



# Annual Report And Accounts 2023/2024





**York and Scarborough Teaching Hospitals NHS Foundation Trust**

**Annual Report and Accounts 2023/24**

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



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*This Annual Report and Accounts have been prepared on a Group basis and include references to York Teaching Hospital Facilities Management Limited Liability Partnership which is a subsidiary of the Trust.*

## Statement from Trust Chair

It is my pleasure and privilege to introduce our Annual Report. I joined the Trust as its Chair at the beginning of November 2023 after what had been a tumultuous year, being the third Chair in the first seven months of the year covered by this report. I first want to pay tribute to the leadership of Mark Chamberlain who helped the Trust, stabilising the Board as interim Chair during what was a very difficult time with many changes. At the time of my arrival four Executive Directors had been in post only a year or less.

The reason I applied to be Chair was that being a North Yorkshire resident, I was concerned that an important local Trust was in a very difficult place, as exemplified by a poor CQC Report published in June 2023. I wanted to see whether my previous experience in the NHS would be helpful and relevant to the needs of the Trust at this moment in its history.

Taking multiple actions to implement the “must dos” and “should dos” required by the CQC has been a crucial priority. Many have now been completed, whilst effectively completing the remainder will be a priority in the 2024/25 year.

The Trust’s underlying financial challenges have also been a focus of attention. Due to the cost savings the Trust has been able to make combined with financial support from the Humber and North Yorkshire Integrated Care Board, the Trust ended the year in financial balance. However, the scale of the financial challenge in 2024/25 is the most severe I have known in my 50<sup>th</sup> year of serving the NHS.

The annual staff survey results for 2023, published in March 2024, are of serious concern. An absolutely critical priority for the Trust, not just next year but also in successive years (as regrettably there are no quick fixes) is to take sustainable actions that will lead to improvements in what it feels like to work in our services. In 2023 the Trust launched “Our Voice our Future”, which is an evidence-based programme supported by NHS England. More than 50 colleagues from our workforce have volunteered to be “Change Makers”. Two at a time brief the Board of Directors each month about the diagnostic work they are currently undertaking. This will continue as the programme moves beyond the diagnostic phase in 2024/25.

Reducing waiting times for patients waiting for diagnostic tests, out-patient appointments or surgery has been a key focus, and will continue to be. Good progress has been made by the Trust in reducing waiting times, but there remains a long way to go to achieve the standards set out in the NHS Constitution. These improvements have been made alongside some appointments and operations being cancelled due to the industrial action that has taken place periodically throughout the year.

The urgent and emergency care needs of our population have continued to grow, challenging the capacity the Trust has to provide a smooth, speedy service. Too often patients experience long

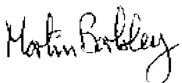


delays in being admitted to a ward due to an insufficient number of available beds at any one time. This causes overcrowding in our Emergency Departments, which in turn causes delays in ambulance crews being able to handover patients to ED staff because there are no empty cubicles available. A significant root cause is the delay many patients experience in receiving social care when they no longer need hospital-based treatment. This includes care homes, support for people returning to their own home and accessing nursing homes. The Trust continues to work very closely with the local authorities in our area and other partners in the Integrated Care System to reduce delays. The year has seen great progress in building a new £50 million extension to Scarborough Hospital which will house a whole range of emergency and urgent care services. I am certain that this will have a transformative impact. The new facility is scheduled to become operational later this year. In September and January both phases of a £19 million extension to the Emergency Department at York Hospital opened and became operational. This has provided a much-needed improvement in the environment for both patients and colleagues.

I am conscious that most of my introduction has focussed on the challenges the Trust continues to face. But this belies the fact that our colleagues work incredibly hard to provide the best service and quality of care they can, whether working directly with patients or in support roles behind the scenes. Healthcare is all about teamwork, every one of our colleagues has a valuable role. In this annual report there are very good examples of the terrific work carried out each and every day. I pay tribute to our colleagues for their commitment, skill and resilience in often difficult circumstances. I want to also pay tribute to the Trust's Council of Governors for their help, support and advice. It has been an early priority for me to get to know each Governor and strive to address their concerns and take forward their suggestions.

The support and help of the various voluntary sector organisations with which the Trust works and of course our local authority partners and primary care partners has and will continue to be invaluable for the Trust to make year on year improvements as well as that of the Humber and North Yorkshire Integrated Care Board.

**Martin Barkley**



**Chair, York and Scarborough Teaching Hospitals NHS Foundation Trust  
June 2024**



# Part 1 Performance Report

2023/2024



## Statement from Trust Chief Executive

Welcome to our annual report and accounts for 2023/24.

This year has had its challenges as we have continued to navigate the health and care service post-pandemic. We have worked hard to reduce the backlogs in planned care and diagnostics, and have seen positive progress despite pressure on resources, growing demand and the most protracted period of industrial action the NHS has ever faced.

We made improvements with our performance against the key operational standards, exceeding our planned trajectories on both referral-to-treatment times and the 62-day cancer standard, and whilst we still have further to go we have made good progress on the new faster diagnostic standard for cancer.

The emergency care standard remains the most difficult to achieve, reflecting the wider challenges we face in terms of patient flow, discharge, and ambulance handovers. However, in the closing months of the year we have seen improvement, and plans are well developed to drive this further.

Looking ahead to 2024/25, there are few surprises in the targets and standards that have been set nationally, with the focus remaining on pandemic recovery and the restoration of core services and increased productivity.

In terms of our finances, I am pleased to be able to report that we achieved the NHS England-required balanced position at the end of 2023/24. This was a product of our recovery actions and open and transparent system working.

Nonetheless it is clear from the planning work we are doing both within the trust and as a partner in the wider system that 2024/25 financial year will likely be the most difficult we have faced.

At the time of writing, the 2024/25 financial plan is still being finalised, however, we know that we are being asked to deliver operational efficiencies of around 7% of turnover. We are used to delivering efficiency programmes within the Trust and have a successful track record however, whilst this target is consistent with that expected of all our neighbouring Trusts within Humber and North Yorkshire Integrated Care System, a target at this level is approaching double that which we would typically achieve and will require full engagement from across the organisation.

Improving the safety and quality of our services remains our core priority. In June the Care Quality Commission (CQC) published its report into our services following a period of inspection between October 2022 and March 2023.

The CQC inspected Emergency and Urgent Care, Medicine and Maternity in both York and Scarborough hospitals, and looked at the 'well-led' key question for the Trust overall.

The Trust was given an overall rating of Requires Improvement, which is unchanged from the last overall rating in 2019.

The CQC's findings reflect the sustained pressure we were under at the time of the inspection, which inevitably impacted our ability to consistently provide the standard of care we all want.



Their feedback also highlighted some significant concerns and areas for improvement. This includes issues relating to the escalation of deteriorating patients, and general observations about the safe management of patients within the ambulance queue or in the 'ready for transfer' corridor in terms of documentation, observation and checks in the York emergency department, as well as in maternity services.

They also raised some general concerns regarding the environment, medicines management and some elements of infection prevention and control. Staffing also remained an issue.

We responded immediately to the urgent findings identified at the time of the inspection, and in the months since the visits we have been able to assure the CQC that we are making positive progress against all areas highlighted in the report through our Journey to Excellence improvement programme.

The feedback from staff in the CQC's report also makes it clear that we need to go further, faster in our actions to foster an open and inclusive culture for all our staff, where everyone feels comfortable speaking up and where our behaviours truly reflect our values in everything we do. This was also reflected in our 2023 national NHS staff survey results.

Whilst we have made some improvements since 2022, overall the results make for concerning reading and reflect the challenging circumstances that we know our staff are continuing to experience.

Improving the experience of all staff, and making the trust an exceptional place to work, is a priority and we are committed to doing everything we can to see this change.

To drive sustained improvement in this area we have launched our culture and leadership programme, Our Voice, Our Future. This is an evidence-based programme for continuous improvement to develop compassionate leadership and an inclusive culture.

The first phase of the programme is well underway, supported by a team of Change Makers from all grades and areas of the trust who are engaging with colleagues to discover how we can improve our working lives.

This is a long-term programme running alongside other key actions, including an improved programme of training and support for line managers and leaders across the trust.

This year we are refreshing our strategy, and engaging staff in its development ahead of publication in the summer.

We have delivered the largest capital programme the trust has ever seen, including the completion of the £19 million emergency department extension in York. 2024/25 will see the opening of the new £50 million urgent and emergency care centre in Scarborough, transforming the delivery of care for our most critically ill patients on the East Coast.

We are also seeing developments in our research delivery in the trust. We have been awarded £3 million by the National Institute for Health and Care Research (NIHR) to lead national research into a new bowel imaging technology for patients, known as colon capsule endoscopy. The launch of the Scarborough Coastal Health and Care Research Collaborative (SHARC) to understand and reduce health inequalities affecting the population of Scarborough and the East Coast is an important step for us in understanding the needs of our local communities and investing in initiatives that will improve health for future generations.

Finally, I must thank every one of our staff, who are relentless in their efforts to provide excellent care despite the environment we find ourselves in. It is more important than ever to listen to what they are telling us and do everything we can to respond.

Given the immediate challenges facing us it is important that we continue to be optimistic and plan with ambition to ensure we are on a strong footing for the future.

**Simon Morritt**



**Chief Executive, York and Scarborough Teaching Hospitals NHS Foundation Trust  
June 2024**

# Overview

The purpose of the overview is to provide a short summary of the organisation, its purpose, key risks and how it has performed during the year.

## Statement of purpose

The principal purpose of the Trust is the provision of healthcare.

The Trust is registered with the CQC to provide safe care that is responsive and effective.

We are an NHS Foundation Trust. Foundation Trusts operate independently of the Department of Health, but remain part of the NHS. This gives us greater freedom and more formal links with patients and staff, who we are accountable to through an elected and appointed Council of Governors (CoG).

The Trust covers one of the biggest geographical areas in the country. We are a large integrated acute and community Trust that provides a comprehensive range of clinical services to a catchment population of approximately 800,000 people living in York, North and East Yorkshire and Ryedale, an area covering 3,400 square miles. This includes the City of York but also covers a large rural geography with a dispersed population.

Services are provided from two main acute hospital sites in York and Scarborough but also from a range of other facilities, including community hospitals and community units in York, Selby, Malton, Easingwold and Bridlington. The Trust also provides community nursing, midwifery and therapy services to the population of York, Selby and surrounding areas.

Both York and Scarborough hospitals have Accident and Emergency and critical care units and are admitting sites for emergencies and complex elective care. They both provide inpatient maternity and neonatal services, as well as children's inpatient services, along with a wide range of outpatient services.

The Trust provides specialist services from other sites, including renal dialysis in Easingwold and Harrogate. The Trust also works collaboratively in certain specialties through clinical alliances with Harrogate and District NHS Foundation Trust and Hull University Teaching Hospitals NHS Trust to strengthen the delivery of services.

We are part of the Humber and North Yorkshire Integrated Care Partnership which brings together health and social care partners across York, North Yorkshire, East Riding, Hull, North Lincolnshire and North East Lincolnshire. Together we have a shared ambition for the people living in these communities to Start Well, Live Well and Age Well.

## Our history

York Hospital opened on its current site on Wigginton Road in 1976. When it first opened the Hospital had 600 beds and replaced numerous smaller sites, including Acomb Hospital, City Hospital, York County Hospital, Deighton Grove Hospital, Fulford Hospital, Military Hospital and Yearsley Bridge Hospital.

York Health Authority became a single district Trust in April 1992, known as York Health Services NHS Trust and became York Hospitals NHS Foundation Trust on 1 April 2007. The Trust then decided to adopt 'Teaching' into its name, which was approved by NHS Improvement (formerly Monitor) and came into effect from 1 August 2010.

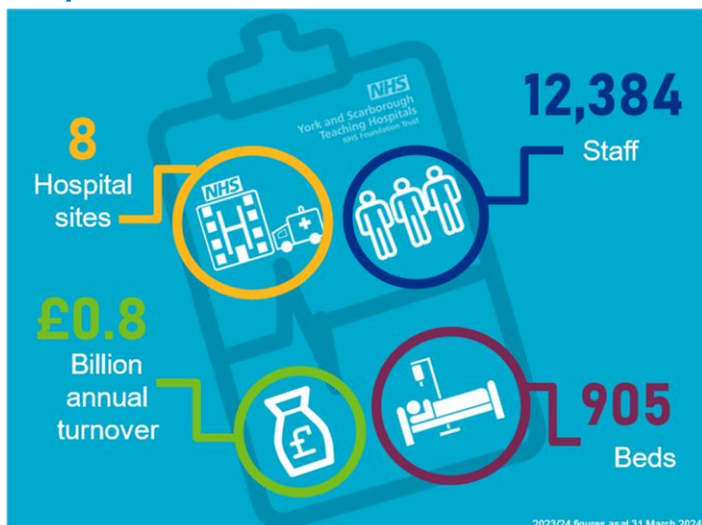
In April 2011, the Trust took over the management of community-based services in Selby, York, Scarborough, Whitby and Ryedale, and in July 2012 acquired Scarborough and North East Yorkshire Healthcare NHS Trust, bringing Scarborough and Bridlington hospitals into the organisation.

## Geography and demographics

Our Trust provides a comprehensive range of acute hospital and specialist healthcare services for approximately 800,000 people living in and around York, North Yorkshire, North East Yorkshire and Ryedale - an area covering 3,400 square miles. Our sites include:

- [York Hospital](#)
- [Scarborough Hospital](#)
- [Bridlington Hospital](#)
- [Malton Hospital](#)
- [The New Selby War Memorial Hospital](#)
- [St Monica's Hospital Easingwold](#)
- [White Cross Rehabilitation Hospital](#)
- [Nelsons Court Inpatients Unit](#)

## Snapshot of Trust 2023/24 overview



## **York Teaching Hospital Facilities Management Limited Liability Partnership**

York Teaching Hospital Facilities Management Limited Liability Partnership (YTHFM) was created in 2018 and is a subsidiary of York & Scarborough Teaching Hospitals NHS Foundation Trust, providing a range of Estates and Facilities Management services. The organisation is comprised of two Members - York & Scarborough Teaching Hospitals NHS Foundation Trust (95% shareholder) and Northumbria Healthcare Facilities Management Limited (NHFML) (5% shareholder).

YTHFM is led by a separate Management Group with its own Member Representatives, Chair, Managing Director and senior leadership team. NHFML is represented by one of their directors.

As at 31st March 2024 the organisation employs 1074 (excluding bank) employees, and this is set to increase over the coming years.

YTHFM's primary aim is to promote and foster close partnership working with the Trust to ensure the delivery of a safe, high quality and cost-effective Estates and Facilities Management service. This in turn will enable the Trust to deliver its Clinical Strategy – 'Building Better Care Together'.

For the reporting period the annual operational budget was in excess of £114m and capital investment programme of circa £46m. YTHFM is also one of the largest contributors to the local economy in terms of supply chain with an increasing focus on using local contractors where that is possible.

Over the past year YTHFM has aligned its strategy to the Trust's Building Better Care priorities (Our People, Quality & Safety, Elective Recovery and Acute Flow) with the following key achievements having taken place or continuing throughout the year: -

- Delivered an operating surplus of £1.2m with an underlying deficit of £3.8m due to the interest payments made to the Trust.
- Cost Improvement Programme of £1.456m delivered.

### **Our People**

- Continuation of the New Start Programme (YTHFM's people programme) supporting the workforce in a large number of areas.
- 50 staff have volunteered time to working groups and have co-produced new internal Communications Plan, Leadership Charter, improved approach to supporting wellbeing and raising the profile of the Freedom to Speak Up Guardian role,
- Supporting the Trust's culture change programme with staff as Change Makers
- The "Aspire and Inspire" Leadership & Management development and training programme being implemented.
- Your Voice Counts – Director surgeries launched to improve employee engagement.
- Health & Safety Leadership back to the floor walk arounds in place
- Healthcare Cash Plan launched to support wellbeing.
- 8 Mental Health First Aiders trained.
- Training on customer service skills
- Strengthening stakeholder engagement with external partners
- Supporting the Trust through national strikes.

### **Quality and Safety**

The YTHFM Capital Projects Department has had a busy year again in 2023/24 managing the following projects.



- The ongoing construction of the new Scarborough Hospital Urgent, Emergency and Critical Care facilities and supporting engineering infrastructure. This project has a budget of circa £50m and is intended to enable the transformation of urgent, emergency, and critical care services and the wider operation of Scarborough Hospital. The new urgent, emergency and critical care building will provide increased capacity for patients and segregated functions to support better flow of patients through the department. The emergency care services will have direct access to a new and dedicate diagnostics facility (CT and X-ray scanning), GP assessment, elderly support, and overnight assessment functions all within the department. One of the main aims of these facilities is to support the clinical teams to avoid unnecessary inpatient admissions by assessing and treating more patients at the front door of the hospital. The building will also provide state-of-the-art critical care accommodation that will enable the consolidation of all critical care patients into a single unit that includes relatives' accommodation and support facilities all designed and built to the latest NHS design guidelines.
- The completion of the major extension of the York Emergency Department and ancillary refurbishment of areas of the existing departmental facilities. The project had a budget of approximately £18m and has provided much-needed additional resuscitation and urgent care capacity as well as same-day emergency care facilities.
- The completion of a new maternity bereavement suite at York Hospital that was paid for via a highly successful Trust fundraising campaign.
- Outside of the Trust's hospitals, new facilities have been delivered in the York area for weight management services and there are a number of projects in development to provide new facilities in community settings for diagnostic, Medical Elective Suite and cystic fibrosis services.
- The completion of a project to replace an ophthalmic microscope and upgrade the associated ophthalmology surgical facility and the completion of a project to replace the mortuary storage equipment - both projects at York Hospital.
- The Capital Projects Department has also completed a range of Care Quality Commission-related work such as improved security and nurse call arrangements in the Maternity Department at York Hospital and work to upgrade the maternity theatre in the department too. In addition, the department has delivered a project to upgrade the welfare facilities for parents whose children are inpatients in the York Hospital paediatric wards.
- The completion of a turnkey project to provide a much-needed second CT scanner at Scarborough Hospital to increase diagnostic capacity and improve waiting times for diagnostic assessments.
- The Capital Projects Department had also delivered various projects aimed at improving staff welfare for the Trust. For example, the junior doctors rest facilities at York Hospital have been completely upgraded and modernised as well as the welfare and rest facilities in the Radiology Department at the hospital. There is also a project in development that is aiming to provide general staff wellbeing facilities for all Trust staff to access at York, Scarborough, and Bridlington hospitals, which is being funded from external charitable sources. These projects are clearly aimed at supporting one of the Trust's main Board priorities, namely staff wellbeing.
- The Capital Projects and Estates Departments are working closely to deliver a programme of backlog maintenance and minor projects that total roughly £5m in 2023/24. The programme is comprised of a wide range of building fabric upgrade and engineering infrastructure replacement work, including whole ward refurbishment projects at York and Scarborough hospitals, projects to replace critical water systems infrastructure for the Renal Department facilities at York Hospital and in Easingwold, and replacement of vital monitoring equipment and engineering infrastructure in the Critical Care Unit at York Hospital. This work is a key part of the Capital Projects and Estates Departments annual workload and is always aimed, first and foremost, at ensuring patient and staff safety is maintained in the Trust's facilities.

- The Capital Projects Department is working on a large number of projects that are in the development stages of their lifecycles for delivery in 2024/25 and future years. These projects include a community diagnostic centre in the Scarborough community, which has a budget of £12.5m. This facility will provide MRI, CT, x-ray and ultrasound scanning capacity as well as phlebotomy and physiological testing services. There are other diagnostic-related projects in development or about to start their construction stage like the replacement of the SPPECT-CT scanning facility at York Hospital ('SPECT' is short for single-photon emission computed tomography) and the replacement of two x-ray suites that serve the Emergency Department at York Hospital. A major project to re-provide and increase the capacity of York Hospital's cardiology and vascular interventional imaging services is nearing the end of the design stage in readiness to commence construction early in 2024/25. The project will also deliver much-needed new post-surgical recovery facilities for the operating theatres at York Hospital as well as some minor surgical procedure facilities. This project will be completed in 2025/26 and has a budget of approximately £27m. Lastly, the Capital Projects Department is collaborating with the Macmillan cancer charity which is providing the majority of the funding for a complete refurbishment and remodelling of the cancer support facilities for patients and relatives at York Hospital. The aim is for this project to be completed early in 2025. The department is also preparing to initiate a project to replace the mortuary and bereavement facilities at Scarborough Hospital in tandem with work to consolidate the outpatients accommodation at this site.

We have completed (apart from the last few snagging items) the Carbon Reduction projects contributing to sustainability and net zero targets through the delivery of two phase 3 Public Sector Decarbonisation Scheme programmes. National best practice case studies have now been published about the two projects (which were largely paid for by £4.735m grant funding for Bridlington hospital and £4.338m for York). A significant amount of work has been completed at both sites in the last 18 months to start to achieve a predicted annual carbon reduction of 53% (675 tonnes) at the Bridlington site and 4% (321 tonnes) reduction at the York site.

At York, external insulation and new windows have been installed to the main ward block at the back of the hospital along with insulation to pipework and low carbon heating (air source heat pump system) to feed into the existing system.

At Bridlington Hospital solar panels have been installed on the roofs and a new solar farm has been built to compliment the introduction new low carbon air source heat pump system which supplies heat and hot water across the hospital supported by the introduction of more energy efficient motors and additional insulation measures. During the summer months the solar panels will generate the majority of the electricity needed for the Bridlington site and the system includes the ability to generate a small amount of income from the excess solar power.

Whilst the Sustainability Team was unsuccessful in securing additional grant funding for a scheme at Scarborough Hospital, there has been recent success in securing alternative grant funding from the NHS National Energy Efficiency Fund (NEEF) Phase 2 - Round 1 and 2 for new low energy lights (LEDs) at York Hospital Multi Storey Car Park, Bridlington, Scarborough, White Cross Court and Malton hospitals. These schemes are predicted to achieve total savings of 382 tonnes of carbon per annum through the receipt of a grant of £2,037,443.

Within the last few months, the Trust Green Plan has been revised to take account of the latest guidance and requirement to highlight the role that Digital Transformation, Food and Nutrition and use of and prescribing of "Medicines" in achieving a more sustainable and lower carbon footprint in order to assist the Trust in meeting its mandatory NHS Net Zero targets.



Recent Green Plan updates include a Digital Transformation programme which incorporates the replacement of inefficient data centre equipment with less energy consuming servers and equipment, a reduction in paper due to introduction of a digital solution to capture patients notes at the bedside and adoption and high usage of Microsoft Teams, reducing the need for travel between sites and enabling agile working across the Trust estate; a focus on supporting greener staff travel choices with the introduction of a 100 cycle new storage facility at York Hospital, a £1 bus travel scheme introduced for staff journeys in York and Scarborough and continuing discounts and promotions for the use of electric scooters and bikes to and from our York Hospital; the continuing build and delivery of Scarborough Urgent and Emergency Care Centre which began in 2022 and was awarded BREEAM 'excellent' status at the pre-construction stage and this project included the provision for a relocated helipad whose circumference was planted with wild flower seeds and "bee bombs" to encourage invertebrates plus some hedgehog boxes were installed; clinical waste tonnage for 2022/23 was down 5% against the previous year (2021/22), which equates to 54 tonnes reduction and 783 tonnes of waste were recycled in 2022/23 which represents 29% of total waste generated; a decision to cease the use of Desflurane (an anaesthetic gas with a high carbon footprint) from November 2022 and to use lower carbon alternatives; and, in catering, seasonality and locality KPIs have been incorporated for newly on-boarded suppliers. Further details on carbon reduction and sustainability improvements can be found in the section on Sustainability.

In conjunction with the Trust's Compliance Team, YTHFM's service delivery is monitored monthly – from cleanliness, food waste, training and sickness absence through to the environment and equipment. In 2023/24 YTHFM increased the number of KPIs they were able to report on and average green KPI compliance improved by 2 overall, with 52 KPIs averaging green, compared to 50 in 22/23. Despite the challenging position throughout the year due to industrial action, operational and financial pressures, 80% of KPIs measured were in green (52 KPIs in total), 8% in amber (5) and 12% in red (8). Additional supportive work, for example ad hoc deep cleaning and providing assistance with rolling out Trust initiatives, such as Reset, were delivered to the Trust alongside contracted service delivery. Work is underway to refine the KPIs in 24/25 to ensure they remain relevant to the Trust's direction of travel.

This provides positive assurance to the YTHFM Management Group and Trust Board of Directors, so they have peace of mind that the job is carried out professionally and to the highest standards.

## Financial Sustainability

In 2023/24 the NHS had three key tasks. The immediate priority was to recover core services and productivity. Second, as the NHS recovers, we need to make progress in delivering the key ambitions in the NHS Long Term Plan. Third, we need to continue transforming the NHS for the future. It is not expected that these tasks will change materially for 2024/25.

Putting the NHS back onto a sustainable financial path is a key priority in the Long-Term Plan and is essential to allowing the NHS to deliver the service improvements in this Plan. This means:

- The NHS (including providers) will return to financial balance.
- The NHS will achieve cash-releasing productivity growth of at least 1.1% a year, with all savings reinvested in frontline care.
- The NHS will reduce the growth in demand for care through better integration and prevention.
- The NHS will reduce variation across the health system, improving providers' financial and operational performance.
- The NHS will make better use of capital investment and its existing assets to drive transformation.

In 2023/24 the NHS continued to rise to the challenges of restoring services, meeting the new care demands and reducing the care backlogs that are a direct consequence of the pandemic and ongoing industrial action. In 2023/24 the financial and contracting framework moved on from the simplified system that was in place during the pandemic to what might be described as the 'new normal' of a mixture of cost and volume activity aimed at incentivising improved levels of elective activity and productivity to clear patient back logs and fixed elements of funding to help manage financial risk across the system. This model is expected to be in place for 2024/25.

The creation of ICBs in 2022 allows NHS England to set financial allocations and other financial objectives at a system level. There is a statutory duty for all NHS bodies to meet the system financial objectives and deliver the agreed financial plan. NHS providers within the ICS retain their current structures, governance, and organisational financial statutory duties but there is a new duty to compel providers to have regard to the system financial objectives and work collaboratively.

## Going Concern Assessment

The going concern concept is fundamental to the way in which the assets and liabilities are recorded in the Group accounts and assumes that the Group will be able to realise its assets and liabilities in the normal course of business and that it will continue in business for the foreseeable future. The future should be at least, but not limited to, a period of twelve months from the end of the reporting period. For Foundation Trusts there is no automatic presumption that they will always be a going concern, particularly where difficult economic conditions and/or financial difficulties prevail.

## Updated public sector Guidance on the Going Concern assessment

For 2020/21-year end onwards NHS England and Improvement (NHSE/I) provided an update to guidance for NHS accounts for assessing going concern. This guidance has been approved by the Financial Reporting Council (FRC) and updated in both the DHSC Group Accounting Manual (GAM) and HM Treasury's Financial Reporting Manual (FReM).

The updated guidance states *'while management in the NHS bodies will still need to document their basis for adopting the going concern basis, this assessment should solely be based on the anticipated future provision of the services in the public sector. This means that it is highly unlikely that NHS organisations would have any material uncertainties over going concern to disclose'*.

Management have completed a full going concern assessment and it is recommended that the Board of Directors prepare the Group 2023/24 annual accounts based on the going concern principle.

### Trust financial position 2023/24

At the end of the financial year, the Trust reported an income and expenditure deficit of £15.7m: this position is then adjusted by a series of technical adjustments in the sum of (£15.8m). When all these items are adjusted, the final regulator assessed position of the Group is a £0.1m surplus.

The Group has a year-end cash balance of £47.5m and it should be noted the Trust received £12.156m cash support in 2023/24.

### Planning and Budgets for 2024/25

The initial planning work across the ICS is showing this to be an extremely challenging settlement financially with a considerable financial gap at draft plan stage for 2024/25 however work continues to close the planning gap and the ICB have engaged the services of an external consultant to support and validate this work.

The final Board-agreed plan will be used to set the Group operational budgets.

### Working Capital and Liquidity

The Group starts the year with a cash position of £47.5m and the Group continues to operate an enhanced cash management regime with monthly operational cash meetings and monthly debtor meetings with all Care Group finance teams and the cash position is regularly reviewed at a senior level within the finance team.

The Group is expecting to have a very tight cash position in 2024/25; ultimately this will be driven by the financial plan.

### Sustainable Resource Deployment

As the NHS has returned to a more normal working environment following the peak of the COVID19 pandemic its focus has quite rightly switched to elective recovery and the reduction in the very significant elective backlog. The Group has continued and pushed ahead with engaging in several regional and national work streams, including:

- The Group has continued to fully engage and has worked very closely with the national Getting It Right First Time (GIRFT) team in 2023/24, as we seek to drive clinical recovery and using all the opportunities this gives us to drive quality, safety, and efficiency
- The Group continues to be a key partner within the HNY system, and indeed is at the forefront of the Integrated Care System (ICS) as the system develops and matures
- In 2023/24 the efficiency target was split into a core service target of £21.4m and a further technical efficiency target of £28.0m, giving a total programme of £49.4m. The technical target was made up of covid spend reductions, estimated productivity gains and a share of the system stretch target. The Group overachieved its core efficiency target of £21.4m CIP target in 2023/24 by £0.1m, which is a very significant achievement; the technical target has proved much more difficult to achieve in full with a shortfall of £7.1m. In 2024/25 the Group core savings requirement is set at £53.3m (6.7%).

## Financial and Operational Risk Management

The operational standards are in place for 2024/25 with the biggest challenge being the very significant challenge to recover the well-publicised back-log of elective patients; revised incremental thresholds have been published as part of the operational guidance:

- Eliminating RTT waits over 65 weeks by March 2024.
- Eliminating RTT waits over 52 weeks by March 2025.
- Continue to reduce the number of Cancer patients waiting over 62 days
- Meet the cancer faster diagnosis standard by March 2024 so that 75% of patients who have been urgently referred by their GP for suspected cancer are diagnosed or have cancer ruled out within 28 days
- 25% reduction in outpatient follow ups by March 2024

These will of course prove very challenging given the continued operational pressures still being felt at the front line.

- During 2018/19 the Trust was successful in its outline bid for £40m capital for a major investment in the Scarborough Hospital site. This was fully approved in the sum of £47m; the change in value was due to project scope change, with the inclusion of new ICU facilities. The building work is progressing well, and the main building work is due to be completed in Q2 2024/25, with a view to the unit opening in October 2024 following final fit out and commissioning. This is a very significant national investment and shows a high level of confidence in the system.
- The Group has a well-developed performance management framework with all Care Groups attending a monthly executive performance review meeting, and this process is supplemented by the Care Groups own governance processes.
- Corporate governance continues to be high on the Group's agenda. Revised arrangements have been implemented and governance continues to be monitored, reviewed, and strengthened where applicable.

## Workforce Sustainability

Workforce sustainability forms part of the Staff Report which can be found on [page 85](#).

## How the Trust measures performance

The Trust provides services within hospitals and to the community and uses a variety of measures to track operational performance. These measures cover areas including emergency care, cancer care, waits for elective treatment, diagnostics and quality outcome metrics.

On a monthly basis the Board considers performance against these measures using the Trust Priorities Report (TPR), which follows the NHSE 'making data count' methodology and statistical process control (SPC) charts. SPC is an analytical technique, underpinned by science and statistics, that plots data over time. It helps us understand variation by examining the trend and in so doing guides us to take the most appropriate action.

Care Group performance is monitored via the Monthly Performance Review and Improvement Meetings (PRIMs). Trust performance is regularly reported to NHS England through established routes. More detailed discussions take place in the Trust Board's Sub-Committees, Quality Committee and Resources Committee, which meet monthly. Details of the Trust's performance during the year can be seen in the table overpage.

The 2023/24 NHS Priorities and Operational Planning Guidance set out three core tasks:

- Recover our core services and productivity.
- Make progress in the key ambitions in the NHS Long Term Plan.
- Continue transforming the NHS for the future.

The headline ambitions for the recovery were:

1. Improve ambulance response and Accident and Emergency waiting times (with a revised 76% Emergency Care target)
2. Reduce elective long waits (eliminate 65 weeks by end March 24) and cancer backlogs (continue to reduce the number of patients over 62 days on cancer pathways) and improve performance against the core diagnostic standards.
3. Make it easier for people to access primary care services, particularly GP services.

## Elective Recovery

Elective recovery remained one of the Board priorities for 2023/24 and the Trust has eliminated 78 weeks.

The Trust remained in Tier 1: National Oversight of the Elective recovery support programme. This support included the NHS England (NHSE) Elective Intensive Support Team (IST) for cancer and referral to treat performance in 2023/24.

Following the NHS England Elective Intensive Support Team visit with the Trust on the 6 and 7 of December 2022, a program of support was agreed in line with priorities identified. This comprised sixteen core objectives with a particular focus of targeted support for key areas of the referral to treat (RTT) recovery plan. An additional two objectives to support Gynaecology were agreed during the assignment.

The closure report was received in August 2023. Eleven of the objectives have been achieved and established within the Trust as business as usual:

- Ophthalmology Pathway design.
- Review of Elective Access Policy.
- Leadership and governance.
- RTT and Cancer recovery plans.
- Elective recovery trajectory development.
- Demand and capacity modelling – Head and Neck.
- Key Performance indicator (KPI) development.
- Operational workshops; demand and capacity/recovery planning.
- Targeted recovery planning support for key specialties; Ear, Nose and Throat (ENT) and Oral and Maxillofacial Surgery (OMFS).
- Review of theatres 6-4-2 process.
- Review of trust clinical harm processes.

Three objectives remained ongoing with IST support, including demand capacity planning for diagnostics and gynaecology and four objectives remained ongoing as part of the Trust recovery plan.

The 2023/24 Elective Programme was developed with the key aim to:

*To ensure everyone has access to safe, timely and patient focused elective care.*

There are three primary drivers within this programme:

- Referral to Treatment: reduce waiting times.
- Cancer: Diagnose patients within 28 days of suspected cancer referral and treat patients within 62 days of a suspected cancer referral.
- Diagnostics: Complete a routine diagnostic procedure within 6 weeks and for suspected cancer / Urgent within 14 days.

NHSE sent a letter 'Protecting and Recovering Elective Capacity' to all NHS providers in August 2023 outlining the next steps for outpatient transformation. This included a requirement for all RTT patients who will breach 65 weeks before the end of March 2024 to have their first outpatient appointment before the end of October 2023. The increase in first attendances and subsequent discharges resulting from this action resulted in a reduction in the overall RTT total waiting list of 7,146 or 13% in seven months to the end of March 2024 and is the Trust's lowest total waiting list since July 2022. This is ahead of the end of the March 2024 trajectory (47,530) submitted as part of 2023/24 annual planning.

At the start of 2024, the primary focus for the Trust has been the 'Further, Faster' programme. The Trust has joined a Getting it Right First Time (GIRFT) National Outpatient Transformation Programme – Going Further, Going Faster, across 18 specialties. Our Trust joined in cohort two, along with 26 other providers. The Programme will link into system outpatient transformation and inform the established clinical networks going forward. The aim of the programme is to support Trusts to significantly reduce or achieve zero RTT 52 week waiters by the end March 2025. The following key themes are the focus for the 2024/25 programme:

- New system Outpatient Delivery Group has been established and Task and finish groups are being set up to meet the identified priorities. Initial focus will be on:
  - Referral optimisation/New models of care.
  - Personalised Care.



- Digital approach (Patient portal, room planner, text messaging etc.)
- Patient Initiated Follow Up (PIFU)
- Roll out of Rapid Expert Input (REI). REI is a process for clinically reviewing a referral prior to booking into a secondary care service.
- Percentage of outpatient capacity setup as follow up outpatient appointments. Two-way text reminders to inpatients and all outpatient specialties.
- Clinical validation of Trust waiting list.
- Review of OPCS (classification of intervention and procedures) codes in outpatients and elective inpatients

## Cancer

In line with the 2023/24 NHSE operational planning guidance, there was a focus on the cancer 62-day backlog and faster diagnosis standard. The Trust achieved the trajectory for the number of patients waiting over 62 days on a Cancer pathway, at 143 against the trajectory of 143 for the end of March 2024.

The 2023/24 cancer priorities were developed and are aligned to the national priorities, cancer alliance plan and funding allocations. This included the delivery of 80% of lower gastrointestinal referrals with an accompanying Faecal Immunochemical Test (FIT) result.

Additional national Cancer performance funding was allocated in November 2023 with York receiving funding for schemes to improve performance and support schemes in; Radiology, additional Insourcing capacity, Histopathology and urology surgical capacity.

## Diagnostics

Diagnostic performance (DM01) is monitored monthly and is reported through the diagnostics programme board to the elective programme board. The focus of the diagnostics programme has been to undertake demand and capacity for colonoscopy, Magnetic Resonance Imaging (MRI) and Computed Tomography (CT) in the first instance. As a result of this work a business case for additional endoscopy capacity was secured and insourcing commenced in November 2023 resulting in an ongoing reduction in the endoscopy backlog.

The Trust has a significant Community Diagnostic Centre (CDC) programme with two spoke sites and one hub site in development. The Trust received additional Humber and North Yorkshire CDC mobile capacity at the Bridlington Hospital site during 2023.

The Selby spoke site went live in 2023 and current undertakes phlebotomy, MRI and CT activity. Full roll out of cardiorespiratory and ultrasound activity due to commence in April 2024.

The Askham Bar activity commenced in 2023, in partnership with NimbusCare, on an agreed interim site at Acomb Garth and cardiorespiratory and phlebotomy activity is undertaken. The Askham Bar site, including a pad for MRI and CT, is scheduled to go live in April 2024.

## Urgent and Emergency Care

The Trust has seen Emergency Department attendances remain at pre-pandemic levels. This level of demand in conjunction with increased numbers who require Social Care provision spending longer in a hospital bed has led to a reduction in performance against the Emergency Care Standard.

An Urgent and Emergency Care (UEC) Risk Summit took place in February 2024, chaired by the Integrated Care Board Deputy Chief Executive and the Trust Chief Executive with representatives from the health and local authority system. The actions identified from this summit are being taken forward a task and finish fortnight group chaired by the Trust Chief Operating Officer.

In the latest nationally published data (February 2024) the Trust ranked 69th out of 122 providers (with a Type 1 ED) for Emergency Care Standard (All types), the Trust was ranked 72nd in January 2024. In the North-East and Yorkshire region the Trust ranked eleventh out of twenty-two providers (thirteenth in January 2024).

### Urgent and Emergency Care Improvement Plan

NHSE outlined key priorities for acute Trusts to focus on in the last quarter of 2023/24;

- Streaming and redirection
- Rapid Assessment and Treatment
- Maximising use of Urgent Treatment Centres
- Improving ambulance handover

Alongside the UEC Improvement Plan there are number of key strategic actions that continue to progress:

- Embed Discharge Framework at York and Scarborough with NHSE support, working internally and externally to embed the principles of the National Discharge Policy.
- Ongoing development of Standard Operating Procedures (SOP) for roles in the emergency department.
- Internal discharge Improvement Project
- Prime provider for Integrated urgent care (UTC) at Malton, York and Scarborough and Out of Hours from April 2024.
- Delivery of Scarborough emergency department build and new model of care.

In 2023/24 we have developed and opened 33 virtual hospital beds in York to support patients being cared for outside the acute hospital.

The Trust has received support and visit from Emergency Care Intensive Support Team (ECIST), HNY Urgent and Emergency Care (UEC) programme team and the regional programme team during 2023/24:

#### ECIST

- Criteria to Admit Audit York, Dr B Owens & Kirsty Stead, 30 March 2023
- Criteria to Audit Scarborough, Dr B Owens & Kirsty Stead, 11 May 2023
- Criteria to Reside Audit York, Kirsty Stead, June 2023
- Criteria to Reside Audit Scarborough, Kirsty Stead, June 2023
- ED walk through, review of York new model of care 17 October 2023, Dr B Owens & Kirsty Stead
- Observations of Site meetings on 28th November 2023, Kirsty Stead
- Emergency Department visit, 14th December 2023, Dr B Owens & Tim Gillatt

#### Other

- Ambulance/Acute Trust Emergency Care Interface Review – Dr Alison Walker, 6 January and 17 February 2023
- HomeLink Healthcare – Virtual wards feasibility study, 21 September 2023
- Missed Opportunities Audit, Rebecca Davies-Elsom & Martin Johnson (HNY UEC team), 21 November 2023
- Discharge processes, Catherine Huby (NHSE Regional team), 13 December 2023

Actions and recommendations from each visit and audit are being triangulated against the current programme workstreams.



## Performance against key health care targets 2023/24

| Indicator  | Definition  | Target 2023-24     | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Jan-24 | Feb-24 | Mar-24 |
|--|---|--------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Emergency Care Standard – national*  | Percentage of attendances where the patient spent less than 4 hours in the department from time of arrival to time of admission, or discharge, or transfer.   | 76%                | 73.0%  | 71.7%  | 69.2%  | 70.2%  | 69.4%  | 66.7%  | 68.3%  | 68.1%  | 68.6%  | 67.3%  | 68.9%  | 67.4%  |
| *The Trust is monitored on the combined performance: Emergency Departments (Type 1) and Minor Injury Units/Urgent Treatment/Care Centres (Type 3). |   |                    |        |        |        |        |        |        |        |        |        |        |        |        |
| Referral to Treatment time, 18 weeks in aggregate, incomplete pathways   | Proportion of patients on the Referral to Treatment waiting list less than 18 weeks.  | 92%                | 47.1%  | 49.8%  | 49.7%  | 50.8%  | 49.5%  | 49.2%  | 50.7%  | 50.8%  | 49.2%  | 50.6%  | 51.0%  | 51.1%  |
| Referral to Treatment 104+ Week waits at month end   | The number of incomplete Referral to Treatment pathways (patients yet to start treatment) of 104 weeks or more.   | 0                  | 0      | 0      | 0      | 0      | 4      | 2      | 0      | 0      | 0      | 0      | 0      | 0      |
| Referral to Treatment 78+ Week waits at month end  | The number of incomplete Referral to Treatment pathways (patients yet to start treatment) of 78 weeks or more.  | 0                  | 178    | 163    | 75     | 66     | 83     | 93     | 86     | 13     | 10     | 6      | 2      | 0      |
| Referral to Treatment 65+ Week waits at month end  | The number of incomplete Referral to Treatment pathways (patients yet to start treatment) of 65 weeks or more.  | 0                  | 1054   | 972    | 957    | 940    | 999    | 1107   | 949    | 607    | 621    | 519    | 398    | 238    |
| Cancer 62 day wait for first treatment (urgent GP referral) * changed to all referral types from October 2023.                                     | Percentage of patients receiving a first definitive treatment for cancer within 62 days of receipt of:<br>• an urgent GP (or other referrer) referral for urgent suspected cancer.<br>• a breast symptomatic referral.<br>• an urgent screening referral; or<br>• consultant upgrade.   | 85%                | 56.1%  | 49.9%  | 55.4%  | 61.7%  | 55.9%  | 49.8%  | 66.2%  | 68.4%  | 64.3%  | 62.3%  | 71.4%  | 67.8%  |
| Cancer 63+ Day waits on Patient Tracking List (PTL)  | Cancer 62-day pathways (patients with and without a decision to treat, but yet to be treated or removed from the PTL) waiting 63 days or more after an urgent suspected cancer referral excluding non site-specific symptoms.   | <143 by March 2024 | 181    | 203    | 199    | 207    | 262    | 275    | 326    | 332    | 314    | 253    | 188    | 143    |
| Cancer 28 day Faster Diagnosis Standard  | Percentage of patients receiving a communication of diagnosis for cancer or a ruling out of cancer, or a decision to treat if made before a communication of diagnosis within 28 days following:<br>• an urgent referral for suspected cancer<br>• a referral for breast symptoms where cancer was not initially suspected or secondary care professional; or<br>• an urgent referral from an NHS Cancer Screening Service. | 75%                | 61.6%  | 63.1%  | 60.4%  | 61.6%  | 57.2%  | 48.3%  | 51.2%  | 51.5%  | 62.6%  | 59.3%  | 57.0%  | 70.3%  |
| Diagnostics – 6 week wait referral to test   | Percentage of patients waiting for a diagnostic test or procedure for 6 weeks or over.  | <5%                | 43.1%  | 40.9%  | 37.4%  | 34.3%  | 40.2%  | 38.8%  | 36.4%  | 34.6%  | 39.0%  | 42.8%  | 38.1%  | 37.3%  |

## Health Inequalities

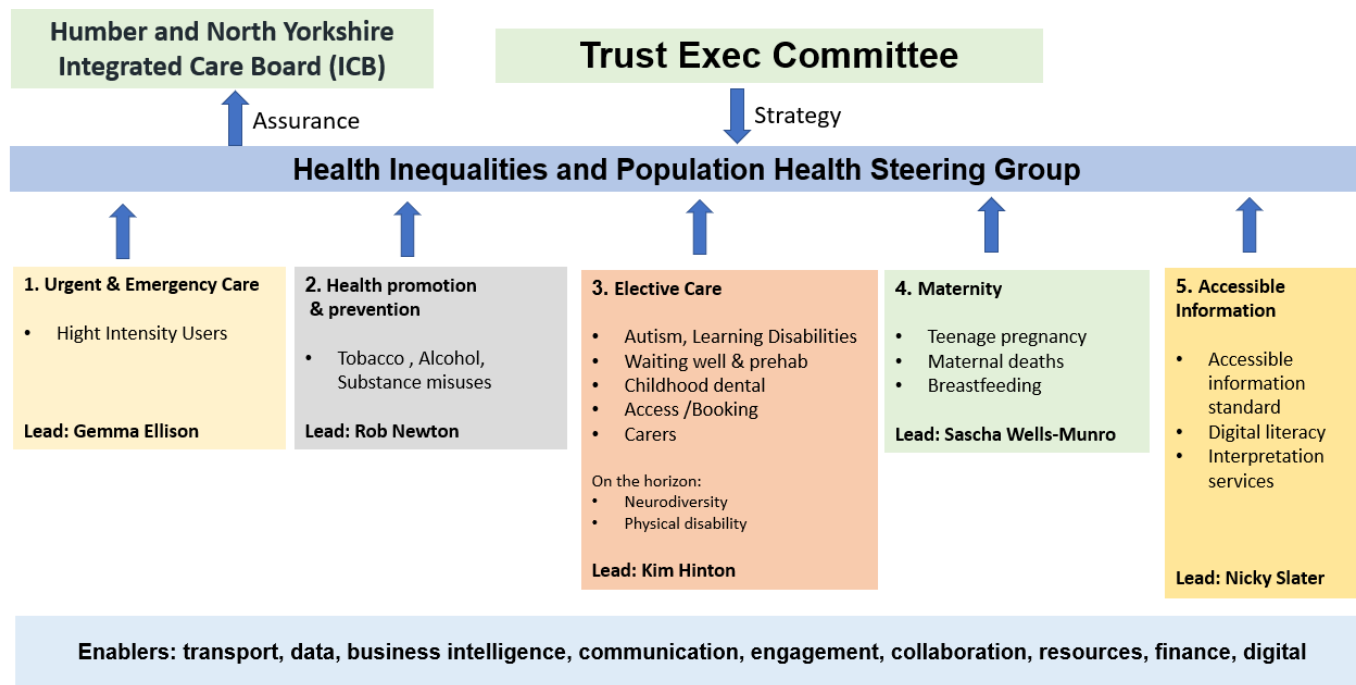
Reducing health inequalities is of key importance for the Trust and part of the strategy for the organisation. The aim is to develop a plan that encompasses the overall Trust Inequality Strategy to address and mitigate health disparities within the Trust's catchment area, contributing to the refresh of the Trust's overall strategy 2024-2027.

A health inequalities group has been established with representatives from across the Trust, including the Health Inequalities Clinical Fellow and Place representatives. The aims of the group are to:

- Promote health equity and inclusivity, ensuring that all individuals receive fair and just access to healthcare service.

- Review the socio-economic, demographic, and other relevant factors contributing to health disparities.
- Agree the priorities that reflect the needs of our local populations.
- Identify and focus on what to do now for our local populations and current service users as well as what is needed for the future.

Workstreams have been developed to focus on some of the key priorities for the Trust:



An example of progress to date in the elective care task and finish group is that a learning disability task and finish group has been formed to develop a eight-week surgical pathway by the end of quarter one 2024/25. Scoping is being undertaken by the East Coast Children’s and Young People’s group to improve the dental extraction pathway and also scoping for how we support patients on the elective waiting list who have caring responsibilities.

### Emergency Planning – Emergency Preparedness, Resilience and Response Certificate Yorkshire and the Humber Local Health Resilience Partnership (LHRP) Emergency Preparedness, Resilience and Response (EPRR) assurance 2023/24

In the wake of lessons identified from recent incidents and a number of public enquiries (Manchester Arena, Grenfell and the ongoing COVID-19 inquiry – as well as the recent verdict in the Letby trial and the announcement of the Thirwell Inquiry), it is clear that the standard which organisations must achieve, and the burden of proof in regard to robust governance, proactive planning and tried and tested plans is one which requires a dedicated assurance framework which can assure NHS England collective system resilience. This has resulted in the annual assurance process being amended across NHSE to reflect an evidenced based assessment rather than a self-assessment exercise.

This change has resulted in the compliance rating of all Acute Trusts EPRR teams, all ICB EPRR teams and the Regional EPRR team in the North of England being downgraded to NON-COMPLIANT. The Head of EPRR for the North notes that this does not signal a material change or deterioration in preparedness but should be considered as a revised and more rigorous baseline in which to improve plans for preparedness, response and recovery.

The Trust has a comprehensive action plan with the aim to return to a SUBSTANTIAL rating within the next 24 months.

**North East & Yorkshire Emergency Preparedness, Resilience and Response (EPRR) assurance 2023-2024**

**Statement Of Compliance**

- York and Scarborough Teaching Hospitals NHS Foundation Trust has undertaken a self-assessment against required areas of the EPRR Core standards self-assessment tool v1.0
- Where areas require further action, York and Scarborough Teaching Hospitals NHS Foundation Trust will meet with the LHRP to review the attached core standards, associated improvement plan and to agree a process ensuring non-compliant standards are regularly monitored until an agreed level of compliance is reached.

Following self-assessment, the organisation has been assigned as an EPRR assurance rating of Non-compliant against the core standards.

| Organisational rating | Criteria  |
|-----------------------|---|
| Non-compliant         | The organisation is fully compliant up to 76% of the relevant NHS EPRR Core Standards |

I confirm that the above level of compliance with the core standards has been agreed by the organisation’s board/governing body along with the enclosed action plan and deep dive responses.



Signed by the organisation’s Accountable Emergency Officer

04/12/23

Date signed

29/11/23

Date of Board/governing body meeting

29/11/2023

Date presented at Public Board

03/06/2024

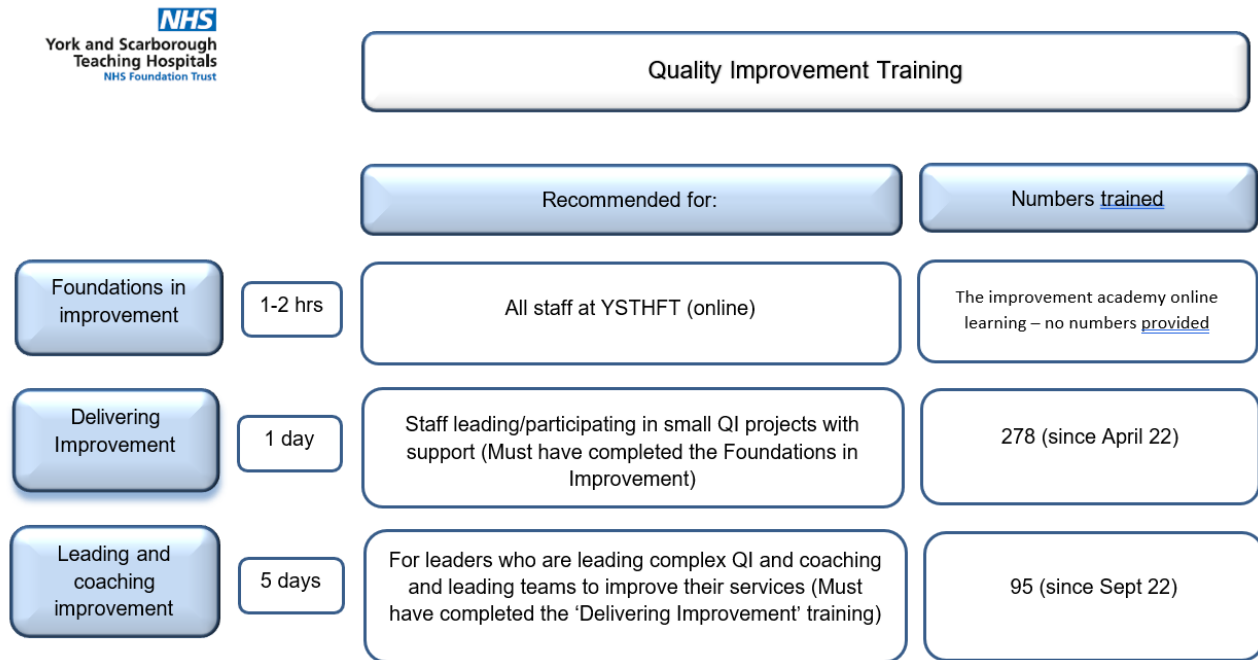
Date published in organisations Annual Report

**Quality Improvement approach**

Quality improvement (QI) is the use of a systematic method to involve those closest to the quality issue in discovering solutions to a complex problem. It applies a consistent method and tools, engages people (both staff in clinical/corporate teams and patients/service users/families) more deeply in identifying and testing ideas, and uses measurement to see if changes have led to improvement.

