								
£100,001 – £150,000								
£150,001 – £200,000								
>£200,000	0	0	0	0	0	0		
Total			23	92	23	92		

Exit packages: non-compulsory departure payments

	2023/24		2022/23	
	Agreements Number	Total Value of Agreements £000	Agreements Number	Total Value of Agreements £000
Voluntary redundancies including early retirement contractual costs	1	27	0	0
Mutually agreed resignations (MARS) contractual costs	0	0	0	0
Early retirements in the efficiency of the service contractual costs	0	0	0	0
Contractual payments in lieu of notice	16	64	23	92
Exit payments following employment tribunals or court orders	0	0	0	0
Non-contractual payments requiring HMT approval *	0	0	0	0
Total	17	91	23	92
Of which: non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months of their annual salary	0	0	0	0

* Includes any non-contractual severance payment made following judicial mediation, and £0 relating to non-contractual payments in lieu of notice. The Remuneration Report provides details of exit payments payable to individuals named in that report.



Statutory Information



6.1 Disclosures set out in the Code of Governance for NHS provider trusts

The Code of Governance for NHS provider trusts was most recently updated in April 2023, and sets out a common overarching framework for the corporate governance of trusts, reflecting developments in the UK corporate governance and the development of integrated care systems.

Trusts must comply with each of the provisions of the code or, where appropriate, explain in each case why the trust has departed from the code.

The provisions of the code, as best practice advice, do not represent mandatory guidance and accordingly non-compliance is not in itself a breach of Condition FT4 of the NHS Provider Licence.

The Annual Reporting Manual requires the Board of Directors to have considered the Trust's compliance/non-compliance with the code and to include a statement to this effect in the Annual Report.

The Code of Governance for NHS Provider Trusts comprises of the following sections:

Section A: Board leadership and purpose

Section B: Division of responsibilities

Section C: Composition, succession and evaluation

Section D: Audit, risk and internal control

Section E: Remuneration

Appendix: Council of Governors

The Trust Board has overall responsibility for the administration of sound corporate governance throughout the Trust and recognises the importance of a strong reputation. The purpose of the code is to assist foundation trust boards to ensure good governance and to improve their governance practices by bringing together the best practice of public and private sector corporate governance.

The code imposes some disclosure requirements on foundation trusts and boards are expected to observe the code or to explain where they do not comply. It includes a number of main and supporting principles and provisions and foundation trusts are required to publish a statement in the Annual Report confirming how these have been applied.

Warrington and Halton Hospitals NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a 'comply or explain' basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012. It declares there is one item that is partially compliant and will be fully so by the Annual General Members Meeting in September 2018.

The Trust is declaring compliance with all elements of the code except:

- C.4.3
- D.2.1

And partial compliance with E.3.7

The table below provides an explanation where the Trust has departed from the code:

Ref	Code Provisions	Trust Position	Evidence
C.4.3	Chairs or NEDs should not remain in post beyond nine years from the date of their first appointment to the Board of Directors and any decision to extend a term beyond six years should be subject to rigorous review.	Explain	<p>The Chair's term of office was renewed for a fourth term by the Council of Governors in October 2022.</p> <p>The rationale for the extension was:</p> <ol style="list-style-type: none"> 1. The number of changes amongst the non-executive directors in the preceding 12 months 2. The NHS was/is faced with the most significant pressures in its history resulting from COVID-19. Consequently, it was/is felt the Trust would benefit from securing greater stability of leadership during this period <p>The details of the extension have been shared with the North West Regional Director and Chair of the ICS</p>
D.2.1	The Chair of the Board of Directors should not be a member and the Vice Chair or Senior Independent Director should not chair the Audit Committee.	Explain	<p>The Chair of the Audit Committee is the Senior Independent Director (SID).</p> <p>The Chair of the Audit Committee (who is an experienced Audit Committee Chair having held the role in a previous Trust) was appointed to the role prior to being appointed as the SID at a time when there had been several new NEDs/ Associate NEDs joining the Trust.</p> <p>The member of the Audit Committee with relevant financial experience is the Chair of the Finance and Sustainability Committee so is not appropriate to chair the Audit Committee too.</p>
3.7	In taking decisions on significant transactions, mergers, acquisitions, separations or dissolutions, governors need to be assured that the process undertaken by the Board was appropriate, and that the interests of the public at large were considered. A council may disagree with the merits of a particular decision of the Board on a transaction, but still give its consent because due diligence has been followed and assurance received. To withhold its consent, the Council of Governors would need to provide evidence that due diligence was not undertaken.	Partial Compliance	<p>Transaction requirements included in constitution.</p> <p>Wording in the constitution to be updated at the meeting of the CoG in May 2024 to reflect new code of governance wording around transactions (e.g. public at large and focus on due diligence of processes).</p>

NHS foundation trusts are required to provide some disclosures in their annual report to meet the requirements of the Code of governance. Where the information is already in the annual report, a reference to its location is sufficient to avoid unnecessary duplication. These are replicated in a table below.

Required disclosures:

Code Section	Summary or requirement	Page(s)
A 2.1	The Board of Directors should assess the basis on which the trust ensures its effectiveness, efficiency and economy, as well as the quality of its healthcare delivery over the long term, and contribution to the objectives of the ICP and ICB, and place-based partnerships. The Board of Directors should ensure the trust actively addresses opportunities to work with other providers to tackle shared challenges through entering into partnership arrangements such as provider collaboratives. The Trust should describe in its annual report how opportunities and risks to future sustainability have been considered and addressed, and how its governance is contributing to the delivery of its strategy.	18 & 126
A 2.3	The Board of Directors should assess and monitor culture. Where it is not satisfied that policy, practices or behaviour throughout the business are aligned with the trust's vision, values and strategy, it should seek assurance that management has taken corrective action. The annual report should explain the Board's activities and any action taken, and the Trust's approach to investing in, rewarding and promoting the wellbeing of its workforce.	37
3.7	In taking decisions on significant transactions, mergers, acquisitions, separations or dissolutions, governors need to be assured that the process undertaken by the Board was appropriate, and that the interests of the public at large were considered. A council may disagree with the merits of a particular decision of the Board on a transaction, but still give its consent because due diligence has been followed and assurance received. To withhold its consent, the Council of Governors would need to provide evidence that due diligence was not undertaken.	N/A
2.8	The Board of Directors should describe in the annual report how the interests of stakeholders, including system and place-based partners, have been considered in their discussions and decision-making, and set out the key partnerships for collaboration with other providers into which the trust has entered. The Board of Directors should keep engagement mechanisms under review so that they remain effective. The Board should set out how the organisation's governance processes oversee its collaboration with other organisations and any associated risk management arrangements.	76
B.2.6	Attendance at Board of Director should identify in the Annual Report each non-executive director it considers to be independent. Circumstances that are likely to impair, or could appear to impair, a non-executive director's independence include, but are not limited to, whether a director: <ul style="list-style-type: none"> • Has been an employee of the Trust within the last two years • Has, or has had within the past two years, a material business relationship with the Trust either directly or as a partner, material shareholder, director or senior employee of a body that has such a relationship with the Trust • Has received or receives remuneration from the Trust apart from a director's fee, participates in the Trust's performance-related pay scheme or is a member of the Trust's pension scheme • Has close family ties with any of the Trust's advisers, directors or senior employees • Holds cross-directorships or has significant links with other directors through involvement in other companies or bodies • Has served on the Trust Board for more than six years from the date of their first appointment • Is an appointed representative of the Trust's university medical or dental school Where any of these or other relevant circumstances apply, and the Board of Directors nonetheless considers that the non-executive director is independent, it needs to be clearly explained why.	54

Code Section	Summary or requirement	Page(s)
B.2.13	The Annual Report should give the number of times the Board and committees met, and individual director attendance.	63
B 2.17	For foundation trusts, this schedule should include a clear statement detailing the roles and responsibilities of the Council of Governors. This statement should also describe how any disagreements between the Council of Governors and the Board of Directors will be resolved. The Annual Report should include this schedule of matters or a summary statement of how the Board of Directors and the Council of Governors operate, including a summary of the types of decisions to be taken by the Board, the Council of Governors, board committees and the types of decisions which are delegated to the executive management of the Board of Directors.	from page 66
C 2.5	If an external consultancy is engaged, it should be identified in the Annual Report alongside a statement.	89
C 2.8	The Annual Report should describe the process followed by the council of governors to appoint the chair and non-executive directors. The main role and responsibilities of the nominations committee should be set out in publicly available written terms of reference.	66 & 79
C 4.2	The Board of Directors should include in the annual report a description of each director's skills, expertise and experience.	55
C 4.7	All trusts are strongly encouraged to carry out externally facilitated developmental reviews of their leadership and governance using the Well-led framework every three to five years, according to their circumstances. The external reviewer should be identified in the Annual Report and a statement made about any connection it has with the Trust or individual directors.	n/a developmental review completed in 2022/23
C.4.13	The Annual Report should describe the work of the Nominations Committee(s), including: The process used in relation to appointments, its approach to succession planning and how both support the development of a diverse pipeline How the Board has been evaluated, the nature and extent of an external evaluator's contact with the Board of Directors, governors and individual directors, the outcomes and actions taken, and how these have or will influence board composition The policy on diversity and inclusion, including in relation to disability, its objectives and linkage to the Trust's strategy, how it has been implemented and progress on achieving the objectives The ethnic diversity of the Board and senior managers, with reference to indicator nine of the NHS Workforce Race Equality Standard and how far the Board reflects the ethnic diversity of the Trust's workforce and communities served The gender balance of senior management and their direct reports	79
C 5.15	Foundation trust governors should canvass the opinion of the trust's members and the public, and for appointed governors the body they represent, on the NHS foundation trust's forward plan, including its objectives, priorities and strategy, and their views should be communicated to the board of directors. The annual report should contain a statement as to how this requirement has been undertaken and satisfied.	66
D.2.4	The Annual Report should include: <ul style="list-style-type: none"> • The significant issues relating to the financial statements that the Audit Committee considered, and how these issues were addressed • An explanation of how the Audit Committee has assessed the independence and effectiveness of the external audit process and its approach to the appointment or reappointment of the external auditor, length of tenure of the current audit firm, when a tender was last conducted and advance notice of any retendering plans • An explanation of how auditor independence and objectivity are safeguarded if the external auditor provides non-audit services 	see page 64 and from page 116

Code Section	Summary or requirement	Page(s)
D.2.6	The directors should explain in the Annual Report their responsibility for preparing the Annual Report and Accounts, and state that they consider the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable, and provides the information necessary for stakeholders to assess the Trust's performance, business model and strategy.	Annual Governance Statement from page 116
D.2.7	The Board of Directors should carry out a robust assessment of the Trust's emerging and principal risks. The relevant reporting manuals will prescribe associated disclosure requirements for the Annual Report.	116 see annual Governance Statement 6.4
D.2.8	The Board of Directors should monitor the Trust's risk management and internal control systems and, at least annually, review their effectiveness and report on that review in the Annual Report. The monitoring and review should cover all material controls, including financial, operational and compliance controls. The Board should report on internal control through the Annual Governance Statement in the Annual Report.	see page 18 principal risks
D.2.9	In the annual accounts, the Board of Directors should state whether it considered it appropriate to adopt the going concern basis of accounting when preparing them and identify any material uncertainties regarding going concern. Trusts should refer to the DHSC Group Accounting Manual and NHS Foundation Trust Annual Reporting Manual, which explain that this assessment should be based on whether a Trust anticipates it will continue to provide its services in the public sector. As a result, material uncertainties over a going concern are expected to be rare.	page 28
E.2.3	Where a trust releases an executive director, for example to serve as a non-executive director elsewhere, the remuneration disclosures in the annual report should include a statement as to whether or not the director will retain such earnings.	N/A
Appendix B, para 2.3 (not in Schedule A)	The Annual Report should identify the members of the Council of Governors, including a description of the constituency or organisation that they represent, whether they were elected or appointed, and the duration of their appointments.	page 68
Appendix B, para 2.14 (not in Schedule A)	The Board of Directors should ensure that the NHS foundation trust provides effective mechanisms for communication between governors and members from its constituencies. Contact procedures for members who wish to communicate with governors and/or directors should be clear and made available to members on the NHS foundation trust's website and in the Annual Report.	page 70
Appendix B, para 2.15 (not in Schedule A)	The Board of Directors should state in the Annual Report the steps it has taken to ensure that the members of the Board, and in particular the non-executive directors, develop an understanding of the views of governors and members about the NHS foundation trust, e.g. through attendance at meetings of the Council of Governors, direct face-to-face contact, surveys of members' opinions and consultations.	page 125
Additional requirement of FT ARM resulting from legislation	<p>If, during the financial year, the governors have exercised their power* under paragraph 10C** of schedule 7 of the NHS Act 2006, then information on this must be included in the Annual Report.</p> <p>This is required by paragraph 26(2) (aa) of schedule 7 to the NHS Act 2006, as amended by section 151 (8) of the Health and Social Care Act 2012.</p> <p>* Power to require one or more of the directors to attend a governors' meeting for the purpose of obtaining information about the foundation trust's performance of its functions or the directors' performance of their duties (and deciding whether to propose a vote on the foundation trust's or directors' performance).</p> <p>** As inserted by section 151 (6) of the Health and Social Care Act 2012)</p>	N/A

6.2 NHS England System Oversight Framework and Segmentation

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.

(iii) Segmentation

On 31 March 2024, the Trust is assigned to segment 2. Current segmentation of NHS trusts and foundation trusts is published on the NHS England website.



6.3 Statement of the Chief Executive's responsibilities as the Accounting Officer of Warrington and Halton Teaching Hospitals NHS Foundation Trust

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

NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given accounts directions which require Warrington and Halton Teaching Hospitals NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Warrington and Halton Teaching Hospitals NHS Foundation Trust and of its income and expenditure, other items of comprehensive income and cash flows for the financial year.

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

- Observe the Accounts Direction issued by NHS Improvement, 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. They are 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.



Professor Simon Constable FRCP,
Chief Executive
28 June 2024

6.4 Annual Governance Statement

Scope of responsibility

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

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

Capacity to handle risk

As Accounting Officer, supported by the Board Members, I have responsibility for the overall direction of the risk management systems and processes within the Trust. I have delegated the Executive Lead for risk management to the Chief Nurse and Deputy Chief Executive who in turn is supported by the Director of Integrated Governance and Quality who manages the risk team.