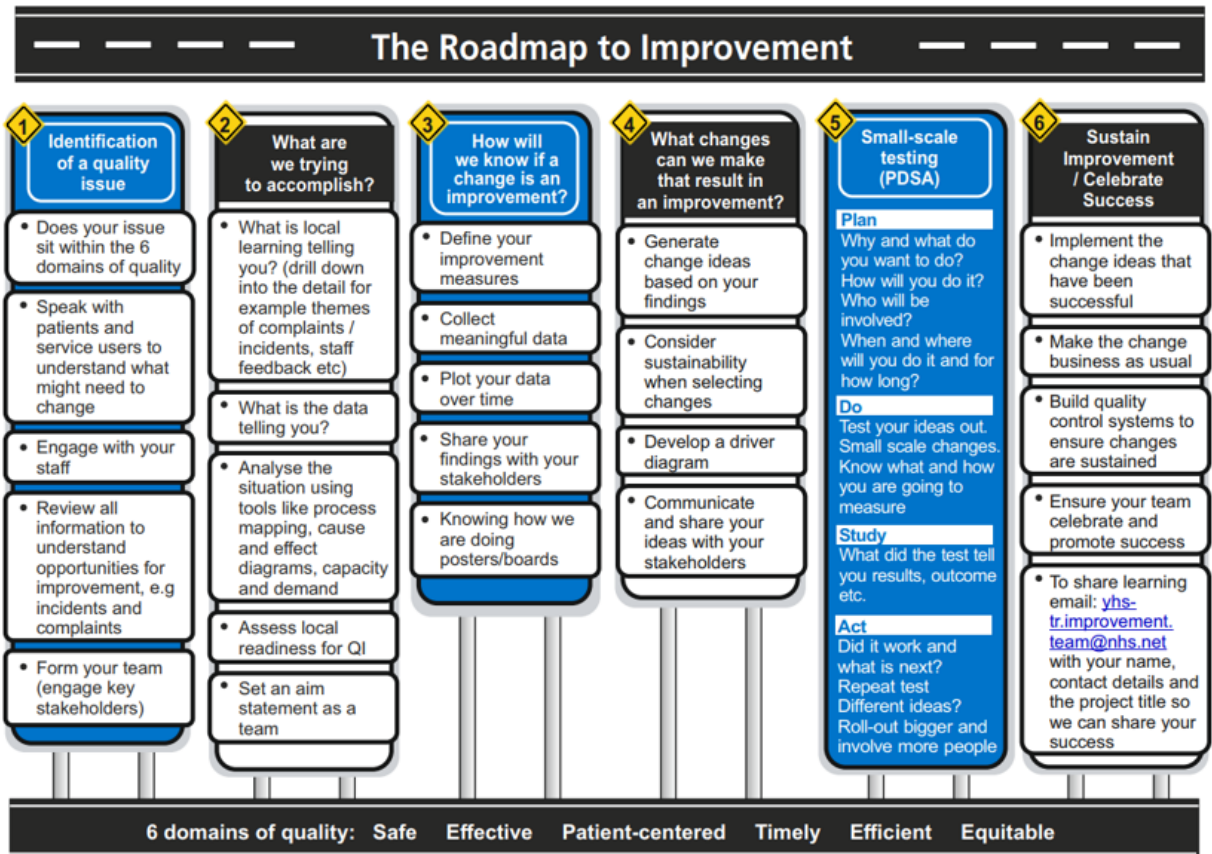
A QI strategy group was established in January 2021 to develop our Trust-wide systematic and systemic approach for QI. Through engagement sessions a number of key enablers which informed our QI Strategy were identified, including access to education, leadership supporting the development of a culture for quality improvement to flourish and the celebrating / sharing of ideas.

As part of our QI Strategy development we have developed the below QI education programme, dosing model for staff from beginner to expert:



**Preceptor programme 3 hr face to face – 130 new clinical starters**

Our Trust model for Quality improvement is the 'Model for improvement' and we have simplified the methodology into six simple stages which we refer to as the 'Roadmap to Improvement', shown below.



This has been supplemented with a ‘Quality Improvement Toolkit’ which is shared widely across the organisation.

In order to promote sharing across the organisation, we have developed a bi-annual poster display for showcasing the quality improvement project work from our ‘Leading and Coaching Improvement’ programme. Recently we have developed our ‘QI Clinic’, where we are available to promote and support staff with quality issues. Quality Improvement is also now an awards category at our ‘Celebration of Achievement’ annual awards ceremony.

### **New and Significantly Revised Services during 2023/24**

Through 2023/24 there were a number of key developments and pathway initiatives, improving services for patients and staff, across the Trust:

- On the Scarborough site planning is well underway for a £47m NHSE supported capital development comprising a new emergency and urgent care department with approximately double the current clinical space. The building will also house a new integrated critical care floor for intensive care, coronary care and is due to open in 2024.
- On the York Hospital site, funding of £15m was obtained from NHSE to enable a re-design of services within the current emergency department footprint and an additional modular build, which will support significant clinical and operational benefits for urgent and emergency services. This development was complete and the new Emergency Department opened in July 2023. The two-storey expansion, which took just 20 months to complete, includes a vital new eight-bedded resuscitation area and 12 new assessment and treatment cubicles. There is also a newly remodelled waiting area which includes a separate space for children, along with supporting facilities such as a nappy changing area. Upstairs in the extension, there is a spacious area for same-day emergency care where patients will be treated in the department and then discharged without the need to be admitted as an inpatient.
- In March 2023, a new electronic system was launched and made available to pregnant women across the Trust, giving them more access to and control of their pregnancy records and care notes. The online portal and app, known as Badger Notes, has been launched which can access maternity records over the internet through a PC, tablet device or mobile phone. The information is generated in real-time from the hospital’s maternity system record, using details entered by a midwife or other health professionals involved in a patient’s care.
- A collaboration between the Multiple Sclerosis (MS) specialist nurses at York Hospital and the specialist continence nurses from Clementhorpe Health Centre is improving patient care and helping prevent hospital admissions. Neurological bladder dysfunction in MS patients can have a huge impact on a patient’s quality of life and is one of the main causes of emergency admissions. The teams have worked together looking at pathways on bladder and bowel assessments and management, as well as bladder scanning and education.
- The new dedicated space for ablutions at York Hospital has been officially opened in April 2024 with a visit from Imam Ammar, followed by prayers. The space has been reconfigured to fit a large ablution room and a small book store and includes new sanitary appliances, fixtures and fittings along with new finishes to walls, floors and ceilings plus full wheelchair accessibility to all appliances.
- In May 2023 a second CT scanner was installed at Scarborough Hospital which has greatly increased capacity and reduced waits for patients both in and out of hospital. The scanner was purchased following an application by the Trust for national funding. The extra capacity increases the resilience of the service at Scarborough Hospital which means the hospital can improve access to CT scans for patients on the East Coast.
- After starting our accreditation journey with UNICEF (United Nations Children’s Fund) UK’s Baby Friendly Initiative back in 2016, the maternity team has continued to increase breastfeeding rates and support all mothers in responsive parenting which has an impact on the child’s mental health long term. The Trust was awarded the next level in the prestigious Baby Friendly Award in June 2023, and is now only steps away from gold accreditation. This is



the milestone for accredited services whose audit results consistently show that the Baby Friendly standards are being met and developing innovative projects to embed the highest level of care. In the UK, the Baby Friendly Initiative (BFI) works with UK public services to protect, promote, and support breastfeeding and to strengthen mother-baby and family relationships. The award is given following a series of assessments by a UNICEF team which show recognised best practice standards are in place.

- The Trust has gained national recognition for its liver service, giving 'high quality care' to its patients. The Trust has been awarded the Improving Quality in Liver Services (IQILS) Level 2 accreditation by the Royal College of Physicians (RCP). Based at York Hospital, our liver service is one of just a small number to have been accredited in England, Wales and Northern Ireland, after the scheme was launched in July 2017 by the RCP to improve quality in liver services. The team originally achieved Level 1 accreditation in 2022 and has since been working hard to achieve the next prestigious level, which demands sustained high quality services, patient involvement, and achievable long-term strategic aims.
- In October 2023 the Trust became the prime provider for the Urgent Treatment Centre (UTC) based in Selby Hospital. The centre is open for 12 hours a day, 7 days a week and provides minor illness and minor injury services.
- A new and enhanced service for maternity patients with mental health needs was launched in May 2023. The perinatal mental health midwifery team provides additional support for pregnant patients with mental health issues and worries around having a baby and becoming a parent. The team develops birth plans to support patients' mental health during their stay at the hospital and ensure they are referred to, and supported by, the relevant mental health teams in the community. Lorraine Dodd, Lead Perinatal Mental Health Midwife, also works closely with regional teams to ensure the Trust provides gold standard care in line with regional and national guidance for perinatal mental health.
- In October 2023 an exciting joint venture between healthcare teams was launched at Acomb Garth, York to provide a specialist wound assessment clinic for patients in the community with lower limb wounds. The Trust, NimbusCare and Humber and North Yorkshire Integrated Care Board have worked collaboratively to launch this specialist service. The new team is made up of a specialist tissue viability nurse (TVN) and podiatrists who will provide a holistic wound assessment in one appointment, as well as ongoing care plans for patients. Care will continue with the district nurse or practice nurse who referred the patient into the clinic. Patients will be referred and seen within two weeks of the presentation of the wound, speeding up the diagnosis and treatment to achieve improved outcomes, including healing rates. There is no other service in England which delivers a lower limb diagnosis, assessment, and treatment plan in the same appointment which is run jointly by podiatrists and tissue viability nurses.
- The Healthcare Academy in Bridlington was launched November 2023. It is the first of its kind in the Trust and is the idea of Interim Chief Nurse, Dawn Parkes. The aim of the academy, which is part-funded by the York & Scarborough Hospitals Charity, is to train healthcare support workers (HCSW), including those new to care, to a high standard. Support workers graduating from the academy earlier this month now have a sound knowledge of the basic understanding of their role. The academy ensures they receive the fundamentals of care in place before working on the wards. Staff at the academy study for the in-house care certificate, which graduates were presented with at a special closing ceremony. Modules at the academy include personal development, infection prevention, privacy and dignity, nutrition and hydration, safeguarding, mental health, and handling patient information. All the modules are delivered to a national standard written by NHS England. The most recent recruits spent four weeks experiencing a rich mix of theory, practice and some real fun too. The training takes place on a whole 'mock' ward at Bridlington Hospital and includes specialised days at Scarborough Hospital and the LNER Community Stadium in York.
- Scarborough, Bridlington, and York hospitals have achieved the prestigious Anaesthesia Clinical Services Accreditation (ACSA) for the anaesthetic department on all three sites from the Royal College of Anaesthetists (RCoA). To receive accreditation departments are expected

to demonstrate high standards in areas such as patient experience, patient safety, and clinical leadership. The review team references several areas of good practice in its report, specifically that the department successfully overcame the significant geographical challenges.

- More than 180 physiotherapy patients benefited from the Trust's first ever community appointment day (CAD) at the LNER Community Stadium, York. The Trust became only the second in the country to adopt this collaborative community approach to musculoskeletal care. The all-day event was developed by the Trust's Musculoskeletal Department (MSK) in collaboration with the Sussex MSK Partnership. Patients received a passport which was their record to keep for the day. This was completed by the patient, following conversations with multiple clinicians, including access to one-to-one assessments, rehabilitation, advice and guidance on their specific condition, as well as access to many external agencies present on the day. As patients were reviewed and gained more information, the personal MSK passport could be added to with what they intended to do about their condition and what access they had back to the service, should it not improve or deteriorate. The MSK service worked with external agencies to support patients when answering the question 'What matters to you?', offering patients community access to continued rehabilitation, weight reduction, health coaches, Healthwatch, and Healthwise services. These, alongside other external agencies present on the day, helped in the management of patients' MSK conditions in the community, while providing support for other long-term conditions, such as diabetes and hypertension
- Macmillan Cancer Support and the Trust have together unveiled a £2.1m project for a Cancer Care Centre. The new 'gold standard' centre is designed to provide vital information and support for people living with cancer and will be developed at York Hospital's Magnolia Centre, thanks to a new partnership with the charity. The Cancer Care Centre will be operated by the existing Cancer Health and Wellbeing Support Service and provide information and support on a range of issues, from coping with treatment and care to getting financial support. It will be open to people affected by cancer across the region.
- As part of the Trust community diagnostic centre (CDC) programme the Trust received Humber and North Yorkshire CDC mobile capacity at the Bridlington Hospital site during 2023. The Selby spoke site went live in 2023 and current undertakes phlebotomy, MRI and CT activity. The Askham Bar activity commenced in 2023, in partnership with NimbusCare, on an agreed interim site at Acomb Garth and cardiorespiratory and phlebotomy activity is undertaken. This has increased the number of diagnostics tests the Trust can undertake and improves access to patients who can now receive a range of diagnostic tests away from the main hospital sites.

### Alternative workforce roles

The Trust continues to increase and develop its use of new and alternative roles and develop different workforce models. These include:

- Medical Associate Professions – All Medical Associate roles work under the supervision and direction of experienced medical professionals. Physician Associate roles are embedded in the workforce models of a small range of services. They typically work in clinic settings, supporting medical specialities. The Trust's Surgical Care Practitioner workforce providers assistance with preoperative assessments, preparation of patients for theatres and surgical procedures. Most recently the Trust has begun training a small number of Anaesthesia Associates to support anaesthetic and perioperative care.
- Advanced Clinical Practitioners (ACPs) – ACP is a well-established registered role in the Trust which is now a significant part of the Urgent and Emergency Care workforce in York and Scarborough Hospitals. The Trust employs qualified ACPs while also training experienced nurses and allied health professionals for the ACP role via Masters Degrees and Level 7 Apprenticeships.
- Nursing Associates – the Trust employs registered Nursing Associates in its nursing teams across inpatient and outpatient departments and in its community services. In addition, the

Trust develops new Nursing Associates via a rolling programme of Level 5 Apprenticeships, delivered in partnership with the University of York and Coventry University.

The roles of 'Professional Lead for Advanced Clinical Practitioners and Physician Associates' and 'Deputy' are part of the Education Team. These roles work with internal and external stakeholders looking at how we grow, develop and retain this expanding workforce.

### **Out of Hospital Care**

As we see the aging population grow, we see an increased demand on our service. However, the ambition of Community Services is still to grow further with the delivery of care outside of hospital. In order for us to achieve this it is essential that we work closer than ever within our local health and care system in order for us to deliver the 'Home First' culture which focuses on prevention and self-care; delivers care closely to home and allows the system to manage growing demand by increasing efficiency through integration.

We continue to work with a range of partners. This includes being a core member of locality forums in all of the communities that we serve alongside primary care networks, social care, community health partners, community and voluntary sector leads and mental health. These groups are leading the design and development of joined up services to meet the needs of local people and address health inequalities.

Despite these challenges with increasing growth and finance, we have continued to innovate and work collaboratively with partners to improve the services we provide for local people. These have included:

- Expansion of the multi-disciplinary and multi-agency frailty assessment clinic into the South Hambleton and Ryedale (SHaR) locality. This clinic is being delivered in collaboration again with the local Primary Care Network and is due to start in April. The Selby area has a well-established multi-disciplinary and multi-agency frailty Assessment clinic. Last year we saw the introduction of the York Frailty Assessment clinic which has had a positive impact and is currently being evaluated. These clinics deliver a one-stop assessment service for people living in frailty.
- We continue to embed and roll out of primary care heart failure clinics in collaboration between heart failure specialist nurses and primary care clinicians to support patients living with heart failure.
- We are now seeing the impact and the improvements in patient outcomes from the multi-disciplinary and multi-agency complex lower leg wound clinic. These clinics are delivered in partnership with the ICB, Nimbus Care and Harrogate and District NHS Foundation Trust.
- Continuation of point of care testing for people who are housebound and taking blood thinning medication that provides an immediate result instead of waiting for a blood test result from a laboratory.
- The 2hr Urgent Community Response (UCR) service in partnership with primary care, enabling rapid assessment and treatment for 9 clinical conditions is now well established and with increasing awareness and maturity this service continues to develop and grow to support more people to be managed in the community and avoid unnecessary conveyance to hospital. This service forms part of the Co-located teams in the York Frailty Teams, with the introduction of the GP Advice and guidance line we have seen efficiencies through the direct access to this GP.
- In order to develop our teams, we have supported an increasing number of staff to undertake their prescribing qualification, this will enable patients to receive timely prescription changes and reduce the burden on primary care.
- We have seen again the growth in our frailty virtual ward, enabling people to be cared for in their own home to prevent admission but also to support earlier supported discharge from



hospital. We have also introduced this year the Nurse lead Rapid Access Heart failure Virtual ward both of these services have the support from the Acute Consultants enabling more patient to be supported at home. There is the opportunity for further growth as part of the virtual hospital model.

- As we have a large geographical patch so the use of wound care digital technology enables our District Nursing teams to access senior support and Tissue Viability specialist support, this technology enables real time assessment and removes delays to specialist assessment and advice.
- We have seen national recognition for two of our team members who were awarded the Queens Nursing Award for their innovation work for improving continence outcomes for care home residences.
- Working collaboration with the ICB we have also successfully led a 2-stage pilot in changing the supply and ordering process of our wound care products: this change has seen substantial savings and we aim to do a full roll out with further support from the ICB.
- We have seen external investment in the Pulmonary and Cardiac Rehabilitation team. The Cardiac rehab team investment is providing cardiac Rehab to Heart failure patients in the form of the REACH programme.
- We are working in collaboration with our system partners in the review of the intermediate /reablement services with an aim of increasing efficiency through better integrated working.
- Community nursing and Community Palliative care have worked in collaboration with Mental Health Trust to support end of life care in their bedded facility, this has enabled patient to remain in the environment that is familiar, with the staff they know and who know them.

## Review of Financial Performances

The table below provides a high-level summary of the Trust's financial results for 2023/24.

**Table 1 - Summary financial performance 2023/24**

|  | Plan<br>£million | Actual<br>£million | Variance<br>£million |
|--|------------------|--------------------|----------------------|
| Clinical income  | 666.6            | 741.1              | 74.5                 |
| Non-clinical income                                      | 64.8             | 73.7               | 8.9                  |
| <b>Total income</b>                                      | <b>717.5</b>     | <b>814.8</b>       | <b>97.3</b>          |
| Pay expenditure  | 476.6            | 536.7              | -60.1                |
| Non-pay expenditure                                      | 229.9            | 284.8              | -54.9                |
| <b>Total expenditure before dividend, and interest</b>   | <b>706.5</b>     | <b>821.5</b>       | <b>-115.0</b>        |
| <b>Operating surplus (loss) before exceptional items</b> | <b>10.9</b>      | <b>-6.7</b>        | <b>-17.6</b>         |
| Dividend, finance costs, interest and other              | 10.9             | 9                  | 1.9                  |
| <b>Net profit/ (loss)</b>                                | <b>0</b>         | <b>-15.7</b>       | <b>-15.7</b>         |

## Statement of Comprehensive Income 2023/24

Clinical income totalled £741.1m, and arose mainly from contracts with NHS Commissioners, including Humber and North Yorkshire ICB, NHSE and Local Authorities (£738.5m), with the balance of (£2.6m) from other patient-related services, including private patients, overseas visitors, and personal injury cases. The major areas of variance in clinical income substantially relate to additional income received relating to the increase in staff pension contributions (£19.07m), income from the consultant pay award proposed by the Government which takes effect from 1 March 2024 (£0.322m).

Other income totalled £73.7m and comprised funding for education and training, research, and development, and for the provision of various non-clinical services to other organisations and individuals.

The Trust re-values all its property fixed assets, including land, buildings, and dwellings, at the end of each year, to reflect the current value of land and buildings, considering in year changes in building costs, and the initial valuation of new material assets. In 2023/24, there was a site-wide full revaluation with an overall decrease in valuation (impairment charge) of the Trust's assets of £15.1m, of which £14.9m can be attributed to York ED.

At the end of the financial year the Trust reported an income and expenditure deficit of (£15.7m): this position is then adjusted by a series of technical adjustments in the sum of (£15.8m), the largest of these is the removal of the impairment charge of £15.1m, as discussed above. When all these items are adjusted, the final regulator assessed position of the Group is a £0.01m surplus.

### Accounting policies

The Trust has adopted international financial reporting standards (IFRS), to the extent that they are applicable under the Department of Health Group Accounting Manual (DH GAM).

### Cash

The Trust's cash balance at the end of the year totalled £47.5m.

### Capital investment

During 2023/24 the Trust invested £59.1m in capital projects across the estate, including IFRS16 lease schemes. The major projects on site during this period included:

- Scarborough – Urgent & Emergency Care Centre - £17.0m
- Scarborough and York – Significant programme of back log maintenance & Medical equipment replacement - £4.3m
- DIS investment – All sites - £3.9m of which £1.6m was spent on the new EPR project.
- Scarborough Community Diagnostic Centre - £12.2m
- Selby & Askham Bar Community Diagnostic Centres £1.3m
- LED lighting upgrades across Scarborough and Bridlington £1.6m
- New and replacement leases for property, vehicles and medical equipment totalling £7.5m

### Planned capital investment

The Trust has a major Capital investment plan for 2024/25 of £49.7m. The largest elements of this are:

- Scarborough Community Diagnostic Centre - £3.3m
- York – Vascular imaging unit /PACU - £20.0m
- DIS investment in EPR system £8.8m
- New and replacement leases for property, vehicles and medical equipment totalling £7.3m
- Replacement of major radiology kit £2.6m

A key Trust focus remains on reducing backlog maintenance and investing in our IT infrastructure across all Trust sites, although capital funding has been extremely tight and there has been a requirement to prioritise the work within the capital programme.

### Land interests

There are no significant differences between the carrying amount and the market value of the Trust's land holdings.

### Investments

There are no significant differences between the carrying amount and the market value of the Trust's investment holdings.

### Value for money

As public-sector organisations, NHS Trusts and NHS Foundation Trusts are expected to demonstrate to their patients, communities, and taxpayers that they are delivering value for money, evidencing both efficiency and effectiveness. This is even more important in times of fiscal constraint.

The creation of ICBs in 2022 allows NHS England to set financial allocations and other financial objectives at a system level. There is a statutory duty for all NHS bodies to meet the system financial objectives and deliver the agreed financial plan. We leave the 2023/24 financial year in a challenged revenue position with a year-end deficit to plan. The capital positions has been delivered to plan.

The Group has a year-end cash balance of £47.5m and it should be noted the Trust received £12.156m cash support in 2023/24.

In 2023/24 the efficiency target was split into a core service target of £21.4m and a further technical efficiency target of £28.0m, giving a total programme of £49.4m. The technical target was made up of covid spend reductions, estimated productivity gains and a share of the system stretch target.

The Group overachieved its core efficiency target of £21.4m CIP target in 2023/24 by £0.1m, which is a very significant achievement; the technical target has proved much more difficult to achieve in full with a shortfall of £7.1m.

Good resource management provides clarity of focus and is usually linked to improved patient care, when backed by a rigorous quality impact assessment (QIA) process. The work involves linking across the Trust to identify and promote efficient practices.

The Group has continued to fully engage and has worked very closely with the national Getting It Right First Time (GIRFT) team in 2023/24 and continue to re-invigorate this work following the COVID19 period.

The Group continues to be a key partner within the Humber & North Yorkshire (HNY) system.

### Better payment practice

The Better Payment Practice Code requires the Trust to aim to pay 95% of undisputed invoices by the due date, or within 30 days of receipt of goods or receipt of a valid invoice, whichever is later. The Trust's in year performance is detailed in table 2 below:

**Table 2**

| BPP Performance   | Number  | Value   |
|---|---------|---------|
|   |         | (£'000) |
| Total Non-NHS trade invoices paid in year               | 112,865 | 478,328 |
| Total Non-NHS trade invoices paid within target         | 96,110  | 428,218 |
| Percentage of Non-NHS trade invoices paid within target | 85.2%   | 89.5%   |
| <b>Total NHS trade invoices</b>                         |         |         |
| Total NHS trade invoices paid in year                   | 4,141   | 140,891 |
| Total NHS trade invoices paid within target             | 3,158   | 123,234 |
| Percentage of NHS trade invoices paid within target     | 76.3%   | 87.5%   |

The Trust has fallen below the target in this area. The Group has achieved 89.1% overall, by value.

The total amount of any liability to pay interest which accrued by virtue of failing to pay invoices within the 30-day period was £2k.

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

### Income disclosure

Section 43 (2A) of the National Health Service Act 2006 (as amended by the Health and Social Care Act 2012) requires that the income from the provision of the goods and services for the purpose of the health service in England must be greater than its income for the provision of goods and for any other purposes. The Trust can confirm it has met these requirements.

### Insurance Cover

The Trust has purchased Officer and Liability Insurance that covers all officers of the Trust against any legal action, as long as the officer was not acting outside their legal capacity.

### Political and charitable donations

No political or charitable donations were made during the year.

### Accounting policies for pensions and other retirement benefits

Past and present employees are covered by the provisions of the NHS Pension Scheme. The scheme is accounted for as a defined contribution scheme. Further details are included in the accounting policies notes to the Trust's annual accounts.

## Overseas operations

The Trust has no overseas operational activity and has received no commercial income from overseas activity during the year.

## Statement as to disclosure to auditors

Each Director at the time of approving this report has confirmed that, as far as the Director is aware, there is no relevant audit information of which the NHS Foundation Trust's auditor is unaware. The Director has taken all the necessary steps to be aware of the relevant audit information and to establish that the Trust's auditor is aware of that information.

## Counter Fraud Policies and Procedures

The Foundation Trust's counter fraud arrangements follow the NHS Standards for Providers: fraud, bribery, and corruption. These arrangements are underpinned by the appointment of accredited Local Counter Fraud Specialists and a Trust-wide countering fraud and corruption policy. An annual counter fraud plan identifying actions to be undertaken to create an anti-fraud culture, deter, prevent, detect and, where not prevented, investigate suspicions of fraud, is produced, and approved by the Trust's Audit Committee.

## Other Voluntary declarations

### Sustainability, Climate Change and Net Zero Carbon Commitments

Sustainability is about meeting the needs of our population without compromising the ability of future generations to meet theirs. This has three aspects – economic, environmental and social. These are often known as the three pillars of sustainability.

Sustainability also has to be considered in the context of the overall challenges facing the NHS. With an ageing population, obesity rates among the highest in Europe and an increasing proportion of patients with multiple chronic conditions, the backdrop is challenging.

York and Scarborough Teaching Hospitals NHS Foundation Trust (YSTHFT, also known as "The Trust") attaches great importance to sustainability and corporate social responsibility (CSR). Our statement on modern slavery is available to view at: <https://www.yorkhospitals.nhs.uk/search-results/?search=modern+slavery>

## Legislation

The healthcare system has several key legislative drivers that relate to climate change and decarbonisation, including the following:

- Health and Care Act 2022.
- Climate Change Act 2008 (as amended in 2019) setting a net zero target by 2050.
- Public Services (Social Value) Act 2012.
- Civil Contingencies Act 2004.

## Trust Green Plan and Governance

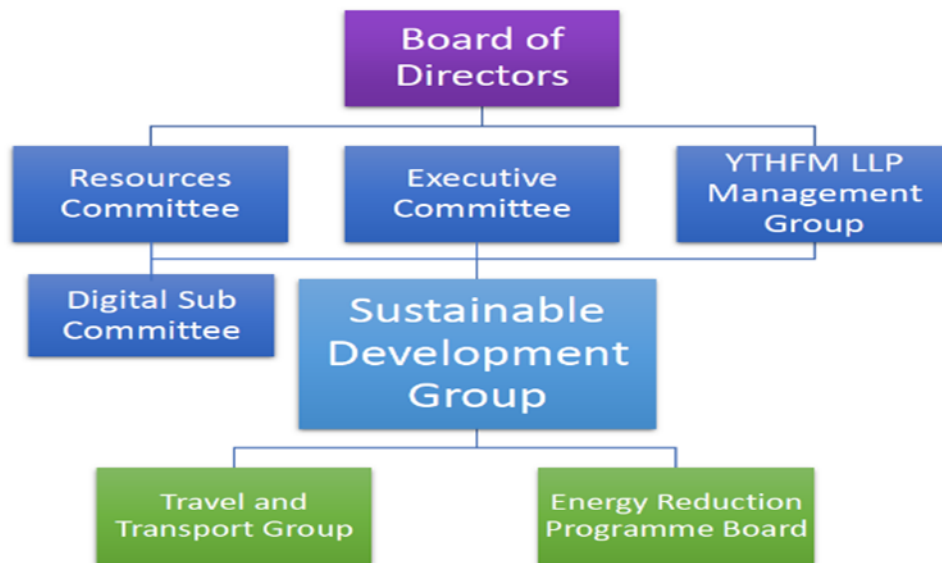
The Trust Board has approved a Green Plan, that follows legislation and Government guidance, and addresses what needs to be done around sustainability, carbon reduction and climate change. The Sustainable Development Group (facilitated by the Head of Sustainability) is where the various Head of Departments work together on the Trust's Green Plan. Progress assurance reports are provided to the Resources Committee, and then to the Trust Board of Directors. The Deputy Chief Executive/Finance Director is the Board-level Lead for Sustainability and Net Zero. Actions linked to the Trust's Green Plan are reviewed annually. A small Sustainability Team based in the Resources Department of YTHFM LLP helps the Trust in its sustainability work.

The Trust's Green Plan was first published in 2021/22 and has just been revised to reflected latest guidance. A copy of the Green Plan is available to view on the Trust website under the 'About Us' tab and by clicking on 'Publications'.

### Task Force on Climate-related Financial Disclosure (TCFD)

TCFD is about how a company should disclose climate-related risks in their annual reports. There are four themes covering the key elements of a company's operation: governance, strategy, risk management, and metrics & targets. Guidance from HM Treasury is that public sector bodies should incorporate the TCFD recommendations in a three phased approach between 2023/24 and 2025/26. Phase 1 is about overview and governance disclosures.

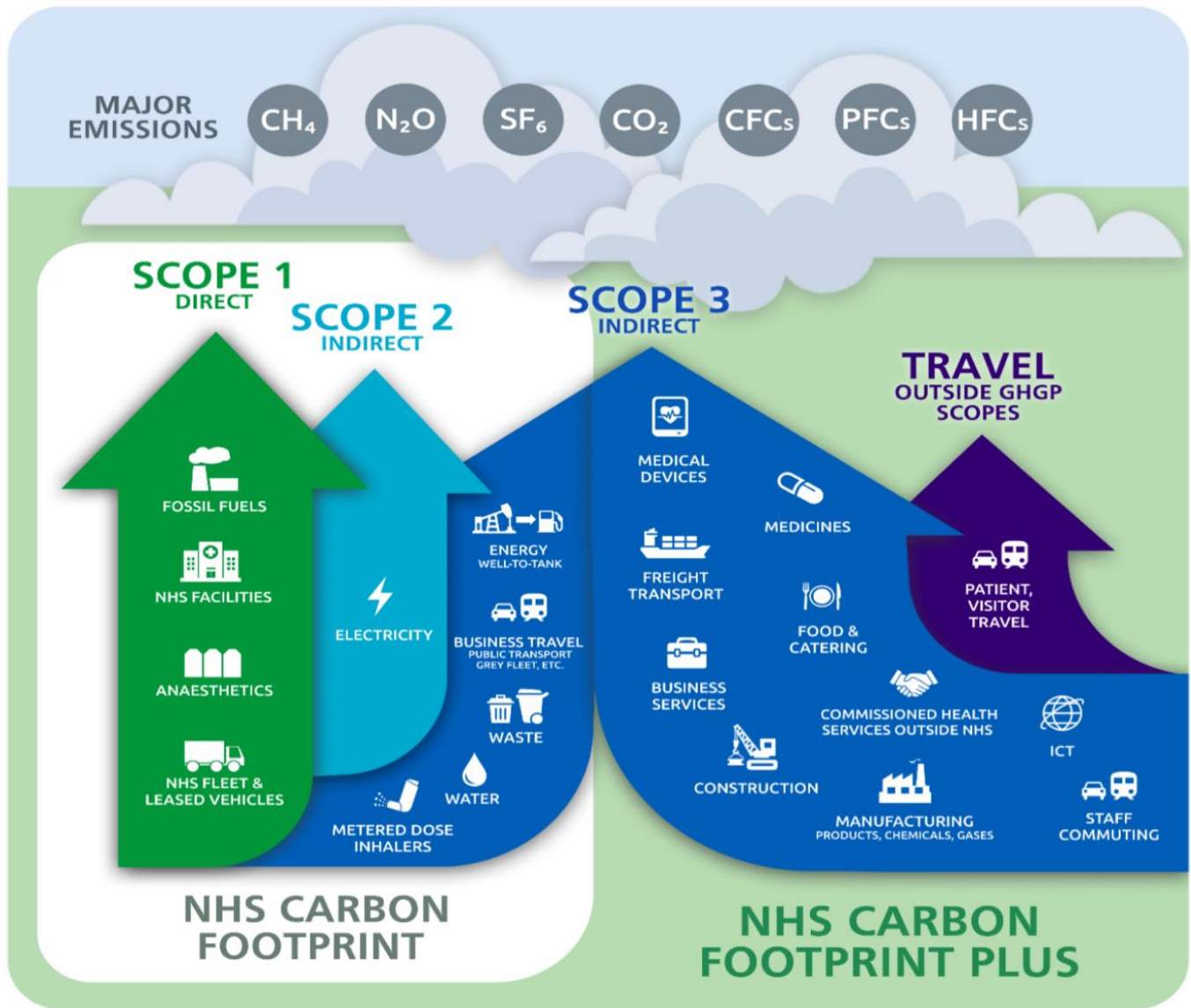
Our governance arrangements have been described above, and the diagram below shows the Trust's sustainability governance structure. Risks around climate change are co-ordinated and reviewed by the Sustainable Development Group. Depending on the scope and severity of the risk, risks are escalated up to Resources Committee, and then on to the Trust Board.



### Carbon Footprint

In the "Delivering a Net Zero National Health Service" report, published in October 2020, the following diagram illustrates the **NHS Carbon Footprint** and **NHS Carbon Footprint Plus**.





Scopes are defined by the international Greenhouse Gas Protocol (GHGP). Scope 1 are emissions that are under the direct control of the organisation. Scope 2 are emissions from the electricity imported from the national grid. Scope 3 are areas where the organisation has indirect control or influence. The NHS Carbon Footprint Plus also includes travel by patients and visitors to NHS premises which is outside of the GHGP scopes.

The Trust has calculated its carbon footprint in line with guidance from Greener NHS (part of NHS England) and also the GHGP framework. This year, new and more accurate data was gathered, and so following best practice, the Trust carbon footprint was completely recalculated from 2019/20 onwards.

| Category                    | Sub-category                               | 2019-20 | 2020-21          | 2021-22 | 2022-23 |
|-----------------------------|--|---------|------------------|---------|---------|
| <b>NHS CARBON FOOTPRINT</b> | <b>SCOPE 1<sup>1</sup></b>                 |         |                  |         |         |
|                             | Building Energy - Fossil Fuels             | 12,949  | 13,487           | 13,648  | 12,764  |
|                             | Anaesthetic Gases                          | 1,828   | 1,823            | 2,124   | 2,072   |
|                             | Trust Fleet                                | 349     | 278              | 303     | 352     |
|                             | <b>SCOPE 2</b>                             |         |                  |         |         |
|                             | Building Energy – Electricity <sup>2</sup> | 2,167   | 1,754            | 1,500   | 1,695   |
|                             | <b>SCOPE 3</b>                             |         |                  |         |         |
| Waste <sup>3</sup>          | 382  | 407     | 439              | 401     |         |
| Water                       | 330  | 288     | 102 <sup>4</sup> | 95      |         |

|  |  |  |                |                |                     |
|--|--|--|----------------|----------------|---------------------|
|  | Metered Dose Inhalers  | 849  | 576            | 859            | 805                 |
|  | Business Travel (incl. WTT)                                      | 1,272  | 927            | 1,245          | 1,452               |
|  | Energy & Fleet – Well-To-Tank                                    | 2,306  | 2,231          | 2,979          | 2,869               |
|  | <b>YSTHFT NHS Carbon Footprint Total (tCO<sub>2</sub>e)</b>      | <b>22,431</b>  | <b>21,772</b>  | <b>23,199</b>  | <b>22,505</b>       |
| MEDICINES,<br>MEDICAL<br>EQUIPMENT,<br>AND OTHER<br>SUPPLY CHAIN | <b>SCOPE 3</b>   |  |                |                |                     |
|  | Medicines & Chemicals  | 36,932   | 44,971         | 51,206         | 49,521              |
|  | Medical Equipment  | 22,569   | 22,743         | 26,227         | 23,863              |
|  | Non-medical Equipment  | 1,395  | 2,296          | 2,770          | 1,611               |
|  | Other Supply Chain   | 11,300   | 14,286         | 15,507         | 23,470 <sup>5</sup> |
|  | <b>YSTHFT Supply Chain Total (tCO<sub>2</sub>e)<sup>6</sup></b>  | <b>72,195</b>  | <b>84,296</b>  | <b>95,710</b>  | <b>98,465</b>       |
| PERSONAL<br>TRAVEL   | <b>SCOPE 3</b>   |  |                |                |                     |
|  | Staff Commuting  | 7,323  | 7,272          | 7,854          | 8,109               |
|  | <b>OUTSIDE OF GHGP SCOPES</b>                                    |  |                |                |                     |
|  | Patient & Visitor Travel   | 14,482   | 13,036         | 14,975         | 16,749              |
|  | <b>Personal Travel Total (tCO<sub>2</sub>e)</b>                  | <b>21,805</b>  | <b>20,308</b>  | <b>22,829</b>  | <b>24,858</b>       |
| HEALTHCARE<br>OUTSIDE NHS  | <b>SCOPE 3</b>   |  |                |                |                     |
|  | Commissioned Health Services Outside NHS                         | 864  | 813            | 935            | 1,476               |
|  | <b>YSTHFT NHS Carbon Footprint Plus Total (tCO<sub>2</sub>e)</b> | <b>117,296</b>   | <b>127,189</b> | <b>142,673</b> | <b>147,304</b>      |
|  |  | Note there may be slight discrepancies due to rounding |                |                |                     |
| Number of Patient Contacts (inpatients & outpatients)            |  | 1,163,737  | 1,099,139      | 1,235,437      | 1,386,957           |
| Carbon intensity per patient contact (tCO <sub>2</sub> e)        | <b>Carbon Footprint</b>  | <b>0.019</b>   | <b>0.020</b>   | <b>0.019</b>   | <b>0.016</b>        |
|  | <b>Carbon Footprint Plus</b>                                     | <b>0.101</b>   | <b>0.116</b>   | <b>0.116</b>   | <b>0.106</b>        |

<sup>1</sup> GHGP also includes refrigerant gases (F-Gases) in Scope 1, but these are not currently included in the NHS Carbon Footprint.

<sup>2</sup> From 2020, all electricity is purchased on a green energy tariff with renewable energy guarantees of origin (REGO) certificates.

<sup>3</sup> The new waste carbon emissions conversion factors supplied by Greener NHS have been used.

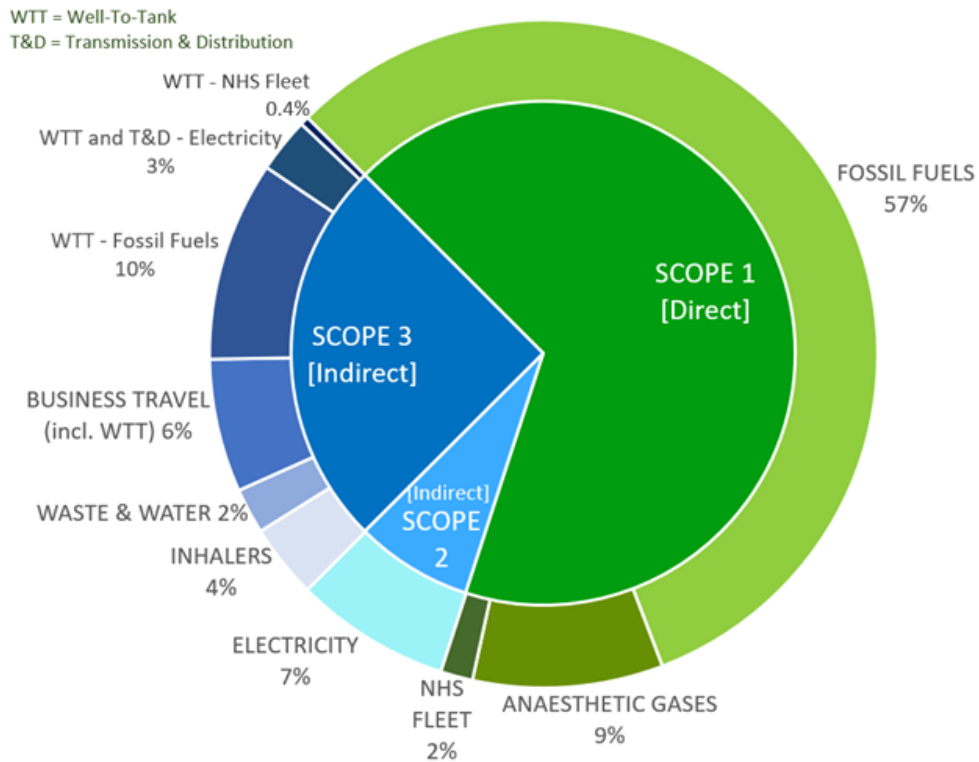
<sup>4</sup> The drop to a lower figure is mainly due to a change in the carbon conversion factor supplied by the UK Government.

<sup>5</sup> This includes the large amount of construction work done at Scarborough Hospital.

<sup>6</sup> Supply chain CO<sub>2</sub>e calculations are currently based on spend. This has a limitation as it does not reflect carbon savings through use of different products and/or suppliers. Also, a spend-based calculation will only show zero carbon if there's zero spend. Greener NHS are rolling out a green procurement programme to tackle this problem.

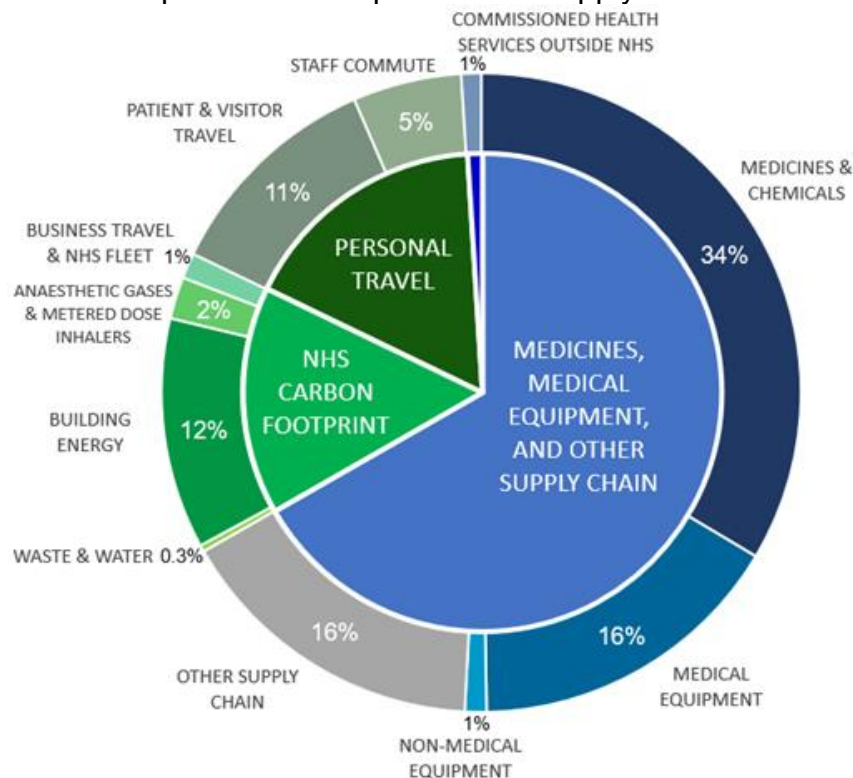
The Trust's NHS Carbon Footprint for 2022/23 is broken down as follows:





An analysis of our NHS Carbon Footprint shows that 77% of the footprint is due to our energy use. Fleet and business travel contributes 8% of our carbon emissions.

The Trust's NHS Carbon Footprint Plus incorporates our supply chain and travel to our sites.



Note from above that the NHS Carbon Footprint is just 15% of the NHS Carbon Footprint Plus.

### Progress against NHS Net Zero Targets

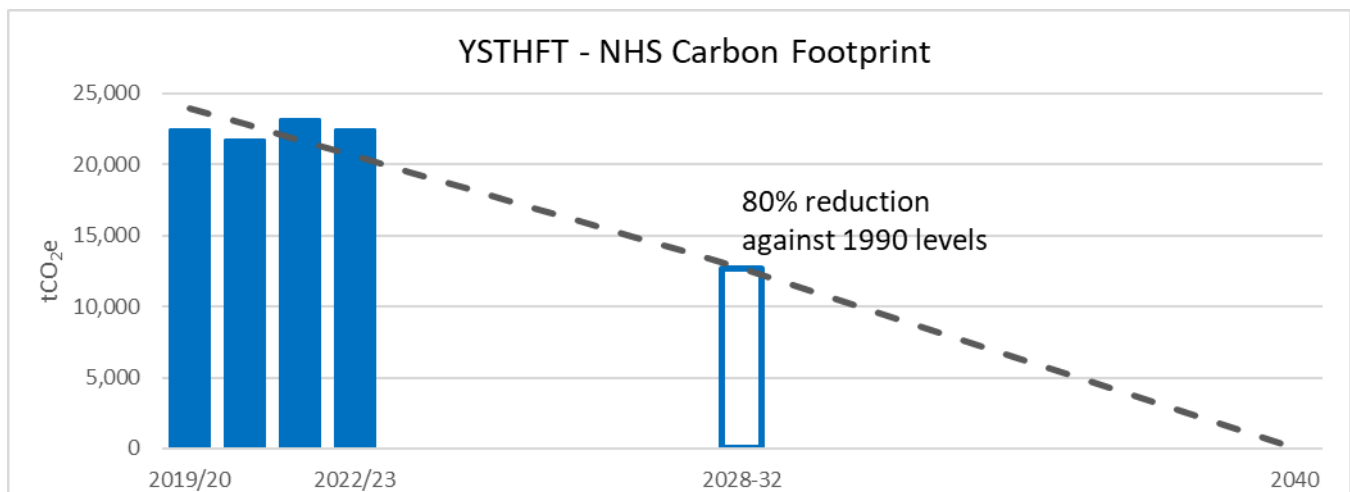
The real cost of carbon emissions is the long-term impact of irreversible climate change, harming the health of our population. The "Delivering a Net Zero National Health Service" report declared the aim to be the world's first net zero national health service. The Health and Care Act 2022 laid

upon NHS Trusts in England a duty to achieve net zero carbon targets, air quality targets and to adapt to any current or predicted impacts of climate change. Two net zero targets were set:

- For the emissions we control directly (the **NHS Carbon Footprint**), we will reach net zero by 2040, with an ambition to reach an 80% reduction by 2028 to 2032 against 1990 levels;
- For emissions we can influence (our **NHS Carbon Footprint Plus**), we will reach net zero by 2045, with an ambition to reach an 80% reduction by 2036 to 2039 against 1990 levels.

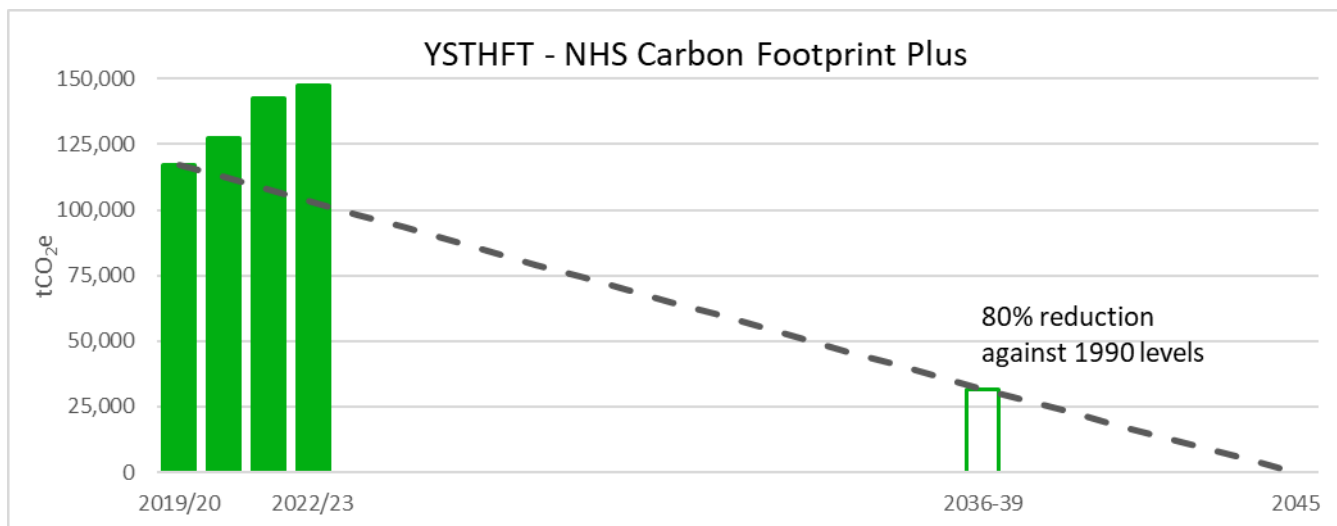
Under these overarching net zero targets, the Memorandum of Understanding (MOU) from NHS England, the NHS Long Term Plan and yearly NHS Standard Contract sets out the various targets and deliverables for NHS organisations to meet along the way, so that the NHS can achieve its ambitious goals.

In 2019 it was calculated that the NHS had reduced its carbon footprint by 26% against 1990 levels. Using 2019/20 as a new baseline, to reach the 80% reduction targets, emissions from the NHS Carbon Footprint need to reduce by 47% and the NHS Carbon Footprint Plus needs to be reduced by 73%. Using this 2019/20 baseline to measure the Trust's progress:



The Trust NHS Carbon Footprint has risen slightly since 2020/21. This is mainly due to the following reasons:

- The major contributing factor is that the Trust is treating more patients. Patient contacts have increased by 287,818 (26%) since Covid. However it is note that the carbon emissions intensity per patient contact has dropped from 0.019 tCO<sub>2</sub>e to 0.016 tCO<sub>2</sub>e demonstrating that the work the Trust is doing to be more carbon efficient is bearing fruit.
- Carbon emissions from medical gases rose in the last two years as the Trust used up its stock of desflurane, an anaesthetic gas with a very high carbon impact. Desflurane usage ended in November 2022 and low carbon anaesthetic gases are now used.
- Another reason for the rise is that emissions from travel and transport have returned to pre-Covid levels. A new Travel and Transport plan will be published in 2024 which aims to tackle this issue, in conjunction with the NHS Net Zero Travel and Transport Roadmap.