The Quality Assurance Committee oversees all aspects of risk relating to quality, including improvement, delivery, clinical risk management and governance, clinical audit and the regulatory standards relevant to quality and safety on behalf of the Trust and report on any additional risk/controls/assurances which will be recorded on the appropriate risk register.

The Finance and Sustainability Committee oversees financial and digital risks on behalf of the Trust and report on any additional risk/controls/assurances which will be recorded on the appropriate risk register.

The Strategic People Committee oversees workforce risk on behalf of the Trust and report on any additional risk/controls/assurances which will be recorded on the appropriate risk register.

The Risk Review Group oversees the Corporate Risk Register and CBU risk registers on a rolling programme making recommendations to the appropriate board committees regarding new strategic risks, review of existing strategic risks and assurance review of the Corporate Risk Register and CBU risk registers.

The Audit Committee oversees the entire risk management system. It commissions an annual audit of the board assurance framework and strategic risk register, as part of the internal audit plan, to satisfy itself that the system of internal control is effective. It examines the assurances on the effectiveness of controls for all strategic risks received from the chairs of the committees, and from internal and external auditors.

The Audit Committee monitored and tracked all material governance activity during the reporting period to ensure that the system of internal control, risk management and governance is fit for purpose and compliant with regulatory requirements, aligned to best practice where appropriate and provides a solid foundation to support a Substantial Assurance rating from the Head of Internal Audit (HOIA).

In 2023/24 Risk Management Core Controls was included in the 2023/24 Internal Audit Plan receiving a High Assurance rating.

Risk training

Staff are trained and equipped to manage risk in a way appropriate to their authority and duties. All new staff receive information as part of the local induction programme organised by line managers. Monthly risk assessment training is in place for all staff who are required to undertake risk assessments as part of their role.

All senior managers are required to complete risk management training.

Further education is provided with cyclical mandatory training undertaken by both clinical and non-clinical staff; the content for this programme is continually reviewed in light of any changes. There is a robust appraisal process which facilitates the identification of individual staff training needs. These are reviewed as part of the member of staff's annual performance and development appraisal. All relevant risk policies are available to staff via the Trust's document management system including:

1. Risk Management Strategy
2. Risk Assessment Policy
3. Incident Reporting and Investigation Policy (Including Serious Incident Framework and Duty of Candour)
4. Complaints and Concerns Policy

The Trust is committed to quality improvement and recognises the benefits gained from shared learning which helps to minimise future risk and to improve the care that the Trust provides. To achieve this, the Trust uses a range of mechanisms including clinical supervision, reflective practice, individual and peer reviews, performance management, continuing professional development, clinical audit and the application of evidence-based practice. The revalidation process that a number of health professionals now undertake further supports learning and development.

Lessons learned and good practice is shared throughout the Trust, for example via the Trust-wide safety huddle, daily safety briefings, Quality Assurance Committee, Patient Safety and Clinical Effectiveness Sub Committee, Complaints Quality Assurance Group and the Clinical Claims Group. Furthermore, the Trust publishes the Learning to Improve Newsletters quarterly. The Clinical Business Units (CBUs) also have a robust governance process for feedback.

The risk and control framework

During the year the Trust continued to develop and enhance its governance and risk management systems and processes. It also fully appraised its key strategic risks, reviewed and approved the Trust's Risk Appetite Statement and refreshed its Board Assurance Framework which is fully reviewed by the Board at each of its meetings and at committee meetings monthly or bi-monthly. In year, there was further alignment of the relevant elements of the Board Assurance Framework to the Committees of the Board. Each strategic risk is allocated to a committee for focused oversight and scrutiny.

The Risk Management Strategy provides a framework for managing risk across the Trust. The strategy describes the process for managing risks and the roles and responsibilities of the Board of Directors, its committees and that of all staff and provides a clear, structured and systematic approach to the management of risk to ensure that risk assessment is an integral part of clinical, managerial and financial processes across the Trust.

Local risk registers are monitored and maintained locally within the Clinical Business Units (CBU) which enables risk management decision-making to occur as near as practicable to the risk source. For those risks that cannot be managed locally these are escalated to the Corporate Risk Register and Strategic Risk Register where required.

Risks are scored by the competent person undertaking the risk assessment and validated by a manager according to the residual risk score:

1. **8 or below** (low, and very low) are verified by the ward or department manager
2. **9-12** (moderate) are verified by CBU managers, corporate heads of service, lead nurse, matron
3. **≥15** (significant) are verified at executive level. They are reviewed at the Risk Review Group which is chaired by the Chief Nurse and Deputy Chief Executive and attended by the Director of Integrated Governance and Quality, Chief Operating Officer, Medical Director, Trust Secretary and Head of Safety and Risk. CBU managers, lead nurses and heads of service also attend on a rotational basis. This group will review the risk for inclusion onto the Board Assurance Framework. The recommendation will then be reviewed and ratified by the relevant committee or the Trust Board

The Trust employs a number of systems to ensure that risk management is embedded within the organisation including business planning, performance management frameworks and clinical information systems. Regular reports are also available to the various committees responsible for aspects of risk management.

There are corporate policies and procedures in place to support risk management, covering the management of incidents, risk assessment and consent and general risk management arrangements. Risk appetite levels will depend on circumstances; for example the Trust will have a low tolerance to taking risks which may impact on patient or staff safety, but a greater appetite for opportunity risks such as major service developments which present significant challenges, but will ultimately bring benefits to the organisation. Expressing risk appetite can therefore enable an organisation to take decisions based on an understanding of the risks involved. It can also be a useful method of communicating expectations for risk-taking to managers and improve oversight of risk by the Board. Risk appetites are determined by the relevant assurance committees and the Trust Board.

The Trust encourages stakeholder and partner organisations' participation and has developed an active Patient Experience Committee. Partners and governors are encouraged to raise issues, be involved in determining solutions and input to all aspects of risk management.

The Trust has a Board Assurance Framework in place which is reviewed by the Board of Directors and includes: the identification of the key risks to the achievement of the Trust strategic objectives and the systems in place to manage/mitigate these risks; the control systems in place to manage the key risks; the identification of sources of internal and external assurances evidencing the management of risk; and evidence of compliance with equality, diversity and human rights legislation. The Board Assurance Framework is reviewed by the Board of Directors at each of their meetings and the Audit Committee, and monthly or bi-monthly by the Board Committees, which provides additional challenge and scrutiny of the risks identified.

Incidents, complaints, claims, coroners' inquests, and patient feedback are routinely analysed to identify lessons for learning and improve internal control. To enhance learning and improve governance, the Trust actively pursues external peer review of all serious incidents should this be necessary.

Learning and improvement from incidents, complaints and claims has continued to be a focus for the Trust to help to improve internal controls impacting patient experience and patient safety. Risk KPIs are reported through the Quality Assurance Committee, its sub-committees, CBU-level reports; and shared with the lead commissioners as part of the Quality Contract. Lessons for learning are also disseminated to staff using a variety of methods including trust wide safety huddle, which convenes on each weekday, the subsequent safety briefings and regular safety alerts.

Learning is further supported by meetings that include the Complaint Quality Assurance Group chaired by the Chair of the Trust, the Clinical Claims Group, Policy Review Group and Mortality Review Group.

Furthermore, each quarter a Learning from Experience Report and a Learning from Deaths report is compiled and submitted to the Quality Assurance Committee and the Trust Board. This includes aggregated analysis of incidents, complaints, claims, health and safety incidents and Inquests. The report contains trend data and through qualitative and quantitative data analysis, provides assurance of lessons learned from past harms together with the changes to clinical practice that have subsequently been put in place.

The NHS Digital Data Security and Protection Toolkit, an online tool that enables organisations to measure compliance against data security and information governance requirements, was introduced in June 2018.

The table below details the top six risks identified at the end of 2023/24 and these continue to be risks to the strategic objectives pertinent to 2023/24. All risks are effectively managed through the risk governance arrangements.

Risk training

Risk description	Key controls
<p>If there are capacity constraints in the Emergency Department, local authority, private provider and primary care capacity; then the Trust may not be able to provide timely patient discharge, have reduced capacity to admit patients safely, meet the four-hour emergency access standard and have patients waiting more than 12 hours in the department from time of arrival.</p>	<ul style="list-style-type: none"> • Regular Trust-wide capacity meetings led by the senior site manager for the day • Discharge Lounge/Patient Flow Team/Silver Command • ED Escalation Tool/two-hourly board rounds ED, medical and nursing • Private ambulance transport to complement patient providers in and out of hours • FAU/Hub operational operating five days per week • Enhanced Paediatric ED opened in May 2021 that encompasses a larger footprint and more cubicle space. This supports compliance with RCEM guidance • Increase IMC provided by the system such as the opening of the additional bedded capacity • Increase IMC at home • Integrated Discharge Team – daily huddle between hospital discharge team and the hospital social care team now in place • Same Day Emergency Care Centre (SDEC) completed July 2022 • Upgrade to Minors resulting in oxygen points in all cubicles • Re-defined sections of ED to manage COVID-19 requirements and have the ability to segregate hot and cold COVID patients • ED plan developed to manage surge in attendances should a further COVID-19 peak be realised • Meetings with senior leaders from the ICB and local authority to review and discharge taking place weekly • Monitoring of utilisation of internal UC system i.e. GPAU, ED Ambulatory throughput. Reports monitored via Unplanned Care Group, ED and KPI meetings • Additional senior manager on call support a weekends • Senior doctor at triage function • Ward A10 opened as winter escalation capacity funded by the ICB • Plans being progressed to procure and install a new CT scanner co-located in the main body of the Emergency Department. This will support increases urgent care pathway efficiency in ED. This is set to be operational in September 2023 • Phlebotomy business case approved to support earlier decision making and flow in AMU to support flow out of the ED for acute medical patients • Plans to co-locate ED Minors in the SDEC building to enhance patient pathways. The capital project is now agreed and set to be operational in April 23. • Winter planning in place to identify additional community and Trust-based capacity to support expected activity levels for winter • Virtual frailty ward, live from 1 February 2023, in line with national planning. This will help reduce admissions from care home to ED • Working with PLACE and system partners to agree how to spend Adult Social Discharge Fund to support reduction in no criteria to reside • Work plan to reduce super stranded and no criteria to reside in 2023/24 is being finalised by the System Sustainability Group • Executive-led ED Improvement Group established chaired by the Chief Operating Officer with Chief Nurse and Medical Director as co-chairs • Additional nurse staffing paper to support increases in the substantive workforce and manage escalation areas to be submitted to the Trust Board in December 2023 • On a daily basis the Trust utilises the SHREWD resilience system to inform tactical and strategic site decision making in relation to flow and occupancy

Risk description	Key controls
<p>If the Trust does not have sufficient capacity (theatres, outpatients, diagnostics) then there may be delayed appointments and treatments, and the Trust may not be able to deliver planned elective procedures, causing possible clinical harm and failure to achieve constitutional standards and financial plans.</p>	<ul style="list-style-type: none"> • Clinical Services Oversight Group (CSOG) established • Live dashboards and weekly activity reporting in place to ensure oversight and transparency of Trust recovery • Reconfigured ED to provide hot and cold areas to minimise nosocomial transmission – adults and paediatrics in line with Royal College of Emergency Medicine (RCEM) guidance • Plans to create a co-located minors area adjacent to SDEC and ED Ambulatory signed off to allow for a UTC type model on the Warrington site. Due to be operational by April 23 • Inpatient capacity is reviewed with the patient flow and CBU teams daily through the bed meetings to ensure that there is adequate capacity for all patient groups to be admitted. • Waiting lists are reviewed through the Performance Review Group weekly • Workforce is continually reviewed to ensure that all wards and teams are staffed safely • Deployment of modular build at the Halton site to provide additional pre-operative assessment capacity in support of elective recovery • The Halton site developed as a cold elective site to protect it from cancellations as a result of urgent care pressures • Capacity identified and being utilised with appropriate independent sector providers • To support additional care bed availability throughout winter to protect the elective programme the Trust is actively working with system partners on increasing the Warrington Borough Council ICAHT service through the adaptive reserve programme of work • Capital build approved via the national Target Investment Fund (TIF) of the development of the Halton site. The outcome of this project will increase diagnostic and elective capacity for the Trust in the form of an additional endoscopy room, a 5th theatre as CSTM, a day case unit and increased CT and MR capacity • Clean/green pathways have been developed for those priority 2 patients (cancer and urgent) that cannot or are unable clinically to have their procedure undertaken at the Captain Sir Tom Moore site then they will be treated via Ward A5 on the Warrington site • Weekly theatre scheduling to ensure listing of patients in line with national guidance • Bioquell Pods deployed in ICU in March 2021 to support flow and IPC compliance. This will help reduce instances of having to escalate capacity to the main theatre at the Warrington site • Continue to specifically focus on and monitor patients waiting greater than 52 weeks and 104 weeks • Continue to ensure urgent cancers are prioritised in line with national guidance • Workforce pay incentives reviewed to create additional capacity in non-contracted work time e.g. evening and weekends • Appointment of outpatient transformation role in July 2022 to support increased efficiency and effectiveness of Outpatients • Use of insourcing via 18 weeks (NHS approved contractors) commenced in January 2023 to support 78-week target following approval by Execs. There are further plans to expand insourcing to Maxfax and Gynae by the end of Q4 2022/23 • Recruitment to Dom Care ICAHT and Discharge Team posts agreed with the System Sustainability Group for the workplan for 2023/24 • Digital validation commencing in May 2023 to improve data quality of Trust waiting lists

Risk description	Key controls
<p>If the Trust's services are not financially sustainable then it is likely to restrict the Trust's ability to make decisions and invest; and impact the ability to provide local services for the residents of Warrington and Halton.</p>	<ul style="list-style-type: none"> • Core financial policies controls in place across the Trust • Finance and Sustainability Committee (FSC), Financial Resources Group (FRG) and Capital Planning Group (CPG) oversee financial planning • Weekly CEO-led recovery meeting (inc finance and operations) in place • Procurement/tender waiver training in place • TIF funding relates to the Halton Elective Centre, and this has now been approved (£9.2m capital over three years) • Latest guidance from MIAA Counter Fraud Team circulated • Counter Fraud campaign took place for national anti-fraud week in November 2023 • Revised approach to GIRFT/CIP. Leadership from Executive Medical Director and joint reporting to F&SC introduced • Appointed GIRFT Finance Lead and five PAs allocated • Financial strategy developed to support improvement in financial sustainability. 2022-2027 Financial Strategy approved by the Trust Board in May 2022 • CDC phase 2 application approved for £4.5m capital over three years • Capital and revenue plans for 2023/24 approved by the Trust Board in March 2023 and updated and approved by the Trust Board in May 2023 • Introduced system of escalation where there are risks to CIP delivery • Reviewed all aspects of 2023/24 operational plan resulting in an improved finance forecast • New process introduced that any new revenue spend must be submitted to the Executive Team and/or Trust Board for approval as appropriate. Approval will only be provided if it is self-funding or relating to patient/staff safety and consideration whether CIP has been fully identified • In addition, new revenue spend to support activity targets is approved by Executives/Trust Board only when the cost does not exceed tariff • Introduced process for oversight of unfunded and partially funded cost pressures via routine reporting to the Executive Team and the Finance and Sustainability Committee • Cheshire and Merseyside ICS three-year financial strategy and recovery plan submitted in September 2023 • Tightening controls of non-pay expenditure • Director of Recovery in place from October 2023 to January 2024 to review CIP, cost pressures and benefit realisations • NHSE approved (March 2024) cash support c£7m