The Trust's NHS Carbon Footprint Plus has unfortunately risen each year since 2019/20.

The increase in our NHS Carbon Footprint Plus is mainly due to increased demand on our services (medicines & medical equipment is by far the largest component) along with increased capital spend due to the new Urgent and Emergency Care Centre (UECC) at Scarborough and refurbishment works at York Hospital. The completion of the capital projects will see a reduction in the Trust's NHS Carbon Footprint Plus.

Note that approximately 70% of NHS Carbon Footprint Plus figure comes from using spend-based calculations. The limitation of this method is that to record zero carbon requires zero expenditure. Also it does not reflect carbon savings through use of different products and/or suppliers. The Retail Price Index (RPI) is used to adjust the overall procurement figures for inflation, but this will not account for those products and services that have increased above the average inflation rate. In the coming years, there is a plan to get more accurate carbon footprint data from our supply chain.

The other 30% of the Trust's NHS Carbon Footprint Plus, and 99% of the Trust's NHS Carbon Footprint, is calculated using activity data (e.g. kWh, miles, litres, tonnes). This data is used in conjunction with the annually published UK Government's carbon conversion factors, and more accurately captures changes in carbon emissions.

The next section of this sustainability report looks in more detail at the progress the Trust is making against the Net Zero and other sustainability targets in the Green Plan.



### Workforce, System Leadership and Partnership Working

The Trust is a member of the Humber and North Yorkshire Health and Care Partnership which is a collaboration of many organisations working together to meet the health and care needs of our population. All our partners are working to reach Net Zero by at least 2050 in line with the Climate Change Act. Some organisations such as City of York Council have gone further and set more ambitious targets such as a 2030 Net Zero target for scope 1 and 2 emissions.

As an organisation that acknowledges its responsibility towards creating a sustainable future, the Trust undertakes awareness-raising events and campaigns that promote the benefits of sustainability to its staff. The Trust regularly uses staff bulletins and newsletters supported by promotional offers, e.g. discounted use of public buses. It is the personal responsibility of all staff to ensure that the Trust's resources are used efficiently with minimum wastage throughout their daily activities, and this is part of the Trust strategic plans. Since 2017 all new job descriptions

have resource use and efficiency incorporated into them. A free training module called 'Building a Net Zero NHS' is available to all staff on the Electronic Staff Record (ESR) and e-Learning for Healthcare portals.

Sustainability is not just looking after the environment, but also looking after people. Elsewhere in this Annual Report, the Trust describes the many things it does to look after its staff.



### **Sustainable Models of Care**

The Trust works with partners in the healthcare system to find ways of reducing the environmental impact of medical care. This is done through prevention work, patient self-care, effective patient pathways and using low carbon alternatives.

The NHS Standard Contract has identified inhalers and anaesthetic gases as two key areas where low carbon alternatives exist. The use of inhalers has been part of this Trust's work with the ICS to ensure that green options are an integral part of the care pathways. For details of the Trust's progress in these two areas, see the section on **Medicines** below.

The Trust has one of the largest catchment areas in England and the use of telephone and video for patient consultations where appropriate saves patient travel time as well as reducing carbon emissions from travel. Virtual consultations have quadrupled from pre-pandemic levels: 51,400 in 2019/20 to 206,995 in 2022/23.

The Trust also has a mobile chemotherapy unit where patients can receive certain chemotherapy regimes in Scarborough, Bridlington, Malton, and Selby, instead of travelling all the way to York. The Trust is in the process of creating community diagnostic facilities in Scarborough, Selby and York to enable improved access to diagnostic tests and procedures outside of the acute hospital environment.



### **Digital Transformation**

The Trust is part of the NHS ambitious digital transformation agenda, harnessing technology to streamline service delivery, support staff and improve the use of resources. Digital systems will be an important tool in achieving the NHS Net Zero targets.

A robust and up to date IT infrastructure is of key importance. The Trust is improving its existing infrastructure which sustainability in mind. Inefficient data storage centre servers are being replaced with lower energy consuming equipment. IT investment has enabled the massive growth in teleconferencing and virtual appointments. Existing IT equipment is refurbished where possible. Between Jan 2022 to July 2022, just over 3,300 pieces of legacy equipment were recycled.

The Trust is introducing a digital solution of capturing patients' notes, replacing paper forms and reducing paper consumption. Data management and reporting systems are used to monitor service delivery outcomes. There was an upgrade to Microsoft Office 365 and the Trust's email system was transferred to NHSmail with improved security and collaboration features. The use of Teams avoids unnecessary travel for staff between sites and enables agile working for staff who can do their work from home.



### **Travel and Transport**

The 2019 Trust Travel Plan (a new Travel Plan will be published Spring 2024) is an important part of the Trust's sustainability agenda. It aims to support and encourage healthy and active travel, reduce travel related pollution and traffic congestion, and ensure that there is fair, consistent and adequate provision of transport and travel choices for all staff, patients and visitors.

The Chief Medical Officer has estimated that between 26,000 and 38,000 people die prematurely as a result of air pollution in England, and in addition many thousands more suffer from chronic ill health due to poor air quality. The Trust can contribute to an improvement in local air quality and improve the health of its community by promoting active travel - to our staff, and to the patients and visitors that use our services. The Trust participates in National Clean Air Day promotions with the City of York Council on an annual basis, with a focus on encouraging modal shift towards more sustainable transport options and reducing idling of stationary vehicles on site.

Work has continued to promote healthy and active travel through a range of on-site and online promotions to staff at our York, Scarborough and Bridlington hospital sites (in conjunction with City of York Council, North Yorkshire County Council, East Riding Council and various regional transport providers). This work has been supplemented in York with an electric scooters and electric bicycles scheme. Based on a pool-bike concept, the network is spread across York city centre and surrounding residential areas. This scheme offers an additional, fully electric, low carbon travel option for patients and visitors. Since the start of the scheme, over 14,300 journeys have been made to and from York Hospital, and 5,295 journeys in the last year.

Modal shift to public transport is promoted to staff. Last year there was a trial providing free bus journeys for staff at York and Scarborough Hospitals. This was enormously popular. Following a review, a scheme was introduced subsidising bus journeys for staff where they only pay £1 for a journey (a 50% discount on the standard £2 journey fare) on the First York bus network and the East Yorkshire Buses service 10 to Scarborough Hospital. One of the actions of the new travel plan will be to sustain the subsidy and expand it to other Trust areas with the aim of reducing local pollution and congestion.

The new Travel Plan aims to establish a new car share option for staff at the main Trust sites, after the previous car share scheme, Liftshare, was suspended due to Covid-19 risks. In 2023 the Trust installed ANPR systems into the car parks and introduced a new staff parking permit scheme. It is intended that the new car share scheme will offer some kind of benefit and to be integrated with the new ANPR system. Also there is a staff benefits scheme where electric and hybrid cars are made available.

The Trust operates a cycle to work scheme. After a review of cycling facilities at the Trust's main sites, a new 100 bike capacity cycle store was installed at York Hospital, complete with CCTV, security-controlled access and lighting.

### **NHS Fleet and Business Travel**

The NHS fleet consists of vehicles owned or leased by the Trust. Nine of these are electric vehicles (EVs). Following the NHS Net Zero Travel and Transport Roadmap, all new fleet vehicles will be zero emission by 2027. Plans to increase the number of EV charging points are being drawn up. In addition, there are pool cars for staff to use for Trust business.

However, majority of our travel emissions comes from the grey fleet and public transport. The grey fleet are personal vehicles used for Trust business. The table below breaks down the CO<sub>2</sub>e emissions for each category of transport.

| Transport Category                       | Units                   | 2019/20    | 2020/21    | 2021/22    | 2022/23    |
|--|-------------------------|------------|------------|------------|------------|
| <b>NHS FLEET</b>                         |                         |            |            |            |            |
| Fleet Vehicles – Petrol & Diesel         | miles                   | 608,098    | 626,010    | 601,036    | 765,212    |
| Fleet Vehicles – Electric                | miles                   | 91,439     | 62,761     | 87,381     | 75,361     |
| NHS Pool Cars                            | miles                   | 614,704    | 381,532    | 495,923    | 517,352    |
| <b>NHS Fleet (incl. WTT<sup>1</sup>)</b> | <b>tCO<sub>2</sub>e</b> | <b>438</b> | <b>344</b> | <b>382</b> | <b>445</b> |



| Transport Category                          | Units                   | 2019/20      | 2020/21    | 2021/22      | 2022/23      |
|---|-------------------------|--------------|------------|--------------|--------------|
| <b>BUSINESS TRAVEL</b>                      |                         |              |            |              |              |
| Business Travel - Grey Fleet                | miles                   | 3,216,533    | 2,398,837  | 2,895,880    | 2,820,842    |
|   | tCO <sub>2</sub> e      | 1,151        | 818        | 1,009        | 979          |
| Public Transport – Train, Bus, Coach & Taxi | miles                   | 568,745      | 115,968    | 292,073      | 465,242      |
|   | tCO <sub>2</sub> e      | 47           | 9          | 21           | 35           |
| Business Air Travel                         | miles                   | 207,418      | 292,628    | 622,144      | 1,273,411    |
|   | tCO <sub>2</sub> e      | 74           | 100        | 214          | 438          |
| <b>Business Travel (incl. WTT)</b>          | <b>tCO<sub>2</sub>e</b> | <b>1,272</b> | <b>927</b> | <b>1,245</b> | <b>1,452</b> |

<sup>1</sup> Except for Well-To-Tank (WTT) for electricity used by electric vehicles (EVs) as this is counted as part of energy used at Trust sites

There has been a noticeable increase in air travel. This is due to the international recruitment campaign as the Trust seeks to fill vacancies for skilled medical staff following the pandemic.



### Estates and Facilities

Set against the complexity of retrofitting a mixed-age estate, the Sustainable Building Design Guide was introduced in 2018 with the objective to achieve Building Research Establishment Environmental Assessment Method (BREEAM) 'Excellent'/'Very Good'. This ensures that all the aspects of sustainability - such as carbon reduction, innovative technology, future-proofing, and green spaces - is addressed throughout the whole capital projects build process. The Scarborough Urgent and Emergency Care (UECC) capital project – which began construction in 2022/23 - achieved BREEAM 'Excellent' at the pre-construction stage of the project, and the Trust is striving to achieve the same accreditation at project completion.

Further work is being done to update this guide in line with the NHS Net Zero (NZ) Building Standard, which was published in February 2023 by NHS England. The NZ Building Standard provides technical guidance to support the development of sustainable, resilient, and energy efficient buildings that meet the needs of patients now and in the future. It will apply to all investments in new buildings, and upgrades to existing facilities, that are subject to the HM Treasury approval process and are at pre-strategic outline business case approval stage from 1 October 2023 onwards. The Capital Projects Department is, however, committed to applying the NZ Building Standard's principles and processes to as many of the Trust's projects as reasonably practicable.

The Trust exercises its corporate social responsibility by working with contractors to deliver social value outcomes as well as initiatives to benefit local charities. Procurement for minor works was awarded to contractors that would benefit the local economy (e.g. engagement of local small businesses, employ local labour, certified considerate construction, and local skills development). These principles are also embedded into the design specification for the proposed Vascular Imaging Unit.

The Trust has previously made cost and carbon savings by retrofitting Combined Heat and Power systems (CHPs) at York, Bridlington and Scarborough. However, the grid has rapidly decarbonised over recent years and the electricity they produce is no longer less carbon intensive than national grid imports, though the CHPs still provide financial savings. The Trust is now developing and installing lower carbon options to heat and power its sites, alongside other energy efficiency improvement schemes.

The carbon reduction projects which commenced in March 2022 at York and Bridlington Hospitals are almost complete. They were largely paid for by Public Sector Decarbonisation Scheme (PSDS) Phase 3a grants - £4.735m for Bridlington Hospital and £4.338m for York Hospital. PSDS is funded by the UK Government and managed by Salix Finance. It supports projects that transition from fossil fuels to renewable technologies.



Bridlington Hospital has been used by Salix Finance as a best practice case study. It is seen as a shining example of sustainability by reducing the site's carbon emissions by a predicted 53%. The project achieves this by replacing a twenty-year-old boiler with air source heat pump system, the installation of a solar farm on the land area surrounding the hospital, more solar panels installed on the roofs, insulation added to pipework and fitting high efficiency motors. The Bridlington Combined Heat and Power (CHP) plant has now been switched off and the solar panels supply the majority of the site's annual electrical demand and they are also connected to the electricity distribution network which will allow some export to the grid during the summer months.

York Hospital has also seen extensive energy efficiency improvements to the main ward block with new external wall insulation and new windows, together with heat pumps and pipework insulation. It is predicted to reduce carbon by 321 tonnes per annum.

Whilst the Sustainability Team were unsuccessful in securing additional PSDS 3c grant funding for a scheme at Scarborough Hospital, there was recent success in securing alternative grant funding from the NHS National Energy Efficiency Fund (NEEF) Phase 2 - Rounds 1 and 2 for new low energy LED lights at York Hospital multi-storey car park, Bridlington, Scarborough, Malton and White Cross Court sites. With a grant of £2,037,443, it is estimated that this scheme will achieve total savings of 382 tonnes of carbon per annum.

## Energy

| Energy Source   | Unit                            | 2019/20           | 2020/21           | 2021/22             | 2022/23           |
|---|---------------------------------|-------------------|-------------------|---------------------|-------------------|
| Gas   | kWh                             | 69,294,965        | 73,341,924        | 73,925,487          | 69,472,009        |
|   | tCO <sub>2</sub> e <sup>1</sup> | 14,397            | 15,239            | 15,858 <sup>2</sup> | 14,842            |
| Oil   | kWh                             | 814,028           | 6,200             | 403,631             | 309,100           |
|   | tCO <sub>2</sub> e <sup>1</sup> | 257               | 2                 | 132                 | 101               |
| Electricity   | kWh                             | 8,478,245         | 7,523,317         | 7,063,109           | 8,763,398         |
|   | tCO <sub>2</sub> e <sup>3</sup> | 2,679             | 2,166             | 2,057               | 2,292             |
| <b>Total kWh</b>  |                                 | <b>78,587,238</b> | <b>80,871,441</b> | <b>81,392,227</b>   | <b>78,544,507</b> |
| <b>Total tCO<sub>2</sub>e</b>                             |                                 | <b>17,333</b>     | <b>17,407</b>     | <b>18,047</b>       | <b>17,235</b>     |
| Internal Floor Area (m <sup>2</sup> )                     |                                 | 163,329           | 174,214           | 176,420             | 178,282           |
| Energy Intensity (kWh per m <sup>2</sup> )                |                                 | 481.2             | 464.2             | 461.4               | 440.6             |
| Carbon Intensity (tCO <sub>2</sub> e per m <sup>2</sup> ) |                                 | 0.106             | 0.100             | 0.102               | 0.097             |

<sup>1</sup> Includes Well-To-Tank (WTT) emissions

<sup>2</sup> Conversion factor for gas WTT increased from 0.02391 to 0.03135 (+31%) due to changes in gas supply following Ukraine invasion

<sup>3</sup> Includes emissions from Well-To-Tank (WTT) and Transmission and Distribution (T&D)

Energy for our buildings and facilities is by far the largest component of our NHS Carbon Footprint (77%). Compared to 2019/20 there has been an overall reduction in carbon, even though the Trust's floor area has increased by 14,953m<sup>2</sup> (approximately size of two football pitches) which requires heating, cooling, and lighting. Energy efficiency in this period has improved as the energy use index dropped from 481.2 kWh/m<sup>2</sup> to 440.6 kWh/m<sup>2</sup>. The recently installed low carbon heating systems, solar panels, new insulation, double glazing, and more efficient motors will lead to further carbon reductions.

Oil is used mainly for backup generators and when there are concerns about security of the power supply. Only one small site, used for medical records storage, uses oil for minimal heating needs in winter.

## Water

|                               | Unit               | 2019/20    | 2020/21    | 2021/22         | 2022/23   |
|-------------------------------|--------------------|------------|------------|-----------------|-----------|
| Water                         | m <sup>3</sup>     | 358,419    | 313,820    | 276,519         | 255,408   |
|                               | tCO <sub>2</sub> e | 123        | 108        | 41 <sup>2</sup> | 38        |
| Wastewater <sup>1</sup>       | m <sup>3</sup>     | 291,341    | 254,896    | 225,102         | 208,136   |
|                               | tCO <sub>2</sub> e | 206        | 180        | 61 <sup>3</sup> | 57        |
| <b>Total tCO<sub>2</sub>e</b> |                    | <b>330</b> | <b>288</b> | <b>102</b>      | <b>95</b> |

<sup>1</sup> Wastewater is not metered, so a standard calculation of 80% of incoming water for York, Scarborough & Bridlington hospitals is used, and 95% for all other Trust sites.

<sup>2</sup> The carbon conversion factor changed from 0.344 to 0.149

<sup>3</sup> The carbon conversion factor changed from 0.708 to 0.272

The Trust has reduced its water consumption by 29% from 358,419m<sup>3</sup> in 2019/20 to 255,408m<sup>3</sup> in 2022/23. And its carbon footprint for water and sewerage has dropped by 71%, though this is also due to a new reduced carbon conversion factor calculated by the UK Government from 2021/22 onwards.

## Waste

| Waste Type                         | Unit               | 2019/20      | 2020/21      | 2021/22      | 2022/23      |
|------------------------------------|--------------------|--------------|--------------|--------------|--------------|
| High Temperature Incineration      | tonne              | 295.9        | 223.4        | 255.0        | 227.2        |
|                                    | tCO <sub>2</sub> e | 267          | 201          | 230          | 205          |
| Alternative Treatment <sup>1</sup> | tonne              | 186.8        | 462.7        | 469.3        | 422.8        |
|                                    | tCO <sub>2</sub> e | 67           | 166          | 169          | 152          |
| Waste (EfW <sup>2</sup> )          | tonne              | 1,268.5      | 1,135.7      | 1,183.4      | 1,305.0      |
|                                    | tCO <sub>2</sub> e | 27           | 24           | 25           | 28           |
| Landfill                           | tonne              | 14.4         | 4.0          | nil          | nil          |
|                                    | tCO <sub>2</sub> e | 8            | 2            | 0            | 0            |
| Recycling                          | tonne              | 576.9        | 635.2        | 707.5        | 759.1        |
|                                    | tCO <sub>2</sub> e | 12           | 14           | 15           | 16           |
| Food                               | tonne              | 34.6         | 26.9         | 20.3         | 23.5         |
|                                    | tCO <sub>2</sub> e | 0.4          | 0.3          | 0.2          | 0.2          |
| <b>Total Weight in tonnes</b>      |                    | <b>2,377</b> | <b>2,488</b> | <b>2,636</b> | <b>2,738</b> |
| <b>Total tCO<sub>2</sub>e</b>      |                    | <b>382</b>   | <b>407</b>   | <b>439</b>   | <b>401</b>   |

<sup>1</sup> Alternative Treatment is when waste is treated or sterilised before going into the EfW waste stream.

<sup>2</sup> EfW = Energy from Waste. Waste is incinerated at a low temperature and energy is recovered.

The Trust has a variety of waste streams, including high temperature incineration (HTI) which generates by far the highest amount of carbon emissions per tonne. The NHS has a national waste strategy aimed at reducing HTI by more careful segregation of waste. To assist in this, a new waste trainer/auditor came into post in December 2022 and has carried out comprehensive audits across wards and departments, accompanied by ongoing training, individual and team advice and support which is improving waste segregation in line with the national targets and Health Technical Memorandum.

The total tonnage of waste has increased each year, but in 2022/23 the carbon emissions dropped due to improved waste segregation. No waste has been sent to landfill since 2021 and the amount sent for recycling has increased. The Trust also uses a re-use portal called Warp It which allows staff to redistribute unwanted furniture and equipment within the Trust. It is estimated that this has saved the Trust £14,177, stopped 2,225kg of waste and avoided 7.8 tCO<sub>2</sub>e of carbon emissions.

Since the Trust signed the NHS Plastics Pledge in 2020, it has drastically reduced the number of single use plastics used in the Trust. Plastic straws are no longer used except for patients who require a flexible necked straw. Single-use plastic takeaway food containers have been replaced

with compostable alternatives, alongside the sale of re-useable cups to encourage staff to take drinks away in reusable containers.



### Green Space and Biodiversity

Access to green space has benefits for mental and physical wellbeing. It can also lead to improved air quality, noise reduction, and supports the local biodiversity, to combat some of the impacts of our changing climate.

The Trust’s Sustainable Design Guidance highlights the need to consider green walls and green roofs. These additions have biodiversity benefits and improve the appearance of Trust sites. Furthermore, these kinds of features reduce the impact of surface water flooding and surface water drainage, provide insulation and can also protect underlying building materials from increasing rainfall intensity. Any new building schemes under development will now follow this guidance.

The recent helipad development, in the vicinity of the new Scarborough UECC Department, is one example. During the construction phase, all the soil that was dug out for the helipad (approx. 550 tonnes) and soil removed for the groundwork at UECC was redistributed around the helipad, saving money in disposal costs and reducing vehicular movement. In addition, 31 young trees were carefully dug up and replanted in the Dalby Forest area and in Staintondale. The area around the pad has been sown with wildflower seeds and “bee bombs” to encourage bees and insects. The Trust will also install hedgehog and owl boxes.

Five new wellbeing garden spaces were created across Trust sites funded by York and Scarborough Hospitals Charity who received a £200,000 donation from Yorkshire artist Harland Miller. They have been created to offer staff and patient outdoor areas for seating, interaction, and reflection with numerous areas of planting. The gardens were a collaborative process between teams from Estates, Sustainability, Fundraising, Arts, Staff Benefits, Capital Projects, Patient Experience, Finance, Accessibility and the staff who applied for and are developing the green wellbeing spaces.



### Medicines

Medicines (including medical gases) form the largest portion of the Trust’s NHS Carbon Footprint Plus at 26%. The NHS Standard Contract obligates the Trust to reduce using gases such as nitrous oxide and fluorinated gases which are used as anaesthetic agents and as propellants in inhalers, due to their environmentally damaging impact. Using a measure called Global Warming Potential (GWP)

where 1 unit of CO<sub>2</sub> = 1; then desflurane has a GWP of 2540, isoflurane has a GWP of 510, nitrous oxide has a GWP of 310, and sevoflurane has a GWP of 130. Sevoflurane is a viable alternative to desflurane in many clinical situations and the NHS Standard Contract for 2023/24 has specified that usage of desflurane in surgery to be 2% or less as a whole, with the aim of eliminating desflurane altogether by 31 March 2024.

The Trust stopped using desflurane in November 2022. The increase in 2022/23 compared to 2021/22 was due to using up stocks held by the Trust. The reduction was achieved by preferential use of sevoflurane over desflurane by colleagues working in anaesthesia. Work is now being done to reduce the use of nitrous oxide, repairing leaks in the piped medical gas systems and decommissioning valves that are not needed.

| Anaesthetic gases         |                                | 2019/20 | 2020/21 | 2021/22 | 2022/23 |
|---------------------------|--------------------------------|---------|---------|---------|---------|
| Desflurane<br>GWP = 2,540 | Volume used (litres)           | 38.4    | 7.9     | 1.2     | 4.6     |
|                           | Emissions (tCO <sub>2</sub> e) | 143     | 29      | 4       | 17      |
|                           | % used in surgery              | 7%      | 2%      | 0.3%    | 1%      |

| Anaesthetic gases                         |                                | 2019/20      | 2020/21      | 2021/22      | 2022/23      |
|---|--------------------------------|--------------|--------------|--------------|--------------|
| Sevoflurane<br>GWP = 130                  | Volume used (litres)           | 421          | 326          | 439          | 468          |
|   | Emissions (tCO <sub>2</sub> e) | 83           | 65           | 87           | 92           |
| Isoflurane<br>GWP = 510                   | Volume used (litres)           | 64           | 29           | 20           | 15           |
|   | Emissions (tCO <sub>2</sub> e) | 49           | 22           | 15           | 11           |
| Nitrous Oxide<br>GWP = 310                | Volume used (litres)           | 965,400      | 1,296,900    | 1,379,700    | 1,260,900    |
|   | Emissions (tCO <sub>2</sub> e) | 476          | 639          | 680          | 622          |
| Nitrous Oxide &<br>Oxygen mix             | Volume used (litres)           | 4,379,990    | 4,341,380    | 5,439,160    | 5,402,760    |
|   | Emissions (tCO <sub>2</sub> e) | 1,077        | 1,068        | 1,338        | 1,329        |
| <b>Total emissions (tCO<sub>2</sub>e)</b> |                                | <b>1,828</b> | <b>1,823</b> | <b>2,124</b> | <b>2,072</b> |

Pressurised metered-dose inhalers (MDIs) use propellants with very high GWPs (between 1,300 to 3,350 depending on the type of propellant used). There are low carbon alternatives, including dry powder inhalers (DPIs) which can be just as clinically effective for many patients. Service Users are encouraged to return their inhalers to pharmacies for appropriate disposal.

| Inhalers                                      |                                       | 2019/20   | 2020/21   | 2021/22   | 2022/23   |
|---|---------------------------------------|-----------|-----------|-----------|-----------|
| Pressurised<br>Metered-Dose<br>Inhalers (MDI) | VMP <sup>1</sup> (incomparable units) | 1,692,812 | 1,146,440 | 1,711,960 | 1,605,160 |
|   | Emissions (tCO <sub>2</sub> e)        | 846       | 573       | 856       | 803       |
|   | Percentage of inhalers                | 92%       | 90%       | 92%       | 91%       |
| Dry Powder<br>Inhalers (DPI)                  | VMP <sup>1</sup> (incomparable units) | 156,048   | 128,832   | 139,460   | 149,361   |
|   | Emissions (tCO <sub>2</sub> e)        | 3.1       | 2.5       | 2.7       | 2.9       |
|   | Percentage of inhalers                | 8%        | 10%       | 8%        | 9%        |

<sup>1</sup> VMP = Virtual Medicinal Product; a generic measurement that is not tied to a brand or specific supplier.



### Supply Chain and Procurement

67% of this year's Trust's NHS Carbon Footprint Plus comes from the supply chain. These carbon emissions come from the manufacturing process in making the products, equipment and goods purchased by the Trust; in freight transportation, from building works and to a lesser extent in business services provided by suppliers.

Working with our supply chain is vital if the NHS is to reach its net zero targets. In September 2021 Greener NHS published the Net Zero Supplier Roadmap outlining how suppliers will align with our goals. There is now a requirement that all NHS procurements have a minimum 10% net zero and social value weighting. From 2023, suppliers were asked to publish their own Carbon Reduction Plans for new contracts worth over £5 million. This will be proportionately extended up over the next few years, so that by 2027 all suppliers for new contracts will need to have their own Carbon Reduction Plans. To help suppliers, an online tool called Evergreen Sustainable Supplier Assessment has been created. It builds on the existing Policy Procurement Notes PPN 02/20 (Social Value), PPN 06/21 (Carbon Reduction Plans) and PPN 02/23 (Modern Slavery).

As a spender of public funds, The Trust must consider the economic, social and environmental impact of its procurement, working in a way that benefits the communities it serves, ensuring smart and efficient use of resources. The Trust has a turnover of approximately £700 million and is focussing on the way it procures and delivers services to increase efficiency and minimise waste. When developing a business case, a Sustainability Impact Assessment is done, which leads on to a procurement process incorporating the necessary specification and evaluation criteria to assess tenders before awarding a contract.

YSTHFT have partnered with Hull University Teaching Hospitals NHS Trust (the Host Organisation) and Northern Lincolnshire and Google NHS Foundation Trust to create the Humber and North Yorkshire Procurement Collaborative, a new organisation created to support the

sustainable provision of clinical and non-clinical services and be a centre of procurement and commercial excellence: <https://www.hull.nhs.uk/procurement/>

Recent examples of sustainable procurement are recycled fabrics for chairs, using cotton sourced through the Better Cotton Initiative for uniforms, and utilising remanufactured surgical devices.



### **Food and Nutrition**

The Trust has implemented various initiatives to achieve improved sustainability through its food and nutrition pathways. The Trust operates a centralised production system where all staff are trained to monitor and evaluate the efficiency of their food production system, which gives way for better reporting of underused equipment and assurance that operating procedures are streamlined.

The catering department has also seen huge investment into equipment efficiency, with asset conversation from gas to electric and increased application of goods vehicles with larger capacities for frozen/chilled food storage.

The Trust regularly reviews the menu, always looking to provide healthier options and foods that are less carbon intensive, as well as more seasonal foods. The menu has diversified to include vegetarian, vegan and alternative dietary requirements. The Trust plans to digitise the ordering system through the Great Food, Great Health Programme. Digital menus offer the patients the ability to order meals at the bedside, closer to the time they will eat it, and include or exclude elements of the dish that they do not like (e.g. rice). This way, food waste and patient-centred care can be monitored effectively.

All kitchen food waste from York is sent for composting and further investigations are taking place to assess feasibility to orchestrate this methodology across other Trust sites.



### **Adaptation to Climate Change**

Climate change brings new challenges to our business, both in direct effects to the healthcare estates, but also to patient health. Examples in recent years include the effects of heatwaves, extreme temperatures and prolonged periods of cold, floods, droughts etc. Our Board-approved Green Plan describes the plans that address the potential need to adapt the delivery of the organisation's activities and infrastructure due to climate change and adverse weather events.

Formal emergency planning procedures are in place to deal with any adverse weather circumstances, which include current and future climate change risks. Events such as heatwaves, cold snaps and flooding are expected to increase as due to climate change. To ensure that our services continue to meet the needs of our local population during such events, the Trust has developed and implemented a number of policies and protocols in partnership with other local agencies. Flood defences have been installed at Tadcaster Health Centre.

The Trust's Emergency Planning Steering Group (EPSG) maintains a risk register, including the risks of severe weather such as flooding, heatwave etc. Issues arising from these risks can include risk to life, damage and disruption to properties, utilities and infrastructure, short-term homelessness of the local population and increased admissions and hospital attendances. The EPSG also tests, reviews, and monitors related plans and policies such as the Incidence Response Plan that incorporates the Adverse Weather Plan.

The Adverse Weather Plan provides temporary mitigation measures to respond to the effects of short-notice and short-term climatic events and is not responsible for long-term, permanent solution projects such as upgrading infrastructure environmental control and heating systems. The plan does, however, provide data collection opportunities to inform longer-term capital planning,



risk identification and mitigation. Data collected during the implementation of the Adverse Weather Plan is now included in the annual report submitted by the Emergency Planning Manager to the Executive Committee and is also shared with the Head of Sustainability. This information can now be used to provide historical data sets to inform future capital projects, estates and maintenance planning.

One recommendation from the Emergency Planning Manager’s report was to introduce automated temperature monitoring. So in 2023, automated temperature monitoring was introduced to the inpatient areas of York and Scarborough hospitals. This gives detailed reporting of ward temperatures and allows the Trust to better understand its temperature control capability and how heatwaves impact our buildings’ interiors. This will deliver better patient care.

For a more detailed look at what the Trust is doing around sustainability, please refer to the Trust Green Plan which can be found on the Trust Website under the ‘About Us’ tab and by clicking on ‘Publications’.

### In the News – Looking Back on 2023/24

#### April 2023

##### **Nurses celebrate cultural diversity**

Team members from all different parts of the world came together at York Hospital for a Festival of Culture in late April, where staff spent a week sharing, enjoying, and learning about their colleagues’ cultures.

The Trust has more than 350 international nurses who play an essential role, and contributions came from staff from India, Pakistan and Nepal, Philippines, Africa, Europe and the rest of the world. The week involved food, music and dancing, and culminated in a family party in the grounds of Bootham Hospital, with around 200 people joining in.

Tara Filby, Deputy Chief Nurse at the Trust, said: “We are proud of all our staff who have organised this festival. It’s a wonderful acknowledgement of how welcome our international nurses have felt at York Hospital and a real testimony to the team spirit in York. The family party was incredible and I’m sure it will stay in people’s minds for a very long time.”

#### May 2023

##### **New CT scanner for Scarborough Hospital**



A second CT scanner was installed at Scarborough Hospital, which has greatly increased capacity and reduced waits for patients both in and out of hospital.

The extra capacity increases the resilience of the service at Scarborough Hospital, which means the hospital can improve access to CT for patients on the East Coast.



## June 2023

### Next level in UNICEF UK's Baby Friendly Initiative

After starting its accreditation journey with UNICEF UK's Baby Friendly Initiative back in 2016, the maternity team continued to increase breastfeeding rates and support all mothers in responsive parenting. The Trust was awarded the next level in the prestigious Baby Friendly Award. This means that we are consistently showing that the Baby Friendly standards are being met and developing innovative projects to embed the highest level of care.

## July 2023

### York's multi-million-pound emergency department expansion officially opened

York Hospital's £18 million expanded and redesigned emergency department was officially opened.

The expansion includes a vital new eight-bedded resuscitation area, a spacious area for same-day emergency care, and 12 new assessment and treatment cubicles. There is also a newly remodelled waiting area which contains a separate children's area.



## August 2023

### Trust has leading liver service

In August the Trust gained national recognition for its liver service, giving "high quality care" to its patients. We were awarded the Improving Quality in Liver Services Level 2 accreditation by the Royal College of Physicians.

The team has been working hard to sustain high quality services, patient involvement, and achievable long-term aims. The assessment report highlighted the service's strong leadership and proactive team that is patient centred.



## September 2023

## **New Chair of the Board announced**

This month saw the announcement that Martin Barkley had been appointed as the new Chair of the Board.



Previously Martin was Chief Executive of Mid-Yorkshire Hospitals NHS Trust from 2016 until his retirement in 2021. This followed eight years as Chief Executive of Tees, Esk and Wear Valleys NHS Foundation Trust.

Martin has a wealth of knowledge and managed the commissioning and opening of the East Surrey Hospital, was Unit General Manager and Chief Executive for East Surrey Learning Disability and Mental Health Services, Chief Executive for Nottingham Healthcare Trust, and Chief Executive for Hampshire Partnership NHS Trust.

Martin succeeded Interim Chair Mark Chamberlain, who returned to his role as a Non-executive Director on the Integrated Care Board of Humber and North Yorkshire Health and Care Partnership.

### **October 2023**

#### **Admiral Nurses boost dementia care**

In October a team of specialist Admiral Nurses was appointed specifically to support carers of dementia patients. The move came as a welcome service for carers struggling with the demands of dementia care.

The vital service provided by the Admiral Nurses offers life-changing support for families living with dementia and marks a significant step forward for the Trust. The team is instrumental in training other nurses and clinical staff in the delivery of evidence-based dementia care. In doing so, team members ensure families are better supported when managing the complex care needs that dementia can present.

### **November 2023**

#### **New healthcare academy opens at Bridlington Hospital**

The aim of the academy, the first of its kind for the Trust, is to ensure that after completing the four-week programme, newly recruited healthcare workers have a sound knowledge and understanding of their role.

At the academy, healthcare workers receive training in the fundamentals of care before working on the wards. Healthcare workers can help patients with social and physical activities, personal care, mobility, mealtimes, booking appointments etc. They may also take observations of patients, including temperature, pulse, respiration and weight to support nursing and clinical teams.

### **December 2023**

#### **Prestigious accreditation for local hospitals**

In December Scarborough, Bridlington and York hospitals all achieved the prestigious Anaesthesia Clinical Services Accreditation (ACSA) from the Royal College of Anaesthetists (RCoA), demonstrating their commitment to patient safety and excellence of care.

ACSA is the RCoA's peer-reviewed scheme that promotes quality improvement and the highest standards of anaesthetic service. To receive accreditation, departments are expected to

demonstrate high standards in areas such as patient experience, patient safety and clinical leadership.

In the overall findings, the review team found several areas of good practice in its report, and specifically the department successfully overcame the significant geographical challenges. The reviewers also highlighted the department's strong focus on patients.

### January 2024

#### **New drug offered in the first worldwide clinical study**



In January York doctors achieved a global first by participating in a clinical study helping patients with a rare condition.

Researchers working at the Trust were the first to recruit a patient for the global research study named AvacoStar.

Patients are now able to take Avacopan which is given to patients with a disease called ANCA-associated Vasculitis (AAV). AAV is a type of inflammation of the small blood vessels, most often affecting the kidneys and the lungs.

The international, observational study assess the real-world impact of a newly available tablet treatment for vasculitis, which is a rare auto-immune condition. The research is supported by the National Institute for Health and Care Research.

### February 2024

#### **£2.1m plan unveiled for a new gold standard Cancer Care Centre**

This month plans for a 'gold standard' centre, designed to provide vital information and support for people living with cancer, were unveiled. The centre will be developed at York Hospital thanks to a new partnership between Macmillan Cancer Support and the Trust.

The estimated £2.1m project will be funded by Macmillan and see the redevelopment of the hospital's current Cancer Care Centre. Once opened, it will be operated by the existing Cancer Health & Wellbeing Support Service and will provide information and support on a range of issues, from coping with treatment and care, to getting financial support. It will be open to people affected by cancer across the region.





March 2024

## Groundbreaking research could change the face of bowel cancer diagnosis



In March, a £3 million trial got underway to lead national research into a device that could improve the clinical pathway for diagnosis of bowel cancer.

The research, which has been funded by the National Institute for Health and Care Research, marked a huge milestone for the Trust and is the biggest project it has ever undertaken to fund a national clinical diagnostic study.

The research, called the ColoCap study, will evaluate a new bowel imaging technology for patients known as colon capsule endoscopy.

If the ColoCap study is successful, the colon capsule endoscopy could rapidly increase the capacity for diagnosing bowel cancer and other bowel diseases and so reduce waiting times.



# Part 2 Accountability Report

2023/2024

# Directors' Report

## Composition of the Board of Directors (BoD)

The Board membership during the year was as follows:

| Executive Directors |   |                          |         |
|---------------------|---|--------------------------|---------|
| Name                | Role  | From                     | To      |
| Simon Morritt       | Chief Executive   | August 2019              | Present |
| Andrew Bertram      | Finance Director<br>Deputy Chief Executive              | January 2009<br>May 2018 | Present |
| Karen Stone         | Medical Director  | November 2022            | Present |
| Claire Hansen       | Chief Operating Officer                                 | July 2023                | Present |
| Dawn Parkes         | Interim Chief Nurse                                     | June 2023                | Present |
| Polly McMeekin      | Director of Workforce and<br>Organisational Development | February 2019            | Present |
| James Hawkins       | Chief Digital and Information<br>Officer                | August 2022              | Present |

| Non-executive Directors |   |  |                                |
|-------------------------|---|--|--------------------------------|
| Name                    | Role  | From                                   | To                             |
| Alan Downey             | Chair   | February 2022                          | May 2023                       |
| Mark Chamberlain        | Interim Chair   | May 2023                               | October 2023                   |
| Martin Barkley          | Chair   | November 2023                          | Present                        |
| Jenny McAleese          | Non-executive Director<br>Vice Chair<br>Senior Independent Director | March 2017<br>October 2020<br>May 2019 | Present<br>Present<br>Feb 2020 |
| Lorraine Boyd           | Non-executive Director<br>Senior Independent Director               | April 2018<br>June 2022                | Present<br>Present             |
| Lynne Mellor            | Non-executive Director  | April 2018                             | Present                        |
| Stephen Holmberg        | Non-executive Director<br>Senior Independent Director               | July 2019<br>March 2020                | Present<br>May 2022            |



|                  |   |               |            |
|------------------|---|---------------|------------|
| Jim Dillon       | Non-executive Director  | July 2019     | Present    |
| Matt Morgan      | Hull York Medical School<br>Stakeholder Non-executive<br>Director | June 2020     | Present    |
| Denise McConnell | Non-executive Director  | November 2021 | Dec 2023   |
| Ashley Clay      | Assoc. Non-executive Director                                     | November 2021 | April 2023 |

All NEDs are considered to be independent, meeting the criteria for independence as laid out in NHS England's Code of Governance.

The BoD has included additional non-voting Directors in the membership of the Board:

### Non-voting Directors

| Name             | Role  | From          | To      |
|------------------|---|---------------|---------|
| Lucy Brown       | Director of Communications  | February 2020 | Present |
| Steven Bannister | Interim Managing Director to York<br>Teaching Hospital Facilities<br>Management | March 2023    | Present |

There were further changes occurring in the Board membership during the year.

The gender balance and age profile of the Board at 31 March 2024 was:

| Gender                                  |        |      |
|---|--------|------|
|   | Female | Male |
| Non-executive Directors including Chair | 3      | 4    |
| Executive Directors                     | 4      | 3    |
| Corporate Directors                     | 1      | 0    |

| Age     |                  |
|---------|------------------|
| Range   | No. of Directors |
| 18 - 39 | 0                |
| 40 - 49 | 2                |
| 50 - 59 | 8                |
| 60 - 69 | 4                |
| 70+     | 0                |

## Directors Biographies

Under section 17 and 19 of Schedule 7 of the National Health Service Act 2006, the Chair, Chief Executive, Executive and Non-executive Directors were appointed to the BoD as follows:

### Chair – Martin Barkley



#### **Appointed November 2023**

Martin was appointed Interim Chair of the Trust in November 2023. Martin started his career in the NHS as a trainee hospital administrator. In 1983, he commissioned and opened East Surrey Hospital and, in 1986, moved into general management with responsibility for the East Surrey Learning Disability and the mental health services, transforming the services from being institutional-based to community-based, leading the unit to become an NHS Trust in 1994, when he became its Chief Executive. He subsequently went on to serve four more Trusts (Nottingham Healthcare NHS Trust, Hampshire Partnership NHS Trust, Tees, Esk & Wear Valleys NHS Foundation Trust, and Mid Yorkshire Hospitals NHS Trust) as Chief Executive, up to his retirement in 2021. His career is characterised by leading service modernisation, quality improvement, and organisational development.

### Interim Chair – Mark Chamberlain



#### **Appointed May 2023**

Mark was appointed Interim Chair of the Trust in May 2023. He is an experienced NED from Humber & North Yorkshire ICB and a former Deputy Chair of Leeds Teaching Hospitals. The bulk of Mark's earlier career was with BT where he held a variety of senior roles in HR, marketing, operations, strategy, business transformation and business development. He was a member of the BT Yorkshire & The Humber Regional Board from 2000 to 2014 and a Non-Executive director of the Learning and Skills Council Regional Board until 2010. Mark is also Chair at Harrogate Integrated Facilities Ltd.

### Chair – Alan Downey



#### **Appointed February 2022 (resigned May 2023)**

Alan began his career in the civil service before joining KPMG, where latterly he led the firm's public sector practice. He has subsequently held a number of Non-executive roles, including on the Board of South London and Maudsley NHS Foundation Trust and as Chair of South Tees Hospitals NHS Foundation Trust.

### Chief Executive – Simon Morrill



#### **Appointed August 2019**

Simon joined the Trust from Chesterfield Royal Hospital NHS Foundation Trust, where he had been Chief Executive since 2016. He has more than 25 years' experience in the NHS, which he joined in September 1989 as a General Management Trainee in Greater Manchester. After roles across Yorkshire he went on to be successful in number of senior positions. His first Chief Executive post was for the Doncaster Central Primary Care Trust in October 2000 and he was appointed Chief Executive of the former Bradford and Airedale Teaching Primary Care Trust (now NHS Bradford and Airedale) in October 2006. Following his time in commissioning organisations, he became Chief Executive of Sheffield Children's Hospital.

## Executive Finance Director – Andrew Bertram



**Appointed January 2009**

**Deputy Chief Executive - appointed May 2018**

Andrew has previously held a number of roles at the Trust, first joining in 1991 as a Finance Trainee as part of the NHS Graduate Management Training Scheme. On qualifying as an accountant, he undertook a number of finance manager roles supporting many of the Trust's clinical teams. He then moved away from finance to take a general management role as Directorate Manager for Medicine. Andrew then joined the senior finance team, firstly at York, subsequently at Harrogate and District NHS Foundation Trust, as their Deputy Finance Director, and then returning to York to become the Executive Finance Director. He has since been appointed Deputy Chief Executive in May 2018.

## Executive Medical Director – Karen Stone



**Appointed November 2022**

Karen graduated from Birmingham University with a medical degree in 1990. She then worked in posts in paediatrics in Birmingham, London and Yorkshire. She was appointed to a consultant paediatric post with an interest in emergency paediatrics at Pontefract General Infirmary in 2001 after obtaining her Certificate of Completion of Specialist Training. Her career at Pontefract, which became part of the Mid Yorkshire Hospitals Trust, saw her develop into an accomplished medical leader. In 2014 Karen became the Medical Director, a post that she has left to join YSTHFT.

## Executive Interim Chief Nurse – Dawn Parkes



**Appointed July 2023**

Dawn is the former Director of Nursing and Quality at Mid Yorkshire Teaching Trust and has held this board position since June 2022. She has previously been the Deputy Director of Nursing and Quality a role which she held between 2015 and 2022, and several other senior leadership roles across West Yorkshire. An experienced nurse and service leader, she started her career as a registered adult nurse at Leeds Teaching Hospitals Trust before moving into clinical strategic leadership and transformational work.

## Executive Chief Nurse – Heather McNair



**Appointed July 2019 (seconded to the HNYICB June 2023)**

Heather joined the Trust from her previous position as Director of Nursing and Quality at Barnsley Hospital NHS Foundation Trust. She is a qualified midwife and became Head of Midwifery at Huddersfield Royal Infirmary in 1998 before becoming Deputy Director of Nursing in 2001, a post she held for 10 years.

## Executive Chief Operating Officer – Claire Hansen



**Appointed July 2023**

As Chief Operating Officer, Claire is responsible for the leadership and delivery of the Trust's operational services and is the lead executive director for Strategic Planning. Claire began her career in the Strategic Health Authority undertaking statistical analysis before moving to Clinical Audit in secondary care. Her career was in Northern Lincolnshire & Goole NHS Foundation Trust where she worked for over 20 years across many of the specialities spanning hospital and community services, culminating as Deputy Chief Operating Officer.

## Interim Executive Chief Operating Officer – Melanie Liley

**Appointed July 2022 until June 2023**



Melanie has worked in the NHS for more than 30 years; she is a registered physiotherapist, has worked as a lecturer at Nottingham University, and has held a number of clinical roles, operational management roles and professional leadership roles in acute and community settings. Melanie has been with the Trust since 2009, holding the role of Deputy Chief Operating Officer before her current position. Before that, she has spent time managing a number of services including therapy services, Community Services, Emergency Medicine and Trauma, and Orthopaedics.

## Executive Director of Workforce and Organisational Development – Polly McMeekin

**Appointed February 2019**



After graduating from Durham University in 2000, Polly began her career in Financial Services. In 2002 she joined the NHS working for Great Ormond Street Hospital, where she trained in Human Resource Management. Polly joined Harrogate and District NHS Foundation Trust 2009 and progressed to Deputy Director of Workforce and Organisational Development before she left in 2015. She joined the Trust in September 2015 as Deputy Director of Workforce reporting into the Chief Executive. She was subsequently appointed to the position of Director of Workforce and Organisational Development in February 2019. Her portfolio includes Human Resources, Organisational Development, Corporate Learning and Equality and Diversity.

## Executive Chief Digital and Information Officer – James Hawkins

**Appointed August 2022**



James joined the Trust from NHS Digital where he had several different roles on the executive team and was central to the delivery of many of the national NHS IT systems and services and commercial frameworks, such as the NHS App, NHS.UK, NHS 111, NHS Summary Care Records and the GP IT Commercial Framework to name a few.

## Non-executive Director - Jenny McAleese

**Appointed March 2017**

**Senior Independent Director from May 2019 – February 2020**

**Vice Chair from September 2020**



After graduating from Jesus College, Oxford in French and German, Jenny joined Grant Thornton and qualified as a chartered accountant. She remained with the firm for ten years, becoming an Audit Manager and then a Senior Healthcare Financial Consultant advising NHS Trusts. For 18 months she was seconded to the NHS Management Executive as a Business Analyst. In 1996, Jenny joined The Retreat Psychiatric Hospital in York as Director of Finance and a year later became Chief Executive until retiring in October 2016.

## Non-executive Director – Lynne Mellor

**Associate Non-executive Director from April to June 2018**

**Appointed July 2018**



Lynne brings over 26 years of experience in the public and private sector, having held a wide-range of leadership positions with a particular focus in the network and IT sector.

### Non-executive Director – Lorraine Boyd



**Associate Non-executive Director from April to June 2018**  
**Appointed July 2018**  
**Senior Independent Director from June 2022**

Lorraine is a GP and brings 30 years of experience of direct patient care. In recent years Lorraine has been involved as GP representative within NHS Vale of York Clinical Commissioning Group and The Humber, Coast and Vale Sustainability and Transformation Partnership. She is the founder Director of City and Vale GP Alliance and she has supported the development of collaborative working between the Trust and primary care.

### Non-executive Director – Jim Dillon



**Appointed July 2019**

Jim was Chief Executive at Scarborough Borough Council from April 2006 until his recent retirement. Before that he was a Director at Ipswich Borough Council. Jim has a strong passion for the Scarborough area and wishes to continue contributing to improving the quality of life of the community through being a Director of the Trust and having been involved at a strategic level of health and wellbeing agenda at both local and regional levels for many years.

### Non-executive Director – Stephen Holmberg



**Appointed July 2019**  
**Senior Independent Director from March 2020 - May 2022**

Stephen has been a Consultant Cardiologist in the NHS with more than 25 years' experience in direct patient care. He brings extensive experience as a previous Trust Board Executive and also held senior roles in other NHS organisations and the charitable sector. Steve has a strong interest in education in health care and in the development of safety and quality in patient care.

### Non-executive Director (Hull/York Medical School Stakeholder) – Matt Morgan

**Appointed June 2020**



Matt is Deputy Dean and Professor of Renal Medicine and Medical Education at Hull York Medical School. As Deputy Dean he supports the Dean in the strategic development and delivery of the Medical School. Matt has wide experience in both undergraduate and postgraduate medical and allied health profession education and is a Fellow of both the Higher Education Academy and the Royal College of Physicians. He has also been active in promoting diversity and inclusion in healthcare and healthcare education. He continues to practice as a consultant in renal medicine in the NHS.

### Non-executive Director - Denise McConnell

**Appointed 1 November 2021 – Resigned December 2023**



Denise is a qualified chartered accountant and brings over 30 years of experience of working in the private, public and charitable sectors. Since 2011 she has worked in higher education where she was interim chief financial officer for a number of universities, including Hull and Durham.

### Associate Non-executive Director - Ashley Clay



## Appointed November 2021 (resigned April 2023)



Ashley was appointed as an associate Non-executive Director of YSTHFT in 2021. He is a qualified chartered accountant and brings over 14 years of experience of working in the private sector, where he has held a range of leadership positions throughout Europe.

The following other Directors have provided additional support to the Board:

### Director of Communications – Lucy Brown

#### Appointed February 2020



Lucy joined the Trust in July 2008 as Communications Service Manager, bringing a wealth of knowledge with her. She established the Trust's first in-house communications function and was later appointed Head of Communications in 2011, reporting to the Chief Executive. Her portfolio includes media relations and PR, internal communications, stakeholder engagement and charity fundraising.

She was appointed Acting Director of Communications in June 2018 and was appointed to the substantive role in February 2020.

### Interim Managing Director to York Teaching Hospital Facilities Management – Steven Bannister

#### Appointed March 2023



Previously working as Executive Director of Estates and Facilities for Northumbria Healthcare Facilities Management Limited and King's College Hospital NHS Foundation Trust. Steven has worked within the NHS for over 20 years and has extensive Estates and Facilities experience, leading on initiatives such as the NHSE Nightingale Programme and NHS Improvement – National Land Sales Programme.