Risk description	Key controls
<p>If we are not able to reduce the unplanned gaps in the workforce due to sickness absence, high turnover, low levels of attraction, and unplanned bed capacity, then we will risk delivery of patient services and increase the financial risk associated with temporary staffing and reliance on agency staff.</p>	<ul style="list-style-type: none"> • New Supporting Attendance Policy implemented in February 2022 and reviewed post six months implementation, updated policy implemented April 2023 • Supporting Attendance clinics held in partnership with HR business partners and CBU areas to provide an overview of policy, associated paperwork and interventions to support managers • Support continues within areas of high sickness and low compliance WBC figures. Providing coaching support to managers, compliance audits and communication campaigns focusing on staff to ensure they have a WBC so their wellbeing is supported • Occupational health and wellbeing triangulation meetings with HR colleagues to review and progress individual cases under the formal stages Supporting Attendance Management • People Health and Wellbeing Group. The group reviews absence data to identify any patterns / trends / areas of concern and develop actions to address • Supporting Attendance Month – roadshows, drop-in sessions, comms and events to showcase the Trust’s commitment to supporting attendance • Focused welcome back conversation recording and internal audit • Following an MIAA Audit, the HR team are working with CBUs to develop an audit framework to provide greater assurance regarding compliance with the Supporting Attendance Policy by managers • Sickness absence, turnover and attraction workstreams have been reviewed in line with the Richard Barker/ Graham Irwin letter and action plans updated to ensure all actions from the letter have been considered • Exit interview process – collation and analysis of data captured enables themes to be identified and targeted actions implemented. This information is available on the Trust Workforce Information Dashboard for all managers to review • Further review of the leavers process is underway with the development of a SOP for stay conversations and an options appraisal review of the current exit interview process. • Rugby League Cares have been supporting WHH since July 2021 and have been working in areas offering drop-in sessions and tailored programmes to support teams and individuals to keep well in work • Grief and menopause cafes implemented to support individuals • Social media accounts have been created to support recruitment attraction across a number of social media platforms • Financial wellbeing resources have been implemented to support the workforce and retention including Wagestream • A dedicated area to supporting agile/flexible working is available on the extranet, and a cultural change plan is in development which will encompass the Trust’s approach to agile and flexible working. Pilots commence January 2024

Risk description	Key controls
<p>If we are not able to reduce the unplanned gaps in the workforce due to sickness absence, high turnover, low levels of attraction, and unplanned bed capacity, then we will risk delivery of patient services and increase the financial risk associated with temporary staffing and reliance on agency staff.</p>	<ul style="list-style-type: none"> • HR are working with pilot areas to review their approach to rostering and the impact on agile/flexible working to support a reduction in turnover • To support with attraction, the Trust has adopted a coordinated approach to recruitment which includes: <ul style="list-style-type: none"> • international recruitment • enhanced HCA recruitment events • investment in TRAC (recruitment system) • enhanced student nurse recruitment • enhanced wellbeing benefits package (financial and mental) • improvements in agile/flexible working • enhanced retirement support/offers • Widening Participation Team well established to support attraction from the wider community into different roles at the Trust as well as supporting apprenticeships to support staff development and retention. • The increase in bank reliance is being driven by the Trust's industrial action response and as part of a plan to reduce overall reliance on agency workers. The contingent workforce remains part of safe care. • The additional controls and challenge for pay spend that have been identified to support a reduction in premium pay are: <ul style="list-style-type: none"> • ECF process for non-clinical vacancies approval • ECF process for bank and agency temporary staffing pay spend approval • Medical Rate Escalations approved by Medical Director • The Resourcing Task and Finish Group is developing robust processes to support compliance with national guidelines/standards for using temporary workers. All staff groups/CBUs will be monitored against these standards. Compliance is to be reported within the medical and nursing/AHP workforce groups and to FSC. A dashboard is being developed that will summarise workforce related intelligence to inform decision making regarding vacancies and temporary staffing • The Resourcing Task and Finish Group is working with staff group leads to benchmark the Trust's compliance with job planning, rostering and workforce reporting against the nationally expected standards. The gap analysis from this will allow the organisation to develop plans to improve the effectiveness of workforce deployment

Risk description	Key controls
<p>If we fail to effectively plan for and manage industrial action caused by trade unions taking strike action, then this could result in significant workforce gaps which would negatively impact service delivery and patient safety.</p>	<ul style="list-style-type: none"> • Trust policies updated in relation to industrial action • Trust approach to industrial action established following implementation of IA Task and Finish group • Advance rostering to identify gaps and plan for temporary staffing as far in advance as possible • Executive-led IA Operational Task and Finish Group in place for each period of IA with a check and challenge session to ensure strike rosters support safe staffing • IA tactical meetings established for the days of strike action, including where system IA being taken and not specific to WHH • Participation in ICB IA clinical cell calls where applicable • Use of industrial action bank shift rate card to incentivise and secure adequate medical staffing during periods of medical IA • IA Task and Finish Group completed organisational preparedness for industrial action policies and procedures ratified and FAQ documents created and published and updated regularly • Executive Medical Director led check and challenge meetings for periods of industrial action to prepare and mitigate risk • Attendance at national and regional briefing sessions and working groups to ensure up to date and sharing of best practice • Following national guidance available for consultant IA • Recruiting junior doctors to WHH bank following legal challenge meaning collaborative bank cannot be utilised during IA • Trust proposal for split pot LCEAs with eligibility criteria to go to Board on 7 February 2024 which is the reflective approach of the proposed pay deal • Regular briefing sessions held in person and virtually for senior leaders and staff re outcome of Band 2 HCA Acas collective conciliation agreement and subsequent process required to implement the agreement • Weekly task and finish group meetings established to implement the Band 2 HCA Acas collective conciliation agreement • Regular consistency panel meetings established to review and consider Band 2 HCA banding review claims consisting of senior nurses, practice educator facilitator and a member of the HR Business Partnering Team
<p>If the Trust is unable to mitigate for the challenges faced by its Fragile services, then the Trust may not be able to deliver these services to the required standard with resulting potential for clinical harm and a failure to achieve constitutional standards.</p>	<ul style="list-style-type: none"> • Formal process in place for identification and designation of Fragile Services • Focused additional support from senior medical, nursing and operational leadership teams • Appropriate prioritisation of fragile service revenue and capital requests

CQC registration and assessment

The Trust is required to register with the Care Quality Commission. The Trust is fully compliant with the registration requirements.

The CQC inspected Warrington and Halton Teaching Hospitals NHS Foundation Trust from 29 March to 2 May 2019 and the final report was received in July 2019. During the visit the CQC looked at the quality and safety of the care provided, based on whether the service is safe, effective, caring, responsive and well-led. Included within the remit of the inspection was the Well-Led Inspection and NHSI Use of Resources Review. The Trust was rated as 'Good' overall with an 'Outstanding' rating for caring in critical care. In September 2023 the CQC undertook an inspection of the Trust's maternity services resulting in the Trust retaining the rating of 'Good'. The Trust is currently enhancing the specific work-streams developed to drive improvement actions, whilst identifying training, development, infrastructure and capital investment needs.

Governance at the Foundation Trust

The Foundation Trust governance structure ensures that the Board has an overarching responsibility through its leadership and, to ensure and be assured that the organisation operates with openness, transparency, and candour, particularly in relation to its patients, the wider community and its staff. The Board holds itself to account including with a wide range of stakeholders.

The governors play a significant role in holding the Board, and in particular the non-executive directors, to account in a challenging but constructive way within a unitary board. A governor observes each Board committee and provides feedback to the Council of Governors. The Council of Governors meets quarterly as well as a quarterly Governor Engagement Group and regular Governor Working Party meetings. The Board has developed a culture across the organisation which supports open dialogue and includes non-executive directors and executive directors visiting wards and departments to personally listen to feedback from staff, patients, their carers and relatives when possible.

The Board of Directors has throughout the year reviewed the relationship and responsibilities of the Board committees and sub-committees to ensure appropriate delegation of authority and that the appropriate assurance and oversight is maintained on behalf of the Trust Board. All the committees, which comprise of the Quality Assurance Committee, the Finance and Sustainability Committee and the Strategic People Committee, have non-executive director (NED) membership and chairs. The Complaints Quality Assurance Group is also chaired by the Chair of the Trust. The Audit Committee is a significant statutory committee of the Board that is chaired by a non-executive director.

The Board receives the Chair's Committee Assurance Reports from each of the committees which provide timely and accurate information and highlight areas of escalation. This facilitates an overarching and durable framework that allows the Board to make sense of the effective use of the information and data to gain further assurance of good practice in governance and provides confidence that the organisation provides patient centred care or provides alerts to where further investigation and monitoring may be required. To further support the Board, each of the committees receive regular updates and high level briefings from the operational groups which are chaired by the executive directors. There is an opportunity at each meeting for the relevant operational group minutes to be questioned and where needed, further details requested and clarified.

The Board and its committees demonstrate leadership and the rigour of oversight of the Trust's performance by having formulated an effective strategy for the organisation, ensuring accountability by robustly challenging the control systems in place and where appropriate seeking further intelligence on the current trend analysis with the Trust's performance indicators to further understand the wider community's health needs.

People and organisational development

The Trust's People Strategy delivery plan has been mapped against the NHS People Plan, NHS People Promise and the Future of HR&OD NHS Report to produce a cohesive strategic workforce delivery plan. Operational delivery of the plan continues to be overseen by the Operational People Committee, chaired by the Chief People Officer. Strategic People Committee, which is a sub-committee of the Board, chaired by a non-executive director, has strategic oversight of the plan and provides assurance to Board.

Developing Workforce Safeguards support WHH to deliver high quality care through safe and efficient staffing. The National Quality Boards (NQB's) guidance in relation to safe staffing states that providers:

1. Must deploy sufficient suitably qualified, competent, skilled, and experienced staff to meet care and treatment needs safely and effectively
2. Should have a systematic approach to determining the number of staff and range of skills required to meet the needs of people using the service and keep them safe at all times
3. Must use an approach that reflects current legislation and guidance where it is available

The development of the WHH Annual Workforce Plan, which contributes to the Cheshire and Merseyside overall Workforce Plan, enables the identification of skill gaps and supports a system-wide approach to addressing these gaps, enabling WHH to continue to deliver high quality care through safe and efficient staffing. Scrutiny and operational oversight on systems and processes to support safer staffing is provided from within the Trust's current governance structure. Strategic People Committee and Trust Board receive regular updates on safe staffing, staff development and key work developments such as the systematic approach to skill mixes or the introduction of new roles to support personal and professional development that will nurture, grow, and develop sufficiently competent diverse teams with a shared purpose to care for patients.

In addition, formal audits are undertaken into staffing processes such as recruitment and payroll, which are reported to the Trust Audit Committee. The nursing and maternity safer staffing report are provided to the Quality Assurance Committee and presented bi-annually to the Trust Board. These identifies areas of acuity, safe nursing staffing numbers and any incidents associated with staffing are brought to the attention of the committee and the Board for assurance.

Board oversight of staffing processes is also achieved via the workforce elements of the Integrated Performance Report, which include key operational indicators such as absence, turnover and training compliance.

Register of interests

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.

NHS pension scheme

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

Equality, diversity and human rights

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with.

Delivering a net zero health service

The Trust has undertaken risk assessments on the effects of climate change and severe weather and has developed a Green Plan following the guidance of the Greener NHS programme. The Trust ensures that its obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

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

The Trust has performance management processes in place that review the economy, efficiency and effectiveness of the use of resources. The Chief Finance Officer chairs the monthly Finance Resource Group (FRG) which reviews financial performance of all CBUs and Corporate Areas and reports into the non-executive led Finance and Sustainability Committee (FSC). Part of the remit of the FSC, which meets monthly, is to support the Trust Board in gaining assurances on the economy, efficiency and effectiveness of the use of resources. Standing items on the agenda include the monthly financial position report, pay report). In addition, in 2023/24 an Improvement and Productivity Group, chaired by the Chief Executive, was established and meets on three Wednesdays per month.

The Executive Team reviews and monitors the operational performance of the Trust. The Chief Finance Officer reports to the Quality Committee on the Cost Improvement Plan (CIP) Quality Impact Assessments to provide assurance that CIPs have not had a detrimental impact to the quality of services.

The Trust has a policy and governance framework in place to guide staff on the appropriate use of resources through its standing orders, standing

financial instructions and scheme of reservation and delegation. In addition, there is a robust system for developing and routinely reviewing policies and procedures and staff are appropriately updated and guided or trained on their application.

Independent assurance is provided through the Trust's internal audit programme and the work undertaken by counter fraud. Reports are presented to the Audit Committee in each meeting. In addition, further assurance on the use of resources is obtained from external agencies, including the external auditors and the regulators.

Financial governance

The Trust recorded an adjusted deficit of £30m which is £14.3m away from the £15.7m deficit plan (revised to £21.2m excluding industrial action). This adjusted deficit is the value which NHSE monitors the Trust against and was not achieved.

The annual capital programme was £31.2m and the actual spend for the year was £31.5m (including IFRS16), delivering an overspend of £0.3m.

The cash balance at the end of the year was £17.6m which includes £7.4m cash support. The cash balance will be utilised to manage the position in April and pay circa £7m capital creditors.

There were no failures in financial governance during the year. The Finance and Sustainability Committee reviewed and scrutinised the financial position and performance of the Trust closely throughout the year and escalated any relevant items to the Board in the Chair's exception report. Furthermore, the Board reviewed the position and challenged forecast outturns and mitigations on a regular basis.

Capital has been monitored through the year via the Capital Planning Group and Finance and Sustainability Committee, with a particular focus on schemes over £0.5m.

Over the past 12 months the Trust has continued to have regular meetings with the ICS where the financial position, forecast and capital have been discussed, reviewed and challenged.

Information governance

Organisations that have access to NHS patient information must provide assurances that best practice data security and protection mechanisms are in place. The Trust is contractually obliged to undertake assessments against the NHS England Data Security and Protection Toolkit on an annual basis.

The Trust's most recent Data Security and Protection Toolkit assessment was finalised by Mersey Internal Audit Agency (MIAA) in August 2023 as part of the Trust's annual audit programme. The Trust was the subject of a two-part Data Security and Protection Toolkit review conducted by MIAA from February to June 2023. Part one of the review concluded that the Trust's self-assessment deviated only minimally from the independent assessment. On that basis the assurance level awarded in relation to the veracity of the self-assessment was substantial assurance.

Part two of the review conducted by MIAA was comprised of an assessment against the National Data Guardian's 10 data security standards. The assurance level awarded across nine of the data security standards was substantial with one standard rated as moderate. Therefore, the overall assurance level across all 10 National Data Guardian standards was rated as moderate.

In the 2023/24 financial year the Trust reported nine data loss incidents via the NHS England Data Security and Protection Toolkit reporting tool which were escalated to the Information Commissioner's Office (ICO). After investigating the circumstances surrounding eight of the reported incidents the ICO ruled that further action against the Trust was not necessary. One incident remains outstanding.

NHS England reference	Date reported	Detail	Information Commissioner's Office decision
32510	26/05/23	Outpatient letter scanned into incorrect patient notes was shared with an incorrect data subject as part of a subject access request response.	ICO deemed no further action necessary
32522	26/05/23	The birth mother of a patient admitted to the Emergency Department was called in as the next of kin of a patient. The birth mother of the patient had not been the next of kin of the patient since the individual had been placed in foster care.	ICO deemed no further action necessary
32903	27/06/23	Ultrasound appointment letter sent to the previous address of a data subject	ICO deemed no further action necessary
32924	28/06/23	As part of a subject access request response information was released to an incorrect data subject	ICO deemed no further action necessary
33191	19/07/23	An email containing identifiable information was inadvertently forwarded to 21 incoming doctors	ICO deemed no further action necessary
33355	31/07/23	Staff member shared patient identifiable information on a social media platform	ICO satisfied with the disciplinary action taken against the staff member and deemed no further action necessary
33901	12/09/23	A patient letter was included with another patient letter and sent to an incorrect data subject	ICO deemed no further action necessary
34310	16/10/23	Three FP10 prescription pads were left in a staff member's car overnight. The car was broken into and the prescription pads were stolen. Some audit data containing identifiable information was also taken	ICO satisfied with action taken including contacting data subjects, informing the police and the North-West Controlled Drugs Local Intelligence Network at NHS England. ICO deemed no further action necessary
36218	13/03/24	A letter containing the personal information of a current employee was sent to the employee's former manager who is no longer employed by the Trust	Awaiting ICO decision

Under the Network and Information Systems (NIS) Regulations 2018 the Trust is required to have adequate data and cyber security measures in place to protect against the increasing cyber threat. As an operator of essential services, we are required to report network and information systems incidents which have significantly affected the continuity of services. The Trust has recorded no such incidents in the 2023/24 financial year.

As required by the Data Protection Act 2018 the Trust conducts Data Protection Impact Assessments (DPIAs) on projects that involve new types of data processing. No high-risk data processing issues which would require escalation to the ICO were identified in the impact assessments completed during 2023/24 financial year.

The Trust uses the Data Security and Protection Toolkit in conjunction with the Datix Risk Management system to inform the work of its Information Governance and Records Sub-Committee. The Information Governance and Records Sub-Committee is accountable to the Quality Assurance Committee which is a sub-committee of the Trust Board.

The Trust's Senior Information Risk Owner (SIRO) chairs the Information Governance and Records Sub-Committee which is also attended by the Trust's Caldicott Guardian (Medical Director). The SIRO (Chief Information Officer) acts as the Board level lead for information risk within the Trust. Any areas of weakness in relation to the management of information risk which are identified, or are highlighted by internal audit review, are targeted with action plans to ensure that we continue to strive to be information governance assured.

Data quality and governance

A Data Quality and Assurance Group is established as a sub-group of the Information Governance and Corporate Records Sub-Committee and is chaired by the Associate Director of Information. The membership of the group includes the following as core members: Information Governance; Digital Analytics; Workforce; Contracting and Performance; ePR; Clinical Coding; Finance; Clinical Audit; Referral to Treatment, with subject experts from operational teams co-opted as and when required.

The standard agenda includes the following items:

- SUS (Secondary User Service) Data Quality Report
- Systems Data Quality corrections
- NHS Digital Information Standards Notifications tracking
- Data Security and Protection Toolkit update
- Documents for review/approval
- Data Quality Policy
- Finance update including NHS England Compliance report for financial data quality
- Coding update
- Contracts/model hospital updates

- Workforce update
- ePR/(PAS) Patient Administration System update
- RTT update

The Trust Data Quality policy is available via the Trust's policy HUB for ease of access.

All staff including clinicians and administrative staff who collect and record data, both manually and on the Trust clinical information systems, are responsible for ensuring adherence to the relevant data standards and for ensuring good data quality.

In order to achieve this they must:

- Ensure the timely, accurate and complete recording of data in the appropriate Trust information systems or record
- Ensure they have the appropriate level of knowledge and skills for using the information systems required to do their role
- Undertake regular validation checks of data collection and input to confirm that the patient demographic data and personally identifiable data for our patients is accurate and up to date
- Update any inaccuracies and/or missing data in server user records
- Address any data quality issues as soon as possible and escalate appropriately. Reporting any concerns to the appropriate Information Asset Owner (IAO) or Information Asset Administrator (IAA)
- Have an awareness of and comply with national legislation, Trust level and local procedures
- Ensure that they meet the Trust's Data Quality Standards where agreed for their area
- Monitor their own competencies and access training where necessary both for clinical information systems and record keeping/data quality
- Ensure all data is processed in a secure and confidential way to comply with general data protection regulation standards

Ensuring that data is accurate, valid, reliable, timely, relevant and complete will help the Trust and its partners to assess the quality of our data and take action to address potential weaknesses.

Internal Trust-wide Standard Operating Procedures (SOPs) are created, reviewed and maintained to ensure the consistency with data collection and adherence to standards. SOPs are used by clinical and non-clinical teams and are also available on the Trust's policy HUB for ease of access.

A dedicated Referral to Treatment (RTT) Team supported by the operational teams validate all clinical specialties focusing on inpatients, outpatients, diagnostics and cancer as part of the RTT pathways with the latter two also validated by the relevant teams. The team also follow up on issues, e.g. tests not ordered or patients not added to waiting lists to ensure the patient pathway is progress in a timely manner and avoiding any further delays to treatment.

The Electronic Staff Record Programme ('ESR')

ESR received an ISAE 3402 Type II (service auditor report) for the year ended 31 March 2024. This had a qualified audit opinion. There were three control deficiencies highlighted by the report, two of which were not relevant to the Trust. The finding deemed relevant was as follows:

"The controls related to the authorisation and revocation of logical access did not operate effectively during the period 1 April 2023 to 31 March 2024 to achieve the control objective of 'controls provide reasonable assurance that security configurations are created, implemented and maintained to prevent inappropriate access'."

The Trust is satisfied that it has local compensating controls in place that sufficiently mitigate this control deficiency.

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The Trust is satisfied that it has local compensating controls in place that sufficiently mitigate this control deficiency.

Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports.

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the board, the audit committee, the Quality Assurance Committee and the Risk Review Group; and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Board of Directors: The Board Assurance Framework provides an overview of the internal control environment and evidence of the effectiveness of the controls that manage the risks to the Trust in achieving its strategic objectives as identified in the annual plan.

Audit Committee: The Audit Committee reviews the effectiveness of internal control through the delivery of the internal audit plan.

Clinical Audit: Clinical Audit is an integral part of the Trust's internal control framework. An annual audit programme is developed involving all clinical business units. Audit priorities are aligned to the Trust's clinical risk profile, compliance requirements under the provisions of the Health and Social Care Act 2008 (Regulated Activities) Regulations 2010, and national clinical audit priorities or service reviews. The Trust has adopted the Health Research Authority (HRA) procedures which moved the emphasis towards acceptance of HRA assessment within the framework of research governance, strict legislation and recognised good clinical practice, and local assessment of capability and capacity to run a study.

Internal Audit: MIAA acted as internal auditors for the Trust during the year. Internal Audit is an independent and objective appraisal service which has no executive responsibilities within the line management structure. It pays particular attention to any aspects of risk management, control or governance affected by material changes to the Trust's risk environment, subject to Audit Committee approval. A detailed programme of work is discussed with the Executive Team and set out for each year in advance and then carried out along with any additional activity that may be required during the year.

In approving the internal audit work programme, the Committee uses a three-cycle planning and mapping framework to ensure all areas are reviewed at the appropriate frequency. Detailed reports, including follow-up reviews to ensure remedial actions have been completed, are presented regularly to the committee by Internal Audit throughout the year. All such information and reports are fully recorded in the minutes and papers prepared for each Audit Committee meeting.

Head of Internal Audit issued an overall opinion for 2023-24 of substantial assurance noting that there is a good system of internal control designed to meet the organisation's objectives. The HOIA confirmed continued compliance with the definition of internal audit (as set out in the Trust's Internal Audit Charter), code of ethics and professional standards. The HOIA also confirmed organisational independence of the audit activity and that this has been free from interference in respect of scoping, delivery and reporting.

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External Audit: External Audit provides independent assurance on the Accounts, Annual Report, Annual Governance Statement and on the Annual Quality Report. The assurance framework itself provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed. My review is also informed by the work of internal and external audit, the external review processes for the clinical negligence scheme for Trusts along with NHS Resolution and the Care Quality Commission.

The BAF itself provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed. Risk Management Core Controls was included in the 2023/24 Internal Audit Plan receiving a high assurance rating.

The effectiveness of the system of internal control is maintained and reviewed by the Board of Directors via its committees and individual management responsibilities at director and senior manager level. Regular reports have been reviewed by the committees of the Board and individuals in relation to all key risks.

Clinical governance and processes to ensure quality of patient care were overseen by the Quality Committee under the leadership of the Chief Nurse and Deputy Chief Executive. Assurance reports from this committee were received by the Board of Directors together with ad hoc reports, as required, and an annual report summarises the most significant issues in this area.

The Chief Nurse and Deputy Chief Executive has delegated lead responsibility for risk management across the Trust. Individual directors and senior managers are empowered to review and manage risks within their own areas of responsibility, linking closely with wider Trust processes. Significant support has been provided via training, advice, and guidance documentation to enable senior staff to effectively fulfil their functions.

An analysis of controls and assurance in relation to key organisational risks has been undertaken via the assurance framework.

Conclusion

In preparing this statement I have considered the corporate, quality and clinical governance infrastructure, functionality and effectiveness in place at the Trust. The Board of Directors remain committed to continuous improvements and enhancement of the systems of internal control. In line with the guidance on the definition of the significant control issues I have no significant internal controls issues to declare within this year's statement. My review confirms that Warrington and Halton Teaching Hospitals NHS Foundation Trust has a good system of governance and stewardship that supports the achievement of its policies, aims and objectives.



Professor Simon Constable FRCP,
Chief Executive
28 June 2024



Annual Accounts 2023-24



7.1 Auditors Report

Independent auditor's report to the Council of Governors of Warrington and Halton Teaching Hospitals NHS Foundation Trust

Report on the audit of the financial statements

Opinion on financial statements

We have audited the financial statements of Warrington and Halton Teaching Hospitals NHS Foundation Trust (the 'Trust') for the year ended 31 March 2024, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Taxpayers Equity, the Statement of Cash Flows 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 Trust as at 31 March 2024 and of its 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 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 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 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 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 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 Trust and the 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.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the 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, other than the financial statements and our auditor's report thereon. The Accounting Officer is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 the requirements of the NHS Foundation Trust Annual Reporting Manual 2023/24; and
- based on the work undertaken in the course of the audit of the financial statements 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.

Responsibilities of the Accounting Officer

As explained more fully in the Statement of Accounting Officer's responsibilities, 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 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 without the transfer of its 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 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 Committee, concerning the 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 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 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, fraud in revenue recognition and fraud in expenditure recognition. We determined that the principal risks were in relation to:
 - High risk or unusual journal entries as identified by our risk assessment
 - Key accounting estimates
 - Income recognition in respect of patient care income and other operating revenue, other than the block contract income element of patient care revenues and education & training income.
 - Expenditure recognition in respect of non-pay expenditure excluding depreciation, amortisation, clinical negligence, audit fees, impairments, and including agency costs
- 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 high risk or unusual journals;
 - 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;
 - testing a suitable sample of variable income and receivables to supporting evidence;
 - agreeing, on a sample basis, expenditure to supporting evidence

- 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 the potential for fraud in revenue and expenditure recognition, and the significant accounting estimates related to land and building valuations. 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 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 Trust operates
 - understanding of the legal and regulatory requirements specific to the 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 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, expected financial statement disclosures and business risks that may result in risks of material misstatement.
 - The Trust's control environment, including the policies and procedures implemented by the 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 except on 20 June 2024 we identified a significant weakness in how the Trust plans and manages its resources to ensure it can continue to deliver its services. This is in relation to the Trust:

- facing significant financial sustainability challenges as evidenced by the deficit delivered in 2023/24 and the deficit plan submission for 2024/25; and
- the under delivery of recurrent savings in 2023/24 and their impact on the 2024/25 financial position, and the ambitious 166% increase to the recurrent savings target in 2024/25.

We recommend the Trust work together with system partners to develop a multi-year financial plan which delivers financial balance in the medium term and is based upon realistic assumptions that are supported by all partners and focus on identifying and delivering recurrent savings in order to deliver the 2024/25 financial plan and help

deliver financial sustainability in the future, including identifying strategic service transformation with system partners in addition to internal efficiency programmes.

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 Warrington and Halton Taching Hospitals 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.