## The Board of Directors

The Board of Directors met nine times during the year. Attendance and membership is as follows:

|                  | 26/04/23 | 24/05/23 | 28/06/23 | 26/07/23 | 27/09/23 | 29/11/23 | 31/01/24 | 28/02/24 | 27/03/24 |
|------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Martin Barkley   | -        | -        | -        | -        | -        | ✓        | ✓        | ✓        | ✓        |
| Mark Chamberlain | -        | ✓        | ✓        | ✓        | ✓        | -        | -        | -        | -        |
| Alan Downey      | ✓        | -        | -        | -        | -        | -        | -        | -        | -        |
| Simon Morrill    | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        |
| Andrew Bertram   | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        |
| Karen Stone      | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        |
| Dawn Parkes      | -        | -        | -        | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        |
| Heather McNair   | ✓        | ✓        | -        | -        | -        | -        | -        | -        | -        |
| Claire Hansen    | -        | -        | -        | ✓        | ✓        | ✓        | ✓        | x        | ✓        |
| Melanie Liley    | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        |



|                  |   |   |   |   |   |   |   |   |   |
|------------------|---|---|---|---|---|---|---|---|---|
| Polly McMeekin   | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| James Hawkins    | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | x |
| Jenny McAleese   | ✓ | ✓ | ✓ | ✓ | ✓ | x | ✓ | ✓ | ✓ |
| Lynne Mellor     | ✓ | ✓ | ✓ | x | x | x | x | x | ✓ |
| Lorraine Boyd    | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Jim Dillon       | ✓ | ✓ | ✓ | x | ✓ | ✓ | ✓ | ✓ | ✓ |
| Stephen Holmberg | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | x |
| Matt Morgan      | x | ✓ | ✓ | ✓ | ✓ | ✓ | x | ✓ | ✓ |
| Denise McConnell | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | - | - | - |
| Lucy Brown       | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Steven Bannister | - | - | - | - | - | - | ✓ | x | ✓ |

### Register of Directors' Interests

Declarations of interest by members of the Trust Board are sought at each meeting of the Board and its committees and recorded in the minutes of the relevant meetings. The Register of Interests of Board Members is published each year on the Trust website, and includes those interests recorded during the preceding 12 months for Directors whose appointments have terminated in-year.

Guidance to the codes defines 'relevant and material' interests as follows:

- Directorships, including Non-executive Directorships held in private companies or PLCs (with the exception of those for dormant companies)
- Ownership or part ownership of private companies, businesses or consultancies likely or possibly seeking to do business with the NHS
- Majority or controlling shareholding in organisations likely or possibly seeking to do business with the NHS
- A position of authority in a charity or voluntary organisation in the field of health and social care
- Any connection with a voluntary or other organisation contracting for NHS services
- Research funding / grants that may be received by an individual or department
- Interests in pooled funds that are under separate management.

The public can access the register on the [website](#), or by making a request in writing to:

The Associate Director of Corporate Governance  
York and Scarborough Hospitals NHS Foundation Trust  
Wigginton Road  
York YO31 8HE

Or by emailing him [mike1.taylor@nhs.net](mailto:mike1.taylor@nhs.net)

## Board Committees

During 2023/24 the Trust had four Board Committees: the Quality Committee, the Resources Committee, the Group Audit Committee and the Remuneration Committee. The Digital, Performance and Finance Assurance Committee had its duties transferred to the Resources Committee in January 2024.

All the Committees are chaired by a Non-executive Director and its membership is drawn from the Non-executive Directors and Executive Directors. Each Committee is supported by managers and senior leadership of the Trust. An Executive Committee is chaired by the Chief Executive and is the senior operational Committee of the Trust.

## Remuneration Committee

Details of the Remuneration Committee can be found on [page 76](#).

## The Group Audit Committee

The Group Audit Committee met six times during the year. Attendance and membership of the Committee is as follows:

|                        | 02/05/23 | 22/06/23 | 31/07/23 | 05/09/23 | 15/01/24 | 05/03/24 |
|------------------------|----------|----------|----------|----------|----------|----------|
| Jenny McAleese (Chair) | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        |
| Lynne Mellor           | ✓        | ✓        | ✓        | x        | x        | x        |
| Stephen Holmberg       | ✓        | ✓        | ✓        | ✓        | ✓        | x        |
| Jim Dillon             | -        | -        | -        | -        | -        | ✓        |

A number of officers and advisors attended the meetings to provide assurance to the Committee, including:

- Andrew Bertram, Deputy Chief Executive / Finance Director
- Steve Kitching, Deputy Finance Director
- Helen Higgs, Head of Internal Audit
- Sandra Glaister, Internal Audit Manager
- Jonathan Hodgson, Internal Audit Manager
- Marie Dennis, Counter Fraud Officer
- Steven Bannister, Managing Director, YTHFM
- Penny Gilyard, Director of Resources, YTHFM
- Mike Taylor, Associate Director of Corporate Governance
- Alastair Newall, Engagement Lead, Mazars

The Committee receives reports from internal and external auditors and undertakes reviews of financial, value for money and clinical reports on behalf of the BoD. The Committee considers matters for both the Trust and YTHFM.

The Trust has an independent internal audit function provided by Audit Yorkshire. The internal audit service also provides audit services to a number of other Foundation Trusts and other NHS organisations in the region. To coordinate the governance and working arrangements of the

service, all Trusts that obtain services from the internal audit service are members of the Board of Audit Yorkshire.

The internal audit service agrees a work programme at the beginning of the financial year with the Trust. The service reports to each Group Audit Committee meeting on the progress of the work programme and provides detailed reports on the internal audits that have been completed during the previous quarter.

The list of activities below shows some of the work the Committee has undertaken during the year:

- Considered internal audit reports and reviewed the recommendations associated with the reports.
- Reviewed the progress against the work programme for internal and external audit and the Counter Fraud Service.
- Considered the annual accounts and associated documents and provided assurance to the BoD.
- Considered, provided challenge and approved various ad hoc reports about the governance of the Trust.
- Considered the external audit report, including interim and annual reports to those charged with governance and external assurance review of the Quality Report.
- Reviewed and monitored the clinical audit process, triangulating information with the Quality and Resources Committees to ensure there is also assurance around effectiveness of the processes in place.
- Considered the effectiveness of the Committee and internal audit.
- Provided a focus on risk management, the Corporate Risk Register and Board Assurance Framework processes in order to challenge and evolve the documents.

The Audit Committee has considered no significant issues relating to the financial statements during 2023/24.

### **Role of Internal Audit**

The Group's internal audit and anti-fraud services are provided by Audit Yorkshire. Audit Yorkshire provides independent assurance to the Board of Directors via the Group Audit Committee. We fully conform with the Public Sector Internal Audit Standards, as verified by our latest External Quality Assessment undertaken by the Chartered Institute of Public Finance and Accountancy (CIPFA).

The Managing Director and Head of Internal Audit is supported by a Deputy Director and a management team, all of whom are professionally qualified. All Audit Yorkshire's auditors are either qualified or working towards an externally validated professional qualification to ensure the organisation has the correct skill set to deliver a wide range of assurance reviews and demonstrate proficiency and due professional care. At the start of the financial year, or on commencement of employment with Audit Yorkshire, all internal auditors complete a declaration and certify that they have no conflicts of interest which might compromise their independence whilst working for Audit Yorkshire.

Audit Yorkshire has extensive experience of delivering high quality and cost-effective Internal Audit services to their members. The approach and methodology is to:

- Provide professional, high quality audit coverage of key areas of risk and operational issues compliant with the prevailing Public Sector Internal Audit Standards.

- Use the audit coverage and collate the opinions drawn to provide a meaningful Head of Internal Audit Opinion to support the Annual Governance Statement.
- Offer value-added work to assist the Group in making business improvements and achieving its corporate objectives.

As well as undertaking specific audits and other pieces of work commissioned by the Group, Audit Yorkshire also provides general advice on governance, anti-crime and systems/process issues and undertakes consultancy/advisory work as required.

### **Role of External Audit**

External Auditors are invited to attend every Group Audit Committee meeting. The appointed External Auditors have right of access to the Chair of the Group Audit Committee at any time. The Trust's current External Auditors are Forvis Mazars who were appointed at the beginning of August 2020 to provide this service for the Trust. This contract had been extended in March 2023 for a further two years approved by the Trust's CoG as per the original terms of the contract following assessment of their performance.

The objectives of the External Auditors fall under two broad headings. To review and report on:

- The audited body's financial statements.
- Whether the audited body has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

In each case, the Group Audit Committee sees the resulting conclusions.

External Audit also prepares an annual audit plan, which is received by the Group Audit Committee. This annual plan sets out details of the work to be carried out, providing sufficient detail for the Group Audit Committee and other recipients to understand the purpose and scope of the defined work and the level of priority. The Group Audit Committee discusses with the External Auditors the main issues and parameters for audit planning in the meeting before the annual audit plan is presented. This allows the Committee members time and space to:

- Discuss the organisation's audit risks.
- Reflect on the previous years' experience.
- Be updated on likely changes and new issues.
- Ensure coordination with other bodies.

In reviewing the draft plan presented to the Committee, members concentrate on the outputs from the plan and what they will receive from the external auditors, balanced against an understanding of the auditors' statutory functions. Review of the audit fee is an important role, but the focus should be on consistency with NHSE's guidelines and appropriateness, in the context of the organisation's needs, and the statutory functions of the external auditors.

The annual audit plan is kept under review to identify any amendments needed to reflect emerging audit risks. The Group Audit Committee receives material changes to the annual audit plan.

### **Digital, Performance and Finance Assurance Committee (Resources Committee from January 2024)**

The purpose of the Digital, Performance and Finance Assurance Committee was to provide assurance to the BoD around putting the best interests of patients first in relation to the Trust's digital and estates strategies, operational performance improvement and financial performance,

drawing any issues or matters of concern to the attention of the BoD. The responsibilities for Digital transferred to the Digital Sub-Committee, whilst those responsibilities for workforce and organisational development transferred to the Resources Committee from January 2024.

The Digital, Performance and Finance Assurance Committee (Resources Committee from January 2024) met monthly during the year. Attendance and membership of the Committee is as follows (membership of the Committee was increased from January 2024):

|                      | 18/04/23 | 16/05/23 | 20/06/23 | 18/07/23 | 19/09/23 | 17/10/23 | 21/11/23 | 19/12/23 | 16/01/24 | 20/02/24 | 19/03/24 |
|----------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Lynne Mellor (Chair) | ✓        | ✓        | ✓        | X        | X        | X        | X        | X        | X        | X        | ✓        |
| Jim Dillon           | X        | ✓        | ✓        | X        | X        | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        |
| Denise McConnell     | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        | -        | -        | -        |
| Matt Morgan          | -        | -        | -        | -        | -        | -        | -        | -        | -        | ✓        | ✓        |
| Steven Holmberg      | -        | -        | -        | -        | ✓        | -        | -        | -        | -        | -        | -        |
| Andrew Bertram       | -        | -        | -        | -        | -        | -        | -        | -        | ✓        | ✓        | X        |
| Claire Hansen        | -        | -        | -        | -        | -        | -        | -        | -        | X        | ✓        | ✓        |
| James Hawkins        | -        | -        | -        | -        | -        | -        | -        | -        | ✓        | ✓        | X        |
| Karen Stone          | -        | -        | -        | -        | -        | -        | -        | -        | ✓        | ✓        | ✓        |
| Polly McMeekin       | -        | -        | -        | -        | -        | -        | -        | -        | ✓        | ✓        | ✓        |
| Dawn Parkes          | -        | -        | -        | -        | -        | -        | -        | -        | ✓        | X        | ✓        |
| Steven Bannister     | -        | -        | -        | -        | -        | -        | -        | -        | X        | ✓        | ✓        |

A number of officers attended the meetings to provide assurance to the Committee:

- Andrew Bertram, Deputy Chief Executive / Director of Finance (member from January 2024)
- Polly McMeekin, Director of Workforce and Organisational Development (member from January 2024)
- James Hawkins, Chief Digital and Information Officer (member from January 2024)
- Claire Hansen, Chief Operating Officer (member from January 2024)
- Steven Bannister, Interim Managing Director, YTHFM (member from January 2024)
- Melanie Liley, Interim Chief Operating Officer/Chief Allied Health Professional
- Mike Taylor, Associate Director of Corporate Governance
- Penny Gilyard, Director of Resources, YTHFM

The list of activities below shows some of the reports the Committee has overseen during the year:

- Trust Priorities Report:
  - Operational Performance
  - Financial Performance
  - Digital and Information
  - Workforce & OD Performance



- YTHFM Business Assurance Reports
- Equality Diversity and Inclusion Annual Report
- Public Sector Equality Duty Objectives 2024-2028
- Board Assurance Framework
- Corporate Risk Register

### Quality and Safety Assurance Committee (Quality Committee from January 2024)

The purpose of the Quality Committee is to provide assurance to the BoD around patient safety and putting the interests of patients first in relation to the Trust’s performance on quality and safety and transformational quality improvement and drawing any issues or matters of concern to the attention of the BoD. The Committee was renamed the Quality Committee in January 2024.

The Committee met monthly during the year. Attendance and membership of the Committee is as follows:

|                         | 24/04/23 | 23/05/23 | 20/06/23 | 18/07/23 | 19/09/23 | 17/10/23 | 21/11/23 | 19/12/23 | 16/01/24 | 20/02/24 | 19/03/24 |
|-------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Steven Holmberg (Chair) | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        | x        | ✓        | ✓        | ✓        |
| Jenny McAleese          | ✓        | ✓        | ✓        | x        | x        | x        | ✓        | x        | ✓        | ✓        | ✓        |
| Lorraine Boyd           | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        | ✓        |
| Karen Stone             | -        | -        | -        | -        | -        | -        | -        | ✓        | ✓        | ✓        | ✓        |
| Dawn Parkes             | -        | -        | -        | -        | -        | -        | -        | ✓        | x        | x        | ✓        |
| Claire Hansen           | -        | -        | -        | -        | -        | -        | -        | ✓        | x        | ✓        | ✓        |

Key officers attended the meeting to provide assurance to the Committee, including:

- Karen Stone, Medical Director (member from December 2023)
- Heather McNair, Chief Nurse (until June 2023)
- Dawn Parkes, Interim Chief Nurse (member from December 2023)
- Claire Hansen, Chief Operating Officer (member from December 2023)
- Nicola Topping, Deputy Medical Director
- Tara Filby, Deputy Chief Nurse
- Emma George, Assistant Chief Nurse
- Donald Richardson, Chief Clinical Information Officer
- Sascha Wells-Munro, Director of Midwifery
- Sue Glendenning, Interim Director of Midwifery
- Deputy Director of Patient Safety and Quality Governance
- Adele Coulthard, Director of Quality, Improvement and Patient Safety
- Melanie Liley, Chief Allied Health Professional
- Stuart Parkes, Chief Pharmacist
- Mike Taylor, Associate Director of Corporate Governance
- Senior rolling representation from each Care Group

The list of activities below shows some of the reports the Committee has overseen during the year:

- Care Group Assurance Reports
- Trust Priority Reports
- CQC Compliance Reports
- Maternity and Neonatal Quality and Safety Reports
- Maternity CQC Section 31 Reports
- Patient Experience Sub-Committee Escalation Report
- Patient Safety and Clinical Effectiveness Sub-Committee Escalation Report
- Patient Experience Reports
- Infection Prevention and Control Reports
- Mortality – Learning from Deaths Reports
- Dementia Reports
- Sepsis Reports
- Clinical Effectiveness Reports
- Safeguarding Annual Report
- Patient Safety Incident Response Framework Report
- Equality Delivery System Report
- Board Assurance Framework
- Corporate Risk Register

### People and Culture Assurance Committee (Responsibilities transferred to the Resources Committee in January 2024)

The purpose of the People and Culture Assurance Committee was to provide assurance to the BoD around the Trust’s workforce strategy and organisation development performance relating to current and forward-looking workforce, financial and operational performance pressures and drawing any issues or matters of concern to the attention of the BoD. The Committee’s responsibilities transferred to the Resources Committee in January 2024.

The Committee met bi-monthly until January 2024. Attendance and membership of the Committee was as follows:

|                    | 17/05/23 | 19/07/23 | 20/09/23 | 15/11/23 |
|--------------------|----------|----------|----------|----------|
| Jim Dillon (Chair) | ✓        | X        | ✓        | ✓        |
| Lorraine Boyd      | ✓        | ✓        | ✓        | X        |
| Matt Morgan        | ✓        | X        | X        | -        |
| Jenny McAleese     | -        | ✓        | -        | -        |

Key officers attended the meeting to provide assurance to the Committee, including:

- Karen Stone, Medical Director
- Heather McNair, Chief Nurse (until June 2023)
- Dawn Parkes, Interim Chief Nurse (from July 2023)
- Polly McMeekin, Director of Workforce and Organisational Development
- Lucy Brown, Director of Communications
- Lydia Harris, Head of Research and Development
- Virginia Golding, Head of Equality, Diversity and Inclusion

- Mike Taylor, Associate Director of Corporate Governance

The list of activities below shows some of the reports the Committee has overseen during the year:

- Workforce and Organisational Development Reports
- Nursing Workforce Reports
- Staff Survey Action Plan
- Freedom to Speak Up Report
- Research and Development Strategy
- Medical Training and Education Report
- Mandatory Training Report
- Workforce Race Equality Standard (WRES) and Workforce Disability Equality Standard Reports
- Board Assurance Framework
- Corporate Risk Register

### **Executive Committee**

The Executive Committee is the key operational group of the Trust and is chaired by the Chief Executive. Its membership comprises the senior leadership of the Trust. The Executive Committee discusses the formulation and implementation of strategy as well as key operational decisions. The formed strategy proposals are discussed with the BoD and at their Committee meetings.

### **NHSE's Well Led Framework**

NHSE states that it is good practice for organisations to conduct 'in-depth, regular and externally facilitated developmental reviews of leadership and governance' every three to five years. These reviews should then be used to facilitate development of the Board. The Key Lines of Enquiry which were developed also underpin the CQC's regular regulatory well led assessments.

The Trust has assured itself that it's well-led across its governance framework as detailed in the review of economy, efficiency and effectiveness of the use of resources section in the Annual Governance Statement and via the Board's Committees in their activities across the year as detailed in the Director's report. The Trust's internal control framework as a key part of its self-assessment provides assurance in the Board Assurance Framework for management of strategic risks and their assurance and operationally via the Corporate Risk Register. The Risk Management Strategy was reviewed during the reporting period and improvements made to provide further assurance on the management of risks, issues and performance. The performance report also provides areas in which the Trust has sought to improve its services both regarding patient care and stakeholder relations.

The Trust carried out a well-led review in 2022/23 with NHSE which identified a series of actions to continually improve across its governance structure to improve efficiency and effectiveness of reporting and actions are progressing across the Trust. The Trust was inspected by the CQC between October 2022 and March 2023. The inspection looked at Emergency and Urgent Care, Medical Care and Maternity Services. The CQC also inspected the well led key question for the Trust as a whole with a report published in June 2023.

### **Patient Experience 2023/24**

#### **Complaints and Concerns**

816 formal complaints were received during 2023/24 compared to 663 in 2022/23, an increase of 23%. This equates to a monthly average of 68 complaints. Failings were not identified in 37% complaint investigations concluded in 2023/24. The Trust also received 722 concerns.

### Key themes

- Attitude of nursing staff/midwives
- Communication with patient
- Delay or failure in treatment or procedure
- Attitude of medical staff
- Delay or failure to diagnose
- Difficulties getting through to wards and departments on the phone

Emerging trends or themes are monitored regularly as complaints are received, and any areas of concern are highlighted to the Care Group management teams.

### Performance

On average 49% of closed complaints met the Trust's 30-day response target. However, the figures alone do not reflect the recent focus on addressing longstanding cases and Care Groups have plans in place to address performance.

The complaints procedure is entirely necessary and can prevent negligence and promote transparency of care. Patients should always retain the right to make a complaint, and to highlight situations where something has gone wrong. Being open and honest about learning from complaints gives more people the confidence that the process will result in positive change and complaints must be seen not as a measure of poor performance, but as an opportunity for learning.

### Patient Engagement and involvement

A wide range of patient stories have been heard by the Trust Board of Directors this year covering experiences such as that of parents of a teenager who became unwell with sepsis following a sporting injury; the experience of admission to discharge of an autistic patient but had chosen to not be formally diagnosed; the experience of a patient with a number of disabilities, including sight and hearing loss and limited mobility, of the refurbished York Emergency Department.

We have launched and established the Scarborough and Ryedale Patient and Carer Experience (PACE) forum. This is a joint venture with Humber Teaching NHS Foundation Trust bringing together staff, governors, Healthwatch, patients, carers, and the public from across the Scarborough, Bridlington and Ryedale region. The forum has been coproduced with its members from the start, is well attended with a growing membership and strives to maintain an informative and relevant agenda.

In partnership with the Integrated Care System and Kings' Fund, our Trust and four other providers, are leading a project to develop a shared vision for 'Good Communication' as part of patients' and carers experience. One of six areas to be chosen to work with NHS England's Experience of Care, and Heads of Patient Experience Network, and the Kings' Fund, the aim is to bring citizens' voices into integrated care systems drawing on the King's Fund's methodology of *Understanding integration: how to listen to and learn from people and communities*<sup>1</sup>. The Patient and Public Involvement Lead has been supported with two of the Trust Governors on this project.

Working in partnership with the Learning Disability Liaison Service and Autism Liaison Lead we have created two new discussion groups. These are an opportunity for patients, parents, carers,

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<sup>1</sup> [Understanding integration: how to listen to and learn from people and communities | The King's Fund \(kingsfund.org.uk\)](https://www.kingsfund.org.uk)

staff, and other local stakeholders from the voluntary and private sector to have their voices heard by the Trust and to develop open lines of communication for Autistic people and those with learning disabilities.

### Volunteer Service

Volunteers make an enormous difference to patients, visitors, and staff across the Trust, supporting several areas, including the Emergency Department (ED), medical wards, surgical wards, Receptions, and outpatient areas. Volunteers come from a range of backgrounds and are motivated to give their time to support the NHS because they see it as a rewarding experience, an opportunity to 'give back' to the community or are seeking experience for a career in healthcare.

This year, Volunteers have supported strategic priorities of the Trust, most predominantly with food, nutrition and hydration priorities. This has included supporting patients to eat and drink, taking on new and improved guidance around hydration in line with raising awareness initiatives, such as 'But first a drink,' and training Trust Executives Directors to deliver the 'Step Up to the Plate' initiative. Volunteers have continued to provide much needed refreshments to patients in York's busy new ED.

We have continued to develop new roles in response to the demands of the Trust, including:

- increasing support for the Eye Clinic at York, with a new team of Volunteers providing help to staff and patients weekly,
- introducing a new role supporting the Ellerby's team (York hospital restaurant),
- collaborating with the Allied Health Professionals (AHP) team for a Volunteer to support the Occupational Health (OH) Team, and
- trialling another new role with the Falls Prevention Team, where a Volunteer is supporting a Physiotherapist and patients in Bridlington hospital.

The Volunteering Services Team responds to the shifting needs of the Trust, often at short notice. We are impressed with how Volunteers respond enthusiastically to meet the changing needs, and often at short notice. For example, to support the Trust's focus on discharging patients, several volunteers agreed to give more time to supporting the Discharge Lounge at York, through taking on more hours or additional shifts to ensure we had daily volunteer support for staff and patients every week across the winter pressures period.

Collectively, Trust Volunteers gave an incredible 45,968 hours in the financial year of 2023/24. The Trust would like to thank all those patients, carers and members of the public who have contributed by sharing their lived experiences, discussing service improvements, and being involved in a range of engagement activities over the last year.

### Surveys

The Urgent and Emergency Care national survey results were published in July 2023. None of our results were worse than other Trusts, nationally. Our highest scoring areas were Leaving A&E (further support, and care and support services), Environment and Facilities, and Waiting (wait to be examined and updates on length of wait). Our lowest scoring areas were for Arrival. Scores are lower compared with 2020 for nine questions, including overall experience.

The National Inpatient Survey 2022 national results were published in September 2023. Our patient experience is best in the areas of, contact with patients being given information about who to contact after discharge; food provided outside set mealtimes; quality of food; opportunity to feedback on care; and after the operation or procedure explanation about how it went. Improvements in patient experience are needed in areas of, home and family situation; waiting to be admitted; taking medication patients bring to hospital; dietary needs or requirements; and waiting to get to a bed.



The 2023 Maternity Survey results were published in February 2024. Our Trust results are better than the 2022 results. Our results were not worse than any other Trust and ‘about the same’ as other Trusts for 48 questions. Our most improved area was for advice and support given at the start of labour.

### Friends and Family Test

Friends and Family Test (FFT) asks patients about their experience of NHS services. It is a national feedback tool that, ‘*supports the principle that people...should have the opportunity to provide feedback on their experience...*’<sup>1</sup>

As a Trust we offer FFT in a range of modes: cards, SMS and QR code (in some areas). The number of responses received are generally through an equal number of cards and SMS. Responses are collated by a third-party provider who produce reports for each ward, service, or department. Each report includes the percentage of patients who felt they had a ‘good or very good’ experience and if people felt they were ‘treated with kindness’ or not.

We received 64,367 FFT responses in 2023/24. Response rates by percentage are in the table below. These figures exclude Outpatient services. As a result, it is not possible to calculate a whole Trust response rate percentage.

| Annual Response Rates (excluding outpatients) |                    |                     |                    |                      |                      |
|---|--------------------|---------------------|--------------------|----------------------|----------------------|
|   | Maternity Services | Community Hospitals | Inpatient services | Emergency Department | Total (Excluding OP) |
| FFT Responses                                 | 2,601              | 320                 | 29,720             | 5,653                | 38,294               |
| Eligible Patients                             | 12,006             | 505                 | 134,340            | 77,437               | 224,288              |
| % Response Rates                              | 21.7%              | 63.4%               | 22.1%              | 7.3%                 | 17.1%                |

In 2023/24, 290 wards, services or departments have received FFT feedback on one or more occasion.

### Key achievements in 2023-2024

- Making FFT more accessible to all, through developing yellow cards to support patients with visual impairments (VI) and a range of neurodivergences, and continuing work to make cards and SMS available in the top requested languages for the Trust and developing an Easy-Read format.
- Introducing demographic questions to our FFT to better understand the demographics of those who respond, and to give insight into our patient/carer demographics. These will be reported annually.
- Raising staff awareness of FFT through Preceptorship training offered to newly qualified staff, highlighting the importance of patient and carer feedback and how staff can maximise the potential of the monthly reported data.
- Including FFT in the Patient Experience Toolkit now available on Staffroom, with Frequently Asked Questions’ providing information and guidance to staff on collection, post-boxes, reports, and processes.
- Supporting the Interim Chief Nurse with provision of data and themes, to inform and support performance improvement meetings with Care Groups.

## Partnerships and Alliances

Partnership working remains a key strategic ambition for the Trust, supporting the delivery of effective healthcare to our communities. Collaborative working is a key contributing factor in the delivery of effective and patient centred clinical pathways.

The Trust is part of a number of clinical alliances with both Hull University Teaching Hospitals NHS Trust and Harrogate and District NHS Foundation Trust, which support the delivery of hospital services across the Humber and North Yorkshire Health and Care Partnership geographic area as part of an Integrated Care System (ICS).

The networked specialist service developments in Laboratory Medicine, Radiology, Hepatology, HIV, Renal, Cystic Fibrosis and Vascular Surgery are now well established, enabling local access for patients across the combined geographic area.

Within the framework of the Humber and North Yorkshire Health and Care Partnership ICS, enhanced collaborative service arrangements are now established with Hull University Teaching Hospitals NHS Trust, Northern Lincolnshire and Goole NHS Foundation Trust and Harrogate and District NHS Foundation Trust as part of a Collaborative of Acute Providers (CAP). The Trust is fully involved in these clinical networks which seek to drive continuous quality improvements across whole system pathways and share and implement evidence based best practice.

Trust clinicians and managers are also key members of the Humber and North Yorkshire Cancer Alliance (H&NYCA) which shares best practice and drives service improvement and improvements in performance across cancer pathways.

Through this relationship, the Trust continues to secure a significant amount of funding to support a range of improvement initiatives and clinical leadership positions. These have enabled Trust clinicians to work across the ICS, shaping clinical services and reducing variation and inequality.

Work has also progressed on the development of Community Diagnostic Centre spokes and Hubs which is an NHSE initiative focussing on earlier diagnoses for patients through easier, faster, and more direct access to the full range of diagnostic tests needed to understand patients' symptoms. The aim is to streamline the numbers of hospital attendances through the provision of multiple tests at one visit in acute and community settings, including the development of additional capacity at Selby Hospital and Askham Bar, York, in collaboration with NIMBUS health. The Trust has continued to work in partnership with Scarborough Council for the development of the Scarborough Hub.

The Trust continues to build on its relationships with key local partners in delivering care to our local communities. Examples of this include strengthening relationships between GPs and hospital consultants to design new pathways of care, developing integrated teams of health and social care staff, working with mental health colleagues and collaborating with the voluntary sector in new partnerships. These developments are taking place locally to ensure that any changes and new ways of working align with the needs of local populations, with a continued focus of delivering more care at home and to improve hospital discharge. The development of Virtual Wards (including hospital at home provision) and the delivery of two-hour urgent community response services means that patients can receive more care in their own homes rather than remaining in an acute hospital bed when they no longer need that level of care.

Pivotal to this work is the development of local 'place' based planning arrangements across the Humber and North Yorkshire Health and Care Partnership geographic area covering the Trust catchment population.

The Trust is an active partner in the multiagency Health and Care alliance boards in York, North Yorkshire and the East Riding. These are the vehicles for developing system strategic plans and for the delivery of collaborative projects working across the localities.

The Trust continues to be an active Partner with the City of York Council as a tenant in the York Community Stadium. The Trust utilises space to deliver staff education and training and outpatient services in high quality accessible accommodation.

The Digital and Information Service (DIS) within the Trust has continued to lead the way with Digital Partnerships and Alliances with partners across the Humber and North Yorkshire Health and Care Partnership Integrated Care System. The team is working closely with Harrogate and District Foundation Trust to procure a new Electronic Patient Record system, and this is now well underway.

The Trust continues to actively participate in the development of the workforce strategy across the Humber and North Yorkshire Health and Care Partnership Integrated Care System. It has taken a lead role in co-ordinating and driving many of the Place based workforce initiatives to ultimately achieve the aim of 'one workforce' across the locality of health and social care.

We value our strong links with our academic partners for support to undergraduate and postgraduate training opportunities and welcome the opportunity to collaborate. We would like to help students make the most of their time in the Trust and want to ensure that the services we offer are developed and delivered to meet the needs of our growing student population. Currently we advise Clinical Doctoral students, and MSc and PhD students who are undertaking their research in the NHS, working closely with the Hull and York Medical School (HYMS). The Trust has further links with research collaboratives, including National Institute for Health and Care Research (NIHR) bids and the rebranding and re-launch of the Scarborough Coastal Health and Care Research Collaborative (SHARC), previously known as the Multiple Long term conditions research hub. This was in collaboration with the Institute for Health and Care Improvement (IHCI) at York St John University.



Simon Morritt  
Chief Executive  
June 2024

# Remuneration Report – Statement from the Chair

The remuneration report summarises our remuneration policy and, particularly, its application in connection with the Executive Directors.

The report also describes how the Trust applies the principles of good corporate governance in relation to Directors' remuneration as defined in the NHS Code of Governance, in sections 420 to 422 of the Companies Act 2006 and the Directors' Remuneration Report Regulation 11 and Parts 3 and 5 of Schedule 8 of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410) ('the Regulations') as interpreted for the context of NHS Foundation Trusts, Parts 2 and 4 Schedule 8 of the Regulations and elements of the Foundation Trust Code of Governance.



The Remuneration Committee considers and acts with delegated authority from the Board of Directors on all matters concerning the remuneration, allowances and other terms of service of the Executive Directors. The Committee comprises the Trust Chair and all Non-executive Directors. The Committee is attended by the Chief Executive and others at the request of the Chair in an advisory capacity where appropriate.

Non-executive Directors' remuneration and terms and conditions of service are developed and reviewed periodically by the Council of Governors Nomination and Remuneration Committee and ratified by the Council of Governors.

All Directors of the Trust are subject to individual performance review. This involves the setting and agreeing of objectives for a 12-month period running from 1 April to 31 March. The very senior managers at the Trust received a 5% uplift during 2023/24 to reflect the cost of living in-line with the recommendations of the national Senior Salaries Review Body (SSRB) accepted by the government.

The full remuneration report of salary, allowances and benefits of senior managers are set out in the Salaries and Pension Entitlements of Senior Managers section of the Annual Report on Remuneration.

Remuneration for Non-executive Directors is also set out within that section and within the Full Statutory Accounts. No additional fees are payable in the role of Non-executive Director.

**Martin Barkley**

A handwritten signature in black ink that reads "Martin Barkley". The signature is written in a cursive, slightly slanted style.

**Chair, York and Scarborough Teaching Hospitals NHS Foundation Trust  
June 2024**

## Remuneration Policy

| Future Policy Table  |  |   |                                  |                         |  |
|--|--|---|----------------------------------|-------------------------|--|
| Item   | Salary/Fees  | Taxable Benefits  | Annual Performance Related Bonus | Long Term Related Bonus | Pension Related Bonus  |
| <b>How this supports for the short and long term objectives of the Foundation Trust</b>  | Ensure the recruitment and retention of Directors of sufficient calibre to deliver the Trust's objectives  | None disclosed  | None Paid                        | None Paid               | Ensure the recruitment and retention of Directors of sufficient calibre to deliver the Trust's objectives                                    |
| <b>How the component operates</b>  | Determined by the Remuneration Committee using a range of data and criteria as set out in the Remuneration Committee section. Paid in even twelfths  | Senior Managers in the Trust are entitled to lease cars | None Paid                        | None Paid               | Contributions paid by both employee and employer, except for any employee who has opted out of the scheme, in line with national regulations |
| <b>Maximum payment</b>   | As set out in the accounts   | None disclosed  | None Paid                        | None Paid               | Contributions are made in accordance with the NHS Pension Scheme   |
| <b>Framework used to assess performance</b>  | The Trust's Values Based Appraisal and objective setting process is used for all staff including Executive Directors, together with specific measures agreed for the Executive Team by the Remuneration Committee. | None disclosed  | None Paid                        | None Paid               | Not applicable   |
| <b>Performance period</b>  | Tailored to individual posts   | None disclosed  | None Paid                        | None Paid               | Not applicable   |
| <b>Amount paid for minimum level of performance and any further level of performance</b>   | Salaries are agreed on appointment and set out in the contract of employment   | None disclosed  | None Paid                        | None Paid               | Not applicable   |
| <b>Explanation of whether there are any provisions for recovery of sums paid to Directors or provisions for withholding payments</b> | Any sums paid in error may be recovered.   | None disclosed  | None Paid                        | None Paid               | Any sums paid in error may be recovered.   |



## Service contract obligations

All Executive Directors are required to provide six months' notice; however, in appropriate circumstances this could be varied by mutual agreement. Terms of each of the Non-executive Directors are given in the details of the Board members below.

## Policy on payment for loss of office

Payment for loss of office is covered within contractual notice periods and standard employment policies and legislation. The Trust has made no provision for compensation for early termination and no payment for loss of office for senior managers.

## Statement of consideration of employment conditions elsewhere in the Foundation Trust

Other members of staff who are not Board members are employed on agenda for change terms and conditions and any percentage pay increases are applied in accordance with national agreements. The Remuneration Committee agrees very senior managers' pay and conditions following consideration of benchmarking information on comparable roles.

The Non-executive Director fees are considered by the Council of Governors (CoG) Nomination and Remuneration Committee and a recommendation is approved by the CoG. The recommendation is prepared following a discussion and the receipt of benchmarking data. The Nomination and Remuneration Committee includes a Staff Governor as part of its membership. The CoG includes five Staff Governors as part of its membership.

## Service contracts

All Executive Directors are employed on a permanent basis.

As stated in the Service Contract Obligations above, all Executive Directors are subject to six months' notice period and the Non-executive Directors are subject to a month's notice period. The table below shows their start and finish dates, where applicable, or if their role is current:

| Executive Director | Title                            | Date of appointment | Contract date to |
|--------------------|----------------------------------|---------------------|------------------|
| Simon Morritt      | Chief Executive                  | August 2019         | Current          |
| Andrew Bertram     | Finance Director                 | January 2009        | Current          |
|                    | Deputy Chief Executive           | May 2018            | Current          |
| Karen Stone        | Medical Director                 | November 2022       | Current          |
| Heather McNair     | Chief Nurse (Seconded to NHYICB) | July 2019           | Current          |
| Dawn Parkes        | Interim Chief Nurse              | June 2024           | Current          |
| Claire Hansen      | Chief Operating Officer          | July 2024           | Current          |

|                |  |               |           |
|----------------|--|---------------|-----------|
| Melanie Liley  | Interim Chief Operating Officer                      | July 2022     | June 2024 |
| Polly McMeekin | Director of Workforce and Organisational Development | February 2019 | Current   |
| James Hawkins  | Chief Digital and Information Officer                | August 2022   | Current   |
| Lucy Brown     | Director of Communications                           | February 2020 | Current   |

| Non-executive Director | Title                            | Date of Appointment                | Contract date to       |
|------------------------|----------------------------------|------------------------------------|------------------------|
| Martin Barkley         | Trust Chair                      | 01.11.23<br>(1 <sup>st</sup> term) | 31.10.26               |
| Alan Downey            | Trust Chair                      | 01.02.22<br>(1 <sup>st</sup> term) | Resigned May 2023      |
| Jenny McAleese         | Non-executive Director           | 01.03.24<br>(3 <sup>rd</sup> term) | 28.02.25               |
| Lynne Mellor           | Non-executive Director           | 01.07.21<br>(2 <sup>nd</sup> term) | 30.06.24               |
| Lorraine Boyd          | Non-executive Director           | 01.07.21<br>(2 <sup>nd</sup> term) | 30.06.24               |
| Jim Dillon             | Non-executive Director           | 01.07.22<br>(2 <sup>nd</sup> term) | 30.06.25               |
| Steven Holmberg        | Non-executive Director           | 01.07.22<br>(2 <sup>nd</sup> term) | 30.06.25               |
| Matt Morgan            | Non-executive Director           | 01.06.23<br>(2 <sup>nd</sup> term) | 30.05.26               |
| Denise McConnell       | Non-executive Director           | 01.11.21<br>(1 <sup>st</sup> term) | Resigned December 2023 |
| Ashley Clay            | Associate Non-executive Director | 01.11.21                           | Resigned April 2023    |

## Remuneration Committees

The Trust has two Remuneration Committees: The BoD Remuneration Committee and the CoG Nomination and Remuneration Committee.

### Board Remuneration Committee

The Board's Remuneration Committee is composed of all NEDs and is responsible for determining and agreeing, on behalf of the Board, policies for the remuneration and terms and conditions of service for all VSMs (Executive Directors and other managers on VSM contracts). It is responsible for considering the performance and annual objectives of the Chief Executive and Executive Directors and for termination arrangements that involve severance payment.

The Committee is responsible for:

- Reviewing of the structure, size and composition of the BoD.
- Developing succession plans for the Chief Executive and other Executive Directors, taking into account the challenges and opportunities facing the Trust.
- Appointing candidates to fill vacancies amongst the Executive Directors.
- Reviewing remuneration and terms of conditions for Executive Directors and very senior managers (those managers not on NHS agenda for change pay scales).
- Recommending to the BoD the award of discretionary points for consultants and specialist and associate specialist and staff grade doctors.

The Trust Chair is the Chair of the Remuneration Committee and its members are the remaining Non-executive Directors. The Chief Executive attends for any decisions relating to the appointment or removal of the Executive Directors. The Committee is also advised by the Chief Executive on performance aspects, by the Director of Finance on the financial implications of remuneration or other proposals, and by the Director of Workforce and OD on personnel and remuneration policy.

The Committee reviews national pay awards for staff within the Trust alongside information on remuneration for Executive Directors at other Trusts of a similar size and nature, taking account of overall and individual performance and relativities, with the aim of ensuring that remuneration of Executive Directors is fair and appropriate. Through this process any salary above the threshold of £150,000 used by the Civil Service is considered and approved by the Committee with a view to attracting and retaining individuals to support the Trust in delivering its vision and meeting its objectives.

The Committee also reviews the balance of skills, knowledge and experience on the BoD when considering the appointment of an executive Director or when a vacancy arises for a Non-executive Director. The diversity and inclusion of the Board is considered in relation to the Trust’s WRES and WEDS standards and their action plans reported to the BoD in reflection of the Trust’s workforce and communities served.

The table below sets out the members of the committee during 2023/24 and the number of meetings at which each Director was present.

|                  | 28/06/23 | 25/10/23 |
|------------------|----------|----------|
| Mark Chamberlain | ✓        | ✓        |
| Jenny McAleese   | ✓        | ✓        |
| Lynne Mellor     | ✓        | x        |
| Lorraine Boyd    | x        | ✓        |
| Steven Holmberg  | x        | ✓        |
| Jim Dillon       | ✓        | ✓        |
| Matt Morgan      | ✓        | x        |
| Denise McConnell | ✓        | x        |

Key officers who attended the meeting to provide assurance to the Committee, included:

- Simon Morritt, Chief Executive
- Polly McMeekin, Director of Workforce and Organisational Development

### Governor Nomination Remuneration Committee

The CoG Nomination and Remuneration Committee is responsible for making recommendations to the CoG on the following:

- Appointment and remuneration of the Chair and Non-executive Directors
- Appraisal of the Chair
- Approval of appointment of the Chief Executive
- Succession Planning for posts of Chair and Non-executive Directors.

The CoG approved the recommendation to re-appoint Jenny McAleese for a further one-year term as Non-executive Director during 2023/24.

Non-executive Directors are appointed on fixed term contracts, normally three years in length, and they do not gain access to the Pension Scheme because of this engagement. No additional fees are payable in the role of Non-executive Director.

The CoG Nomination and Remuneration Committee and its membership comprise the Chair, the Lead Governor and ten Governors.

There were ten meetings of the committee during this financial period. The members' attendance is set out below:

|                                 | 09.05.23 * | 18.05.23 * | 27.06.23 * | 17.08.23 | 05.09.23 * | 20.09.23 * | 16.11.23 | 17.01.24 * | 07.02.24 * | 23.02.24 * |
|---------------------------------|------------|------------|------------|----------|------------|------------|----------|------------|------------|------------|
| Alan Downey, Chair              | x          |            |            |          |            |            |          |            |            |            |
| Mark Chamberlain, Interim Chair |            | ✓          | ✓          | ✓        | ✓          | ✓          |          |            |            |            |
| Martin Barkley, Chair           |            |            |            |          |            |            | ✓        | ✓          | ✓          | ✓          |
| Rukmal Abeysekera               | ✓          | ✓          | ✓          | ✓        | ✓          | ✓          | ✓        | ✓          | ✓          | ✓          |
| Gerry Richardson                | ✓          | x          | ✓          | ✓        | ✓          | ✓          | ✓        | ✓          | ✓          | ✓          |
| Catherine Thompson              | x          | ✓          | x          | x        | ✓          | ✓          | ✓        | ✓          | x          | x          |
| Sally Light                     | ✓          | ✓          | ✓          | ✓        | ✓          | ✓          | ✓        | ✓          | ✓          | x          |
| Alastair Falconer               | ✓          | ✓          | ✓          | ✓        | ✓          | ✓          | ✓        | ✓          | ✓          | ✓          |
| Beth Dale                       | x          | x          | ✓          | ✓        | x          | ✓          | ✓        | x          | ✓          | x          |
| Sue Smith                       | ✓          | ✓          | ✓          | ✓        | x          | ✓          | x        | ✓          | ✓          | ✓          |
| Bernard Chalk                   | ✓          | x          | x          | ✓        | x          | x          | x        | x          | x          | x          |
| Linda Wild                      | ✓          | ✓          | ✓          | ✓        | ✓          | ✓          | ✓        | ✓          | ✓          | ✓          |
| Julie Southwell                 | ✓          | ✓          | ✓          | ✓        | ✓          | ✓          | x        | ✓          | ✓          | ✓          |

\* These were extraordinary meetings related to the Chair recruitment.

The Associate Director of Corporate Governance services the Committee and provides advice to the Committee.

## Remuneration and pension entitlements of senior managers

### a) Salary

| Name and Title   | 2023/24                |                  |                                  |                                     |                          |                        |
|--|------------------------|------------------|----------------------------------|-------------------------------------|--------------------------|------------------------|
|  | Salary and Fees        | Taxable benefits | Annual Performance Related Bonus | Long Term Performance Related Bonus | Pension Related Benefits | Total                  |
|  | £000's Bands of £5,000 | £s Nearest £100  | £000's Bands of £5,000           | £000's Bands of £5,000              | £000's Bands of £2,500   | £000's Bands of £5,000 |
| <b>Executive Directors</b>   |                        |                  |                                  |                                     |                          |                        |
| Mr S Morritt<br>Chief Executive  | 220-225                | 3,700            | -                                | -                                   | -                        | 225-230                |
| Mr A Bertram<br>Finance Director & Deputy<br>Chief Executive           | 160-165                | 3,900            | -                                | -                                   | -                        | 165-170                |
| Dr K Stone<br>Medical Director   | 190-195                | 4,100            | -                                | 30-35                               | -                        | 230-235                |
| Mrs C Hansen<br>Chief Operating Officer                                | 100-105                | 1,100            | -                                | -                                   | 100-102.5                | 205-210                |
| Ms P McMeekin<br>Director of Workforce &<br>Organisational Development | 140-145                | -                | -                                | -                                   | -                        | 140-145                |
| Mrs H McNair<br>Chief Nurse  | 30-35                  | 1,700            | -                                | -                                   | -                        | 35-40                  |
| Mrs D Parkes<br>Interim Chief Nurse                                    | 115-120                | -                | -                                | -                                   | 185-187.5                | 300-305                |
| Mr T Hawkins<br>Chief Digital Information<br>Officer                   | 155-160                | -                | -                                | -                                   | -                        | 155-160                |
| <b>Non-Voting Directors</b>  |                        |                  |                                  |                                     |                          |                        |
| Mrs L Brown<br>Director of Communications                              | 115-120                | -                | -                                | -                                   | 27.5-30                  | 145-150                |
| Ms M Liley<br>Chief Allied Health<br>Professional                      | 125-130                | -                | -                                | -                                   | 15-17.5                  | 145-150                |
| <b>Non-executive Directors</b>   |                        |                  |                                  |                                     |                          |                        |
| Mr A Downey<br>Chairman  | 15-20                  | -                | -                                | -                                   | -                        | 15-20                  |
| Mr M Chamberlain<br>Interim Chair                                      | 25-30                  | -                | -                                | -                                   | -                        | 25-30                  |
| Mr M Barkley<br>Chairman   | 20-25                  | -                | -                                | -                                   | -                        | 20-25                  |
| Mrs J McAleese<br>Non-Executive Director                               | 15-20                  | -                | -                                | -                                   | -                        | 15-20                  |
| Dr L Boyd<br>Non-Executive Director                                    | 15-20                  | -                | -                                | -                                   | -                        | 15-20                  |



|  |       |   |   |   |   |       |
|--|-------|---|---|---|---|-------|
| Ms L Mellor<br>Non-Executive Director            | 15-20 | - | - | - | - | 15-20 |
| Mr S Holmberg<br>Non-Executive Director          | 15-20 | - | - | - | - | 15-20 |
| Mr J Dillon<br>Non-Executive Director            | 15-20 | - | - | - | - | 15-20 |
| Mr M Morgan<br>Non-Executive Director            | 5-10  | - | - | - | - | 5-10  |
| Ms Denise McConnell<br>Non-Executive Director    | 10-15 | - | - | - | - | 10-15 |
| Mr A Clay<br>Associate Non-Executive<br>Director | 0-5   | - | - | - | - | 0-5   |

\* Amounts shown above in brackets are negative figures.

Taxable benefits listed above relate to those executive directors who are in receipt of a Trust business lease cars.

Directors pay is made up of basic pay plus enhancements. The Trust does not award bonuses or performance related payments.

- Ms C Hansen was appointed Chief Operating Officer 17<sup>th</sup> July 2023
- Mrs D Parkes is a seconded Interim Chief Nurse from Mid Yorkshire Teaching NHS Trust from 5<sup>th</sup> June 2023
- Mrs H McNair stepped down from Chief Nurse 25<sup>th</sup> June 2023 for a seconded role at the ICB

Those Directors' salaries above which include elements for clinical roles are:

- Mrs K Stone salary for clinical role £194k
- Mrs K Stone also receives a Clinical Excellence Award which is presented in the Long-Term Performance related bonus section above.

Of the 21 Directors (inc 11 Non-executive Directors), 9 submitted expense claims totalling £9,800. (2022-23 of the 19 Directors 8 claimed expenses totaling £500).

| Name and Title   | 2022-23                      |                       |                                  |                                     |                              |                                 |
|--|------------------------------|-----------------------|----------------------------------|-------------------------------------|------------------------------|---------------------------------|
|  | Salary and Fees              | Taxable benefits      | Annual Performance Related Bonus | Long Term Performance Related Bonus | Pension Related Benefits     | Total                           |
|  | £000's<br>Bands of<br>£5,000 | £s<br>Nearest<br>£100 | £000's<br>Bands of<br>£5,000     | £000's<br>Bands of<br>£5,000        | £000's<br>Bands of<br>£2,500 | £000's<br>Bands<br>of<br>£5,000 |
| <b>Executive Directors</b>                                   |                              |                       |                                  |                                     |                              |                                 |
| Mr S Morritt<br>Chief Executive                              | 205-210                      | 1,200                 | -                                | -                                   | 50-52.5                      | 260-265                         |
| Mr A Bertram<br>Finance Director & Deputy<br>Chief Executive | 155-160                      | 3,900                 | -                                | -                                   | 55-57.5                      | 215-220                         |
| Mr J Taylor<br>Medical Director                              | 135-140                      | -                     | -                                | 0-5                                 | -                            | 140-145                         |
| Mrs W Scott<br>Chief Operating Officer                       | 50-55                        | 1,900                 | -                                | -                                   | 10-12.5                      | 60-65                           |

|  |         |       |   |       |           |         |
|--|---------|-------|---|-------|-----------|---------|
| Ms P McMeekin<br>Director of Workforce &<br>Organisational Development | 135-140 | -     | - | -     | 35-37.5   | 170-175 |
| Mrs H McNair<br>Chief Nurse  | 145-150 | 2,500 | - | -     | -         | 145-150 |
| Mr T Hawkins<br>Chief Digital Information<br>Officer                   | 85-90   | -     | - | -     | 30-32.5   | 115-120 |
| Dr K Stone<br>Medical Director   | 60-65   | 1,600 | - | 10-15 | 42.5-45   | 120-125 |
| Ms M Liley<br>Interim Chief Operating<br>Officer                       | 115-120 | -     | - | -     | 172.5-175 | 290-295 |
| <b>Non-Voting Directors</b>  |         |       |   |       |           |         |
| Mrs L Brown<br>Director of Communications                              | 100-105 | -     | - | -     | 27.5-30   | 130-135 |
| <b>Non-executive Directors</b>   |         |       |   |       |           |         |
| Mr A Downey<br>Chairman  | 55-60   | -     | - | -     | -         | 55-60   |
| Mrs J McAleese<br>Non-Executive Director                               | 15-20   | -     | - | -     | -         | 15-20   |
| Dr L Boyd<br>Non-Executive Director                                    | 15-20   | -     | - | -     | -         | 15-20   |
| Ms L Mellor<br>Non-Executive Director                                  | 15-20   | -     | - | -     | -         | 15-20   |
| Mr S Holmberg<br>Non-Executive Director                                | 15-20   | -     | - | -     | -         | 15-20   |
| Mr J Dillon<br>Non-Executive Director                                  | 15-20   | -     | - | -     | -         | 15-20   |
| Mr M Morgan<br>Non-Executive Director                                  | 5-10    | -     | - | -     | -         | 5-10    |
| Ms Denise McConnell<br>Non-Executive Director                          | 15-20   | -     | - | -     | -         | 15-20   |
| Mr A Clay<br>Non-Executive Director                                    | 5-10    | -     | - | -     | -         | 5-10    |

Taxable benefits listed above relate to those Executive Directors who are in receipt of a Trust business lease cars.