Georgia Jones

Georgia Jones, Key Audit Partner

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

Liverpool

28 June 2024

7.2 Forward to the Accounts

Trust name: Warrington and Halton Teaching Hospitals NHS Foundation Trust
This year: 2023/24
This year ended: 31 March 2024
This year beginning: 1 April 2023

Foreword to the accounts for the year 1 April 2023 to 31 March 2024

Warrington and Halton Teaching Hospitals NHS Foundation Trust

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



Simon Constable
Chief Executive
26 June 2024

7.3 Primary Financial Statements

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2024

	NOTE	2023/24 £000	2022/23 £000
Income from activities	3	316,660	316,327
Other operating income	3	39,466	30,725
Operating income	3	356,126	347,052
Operating expenses	4	(379,645)	(350,106)
OPERATING SUPLUS / (DEFICIT)		(23,519)	(3,054)
FINANCE INCOME / (EXPENSE)			
Finance income - interest receivable	7	1,335	894
Finance expense - interest payable	8	(135)	(101)
PDC dividends payable		(5,380)	(4,650)
NET FINANCE COSTS		(4,180)	(3,857)
Net losses on disposal of assets	9	107	(19)
DEFICIT FOR THE FINANCIAL YEAR		(27,592)	(6,930)
Other comprehensive income / (expense)			
Items that will not be reclassified to income and expenditure			
Net impairments on property, plant and equipment	10	(1,565)	(2,734)
Revaluation gains on property, plant and equipment		2,650	5,900
TOTAL COMPREHENSIVE INCOME / (EXPENSE) FOR THE YEAR		(26,507)	(3,764)
Allocation of losses for the period			
(a) (Deficit) for the period attributable to:			
(ii) owners of the parent		(27,592)	(6,930)
TOTAL		(27,592)	(6,930)
(b) Total comprehensive income / (expense) for the period attributable to:			
(ii) owners of the parent		(26,507)	(3,764)
TOTAL		(26,507)	(3,764)

The notes on pages 5 to 37 form part of these accounts.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

		31 March 2024 £000	31 March 2023 £000
	NOTE		
NON-CURRENT ASSETS			
Intangible assets	11	1,804	2,470
Property, plant and equipment	12	197,662	177,949
Right of use assets	13	10,441	10,713
Trade and other receivables	15	852	1,136
Total non-current assets		210,759	192,268
CURRENT ASSETS			
Inventories	14	4,226	4,145
Trade and other receivables	15	13,231	18,802
Non-current assets held for sale and assets in disposal groups	16	132	0
Cash and cash equivalents	18	17,634	34,926
Total current assets		35,223	57,873
CURRENT LIABILITIES			
Trade and other payables	19	(43,338)	(47,453)
Borrowings	21	(2,530)	(2,283)
Provisions	22	(2,849)	(244)
Other liabilities	20	(4,587)	(5,113)
Total current liabilities		(53,304)	(55,093)
Total assets less current liabilities		192,678	195,048
NON-CURRENT LIABILITIES			
Borrowings	21	(7,927)	(8,327)
Provisions	22	(2,287)	(2,696)
Total non-current liabilities		(10,214)	(11,023)
TOTAL ASSETS EMPLOYED		182,464	184,025
TAXPAYERS' EQUITY			
Public dividend capital		239,523	214,577
Revaluation reserve		40,689	40,855
Income and expenditure reserve		(97,748)	(71,407)
TOTAL TAXPAYERS' EQUITY		182,464	184,025

The primary accounts on pages 1 to 4 and the notes on pages 5 to 37 were approved by the Audit Committee on 20 June 2024 on behalf of the Trust Board using the powers delegated to the Committee and signed on its behalf by Simon Constable, Chief Executive.



Signed: Date: 26 June 2024

Simon Constable
Chief Executive

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY FOR THE YEAR ENDED 31 MARCH 2024

	Total Taxpayers' Equity £000	Public Dividend Capital £000	Revaluation Reserve £000	Income and Expenditure Reserve £000
Taxpayers' equity as at 1 April 2023	184,025	214,577	40,855	(71,407)
Deficit for the year	(27,592)	0	0	(27,592)
Transfers between reserves	0	0	(1,251)	1,251
Net impairments on property, plant and equipment	(1,565)	0	(1,565)	0
Revaluation gains on property, plant and equipment	2,650	0	2,650	0
Public Dividend Capital received	24,946	24,946	0	0
Taxpayers' equity as at 31 March 2024	182,464	239,523	40,689	(97,748)

	Total Taxpayers' Equity £000	Public Dividend Capital £000	Revaluation Reserve £000	Income and Expenditure Reserve £000
Taxpayers' equity as at 1 April 2022	175,499	202,287	37,689	(64,477)
Deficit for the year	(6,930)	0	0	(6,930)
Net impairments on property, plant and equipment	(2,734)	0	(2,734)	0
Revaluation gains on property, plant and equipment	5,900	0	5,900	0
Public Dividend Capital received	12,290	12,290	0	0
Taxpayers' equity as at 31 March 2023	184,025	214,577	40,855	(71,407)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024

	NOTE	2023/24 £000	2022/23 £000
Cash flows from operating activities			
Operating (deficit) from continuing operations		<u>(23,519)</u>	<u>(3,054)</u>
Non-cash income and expense			
Depreciation and amortisation	4	14,349	12,942
Impairments and reversals	4	(656)	(648)
Income recognised in respect of capital donations	3	(2,185)	(807)
(Increase) / decrease in trade and other receivables	15	5,941	(6,507)
(Increase) in inventories	14	(81)	73
Increase in trade and other payables	18	(3,493)	6,063
Increase / (decrease) in other liabilities	19	(526)	11
Increase in provisions	21	2,196	16
Other movements in operating cash flows		0	0
Net cash used in operations		<u>(7,974)</u>	<u>8,089</u>
Cash flows from investing activities			
Interest received	7	1,335	894
Purchase of intangible assets	11	(254)	(495)
Purchase of property, plant and equipment	12	(29,632)	(24,206)
Sales of property, plant and equipment		223	50
Initial direct costs or up front payments in respect of new right of use assets (lessee)	13	(38)	0
Receipt of cash donations to purchase capital assets	3	2,185	807
Net cash used in investing activities		<u>(26,181)</u>	<u>(22,950)</u>
Cash flows from financing activities			
Public Dividend Capital received (note 1)		24,946	12,290
Capital element of lease liability repayments	21.1	(2,482)	(2,740)
Other interest	8	(3)	(4)
Interest element of lease liability repayments	8	(132)	(97)
Public Dividend Capital paid		(5,466)	(4,318)
Net cash used in financing activities		<u>16,863</u>	<u>5,131</u>
Decrease in cash and cash equivalents	18	(17,292)	(9,730)
Cash and cash equivalents as at 1 April		34,926	44,656
Cash and cash equivalents as at 31 March	18	<u><u>17,634</u></u>	<u><u>34,926</u></u>

note 1 - The Trust received two types of PDC in 2023/24, £7.2m of revenue PDC cash support and £17.7m of capital PDC (2022/23 - £12.3m capital PDC).

7.4 Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

NHS England, has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care (DHSC) 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 DHSC. The accounting policies contained in the GAM follow International Financial Reporting Standards (IFRS) 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.

Note 1.1.1 Accounting convention

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

Note 1.2 Going concern

Whilst we remain in a recurrent financially challenged position, the directors have a reasonable expectation that the services provided by the NHS foundation trust will continue to be provided by the public sector for the foreseeable future. A key consideration is that we have the cash resources to meet our obligations as they fall due in the foreseeable future. There is a comprehensive cash management and forecasting process in place, including daily, weekly and monthly cash flow forecasting and careful working capital management. Access to cash support remains available if required through monthly requests to the Department of Health and Social Care in line with the standard NHSE policy and process. For this reason, the directors have adopted the going concern basis in preparing the accounts, following the definition of going concern in the public sector adopted by HM Treasury's Financial Reporting Manual.

Note 1.3 Key sources of judgement and 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 and the estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Note 1.3.1 Critical judgements in applying accounting policies

The following are the judgements, apart from those involving estimations that management have made in the process of applying the Trust's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Provisions

The Trust has the following categories of provisions:

- Pensions - relates to early retirement costs information is provided by NHS Business Service Authority.
- Legal - claims relates to third party legal claims advised by NHS Resolution.
- Other - employment tribunals.
- Clinical Pension - information is provided by NHSE.

The only category where the Trust applies a judgement and estimate is to the employment tribunal cases within other provisions. This is in respect of likelihood of outcome and any financial awards that may be made against the Trust.

Note 1.3.2 Sources of estimation uncertainty

The following are assumptions about the future and other major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Asset valuations and lives

The value and remaining useful lives of land and building assets are estimated by Cushman & Wakefield who provide professional valuation services. The valuations are carried out in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual insofar as these terms are consistent with the agreed requirements of the DHSC and HM Treasury. Valuations are carried out primarily on the basis of Depreciated Replacement Cost based on the Modern Equivalent for specialised operational property (property rarely sold on the open market) and Current Value in Existing Use for non-specialised operational property. A simple sensitivity analysis indicates that a 1% movement in these estimations would increase or decrease the valuation of assets by £1.4m. In comparison, a 10% movement in values is £14.0m.

A full asset valuation is undertaken every five years with an annual 'desk top' valuation being undertaken in the intervening years.

The lives of equipment assets are estimated on historical experience of similar equipment lives with reference to national guidance and consideration of the pace of technological change. Operational equipment is carried at its cost less any accumulated depreciation and any impairment losses. Where assets are of low value and / or have short useful economic lives, these are carried at depreciated historical cost as a proxy for current value.

Note 1.4 Income

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The GAM expands the definition of a contract to include legislation and regulations which enables an entity to receive cash or another financial asset that is not classified as a tax by the Office of National Statistics (ONS).

Revenue in respect of goods/services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust's entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received or receivable relates to a performance obligation that is to be satisfied in a future period, the income is deferred and recognised as a contract liability.

Revenue from NHS contracts

The accounting policies for revenue recognition and the application of IFRS 15 are consistently applied.

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

The Trust also receives income from commissioners under Commissioning for Quality Innovation (CQUIN) and Best Practice Tariff (BPT) schemes. Delivery under these schemes is part of how care is provided to patients. As such CQUIN and BPT payments are not considered distinct performance obligations in their own right; instead they form part of the transaction price for performance obligations under the overall contract with the commissioner and accounted for as variable consideration under IFRS 15. Payment for non-elective BPTs are included in the fixed element of API contracts with adjustments for actual achievement being made as part of planning for the following year. BPT earned on elective activity is included in the variable element of API contracts and paid in line with actual activity performed. CQUIN is included in fixed payments from commissioners based on assumed achievement of criteria. Where CQUIN criteria was not achieved, no adjustment to income was made by local agreement.

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 2023/24 elective recovery funding for providers was separately identified within the API contracts.

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 it receives notification from the Department of Work and Pension's Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less an allowance for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

Note 1.4.1 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.

Note 1.4 Income (continued)

Where income is received for a specific activity that is to be delivered in a future financial year that income is deferred.

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met and is measured as the sums due under the sale contract.

The main sources of other operating income are from the DHSC, Health Education England, NHS Trusts, NHS Foundation Trusts and Local Authorities.

Note 1.5 Expenditure on employee benefits

Short-term employee benefits

Salaries, wages and employment related payments such as social security costs and the apprenticeship levy are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

Pension costs

Past and present employees are covered by the provisions of the NHS Pension Schemes. Details of the benefits payable and rules of the schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”. An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2024, is based on valuation data as 31 March 2023, updated to 31 March 2024 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from April 2024. The Department of Health and Social Care has recently laid Scheme Regulations confirming the employer contribution rate will increase to 23.7% of pensionable pay from 1 April 2024 (previously 20.6%). The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.

Note 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 an intangible asset or an item of property, plant and equipment.

Note 1.7 Intangible assets

Note 1.7.1 Recognition

Intangible assets are non-monetary assets without physical substance which are capable of sale separately from the rest of the Trust's business or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, the Trust; where the cost of the asset can be measured reliably; and where the cost is at least £5,000.

Software which is integral to the operation of hardware, eg an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, eg application software, is capitalised as an intangible asset.

Note 1.7.2 Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Intangible assets held for sale are measured at the lower of their carrying amount or fair value less costs to sell.

Amortisation

Intangible assets are amortised over their expected useful lives in a manner consistent with the consumption of economic or service delivery benefits.

Note 1.8 Property, plant and equipment

Note 1.8.1 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 will 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; and
- the item has a cost of at least £5,000; or
- collectively, a number of items which 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; or
- items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

Note 1.8.1 Recognition (continued)

The whole of a site is designated as the property asset with the land, the separate buildings upon it and the external works being the main components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

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.

Note 1.8.2 Measurement

Valuation

All property, plant and equipment is initially measured at cost, representing the cost 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.

Land and buildings used for the Trust's services or for administrative purposes are stated in the SoFP at their revalued amounts, being the current value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and where it would meet the location requirements of the service being provided an alternative site valuation can be used. The Trust has used alternative site valuation from 2017/18 onwards. The Trust commissioned Cushman & Wakefield to undertake a 'desk top' valuation as at 31 March 2024.

Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the SoFP date.

- Land and non specialised buildings - market value for existing use.
- Specialised buildings - depreciated replacement cost.
- Equipment - depreciated historical cost.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at current value. Assets are revalued and depreciation commences when they are brought into use.

IT equipment, transport equipment, furniture and fittings and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful lives or low values or both, as this is not considered to be materially different from current value in existing use.

An item of property, plant and equipment which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 or IFRS 5.

Note 1.8 Property, plant and equipment (continued)

Depreciation

Items of property, plant and equipment are depreciated over their remaining useful lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

Property, plant and equipment which has been reclassified as 'held for sale' ceases to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-SoFP PFI contract assets are not depreciated until the asset is brought into use or reverts to the Trust, respectively.

Revaluation gains and losses

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating expenses.

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 SoCI as an item of 'other comprehensive income / expenses'.

Impairments

At the end of the financial year the Trust reviews whether there is any indication that any of its assets have suffered an impairment loss. If there is an indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount.

In accordance with the GAM, impairments that are due to a loss 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 arising from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss are 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, such as unforeseen obsolescence, are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains and classed as 'other operating income'.

Note 1.8 Property, plant and equipment (continued)

Note 1.8.3 De-recognition

Assets intended for disposal are reclassified as 'held for sale' once the criteria in IFRS 5 are met. The sale must be highly probable and the asset available for immediate sale in its present condition.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Note 1.8.4 Donated, government grant and other grant funded assets

Donated, government grant and other grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation / grant is credited in full 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.

Note 1.9 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.

Note 1.9.1 The Trust as lessee

Initial recognition and 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.

Note 1.9 Leases (continued)

Note 1.9.2 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

Rental 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.

Note 1.9.3 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 IFRS16 were only applied to existing contracts where they were previously deemed to be a lease or contain a lease under IAS 17 and IFRIC 4. Where existing contracts were previously assessed not to be or contain a lease, these assessments were not revisited.

The Trust as lessee

For continuing leases previously classified as operating leases, a lease liability was established on 1 April 2022 equal to the present value of future lease payments discounted at the Trust's incremental borrowing rate of 0.95%. A right of use asset was created equal to the lease liability and adjusted for prepaid and accrued lease payments and deferred lease incentives recognised in the Statement of Financial Position immediately prior to initial application. Hindsight was used in determining the lease term where lease arrangements contained options for extension or earlier termination.

No adjustments were made on initial application in respect of leases with a remaining term of 12 months or less from 1 April 2022 or for leases where the underlying assets had a value below £5,000. No adjustments were made in respect of leases previously classified as finance leases.

The Trust as lessor

Leases of owned assets where the Trust was lessor were unaffected by initial application of IFRS 16. For existing arrangements where the Trust was an intermediate lessor, classification of all continuing sublease arrangements has been reassessed with reference to the right of use asset.

Note 1.10 Inventories

Inventories are valued at the lower of cost and net realisable value using the first-in first-out cost formula, which is considered to be a reasonable approximation to fair value due to the high turnover of stocks.

The Trust received inventories including personal protective equipment from the Department of Health and Social Care at nil cost. In line with the GAM and applying the principles of the IFRS Conceptual Framework, the Trust has accounted for the receipt of these inventories at a deemed cost, reflecting the best available approximation of an imputed market value for the transaction based on the cost of acquisition by the Department.

Note 1.11 Cash and cash equivalents

Cash is defined as 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. Interest earned on bank accounts is recorded as interest receivable in the periods to which it relates. Balances exclude monies held in bank accounts belonging to patients (Note 18).

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.

The Trust is required to maintain a minimum cash balance of £1.160m to ensure that the Better Payment Practice code can be achieved to ensure prompt payment to suppliers. If the Trust falls below the minimum cash balance then PDC revenue support can be requested centrally from NHSE.

Note 1.12 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount, for which it is probable that there will be a future outflow of cash or other resources, and a reliable estimate can be made of the amount. The amount recognised in the SoFP is the best estimate of the expenditure 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. Early retirement provisions and injury benefit provisions both use the HM Treasury's post-employment benefits discount rate of 2.45% in real terms (prior year: 1.70%).

Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the Trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the Trust is disclosed at note 21 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 excesses payable in respect of successful claims are charged to operating expenses as and when the liability arises.

Note 1.13 Contingencies

Contingent liabilities are not recognised, but are disclosed in note 22, unless the probability of a transfer of economic benefits is remote. Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

Note 1.14 Value added tax (VAT)

Most of the activities of the Trust are outside the scope of VAT and in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

Note 1.15 Corporation tax

Warrington and Halton Teaching Hospitals NHS Foundation Trust is a Health Service Body within the meaning of s519A ICTA 1988 and accordingly is temporarily exempt from taxation in respect of income and capital gains within categories covered by this. There is a power for the Treasury to dis-apply the exemption in relation to the specified activities of a Foundation Trust (s519A (3) to (8) ICTA). Accordingly, the Trust will become within the scope of Corporation Tax in respect of activities which are not related to, or ancillary to, the provision of healthcare and where the profits exceed £50,000 per annum. However, there is no tax liability in respect of the current financial year (£nil in 2022/23).

Note 1.16 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the Trust has no beneficial interest in them. However, they are disclosed in a separate note to the accounts in accordance with requirements of HM Treasury's FReM (Note 18).

Note 1.17 Public Dividend Capital (PDC) and PDC dividend

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 Trust. 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. This policy is available at:-

<https://www.gov.uk/government/publications/guidance-on-financing-available-to-nhs-trusts-and-foundation-trusts>

In accordance with the requirements laid down by the DHSC (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the unaudited version of the annual accounts. The dividend calculated is not revised should any adjustment to net assets occur as a result of the audit of the annual accounts.

Note 1.18 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis.

The losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

Note 1.19 Consolidation

The Trust is the corporate Trustee to Warrington & Halton Teaching Hospitals NHS Foundation Trust Charitable Fund. The Trust has assessed its relationship to the charitable fund and determined it to be subsidiary because the Trust is exposed to, or has rights to, variable returns and other benefits for itself, patients and staff from its involvement with the charitable fund and has the ability to effect those returns and other benefits through its power over the fund.

The Charitable Fund's statutory accounts are prepared to 31 March in accordance with the UK Charities Statement of Recommended Practice (SORP) which is based on UK Financial Reporting Standard (FRS) 102.

The Trust has opted not to consolidate charitable funds with the main Trust Accounts in 2023/24 because they are immaterial. This will be reviewed each year for appropriateness.

Note 1.20 Financial assets and financial liabilities

Note 1.20.1 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. on receipt or delivery of the goods or services.

Note 1.20.2 Classification and measurement

Financial assets or financial liabilities in respect of assets acquired or disposed of through leasing arrangements are recognised and measured in accordance with the accounting policy for leases described in note 1.9.

Financial assets and liabilities are classified and 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 SoCI and a financing income or expense.

Note 1.20 Financial assets and financial liabilities (continued)

Impairment of financial assets

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets or assets measured at fair value through other comprehensive income, the Trust recognises an allowance for expected credit losses.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses.

In determining the classification of financial assets the Trust has considered both the business model and associated cash flows for the collection of contractual income that are solely payments of principal and interest. Financial assets are measured at amortised cost. Contract receivables will initially be measured at their transaction price, as defined by IFRS 15 adjusted for any allowance for expected credit losses using a general approach.

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 SoCI and reduce the net carrying value of the financial asset in the SoFP.

Note 1.20.3 De-recognition

All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or the Trust has transferred substantially all of the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expired.

Note 1.21.2 Revaluation reserve

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are also recognised in operating expenses. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

Note 1.21.3 Income and expenditure reserve

The balance of this reserve is the accumulated surpluses and deficits of the Trust.

Note 1.22 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2023/24.

Note 1.23 Accounting standards and interpretations issued but not yet adopted

No new accounting standards and interpretations issued but not yet adopted in 2023/24.

Note 2. Operating segments

The Trust has considered segmental reporting, the Chief Executive and the Trust Board receive sufficient and appropriate high level information to enable the business to be managed effectively supporting the monitoring and management of the Trust's strategic aims. Sufficiently detailed information is used by middle and lower management to ensure effective management at an operational level. Neither of these are sufficiently discrete to profile operating segments, as defined by IFRS 8, that would enable a user of these financial statements to evaluate the nature and financial effects of the business activities that this Trust undertakes. Therefore, the Trust has decided that it has one operating segment for healthcare.

Note 3 Operating income from patient care activities

Note 3.1 Income from patient care activities (by nature)

	2023/24 £000	2022/23 £000
Acute services		
Income from commissioners under API contracts - variable element (note 1)	69,805	0
Income from commissioners under API contracts - fixed element (note 1)	216,851	273,627
High cost drugs income from commissioners	13,980	14,124
Other NHS clinical income	5,967	3,426
All services		
Private patient income	16	12
Elective recovery fund	0	8,017
Agenda for change pay award central funding (note 2)	151	7,777
Additional pension contribution central funding (note 3)	9,142	8,337
Other non-protected clinical income	748	1,007
Total income from activities	316,660	316,327

note 1 - 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.

note 2 - In March 2023 the government announced an additional pay offer for 2022/23, in addition to the pay award earlier in the year. Additional funding was made available by NHS England for implementing this pay offer for 2022/23 and the income and expenditure has been included in these accounts as guided by the Department of Health and Social Care and NHS England. In May 2023 the government confirmed this offer will be implemented as a further pay award in respect of 2022/23 based on individuals in employment at 31 March 2023.

note 3 - 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.

Note 3.2 Income from patient care activities (by source)

	2023/24 £000	2022/23 £000
Income from patient care activities received from:		
NHS England	21,827	32,051
Clinical Commissioning Groups (note 4)	0	65,289
Integrated Care Boards (note 4)	293,517	217,469
NHS Foundation Trusts	445	386
Local Authorities	0	0
Department of Health and Social Care	8	5
NHS Other	106	224
Non NHS : private patients	16	12
Non NHS : overseas patients	75	90
Injury cost recovery scheme	602	801
Non NHS Other	63	0
Total income from activities	316,660	316,327

All income from activities relates, in its entirety, to continuing operations for 2023/24 and 2022/23.

note 4 - on 01/07/22 Clinical Commissioning Groups (CCGs) ceased to exist and were replaced by Integrated Care Boards (ICBs). Income in 2023/24 for CCGs is for April to June and ICBs is for July to March.

Note 3.3 Overseas visitors (relating to patients charged directly by the Trust)

	2023/24 £000	2022/23 £000
Income recognised this year	75	90
Cash payments received in-year	21	51
Amounts added to provision for impairment of receivables	68	11

Note 3. Operating income (continued)

Note 3.4 Other operating income	2023/24	2022/23
	£000	£000
Research and development	1,057	1,022
Education and training	11,428	10,965
Non-patient care services to other bodies	3,883	4,951
Reimbursement and top up funding	0	778
Income in respect of staff costs where accounted on gross basis	1,367	1,813
Education and training - Notional income from apprenticeship fund	733	589
Cash donations / grants for the purchase of assets	2,185	807
Contributions to expenditure - consumables (inventory) donated from DHSC group bodies for COVID response (note 1)	72	626
Rental revenue from operating leases	267	236
Other (note 2)	18,474	8,938
Total other operating income	39,466	30,725

note 1 - relates to donated Personal Protective Equipment (PPE) for COVID. The same value is included in expenditure which is shown in note 4.1.

note 2 - all other operating income relates in it's entirety to continuing operations for 2023/24 and 2022/23.

Analysis of other operating income 'other'	2023/24	2022/23
	£000	£000
Car parking	1,833	1,317
Catering	401	424
Pharmacy sales	85	60
Staff accommodation rentals	85	64
Non-clinical services recharged to other bodies	963	867
Clinical tests	2,177	2,078
Other (note 3)	12,930	4,128
Total other operating income 'other'	18,474	8,938

note 3 - other income for 2023/24 contains £3.6m Industrial Action Funding, £1.2m Pathology, £0.6m Long Covid Funding, £1.0m Tier 1 I&E Funding, £0.8m Intermediate Care Therapies Funding, £0.7m Patient Portal Funding, £0.3m International Nursing Funding, £0.3m National Medical Examiners Funding, £0.2m Urgent Care GP Hours Funding and £0.2m Digital Strategy Funding.

Note 3.5 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 Trust failure. This information is provided in the table below.

	2023/24	2022/23
	£000	£000
Income from services designated as commissioner requested services	315,896	315,308
Income from services not designated as commissioner requested services	764	1,019
Total	316,660	316,327

Note 3.6 Fees and charges

HM Treasury requires disclosure of fees and charges in respect of charges to service users where income from that service exceeds £1m and is presented as the aggregate of such income. There haven't been any costs exceeding £1m in either 2023/24 or 2022/23 in respect of fees and charges.

Note 3.7 Additional information on revenue from contracts with customers recognised in the period

	2023/24	2022/23
	£000	£000
Revenue recognised in the reporting period that was included in contract liabilities at the previous period end	2,452	4,547

Note 4. Operating expenditure

Note 4.1 Operating expenses	NOTE	2023/24 £000	2022/23 £000
Purchase of healthcare from NHS and DHSC bodies		1,038	241
Purchase of healthcare from non-NHS and non-DHSC bodies		1,320	729
Staff and executive directors costs		271,781	251,740
Non-executive directors		134	138
Supplies and services (clinical; excluding drug costs)		25,014	24,235
Supplies and services – clinical: utilisation of consumables donated from DHSC group bodies for COVID response (note 1)	14	72	626
Supplies and services (general)		4,787	3,572
Drug costs	14	21,238	20,243
Consultancy costs		386	294
Establishment		2,507	2,607
Premises (business rates)		717	1,230
Premises (other)		17,936	13,844
Transport (business travel only)		466	350
Transport (including patient travel)		1,086	1,118
Depreciation on property, plant and equipment and right of use assets	12 & 13	13,429	11,707
Amortisation on intangible assets	11	920	1,235
Net impairments	10	(656)	(648)
Movement in credit loss allowance: contract receivables/assets	17	232	(51)
Provisions arising / released in year		0	210
Change in provisions discount rate	22	37	(174)
Audit services (statutory audit) (note 2)		169	144
Other auditor remuneration (external auditor only) - analysis in note 4.2			
Internal audit costs		122	109
Clinical negligence, liability to third parties and property expenses scheme premiums		9,110	9,275
Legal fees		353	266
Insurance		233	215
Research and development - staff costs		1,125	406
Research and development - non-staff		0	77
Education and training - staff costs		2,891	2,899
Education and training - non-staff		2,019	2,028
Education and training - notional expenditure funded from apprenticeship fund		733	589
Lease expenditure		24	51
Redundancy		27	0
Losses and special payments	28	284	742
Other expenditure		111	59
Total operating expenses		<u>379,645</u>	<u>350,106</u>

All operating expenses relate, in their entirety, to continuing operations for 2023/24 and 2022/23

note 1 - Relates to donated Personal Protective Equipment (PPE) for COVID. The same value is included in income which is shown in note 3.4.

note 2 - 2023/24 includes £12k that relates to the 2022/23 audit.

Note 4.2 Limitation on auditor's liability

The external auditors' liability is limited to £1m. The scope of work for the external auditors is to provide a statutory audit of annual accounts and report and provide opinion on them to the Trust and the Trust's Council of Governors. This will be conducted in accordance with the Audit Code for NHS Foundation Trusts (the Audit Code) issued by Monitor in accordance with paragraph 24 of schedule 7 of the National Health Service Act 2006, schedule 10 of the National Health Service Act 2006 with due regard to the Comptroller and Auditor General's Code of Audit Practice (the Code) issued by the National Audit Office (NAO) in April 2015.

Note 5. Staff

Note 5.1 Employee expenses

	2023/24	2022/23
	Total	Total
	£000	£000
Salaries and wages	182,934	170,235
Social security costs	19,494	16,956
Apprenticeship levy	942	808
Pension costs (employer contributions to NHS Pensions)	20,835	18,994
Pension costs (employer contributions paid by NHSE on Provider's behalf (6.3%))	9,142	8,337
Pension costs (other)	101	106
Termination benefits	65	91
Temporary staff - external bank (note 1)	34,952	25,771
Temporary staff - agency/contract staff (note1)	8,900	14,795
Total employee benefit expenses	277,365	256,093
Less costs capitalised as part of assets	(1,541)	(1,048)
Total per employee expenses in Note 4.1	275,824	255,045

note 1 - during 2023/24 the Trust has worked on reducing agency costs by utilising bank staff at agreed rates.