Directors pay is made up of basic pay plus enhancements. The Trust does not award bonuses or performance related payments.

- Mr J Taylor Retired as Medical Director on 30 November 2022
- Mrs K Stone was appointed Medical Director on 28 November 2022
- Mr T Hawkins was appointed Chief Digital Information Officer on 29 August 2022
- Mrs W Scott stepped down as Chief Operating Officer on 10 July 2022
- Ms M Liley was appointed Interim Chief Operating Officer on 1 July 2022

Those Directors salaries above which include elements for clinical roles are:

- Mr J Taylor salary for clinical role £103,378

- Mr J Taylor also receives a Clinical Excellence Award which is presented in the Long-Term Performance related bonus section above.
- Mrs K Stone salary for clinical role £51,069
- Mrs K Stone also receives a Clinical Excellence Award which is presented in the Long-Term Performance related bonus section above.

## b) Pensions

|  | (a) Real increase in pension at pension age | (b) Real increase in pension lump sum at pension age | (c) Total accrued pension at pension age at 31 March 2024 | (d) Total Lump Sum at pension age related to accrued pension at 31 March 2024 | (e) Cash Equivalent Transfer Value at 1 April 2023 | (f) Real Increase in Cash Equivalent Transfer Value | (g) Cash Equivalent Transfer Value at 31 March 2024 | (h) Employer's contribution to stakeholder pension |
|--|---|--|---|---|--|---|---|--|
| Name   | Bands of £2500                              | Bands of £2500                                       | Bands of £5000  | Bands of £5000  | £000   | £000  | £000  | £000   |
| Mr S Morritt<br>Chief Executive  | 0   | 32.5-35  | 80-85   | 235-240   | 1,716  | 190   | 2,107   | 0  |
| Mr A Bertram<br>Finance Director &<br>Deputy Chief Executive           | 0   | 32.5-35  | 65-70   | 180-185   | 1,283  | 117   | 1,551   | 0  |
| Dr K Stone<br>Medical Director   | 0   | 52.5-55  | 80-85   | 220-225   | 1,529  | 274   | 1,983   | 0  |
| Ms M Liley<br>Chief Operating Officer                                  | 0-2.5                                       | 0  | 50-55   | 140-150   | 1,078  | 127   | 1,332   | 0  |
| Ms P McMeekin<br>Director of Workforce &<br>Organisational Development | 0   | 30-32.5  | 30-35   | 80-85   | 420  | 133   | 615   | 0  |
| Mrs H McNair<br>Chief Nurse  | 0   | 0  | 70-75   | 210-215   | 1,699  | 0   | 21  | 0  |
| Mrs L Brown<br>Acting Director of Communications                       | 0-2.5                                       | 30-32.5  | 30-35   | 80-85   | 401  | 169   | 626   | 0  |
| Mr T Hawkins<br>Chief Digital Information Officer                      | 0   | 37.5-40  | 35-40   | 90-95   | 632  | 124   | 841   | 0  |
| Mrs C Hansen<br>Chief Operating Officer                                | 5-5.75                                      | 10-12.5  | 40-45   | 110-115   | 680  | 99  | 906   | 0  |
| Mrs D Parkes<br>Interim Chief Nurse                                    | 7.5-10                                      | 47.5-50  | 40-45   | 115-120   | 532  | 309   | 980   | 0  |

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

- Mr A Bertram
- Mrs L Brown
- Ms C Hansen
- Mr T Hawkins
- Ms P McMeekin
- Mr S Morritt
- Mrs D Parkes

- Dr K Stone

Cash equivalent transfer value (CETV) figures are calculated using the guidance on discount rates for calculating unfunded public service contribution rates that was extant on 31 March 2024. HM Treasury published updated guidance on 27 April 2023; this guidance will be used in the calculation of 2023/24 CETV figures.

The following Directors opted into the Pension Scheme during the Year

|               |                       |
|---------------|-----------------------|
| Mr S Morritt  | opted in 1 April 2023 |
| Mr A Bertram  | opted in 1 April 2023 |
| Ms P McMeekin | opted in 1 April 2023 |

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

A cash equivalent transfer value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures, and the other pension details, include the value of any pension benefits in another scheme or arrangement, which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real increase in CETV reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

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 (below) provides further information on the pension benefits accruing to the individual.

### Fair Pay disclosures

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 for the highest-paid director in the organisation in the financial year 2023/24 was £232,500 (2022-23 was £207,500). This is a change between years of 12%.

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 from £15,152 to £307,876 (2022-23 was £12,044 to £317,401).

The percentage change in average employee remuneration excluding the highest paid Director (based on total for all employees on an annualised basis divided by full time equivalent number of employees) between years is 2% (2021-22 the change was 9%)

6 employees received remuneration in excess of the highest-paid Director in 2023/24 (8 employees in 2022-23).

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

| <b>2023/24</b>  | <b>25<sup>th</sup> Percentile</b> | <b>Median</b> | <b>75<sup>th</sup> Percentile</b> |
|---|-----------------------------------|---------------|-----------------------------------|
| Total Pay and benefits excluding pension benefits which is equal to Salary component of pay | £25,532                           | £34,362       | £45,369                           |
| Pay and Benefits excluding pension: Pay ratio for highest paid director                     | 9.1:1                             | 6.7:1         | 5.1:1                             |
| <b>2022-23</b>  | <b>25<sup>th</sup> Percentile</b> | <b>Median</b> | <b>75<sup>th</sup> Percentile</b> |
| Total Pay and benefits excluding pension benefits which is equal to Salary component of pay | £25,153                           | £33,227       | £45,468                           |
| Salary component of pay*  | £23,813                           | £31,551       | £43,243                           |
| Pay and Benefits excluding pension: Pay ratio for highest paid director                     | 8.2:1                             | 6.2:1         | 4.5:1                             |

The increase in the ratio's is due to annual pay award for Agenda for Change Staff. Directors pay is set by the Remuneration committee and are not subject to Agenda for Change terms and conditions.

\*2022-23 The salary component of pay excluded the one-off payment of the non-consolidated pay award.



**Simon Morritt**  
**Chief Executive**  
**June 2024**



# Staff Report

## Workforce Profile

The tables below provide a summary of the staff employed by the organisation during 2023 – 2024, broken down by age, ethnicity, gender, and recorded disabilities.

York and Scarborough Teaching Hospitals NHS Foundation Trust has 8,881 permanent employees and 804 staff holding fixed term contracts. Staff workforce data including turnover, is published monthly through NHS England Digital: [NHS workforce statistics - NHS England Digital](#)

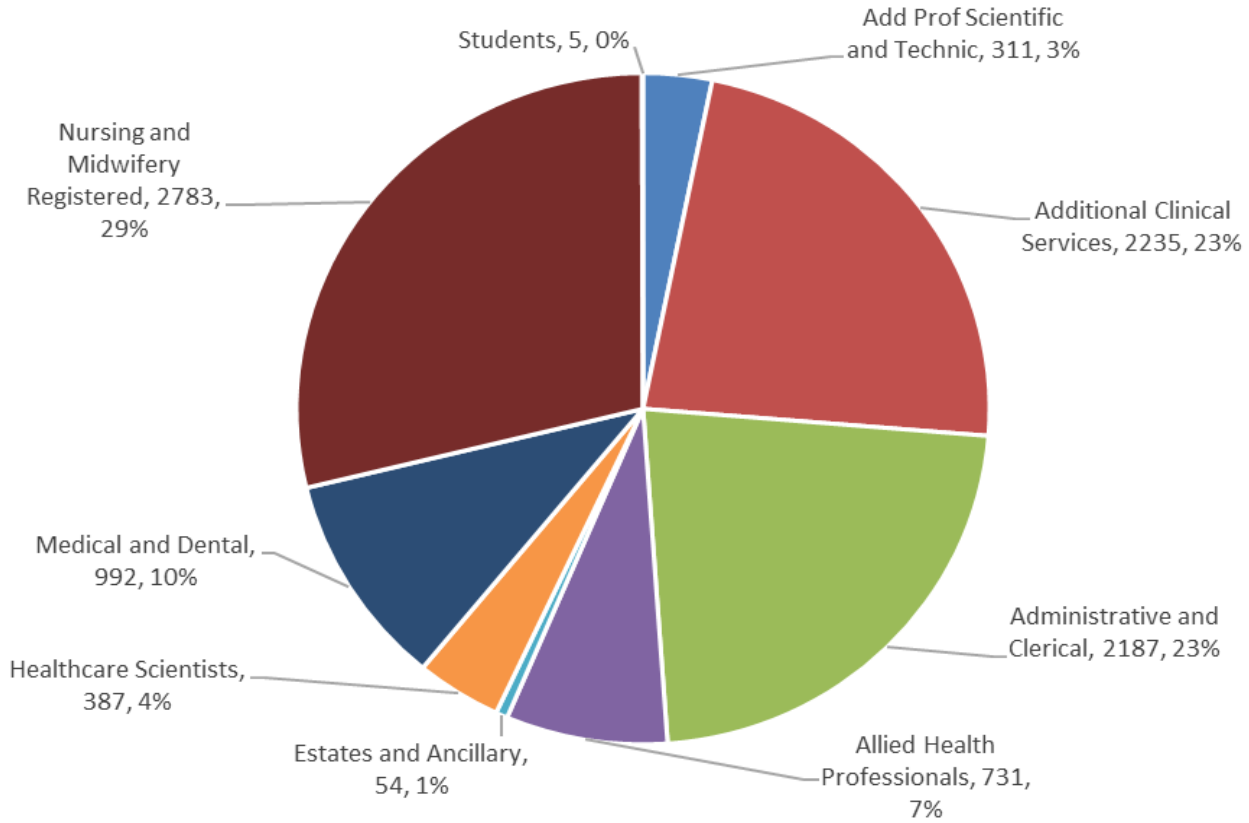
York Teaching Hospitals Facilities Management (YTHFM LLP) has 1,054 permanent employees, 29 staff holding fixed term contracts and 1 on an honorary contract.

|               | Staff<br>2023/24 | %      | York &<br>Scarborough<br>Teaching Hospitals |        | YTHFM (LLP)      |        |
|---------------|------------------|--------|---|--------|------------------|--------|
|               |                  |        | Staff<br>2023/24                            | %      | Staff<br>2023/24 | %      |
| <b>Age</b>    |                  |        |   |        |                  |        |
| <=20 Years    | 91               | 0.85%  | 77  | 0.80%  | 14               | 1.29%  |
| 21-25         | 738              | 6.85%  | 705   | 7.28%  | 33               | 3.05%  |
| 26-30         | 1258             | 11.68% | 1183  | 12.21% | 75               | 6.93%  |
| 31-35         | 1511             | 14.03% | 1435  | 14.82% | 76               | 7.02%  |
| 36-40         | 1332             | 12.37% | 1218  | 12.58% | 114              | 10.53% |
| 41-45         | 1287             | 11.95% | 1158  | 11.96% | 129              | 11.91% |
| 46-50         | 1171             | 10.87% | 1060  | 10.94% | 111              | 10.25% |
| 51-55         | 1286             | 11.94% | 1132  | 11.69% | 154              | 14.22% |
| 56-60         | 1156             | 10.74% | 973   | 10.05% | 183              | 16.90% |
| 61-65         | 768              | 7.13%  | 616   | 6.36%  | 152              | 14.04% |
| 66-70         | 131              | 1.22%  | 97  | 1.00%  | 34               | 3.14%  |
| >=71 Years    | 39               | 0.36%  | 31  | 0.32%  | 8                | 0.74%  |
| <b>Gender</b> |                  |        |   |        |                  |        |
| Female        | 8270             | 76.80% | 7682  | 79.32% | 588              | 54.29% |
| Male          | 2498             | 23.20% | 2003  | 20.68% | 495              | 45.71% |

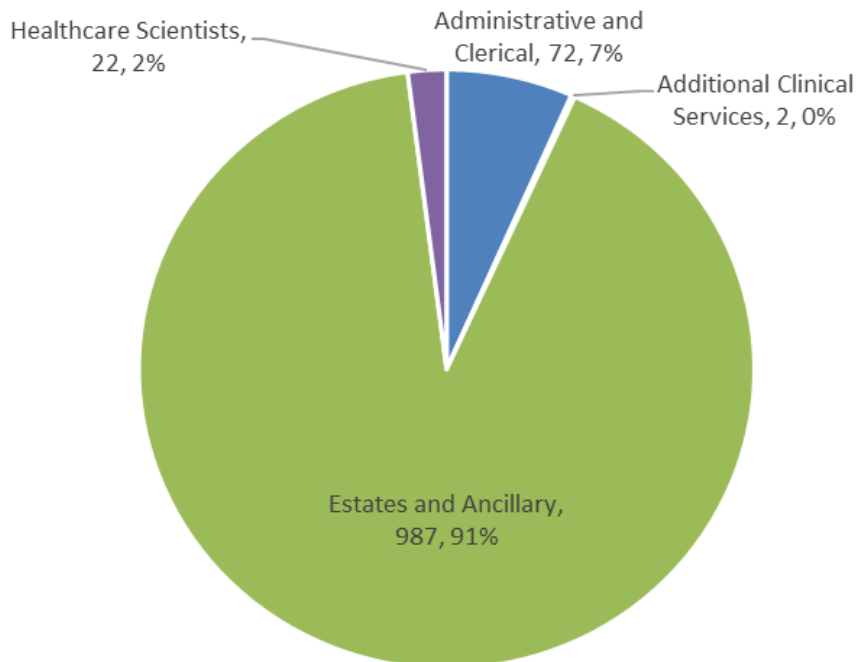
| <b>Disability</b>                                   |      |        |      |        |     |        |
|---|------|--------|------|--------|-----|--------|
| Yes   | 583  | 5.41%  | 534  | 5.51%  | 49  | 4.52%  |
| No  | 8641 | 80.25% | 7653 | 79.02% | 988 | 91.23% |
| Prefer not to answer                                | 22   | 0.20%  | 20   | 0.21%  | 2   | 0.18%  |
| Not Declared  | 285  | 2.65%  | 253  | 2.61%  | 32  | 2.95%  |
| Unspecified   | 1237 | 11.49% | 1225 | 12.65% | 12  | 1.11%  |
| <b>Ethnicity</b>                                    |      |        |      |        |     |        |
| Any Other Ethnic Group                              | 145  | 1.35%  | 134  | 1.38%  | 11  | 1.01%  |
| Asian British                                       | 7    | 0.07%  | 7    | 0.07%  | 0   | 0.00%  |
| Asian Mixed   | 2    | 0.02%  | 2    | 0.02%  | 0   | 0.00%  |
| Asian or Asian British - Any other Asian background | 207  | 1.92%  | 202  | 2.09%  | 5   | 0.46%  |
| Asian or Asian British - Bangladeshi                | 18   | 0.17%  | 18   | 0.19%  | 0   | 0.00%  |
| Asian or Asian British - Indian                     | 399  | 3.71%  | 392  | 4.05%  | 7   | 0.65%  |
| Asian or Asian British - Pakistani                  | 55   | 0.51%  | 55   | 0.57%  | 0   | 0.00%  |
| Asian Sinhalese                                     | 2    | 0.02%  | 2    | 0.02%  | 0   | 0.00%  |
| Asian Sri Lankan                                    | 2    | 0.02%  | 2    | 0.02%  | 0   | 0.00%  |
| Asian Unspecified                                   | 5    | 0.05%  | 5    | 0.05%  | 0   | 0.00%  |
| Black British                                       | 1    | 0.01%  | 1    | 0.01%  | 0   | 0.00%  |
| Black Nigerian                                      | 10   | 0.09%  | 10   | 0.10%  | 0   | 0.00%  |
| Black or Black British - African                    | 414  | 3.84%  | 399  | 4.12%  | 15  | 1.38%  |
| Black or Black British - Any other Black background | 20   | 0.19%  | 20   | 0.21%  | 0   | 0.00%  |
| Black or Black British - Caribbean                  | 25   | 0.23%  | 23   | 0.24%  | 2   | 0.18%  |
| Black Unspecified                                   | 1    | 0.01%  | 1    | 0.01%  | 0   | 0.00%  |
| Chinese   | 46   | 0.43%  | 43   | 0.44%  | 3   | 0.28%  |
| Filipino  | 51   | 0.47%  | 50   | 0.52%  | 1   | 0.09%  |
| Malaysian   | 2    | 0.02%  | 2    | 0.02%  | 0   | 0.00%  |
| Mixed - Any other mixed background                  | 19   | 0.18%  | 17   | 0.18%  | 2   | 0.18%  |

|                                    |      |        |      |        |     |        |
|------------------------------------|------|--------|------|--------|-----|--------|
| Mixed - Asian & Chinese            | 2    | 0.02%  | 2    | 0.02%  | 0   | 0.00%  |
| Mixed - Black & White              | 1    | 0.01%  | 1    | 0.01%  | 0   | 0.00%  |
| Mixed - Other/Unspecified          | 16   | 0.15%  | 16   | 0.17%  | 0   | 0.00%  |
| Mixed - White & Asian              | 41   | 0.38%  | 39   | 0.40%  | 2   | 0.18%  |
| Mixed - White & Black African      | 46   | 0.43%  | 43   | 0.44%  | 3   | 0.28%  |
| Mixed - White & Black Caribbean    | 18   | 0.17%  | 18   | 0.19%  | 0   | 0.00%  |
| Not Stated                         | 298  | 2.77%  | 259  | 2.67%  | 39  | 3.60%  |
| Other Specified                    | 3    | 0.03%  | 3    | 0.03%  | 0   | 0.00%  |
| Unspecified                        | 150  | 1.39%  | 139  | 1.44%  | 11  | 1.01%  |
| White - Any other White background | 318  | 2.95%  | 251  | 2.59%  | 67  | 6.18%  |
| White - British                    | 7725 | 71.73% | 6937 | 71.63% | 788 | 72.69% |
| White - Irish                      | 64   | 0.59%  | 63   | 0.65%  | 1   | 0.09%  |
| White Cypriot (non specific)       | 1    | 0.01%  | 1    | 0.01%  | 0   | 0.00%  |
| White English                      | 348  | 3.23%  | 306  | 3.16%  | 42  | 3.87%  |
| White Greek                        | 5    | 0.05%  | 5    | 0.05%  | 0   | 0.00%  |
| White Italian                      | 2    | 0.02%  | 2    | 0.02%  | 0   | 0.00%  |
| White Mixed                        | 2    | 0.02%  | 2    | 0.02%  | 0   | 0.00%  |
| White Northern Irish               | 8    | 0.07%  | 8    | 0.08%  | 0   | 0.00%  |
| White Other European               | 60   | 0.56%  | 50   | 0.52%  | 10  | 0.92%  |
| White Other Ex-Yugoslav            | 1    | 0.01%  | 1    | 0.01%  | 0   | 0.00%  |
| White Polish                       | 57   | 0.53%  | 22   | 0.23%  | 35  | 3.23%  |
| White Scottish                     | 15   | 0.14%  | 14   | 0.14%  | 1   | 0.09%  |
| White Serbian                      | 2    | 0.02%  | 2    | 0.02%  | 0   | 0.00%  |
| White Turkish                      | 3    | 0.03%  | 3    | 0.03%  | 0   | 0.00%  |
| White Unspecified                  | 149  | 1.38%  | 110  | 1.14%  | 39  | 3.60%  |
| White Welsh                        | 3    | 0.03%  | 3    | 0.03%  | 0   | 0.00%  |

## York & Scarborough Teaching Hospitals Staff Groups



## YTHFM (LLP) Staff Groups



## Gender Profile

The breakdown below includes information about female and male staff at the end of the year. The data is split by Directors, senior managers and the remainder of the workforce.

| York & Scarborough Teaching Hospitals   | Female |        | Male |        | Total |
|---|--------|--------|------|--------|-------|
| <b>Board Directors</b>  | 10     | 0.10%  | 7    | 0.07%  | 17    |
| <b>Managers</b> – Bands 8a, 8b, 8c, 8d, 9, personal salary (non-board members), M&D Consultants & SAS Doctors | 546    | 5.63%  | 462  | 4.77%  | 1008  |
| <b>All other staff</b> – Bands 7 and under, and all other M&D   | 7126   | 73.58% | 1534 | 15.84% | 8660  |

| YTHFM (LLP)                                | Female |        | Male |        | Total |
|--|--------|--------|------|--------|-------|
| <b>Board Directors</b>                     | 0      | 0%     | 1    | 0.09%  | 1     |
| <b>Managers</b> – Bands 8a, 8b, 8c, 8d, 9  | 4      | 0.37%  | 10   | 0.92%  | 14    |
| <b>All other staff</b> – Bands 7 and under | 584    | 53.87% | 485  | 44.74% | 1069  |

Since April 2017, all employers with more than 250 staff are required to publish information about their gender pay gap. We are required to publish the following:

- Gender pay gap (mean and median averages)
- Gender bonus gap (mean and median averages)
- Proportion of men and women receiving bonuses
- Proportion of men and women in each quartile of the organisation's pay structure

In the Trust the only bonuses that are awarded are to medical and dental staff through the Clinical Excellence Awards.

The Trust's gender pay information is reported on the government website - [Gender pay gap reports for York Teaching Hospital Nhs Foundation Trust - Gender pay gap service \(gender-pay-gap.service.gov.uk\)](https://gender-pay-gap.service.gov.uk)

### Staff Costs, Staff Numbers and Exit Packages

In line with the HM Treasury requirements, some previous accounts disclosures relating to staff costs are now required to be included in the staff report section of the annual report instead.

| Staff costs                                    | Group          |                |                |                |
|--|----------------|----------------|----------------|----------------|
|  | Permanent      | Other          | 2023/24        | 2022/23        |
|  |                |                | Total          | Total          |
|  | £000           | £000           | £000           | £000           |
| Salaries and wages                             | 333,636        | 69,962         | <b>403,598</b> | 380,554        |
| Social security costs                          | 36,193         | 7,585          | <b>43,778</b>  | 39,210         |
| Apprenticeship levy                            | 1,720          | 360            | <b>2,080</b>   | 1,818          |
| Employer's contributions to NHS pension scheme | 54,442         | 11,409         | <b>65,851</b>  | 59,161         |
| Pension cost - other                           | 143            | 30             | <b>173</b>     | 242            |
| Termination benefits                           | -              | 2              | <b>2</b>       | 18             |
| Temporary staff                                | -              | 23,831         | <b>23,831</b>  | 20,956         |
| <b>Total staff costs</b>                       | <b>426,134</b> | <b>113,179</b> | <b>539,313</b> | <b>501,959</b> |
| <b>Of which</b>                                |                |                |                |                |
| Costs capitalised as part of assets            | 2,568          | -              | <b>2,568</b>   | 2,097          |
| <b>Average number of employees (WTE basis)</b> |                |                |                |                |

|   | Group   |  |  | 2022/23<br>Total<br>Number              |
|---|---|--|--|---|
|   | Permanent<br>Number                               | Other<br>Number                                      | 2023/24<br>Total<br>Number                       |   |
| Medical and dental  | 452   | 696  | 1,148  | 1,219                                   |
| Administration and estates  | 1,858   | 116  | 1,974  | 1,848                                   |
| Healthcare assistants and other support staff                         | 1,858   | 331  | 2,189  | 2,193                                   |
| Nursing, midwifery and health visiting staff                          | 2,360   | 488  | 2,848  | 2,707                                   |
| Scientific, therapeutic and technical staff                           | 1,065   | 50   | 1,115  | 1,053                                   |
| Healthcare science staff  | 618   | 40   | 658  | 639                                     |
| <b>Total average numbers</b>  | <b>8,211</b>                                      | <b>1,721</b>   | <b>9,932</b>                                     | <b>9,659</b>                            |
| <b>Of which:</b>  |   |  |  |   |
| Number of employees (WTE) engaged on capital projects                 | 44  | -  | 44   | 40                                      |
| <b>Reporting of compensation schemes - exit packages 2023/24</b>      |   |  |  |   |
|   | Number of<br>compulsory<br>redundancies<br>Number | Number of<br>other<br>departures<br>agreed<br>Number | Total<br>number of<br>exit<br>packages<br>Number |   |
| <b>Exit package cost band (including any special payment element)</b> |   |  |  |   |
| <£10,000  | -   | 1  | 1  |   |
| <b>Total number of exit packages by type</b>                          | <b>-</b>  | <b>1</b>   | <b>1</b>   |   |
| Total cost (£)  | £0  | £2,000   | <b>£2,000</b>                                    |   |
| <b>Reporting of compensation schemes - exit packages 2022/23</b>      |   |  |  |   |
|   | Number of<br>compulsory<br>redundancies<br>Number | Number of<br>other<br>departures<br>agreed<br>Number | Total<br>number of<br>exit<br>packages<br>Number |   |
| <b>Exit package cost band (including any special payment element)</b> |   |  |  |   |
| <£10,000  | -   | -  | -  |   |
| £10,000 - £25,000   | -   | 1  | 1  |   |
| <b>Total number of exit packages by type</b>                          | <b>-</b>  | <b>1</b>   | <b>1</b>   |   |
| Total resource cost (£)   | £0  | £18,000  | <b>£18,000</b>                                   |   |
| <b>Exit packages: other (non-compulsory) departure payments</b>       |   |  |  |   |
|   | 2023/24   |  | 2022/23  |   |
|   | Payments<br>agreed<br>Number                      | Total<br>value of<br>agreements<br>£000              | Payments<br>agreed<br>Number                     | Total<br>value of<br>agreements<br>£000 |
| Exit payments following Employment Tribunals or court orders          | 1   | 2  | 1  | 18                                      |
| <b>Total</b>  | <b>1</b>  | <b>2</b>   | <b>1</b>   | <b>18</b>                               |
| <b>Of which:</b>  |   |  |  |   |



|   |   |   |   |   |
|---|---|---|---|---|
| Non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months' of their annual salary | - | - | - | - |
|---|---|---|---|---|

The Trust's consultancy expenditure over the reporting period was £107,084 excluding VAT.

The Trust had no off-payroll engagements over the reporting period.

### Sickness Absence Rates

The Department of Health and Social Care Group Accounting Manual requires the sickness absence data for NHS bodies to be reported in the annual report on a calendar year basis.

| Table 5A Staff sickness absence            |          |               | A09CY16   | A09PY16   |
|--|----------|---------------|-----------|-----------|
|  |          | Expected sign | 2023/24   | 2022/23   |
|  |          |               | No.       | No.       |
| Total days lost                            | <i>i</i> | +             | 97,911    | 110,992   |
| Total staff years                          | <i>i</i> | +             | 8,711     | 8,371     |
| <b>Average working days lost (per WTE)</b> |          | +             | <b>11</b> | <b>13</b> |

The most current data for the Trust for the calendar year 2023 can be found at [NHS Sickness Absence Rates - NHS Digital](#)

### Being attractive to and welcoming new staff

The Trust continues to modernise its approach to attracting individuals to join the organisation. A key area of focus has been initiating quicker on-boarding to ensure the Trust does not lose candidates before they start work. This has been driven by feedback that NHS Trusts are slower at bringing people on board due to the robustness of checks that they are required to carry out. In 2022/23, the Trust's KPI for time to hire was 25 working days, this year our internal target has reduced to 20 working days, helping to improve the experience for new recruits. The Trust has also developed a shortened application form for hard to fill generic roles. This has removed a barrier for some applicants to entry level roles and contributes to the quicker on-boarding initiative. The Trust has also partnered with North Yorkshire Council (NYC), who are the host for the local Prince's Trust programme. Involvement in the programme will aide in widening the audience of candidates for posts in the organisation and support recruitment for hard to fill roles through an alternative approach.

A new Consultant job pack has been developed, utilising innovative software, which operates as an interactive booklet, outlining the Trusts benefits, locality and services. It also includes a refreshed job description and person specification, to aide attracting high calibre candidates to join our Trust. The job pack is being extended out to all specialties. Following the success of the new job pack, other staff groups have approached the Recruitment Team to support them with adopting a modern approach to attraction, with some now utilising this tool within their adverts.

It has been an incredibly successful year for international recruitment. The team moved into a larger premises at Holgate Business Park and led the reconfiguration of the space to accommodate NHS England's Regional International Midwifery Programme alongside delivery of the Trust's own OSCE (objective structured clinical examination) education programme. The Trust has welcomed 113 internationally educated nurses into the organisation this year and has extended the OCSE programme to internationally educated nurses working as HCSWs both

within the Trust and with local partners, supporting them to develop their nurses within the social care sector as well. The programme has successfully converted 23 HCSW's into RN's.

The organisation has continued to build strong relationships with colleges overseas in Kerala and are set to launch a bridging course that will reduce the gap between the overseas qualification and UK NMC training requirements. In turn, this will provide the Trust with a robust pipeline, similar to that in the UK with existing colleges and universities, which will continue to support filling vacancies across the Trust.

The Trust was pleased to receive the Nursing and Midwifery Pastoral Care Quality Award. This recognises the organisation's dedication to ethical recruitment and our commitment to providing excellent support for overseas staff, helping them to feel settled and supported to enjoy long careers with the Trust.

In October the Trust re-introduced a face-to-face corporate induction programme for new starters with the organisation. The programme moved to eLearning with the onset of the Covid-19 pandemic in 2020 but has been re-invigorated as part of Our Voice Our Future with the aim of supporting high staff engagement from the start of employment. The programme is in workshop format and explores the Trust's values and Behaviour Framework with a focus on how each person contributes to the culture of the workplace. It has been designed to fit alongside department and job-specific inductions as part of a strong induction package. During the first three-months, 99/114 staff who provided feedback rated their overall induction experience with the Trust at four or five out of five (five being the highest rating).

### Schools and Work Experience Programme

The Trust's schools and work experience programme supports local students with aspirations of a career in healthcare by broadening horizons, raising awareness of the full range of roles available in the NHS and supporting students on the path to their career of choice.

The Trust has fostered a strong network of staff to respond to demand for off-site activities from schools and students. In 2023/24, the Trust engaged with 27 of the 43 local secondary schools, sixth forms and colleges in our communities. During this period, 66 staff showcased their careers, representing everything from Engineering to Play Therapy to over 5,500 students.

This was complemented with on-site pre-employment activities for students, including work shadowing, work experience, taster sessions and site tours. Following the launch of a new Work Experience Policy, the range of available work experience placements and taster sessions expanded to include Engineering, Laboratory Sciences, Digital, Radiography, Pharmacy and Nursing, alongside a programme of bespoke workshops and site tours aimed at students aged 14 and above.

### T-Level Placements

In 2023, the Trust worked with York College to pilot work placements for T-Level Health Students. T-Levels are 'Technical Level' qualifications equivalent to three A-Levels. Students study for two-years and need to complete 315 hours in a work placement as part of their course.

The pilot involved a cohort of six students undertaking placements in four different departments. Occupational Therapy, Physiotherapy, Ophthalmology, Dietetics, Patient Flow, Speech and Language Therapy, Orthopaedics, Diabetes, and Radiology participated in the programme.

The programme showed very positive results. Of the six students:

- Three secured employment with the Trust as Healthcare Support workers
- One was accepted onto a pre-registration nursing programme

- One planned to apply for a Healthcare Support Worker position
- One wanted to explore non-clinical roles within the Trust

The Trust is working with Humber and North Yorkshire Integrated Care Board and NHS England to explore whether support for a placements programme can be funded on a long-term basis.

### Graduate Management Programme

A new local graduate management programme is under development in the Trust with a proposed start date of September 2024. This scheme will create new opportunities for local graduates to join the NHS at a level commensurate with their qualifications, while providing training for an Operational Manager role. The training will include an ILM (Institute of Leadership & Management) Level 5 qualification in Operational/Department Management, and the NHS Leadership Academy's Edward Jenner qualification.

### Temporary Staffing

Temporary staffing remains a challenging area for the organisation with around 20,000 shift requests for bank and agency being processed every month. Despite the high level of demand, the Trust has achieved a significant milestone, by successfully removing all off-framework agency usage and has managed to sustain this position through an operationally challenging winter and periods of industrial action. The organisation is working hard to reduce reliance on agency, and more recently, has successfully removed the use of agency to cover health care support worker shifts. Work in the last 12 months has seen a significant reduction in reliance on non-clinical agency bookings, which are only booked by exception now. Through newly formed Temporary Staffing Review groups, work is underway to target high cost, long term agency bookings, with a view to remove or replace these where possible.

With significant focus on reducing agency expenditure, the Trust continues to collaborate with other organisations in the region, working collectively to address temporary staffing issues and seek alternative solutions, with an aim to reduce agency rates. The Trust has joined a number of newly formed ICB led programmes that will support work to reduce agency use, these include the collaborative bank and portability of staff programmes.

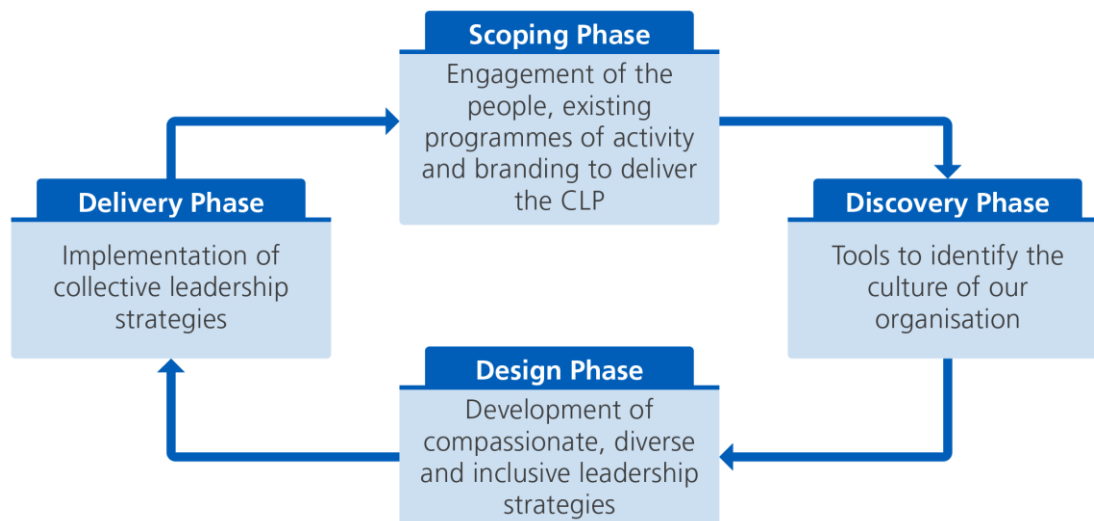
During winter the Trust reintroduced the allocation on arrival incentive at double time for Nursing, Midwifery, AHP and YTHFM roles. Flexibility payments were also available for substantive nursing and AHP staff. Both incentives have proven popular with staff again, providing great support in addressing staffing issues.

### eRostering

To ensure the Trust is utilising our substantive workforce effectively and to help improve experiences for our staff and patients, the organisation has commenced an eRostering Improvement Programme. To date, this has included the implementation of Check and Challenge meetings which have been introduced to support Ward Managers with roster creation and have aided in the reduction of net hours balances, management of headroom and the monitoring of bank and agency spending. Self-Rostering pilots are being launched in a small number of ward areas, to explore new ways of working and support staff to work more flexibly, enabling a better work life balance. As part of the improvement programme, the Trust has committed to investing in new roles within the eRostering Team from April 2024. These will be used to improve the culture, education and support around rostering and to enable the full implementation of eRostering across all staff groups in the organisation over the next 2 years.

## Culture & Engagement (Values & Behaviours)

The Trust has launched an initial two-year cultural change programme, Our Voice Our Future, following the NHSE Culture and Leadership Programme, to develop a compassionate and inclusive culture within the Organisation. The Programme provides a framework and tools which are being adapted to fit the needs of the organisation.



To launch the Discovery Phase in December 2023 the Trust recruited 50 Change Makers, individuals already employed within the Organisation who were given 2 days per month to step away from their substantive roles to help discover what it is like to work here. The Change Makers have had monthly personal development sessions, they have launched an informal feedback platform for colleagues, undertaken Board Interviews, facilitated culture focus groups, reviewed patient experience data and workforce metrics and sought to understand leadership development needs.

On completion of the Discovery Phase in 2024 the Change Makers will hold a synthesis workshop to analyse the data collected to help design the changes the organisation needs to make going forward.

## Staff Survey 2023

The 2023 national NHS Staff Survey was open between 2 October and 24 November. It measures how engaged staff are and provides insight into how colleague experiences and ultimately retention can be improved. Evidence shows that more engaged staff result in better patient experiences and outcomes.

The Trust results (including YTHFM) are benchmarked against our national peer group of all Acute/Acute & Community Trusts (122 including this Trust).

Our response rates deteriorated in 2023 and remain under the peer group average:

|                          | 2023       | 2022 | 2021 |
|--------------------------|------------|------|------|
| <b>Trust incl. YTHFM</b> | <b>39%</b> | 41%  | 38%  |
| Peer average             | 45%        | 44%  | 46%  |

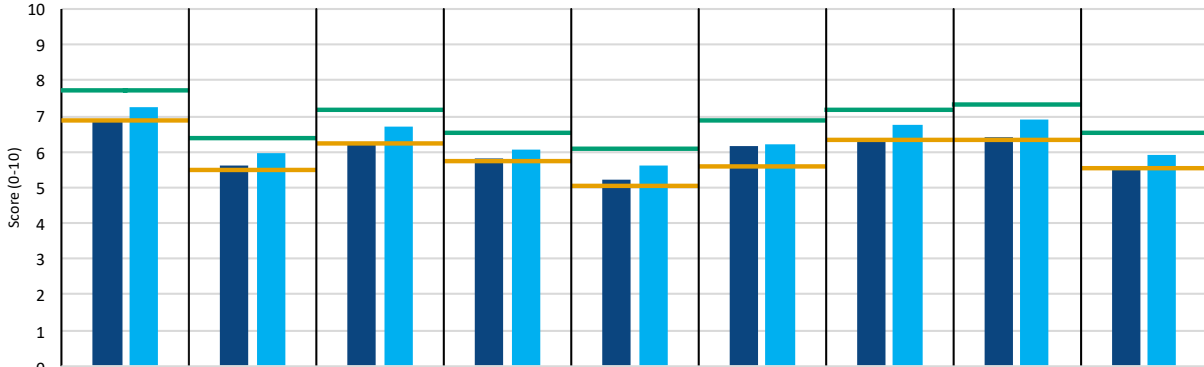
The results have been categorised into nine themes, seven of these are based on elements of the NHS People Promise plus the two recurring themes of ‘Staff Engagement’ and ‘Morale’. The results for each of the last three years, benchmarked against our national peer group, are shown below.

# People Promise elements and themes: Overview 2023

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



We are compassionate and inclusive   We are recognised and rewarded   We each have a voice that counts   We are safe and healthy   We are always learning   We work flexibly   We are a team   Staff Engagement   Morale



|                       |      |      |      |      |      |      |      |      |      |
|-----------------------|------|------|------|------|------|------|------|------|------|
| <b>Your org</b>       | 6.90 | 5.61 | 6.28 | 5.89 | 5.24 | 6.17 | 6.37 | 6.40 | 5.55 |
| <b>Best result</b>    | 7.71 | 6.37 | 7.16 | 6.59 | 6.07 | 6.87 | 7.19 | 7.32 | 6.52 |
| <b>Average result</b> | 7.24 | 5.94 | 6.70 | 6.09 | 5.61 | 6.20 | 6.75 | 6.91 | 5.91 |
| <b>Worst result</b>   | 6.85 | 5.50 | 6.21 | 5.75 | 5.05 | 5.60 | 6.35 | 6.34 | 5.54 |
| <b>Responses</b>      | 3856 | 3853 | 3822 | 3648 | 3683 | 3831 | 3849 | 3859 | 3858 |

York and Scarborough Teaching Hospitals NHS Foundation Trust Benchmark report

[scores are out of 10]

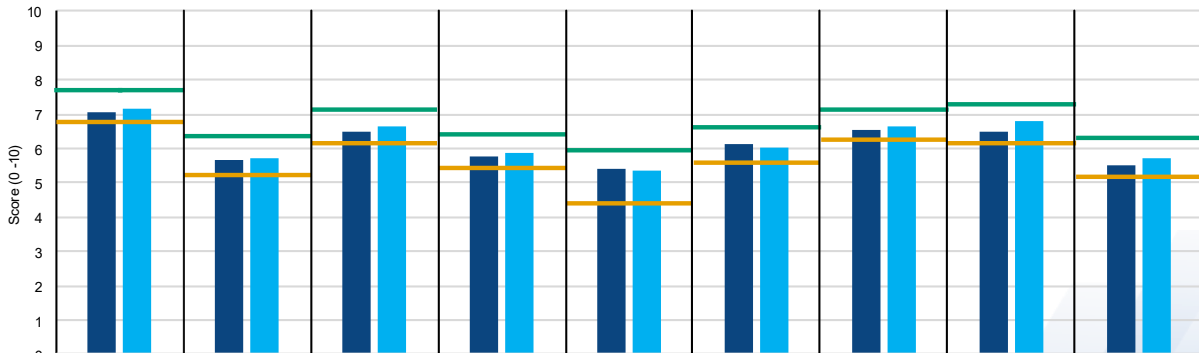
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## Staff Survey Results 2022



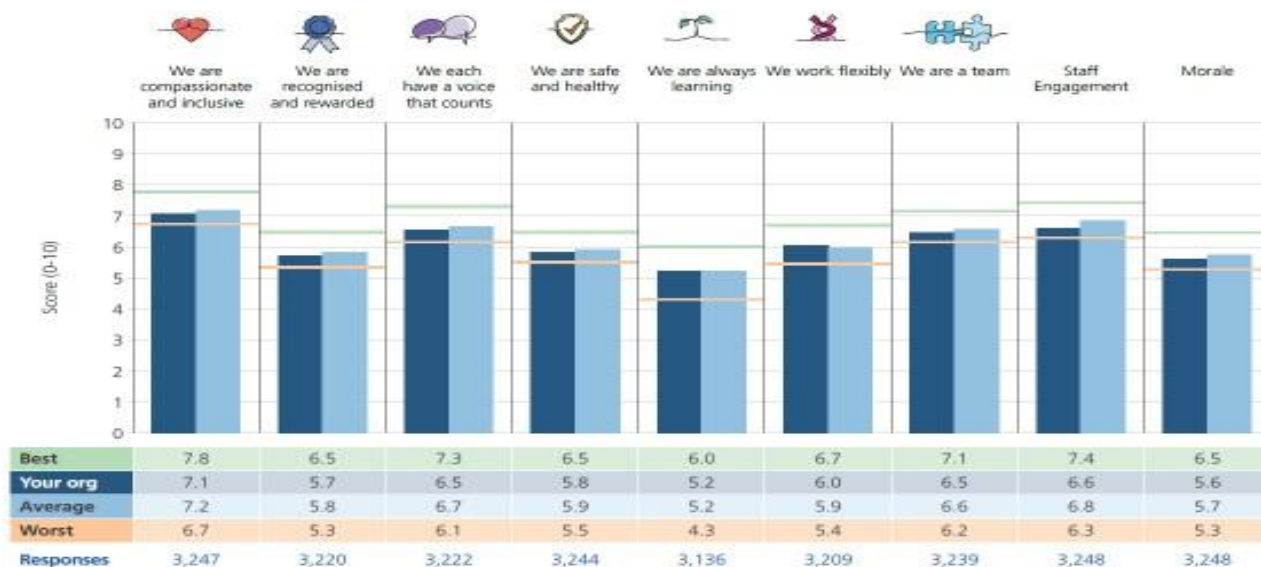
We are compassionate and inclusive   We are recognised and rewarded   We each have a voice that counts   We are safe and healthy   We are always learning   We work flexibly   We are a team   Staff Engagement   Morale



|                  |      |      |      |      |      |      |      |      |      |
|------------------|------|------|------|------|------|------|------|------|------|
| <b>Your org</b>  | 7.0  | 5.7  | 6.5  | 5.8  | 5.4  | 6.1  | 6.6  | 6.5  | 5.5  |
| <b>Best</b>      | 7.7  | 6.4  | 7.1  | 6.4  | 5.9  | 6.6  | 7.1  | 7.3  | 6.3  |
| <b>Average</b>   | 7.2  | 5.7  | 6.6  | 5.9  | 5.4  | 6.0  | 6.6  | 6.8  | 5.7  |
| <b>Worst</b>     | 6.8  | 5.2  | 6.2  | 5.4  | 4.4  | 5.6  | 6.3  | 6.1  | 5.2  |
| <b>Responses</b> | 3630 | 3634 | 3618 | 3624 | 3550 | 3631 | 3629 | 3634 | 3634 |

[scores are out of 10]

# Staff Survey Results 2021



[scores are out of 10]

## Free Text Comments (2023)

Staff are invited to answer two 'free text' nationally set questions at the end of the survey:

## On what grounds have you experienced discrimination? (121 contributors)

| Theme                             | Number of contributors |
|-----------------------------------|------------------------|
| Accent / Background / Nationality | 9                      |
| Appearance                        | 9                      |
| Bullying                          | 5                      |
| Favouritism / Unequal Treatment   | 24                     |
| Grade / Knowledge / Experience    | 19                     |
| Health                            | 13                     |
| Miscellaneous                     | 26                     |
| Parent/Carer/marital status       | 14                     |
| Union membership                  | 2                      |

## Any other comment to make about working for the Trust? (913 contributors)

| Theme   | No. of contributors |
|---|---------------------|
| Behaviours / Bullying / Values                          | 89                  |
| Career progression / access to training                 | 34                  |
| Discrimination / Inequality                             | 70                  |
| Leadership / Culture of the organisation                | 120                 |
| Management of individuals and teams                     | 141                 |
| Miscellaneous   | 35                  |
| National issues / Terms & Conditions                    | 20                  |
| Positive comments about individual experiences          | 76                  |
| Resources – staffing, space and equipment / systems etc | 134                 |
| Safety – patient safety                                 | 37                  |
| Service Management                                      | 48                  |



|   |    |
|---|----|
| Staff Facilities – food, showers, lockers, parking            | 33 |
| Teamworking – between departments, staff groups, across sites | 12 |
| Wellbeing   | 64 |

Note:

- where a person covered multiple topics in their response, it has been categorised depending on which topic was described in the most detail.
- ‘positive’ comments were received from contributors who often also had negative comments to make; but it is important to recognise that the proportion of people with positive comments to make has increased slightly from 6% of overall contributors in 2022 to 8% in 2023.

Nationally the scores (averaged across all types of Trust) have improved in 2023 for six of the nine elements/themes and have remained similar for three of them. The scores for all Acute/Acute & Community Trusts show a similar picture with seven of the nine element/themes improving, and two remaining similar.

The Trust is below our peer group average for every People Promise element and theme in 2023. This is a deterioration from 2022 when we were above average for ‘We work flexibly’ and average for ‘We are recognised and rewarded’, ‘We are always learning’ and ‘We are a team’.

The biggest gaps in performance compared to our peers are for the element ‘We each have a voice that counts’ (0.42) and the theme ‘Staff Engagement’ (0.51). Within ‘Staff Engagement’, the sub-score of ‘Advocacy’ has the biggest gap (0.88 below our peers).

| <b>The Advocacy sub-score has three questions:</b>   | <b>Trust 2023</b> | <b>Peer Average 2023</b> |
|--|-------------------|--------------------------|
| Care of patients is my organisation’s top priority   | 61.73%            | 74.83%                   |
| I would recommend my organisation as a place to work   | 46.96%            | 60.52%                   |
| If a friend or relative needed treatment I would be happy with the standard of care provided | 45.73%            | 63.32%                   |

This reflects that there is still much to do to ensure that all colleagues feel safe and confident to speak up, and that we take the time to really listen to understand the hopes and fears that lie behind the words. It also reflects feedback from change makers about the ongoing challenge to achieve effective communication with all colleagues at all sites – particularly those that have irregular / no access to electronic communications.

These results reflect what the Trust is like as a place to work and receive care. There are ongoing actions supporting recruitment, retention, staff development and engagement, and health and wellbeing. An Equality, Diversity & Inclusivity workstream has been launched alongside the re-launch of the Inclusion Forum and the Staff Networks. The Our Voice Our Future programme as referenced above will also support with developments in this area.

Work has continued to try and ‘fix the basics’ for staff members e.g. the provision of hot food out of hours, increased secure cycle storage, revised car parking criteria, attempting to incorporate staff shower and changing facilities into new builds / refurbishment programmes, introduction of free tea and coffee. The focus on the ‘basics’ needs to continue due to the direct impact on retention. Going forward Care Groups and Directorates will be supported with bespoke action plans. These will be underpinned by the corporate action plan which in the main will detail many of the initiatives we have recently commenced. These include the Our Voice Our Future programme to drive the improvement in the culture of the organisation. The Leadership and management development programmes will continue to progress to drive an improvement in the scores across all elements of the People Promise.

In addition to the above, the feedback received in the free text comments reflects that further educational work is required around equality, diversity and inclusion; and also, to increase understanding of the parameters of the national terms and conditions i.e. what is nationally agreed / mandated.

### Supporting Staff Development

The development of its workforce is a priority for the Trust. Support and development of staff and students maximises talent within the organisation and creates opportunities for career progression and workforce growth.

In 2023/24 the Trust continued to adapt and grow support for clinical and non-clinical roles at all levels. New areas of focus included a new model of training for Health Care Support Workers, and a multi-module programme for Care Group Leadership Teams.

In addition, the NHS Long Term Workforce Plan was published in June 2023, creating a roadmap for the expansion of clinical training places up to and including 2030/31. Locally, the Trust has increased training opportunities across several professions, most notably in undergraduate and postgraduate medical education. Progress has been positive, though managing additional training alongside service pressures has created new challenges, particularly in relation to availability of teaching space and supervision. The Trust is working with education partners and NHS England to plan for further increases in training placements over the next five-years.

### Health Care Academy

The Health Care Academy is the first of its kind in the Trust. It has been developed to provide a robust method of educating newly recruited Health Care Support Workers, with a focus on ensuring the Trust delivers the fundamentals of patient care every time. Through the programme, the Trust provides theoretical and practical training across diverse modules including personal development, infection prevention, privacy and dignity, nutrition and hydration, safeguarding, mental health, and handling patient information. Training takes place in dedicated clinical space at Bridlington Hospital, using a real ward layout.

To date, 66 Health Care Support Workers have commenced with the Health Care Academy, with 63 graduating and completing their probationary period. In 2024/25, the Academy will be expanded to provide up to 60 places per month for an expanded number of roles including Patient Services Assistant, Nursing Associate and Staff Nurse.

### Medical Education

Postgraduate medical education is in the second year of a three-year expansion of its Foundation programmes. This provides the Trust with additional Foundation Year One and Two doctors, funded by NHS England. Meanwhile, the Hull York Medical School (HYMS) is in its final year of a five-year expansion programme which has increased the number of medical students on placement in the Trust. There is an embedded team of nine Teaching Fellows in the organisation who support delivery of the undergraduate medical curriculum alongside a senior education faculty.

The delivery of undergraduate medical education is constantly developing to embrace new technology, while responding to pressure on clinical resources. Virtual Reality (VR) headsets are now used alongside simulation training programmes to add depth to students' experiences. Alongside this, adapted teaching activities are provided through clinics at Trust satellite sites with contributions from across the multi-disciplinary team.

During the last year the Medical Education Team has expanded to include the roles of 'Professional Lead for Advanced Care Practitioners and Physician Associates' (and Deputy) and

Locally Employed Doctor Tutor. These roles reflect the changing shape of the workforce and the importance of education and development tailored to different roles.

### Apprenticeships

Apprenticeships are important to the Trust's ambition to develop a workforce fit for the future. Programmes range from Level 2 (GCSE equivalent) to Level 7 (master's degree) and cover diverse clinical and non-clinical subjects. They are a key part of the NHS's ambitions for the Long Term Workforce Plan.

To maximise the potential of apprenticeship programmes the Trust has continued to work closely with educational partners to maintain programmes with flexible entry points and recognise staff's prior learning. From April 2023 to January 2024, it has invested £1.2 million of Apprenticeship Levy funds to pay 34 providers to deliver 46 apprenticeship programmes. The number of staff joining an apprenticeship programme in 2023/24 was 140, taking the number on apprenticeships in the Trust to 238 (figure as at the end of January).

Next year the Trust plans to offer places on apprenticeships to 167 staff, including 95 places on nursing apprenticeships.

### Funding for external workforce development

This year, the Trust received Continuous Professional Development (CPD) Funding from NHS England to support Registered Nurses, Midwives, Allied Health Professionals, and Nursing Associates with their development.

As well as individual courses and conferences, the funding was targeted to areas identified as requiring additional development in the most recent CQC Report, such as Maternity Services. The funding has supported the Trust to further develop leadership in the Senior Nursing Team, enable a cohort of nurses to complete top-up BSc degrees, and deliver health coaching to support staff mental health.

In addition to CPD funds, the Trust provided an Education Bursary via Y&S Hospitals Charity to 40 members of staff, which allocated £41,341 to fund or part-fund development activities.

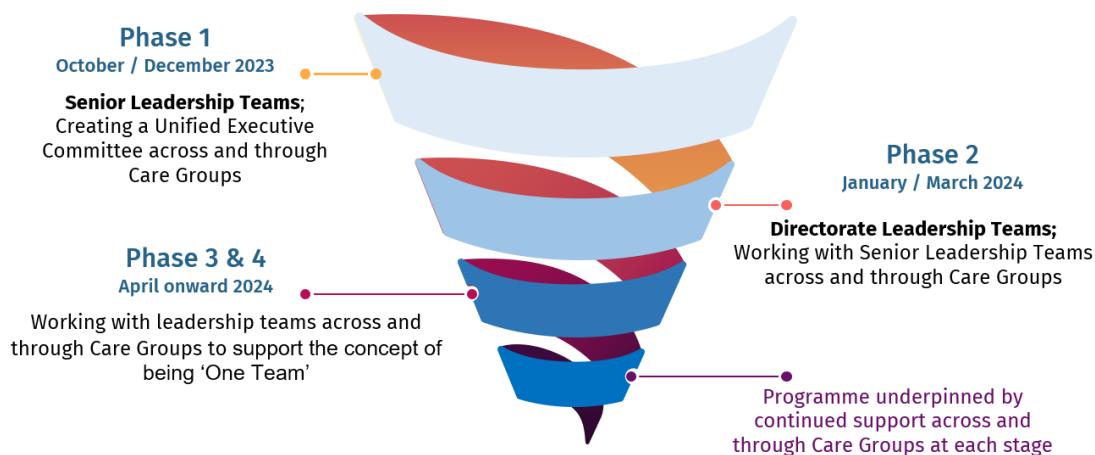
### Personal, team and leadership development

The Trust encourages access to a variety of personal and team development workshops and programmes in leadership and management, communication, coaching and mentoring, aligned to the principles of 'Our Leadership Framework' and the elements which sit within them. This modular and individually targeted approach to leadership and management development allows staff to access learning and development appropriate to their role, circumstance, and previous learning.

All the Trust's development opportunities are reviewed regularly to ensure they are evidence based and meet the strategic and operational needs of the Trust. The Care Group Leadership Development programme outlined below is an example of this focused approach to development.

### Care Group Leadership Development Programme: Leading Our journey to Excellence - One Team

This year's Care Group restructure continues to be supported by the Trust with the introduction of an internal Trust wide leadership development programme using a phased approach.



### The development programme

Mandated attendance at workshops



This programme's overarching aim is to provide a consistent horizontal and vertical leadership development approach across and within all Care Groups and support the concept of being 'One Team'.

The programme is aligned to the key organisational priorities and underpinned by the principles of 'Our Leadership Framework,' the Trust 'Values and Behaviours Framework', quality improvement and applied theoretical models of leadership.

The programme consists of three development sessions:

- Setting Direction
- Know Our Business
- 'Leading Our Journey to Excellence' as Care Group teams.

The programme also includes additional development support to individuals and teams including:

- Self and team assessment against 'Our Leadership Framework' and 'Values and Behaviours Framework'
- 1:1 and team coaching against agreed objectives
- Individual and team observation assessment in practice
- Focused action learning sets using real work scenarios
- Mentorship.

### Coaching and Mentoring

The Trust supports access to coaching and mentoring for all staff, targeting personal and team development, building resilience, and contributing to supporting staff wellbeing.

Coaching and mentoring are promoted through our leadership programmes, the embedding of 'Our Leadership Framework' and the Introduction to Coaching and Mentoring/ Manager as Coach workshops.

We use a blended approach of both internal and external coaching opportunities, engaging with our internal faculty of coaches and developing focused coaching offers, which reflect organisational priorities.

### Reverse/Reciprocal Mentoring

In 2023, representatives of staff from a Black, Asian, minority ethnic background partnered with directors and senior managers to share their lived experience as part of the continuing reverse/reciprocal mentoring programme. The Trust is continuing this approach in 2024 with staff who identify as having a disability or long-term health condition, or who are neuro diverse, as well as continuing to focus on learning opportunities through partnerships between line managers and staff from other under-represented groups.

### Equality, Diversity and Inclusion

Our Equality, Diversity and Inclusion (EDI) Leads continued to progress work to improve employment practices and service provision. Focus has been around Access, Experience and Outcomes, therefore there has been an increased emphasis on embedding inclusion into everything we do. In addition to the Trust complying with its legislative, statutory and mandatory requirements, it increased its training offer for staff, officially launched its five staff networks, used Positive Action to implement a Black, Asian and minority ethnic Leadership Development Programme, conducted service reviews, developed/developing new policies and localised focus on EDI operational work.

Further information on the Trusts EDI work can be found [here](#).

### Looking after our Current Workforce and protecting their Health and Wellbeing

Health and wellbeing outcomes are grouped under headings which align to the best practice NHS Employers Health and Wellbeing Framework and Diagnostic Tool. The table below details actions and initiatives under these headings, which commenced and were delivered during 2023/24. The table also demonstrates planned work for the 2024/25 financial year and beyond.

|                             | 2023/24 delivery  | 2024/25 planned activity   |
|-----------------------------|---|--|
| Personal Health & Wellbeing | <ul style="list-style-type: none"> <li>An online distance learning course, “Step into Health” is offered via Loughborough College, three times a year. Fourteen members of staff signed up to complete this in 2023.</li> <li>Online menopause workshops were delivered in collaboration with HNY Health Care Partnership.</li> <li>Lifestyle workshops ran throughout the year, including weight management, healthy eating, and be active.</li> <li>Throughout 2023 the Wellbeing Team also visited all Trust sites, campaigning on various health promotion topics, in line with National Awareness Days. These include “know your numbers week”, “time to talk week”, “nutrition and hydration week”, “on your feet/be active week”,</li> </ul> | <ul style="list-style-type: none"> <li>The Step into Health course will run again in February 2024, April 2024, and October 2024.</li> <li>Throughout 2024, the Wellbeing Team will once again visit all Trust sites, campaigning on various health promotion topics, in line with National Awareness Days. These include “know your numbers week”, “time to talk week”, “nutrition and hydration week”, “on your feet/be active week”, “mental health awareness week”, “women’s health week”, and “men’s health week”.</li> <li>The H&amp;WB team have forged close working relationships with the communications team to ensure that all H&amp;WB initiatives are communicated effectively to our staff. We are also working closely with are other system partners to deliver our H&amp;WB agenda and initiatives.</li> </ul> |



|               |  |   |
|---------------|--|---|
|               | <p>“mental health awareness week”, “women’s health week”, and “men’s health week”.</p> <ul style="list-style-type: none"> <li>• The on-site Bridlington Hospital Staff Gym has had over 100 active members. Throughout 2023, there were 765 staff visits.</li> </ul>   |   |
| Relationships | <ul style="list-style-type: none"> <li>• The H&amp;WB team have worked closely with the FTSU Guardian at various health fairs and events across all sites.</li> <li>• The OH and H&amp;WB team have participated in “New Starter” fairs across the Trust, alongside the Staff Benefits team. This has aided in supporting, networking, and promoting the H&amp;WB offer with our staff.</li> </ul>   | <p>We have recruited 47 change makers who, over the next six months, will be discovering what it is like to work here. This is a two-year programme which the Trust has committed to so that we can enact sustainable change. Change makers have been equipped and trained with tools and techniques that will help them collect feedback from staff to help discover what it’s like to work here and how we can make things better.</p>  |
| Environment   | <ul style="list-style-type: none"> <li>• Cross trust multi-disciplinary working /project group to progress staff safety around violence experienced at work and perceptions of safety and support has run throughout 2023, and reports into H&amp;WB Steering Group.</li> <li>• There is now a Violence Reduction Lead in post, within the Health and Safety team.</li> <li>• A permanent space has been located on the Bridlington Hospital York Hospital site for a dedicated wellbeing area. The “NHS Charities Together” bid was submitted and approved in June 2023, to refurbish this space, alongside refurbishing an area in York Hospital (currently delayed due to other Capital Projects), and a space in Scarborough (currently hasn’t been identified). These spaces will be multipurpose, offering a calm space for staff, as well as a space for offering bookable</li> </ul> | <ul style="list-style-type: none"> <li>• Two B5 temporary violence trainers are both now in post and are attending an intense training course in February. Following this the trainers will be able to give breakaway training to staff from March. Staff in high-risk areas will be targeted first, and then training will then be offered to remaining staff. Comms will be putting the trainer information on all screens in due course.</li> <li>• The work on the Bridlington site wellbeing room will commence mid-2024, with the intention to complete the York space once an existing team has moved location; and the intention to refurbish a space at Scarborough, once a suitable space is identified. There have been ongoing issues due to a lack of space at both York and Scarborough.</li> </ul> |



|                                    |   |  |
|------------------------------------|---|--|
|                                    | <p>sessions for staff health and wellbeing and psychological support.</p>   |  |
| <p>Management &amp; Leadership</p> | <ul style="list-style-type: none"> <li>• Wellbeing Guardian (NED Matt Morgan) continued to support Trusts H&amp;WB agenda.</li> <li>• Wellbeing Champion (Director of Workforce &amp; OD continued to support H&amp;WB agenda at Board level).</li> <li>• New Head of Occupational Health and Staff Wellbeing appointed September 2023.</li> <li>• Achievement of Menopause Accreditation in 2022. Continued and ongoing work with promoting the offer for our staff regarding the menopause, supporting managers and highlighting the effect of menopause for women in the workplace.</li> <li>• Collaboration with HNY-launch of period dignity products being available to all staff, at all Trust sites.</li> <li>• The Occupational Health team led on the 2023 seasonal flu and covid booster campaign through a drop-in clinic hub model. This was supported by bank clinical staff from the wider Trust. The uptake was lower than last year but reflected the regional and national picture. Influenza vaccination uptake (including headroom) was 32.1% for frontline staff, and 34.63% for all staff. In the NEY comparative vaccination uptake table, comprising of 33 Trusts, York and Scarborough sit at 25 out of 33 for Influenza vaccination uptake. For the Covid-19 vaccination uptake (including headroom), the frontline total was 28.58%, and 31.66% for all staff. In the NEY comparative vaccination uptake table, comprising of 33 Trusts, York and Scarborough</li> </ul> | <ul style="list-style-type: none"> <li>• HR Staff Sickness Absence Policy – the working group are trying to reduce the length of sickness monitoring, as the current timeframe causes distress to staff. A survey has been produced on Survey Monkey to get staff feedback around the sickness policy.</li> <li>• To support staff in their roles as managers, the Line Manager Toolkit was rolled out in early 2024. The toolkit contains quick and easy support documents, videos, and flowcharts; along with helpful resources, links, FAQs and more, on what you need to know as a line manager within our organisation. The toolkit follows an employee’s journey from entering the organisation as a new starter and includes all the things you need to do to recruit and support a new starter - right through to retaining colleagues through development or supporting them when the time comes, and they move on.</li> <li>• Also, in mid-2024, we will be rolling out line manager training for all our existing and new line managers, to go alongside the Line Manager Toolkit. This training will provide a consistent approach for line managers to ensure our workforce have the best possible experience working with us.</li> </ul> |

|                                       |   |  |
|---------------------------------------|---|--|
|                                       | <p>sit at 13 out of 33 for Covid vaccination uptake.</p>  |  |
| <p>Professional Wellbeing Support</p> | <ul style="list-style-type: none"> <li>• There are currently 116 Mental Health First Aiders (MHFA) in the Trust. They are supported by the wellbeing team with resources, signposting information, and a quarterly MHFA webinar is held, supported by a Psychologist from the Staff Psychology Service.</li> <li>• Spectrum received 264 enquires this year, and 220 consultations.</li> </ul> <p>Staff Psychology Team</p> <ul style="list-style-type: none"> <li>• The Staff Wellbeing Psychology team ran regular bookable 1:1 sessions which were attended by 267 staff across York, Bridlington and Scarborough sites. These confidential sessions are for advice and signposting</li> <li>• Received 101 Psychology referrals, offered 86 initial assessments and 827 follow up appointments.</li> <li>• Received 31 requests from various teams/depts for either support or training.</li> <li>• Delivered wellbeing sessions as part of mandatory training to various teams including 17 for Maternity across York &amp; SGH, 5 for ED, 5 for ICU, 3 for Nursing associates, 1 for HYMS students</li> <li>• Delivered 3 x online mental health training sessions for managers</li> <li>• Delivered 4 x Emotional Wellbeing webinars, 3 x Burnout webinars and a Trust wide Mental Wellbeing Webinar for Stress Awareness month</li> </ul> | <ul style="list-style-type: none"> <li>• In June 2024 there will also be a face-to-face Mental Health First Aider Conference held at Scarborough Lecture Theatre, that will include guest speakers from various charities, e.g., Menfulness, My Black Dog and Mental Health Mates.</li> </ul> <p>Staff Psychology Team</p> <ul style="list-style-type: none"> <li>• Complete pilots of Post event pathway, adapt according to feedback and roll out further across the Trust</li> <li>• Complete loss of colleague process and post suicide support</li> <li>• Develop in conjunction with liaison mental health team support required for line managers who have team members those experiencing an mental health emergency</li> <li>• Develop EDI work to ensure service becomes more inclusive and equitable</li> <li>• Restorative supervision training to be rolled out with MSK as a pilot</li> <li>• Develop Maternity support at all levels from newly qualified to senior RPG</li> <li>• Supervision sessions for the Bereavement midwives</li> <li>• Development of evaluation/feedback strategy to ensure we deliver the best quality care we can as a service</li> <li>• Develop referral criteria to ensure we maximise our reach to staff who meet criteria for support from our service</li> <li>• Further outreach/connection with staff on wards both at York and Scarborough sites</li> <li>• Continuing our involvement with induction process for preceptorship nurses/midwives</li> </ul> |

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|--|--|--|
|  | <ul style="list-style-type: none"> <li>• Delivered 1 x Full Day Act training for the Heart Failure Nurse (8 attended)</li> <li>• Delivered 1 x Wellbeing session to EOL children's community team (11 attended)</li> <li>• Delivered 1 x Back to basics wellbeing session to band 2-7 clinical staff (15 attended)</li> <li>• Delivered several wellbeing support sessions to various teams across the Trust in response to stressful incidents within teams/services including ICU, ED, Pharmacy &amp; Paediatrics &amp; Radiology.</li> <li>• Attended York &amp; SGH welcome events to promote support available to new staff, this will be ongoing</li> <li>• Supported the TiPi &amp; RAFT critical incident response service (see item3)</li> <li>• Act training has been developed and is now being delivered entitled 'healthy headspace'</li> <li>• A co-ordinated response to critical incidents has been developed and in the process of being piloted and rolled</li> <li>• A co-ordinated approach to bereavement is currently being developed</li> </ul> |  |
|--|--|--|

### Trade Union Facility Time Disclosures

The Trust fulfils its obligations under the Trade Union (Facility Time Publication Requirements) Regulations. The information reported for financial year 2022/23 is as follows:

- Trade union representatives and full-time equivalents:
  - Trade union representatives: 12
  - FTE trade union representatives: 11.2
- Percentage of working hours spent on facility time:
  - 0% of working hours: 0 representatives
  - 1 to 50% of working hours: 11 representatives
  - 51 to 99% of working hours: 1 representatives
  - 100% of working hours: 0 representatives
- Total pay bill and facility time costs:
  - Total pay bill: £465,644,432.00
  - Total cost of facility time: £75,419.45
  - Percentage of pay spent on facility time: 0.02%

- Paid trade union activities:
  - Hours spent on paid facility time: 2813
  - Hours spent on paid trade union activities: 1011
  - Percentage of total paid facility time hours spent on paid TU activities: 35.94%

# Code of Governance for NHS Provider Trusts Disclosures

York and Scarborough Teaching Hospitals NHS Foundation Trust has applied the principles of the NHS Provider Code of Governance on a 'comply or explain' basis. The NHS Provider Code of Governance, most recently revised in April 2023, is modelled on the 2018 version of the UK Corporate Governance Code. The Trust reviewed its governance arrangements in light of the code and makes the following statements.

## Directors

The Trust is headed by a Board; it exercises its functions effectively, efficiently and economically. The Board is a unitary Board and at the end of March 2024 consisted of a Non-executive Chair, six Non-executive Directors and seven Executive Directors. Full details of members of the Board and changes to the membership of the Board during 2023/24 can be found on [page 53](#). The Board meets a minimum of 10 times a year so that it can regularly discharge its duties.

The Board provides active leadership within a framework of prudent and effective controls and to ensure it is compliant with the terms of its licence. Further reference is made to this in the Annual Governance Statement on [page 134](#).

The Non-executive Directors hold Executive Directors accountable through scrutiny of performance outcomes, management of business process systems and quality controls, and satisfy themselves as to the integrity of financial, clinical and other information. Financial and clinical quality control systems of risk management are robust and defensible.

The Non-executive Directors, through the Board Remuneration Committee, fulfil their responsibility for determining appropriate levels of remuneration of Executive Directors. The Committee is provided with benchmark data to support decisions being made about the level of remuneration for the Executive Directors. More details about the Board Remuneration Committee can be found in the [Board remuneration section](#).

The Board reviews the strategic aims and takes responsibility for the quality and safety of healthcare services, education, training and research. Day-to-day responsibility is devolved to the Executive Directors and their teams. The BoD is committed to applying the principles and standards of clinical governance set out by NHSE, the Department of Health and the CQC. As part of the planning exercise, the BoD reviews its membership and undertakes succession planning.

The BoD has reviewed its values and standards to ensure they meet the obligations the Trust has to its patients, members, staff and other stakeholders as part of the work around the Five Year Strategy.

The appointment process for the Chair and Non-executive Directors is detailed on [page 109](#) and forms part of the information included in the Standing Orders written for the CoG. Each year the Chair and Non-executive Directors receive an appraisal which is reviewed by the CoG. The Chair undertakes an appraisal of the Chief Executive and the Chief Executive undertakes the appraisal of the Executive Directors. Details of the approach to appraisals can be found on [page 111](#) of this report.

Members of the BoD regularly attend the CoG and discuss issues with the Governors. The Non-executive Directors attend the private section of the CoG and are involved in committees and groups where the Governors are members or attend the meetings. A Board to CoG is held a minimum of once a year and the agenda for this meeting is determined by the CoG.

### **The Chair**

A clear statement outlining the division of responsibility between the Chair and the Chief Executive has previously been approved by the BoD.

### **Board of Directors (BoD)**

The Annual Governance Statement at [page 134](#) provides information in how the BoD ensures its effectiveness, efficiency and economy, the quality of healthcare over the long-term and contribution to the objectives of the ICP and ICB, and place-based partnerships. This includes addressing opportunities to work with providers and managing opportunities and risks to future sustainability.

The assessing and monitoring of culture, the seeking of assurances of corrective action where not satisfied and the BoD activities are described in the Chief Executive's Statement on page 4 and the Our Voice Our Future section and the Looking after our Current Workforce and protecting their Health and Wellbeing sections of the Staff Report on [page 85](#).

### **Governors**

Being an NHS Foundation Trust, the Trust has a CoG that is responsible for representing the interests of the members of the Trust, partners, voluntary organisations within the local health economy and the general community served by the Trust. Governors and their constituencies are identified on [page 116](#). The CoG holds the BoD to account for the performance of the Trust, including ensuring the BoD acts within the terms of the Licence. Governors' feedback information about the Trust to Members and the local community through a monthly newsletter, information placed on the Trust's website and public Council of Governor meetings.

The CoG consists of elected and appointed Governors. More than half of the Governors are Public Governors elected by members of the Trust. Elections take place once a year. The next elections will be held during summer 2024.

The CoG has in place a process for the appointment of the Chair which includes understanding the other commitments a prospective candidate has. The CoG appointed a new Chair during 2021/22 who took up office from 1 February 2022. The Chair resigned in May 2023 and an Interim Chair appointed until October 2023. A substantive Chair was subsequently appointed by the Council of Governors who started at the Trust in November 2023.

### **Information, development and evaluation**

The information received by the BoD and CoG is timely, appropriate and in a form that is suitable for members of the Board and Council to discharge their duty.

Development is provided throughout the year for Governors and Non-executive Directors in several formats.

The CoG has agreed the process for the evaluation of the Chair and Non-executive Directors and the process for appointment or re-appointment of the Non-executive Directors.

The Chair, having sought the views of the Non-executive Directors and Executive Director Board members, reviews the performance of the Chief Executive as part of the annual appraisal process.



The Chief Executive evaluates the performance of the Executive Directors on an annual basis and the outcome is reported to the Chair. The Chair and Non-executive Directors provide the Chief Executive with their view of the Executive Directors' performance in the Board meeting.

### **Performance evaluation of the Board and its committees**

NHSE conducted a well-led review in October/November 2022 which overlapped with that conducted by the CQC on 22-24 November 2022. The NHSE review included interviews with key staff and observation of the Board and Committees.

The final report of CQC's well-led review was received in June 2023. A series of actions to address the CQC well-led findings under the Journey to Excellence Programme is underway with progress reported to the BoD and the Quality Committee.

The Board's Sub-committees produce an annual report each year which is presented to the Board. The report sets out the work of the committees and their performance against their respective Terms of Reference.

### **Appointment of Members of the BoD**

The CoG is responsible for the appointment and/or removal of the Chair and Non-executive Directors. The Governors have a standing Nominations/Remuneration Committee which takes responsibility for leading the process of appointment/removal on behalf of the CoG. The Non-executive Directors are responsible for the appointment of the Executive Directors, including the Chief Executive. The CoG is required to approve the appointment of the Chief Executive.

### **The Process for the Appointment of the Chair**

During 2023 the CoG and the Governors' Nomination/Remuneration Committee considered and agreed the process for the appointment of the Chair. It was agreed that an outside recruitment agency should manage the process, led by the Lead Governor, and supported by the Associate Director of Corporate Governance. The CoG agreed that the Nomination/Remuneration Committee would agree the job description and criteria for the post, along with approving the advertisement and the appointment process.

A long list of applicants is reviewed for compliance with the requirements of the constitution and a short list of candidates is agreed by the Nomination/Remuneration Committee. The candidates are required to complete a Fit and Proper Person Declaration; an online search is undertaken and the Trust compiles evidence of the Fit and Proper Person test of the successful candidate.

The shortlisted candidates are asked to attend a one-to-one interview that tests pre-agreed requirements. This is followed by a number of group interviews which involve membership from Governors, Directors and members of staff and an unseen presentation. The candidates will then be asked to attend a final interview. The panel for the final interview comprises the Lead Governor and four other Governors, along with an invited external advisor. After the final interview the panel discusses the candidates and agrees what recommendation to put forward to the CoG for approval. Following approval by the CoG, the successful candidate is advised of their appointment.

Throughout the process both the Nomination/Remuneration Committee and the CoG are updated on progress.

### **The Process for the Appointment of the Non-executive Directors**

Once it has been established that there is a need to appoint a Non-executive Director, the Nomination/ Remuneration Committee meets to agree the details. The post is advertised and a

long list process is completed. The Nomination/Remuneration Committee reviews the applications to develop a shortlist. Governors from the Nomination/Remuneration Committee form the appointment panel and the panel undertakes the interviews. The panel develops a recommendation for approval by the CoG, following which the successful candidate is advised.

Non-executive Directors can serve a total of nine years but can choose to leave or have their service terminated by a recommendation of the Nomination/Remuneration Committee and a majority vote of the CoG.

An outside recruitment agency has been appointed to manage any future recruitment of Non-executive Directors over the next three years.

### **Appointment of Executive Directors**

The Trust has appointed Executive Directors during 2023/24 with details provided at [page 55](#) of the Directors' biographies. In the event of needing to recruit to an Executive Director post in future, the Trust would place an advert in appropriate media and work with an outside recruitment agency (if required) whom have been appointed to manage the process for the next three years to invite applications. Each shortlisted candidate would then undertake a series of profiling exercises followed by a formal interview process including a presentation to the interview panel, which would include members of the BoD.

### **Compliance with the Code of Governance**

YSTHFT has applied the principles of the Code of Governance on a 'comply or explain' basis. The Code of Governance, most recently revised in April 2023, is modelled on the 2018 version of the UK Corporate Governance Code.

For the year ending 31 March 2024, the Board considers that it was fully compliant with the Provisions of the Code of Governance. Information relating to disclosures to meet the requirements of the Code of Governance is documented throughout this Annual Report.

The BoD is committed to high standards of corporate governance, understanding the importance of transparency and accountability and the impact of Board effectiveness on organisational performance.

### **Responsibility for Preparing the Annual Report and Accounts**

The Directors of the Trust are responsible for the preparation of the Annual Report and Accounts. The Directors approve the Annual Report and Accounts prior to their publication. The Directors are of the opinion that the Annual Report and Accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and stakeholders to assess the NHS Foundation Trust's performance, business model and strategy.

### **Resolution of Disputes between the CoG and the BoD**

The Code of Governance requires the Trust to hold a clear statement explaining how disagreements between the CoG and the BoD would be resolved.

The BoD promotes effective communications between the CoG and the Board. The Board, through the Chief Executive and the Chair, provides regular updates to the CoG on developments being undertaken in the Trust. The Board encourages Governors to raise questions and concerns during the year and to ask for further discussions at their public meetings where they feel further detail is required. The Chief Executive and any invited Director, or Non-executive Director, will ensure that the CoG is provided with any information when, for example, the Trust has materially changed the financial standing of the Trust, or the performance of its business has changed, or where there is an expectation as to performance, which, if made public, would be likely to lead to

a substantial change to the financial wellbeing, healthcare delivery performance or reputation and standing of the Trust.

The Chair of the Trust also acts as Chair of the CoG. The Chair's position is unique and allows him to have an understanding of a particular issue expressed by the CoG. Where a dispute between the CoG and the Board occurs, in the first instance, the Chair of the Trust would endeavour to resolve the dispute.

Should the Chair not be willing or able to resolve the dispute, the Senior Independent Director and the Lead Governor of the CoG would jointly attempt to resolve the dispute. In the event of the Senior Independent Director and the Lead Governor being unable to resolve the dispute, the BoD, pursuant to section 15(2) of Schedule 7 of the National Health Service Act 2006, will decide the disputed matter.

The Board makes decisions about the functioning of the Trust contained in the Trust's Standing Orders (available on request from the Associate Director of Corporate Governance), and where appropriate, consults with the CoG prior to making a decision. Any major new development in the sphere of activity of the Trust which is not public knowledge is reported to the CoG in a private session, and to NHSE.

The CoG is responsible for the decisions around the appointment of Non-executive Directors, the appointment of the External Auditors in conjunction with the Group Audit Committee, the approval of the appointment of the Chief Executive and the appointment of the Chair. The CoG sets the remuneration of the Non-executive Directors and the Chair. The CoG is encouraged to discuss decisions made by the Trust and highlight any concerns it has. The CoG also has in place a statement that identifies at what level the BoD will seek approval from the CoG when there is a proposed significant transaction.

### **Board Balance, Completeness and Appropriateness**

As at 31 March 2024, the BoD for YSTHFT comprised seven Executive Directors, six Independent Non-executive Directors and an Independent Non-executive Chair. One Corporate Director (non-voting) also attends the Board. Recruitment of a vacant Non-executive Director post has been concluded with the new post holder commencing in June 2024.

Changes to the Board composition during the financial year 2023/24 are set out on [page 53](#).

### **Appraisal of Board Members**

The Chair has conducted a thorough review of each Non-executive Director to assess their independence and contribution to the BoD and confirmed that they are all effective, independent Non-executive Directors.

The appraisals are used as an opportunity to provide a basis for both individual and collective development programmes. A programme of appraisals has been run during 2023/24 and all Non-executive Directors have undergone an annual appraisal as part of the review.

The appraisal of the Chief Executive is undertaken on an annual basis by the Chair. The Chair has put in place a robust system where he discusses the outcome of his enquiries with the Chief Executive and draws up a set of objectives.

The BoD maintains a register of interests as required by the constitution and Schedule 7 section 20 (1) of the National Health Service Act 2006.

The BoD requires all Non-executive Directors to be independent in their judgement. The structure of the Board and integrity of the individual Directors ensure that no one individual or group dominates the decision-making process.

Each member of the BoD upholds the standards in public life and displays selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

All Board members have confirmed that they are fit and proper persons to hold the office of Director in the Trust and have no declarations to make that would be contrary to the requirements. All Board members have confirmed that they do not hold any additional interests that are not declared in the Trust's Declaration of Interests.

The appointment of Executive Directors is discussed at the Remuneration Committee.

Biographies for the BoD can be found on [page 56](#) of this report.

### **Internal Audit Function**

The Trust has an internal audit function in place that provides support to the management of the organisation. Details of the internal audit function can be found on [page 62](#).

### **Attendance of Non-executive Directors at the CoG**

All Non-executive Directors have an open invitation to attend the CoG meetings, which they attend on a regular basis. The BoD and the Governors meet at the Board to Council of Governor meetings, which are held twice a year. Each meeting has focused on areas that the Governors would like more information or understanding of.

Members of the CoG and Non-executive Directors work together on other occasions through various groups and committees and meet on a one-to-one basis during the year.

### **Executive/Corporate Directors' Remuneration**

The Board Remuneration Committee meets on a regular basis, as a minimum once a year, to review the remuneration of the Executive/Corporate Directors. Details of the work of the Remuneration Committee can be found on [page 78](#).

The CoG has a Nominations/Remuneration Committee which meets a minimum of four times a year. Part of the role of the Nominations/Remuneration Committee is to review the remuneration of the Non-executive Directors. Details of the Governor Nominations Remuneration Committee can be found on [page 78](#).

### **Accountability and Audit**

The BoD has an established Group Audit Committee that meets on a quarterly basis, as a minimum. A detailed report on the activities of the Group Audit Committee is on [page 61](#).

### **Relations and Stakeholders**

The BoD has ensured that there is satisfactory dialogue with its stakeholders during the year. Some examples of the Trust working with stakeholders can be found on pages 27, 69, 107, 110, 112, 131 and 142.

## Annual statement from the Lead Governor

I was delighted to be re-elected as a York public Governor in September 2023 and to be also re-elected as the Lead Governor in October 2023. I would like to thank all those who have supported and elected me.

**Leading the Trust Chair recruitment process.** Following the resignation of the Chair of the Trust, Alan Downey, in May 2024 and appointment of the Interim Chair, Mark Chamberlain, I led the recruitment process for the appointment of a new Chair. I was supported by a team of highly competent Governors, the Senior Independent Director, Lorraine Boyd, the Deputy Chair, Jenny McAleese, and the Assistant Director of Corporate Governance, Mike Taylor, to achieve the successful recruitment. We are delighted to now have Martin Barkley, who started as the Trust Chair in November 2023.

## **An NHS Provider workshop for the Council of Governors (CoG)**

was held on 21 August 2023 to offer a better understanding of the voluntary role of the Governor and make improvements to the role delivery. This included working with the Governor and Membership Manager, Tracy Astley, and NHS Providers to design the Governor Survey (69% of the Governors participated) and to hold the one-day workshop. A list of actions for improvements was developed and completed following the workshop. Governors understand their volunteer role better and are communicating effectively with the Non-executive Directors (NEDs), the Trust members and the public.

**A review of the member and public question & answer process** was undertaken and a more effective and an improved process was agreed by the CoG and implemented in March 2024.

**Working with the Chair, Martin Barkley, and the Senior Independent Director, Lorraine Boyd,** I have set up monthly meetings to discuss current activities, address any issues and discuss how to improve CoG processes, communications and assurances. I also meet one-to-one with individual Governors when needed as well as hold lunch time drop-in sessions. Martin is continuously improving the communication and assurance channels with the NEDs/Board and the CoG. Further, NED reports to the CoG meetings were simplified and a process for *questions to NEDs* by Governors prior to CoG meetings was introduced. Monthly Board meetings were re-introduced by Martin and Governors can attend as observers. In the evenings of Board meeting days, Martin and the CEO, Simon Morrith, brief the Governors and take questions about anything relating to Trust matters. All these activities have significantly increased the communication channels between the CoG and the NEDs for obtaining assurance on Trust matters.

**The Membership Development Strategy.** Members are an important part of the Trust. The membership Development Group, chaired by our Staff Governor Abbi Denyer, is currently reviewing and updating the Membership Development Strategy. We are looking at effective ways to engage with members of all the constituencies. Martin Barkley introduced constituency membership meetings at Selby, York, East Coast and Ryedale/Hambleton. I have given below a few examples of some of the ways our Governors engage with the members and the public:

### Julie Southwell (Staff Governor):

- Speaks with staff members about the issues concerning them and feeds these back to the CoG and to NEDs for obtaining assurances for improvement.





### Beth Dale (York Public Governor):

- Following feedback from Trust members and the public, holds regular discussions with the Trust Leads on Travel and Transport at the York Hospital. Beth arranged 3 drop-in meetings to give public the opportunity to talk about their ideas for alleviating the pressures of expensive taxi fares and missing appointments due to traffic and parking issues at the York Hospital. Beth's work also includes discussions with the City of York Council.
- Beth is also a member of the Pace forum in Scarborough as well as working with Macmillan Trust.

### Alistair Falconer and Sue Smith (Public Rydale & East Yorkshire Governors):

- Alastair and Sue attended the Patient Participation Group (PPG) at the Derwent Surgery in Malton. They also attended the PPG at West Ayton, Snainton and Sherburn. They have also made contact with the Pickering practice PPG, where they explain the Governor role and how to contact the CoG with concerns. They feed back relevant information on the Trust through the CoG, NEDs and the Patient Experience Steering Group (e.g. regarding progress with "Patient Knows Best" - achieving connectivity for sharing patient information from different departments; and Management of the Urgent Treatment Centre at Malton Hospital which has suffered frequent closures).

### Jill Quinn (Dementia Forward) and Elizabeth McPherson (Carers Plus Yorkshire) (Appointed Governors)

- Jill and Elizabeth feed back relevant information gathered from the Dementia Forward and Carers Plus Yorkshire network to the CoG and NEDs.

**The Constitution Review Group** chaired by our public Governor, Michael Reakes, reviewed and introduced changes to the Trust Constitution to improve communication between the CoG and the NEDs.

**Appointments of Associate NED and Chair of the Teaching Hospital Facilities Management LLP:** The CoG has appointed the Chair of the Teaching Hospital Facilities Management LLP and an Associate NED in February 2024.

The journey over the last twelve months has been challenging for the CoG and the Trust. However, the CoG is confident the improvement plans and the changes that have been introduced at all levels are significant and positive. There is much more to accomplish within the extensive funding constraints.

I would personally like to thank all the Governors for their hard work and firm commitment to continuous service improvement at our Trust guided by the Trust values of kindness, openness and excellence. I would also like to thank Martin Barkley for guidance and support to me and the full commitment to work with the CoG, and also Mike Taylor, the Associate Director of Corporate Governance, and Tracy Astley, Governor and Membership Manager, for all their support to the CoG.

**Rukmal Abeysekera**  
**Lead Governor**  
**June 2024**



## Role of the Council of Governors

All NHS Foundation Trusts are required to have a body of elected and nominated Governors. YSTHFT has a CoG which is responsible for representing the interests of the public in their local areas, Trust members, staff members and partner organisations in the local health economy.

As a public benefit corporation, the Trust is accountable to the local community, staff who have registered for membership and to those elected or appointed to seats on the CoG.

The CoG's roles and responsibilities are outlined in legislation and detailed in the Trust's constitution. The primary function of the CoG is:

- To hold the Non-executive Directors, individually and collectively, to account for the performance of the BoD; and,
- To represent the interests of the Members of the Trust as a whole and the interests of the public.

The CoG has a right to be consulted on the Trust's strategies and plans, and on any matter of significance affecting the services it provides. All Governors, both elected and appointed, are required to act in the best interest of the NHS Foundation Trust and to adhere to the values and code of conduct of the Trust.

Their other duties and responsibilities include:

- To appoint and remove the Chair and other Non-executive Directors.
- To approve the appointment of the Chief Executive.
- To appoint and remove the External Auditors.
- To ensure one or more of the Directors attend a meeting of the CoG for the purpose of obtaining information about the Trust's performance, of its functions, or the Directors' performance of their duties.
- To review the Annual Accounts, Auditors' Report and Annual Report.
- To provide a view from the membership on matters of significance affecting the Trust or the services it provides.
- To regularly feed back information about the Trust, its visions and its performance to the communities they represent.
- To attend meetings of the CoG.
- To attend Board to CoG meetings.
- To receive an annual report from the BoD.
- To monitor performance and other targets.
- To advise the BoD on its strategic plans.
- To make sure the strategic direction of the Trust is consistent with its terms of authorisation as agreed by NHSE.
- To be consulted on any changes to the Trust's constitution.
- To agree the Chair's and Non-executive Directors' remuneration.
- To provide representatives to serve on specific groups and committees working in partnerships with the BoD.
- To inform NHSE if the Trust is at risk of breaching its terms of authorisation, if the concerns cannot be resolved within the Trust.

The CoG and the BoD continue to work together to develop an appropriate and effective working relationship. They are regularly updated on the performance of the Trust from the Board of Directors and receive both the agenda and minutes of each public Board of Directors meeting. They are invited to attend these meetings and have a follow up meeting with the Chair and Chief Executive after each one. The Trust's Governors during 2023/24 have been engaged with on the review of the Trust's strategy contributing towards its objectives and priorities with their views

being incorporated along with planned member and public engagement into a final version for completion in 2024/25.

The CoG at YSTHFT currently has 28 Governor seats in the constitution, as follows:

|   |  |
|---|--|
| Public Governors  | 16 elected seats   |
| Staff Governors   | 6 elected seats  |
| Stakeholder Governors:  | 6 appointed comprising:  |
| <ul style="list-style-type: none"> <li>• Local Authorities</li> <li>• Voluntary/Healthcare Organisations</li> <li>• Local Universities</li> </ul> | <ul style="list-style-type: none"> <li>• 3 seats</li> <li>• 3 seats</li> <li>• 1 seat</li> </ul> |

### Governor Elections

The Trust holds elections each summer. Where there are vacancies in constituencies, the Members will be informed and invited to nominate themselves for the seats. Members who have joined prior to the closing date for nominations are eligible to vote. The elections process begins in June and the election results are announced at the end of September each year.

### The Governors

Listed below are the members, elected or appointed, who have served on the CoG during the year 2023/24.

| Name  | Initial Appt Year | Date Appointed | Term of Office | End of Term Date               |
|---|-------------------|----------------|----------------|--------------------------------|
| <b>ELECTED GOVERNORS – PUBLIC</b>                 |                   |                |                |                                |
| Hambleton Constituency (1 seat)                   |                   |                |                |                                |
| Catherine Thompson                                | 2016              | 01.10.22       | 3 Years        | 30.09.25                       |
| East Coast of Yorkshire (5 seats)                 |                   |                |                |                                |
| Linda Wild  | 2022              | 01.10.22       | 3 Years        | 30.09.25                       |
| Colin Hill  | 2022              | 01.10.22       | 3 Years        | 30.09.25<br>(resigned Sept'23) |
| Maria Ibbotson                                    | 2022              | 01.10.22       | 3 Years        | 30.09.25<br>(resigned Mar'24)  |
| Bernard Chalk                                     | 2021              | 01.10.21       | 3 Years        | 30.09.24                       |
| Keith Dobbie                                      | 2021              | 01.10.21       | 3 Years        | 30.09.24                       |
| Selby Constituency (2 seats)                      |                   |                |                |                                |
| Andrew Stephenson                                 | 2022              | 01.10.22       | 3 Years        | 30.09.25<br>(resigned Jan'24)  |
| Wendy Loveday                                     | 2022              | 01.10.22       | 3 Years        | 30.09.25                       |
| Ryedale and East Yorkshire Constituency (3 seats) |                   |                |                |                                |
| Sue Smith   | 2021              | 01.10.21       | 3 Years        | 30.09.24                       |
| Alastair Falconer                                 | 2021              | 01.10.21       | 3 Years        | 30.09.24                       |
| John Brian  | 2023              | 01.10.23       | 3 Years        | 30.09.26                       |
| York Constituency (5 seats)                       |                   |                |                |                                |
| Sally Light                                       | 2018              | 01.10.21       | 3 Years        | 30.09.24                       |
| Michael Reakes                                    | 2016              | 01.10.22       | 3 Years        | 30.09.25                       |

|   |      |          |         |                                |
|---|------|----------|---------|--------------------------------|
| Rukmal Abeysekera                           | 2020 | 01.10.23 | 3 Years | 31.10.26                       |
| Beth Dale                                   | 2021 | 01.10.21 | 3 Years | 30.09.24                       |
| Mary Clark                                  | 2022 | 01.10.22 | 3 Years | 30.09.25                       |
| <b>APPOINTED GOVERNORS</b>                  |      |          |         |                                |
| North Yorkshire Council (1 seat)            |      |          |         |                                |
| Cllr Liz Colling                            | 2022 | 01.09.22 | 3 Years | 31.08.25                       |
| City of York Council (1 seat)               |      |          |         |                                |
| Cllr Jason Rose                             | 2023 | 01.06.23 | 3 Years | 31.05.26                       |
| East Riding Council (1 seat)                |      |          |         |                                |
| Cllr Denise Howard                          | 2023 | 01.10.23 | 3 Years | 30.09.26                       |
| University of York (1 seat)                 |      |          |         |                                |
| Gerry Richardson                            | 2017 | 01.05.23 | 3 Years | 30.04.26                       |
| Voluntary/Healthcare Organisations (3 seat) |      |          |         |                                |
| Elizabeth McPherson<br>CEO Carers Plus      | 2023 | 01.05.23 | 3 Years | 30.04.26                       |
| Jill Quinn<br>CEO Dementia Forward          | 2024 | 09.01.24 | 3 Years | 31.12.27                       |
| Dawn Clements                               | 2016 | 01.10.22 | 3 Years | 30.09.25<br>(resigned May'23)  |
| <b>ELECTED GOVERNORS - STAFF</b>            |      |          |         |                                |
| Community (1 seat)                          |      |          |         |                                |
| Sharon Hurst                                | 2015 | 01.10.22 | 3 Years | 30.09.25<br>(resigned Sept'23) |
| Rebecca Bradley                             | 2023 | 01.10.23 | 3 Years | 30.09.26                       |
| Scarborough and Bridlington (2 seats)       |      |          |         |                                |
| Adnan Faraj                                 | 2023 | 01.10.23 | 3 Years | 30.09.26                       |
| Franco Villani                              | 2022 | 01.10.22 | 3 Years | 30.09.25                       |
| Maya Liversidge                             | 2020 | 01.11.20 | 3 Years | 31.10.23                       |
| York (3 seats)                              |      |          |         |                                |
| Vacancy                                     |      |          |         |                                |
| Paul Johnson                                | 2020 | 01.11.20 | 3 Years | 31.10.23                       |
| Julie Southwell                             | 2022 | 01.10.22 | 3 Years | 30.09.25                       |
| Abbi Denyer                                 | 2022 | 01.10.22 | 3 Years | 30.09.25                       |

The appointment to the CoG is for a maximum term length of three years or until the Governor ends their term, whichever is sooner. A Governor can serve a maximum of nine years.

The following changes occurred in the CoG membership during the year:

#### Incoming

- John Brian was appointed as Public Governor for Ryedale & East Yorks constituency on 1 October 2023
- Rebecca Bradley was appointed as Staff Governor Community constituency on 1 October 2023

- Adnan Faraj was appointed as Staff Governor Scarborough & Bridlington constituency on 1 October 2023
- Cllr Jason Rose was appointed as Stakeholder Governor representing City of York Council on 1 June 2023
- Cllr Denise Howard was appointed as Stakeholder Governor representing East Riding Council on 1 October 2023
- Elizabeth McPherson was appointed as Stakeholder Governor representing Voluntary/ Healthcare organisations on 1 May 2023.
- Jill Quinn was appointed as Stakeholder Governor representing Voluntary/ Healthcare organisations on 9 January 2024.

### Outgoing

- Andrew Stephenson resigned in January 2024.
- Dawn Clements resigned in May 2023.
- Colin Hill resigned in September 2023.
- Sharon Hurst resigned in September 2023.
- Paul Johnson tenure ended October 2023.
- Maya Liversidge tenure ended October 2023.
- Maria Ibbotson resigned in March 2024.

### CoG Meetings

The Trust Chair also acts as Chair of the CoG. Meetings of the CoG took place on eight occasions. The table below shows the attendance of Governors at the formal CoG meetings.

| Attendees           | 03.05.23 * | 12.05.23 * | 15.06.23 | 14.09.23 | 20.09.23 * | 14.12.23 | 26.02.24 * | 14.03.24 | Total meetings attended |
|---------------------|------------|------------|----------|----------|------------|----------|------------|----------|-------------------------|
| Rukmal Abeysekera   | ✓          | ✓          | ✓        | ✓        | ✓          | ✓        | ✓          | ✓        | 8/8                     |
| Maria Ibbotson      | ✓          | ✓          | ✓        | ✓        | ✓          | ✓        | x          |          | 6/6                     |
| Rebecca Bradley     |            |            |          |          |            | ✓        | x          | x        | 1/3                     |
| John Brian          |            |            |          |          |            | ✓        | x          | x        | 1/3                     |
| Bernard Chalk       | ✓          | ✓          | ✓        | ✓        | x          | ✓        | x          | x        | 5/8                     |
| Mary Clark          | ✓          | x          | ✓        | ✓        | x          | ✓        | ✓          | ✓        | 6/8                     |
| Dawn Clements       | ✓          | ✓          | ✓        | ✓        | ✓          |          |            |          | 5/5                     |
| Cllr Liz Colling    | ✓          | x          | ✓        | ✓        | ✓          | ✓        | x          | ✓        | 6/8                     |
| Beth Dale           | ✓          | ✓          | ✓        | ✓        | ✓          | x        | ✓          | ✓        | 7/8                     |
| Abbi Denyer         | ✓          | ✓          | ✓        | ✓        | ✓          | ✓        | x          | ✓        | 7/8                     |
| Keith Dobbie        | ✓          | x          | ✓        | ✓        | ✓          | x        | ✓          | ✓        | 6/8                     |
| Alastair Falconer   | ✓          | x          | ✓        | ✓        | x          | ✓        | ✓          | ✓        | 6/8                     |
| Adnan Faraj         |            |            |          |          |            | ✓        | x          | x        | 1/3                     |
| Colin Hill          | x          | ✓          | ✓        | ✓        | ✓          |          |            |          | 4/5                     |
| Denise Howard       |            |            |          |          |            | ✓        | x          | x        | 1/3                     |
| Sharon Hurst        | ✓          | ✓          | ✓        | ✓        | ✓          |          |            |          | 5/5                     |
| Paul Johnson        | ✓          | ✓          | ✓        | ✓        | ✓          |          |            |          | 5/5                     |
| Elizabeth McPherson |            |            | ✓        | ✓        | x          | ✓        | x          | ✓        | 5/6                     |

|                    |   |   |   |   |   |   |   |   |     |
|--------------------|---|---|---|---|---|---|---|---|-----|
| Sally Light        | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 8/8 |
| Maya Liversidge    | ✓ | ✓ | ✓ | ✓ | ✓ |   |   |   | 5/5 |
| Wendy Loveday      | ✓ | ✓ | x | ✓ | ✓ | x | x | ✓ | 5/8 |
| Jill Quinn         |   |   |   |   |   |   |   | x | 0/1 |
| Michael Reakes     | ✓ | x | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 7/8 |
| Gerry Richardson   | ✓ | ✓ | x | ✓ | ✓ | ✓ | ✓ | ✓ | 7/8 |
| Jason Rose         |   |   | ✓ | ✓ | ✓ | ✓ | x | ✓ | 7/8 |
| Sue Smith          | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 8/8 |
| Julie Southwell    | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 8/8 |
| Andrew Stephenson  | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | x |   | 6/6 |
| Catherine Thompson | ✓ | x | x | ✓ | ✓ | ✓ | ✓ | ✓ | 6/8 |
| Franco Villani     |   |   |   |   |   | ✓ | ✓ | ✓ | 3/3 |
| Linda Wild         | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | x | 7/8 |

\* These were an extraordinary Council of Governor meeting to ratify the re-appointment of two Non-executive Directors.

The Chief Executive, Deputy Chief Executive and Non-executive Directors and Trust staff regularly attend meetings of the CoG and its subgroups to present appropriate reports and provide information on the Trust's performance at the Council's request. The table below shows the attendance of the Board at the formal CoG meetings.

| Attendees        | 15.06.23 | 14.09.23 | 14.12.23 | 14.03.24 | Total meetings attended |
|------------------|----------|----------|----------|----------|-------------------------|
| Simon Morritt    | ✓        | ✓        | ✓        | ✓        | 4/4                     |
| Andrew Bertram   | ✓        |          |          | ✓        | 2/2                     |
| Karen Stone      |          |          |          |          | 0/0                     |
| Dawn Parkes      |          | ✓        | ✓        | x        | 2/3                     |
| Claire Hansen    |          | ✓        | ✓        | ✓        | 3/3                     |
| Polly McMeekin   |          |          |          |          | 0/0                     |
| James Hawkins    |          |          | ✓        | ✓        | 2/2                     |
| Lucy Brown       |          |          | ✓        | ✓        | 2/2                     |
| Jenny McAleese   | ✓        | x        | ✓        | x        | 2/4                     |
| Lynne Mellor     | ✓        | x        | x        | ✓        | 2/4                     |
| Lorraine Boyd    | ✓        | ✓        | ✓        | ✓        | 4/4                     |
| Jim Dillon       | ✓        | ✓        | ✓        | ✓        | 4/4                     |
| Steven Holmberg  | x        | x        | x        | x        | 0/4                     |
| Matt Morgan      | x        | x        | ✓        | x        | 1/4                     |
| Denise McConnell | ✓        | ✓        | x        |          | 2/3                     |

During 2023/24 the Council of Governors and its subgroups and Committees received updates and considered reports on a number of issues including:

- Our Voice Our Future: Trust priorities
- Post Covid-19 operational challenges
- Care Quality Commission progress reports
- Humber, Coast and Vale Health and Care Partnership updates
- Board appointments
- NED appraisals
- Draft Trust Strategy
- Ockenden Update
- Governor Elections
- NED Succession Planning
- Group Audit Committee Annual Report
- Workforce/Recruitment issues
- Elective recovery
- Discharge pathways
- Board development
- Digital, Performance & Finance updates
- Quality & Safety updates
- Resources updates
- Industrial Action
- Workforce Disability Equality Standard (WDES) Annual Report
- Workforce Race Equality Standard (WRES) Annual Report
- York Teaching Hospital Facilities Management LLP updates

Governors have also been involved in or attended the following meetings/events:

- Virtual Annual General Meeting/Annual Members' Meeting 2023
- Governors' informal meetings
- Monthly Public Board of Directors meetings
- Quarterly Public Council of Governors meetings
- Monthly Board/CoG meetings
- Trust Strategy meetings
- Governor Workshop

### Attendance at Meetings

In addition to the CoG meetings, the Governors also met on a number of other occasions during the year to receive informal updates, training and information.

These covered a number of subjects, including the following:

- Governor Workshops
- Draft Strategy
- Operational Pressures and Recovery
- Progress on CQC actions
- Ockenden Progress
- Digital Progress.

Governors have also been involved in or attended the following meetings/events:

- Virtual Annual General Meeting/Annual Members' Meeting 2023
- Governors' informal meetings



- Public BoD meetings
- CoG/BoD meetings
- Local community events
- PLACE Assessments
- Site Accessibility Assessments.