Employee costs include staff costs of £1,541k (£1,048k in 2022/23) which have been capitalised as part of the Trust's capital programme. These amounts are excluded from employee expenses (Note 5.1). The employee expenses table above is for executive directors, staff costs and redundancy payments only. It excludes non-executive directors.

An accrual in respect of the cost of annual leave entitlement carried forward at the SoFP date of £339k has been provided for within the accounts (£2,216k as at 31 March 2023).

Note 5.2 Early retirements due to ill-health

No members of staff retired early on ill-health grounds during the year (4 member of staff at a cost of £397k for the year ending 31 March 2023). The cost of ill-health retirements is borne by the NHS Business Services Authority - Pensions Division.

Note 6. Operating leases

This note discloses income generated in operating lease agreements where Warrington and Halton Teaching Hospital NHS Foundation Trust is the lessor.

Note 6.1 Operating lease income	2023/24 £000	2022/23 £000
Lease receipts recognised as income in the year	267	236
Total	267	236

Future minimum lease receipts due:	2023/24 £000	2022/23 £000
Not later than one year	267	236
Later than one year and not later than five years	1,068	944
Later than five years	10,521	9,603
Total	11,856	10,783

Note 7. Finance revenue

	2023/24 £000	2022/23 £000
Interest on bank accounts	1,335	894
Total	1,335	894

Note 8. Finance expenditure

Note 8.1 Finance expenditure

	2023/24 £000	2022/23 £000
Interest on lease obligations	132	97
Interest on Late Payment of Debt	3	4
Total interest expense	135	101

Note 8.2 The Late Payment of Commercial Debts (Interest) Act 1998

The total paid within 2023/24 for late payment of commercial debt was £3k (£4k in 2022/23).

Note 9. Other - Net Gain / (Losses)

	2023/24 £000	2022/23 £000
Gains on disposal of property, plant and equipment	107	49
Net Losses on disposal of property, plant and equipment	0	(68)
Total gains/(losses) on disposal of assets	107	(19)

Note 10. Impairment of assets

	2023/24		
	Net Impairments £000	Impairments £000	Reversal of Impairments £000
Impairments and (reversals) charged to operating surplus / (deficit):			
Abandonment of assets in the course of construction	0	0	0
Total DEL	<u>0</u>	<u>0</u>	<u>0</u>
Change in market price	(656)	332	(988)
Total AME	<u>(656)</u>	<u>332</u>	<u>(988)</u>
Impairments charged to operating expenses	(656)	332	(988)
Impairments charged to the revaluation reserve	1,565	1,565	0
Total impairments due to change in market price	<u><u>909</u></u>	<u><u>1,897</u></u>	<u><u>(988)</u></u>

	2022/23		
	Net Impairments £000	Impairments £000	Reversal of Impairments £000
Impairments and (reversals) charged to operating surplus / (deficit):			
Abandonment of assets in the course of construction	0	0	0
Total DEL	<u>0</u>	<u>0</u>	<u>0</u>
Change in market price	(648)	2,023	(2,671)
Total AME	<u>(648)</u>	<u>2,023</u>	<u>(2,671)</u>
Impairments charged to operating expenses	(648)	2,023	(2,671)
Impairments charged to the revaluation reserve	2,734	2,810	(76)
Total impairments due to change in market price	<u><u>2,086</u></u>	<u><u>4,833</u></u>	<u><u>(2,747)</u></u>

A full asset valuation is undertaken every five years with an annual 'desk top' valuation being undertaken in the intervening years. Any increase in valuation which reverses a previous impairment has been credited to other operating income, to the extent of what has been charged there already relating to the asset. Any remaining balance has been credited to the revaluation reserve.

In applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standards 2020 ('Red Book'), the valuer has declared that the valuation is not reported as being subject to 'material valuation uncertainty'. This is due to property markets functioning again despite COVID-19. The values in the report have been used to inform the measurement of property assets at valuation in these financial statements. The valuer has continued to exercise professional judgement in providing the valuation and this remains the best information available to the Trust.

Note 11. Intangible assets

	Software licences £000
Cost as at 1 April 2023	6,691
Additions - purchased	254
Additions - donated	0
Reclassifications	0
Disposals	0
Cost as at 31 March 2024	<u>6,945</u>
Accumulated amortisation as at 1 April 2023	4,221
Provided during the year	920
Reclassifications	0
Disposals	0
Accumulated amortisation as at 31 March 2024	<u>5,141</u>
Cost as at 1 April 2022	7,743
Additions - purchased	495
Additions - donated	0
Reclassifications	(659)
Disposals	(888)
Cost as at 31 March 2023	<u>6,691</u>
Accumulated amortisation as at 1 April 2022	4,545
Provided during the year	1,235
Reclassifications	(671)
Disposals	(888)
Accumulated amortisation as at 31 March 2023	<u>4,221</u>
Net book value as at 31 March 2024	1,804
Net book value as at 31 March 2023	2,470

All intangible assets are owned assets.

	Minimum Life Years	Maximum Life Years
Software licences	2	10

Note 12. Property, plant and equipment

	Total	Land	Buildings excluding Dwellings	Dwellings	Assets Under Construction	Plant & Machinery	Transport & Equipment	Information Technology	Furniture & Fittings
Note 12.1 Property, plant and equipment 2023/24	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation as at 1 April 2023	199,487	17,500	121,074	991	15,362	31,177	101	11,208	2,074
Additions - purchased	26,825	0	1,454	0	19,880	2,436	72	2,034	949
Additions - assets purchased from cash donations	2,185	0	389	0	1,796	0	0	0	0
Impairments charged to revaluation reserve	(1,565)	0	(1,336)	(229)	0	0	0	0	0
Revaluations	(2,046)	0	(1,949)	(97)	0	0	0	0	0
Reclassifications	0	0	2,576	0	(14,346)	7,228	0	793	3,749
Transfers to/from assets held for sale and assets in disposal groups	(162)	0	0	0	0	(162)	0	0	0
Disposals	(2,026)	0	0	0	0	(2,003)	0	0	(23)
Cost or valuation as at 31 March 2024	222,698	17,500	122,208	665	22,692	38,676	173	14,035	6,749
Accumulated depreciation as at 1 April 2023	21,538	0	0	0	0	14,577	96	5,976	889
Provided during the year	10,790	0	5,288	64	0	3,568	6	1,612	252
Impairments charged to operating expenses	332	0	278	54	0	0	0	0	0
Reversal of impairments credited to operating expenses	(988)	0	(988)	0	0	0	0	0	0
Revaluations	(4,696)	0	(4,578)	(118)	0	0	0	0	0
Transfers to/from assets held for sale and assets in disposal groups	(30)	0	0	0	0	(30)	0	0	0
Disposals	(1,910)	0	0	0	0	(1,887)	0	0	(23)
Accumulated depreciation as at 31 March 2024	25,036	0	0	0	0	16,228	102	7,588	1,118
Net book value as at 31 March 2024	197,662	17,500	122,208	665	22,692	22,448	71	6,447	5,631

Note 12. Property, plant and equipment

	Total	Land	Buildings excluding Dwellings	Dwellings	Assets Under Construction	Plant & Machinery	Transport & Equipment	Information Technology	Furniture & Fittings
Note 12.1 Property, plant and equipment 2022/23	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation as at 1 April 2022	179,170	18,375	110,054	1,022	6,014	31,313	101	11,228	1,063
Additions - purchased	24,492	0	5,585	0	14,945	2,125	0	1,593	244
Additions - assets purchased from cash donations	507	0	0	0	148	9	0	0	350
Impairments charged to revaluation reserve	(2,810)	(875)	(1,935)	0	0	0	0	0	0
Reversal of impairments credited to the revaluation reserve	76	0	48	28	0	0	0	0	0
Revaluations	2,254	0	2,313	(59)	0	0	0	0	0
Reclassifications	659	0	5,009	0	(5,745)	265	0	666	464
Disposals	(4,861)	0	0	0	0	(2,535)	0	(2,279)	(47)
Cost or valuation as at 31 March 2023	199,487	17,500	121,074	991	15,362	31,177	101	11,208	2,074
Accumulated depreciation as at 1 April 2022	20,883	0	0	0	0	13,937	92	6,013	841
Provided during the year	9,070	0	4,235	59	0	3,106	4	1,571	95
Impairments charged to operating expenses	2,023	0	2,023	0	0	0	0	0	0
Reversal of impairments credited to operating expenses	(2,671)	0	(2,671)	0	0	0	0	0	0
Revaluations	(3,646)	0	(3,587)	(59)	0	0	0	0	0
Reclassifications	671	0	0	0	0	0	0	671	0
Disposals	(4,792)	0	0	0	0	(2,466)	0	(2,279)	(47)
Accumulated depreciation as at 31 March 2023	21,538	0	0	0	0	14,577	96	5,976	889
Net book value as at 31 March 2023	177,949	17,500	121,074	991	15,362	16,600	5	5,232	1,185

	Total	Land	Buildings excluding Dwellings	Dwellings	Assets Under Construction	Plant & Machinery	Transport & Equipment	Information Technology	Furniture & Fittings
Note 12.3 Property, plant and equipment financing	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value as at 31 March 2024									
Owned	192,101	17,500	120,199	665	22,692	21,336	71	6,447	3,191
Donated / Granted	5,561	0	2,009	0	0	1,112	0	0	2,440
Total net book value as at 31 March 2024	197,662	17,500	122,208	665	22,692	22,448	71	6,447	5,631
Net book value as at 31 March 2023									
Owned	174,016	17,500	118,920	991	15,152	15,039	5	5,232	1,177
Donated / Granted	3,502	0	2,154	0	210	1,130	0	0	8
Donated equipment from DHSC and NHSE for COVID response	431	0	0	0	0	431	0	0	0
Total net book value as at 31 March 2023	177,949	17,500	121,074	991	15,362	16,600	5	5,232	1,185

Note 12.4. Lives of non-current assets

The lives of equipment assets are estimated on historical experience of similar equipment lives with reference to national guidance and consideration of the pace of technological change.

The following table discloses the range of lives of various assets.

	Minimum Life Years	Maximum Life Years
Buildings excluding dwellings	5	80
Dwellings	19	42
Plant and machinery	3	16
Transport and equipment	7	10
Information technology	5	23
Furniture and fittings	5	15

Note 13 Leases

This note details information about leases for which the Trust is a lessee.

Note 13.1 Right of use assets - 2023/24

	Property (land and buildings)	Plant & machinery	Total	Of which: leased from DHSC group bodies £000
	£000	£000	£000	£000
Valuation / gross cost at 1 April 2023 - brought forward	4,781	8,569	13,350	289
Additions - lease liability	389	611	1,000	308
Additions - up front lease payments (before or on commencement)	19	19	38	9
Remeasurements of the lease liability	227	1,102	1,329	38
Disposals/derecognition - lease termination	0	(221)	(221)	0
Valuation/gross cost at 31 March 2024	5,416	10,080	15,496	644
Accumulated depreciation at 1 April 2023 - brought forward	1,098	1,539	2,637	37
Provided during the year	1,172	1,467	2,639	161
Disposals / derecognition	0	(221)	(221)	0
Accumulated depreciation at 31 March 2024	2,270	2,785	5,055	198
Net book value at 31 March 2024	3,146	7,295	10,441	446
Net book value of right of use assets leased from other NHS providers				9,995
Net book value of right of use assets leased from other DHSC group bodies				446
Net book value at 31 March 2024				10,441

Note 13.2 Right of use assets - 2022/23

	Property (land and buildings)	Plant & machinery	Total	Of which: leased from DHSC group bodies £000
	£000	£000	£000	£000
IFRS 16 implementation - adjustments for existing operating leases / subleases on 1 April 2022	4,023	7,434	11,457	193
Additions	565	149	714	289
Remeasurements of the lease liability	194	997	1,191	(193)
Disposals / derecognition	(1)	(11)	(12)	0
Valuation/gross cost at 31 March 2023	4,781	8,569	13,350	289
Accumulated depreciation at 31 March 2023	1,098	1,539	2,637	37
Net book value at 31 March 2023	3,683	7,030	10,713	252
Net book value of right of use assets leased from other NHS providers				10,461
Net book value of right of use assets leased from other DHSC group bodies				252
Net book value at 31 March 2023				10,713

Note 13.3 Revaluations of right of use assets

The Trust measures right of use assets using the cost model. Therefore annual revaluations are not carried

Note 13.4 Reconciliation of the carrying value of lease liabilities

Lease liabilities are included within borrowings in the statement of financial position. A breakdown of borrowings is disclosed in note 21.

	2023/24	2022/23
	£000	£000
Carrying value at 31 March	10,610	0
IFRS 16 implementation - adjustments for existing operating leases	0	11,457
Lease additions	1,000	714
Lease liability remeasurements	1,329	1,191
Interest charge arising in year	132	97
Termination of lease	0	(12)
Lease payments (cash outflows)	<u>(2,614)</u>	<u>(2,837)</u>
Carrying value at 31 March	<u>10,457</u>	<u>10,610</u>

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 4.1. Cash outflows in respect of leases recognised on-SoFP are disclosed in the reconciliation above. The Trust does not sublease any of its right of use assets.