## Training for Governors

To ensure the Governors are equipped with the skills they need to undertake their role, the Trust continues to ensure that Governors receive the information and understanding they require to perform the role. An Induction session is provided to new Governors and the agendas from the Council meetings and Board to Council of Governors are structured to provide the necessary information and understanding. The governors are encouraged to enrol on the courses provided by Governwell through NHS Providers, including:

- Governor Focus Conference
- NED Recruitment Training
- Membership & Public Engagement
- Accountability and Holding to Account
- Core Skills
- NHS Finance & Business Skills
- Effective Questioning & Challenge

## Governor expenses

Governors are not remunerated but are entitled to claim expenses for costs incurred whilst undertaking duties for the Trust as a Governor (i.e., travel expenses to attend the Council of Governors meetings). The total amount of expenses claimed during the year from 1 April 2023 to 31 March 2024 by 11 Governors totalled £600. The total amount of expenses claimed during the previous year from 1 April 2022 to 31 March 2023 by 9 Governors totalled £400.

## Related Party Transactions

Under International Accounting Standard 24 “Related Party Transactions”, the Trust is required to disclose in the annual accounts any material transactions between the NHS Foundation Trust and members of the CoG or parties related to them.

There were no such transactions for the period 1 April 2023 to 31 March 2024.

## Appointment of the Lead Governor

The process for the appointment of Lead Governor requires Governors to put their name forward and provide a statement. These names and statements are put forward to the full Council of Governors which holds an election. The Council of Governors followed this process and reappointed Rukmal Abeysekera as Lead Governor from 1 October 2023.

## Membership of the committees and groups

The Council of Governors has delegated authority to a number of Committees and Groups to address specific responsibilities of the Council of Governors. During the year the Council of Governors welcomed some new members following the elections. This has meant that during the early part of 2024 the Governors have reviewed the Groups and Committees and replacements have been confirmed.

The Council of Governors was supported by the following Sub-Groups and Committees.

## Nomination/Remuneration Committee

The Committee has met on numerous occasions throughout the year. Issues discussed included:

- NED succession planning
- NED recruitment
- Chair recruitment
- NED annual appraisals
- Lead Governor recruitment
- Terms of Reference
- Work Programme

The Committee continues to reflect on the process for appointment of new Non-executive Directors and will take any learning forward to help shape the future Non-executive Director appointment processes.

Items discussed at the Nominations/ Remuneration Committee are highlighted in the private session of the full Council of Governors and the Chair offers time for discussion. In the Council's subsequent meeting in public, the Chair briefly summarises the recommendations put forward by the Committee and their approval (or not) by the full Council of Governors.

### Out of Hospital Care Group

The Out of Hospital Care Group is a quarterly meeting of Governors and others who represent the localities served by the Trust. Members include Public and Staff Governors, a Non-executive Director, and senior managers from the Trust. The Group is chaired by a governor. The Group has a wide remit, looking at any services provided out of hospital by the Trust and reporting back to the Council of Governors. The Group serves three key purposes:

- To provide a forum for Governors (on behalf of the members and local communities) to raise any issues regarding community services.
- To provide a reference group for development in community services to gain insight from a public perspective.
- To keep Governors updated on the developments in community services.

The Governors are involved in exploring options for improving the links between public Governors and the communities they represent.

### Constitution Review Group

The Constitution Review Group has met during the year and discussed several topics, including:

- Constitution amendments
- NED tenure
- Governors' tenure
- Representation of local councils at CoG
- Governors Code of Conduct
- Terms of Reference

### Membership Development Group

The Membership Development Group has met during the year and discussed several topics, including:

- The Membership Development Strategy
- Increase/decline of membership numbers
- Development of the action plan
- Use of social media/press releases/articles to promote membership

The meetings are open to all Governors to explore all opportunities and ideas to engage with members of the public. The Group is focused on how to maintain membership of the Trust and how to recruit members across the Trust's constituencies using various initiatives including:

- Increasing the number of locations in which the membership poster can be placed around the hospital sites and in the wider community
- Using various methods of communication, including the membership newsletter, email and social media to encourage membership
- Using mobile membership banners which rotate around the Trust's sites.

### Code of Conduct

All Governors have read and signed the Trust's Code of Conduct, which includes a commitment to actively support the NHS Foundation Trust's vision and values.

### Register of Governor's interests

The Trust holds a register listing any interests declared by members of the CoG. Governors must disclose details of company Directorships or other positions held, particularly if they involve companies or organisations likely to do business, or possibly seeking to do business with the Foundation Trust.

The register forms part of the papers at every public CoG meeting and can be accessed by visiting: <https://www.yorkhospitals.nhs.uk/about-us/council-of-governors/papers-and-minutes/>. The register is also available in the publications section on the Trust website. The public can also make a request in writing to:

Address: Associate Director of Corporate Governance  
York and Scarborough Teaching Hospitals NHS Foundation Trust  
Wigginton Road  
YORK  
YO31 8HE

Telephone: 01904 725076

Email: [yhs-tr.governors@nhs.net](mailto:yhs-tr.governors@nhs.net)

### Foundation Trust Membership

#### Membership Strategy

The Trust continues to focus on recruitment and retaining membership using a variety of methods. Members of the public can sign up for Trust membership via the following link: <https://www.yorkhospitals.nhs.uk/get-involved/> or complete a paper application found in the main reception area at any of the Trust's hospitals.

The Trust continues its aim to build a representative membership base to support public accountability and local engagement. It is recognised that a well-informed, motivated, and engaged membership helps organisations to be more responsive, with an improved understanding of the needs of its patients and local communities. Therefore, it is vital to create a membership that matches the demographic mix of our catchment area and to create a vibrant membership programme to support successful long-term engagement with members. The vision is based around three key areas:

- **Meaningful Membership** – developing a better relationship with existing members who can become more actively engaged with the Trust if they so wish

- **Representative Membership** – to ensure our membership reflects, where possible, our socio-demographic geography and the communities which we serve
- **Innovative Membership** – that looks to new ways of recruiting members and reaches out to local communities, younger Members and pockets of very low membership coverage.

In order to maintain our membership level and recruit new public members, the Trust has taken forward a number of initiatives during 2023/24, including:

- Membership information displayed in main reception of each hospital
- Continued use of the Trust’s social media platforms to engage and inform members and the wider public of developments and events at the Trust
- Dedicated Governor and Membership Manager who acts as link between the members and the Trust
- Updating the membership section on the Trust’s website to include the benefits of being a member, easier access to signing up, and contact information
- Membership posters being displayed in GP surgeries, libraries and other public areas
- Membership postcards being handed out at local events.

The strategy seeks to support the CoG with specific goals to increase membership and maintain support for the Trust.

### Retention of Members

The Trust recognises the importance and value of a representative membership and has continued to focus on opportunities to engage with and retain existing Members. Over the past year various events have been arranged and we continue to keep Members up to date through a dedicated electronic membership newsletter. Initiatives include:

- Inviting all Members to the Public CoG meetings throughout the year. There is a half hour allocated prior to the meetings to give the public/members the opportunity to talk to their Governors
- Inviting all members to the virtual Annual Members’ Meeting which took place in October 2023.

Over the next 12 months we will continue to look at new ways to promote the benefits of membership in order to maintain and increase our membership. The Membership Strategy is currently being revised.

### The Trust’s Current Catchment Area

The map shows the five community areas the Trust serves and each one forms a public constituency for our membership.



## Constituencies

The Trust has defined its public constituency boundaries to fit as far as possible with clearly defined local authority boundaries and “natural” communities. Each of the five constituencies contains at least one hospital facility which is either run by or has services provided by the Trust. These are places that the local population clearly identify with and care much about; it is the Trust’s experience this is a key issue for membership.

| Constituency               | Wards  |
|----------------------------|--|
| York                       | All council wards and the wards of Ouseburn and Marston Moor of Harrogate Borough Council.<br><br>Hospital facilities include York General Hospital, St Helen’s Rehabilitation Hospital, White Cross Court Rehabilitation Hospital.  |
| Selby                      | All council wards and the parishes of Bubwith, Ellerton, Foggathorpe and Wressle.<br><br>Hospital facilities include the Selby War Memorial Community Hospital.  |
| Hambleton                  | All council wards and the areas of Northallerton, Bromfield, Northallerton Central, Romanby, Sowerby, Thirsk, Throntons, Topcliffe, Whitestone Cliff, Bishop Monkton, Boroughbridge, Carlo, Hookstone, Knaresborough East, Knaresborough King James, Knaresborough Scriven park, Newby, Pannal, Ribston, Ripon Minster, Ripon Mooreside, Ripon Spa, Spofforth with Lower Wharfdale, Starbeck, Wetherby.<br><br>Hospital facilities include St Monica’s Community Hospital. |
| Ryedale and East Yorkshire | All 20 Ryedale wards and the East Riding wards of Pocklington Provincial, Wolds Weighton and the parish of Holme upon Spalding Moor.<br><br>Hospital facilities include Malton, Norton and District Community Hospital.  |
| East Coast of Yorkshire    | Whitby council wards. Hospital facilities include Whitby Community Hospital.<br><br>Scarborough council wards. Hospital facilities include Scarborough and District General Hospital.<br><br>All 3 wards of Bridlington Town Council and 2 wards of East Riding Council, Driffield and Rural and East Wolds and Coastal. Hospital facilities include Bridlington and District General Hospital.  |

Membership of the Trust is free and is open to anyone aged 16 years of age and over. No special skills or experience is required to be a member. Our public membership consists of patients, volunteers and members of the public who wish to become involved.

## Out of Area Public Members

The Trust will continue to offer membership to the public who live outside of these constituencies.

## Public Membership Profile

Membership of the Trust as at 31 March 2024 was as follows:

| Constituency               | Members     |
|----------------------------|-------------|
| East Coast of Yorkshire    | 1181        |
| Hambleton                  | 571         |
| Ryedale and East Yorkshire | 1145        |
| Selby                      | 1303        |
| York                       | 4373        |
| Out of Trust Area          | 640         |
| <b>Total</b>               | <b>9213</b> |

| Age        | Public | Gender      | Public |
|------------|--------|-------------|--------|
| 0-16       | 0      | Unspecified | 138    |
| 17-21      | 10     | Female      | 5553   |
| 22+        | 8802   | Male        | 3522   |
| Not Stated | 400    |             |        |

| Ethnicity   | Public |
|---|--------|
| White - English, Welsh, Scottish, Northern Irish, British | 3862   |
| White - Irish   | 22     |
| White - Gypsy or Irish Traveller                          | 0      |
| White - Other   | 59     |
| Mixed - White and Black Caribbean                         | 5      |
| Mixed - White and Black African                           | 4      |
| Mixed - White and Asian                                   | 7      |
| Mixed - Other Mixed                                       | 4      |
| Asian or Asian British - Indian                           | 20     |
| Asian or Asian British - Pakistani                        | 7      |
| Asian or Asian British - Bangladeshi                      | 2      |
| Asian or Asian British - Chinese                          | 4      |
| Asian or Asian British - Other Asian                      | 15     |
| Black or Black British - African                          | 10     |
| Black or Black British - Caribbean                        | 4      |
| Black or Black British - Other Black                      | 1      |
| Other Ethnic Group - Arab                                 | 1      |
| Other Ethnic Group - Any Other Ethnic Group               | 6      |
| Not stated  | 5180   |



## Staff Membership

The staff constituency comprises:

- Permanent, directly employed members of staff.
- Temporary members of staff who have been employed in any capacity on a series of short-term contracts for 12 months or more.

For staff, membership runs on an opt-out basis, i.e., all qualifying staff are automatically members unless they seek to opt out. The staff membership is broken down into three constituencies: -

|                                    |   |
|------------------------------------|---|
| <b>York</b>                        | All staff whose designated base hospital is York Hospital, White Cross Court Rehabilitation Hospital, St Helen's Rehabilitation Hospital, Archways Hospital and any other staff not included in either of the staff groups described below.   |
| <b>Scarborough and Bridlington</b> | All staff whose designated base hospital is Scarborough General Hospital or Bridlington and District Hospital.  |
| <b>Community</b>                   | All staff whose designated base hospital is Malton Community Hospital, Whitby Community Hospital, New Selby Community Hospital (also known as the New Selby War Memorial Hospital), St Monica's Hospital, Easingwold and any other staff who are designated as "Community" staff and therefore do not have a designated base hospital as they work mainly with patients in a non-acute setting, including those members of staff who are engaged in support functions in connection with such services. |

We have over 8,000 staff and any member of staff employed by the Trust on a permanent contract or a fixed term contract of 12 months or longer can become a Member. Staff employed through service partners, including the YTHFM, are also eligible to become Members.

### Further Information on Membership

Contact can be made through the Associate Director of Corporate Governance. The contact details are:

Associate Director of Corporate Governance  
York and Scarborough Teaching Hospitals NHS Foundation Trust  
Wigginton Road  
York  
YO31 8HE

or by e-mailing [yhs-tr.membership@nhs.net](mailto:yhs-tr.membership@nhs.net)

## Care Quality Commission

York and Scarborough Teaching Hospitals NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is 'Registered with Conditions'

Since January 2020 the Trust has been working under a Section 31 notice to improve the provision of an effective mental health risk assessment across emergency care. The electronic Urgent and Emergency Care assessment, Mental Health triage, mental health care plan and Emergency Department comfort checks have been live in Scarborough Emergency Department since 6 February 2024. The electronic assessment tool went live at York Emergency Department on 30 April 2024.

Once these systems are embedded, a request to lift this Section 31 restriction will be made.

In March 2022 the CQC carried out an unannounced focussed inspection of medical care at York Hospital following significant safety concerns they had received. This resulted in the issuing of a Section 29A warning notice in May 2022 regarding standards of care provided on the medical wards. Improvement work was undertaken, and this warning notice was lifted in March 2023.

The Trust was further inspected by the CQC between October 2022 and March 2023. The inspection looked at Emergency and Urgent Care, Medical Care and Maternity Services. The CQC also inspected the well led key question for the Trust as a whole.

The Trust was sent a letter of intent to take urgent enforcement action because of concerns found in maternity services under Section 31 of the Health and Social Care Act 2008. The Trust submits a monthly report to CQC on progress made against the specific concerns outlined in the Section 31 notification.

The overall CQC rating for the Trust was Requires Improvement. At the point of inspection, the Trust level CQC rating did not change.

The full CQC report included 95 'Must-Do' and 45 'Should-Do' actions to be undertaken across the Trust.

Following findings from the CQC Inspection in 2022/23, in August 2023, the Trust formally established Journey to Excellence: A Focused Improvement Programme as a subgroup of Executive Committee. This Programme was built upon previous improvement work the Trust was undertaking in response to known improvement requirements and early responses to CQC visits.

The membership of the Programme Board includes all Executive and Corporate Directors. The aim of the programme is to provide the Board with oversight of the key workstreams required to deliver improvement over the next 12 months.



The workstreams have been identified in response to known risks in addition to the findings of the CQC, as it is essential that the Trust focus on wider improvement requirements and not solely on the Must and Should Actions.

The workstreams and their Executive lead are as follows:

|    |                                   |  |
|----|-----------------------------------|--|
| 1. | Maternity Services                | Medical Director                                     |
| 2. | Governance: Corporate and Quality | Chief Nurse  |
| 3. | Urgent Care                       | Chief Operating Officer                              |
| 4. | Elective Care                     | Chief Operating Officer                              |
| 5. | Leadership and Culture            | Director of Workforce and Organisational Development |
| 6. | Safe Staffing                     | Chief Nurse  |
| 7. | Fundamentals of Care              | Chief Nurse  |

The Journey to Excellence Programme Board is held fortnightly, chaired by the Chief Executive. The group receives requests for closure of the CQC Must/Should do actions and reviews the evidence provided to approve closure. As of June 2024, 37 actions have been approved for closure through the Journey to Excellence meetings.

### **NHS Oversight Framework**

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

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

- a) objective and measurable eligibility criteria based on performance against the six oversight themes using the relevant oversight metrics (the themes are: quality of care, access and outcomes; people; preventing ill-health and reducing inequalities; leadership and capability; finance and use of resources; local strategic priorities).
- b) additional considerations focused on the assessment of system leadership and behaviours, and improvement capability and capacity.

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

As at 31 March 2024 York and Scarborough Teaching Hospitals Foundation Trust has been allocated into segment 3.

## Finance and Use of Resources

The finance and use of resources is one of five themes feeding into the NHS Oversight Framework for Trusts. As part of the oversight of ICBs and Trusts, NHS England monitors and gathers insights about performance across each of the themes of the framework. The information collected and reviewed includes both quantitative data, including, but not limited to, the published Oversight Framework metrics, and qualitative information derived from oversight, quality, improvement and performance conversations with ICBs and their formal reporting documents, as well as other routine information including that from relevant third parties. A key outcome of the implementation of the framework is the early identification of any emerging issues and concerns, so that they can be addressed before they have a material impact or performance deteriorates further. To provide an overview of the level and nature of support required across systems, inform oversight arrangements and target support capacity as effectively as possible, NHSE regional teams allocate all ICBs and trusts into one of four 'segments'. The Trust has been allocated in segment three, which indicates that there are significant support needs against one or more of the five national oversight themes. The scale and nature of support the Trust receives includes bespoke mandated support, potentially through a regional improvement hub, drawing on system and national expertise as required.

**Simon Morritt, Chief Executive**  
**June 2024**

# Statement of Accounting Officer's Responsibilities

## Statement of the Chief Executive's Responsibilities as the Accounting Officer of York and Scarborough Teaching Hospitals NHS Foundation Trust

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

NHSE has given Accounts Directions which require York and Scarborough 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 York and Scarborough 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 England, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis.
- Make judgements and estimates on a reasonable basis.
- State whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual (and the Department of Health and Social Care Group Accounting Manual) have been followed, and disclose and explain any material departures in the financial statements.
- Ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance.
- Confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS Foundation Trust's performance, business model and strategy and
- Prepare the financial statements on a going concern basis and disclose any material uncertainties over going concern.

The Accounting Officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS Foundation Trust and to enable them to ensure that the accounts comply with requirements outlined in the above-mentioned Act. The Accounting Officer is also responsible for safeguarding the assets of the NHS Foundation Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As far as I am aware, there is no relevant audit information of which the Foundation Trust's auditors are unaware, and I have taken all the steps that I ought to have taken to make myself

aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

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



**Simon Morritt, Chief Executive**  
**June 2024**





# Part 3

Annual Governance Statement

2023/2024



## Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the NHS Trust's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I am also responsible for ensuring that the NHS 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 Trust Accountable 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 York and Scarborough Teaching Hospitals NHS Foundation Trust (YSTHFT), 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 YSTHFT for the year ended 31 March 2024 and up to the date of approval of the annual report and accounts.

This Annual Governance Statement has been prepared on a Group basis and includes York Teaching Hospital Facilities Management (YTHFM) which is a subsidiary limited liability partnership. References therefore throughout this Annual Governance Statement to 'Trust' are in relation to the Group.

## Capacity to handle risk

As Accounting Officer, I have overall responsibility for ensuring there are effective risk management systems and internal controls in place within the Trust and for meeting all statutory requirements and adhering to guidance issued by NHS England (NHSE) in respect of governance and risk management. I have delegated overall duty to ensure risk management is discharged appropriately to the Associate Director of Corporate Governance, who has been responsible for the implementation of the Risk Management Strategy.

The Board of Directors (BoD) provides leadership on the overall governance agenda, including risk management. It is supported by a number of Committees that scrutinise and review assurance on internal control. These include:

- Group Audit Committee.
- Quality Committee.
- Resources Committee (transferring appropriate responsibilities from the Digital, Finance and Performance Assurance Committee in January 2024).
- Executive Committee.

Independent assurance on the effectiveness of the system of internal control and overall governance arrangements is provided by the Group Audit Committee. Additional assurance on the effectiveness of the systems for ensuring clinical quality is given by the Quality Committee. The BoD routinely receives escalation reports from these Committees alongside the Board

Assurance Framework (BAF) and Corporate Risk Register (CRR) to review the effectiveness of the Trust's system of internal controls.

The Executive Committee receives and reviews updates from all Care Groups and corporate areas relating to risk management, as well as the Trust's BAF and CRR. Each Board Committee and its sub-groups have a collective responsibility to ensure effective risk management and good governance as they discharge their duties, and this is reflected in their respective Terms of Reference. Through their work plans they contribute towards reducing the organisation's exposure to risk. Risks identified by Committees and reporting groups are communicated and recorded on the appropriate Directorate/Care Group risk registers and subject to overview, monitoring and intervention by internal governance arrangements, as well as providing assurance to the Audit Committee, BoD and relevant Board Assurance Committees.

The Trust has a Risk Management Framework in place to ensure that risks are identified, assessed and properly managed.

To improve and strengthen the governance and performance management structures the Trust during 2023/24 re-structured its care group governance arrangements, reducing from 6 to 4 care groups – Medicine, Surgery, Family Health and Cancer, Specialist and Clinical Sciences. The Trust has subsequently embedded a monthly Performance, Review and Improvement Meeting (PRIM) to monitor and oversee the performance of each of the Trust's Care Groups across the domains of Quality and Safety, Operations, Finance and Workforce to support the delivery of the Trust's goals. The Care Groups also report into the Quality Committee on a quarterly basis to provide assurance.

Ultimate responsibility for the management of the risks facing the organisation sits with the BoD. The BoD considers the strategic and high-level Trust-wide operational risks facing the organisation as part of its routine business in order to satisfy itself collectively that risks are being effectively managed.

The Chief Executive has overall responsibility for the management of risk. Other members of the Executive Team exercise lead responsibility for the specific types of risk as follows:

- The Medical Director and Chief Nurse are jointly responsible for clinical governance, risk management and patient safety, and, whilst each has been allocated specific duties and responsibilities, there are clear lines of accountability.
- The Chief Nurse is also responsible for infection prevention and control and safeguarding children and adults.
- The Chief Operating Officer is responsible for overall risks to operational performance.
- The Finance Director provides the strategic lead for financial risk and the effective co-ordination of financial controls throughout the Trust.
- The Director of Workforce and Organisational Development is responsible for workforce planning, staffing issues, education and training and organisational development.
- The Chief Digital and Information Officer is responsible for the overall risks associated with information technology and is also the Senior Information Risk Owner (SIRO) and has responsibility for information governance.
- The Associate Director of Corporate Governance/Foundation Trust Secretary is responsible for the management of the BAF and ensuring that strategic risks are identified and reported to the BoD.

All Executive Directors, Associate Chief Operating Officers, Care Group Clinical Leads and Managers are responsible for identifying, communicating and managing the risks associated with their portfolios in accordance with the Trust's Risk Management Framework. They are responsible

for understanding the approach towards risk management of all key clients, contractors, suppliers and partners and mitigate where necessary, where gaps are found. They are responsible for identifying risks that should be escalated to and from the CRR. The Risk Management Framework is available to all staff electronically via the Trust's intranet. Roles and responsibilities in terms of risk management are incorporated into the Trust's Risk Management Policy. The Executive Committee via the Risk Committee brings together those responsible to ensure effective mitigation of the strategic and operational risks of the Trust.

The Trust recognises the importance of supporting staff. The risk management team acts as a support and mentor to staff who are undertaking risk assessments, incident reporting, incident investigation and managing risk as part of their role. In addition, the BoD has set out the minimum requirements for staff training required to control key risks. A training needs analysis informs the Trust's mandatory training requirements and has been kept under review; this sets out the training requirements of all staff and includes the frequency of training in each case.

Incidents, complaints and patient feedback are routinely analysed to identify learning opportunities and improve control. Lessons for learning are disseminated to staff using a variety of methods, including regular safety briefings and through Care Group governance groups.

The Trust has in place counter fraud arrangements through Audit Yorkshire from the NHS Counter Fraud Authority and has a named Local Counter Fraud Specialist. In order to ensure that counter fraud resources are effective there is a Counter Fraud Plan and Annual Counter Fraud Report which outline the proactive, reactive and strategic counter fraud work undertaken for the Trust in 2023/24.

I have ensured that all significant risks of which I have become aware are reported through to the BoD at each formal meeting. All new significant risks are escalated to me as Chief Executive and subject to validation by the Executive Team at the Risk Committee. The residual risk score determines the escalation of risk.

### **The Risk and Control Framework**

The Trust has a Risk Management Strategy (titled Risk Management Strategy and Policy), which is reviewed and endorsed by the BoD. The Strategy provides a framework for all staff across the organisation to manage risks, including quality, performance, financial and workforce with specialist advice sought to manage and control specific areas of concern e.g. data security. The Strategy provides a clear, systematic embedded approach to the management of risks to ensure that risk assessment is an integral part of clinical, managerial and financial processes across the organisation. The Strategy was reviewed and formally approved by the Board following defining of the Trust's risk appetite framework in the summer of 2023 by the following categories:

- Quality of Care
- People
- Financial
- Technology
- Operational Performance
- Sustainability

The Strategy sets out the role of the Board and its Sub-committees, together with individual responsibilities of the Chief Executive, Executive Directors, other senior managers and all staff managing risk to ensure that risks which cannot be managed locally are escalated through the organisation. All risks are evaluated against a risk grading matrix to ensure that all risks are considered alike. The control measures, designed to mitigate and minimise identified risks, are recorded within the CRR and BAF.

The BAF sets out:

- The strategic objectives (what the organisation aims to deliver).
- Strategic risks (those factors that could prevent the objectives being achieved).
- Controls (processes in place to manage the risks).
- Assurance (evidence that appropriate controls are in place and operating effectively)
- Risk rating (pre and post mitigation and target rating)
- Actions (to provide further control once completed to achieve the target rating).

The BAF provides assurance to the Board that the risks are being adequately controlled and informs the preparation of the Annual Governance Statement. The BAF was reviewed regularly at the BoD meetings, the meetings of the Board's Sub-committees and the Executive Team at the Trust's Risk Committee during 2023/24; it did not identify any significant gaps in control/assurance.

The Trust has a range of key strategic risks, which it has identified and is proactively managing; for example, through action plans and named leads. Progress is monitored by the relevant Assurance Committee and the Group Audit Committee. The Board considers the Board Assurance Framework at its Board meetings in public, and the final BAF of 2023/24 identified the Trust's strategic risks as at 31 March 2024 as follows:

- Inability to deliver treatment and care to the required standard.
- Inability to provide safe and effective care.
- Failure to deliver constitutional/regulatory performance and waiting time targets.
- Inability to manage vacancy rates and develop existing staff.
- Financial risk associated with delivery of the Trust and System Strategies.
- Failure to deliver safe, secure and reliable digital services required to meet staff and patients' needs.
- Inability to meet Integrated Care System (ICS) expectations as an acute collaborative partner; and,
- Failure to achieve net zero targets, air quality targets and changing climate adaptation requirements.

All these BAF risks are proposed to be carried over into 2024/25, their outcomes monitored, and further risk assessed in the context of the Trust's new strategy currently under development.

The high rated risks on the CRR as at 31 March 2024 relate to the following areas:

- Failure to deliver our annual financial plan
- Failure to observe Infection Prevention and Control (IPC) policies and guidance
- Partial compliance with NatPSA/2023/010/Medicines and Healthcare products Regulatory Agency (MHRA) (medical beds, trolley bed rails, bed grab handles and lateral turning devices)
- Impact of built environment on infection prevention and control and not providing 2021 cleaning standards
- Cyber security
- Sustained significant pressure in Emergency Department (ED) resulting in risk to patient safety and workforce
- CQC Section 31 notice served on the Trust for maternity
- The presence of reinforced autoclaved aerated concrete (RAAC) structural building products have been confirmed within Scarborough General Hospital
- Managing patient flow during winter

- Impact of backlog maintenance on patient care
- Workstream funding
- Failure to deliver the Operational Planning Guidance
- Response to deteriorating patients
- Insufficient staff
- No criteria to reside patients
- Prescribing practice
- Operational planning funding
- Implementation of the standard operating procedure for care in unplanned areas
- Major IT failure
- Steam Main system at Scarborough General Hospital
- Routine patients referred to Paediatric Speech and Language Therapy having delayed assessment and intervention
- Delay to ambulance handover within Emergency Departments.

A series of mitigation actions and their outcomes for the management of these risks are assessed at each Risk Committee, the membership of which are the Executive risk owners with assurance provided to the Sub-Committees of the BoD.

### Care Quality Commission (CQC) Registration requirements

The Trust is required to register with the CQC and its current registration status is 'Registered with conditions'. The Trust's last inspection was in March 2023, with an overall Trust rating of Requires Improvement. The following conditions on registration are in place:

#### York Hospital

- The registered provider must with immediate effect implement an effective system to identify, mitigate and manage risks to patients at York Hospital who present to the emergency department with mental health needs. The system must take account of the relevant national clinical guidelines.

#### Scarborough Hospital

- The registered provider must with immediate effect implement an effective system to identify, mitigate and manage risks to patients at Scarborough Hospital who present to the emergency department with mental health needs. The system must take account of the relevant national clinical guidelines.

The Trust has introduced an electronic Urgent and Emergency Care screening tool which includes a mental health risk assessment. The process to lift these restrictions has commenced.

The Trust was inspected by the CQC between October 2022 and March 2023. The inspection looked at Emergency and Urgent Care, Medical Care and Maternity Services. The CQC also inspected the well-led key question for the Trust as a whole.

The Trust was sent a letter of intent to take urgent enforcement action because of concerns found in maternity services under Section 31 of the Health and Social Care Act 2008. The Trust submits a monthly report to the CQC on progress made against the specific concerns outlined in the Section 31 notification.

#### Maternity and Midwifery Service



- The registered provider must implement an effective system for managing and responding to patient risk to ensure all mothers and babies who attend the York Hospital are cared for in a safe and effective manner and in line with national guidance.
- The registered provider must operate an effective clinical escalation system to ensure every woman attending the hospital is triaged, assessed and streamlined by appropriately skilled and qualified staff.
- The registered provider must implement an effective risk and governance system which ensures that:
  - a) There is oversight at service, division and board level in the management of the maternity services.
  - b) There are effective quality assurance systems in place to support the delivery of safe and quality care.
  - c) Risk and occurrence of incidents are properly identified and managed, to include an effective system of recording actions taken and ensuring learning from any incidents.
  - d) Serious incidents are reflected and reported correctly in line with national guidance and adequately investigated.
  - e) Ensuring learning is shared from the investigation.
  - f) Incident grading is reviewed to ensure it is accurate and in line with national guidance.

The overall CQC rating for the Trust was Requires Improvement. At the point of inspection, the Trust level CQC rating did not change.

A comprehensive 'Journey to Excellence: A Focused Improvement Programme' Executive led group meets twice monthly chaired by the Chief Executive, an action plan is in place, which is monitored by the group and is reported to the Executive Committee.

### Learning from Incidents

Over the course of 2023/24, the Trust prepared and implemented the Patient Safety Incident Response Framework (PSIRF) in the Autumn of 2023. A thematic analysis of incident, complaint and claims data has been completed to identify our local priorities. These have been agreed as the following:

- Inpatient Falls
- Medication
- Responding to the deteriorating patient
- Pressure related skin damage
- Discharge and onwards referral
- Nutrition and hydration
- Post Partum Haemorrhage (PPH)

These priorities are under review as new and escalating concerns come to the forefront of patient safety.

A substantial training programme of PSIRF has been conducted across the Trust with over 100 staff members trained and plans in place for further training compliance.

Incidents continue to be reported via Datix, to improve performance and these are reviewed daily by Care Groups and the Patient Safety Team. Incidents of concern (moderate and above) are reviewed via a Patient Safety Incident Review report and presented by clinicians to the weekly

Quality and Safety (Q&S) Group which has Executive and Senior Care Group representation. Learning is shared across all Care Groups and certain issues require assurance back to the Q&S that actions and learning have been embedded. The Care Groups will bring incidents of concern to Q&S with a suggested PSIRF response, the timing of the response will be discussed and confirmation that the requested response is the most appropriate.

The patient safety team produces a daily incidents update of the most significant incidents in the last 24 hours in the organisation. This is sent to all senior leaders with an expectation that Care Groups take immediate action in reviewing these incidents.

Safety briefings are developed and circulated across the Trust in response to immediate safety concerns that may be identified at Q&S. This enables immediate learning to be disseminated.

The PSIRF Group oversees the approval of PSIRF responses in particular the Patient Safety Incident Investigation (PSII) reports and associated improvement / action plans. Following approval, the Care Groups share the reports which are accompanied with a learning summary. This ensures that learning and improvements identified in reports are easily accessible to the front-line staff.

Each improvement group within our organisation is required to commission 2 PSII's per year informing future improvement work.

The patient safety team sends a weekly update to all staff highlighting organisational safety concerns. This has been well received and has proved to be a valuable resource for communicating issues in a timely manner. It allows all departments to highlight their safety issues with a wider audience, ensuring that shared learning is achieved quickly.

### **NHS Provider Licence – Section 4 (governance)**

The effectiveness of the governance structure has been assessed by the Associate Director of Corporate Governance who, working with the newly appointed Chair during 2023/24, has implemented an improved corporate governance structure in compliance with our licence which is continually reviewed to ensure the Trust is meeting its responsibilities and managing its risks effectively.

The Trust subsequently has from January 2024 revised Board-approved terms of reference of its Sub-Committees and working groups, defining clear responsibilities and accurate, complete and timely Trust Priorities Report (TPR) reporting of performance across the governance structure by each individual Director's area of responsibility. This has strengthened the reporting lines and accountabilities between the BoD, its Sub-Committees via focussed escalation reports, and the Executive Team to improve the overall effectiveness of the Trust's governance structure. The BoD has mechanisms for effective oversight of the Trust's performance.

### **NHS Oversight Framework**

The Trust is in segment 3 in the NHS Oversight Framework based on the level of support required across the themes of leadership capacity and capability, quality of care, financial management and/or operational performance.

### **Performance**

The Board reviews performance data each month against NHSE and CQC standards and outcomes via its Trust Priorities Report, focussing on key performance indicators; quality, safety, patient experience and clinical outcomes; people and organisational development; and finance. This is reported against the Trust's 4 priorities; People, Quality and Safety, Elective Recovery and Acute Flow with further oversight at the Board's Sub-Committees.

Continuous improvement of the Trust's key performance indicators is reviewed to identify key actions to improve Trust performance and its assurance. This further enhances the rigour and scrutiny necessary to assure the Board that recovery plans are on trajectory or mitigating actions are put in place where performance is off-track.

The Trust is a key member of the Humber and North Yorkshire Health and Care Partnership (HNYHCP), with a number of Trust Directors and Senior Managers leading on and participating in work to re-design and configure pathways, and to optimise and expand service capacity where feasible.

## Financial Performance

In 2023/24 the NHS continued to rise to the challenges of restoring services, meeting the new care demands and reducing the care backlogs that are a direct consequence of the pandemic and ongoing industrial action. In 2023/24 the financial and contracting framework moved on from the simplified system that was in place during the pandemic to what might be described as the 'new normal' of a mixture of cost and volume activity aimed at incentivising improved levels of elective activity and productivity to clear patient back logs and fixed elements of funding to help manage financial risk across the system.

The creation of Integrated Care Boards (ICBs) in 2022 allows NHSE to set financial allocations and other financial objectives at a system level. There is a statutory duty for all NHS bodies to meet the system financial objectives and deliver the agreed financial plan. NHS providers within the ICS retain their current structures, governance, and organisational financial statutory duties but there is a new duty to compel providers to have regard to the system financial objectives and work collaboratively.

The Trust was permitted a deficit plan of £15.4m in 2023/24 in recognition of the unavoidable cost pressures it was facing following intervention from the CQC.

At the end of the financial year, the Trust reported an income and expenditure deficit of £15.7m: this position is then adjusted by a series of technical adjustments in the sum of (£15.8m). When all these items are adjusted, the final regulator-assessed position of the Group is a £0.1m surplus.

The Group has a year-end cash balance of £47.4m and it should be noted the Trust received £12.156m cash support in 2023/24.

The Autumn Statement 2022 announced an extra £3.3bn in both 2023/24 and 2024/25 for the NHS to respond to the significant pressures the NHS is facing. NHSE issued two-year revenue allocations for 2023/24 and 2024/25. At national level, total ICB allocations including COVID-19 and Elective Recovery Funding (ERF) are flat in real terms with additional funding available to expand capacity.

Core ICB capital allocations for 2022/23 to 2024/25 have already been published.

The contract default between ICBs and providers for most planned elective care (ordinary, day and outpatient procedures and first outpatient appointments) will be to pay unit prices for activity delivered. System and provider activity targets will be agreed through planning as part of allocating ERF on a fair shares basis to systems.

NHSE will cover additional costs where systems exceed agreed activity levels. ICBs and NHS primary and secondary care providers are expected to work together to plan and deliver a balanced net system financial position in collaboration with other ICS partners.

The initial planning work across the ICS is showing this to be an extremely challenging settlement financially with a considerable financial gap at draft plan stage however work continues to close the planning gap and the ICB have engaged the services of an external consultant to support and validate this work.

Achievement of economy, efficiency and effectiveness is underpinned by the Trust's Governance Framework and supported by internal and external audit reviews, which are monitored through the Audit Committee. The Trust also has a contract for counter fraud services for the proactive prevention, detection, and reactive investigation of fraud.

### Cost Improvement Programme (CIP)

When the government published the *NHS long term plan*, it made it clear that the plan needed to ensure that 'every penny is well spent.' The then prime minister, Theresa May, said '*It must be a plan that tackles wastes, reduces bureaucracy and eliminates unacceptable variation, with all these efficiency savings reinvested back into patient care.*' In essence, she was talking about the need for a plan that delivered value – getting the best outcomes for the least cost.

The focus on productivity and efficiency in the NHS has increased and expectations are high around the efficiencies that can be achieved through changing working practices. Revitalising CIPs (sometimes known as waste reduction programmes) and focusing on value will be essential to ensure that resources are being used well and effectively.

The move to greater system working with the introduction of ICSs supports the aim of the *NHS long term plan* to improve population health in a financially sustainable way. Value and efficiency are increasingly being considered at system level as well as within individual organisations. The Trust is fully engaging and, in a number of cases, leading on the development of system opportunities with system partners.

In 2023/24 the efficiency target was split into a core service target of £21.4m and a further technical efficiency target of £28.0m, giving a total programme of £49.4m. The technical target was made up of covid spend reductions, estimated productivity gains and a share of the system stretch target. The Group overachieved its core efficiency target of £21.4m CIP target in 2023/24 by £0.1m, which is a very significant achievement; the technical target has proved much more difficult to achieve in full with a shortfall of £7.1m. In 2024/25 the Group core savings requirement is set at £53.3m (6.7%).

Where CIP schemes have been developed by the Care Groups they undergo a quality impact assessment (QIA), so are self-assessed by the Care Group Teams, including the Care Group Manager, Finance Manager, with senior clinical input using the Trust's risk assessment framework (5 x 5 risk matrix) with a log of risks recorded, analysed, and evaluated for potential impact on the safety and quality of patient care; the QIA process is currently under review with the Medical Director and Chief Nurse.

### Stakeholders

Public stakeholders are involved in the management of risks which impact on them through public meetings of the Board, and our attendance at Health Overview and Scrutiny meetings. Governors are involved in discussions about risks which impact on patients and Members through regular meetings including the Council of Governors (CoG) and Governor Sub-Groups. They are involved in the development of the Trust's strategy and operational plans.

Our engagement with our stakeholders produces an additional layer of scrutiny and challenge from broad representative areas of our population groups and therefore enables the Trust to remain grounded and responsive to the communities we serve.

The Trust is engaged with partner organisations in the local health and care system in discussing quality and risk issues impacting on patients, in particular through the work of the Humber and North Yorkshire ICS.

Further information regarding patient and public engagement in the Trust is included in the Annual Report.

### **Workforce Strategies**

The Trust's workforce and organisational development strategic aims and objectives 2019-2024 comprises the fundamental elements of the national 'People Plan' which sets out how the NHS strives to be an employer of choice in a candidate-driven market.

Assurance on all aspects relating to the workforce is provided to the Resources Committee as a Sub-Committee of the Board. In the context of a challenged environment, particular focus is given to efficient resourcing, leadership and line management capability and cultural change to improve retention.

### **Register of Gifts and Hospitality**

The Foundation Trust has published on its website an up-to-date register of interests, including gifts and hospitality, for decision-making staff (as defined by the Trust with reference to the guidance) within the past twelve months, as required by the 'Managing Conflicts of Interest in the NHS' guidance. The register can be found at [Declarations \(mydeclarations.co.uk\)](https://mydeclarations.co.uk).

### **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. Regular reports are received by the BoD to provide assurance of compliance.

Equality Impact Assessments are developed in review of organisation policy to ensure no one is disadvantaged from changes to the Trust's core business.

### **Climate Change**

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

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

During the year the BoD has received regular reports informing of the economy, efficiency and effectiveness of the use of resources. The reports provide detail on the financial and clinical performance of the Trust during the previous period and highlight any areas where there are concerns. As a partner of the Humber and North Yorkshire Integrated Care Partnership (HNYICP) these reports have contributed towards the partnership objectives including that of the ICB and the place-based partnerships of the communities that the Trust serves. The Trust has



entered a formal partnership with the other acute providers in the HMYICP during 2023/24 to form the Collaboration of Acute Providers attending a regular committee-in-common to ensure opportunities and risks for future sustainability are managed effectively in delivery the Trust's and contribution to NHYICP strategies.

The Trust uses a number of ways to review assurance mechanisms, including the Board Committee Structure, internal audit and other reviews, including those by NHSE, CQC and the well-led framework.

Following a number of targeted inspections in June 2023 the Trust received a full report from CQC with the Trust's overall rating remaining as 'requiring improvement'. As part of that report the Trust had a well-led review with a rating of inadequate.

A comprehensive action plan 'Journey to Excellence: A Focused Improvement Programme' to address these findings is underway with progress reported to the BoD.

The Trust operates within a governance framework of Standing Orders, Standing Financial Instructions and other processes. The framework includes explicit arrangements for:

- Setting and monitoring financial budgets
- Delegation of authority
- Performance management, and
- Achieving value for money in procurement

The governance framework is subject to scrutiny by the Trust's Audit Committee and internal and external audit. Financial governance arrangements are supported by internal and external audit to ensure economic, efficient and effective use of resources.

### Information Governance

The Trust had in post during 2023/24 a Board-level, Chief Digital Information Officer as well as a Data Protection Officer and Head of Information Governance. These roles have responsibility for providing professional leadership on information management, related legislation and professional standards for the Trust and partners. Trust mitigations of cyber risks for example have been a particular focus and area of improvement during 2023/24.

Staff have continued to engage in information governance and security training as part of the mandatory training programme across the Trust.

The Data Protection and Security Toolkit 2022/23 was submitted in June 2023. The assessment resulted in the Trust not having met the required standards, primarily based on staff training levels which are below the required 95% and lack of accountability for third party providers.

Improvements are being made as part of a data processor project and discussions with HR regarding the training assertion. The interim Toolkit was submitted in February 2024. The full submission is in progress and due in June 2024. The Digital Sub-committee continues to monitor this and reports to the Chief Executive via the Chief Digital Information Officer.

The Trust manages information security incidents in a transparent manner using the Information Commissioner and Data Security and Protection Toolkits, recommending criteria to determine whether they should be reported or not. All the incidents below were felt to meet this threshold with no further action required from the Information Commissioner's Office:

- A data breach concerning a compromised email account.
- A data breach of the cancer patient experience survey being sent to 70 incorrect addresses.



- Four data breaches concerning staff members inappropriately accessing records.

## Data Quality and Governance

The Trust has arrangements in place to ensure it processes data that is accurate, reliable, timely, complete and sufficient. The responsibility for quality is split between the Chief Nurse and Medical Director, both of whom sit on the Quality Committee. The Quality Committee reports directly into the Board and the Chair of the Committee also is a member of the Group Audit Committee.

The Trust has a number of underpinning strategies in place, including the Patient Safety Strategy and Quality Improvement Strategy which is currently incorporated into the Quality Strategy. These are supported by the Risk Management Framework and policies relating to health and safety, incident reporting, complaints, claims and safeguarding.

Over the course of 2023/24 the governance processes have continued to be strengthened to improve Ward to Board governance. Any areas of concern are escalated to the Board via the Committee Structure, which includes the Group Audit Committee. Thematic analysis of serious incident themes has been undertaken and a number of quality improvement projects have been developed to address themes.

The Trust actively encourages staff to develop their skills and knowledge by providing numerous courses and opportunities. Specific courses are also developed following concerns raised or discussions with staff, such as a new leadership/supervisory development course. The Trust has been working with partner Higher Education Institutions, specifically focusing on Coventry University at Scarborough, to develop opportunities for local people to undertake undergraduate training in health care related courses. Closer working links have also been developed with the Hull York Medical School in order to ensure more places for doctors in training.

Data quality, monitoring, validation and system controls are embedded within the organisation, and reporting processes to assure the quality and accuracy of elective waiting time data are in place. The Trust also has a Data Quality Working Group which reports into the Group Audit Committee to review data quality and provide assurance. The Audit Committee will further investigate data quality during 2024/25. The level of assurance has been enhanced during the year through continued development and refining of the collection and use of data, together with the strengthening of the assurance received by the Quality Committee.

## 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 Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the 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 and its Assurance Committees and a plan to address weaknesses and ensure continuous improvement of the systems is in place.

The BAF itself provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its strategic objectives has been reviewed.

The Trust Board seeks assurance from the Trust's internal auditors, by way of reports that are published in response to reviews initiated following the agreement of an annual audit plan.

These reports are undertaken in accordance with the requirements of the Public Sector Internal Audit Standards and provide specific levels of assurance and include suggested actions to improve controls where this is considered necessary.

Apart from the Group Audit Committee, other Sub-committees include, Quality Committee, Resources Committee and the Charitable Funds Committee, details of which are set out in the Accountability Report section of this Annual Report. The Group Audit Committee provides the Trust Board with a means of independent and objective review of:

- Internal control
- Financial systems
- The financial information used by the Trust
- Controls assurance systems
- Risk management systems
- Compliance with law, guidance and codes of conduct

The Group Audit Committee reviews the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the whole of the organisation's activities (both clinical and non-clinical), that supports the achievement of the organisation's objectives.

### **Internal Audit**

The overall opinion for the period 1 April 2023 to 31 March 2024 provides significant assurance that there is a good system of governance, risk management and internal control designed to meet the organisation's objectives, and that controls are generally being applied consistently.

The 2023/24 Internal Audit Plan has been delivered, subject to approved changes. This position has been reported within the progress reports across the financial year and any changes to the audit programme have been reviewed and approved by the Audit Committee.

During the year, myself and/or the Finance Director & Deputy Chief Executive and Audit Sponsor have met with the Internal Audit Manager to discuss 'Limited' and 'Low' Assurance reports. Outcomes of the meetings are documented and reported to the Audit Committee, which takes assurance that action plans have been agreed and are being progressed to address areas of weakness identified.

Internal audit actions are a standing item on the Risk Committee agenda where I hold the Executives to account on those outstanding. The Head of Internal Audit recognises this improvement in practice.

Areas to focus on next year are the further refining of the Board Assurance Framework in its change of format, supporting processes and the reporting of assurances in the context of the to be published new Trust Strategy. The Head of Internal Audit is assured, from our plan of work for 2023/24, that the organisation is open to improvement and the response to recommendations suggests a learning environment.

### **External Audit**

External audit provides independent assurance on the accounts, annual report, and Annual Governance Statement. External Audit provide reports to the Group Audit Committee through the year. No matters have been reported by External Audit for 2023/24 that indicate any internal control matters not already identified by the Trust.

## Conclusion

The system of internal control has been in place at the Trust for the year ended 31 March 2024 and up to the date of approval of the annual report and accounts.

In summary I am assured that the NHS Foundation Trust has an overall sound system of internal controls in place, which are designed to manage the key organisational objectives and minimise the NHS Foundation Trust's exposure to risk.

My review therefore confirms no significant internal control issues have been identified for the year ending 31 March 2024.

Signed:

A handwritten signature in black ink, appearing to read 'S Morrill', with a stylized flourish at the end.

**Simon Morrill**  
**Chief Executive**  
**June 2024**



# Part 3 Annual Accounts

2023/2024

# Independent auditor's report to the Council of Governors of York and Scarborough Teaching Hospitals NHS Foundation Trust

## Report on the audit of the financial statements

### Opinion on the financial statements

We have audited the financial statements of York and Scarborough Teaching Hospitals NHS Foundation Trust ('the Trust') and its subsidiaries ('the Group') for the year ended 31 March 2024 which comprise the Group Statement of Comprehensive Income, the Trust and Group Statement of Financial Position, the Trust and Group Statement of Changes in Taxpayers Equity, the Trust and Group Statements of Cash Flows, and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual 2023/24 as contained in the Department of Health and Social Care Group Accounting Manual 2023/24, and the Accounts Direction issued under the National Health Service Act 2006.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Trust and Group as at 31 March 2024 and of the Trust's and the Group's income and expenditure for the year then ended;
- have been properly prepared in accordance with the Department of Health and Social Care Group Accounting Manual 2023/24; and
- have been properly 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. Our responsibilities under those standards are further described in the Auditor's responsibilities section of our report. We are independent of the Trust and Group 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

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, and taking into account the requirements of the Department of Health and Social Care Group Accounting Manual, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Trust's or the Group'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 Directors are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 or a material misstatement of the other information. 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 these regards.

### **Responsibilities of the Accounting Officer for the financial statements**

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Accounting Officer is required to comply with the Department of Health and Social Care Group Accounting Manual 2023/24 and prepare the financial statements on a going concern basis, unless the Trust is informed of the intention for dissolution without transfer of services or function to another public sector entity. The Accounting Officer is responsible for assessing each year whether or not it is appropriate for the Trust and Group to prepare financial statements on the going concern basis and disclosing, as applicable, matters related to going concern.

### **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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the Trust and Group, we identified that the principal risks of non-compliance with laws and regulations related to the National Health Service Act 2006 (as amended by the Health and Social Care Act 2012), and we considered the extent to which non-compliance might have a material effect on the financial statements.

We evaluated the Accounting Officer's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, significant one-off or unusual transactions, and the recognition of revenue and recognition of expenditure.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- discussing with management and the Group Audit Committee the policies and procedures regarding compliance with laws and regulations;
- communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- considering the risk of acts by the Trust and Group which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:



- making enquiries of management and the Group Audit Committee on whether they had knowledge of any actual, suspected or alleged fraud;
- gaining an understanding of the internal controls established to mitigate risks related to fraud;
- discussing amongst the engagement team the risks of fraud;
- addressing the risks of fraud through management override of controls by performing journal entry testing, testing of accounting estimates, and consideration of any significant transactions outside the normal course of business;
- testing income and expenditure transactions around the year end;
- testing year end accruals; and
- reviewing intra-NHS reconciliations provided by the Department of Health.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management and Group Audit Committee. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

We are also required to conclude on whether the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. We performed our work in accordance with Practice Note 10: Audit of financial statements and regularity of public sector bodies in the United Kingdom, and Supplementary Guidance Note 01, issued by the Comptroller and Auditor General in February 2023.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Report on the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources

### Matter on which we are required to report by exception

We are required to report to you if, in our opinion, we are not satisfied 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.

On the basis of our work, having regard to the guidance issues by the Comptroller and Auditor General in May 2024, we have identified the following significant weakness in the Trust's arrangements for the year ended 31 March 2024:

| Significant weakness in arrangements   | Recommendation  |
|--|---|
| In a report issued in June 2023 the Care Quality Commission highlighted a deterioration in operational performance. In our view this is evidence of a weakness in the arrangements for both governance and securing economy, efficiency and effectiveness. | We recommend the Trust should deliver the actions in its Journey to Excellence programme, and ensure actions are fully embedded and deliver sustainable improvements. |

### Responsibilities of the Accounting Officer

The Chief Executive as Accounting Officer is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in the Trust's use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

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

We are required by Schedule 10(1) of the National Health Service Act 2006 to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. 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 work in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in May 2024.

## Report on other legal and regulatory requirements

### Opinion on other matters prescribed by the Code of Audit Practice

In our opinion:

- the parts of the Remuneration and Staff Report subject to audit have been properly prepared in accordance with the requirements of the NHS Foundation Trust Annual Reporting Manual 2023/24; and
- the other information published together with the audited 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:

- in our opinion the Annual Governance Statement does not comply with the NHS Foundation Trust Annual Reporting Manual 2023/24; or
- the Annual Governance Statement is misleading or is not consistent with our knowledge of the Trust and Group and other information of which we are aware from our audit of the financial statements; or
- we refer a matter to the regulator under Schedule 10(6) of the National Health Service Act 2006; or
- we issue a report in the public interest under Schedule 10(3) of the National Health Service Act 2006.