Note 13.5 Maturity analysis of future lease payments

	Total	Of which
	31 March 2024	leased from
	£000	DHSC group
		bodies:
		31 March 2024
		£000
Undiscounted future lease payments payable in:		
- not later than one year;	2,661	187
- later than one year and not later than five years;	6,367	321
- later than five years.	1,780	0
Total gross future lease payments	<u>10,808</u>	<u>508</u>
Finance charges allocated to future periods	(351)	(25)
Net lease liabilities at 31 March 2024	<u>10,457</u>	<u>483</u>
Of which:		
- Current	2,530	167
- Non-Current	7,927	316
	Total	Of which
	31 March 2023	leased from
	£000	DHSC group
		bodies:
		31 March 2023
		£000
Undiscounted future lease payments payable in:		
- not later than one year;	2,283	63
- later than one year and not later than five years;	7,322	251
- later than five years.	1,353	0
Total gross future lease payments	<u>10,958</u>	<u>314</u>
Finance charges allocated to future periods	(348)	(25)
Net lease liabilities at 31 March 2023	<u>10,610</u>	<u>289</u>
Of which:		
- Current	2,283	63
- Non-Current	8,327	226

Note 14. Inventories

Note 14.1 Inventory movements 2023/24

	Total	Drugs	Consumables	Consumables donated from DHSC group bodies
	£000	£000	£000	£000
Carrying value at 1 April 2023	4,145	1,694	2,451	0
Additions	45,764	21,408	24,356	0
Additions (donated) - from DHSC	72	0	0	72
Inventories consumed (recognised in expenses)	(45,755)	(21,238)	(24,445)	(72)
Total as at 31 March 2024	4,226	1,864	2,362	0

Note 14.1 Inventory movements 2022/23

	Total	Drugs	Consumables	Consumables donated from DHSC group bodies
	£000	£000	£000	£000
Carrying value at 1 April 2022	4,218	1,806	2,412	0
Additions	42,052	20,131	21,295	626
Inventories consumed (recognised in expenses)	(42,125)	(20,243)	(21,256)	(626)
Total as at 31 March 2023	4,145	1,694	2,451	0

Note 15. Trade and other receivables

	2023/24 £000	2022/23 £000
Current		
Contract receivables (IFRS 15): invoiced	2,217	4,975
Contract receivables (IFRS 15): not yet invoiced / non-invoiced	5,547	11,627
Allowance for impaired contract receivables / assets	(1,672)	(1,624)
Prepayments	3,183	1,819
PDC dividend receivable	299	213
VAT receivable	1,865	694
Clinical pension tax provision reimbursement funding from NHSE	18	14
Other receivables	1,774	1,084
Total current trade and other receivables	13,231	18,802
Non current		
Contract receivables (IFRS 15): not yet invoiced / non-invoiced	720	785
Allowance for impaired contract receivables / assets	(316)	(202)
Clinician pension tax provision reimbursement funding from NHSE	448	553
Total non current trade and other receivables	852	1,136
Total trade and other receivables	14,083	19,938
Of which receivable from NHS and DHSC group bodies:		
Current	3,840	11,288
Non-current	448	553

Note 16. Non-current assets held for sale and assets in disposal groups

	2023/24 £000	2022/23 £000
NBV of non-current assets for sale and assets in disposal groups at 1 April	0	0
Assets classified as available for sale in the year	132	0
NBV of non-current assets for sale and assets in disposal groups at 31 March	132	0

Note 17.1 Allowances for credit losses - 2023/24

	All receivables £000
Allowances as at 1 April 2023 - brought forward	1,826
New allowances arising	232
Utilisation of allowances (write offs)	(70)
Allowances as at 31 March 2024	<u>1,988</u>

Note 17.2 Allowances for credit losses - 2022/23

	All receivables £000
Allowances as at 1 April 2022 - brought forward	1,884
New allowances arising	(51)
Utilisation of allowances (write offs)	(7)
Allowances as at 31 March 2023	<u>1,826</u>

Note 18. Cash and cash equivalents

	2023/24 £000	2022/23 £000
As at 1 April	34,926	44,656
Net change in year	(17,292)	(9,730)
As at 31 March	<u>17,634</u>	<u>34,926</u>

Breakdown of cash and cash equivalents

Cash at commercial banks and in hand	5	15
Cash with the Government Banking Service	17,629	34,911
Cash and cash equivalents as at 31 March	<u>17,634</u>	<u>34,926</u>

Third party assets held by the Trust

21	35
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As at 31 March 2024 the Trust held £21k (£35k as at 31 March 2023) within the Trust bank accounts which related to monies held by the Trust on behalf of patients and for the staff lottery. This has been excluded from the cash at bank and in hand figure above.

Note 19. Trade and other payables

	2023/24 £000	2022/23 £000
Current		
Trade payables	8,176	9,567
Trade payables capital	7,313	7,935
Accruals	17,006	19,078
Annual leave accrual	1,661	2,216
Social security costs	2,590	2,344
Other taxes payable	3,169	2,526
Pension contributions payable	2,956	2,612
Other payables	467	1,175
Total trade and other payables	<u>43,338</u>	<u>47,453</u>
Of which payables from NHS and DHSC group bodies:		
Current	6,097	3,167

Note 20. Other liabilities

	2023/24	2022/23
	£000	£000
Current		
Deferred income	4,587	5,113
Total other liabilities	<u><u>4,587</u></u>	<u><u>5,113</u></u>

Note 21. Borrowings

	2023/24	2022/23
	£000	£000
Current		
Lease liabilities	2,530	2,283
Total current borrowings	<u><u>2,530</u></u>	<u><u>2,283</u></u>
Non-current		
Lease liabilities	7,927	8,327
Total non-current borrowings	<u><u>7,927</u></u>	<u><u>8,327</u></u>
Total borrowings	<u><u>10,457</u></u>	<u><u>10,610</u></u>

Note 21.1 Reconciliation of lease liabilities arising from financing activities

	2023/24	2022/23
	£000	£000
Carrying value at 1 April	10,610	0
Cash movements:		
Financing cash flows - payments and receipts of principal	(2,482)	(2,740)
Financing cash flows - payments of interest	(132)	(97)
Non-cash movements:		
Impact of implementing IFRS 16 on 1 April 2022	0	11,457
Additions	1,000	714
Lease liability remeasurements	1,329	1,191
Application of effective interest rate	132	97
Termination of lease	0	(12)
Carrying value at 31 March	<u><u>10,457</u></u>	<u><u>10,610</u></u>

Note 22. Provisions

	Total	Legal	2023/24		Pensions
			Other	Clinical Pension Tax Reimbursement	
Movements in provisions for liabilities and charges	£000	£000	£000	£000	£000
As at 1 April 2023	2,940	112	1,222	567	1,039
Change in the discount rate	(64)	0	0	(101)	37
Arising during the year	2,763	124	2,571	0	68
Utilised during the year	(138)	(14)	0	(5)	(119)
Reversed unused	(395)	(87)	(283)	(25)	0
Unwinding of discount	30	0	0	30	0
As at 31 March 2024	5,136	135	3,510	466	1,025
Expected timing of cash flows:					
Within one year	2,849	135	2,571	18	125
Between one and five years	1,749	0	939	34	776
After five years	538	0	0	414	124
Total	5,136	135	3,510	466	1,025

	Total	Legal	2022/23		Pensions
			Other	Clinical Pension Tax Reimbursement	
Movements in provisions for liabilities and charges	£000	£000	£000	£000	£000
As at 1 April 2022	2,924	117	1,004	547	1,256
Change in the discount rate	(174)	0	0	0	(174)
Arising during the year	1,085	115	822	20	128
Utilised during the year	(263)	(142)	(5)	0	(116)
Reversed unused	(632)	22	(599)	0	(55)
As at 31 March 2023	2,940	112	1,222	567	1,039
Expected timing of cash flows:					
Within one year	244	112	0	14	118
Between one and five years	1,989	0	1,222	38	729
After five years	707	0	0	515	192
Total	2,940	112	1,222	567	1,039

The pensions provision relates to early retirement costs in line with the NHS Business Service Authority - Pensions Division. Legal claims relates to third party legal claims advised by NHS Resolution. These claims are generally expected to be settled within one year but may exceptionally take two years to settle.

Clinical negligence and employer liabilities

£138m is included in the provisions of NHS Resolution as at 31 March 2024 in respect of clinical negligence and employer liabilities of the Trust (£142m as at 31 March 2023).

Note 23. Contingent liabilities

	31 March 2024 £000	31 March 2023 £000
Value of contingent liabilities		
NHS Resolution legal claims	(44)	(29)
Gross value of contingent liabilities	(44)	(29)
Amounts recoverable against liabilities	0	0
Net value of contingent liabilities	(44)	(29)

Note 24. Financial instruments

Note 24.1 Financial risk management

Liquidity risk

The Trust's net operating costs are incurred under annual service level agreements / contracts with commissioners which are financed from resources voted annually by Parliament. The Trust receives such income for the activity delivered in that year in accordance with national and locally agreed tariffs. Monthly payments are received from Commissioners based on the annual contract values, this arrangement reduces liquidity risk.

The Trust actively mitigates liquidity risk by daily cash management procedures and by keeping all cash balances in an appropriately liquid form.

Interest rate risk

All of the Trust's financial assets and financial liabilities carry nil or fixed rates of interest and the Trust is not therefore exposed to significant interest rate risk.

Credit risk

The main source of income for the Trust is from the Cheshire and Merseyside Integrated Care Board in respect of healthcare services provided under contract and Service Level Agreements (Clinical Commissioning Groups from April to June 2022). The credit risk associated with such customers is negligible.

The Trust has minimal exposure to credit risk as all cash balances are held within the Government Banking Services (GBS) account which generates additional cash through an applied interest rate. The Trust does not hold cash in any other investment institution on a short or long term basis.

Before entering into new contracts with non NHS customers, checks are made regarding creditworthiness. The Trust also regularly reviews debtor balances and has a comprehensive system in place for pursuing past due debt. Non NHS customers represent a small proportion of income and the Trust is not exposed to significant credit risk in this regard. There are no amounts held as collateral against these balances.

The movement in the allowances for credit losses for contract receivables / assets during the year is disclosed in Note 16. Of those assets which require an allowance for credit losses none are impaired financial assets (none in 2022/23).

There are no financial assets that would otherwise be past due date or impaired whose terms have been renegotiated (none in 2022/23).

Currency risk

The Trust is principally a domestic organisation with the majority of transactions, assets and liabilities being in the UK and sterling based. The Trust has no overseas operations and therefore has low exposure to currency rate fluctuations.

All financial assets and liabilities are held in sterling and are shown at book value, which is not significantly different from fair value.

Note 24. Financial instruments (continued)

Note 24.2 Carrying values of financial assets

	Held at amortised cost £000	Held at fair value through I&E £000	Held at fair value through OCI £000	Total £000
Carrying values of financial assets as at 31 March 2024				
Receivables (excluding non financial assets) - with DHSC group bodies	3,989	0	0	3,989
Receivables (excluding non financial assets) - with other bodies	4,747	0	0	4,747
Cash and cash equivalents at bank and in hand	17,634	0	0	17,634
Total as at 31 March 2024	26,370	0	0	26,370

	Held at amortised cost £000	Held at fair value through I&E £000	Held at fair value through OCI £000	Total £000
Carrying values of financial assets as at 31 March 2023				
Receivables (excluding non financial assets) - with DHSC group bodies	11,628	0	0	11,628
Receivables (excluding non financial assets) - with other bodies	5,580	0	0	5,580
Cash and cash equivalents at bank and in hand	34,926	0	0	34,926
Total as at 31 March 2023	52,134	0	0	52,134

Note 24.3 Carrying value of financial liabilities

	Held at amortised cost £000	Held at fair value through the I&E £000	Total £000
Carrying values of financial liabilities as at 31 March 2024			
Obligations under leases	10,457	0	10,457
Trade and other payables (excluding non financial liabilities) - with DHSC group bodies	5,305	0	5,305
Trade and other payables (excluding non financial liabilities) - with other bodies	29,318	0	29,318
Total as at 31 March 2024	45,080	0	45,080

	Held at amortised cost £000	Held at fair value through the I&E £000	Total £000
Carrying values of financial liabilities as at 31 March 2023			
Obligations under finance leases	10,610	0	10,610
Trade and other payables (excluding non financial liabilities) - with DHSC group bodies	3,132	0	3,132
Trade and other payables (excluding non financial liabilities) - with other bodies	37,308	0	37,308
Total as at 31 March 2023	51,050	0	51,050

Note 24.4 Fair values of financial assets and liabilities

Book value (carrying value) is a reasonable approximation of fair value.

Note 24. Financial instruments (continued)

Note 24.5 Maturity of financial liabilities

	31 March 2024 £000	31 March 2023 £000
Financial liabilities fall due in:		
One year or less	37,284	42,791
More than one year but not more than five years	6,367	7,322
More than five years	1,780	1,353
Total	45,431	51,466

Note 25. Contractual Capital Commitments

The Trust has contractual capital commitments of £6.2m as at 31 March 2024 (£1.3m as at 31 March 2023). This includes, CDC £3.8m, Network Refresh £1.0m, Endoscopes Hub £0.9m, Catering Refurb £0.4m and other building works £0.1m.

Note 26. Related party disclosures

Note 26.1 Related party transactions

	Revenue £000	Expenditure £000
Value of transactions with other related parties in 2023/24		
Charitable funds (where not consolidated)	0	0
Total value of transactions with related parties in 2023/24	0	0

	Revenue £000	Expenditure £000
Value of transactions with other related parties in 2022/23		
Charitable funds (where not consolidated)	0	0
Total value of transactions with related parties in 2022/23	0	0

Note 26.2 Related party balances

	Receivables £000	Payables £000
Value of balances with other related parties as at 31 March 2024		
Charitable funds (where not consolidated)	298	0
Total value of balances with other related parties as at 31 March 2024	298	0

	Receivables £000	Payables £000
Value of balances with other related parties as at 31 March 2023		
Charitable funds (where not consolidated)	76	0
Total value of balances with other related parties as at 31 March 2023	76	0

Note 26.3 Whole of Government Accounts bodies

All bodies within the scope of the Whole of Government Accounts (WGA) are considered to be related parties as they are part of the DHSC group of bodies such that the DHSC is the parent department, and they fall under the common control of HM Government and Parliament. The GAM interprets IAS 24 (Related Party Disclosures) such that no information needs to be given about transactions relating to DHSC group bodies.

In line with this, these related parties notes only collect details of transactions and balances with bodies or persons outside of the whole of government accounts boundary.

Below is a list of the main entities within the public sector with which the Trust has had dealings with.

NHS England
Cheshire and Merseyside ICB

Note 27. Events after the reporting period

There were no events after the reporting period that require disclosure.

Note 28. Losses and special payments

	2023/24	
	Number	£000
Losses		
Bad debts and claims abandoned	28	8
Stores losses and damage to property	24	237
Total losses	52	245
Special payments		
Ex-gratia payments	39	39
Total special payments	39	39
Total losses and special payments	91	284
Value of compensation payments received		65
	2022/23	
	Number	£000
Losses		
Bad debts and claims abandoned	19	6
Stores losses and damage to property	24	187
Total losses	43	193
Special payments		
Ex-gratia payments	48	130
Total special payments	48	130
Total losses and special payments	91	323
Value of compensation payments received		27

There were no individual cases exceeding £0.3m in either 2023/24 or 2022/23.



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