We have nothing to report in respect of these matters.

## Use of the audit report

This report is made solely to the Council of Governors of York and Scarborough Teaching Hospitals NHS Foundation Trust as a body in accordance with Schedule 10(4) of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust 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 Council of Governors of the Trust as a body for our audit work, for this report, or for the opinions we have formed.

## Certificate

We certify that we have completed the audit of York and Scarborough Teaching Hospitals NHS Foundation Trust and York and Scarborough Teaching Hospitals NHS Foundation Trust Group in accordance with the requirements of chapter 5 of part 2 of the National Health Service Act 2006 and the Code of Audit Practice.



Alastair Newall, Key Audit Partner  
For and on behalf of Forvis Mazars LLP

One St Peter's  
Square  
Manchester  
M2 3DE

21 June 2024


**York and Scarborough Teaching Hospitals NHS Foundation Trust**

**Annual accounts for the year ended 31 March 2024**

**Foreword to the accounts**

**York and Scarborough Teaching Hospitals NHS Foundation Trust**

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

**Signed**  .....

**Name**            **Simon Morritt**  
**Job title**       **Chief Executive**  
**Date**            **19 June 2024**

## Consolidated Statement of Comprehensive Income

|  |      | Group                  |                       |
|--|------|------------------------|-----------------------|
|  |      | 2023/24                | 2022/23               |
|  | Note | £000                   | £000                  |
| Operating income from patient care activities                      | 2    | 741,067                | 668,153               |
| Other operating income   | 3    | 73,695                 | 79,720                |
| Operating expenses   | 6, 8 | <u>(821,501)</u>       | <u>(729,478)</u>      |
| <b>Operating surplus/(deficit) from continuing operations</b>      |      | <b><u>(6,739)</u></b>  | <b><u>18,395</u></b>  |
| Finance income   | 10   | 2,042                  | 1,027                 |
| Finance expenses   | 11   | (1,121)                | (841)                 |
| PDC dividends payable  |      | <u>(9,691)</u>         | <u>(7,885)</u>        |
| <b>Net finance costs</b>   |      | <b><u>(8,770)</u></b>  | <b><u>(7,699)</u></b> |
| Other gains / (losses)   |      | <u>(217)</u>           | <u>(14)</u>           |
| <b>Surplus / (deficit) for the year from continuing operations</b> |      | <b><u>(15,726)</u></b> | <b><u>10,682</u></b>  |
| <b>Other comprehensive income</b>                                  |      |                        |                       |
| <b>Will not be reclassified to income and expenditure:</b>         |      |                        |                       |
| Impairments  | 7    | 1,528                  | 11,333                |
| Revaluations   | 17   | 2,167                  | 4,270                 |
| Other reserve movements  |      | <u>(25)</u>            | <u>(25)</u>           |
| <b>Total comprehensive income / (expense) for the period</b>       |      | <b><u>(12,056)</u></b> | <b><u>26,260</u></b>  |

## Statements of Financial Position

|   | Note | Group                    |                          | Trust                    |                          |
|---|------|--------------------------|--------------------------|--------------------------|--------------------------|
|   |      | 31 March<br>2024<br>£000 | 31 March<br>2023<br>£000 | 31 March<br>2024<br>£000 | 31 March<br>2023<br>£000 |
| <b>Non-current assets</b>                       |      |                          |                          |                          |                          |
| Intangible assets                               | 13   | 13,524                   | 10,741                   | 13,524                   | 10,741                   |
| Property, plant and equipment                   | 14   | 378,332                  | 356,955                  | 298,081                  | 285,285                  |
| Right of use assets                             | 18   | 30,656                   | 30,223                   | 30,656                   | 30,223                   |
| Receivables                                     | 20   | 2,124                    | 2,531                    | 2,124                    | 2,531                    |
| Receivables relating to subsidiary              | 20   | -                        | -                        | 128,875                  | 99,035                   |
| <b>Total non-current assets</b>                 |      | <b>424,636</b>           | <b>400,450</b>           | <b>473,260</b>           | <b>427,815</b>           |
| <b>Current assets</b>                           |      |                          |                          |                          |                          |
| Inventories                                     | 19   | 13,251                   | 11,954                   | 12,447                   | 11,066                   |
| Receivables                                     | 20   | 37,044                   | 44,732                   | 32,977                   | 37,122                   |
| Receivables relating to subsidiary              | 20   | -                        | -                        | 7,211                    | 5,277                    |
| Cash and cash equivalents                       | 21   | 47,475                   | 50,347                   | 46,127                   | 46,263                   |
| <b>Total current assets</b>                     |      | <b>97,770</b>            | <b>107,033</b>           | <b>98,762</b>            | <b>99,728</b>            |
| <b>Current liabilities</b>                      |      |                          |                          |                          |                          |
| Trade and other payables                        | 22   | (80,062)                 | (98,825)                 | (56,945)                 | (74,155)                 |
| Borrowings                                      | 24   | (9,695)                  | (8,698)                  | (5,317)                  | (5,269)                  |
| Trade and other payables relating to subsidiary | 22   | -                        | -                        | (10,237)                 | (9,349)                  |
| Provisions                                      | 25   | (305)                    | (319)                    | (305)                    | (319)                    |
| Other liabilities                               | 23   | (3,381)                  | (2,213)                  | (866)                    | (2,198)                  |
| Borrowings relating to subsidiary               | 24   | -                        | -                        | (12,415)                 | (8,753)                  |
| <b>Total current liabilities</b>                |      | <b>(93,443)</b>          | <b>(110,055)</b>         | <b>(86,085)</b>          | <b>(100,043)</b>         |
| <b>Total assets less current liabilities</b>    |      | <b>428,963</b>           | <b>397,428</b>           | <b>485,937</b>           | <b>427,500</b>           |
| <b>Non-current liabilities</b>                  |      |                          |                          |                          |                          |
| Trade and other payables                        | 22   | (72)                     | (72)                     | (55)                     | (55)                     |
| Borrowings                                      | 24   | (43,178)                 | (43,127)                 | (25,163)                 | (26,724)                 |
| Borrowings relating to subsidiary               | 24   | -                        | -                        | (71,235)                 | (48,481)                 |
| Provisions                                      | 25   | (1,241)                  | (1,508)                  | (1,241)                  | (1,508)                  |
| <b>Total non-current liabilities</b>            |      | <b>(44,491)</b>          | <b>(44,707)</b>          | <b>(97,694)</b>          | <b>(76,768)</b>          |
| <b>Total assets employed</b>                    |      | <b>384,472</b>           | <b>352,721</b>           | <b>388,243</b>           | <b>350,732</b>           |
| <b>Financed by</b>                              |      |                          |                          |                          |                          |
| Public dividend capital                         |      | 259,457                  | 215,650                  | 259,457                  | 215,650                  |
| Revaluation reserve                             |      | 92,649                   | 89,001                   | 92,649                   | 89,001                   |
| Income and expenditure reserve                  |      | 32,366                   | 48,070                   | 36,137                   | 46,081                   |
| <b>Total taxpayers' equity</b>                  |      | <b>384,472</b>           | <b>352,721</b>           | <b>388,243</b>           | <b>350,732</b>           |

The notes on pages 161 to 203 form part of these accounts.

Name  
Position  
Date

Simon Morrill  
Chief Executive  
19 June 2024





### Consolidated Statement of Changes in Taxpayers' Equity for the year ended 31 March 2024

| Group   | Public dividend capital<br>£000 | Revaluation reserve<br>£000 | Income and expenditure reserve<br>£000 | Total<br>£000  |
|---|---------------------------------|-----------------------------|--|----------------|
| <b>Taxpayers' and others' equity at 1 April 2023</b>  | <b>215,650</b>                  | <b>89,001</b>               | <b>48,070</b>                          | <b>352,721</b> |
| Surplus/(deficit) for the year                        | -                               | -                           | (15,726)                               | (15,726)       |
| Impairments   | -                               | 1,528                       | -                                      | 1,528          |
| Revaluations  | -                               | 2,167                       | -                                      | 2,167          |
| Transfer to retained earnings on disposal of assets   | -                               | (47)                        | 47                                     | -              |
| Public dividend capital received                      | 43,807                          | -                           | -                                      | 43,807         |
| Other reserve movements                               | -                               | -                           | (25)                                   | (25)           |
| <b>Taxpayers' and others' equity at 31 March 2024</b> | <b>259,457</b>                  | <b>92,649</b>               | <b>32,366</b>                          | <b>384,472</b> |

\* Other reserve movement is the profit share paid to Northumbria Healthcare Facilities management Ltd as per the subsidiary members' agreement.

### Consolidated Statement of Changes in Taxpayers' Equity for the year ended 31 March 2023

| Group   | Public dividend capital<br>£000 | Revaluation reserve<br>£000 | Income and expenditure reserve<br>£000 | Total<br>£000  |
|---|---------------------------------|-----------------------------|--|----------------|
| <b>Taxpayers' and others' equity at 1 April 2022</b>  | <b>166,349</b>                  | <b>73,398</b>               | <b>37,300</b>                          | <b>277,047</b> |
| Implementation of IFRS 16 on 1 April 2022             | -                               | -                           | 113                                    | 113            |
| Surplus/(deficit) for the year                        | -                               | -                           | 10,682                                 | 10,682         |
| Impairments   | -                               | 11,333                      | -                                      | 11,333         |
| Revaluations  | -                               | 4,270                       | -                                      | 4,270          |
| Public dividend capital received                      | 49,301                          | -                           | -                                      | 49,301         |
| Other reserve movements                               | -                               | -                           | (25)                                   | (25)           |
| <b>Taxpayers' and others' equity at 31 March 2023</b> | <b>215,650</b>                  | <b>89,001</b>               | <b>48,070</b>                          | <b>352,721</b> |

\* Other reserve movement is the profit share paid to Northumbria Healthcare Facilities management Ltd as per the subsidiary members' agreement.

## Statement of Changes in Taxpayers' Equity for the year ended 31 March 2024

| Trust   | Public dividend capital<br>£000 | Revaluation reserve<br>£000 | Income and expenditure reserve<br>£000 | Total<br>£000  |
|---|---------------------------------|-----------------------------|--|----------------|
| <b>Taxpayers' and others' equity at 1 April 2023</b>  | <b>215,650</b>                  | <b>89,001</b>               | <b>46,082</b>                          | <b>350,733</b> |
| Surplus/(deficit) for the year                        | -                               | -                           | (11,955)                               | (11,955)       |
| Impairments   | -                               | 1,528                       | -                                      | 1,528          |
| Revaluations  | -                               | 2,167                       | -                                      | 2,167          |
| Transfer to retained earnings on disposal of assets   | -                               | (47)                        | 47                                     | -              |
| Public dividend capital received                      | 43,807                          | -                           | -                                      | 43,807         |
| Subsidiary Profit Distribution                        | -                               | -                           | 1,963                                  | 1,963          |
| <b>Taxpayers' and others' equity at 31 March 2024</b> | <b>259,457</b>                  | <b>92,649</b>               | <b>36,137</b>                          | <b>388,243</b> |

## Statement of Changes in Taxpayers' Equity for the year ended 31 March 2023

| Trust   | Public dividend capital<br>£000 | Revaluation reserve<br>£000 | Income and expenditure reserve<br>£000 | Total<br>£000  |
|---|---------------------------------|-----------------------------|--|----------------|
| <b>Taxpayers' and others' equity at 1 April 2022</b>  | <b>166,349</b>                  | <b>73,398</b>               | <b>35,402</b>                          | <b>275,149</b> |
| Implementation of IFRS 16 on 1 April 2022             | -                               | -                           | 9                                      | 9              |
| Surplus/(deficit) for the year                        | -                               | -                           | 8,693                                  | 8,693          |
| Impairments   | -                               | 11,333                      | -                                      | 11,333         |
| Revaluations  | -                               | 4,270                       | -                                      | 4,270          |
| Public dividend capital received                      | 49,301                          | -                           | -                                      | 49,301         |
| Subsidiary Profit Distribution                        | -                               | -                           | 1,978                                  | 1,978          |
| <b>Taxpayers' and others' equity at 31 March 2023</b> | <b>215,650</b>                  | <b>89,001</b>               | <b>46,082</b>                          | <b>350,733</b> |

## Information on reserves

### Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. Additional PDC may also be issued to Trusts by the Department of Health and Social Care. A charge, reflecting the cost of capital utilised by the Trust, is payable to the Department of Health and Social Care as the PDC dividend.

### Revaluation reserve

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are recognised in operating income. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

### Income and expenditure reserve

The balance of this reserve is the accumulated surpluses and deficits of the Trust.

## Statements of Cash Flows

|  | Note | Group           |                 | Trust           |                 |
|--|------|-----------------|-----------------|-----------------|-----------------|
|  |      | 2023/24<br>£000 | 2022/23<br>£000 | 2023/24<br>£000 | 2022/23<br>£000 |
| <b>Cash flows from operating activities</b>  |      |                 |                 |                 |                 |
| Operating surplus / (deficit)  |      | (6,739)         | 18,395          | (5,518)         | 15,200          |
| <b>Non-cash income and expense:</b>  |      |                 |                 |                 |                 |
| Depreciation and amortisation  | 6    | 22,753          | 19,507          | 22,753          | 19,507          |
| Net impairments  | 7    | 15,105          | (709)           | 15,105          | (709)           |
| Income recognised in respect of capital donations  | 3    | (341)           | (10,500)        | (341)           | (10,500)        |
| (Increase) / decrease in receivables relating to subsidiary                              |      | -               | -               | 14              | 65              |
| (Increase) / decrease in receivables and other assets                                    |      | 8,115           | (26,714)        | 4,572           | (21,103)        |
| (Increase) / decrease in inventories   |      | (1,297)         | (443)           | (1,381)         | (397)           |
| Increase / (decrease) in payables and other liabilities                                  |      | (14,511)        | 19,711          | (9,594)         | 5,001           |
| Increase / (decrease) in payables relating to subsidiary                                 |      | -               | -               | 888             | (2,577)         |
| Increase / (decrease) in provisions  |      | (291)           | (986)           | (281)           | (846)           |
| <b>Net cash flows from / (used in) operating activities</b>                              |      | <b>22,794</b>   | <b>18,261</b>   | <b>26,217</b>   | <b>3,641</b>    |
| <b>Cash flows from investing activities</b>  |      |                 |                 |                 |                 |
| Interest received  |      | 2,042           | 1,027           | 1,784           | 909             |
| Interest received from subsidiary  |      | -               | -               | 4,756           | 2,773           |
| Purchase of intangible assets  |      | (4,782)         | (2,419)         | (4,782)         | (2,419)         |
| Purchase of PPE and investment property  |      | (49,621)        | (74,694)        | (46,904)        | (20,775)        |
| Sales of PPE and investment property   |      | -               | 8               | -               | 8               |
| Initial direct costs or up front payments in respect of new right of use assets (lessee) |      | (583)           | (437)           | (78)            | (77)            |
| Receipt of cash donations to purchase assets   |      | 341             | 9,959           | 341             | 9,959           |
| <b>Net cash flows from / (used in) investing activities</b>                              |      | <b>(52,603)</b> | <b>(66,556)</b> | <b>(44,883)</b> | <b>(9,622)</b>  |
| <b>Cash flows from financing activities</b>  |      |                 |                 |                 |                 |
| Public dividend capital received   |      | 43,807          | 49,301          | 43,807          | 49,301          |
| Movement on loans from DHSC  |      | 168             | (2,726)         | 168             | (2,726)         |
| Movement on loans (to) and from subsidiary   |      | -               | -               | (12,647)        | (48,752)        |
| Capital element of lease liability repayments  |      | (6,174)         | (4,823)         | (2,063)         | (1,548)         |
| Interest on loans  |      | (360)           | (413)           | (360)           | (413)           |
| Interest on loans to subsidiary  |      | -               | -               | (2,549)         | (1,816)         |
| Other interest   |      | (2)             | (1)             | -               | (1)             |
| Interest paid on lease liability repayments  |      | (765)           | (458)           | (105)           | (80)            |
| PDC dividend (paid) / refunded   |      | (9,711)         | (7,579)         | (9,711)         | (7,579)         |
| Cash flows from (used in) other financing activities                                     |      | (26)            | (25)            | 1,990           | 2,010           |
| <b>Net cash flows from / (used in) financing activities</b>                              |      | <b>26,937</b>   | <b>33,276</b>   | <b>18,530</b>   | <b>(11,604)</b> |
| <b>Increase / (decrease) in cash and cash equivalents</b>                                |      | <b>(2,872)</b>  | <b>(15,019)</b> | <b>(136)</b>    | <b>(17,585)</b> |
| <b>Cash and cash equivalents at 1 April - brought forward</b>                            |      | <b>50,347</b>   | <b>65,366</b>   | <b>46,263</b>   | <b>63,848</b>   |
| <b>Cash and cash equivalents at 31 March</b>   | 21   | <b>47,475</b>   | <b>50,347</b>   | <b>46,127</b>   | <b>46,263</b>   |

## Notes to the Accounts

### Note 1 Accounting policies and other information

#### Note 1.1 Basis of preparation

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

#### Accounting convention

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

#### Note 1.2 Going concern

These accounts have been prepared on a going concern basis. The financial reporting framework applicable to NHS bodies, derived from the HM Treasury Financial Reporting Manual (FRM), defines that the anticipated continued provision of the entity's services in the public sector is normally sufficient evidence of going concern. The Directors have a reasonable expectation that this will continue to be the case.

#### Note 1.3 Consolidation

The Trust, along with Northumbria Healthcare Facilities Management Ltd, incorporated a subsidiary York Teaching Hospital Facilities Management (YTHFM LLP) registered number OC421341 in March 2018 as a limited liability partnership. YTHFM LLP became operational on 1 October 2018. The primary purpose of the subsidiary is the provision of a fully managed healthcare facility for the Trust's existing infrastructure, including the design, project management and operation of the Trust's capital programme. The income, expenses, assets, liabilities, equity and reserves for the subsidiary are consolidated in full into the appropriate financial statement lines. Appropriate adjustments are made on consolidation where the subsidiary's accounting policies are not aligned with the Trust's. The amounts consolidated for the year ending 31 March 2024 are drawn from the 2023/24 financial statements of YTHFM LLP which operates under the same financial accounting year as the Trust. Northumbria Healthcare Facilities Management Ltd minority interest is not material to the Group's financial statements.

#### Note 1.4 Revenue from contracts with customers

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The GAM expands the definition of a contract to include legislation and regulations which enable 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.

## **Note 1.4 Continued**

### **Revenue from NHS contracts**

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

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

Elective recovery funding provides additional funding to Integrated Care Boards to fund the commissioning of elective services within their systems. In 2023/24, Trusts do not directly earn elective recovery funding, instead earning income for actual activity performed under API contract arrangements as explained above. The level of activity delivered by the Trust contributes to system performance and therefore the availability of funding to the Trust's commissioners. In 2022/23 elective recovery funding for providers was separately identified within the aligned payment and incentive contracts.

### **Revenue from research contracts**

Where research contracts fall under IFRS 15, revenue is recognised as and when performance obligations are satisfied. For some contracts, it is assessed that the revenue project constitutes one performance obligation over the course of the multi-year contract. In these cases it is assessed that the Trust's interim performance does not create an asset with alternative use for the Trust, and the Trust has an enforceable right to payment for the performance completed to date. It is therefore considered that the performance obligation is satisfied over time, and the Trust recognises revenue each year over the course of the contract. Some research income alternatively falls within the provisions of IAS 20 for government grants.

### **NHS injury cost recovery scheme**

The Trust receives income under the NHS injury cost recovery scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when performance obligations are satisfied. In practical terms this means that treatment has been given, it receives notification from the Department of Work and Pension's Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less an allowance for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

## **Note 1.5 Other forms of income**

### **Grants and donations**

Government grants are grants from government bodies other than income from commissioners or Trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure. Where the grant is used to fund capital expenditure, it is credited to the Statement of Comprehensive Income once conditions attached to the grant have been met. Donations are treated in the same way as government grants.

### **Apprenticeship service income**

The value of the benefit received when accessing funds from the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider from the Trust's Digital Apprenticeship Service (DAS) account held by the Department for Education, the corresponding notional expense is also recognised at the point of recognition for the benefit.



## **Note 1.6 Expenditure on employee benefits**

### **Short-term employee benefits**

Salaries, wages and employment-related payments such as social security costs and the apprenticeship levy are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

### **Pension costs**

#### **NHS Pension Scheme**

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Both schemes are unfunded, defined benefit schemes that cover NHS employers, general practices and other bodies, allowed under the direction of Secretary of State for Health and Social Care in England and Wales. The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as though it is a defined contribution scheme: the cost to the Trust is taken as equal to the employer's pension contributions payable to the scheme for the accounting period. The contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the Trust commits itself to the retirement, regardless of the method of payment.

#### **Alternative pension scheme**

York & Scarborough Teaching Hospitals NHS Foundation Trust and its subsidiary offers an alternative pension scheme to all employees who are either not eligible; or choose not, to be members of the NHS Pension Scheme at the Trust. This includes employees who are members of the NHS Pension Scheme through another role outside of the Trust and those that are not eligible to join the NHS Pension Scheme.

The alternative pension scheme is a defined contribution scheme operated by the National Employment Savings Trust (NEST). Employee and employer contribution rates are a combined minimum of 8% (with a minimum 3% being contributed by the Trust).

## **Note 1.7 Expenditure on other goods and services**

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

## Note 1.8 Property, plant and equipment

### Recognition

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes
- it is probable that future economic benefits will flow to, or service potential be provided to, the Trust
- it is expected to be used for more than one financial year
- the cost of the item can be measured reliably
- the item has cost of at least £5,000, or
- collectively, a number of items have a cost of at least £5,000 and individually have cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, eg, plant and equipment, then these components are treated as separate assets and depreciated over their own useful lives.

#### *Subsequent expenditure*

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

### Measurement

#### *Valuation*

All property, plant and equipment assets are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

Assets are measured subsequently at valuation. Assets which are held for their service potential and are in use (ie operational assets used to deliver either front line services or back office functions) are measured at their current value in existing use. Assets that were most recently held for their service potential but are surplus with no plan to bring them back into use are measured at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Revaluations of property, plant and equipment are performed with sufficient regularity to ensure that carrying values are not materially different from those that would be determined at the end of the reporting period. Current values in existing use are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost on a modern equivalent asset basis.

For specialised assets, current value in existing use is interpreted as the present value of the asset's remaining service potential, which is assumed to be at least equal to the cost of replacing that service potential. Specialised assets are therefore valued at their depreciated replacement cost (DRC) on a modern equivalent asset (MEA) basis. An MEA basis assumes that the asset will be replaced with a modern asset of equivalent capacity and meeting the location requirements of the services being provided. Assets held at depreciated replacement cost have been valued on an alternative site basis where this would meet the location requirements.

Valuation guidance issued by the Royal Institute of Chartered Surveyors states that valuations are performed net of VAT where the VAT is recoverable by the entity. This basis has been applied to the Trust's Private Finance Initiative (PFI) scheme where the construction is completed by a special purpose vehicle and the costs have recoverable VAT for the Trust.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, borrowings costs. Assets are revalued and depreciation commences when the assets are brought into use.

IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful lives or low values or both, as this is not considered to be materially different from current value in existing use.

### *Depreciation*

Items of property, plant and equipment are depreciated over their remaining useful lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

Property, plant and equipment which has been reclassified as 'held for sale' cease to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the Trust, respectively.

### *Revaluation gains and losses*

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating expenditure.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

### *Impairments*

In accordance with the GAM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

### **De-recognition**

Assets intended for disposal are reclassified as 'held for sale' once the criteria in IFRS 5 are met. The sale must be highly probable and the asset available for immediate sale in its present condition.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's useful life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

### **Donated and grant funded assets**

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

This includes assets donated to the Trust by the Department of Health and Social Care as part of the response to the coronavirus pandemic. As defined in the GAM, the Trust applies the principle of donated asset accounting to assets that the Trust controls and is obtaining economic benefits from at the year end.

## Useful lives of property, plant and equipment

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

|                                | <b>Min life</b> | <b>Max life</b> |
|--------------------------------|-----------------|-----------------|
|                                | <b>Years</b>    | <b>Years</b>    |
| Buildings, excluding dwellings | 20              | 60              |
| Dwellings                      | 15              | 45              |
| Plant & machinery              | 5               | 15              |
| Transport equipment            | 3               | 7               |
| Information technology         | 3               | 10              |
| Furniture & fittings           | 5               | 10              |

## Note 1.9 Intangible assets

### Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the Trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the Trust and where the cost of the asset can be measured reliably.

#### *Internally generated intangible assets*

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised. Expenditure on development is capitalised where it meets the requirements set out in IAS 38.

#### *Software*

Software which is integral to the operation of hardware, eg an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, eg application software, is capitalised as an intangible asset.

### Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Intangible assets held for sale are measured at the lower of their carrying amount or fair value less costs to sell.

#### *Amortisation*

Intangible assets are amortised over their expected useful lives in a manner consistent with the consumption of economic or service delivery benefits.

### Useful lives of intangible assets

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

|                        | <b>Min life</b> | <b>Max life</b> |
|------------------------|-----------------|-----------------|
|                        | <b>Years</b>    | <b>Years</b>    |
| Information technology | 5               | 10              |
| Software licences      | 5               | 10              |

### **Note 1.10 Inventories**

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using both the first in, first out (FIFO) method and the weighted average cost method.

The Trust received inventories including personal protective equipment from the Department of Health and Social Care at nil cost. In line with the GAM and applying the principles of the IFRS Conceptual Framework, the Trust has accounted for the receipt of these inventories at a deemed cost, reflecting the best available approximation of an imputed market value for the transaction based on the cost of acquisition by the Department.

### **Note 1.11 Cash and cash equivalents**

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

### **Note 1.12 Financial assets and financial liabilities**

#### **Recognition**

Financial assets and financial liabilities arise where the Trust is party to the contractual provisions of a financial instrument, and as a result has a legal right to receive or a legal obligation to pay cash or another financial instrument. The GAM expands the definition of a contract to include legislation and regulations which give rise to arrangements that in all other respects would be a financial instrument and do not give rise to transactions classified as a tax by ONS.

This includes the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements and are recognised when, and to the extent which, performance occurs, ie, when receipt or delivery of the goods or services is made.

#### **Classification and measurement**

Financial assets and financial liabilities are initially measured at fair value plus or minus directly attributable transaction costs except where the asset or liability is not measured at fair value through profit and loss. Fair value is taken as the transaction price, or otherwise determined by reference to quoted market prices or valuation techniques.

Financial assets or financial liabilities in respect of assets acquired or disposed of through leasing arrangements are recognised and measured in accordance with the accounting policy for leases described below.

Financial assets are classified into the following categories: financial assets at amortised cost, financial assets at fair value through other comprehensive income, and financial assets at fair value through profit and loss. The classification is determined by the cash flow and business model characteristics of the financial assets, as set out in IFRS 9, and is determined at the time of initial recognition

Financial liabilities are recognised when the Trust becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been extinguished – that is, the obligation has been discharged or cancelled or has expired.

#### **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.

### **Note 1.12 Continued**

Interest revenue or expense is calculated by applying the effective interest rate to the gross carrying amount of a financial asset or amortised cost of a financial liability and recognised in the Statement of Comprehensive Income and a financing income or expense. In the case of loans held from the Department of Health and Social Care, the effective interest rate is the nominal rate of interest charged on the loan.

### **Impairment of financial assets**

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets, the Trust recognises an allowance for expected credit losses.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

Expected losses are charged to operating expenditure within the Statement of Comprehensive Income and reduce the net carrying value of the financial asset in the Statement of Financial Position.

### **Derecognition**

Financial assets are de-recognised when the contractual rights to receive cash flows from the assets have expired or the Trust has transferred substantially all the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

### **Note 1.13 Leases**

A lease is a contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration. An adaptation of the relevant accounting standard by HM Treasury for the public sector means that for NHS bodies, this includes lease-like arrangements with other public sector entities that do not take the legal form of a contract. It also includes peppercorn leases where consideration paid is nil or nominal (significantly below market value) but in all other respects meet the definition of a lease. The Trust does not apply lease accounting to new contracts for the use of intangible assets.

The Trust determines the term of the lease term with reference to the non-cancellable period and any options to extend or terminate the lease which the Trust is reasonably certain to exercise.

### **The Trust as a lessee**

#### *Recognition and initial measurement*

At the commencement date of the lease, being when the asset is made available for use, the Trust recognises a right of use asset and a lease liability.

The right of use asset is recognised at cost comprising the lease liability, any lease payments made before or at commencement, any direct costs incurred by the lessee, less any cash lease incentives received. It also includes any estimate of costs to be incurred restoring the site or underlying asset on completion of the lease term.

The lease liability is initially measured at the present value of future lease payments discounted at the interest rate implicit in the lease. Lease payments includes fixed lease payments, variable lease payments dependent on an index or rate and amounts payable under residual value guarantees. It also includes amounts payable for purchase options and termination penalties where these options are reasonably certain to be exercised.

Where an implicit rate cannot be readily determined, the Trust's incremental borrowing rate is applied. This rate is determined by HM Treasury annually for each calendar year. A nominal rate of 3.51% applied to leases commencing in 2023 and 4.72% to 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.



## **Note 1.13 Continued**

### *Subsequent measurement*

As required by a HM Treasury interpretation of the accounting standard for the public sector, the Trust employs a revaluation model for subsequent measurement of right of use assets, unless the cost model is considered to be an appropriate proxy for current value in existing use or fair value, in line with the accounting policy for owned assets. Where consideration exchanged is identified as significantly below market value, the cost model is not considered to be an appropriate proxy for the value of the right of use asset.

The Trust subsequently measures the lease liability by increasing the carrying amount for interest arising which is also charged to expenditure as a finance cost and reducing the carrying amount for lease payments made. The liability is also remeasured for changes in assessments impacting the lease term, lease modifications or to reflect actual changes in lease payments. Such remeasurements are also reflected in the cost of the right of use asset. Where there is a change in the lease term or option to purchase the underlying asset, an updated discount rate is applied to the remaining lease payments.

### **The Trust as a lessor**

The Trust assesses each of its leases and classifies them as either a finance lease or an operating lease. Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

Where the Trust is an intermediate lessor, classification of the sublease is determined with reference to the right of use asset arising from the headlease.

#### *Finance leases*

The Trust does not hold any finance leases.

#### *Operating leases*

Income from operating leases is recognised on a straight-line basis or another systematic basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

## Note 1.14 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rates effective from 31 March 2023:

|             |                               | Nominal rate | Prior year rate |
|-------------|-------------------------------|--------------|-----------------|
| Short-term  | Up to 5 years                 | 4.26%        | 3.27%           |
| Medium-term | After 5 years up to 10 years  | 4.03%        | 3.20%           |
| Long-term   | After 10 years up to 40 years | 4.72%        | 3.51%           |
|             | Exceeding 40 years            | 4.40%        | 3.00%           |

HM Treasury provides discount rates for general provisions on a nominal rate basis. Expected future cash flows are therefore adjusted for the impact of inflation before discounting using nominal rates. The following inflation rates are set by HM Treasury, effective from 31 March 2023:

|                 | Inflation rate | Prior year rate |
|-----------------|----------------|-----------------|
| Year 1          | 3.60%          | 7.40%           |
| Year 2          | 1.80%          | 0.60%           |
| Into perpetuity | 2.00%          | 2.00%           |

Early retirement provisions and injury benefit provisions both use the HM Treasury's post-employment benefits discount rate of 2.45% in real terms (prior year: minus 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 25.1 but is not recognised in the Trust's accounts.

### Non-clinical risk pooling

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any excesses payable in respect of particular claims are charged to operating expenses when the liability arises.

## Note 1.15 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

The Secretary of State can issue new PDC to, and require repayments of PDC from, the Trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the Trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, with certain additions and deductions as defined by the Department of Health and Social Care.

This policy is available at <https://www.gov.uk/government/publications/guidance-on-financing-available-to-nhs-Trusts-and-foundation-Trusts>.

In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

### **Note 1.16 Value added tax**

Most of the activities of the Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

### **Note 1.17 Corporation tax**

The Trust Board has reviewed the commercial activities of the Trust and consideration has been given to the implications of corporation tax. At this stage the Trust Board is satisfied that there are no corporation tax liabilities resulting from non-core activities. The Trust will continue to review commercial services in light of any potential changes in the scope of corporation tax.

York and Scarborough Teaching Hospitals NHS Foundation Trust is a Health Service Body within the meaning of s519A ICTA 1998 and accordingly is exempt from taxation in respect of income and capital gains within categories covered by this. There is the power from the Treasury to disapply the exemption in relation to the specified activities of a Foundation Trust (s519A) (3) to (8) ICTA 1988. Accordingly, the Trust is potentially 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 therefrom exceed £50,000 per annum.

Tax to be paid on profits arising from the Trust's subsidiary LLP are a Member's tax liability. Trust income from the LLP has been considered as part of the Trust Board's review of commercial services.

### **Note 1.18 Foreign exchange**

The functional and presentational currency of the Trust is sterling.

A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction.

Where the Trust has assets or liabilities denominated in a foreign currency at the Statement of Financial Position date:

- monetary items are translated at the spot exchange rate on 31 March
- non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction and
- non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

Exchange gains or losses on monetary items (arising on settlement of the transaction or on re-translation at the Statement of Financial Position date) are recognised in income or expense in the period in which they arise.

Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

### **Note 1.19 Third party assets**

Assets belonging to third parties in which the Trust has no beneficial interest (such as money held on behalf of patients) are not recognised in the accounts. However, they are disclosed in a separate note to the accounts in accordance with the requirements of HM Treasury's FReM.

### **Note 1.20 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 1.21 Early adoption of standards, amendments and interpretations**

No new accounting standards or revisions to existing standards have been early adopted in 2023/24.

## **Note 1.22 Standards, amendments and interpretations in issue but not yet effective or adopted**

IFRS 17 Insurance Contracts - Application required for accounting periods beginning on or after 1 January 2023, but not yet adopted by the FReM: early adoption is not therefore permitted.

The impact of the standard is still being assessed.

IFRS18 Presentation and Disclosure in Financial Statements - Application required for accounting periods beginning on or after 1 January 2027, but not yet adopted by the FreM, early adoption is not therefore permitted.

The impact of the standard is still being assessed.

## **Note 1.23 Critical judgements in applying accounting policies**

The following are the judgements, apart from those involving estimations (see below) that management has made in the process of applying the Trust's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

In the course of preparing the annual accounts, the Directors have to make use of estimated figures in certain cases, and routinely exercise judgement in assessing the amounts to be included. The Directors have formed the judgement that the Trust has recognised the appropriate level of income due under the terms of the signed contract, and anticipate recovery of outstanding debts.

### *Valuation of Land & Buildings - Note 1.8 and Note 17.*

For specialised properties (i.e those for which no active market exists), depreciated replacement cost is considered to be a satisfactory approximation of current value in existing use. Within that methodology, the MEA concept (Modern equivalent asset) is applied: the 'replacement cost' is based on the cost of a modern replacement asset that has the same productive capacity as the property being valued. The Trust in assessing the MEA concept has made a judgement that an alternative site basis is more appropriate as it is clear that the alternative site would offer advantages in serving the target population.

The Trust relies on the professional services of the Valuation Office for the accuracy of such valuations.

### *Segmental Reporting*

The Trust has one material segment, being the provision of healthcare. Service divisions within the Group all have similar economic characteristics; all of the healthcare activity is undertaken in relation to NHS patient with a minimal amount of private patients.

### *Lease and lease back*

The substance of a lease involves the transfer of the risks and rewards of ownership. It is the judgment of the Trust that where it acts as both lessor and lessee for underlying assets to which it holds legal title, that, in substance, there has been no transfer of risks and rewards. In such situations the Trust will offset assets and liabilities, as well as income and costs, arising from the contract agreements where the Trust is satisfied that it has a legally enforceable right of offset and intends to settle the assets and liabilities simultaneously.

This judgement has been applied to the lease and lease back agreements entered into by the Trust and its subsidiary entity, YTHFM LLP, in regards to the sites; York Hospital, Scarborough Hospital, Bridlington Hospital and various other Trust infrastructure. The Trust has leased the infrastructure to YTHFM LLP for a period of 25 years commencing on 1 October 2018, with the permitted use as a hospital or any ancillary use (including educational purposes) as required by the Tenant for the proper performance of its obligations and exercise of its rights under the Master Services Agreement or such other use required for income generation with the prior consent of the Landlord. Such consent should not to be unreasonably withheld or delayed. The leases also contain a provision that prohibits or restricts any disposition.

YTHFM LLP provides infrastructure back to the Trust via its fully managed facilities contract. The linked transactions do not involve a transfer of the risks and rewards of ownership and hence, in the judgement of the Trust, there is, in substance, no lease.

The Trust invoiced the YTHFM LLP for lease charges of £18.723m during the course of the year, the LLP charged the Trust a similar amount as part of its fully managed facilities billing.

### *IFRS 16 Leases*

The Trust in adopting and applying the new IFRS 16 lease standard has included all leases that have been judged to meet the standard criteria and therefore are accounted for following the principles of the standard.

## **Note 1.23 Continued**

### *Right of Use assets -Note 18.1- 18.3*

The Trust when adopting the accounting standard IFRS 16, has had to use an estimate for the term of the lease in some land & building leases. This estimate is based on discussions with the service providers as to how long they will require that asset to be in use.

The Trust has judged that as it holds no specialised asset leases the cost model is appropriate for valuing its right of use assets leases. In the case of land & building leases, where the Trust holds a peppercorn lease this has been valued based on current market values.

### *Valuation of Land & Buildings - Note 1.8 and Note 17*

The Trust has conducted a review of land and buildings, using independent qualified valuers (District Valuers - Valuation Office Agency) by a senior surveyor RICS registered valuer as of 31 March 2024 and 31 March 2023.

The valuations have been undertaken in accordance with International Financial Reporting Standards (IFRS) as interpreted and applied by the HMT Treasury FReM compliant Department of Health Group Manual for Accounts (DoH GAM) on a Modern equivalent asset basis (MEA). Inherent within valuations are significant judgements relating to MEA valuations in that the two sites are based at alternative locations.

## **Note 1.24 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:

Although the Trust makes estimates within these financial statements such as accrued income, annual leave accrual and provisions e.g early retirements, the amounts involved would not cause a material adjustment to the carrying amount of assets and liabilities within the next financial year.

### *Valuation of Land & Buildings - Note 1.8 and Note 17.*

The Trust has conducted a review of land and buildings, using independent qualified valuers (District Valuers - Valuation Office Agency) by a senior surveyor RICS registered valuer as of 31 March 2024 and 31 March 2023.

These property valuations and useful lives are based on the Royal Institute of Chartered Surveyors valuation standards insofar as these are consistent with the requirements of HM Treasury and the Department of Health and Social Care

## Note 2 Operating income from patient care activities (Group)

All income from patient care activities relates to contract income recognised in line with accounting policy 1.4

| <b>Note 2.1 Income from patient care activities (by nature)</b>   | <b>2023/24</b> | <b>2022/23</b> |
|---|----------------|----------------|
|   | <b>£000</b>    | <b>£000</b>    |
| <b>Acute services</b>   |                |                |
| Income from commissioners under API contracts - variable element* | 139,091        | -              |
| Income from commissioners under API contracts - fixed element*    | 483,539        | 522,075        |
| High cost drugs income from commissioners                         | 65,223         | 63,143         |
| Other NHS clinical income   | 2,740          | 2,999          |
| <b>Community services</b>   |                |                |
| Income from commissioners under API contracts*                    | 23,647         | 22,737         |
| Income from other sources (e.g. local authorities)                | 4,806          | 4,796          |
| <b>All services</b>   |                |                |
| Private patient income  | 950            | 507            |
| Elective recovery fund  | -              | 16,087         |
| National pay award central funding***                             | 322            | 16,381         |
| Additional pension contribution central funding**                 | 19,068         | 17,160         |
| Other clinical income   | 1,681          | 2,268          |
| <b>Total income from activities</b>                               | <b>741,067</b> | <b>668,153</b> |

\*Aligned payment and incentive contracts are the main form of contracting between NHS providers and their commissioners. More information can be found in the 2023/25 NHS Payment Scheme documentation.

<https://www.england.nhs.uk/pay-syst/nhs-payment-scheme/>

\*\*The employer contribution rate for NHS pensions increased from 14.3% to 20.6% (excluding administration charge) from 1 April 2019. Since 2019/20, NHS providers have continued to pay over contributions at the former rate with the additional amount being paid over by NHS England on providers' behalf. The full cost and related funding have been recognised in these accounts.

\*\*\* Additional funding was made available by NHS England in 2023/24 and 2022/23 for implementing the backdated element of pay awards where government offers were made at the end of the financial year 2023/24: In March 2024, the government announced a revised pay offer for consultants, reforming consultant pay scales with an effective date of 1 March 2024. Trade Unions representing consultant doctors accepted the offer in April 2024. 2022/23: In March 2023, the government made a pay offer for staff on agenda for change terms and conditions which was later confirmed in May 2023. The additional pay for 2022/23 was based on individuals in employment at 31 March 2023.

## Note 2.2 Income from patient care activities (by source)

|   | <b>2023/24</b> | <b>2022/23</b> |
|---|----------------|----------------|
|   | <b>£000</b>    | <b>£000</b>    |
| <b>Income from patient care activities received from:</b> |                |                |
| NHS England   | 97,444         | 115,014        |
| Clinical commissioning groups                             | -              | 127,050        |
| Integrated care boards                                    | 635,880        | 418,265        |
| NHS other   | 306            | 253            |
| Local authorities   | 4,806          | 4,796          |
| Non-NHS: private patients                                 | 950            | 507            |
| Non-NHS: overseas patients (chargeable to patient)        | 310            | 345            |
| Injury cost recovery scheme                               | 975            | 1,512          |
| Non NHS: other  | 396            | 411            |
| <b>Total income from activities</b>                       | <b>741,067</b> | <b>668,153</b> |
| <b>Of which:</b>  |                |                |
| Related to continuing operations                          | 741,067        | 668,153        |



**Note 2.3 Overseas visitors (relating to patients charged directly by the provider)**

|                                | 2023/24 | 2022/23 |
|--------------------------------|---------|---------|
|                                | £000    | £000    |
| Income recognised this year    | 310     | 345     |
| Cash payments received in-year | 231     | 136     |
| Amounts written off in-year    | 33      | 50      |

**Note 3 Other operating income (Group)**

|   | 2023/24            |                        |               |
|---|--------------------|------------------------|---------------|
|   | Contract<br>income | Non-contract<br>income | Total         |
|   | £000               | £000                   | £000          |
| Research and development  | 4,118              | -                      | 4,118         |
| Education and training  | 22,517             | 1,087                  | 23,604        |
| Non-patient care services to other bodies                         | 32,449             | -                      | 32,449        |
| Reimbursement and top up funding                                  | -                  | -                      | -             |
| Income in respect of employee benefits accounted on a gross basis | 3,024              | -                      | 3,024         |
| Receipt of capital grants and donations and peppercorn leases     | -                  | 341                    | 341           |
| Charitable and other contributions to expenditure                 | -                  | 423                    | 423           |
| Revenue from operating leases                                     | -                  | 414                    | 414           |
| Other income  | 9,302              | 20                     | 9,322         |
| <b>Total other operating income</b>                               | <b>71,410</b>      | <b>2,285</b>           | <b>73,695</b> |
| <b>Of which:</b>  |                    |                        |               |
| Related to continuing operations                                  |                    |                        | 73,695        |
| Related to discontinued operations                                |                    |                        | -             |

|   | 2022/23            |                        |               |
|---|--------------------|------------------------|---------------|
|   | Contract<br>income | Non-contract<br>income | Total         |
|   | £000               | £000                   | £000          |
| Research and development  | 2,618              | -                      | 2,618         |
| Education and training  | 25,493             | 1,144                  | 26,637        |
| Non-patient care services to other bodies                         | 27,103             | -                      | 27,103        |
| Reimbursement and top up funding                                  | 2,627              | -                      | 2,627         |
| Income in respect of employee benefits accounted on a gross basis | 2,066              | -                      | 2,066         |
| Receipt of capital grants and donations and peppercorn leases     | -                  | 10,500                 | 10,500        |
| Charitable and other contributions to expenditure                 | -                  | 1,446                  | 1,446         |
| Revenue from operating leases                                     | -                  | 409                    | 409           |
| Other income  | 6,300              | 14                     | 6,314         |
| <b>Total other operating income</b>                               | <b>66,207</b>      | <b>13,513</b>          | <b>79,720</b> |
| <b>Of which:</b>  |                    |                        |               |
| Related to continuing operations                                  |                    |                        | 79,720        |
| Related to discontinued operations                                |                    |                        | -             |

**Note 4.1 Additional information on contract revenue (IFRS 15) recognised in the period**

|  | <b>2023/24</b> | <b>2022/23</b> |
|--|----------------|----------------|
|  | <b>£000</b>    | <b>£000</b>    |
| Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end | 2,176          | 1,214          |

**Note 4.2 Income from activities arising from commissioner requested services**

The Trust is required to analyse the level of income from activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider licence and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

|  | <b>2023/24</b>        | <b>2022/23</b>        |
|--|-----------------------|-----------------------|
|  | <b>£000</b>           | <b>£000</b>           |
| Income from services designated as commissioner requested services     | 690,602               | 588,217               |
| Income from services not designated as commissioner requested services | 50,465                | 79,936                |
| <b>Total</b>   | <b><u>741,067</u></b> | <b><u>668,153</u></b> |

**Note 5 Operating leases - York and Scarborough Teaching Hospitals NHS Foundation Trust as lessor**

This note discloses income generated in operating lease agreements where the Trust is the lessor.

The Trust leases out several demised spaces to other NHS organisations, retail outlets and a small number of external entities on fixed term contracts which are reviewed as per the agreements.

**Note 5.1 Operating leases income (Group)**

|   | <b>2023/24</b>    | <b>2022/23</b>    |
|---|-------------------|-------------------|
|   | <b>£000</b>       | <b>£000</b>       |
| <b>Lease receipts recognised as income in year:</b> |                   |                   |
| Minimum lease receipts                              | 414               | 409               |
| <b>Total in-year operating lease income</b>         | <b><u>414</u></b> | <b><u>409</u></b> |

**Note 5.2 Future lease receipts (Group)**

|  | <b>31 March</b>     | <b>31 March</b>     |
|--|---------------------|---------------------|
|  | <b>2024</b>         | <b>2023</b>         |
|  | <b>£000</b>         | <b>£000</b>         |
| <b>Future minimum lease receipts due in:</b>           |                     |                     |
| - not later than one year                              | 251                 | 409                 |
| - later than one year and not later than two years     | 251                 | 409                 |
| - later than two years and not later than three years  | 251                 | 409                 |
| - later than three years and not later than four years | 231                 | 409                 |
| - later than four years and not later than five years  | 172                 | 407                 |
| - later than five years                                | -                   | 37                  |
| <b>Total</b>   | <b><u>1,156</u></b> | <b><u>2,080</u></b> |

## Note 6 Operating expenses (Group)

|   | <b>2023/24</b> | <b>2022/23</b> |
|---|----------------|----------------|
|   | <b>£000</b>    | <b>£000</b>    |
| Purchase of healthcare from NHS and DHSC bodies                           | 747            | 781            |
| Purchase of healthcare from non-NHS and non-DHSC bodies                   | 14,563         | 6,576          |
| Staff and executive directors costs                                       | 530,514        | 494,105        |
| Remuneration of non-executive directors                                   | 188            | 186            |
| Supplies and services - clinical (excluding drugs costs)                  | 82,020         | 68,155         |
| Supplies and services - general   | 10,153         | 6,852          |
| Drug costs (drugs inventory consumed and purchase of non-inventory drugs) | 72,893         | 67,928         |
| Consultancy costs   | 108            | 107            |
| Establishment   | 5,531          | 4,758          |
| Premises  | 28,692         | 23,860         |
| Transport (including patient travel)                                      | 3,409          | 3,944          |
| Depreciation on property, plant and equipment                             | 20,763         | 17,738         |
| Amortisation on intangible assets   | 1,990          | 1,769          |
| Net impairments   | 15,105         | (709)          |
| Movement in credit loss allowance: contract receivables / contract assets | (114)          | (1,038)        |
| Increase/(decrease) in other provisions                                   | 30             | 56             |
| Change in provisions discount rate(s)                                     | (17)           | (84)           |
| Fees payable to the external auditor                                      |                |                |
| audit services- statutory audit (inc VAT) for the Trust                   | 114            | 90             |
| audit services- statutory audit (Excl VAT) for the subsidiary             | 39             | 15             |
| Internal audit costs  | 262            | 260            |
| Clinical negligence   | 19,633         | 18,541         |
| Legal fees  | 160            | 144            |
| Insurance   | 791            | 747            |
| Research and development  | 3,051          | 2,848          |
| Education and training  | 5,959          | 5,689          |
| Expenditure on short term leases  | -              | 403            |
| Expenditure on low value leases   | 461            | 260            |
| Car parking & security  | 1,487          | 1,045          |
| Losses, ex gratia & special payments                                      | 98             | 199            |
| Other   | 2,871          | 4,253          |
| <b>Total</b>  | <b>821,501</b> | <b>729,478</b> |
| <b>Of which:</b>  |                |                |
| Related to continuing operations  | 821,501        | 729,478        |
| Related to discontinued operations  | -              | -              |

### Note 6.1 Limitation on auditor's liability (Group)

There is no limitation on auditor's liability for external audit work carried out for the financial years 2023/24 or 2022/23.

### Note 7 Impairment of assets (Group)

|   | 2023/24       | 2022/23         |
|---|---------------|-----------------|
|   | £000          | £000            |
| <b>Net impairments charged to operating surplus / deficit resulting from:</b> |               |                 |
| Changes in market price   | 15,105        | (709)           |
| <b>Total net impairments charged to operating surplus / deficit</b>           | <b>15,105</b> | <b>(709)</b>    |
| Impairments charged to the revaluation reserve                                | (1,528)       | (11,333)        |
| <b>Total net impairments</b>  | <b>13,577</b> | <b>(12,042)</b> |

The £15m impairment arose from the annual revaluation of assets outlined in note 1.8. £14.9m of this is attributable to the York Emergency Department, which became operational during the year.

### Note 8 Employee benefits (Group)

|  | 2023/24        | 2022/23        |
|--|----------------|----------------|
|  | Total          | Total          |
|  | £000           | £000           |
| Salaries and wages                       | 403,598        | 380,554        |
| Social security costs                    | 43,778         | 39,210         |
| Apprenticeship levy                      | 2,080          | 1,818          |
| Employer's contributions to NHS pensions | 65,851         | 59,161         |
| Pension cost - other                     | 173            | 242            |
| Termination benefits                     | 2              | 18             |
| Temporary staff (including agency)       | 23,831         | 20,956         |
| <b>Total gross staff costs</b>           | <b>539,313</b> | <b>501,959</b> |
| <b>Of which</b>                          |                |                |
| Costs capitalised as part of assets      | 2,568          | 2,097          |

### Note 8.1 Retirements due to ill-health (Group)

During 2023/24 there were 2 early retirements from the Trust agreed on the grounds of ill-health (9 in the year ended 31 March 2023). The estimated additional pension liabilities of these ill-health retirements is £103k (£312k in 2022/23).

The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

## Note 9 Pension costs

Past and present employees are covered by the provisions of the NHS Pension Schemes. Details of the benefits payable and rules of the schemes can be found on the NHS Pensions website at [www.nhsbsa.nhs.uk/pensions](http://www.nhsbsa.nhs.uk/pensions). Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

### a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2024, is based on valuation data as at 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.

NHS Pensions forecast pensions contributions for 2024/25 are £49.7m

### c) Alternative pension scheme

York and Scarborough Teaching Hospitals NHS Foundation Trust offers an alternative pension scheme to all employees who are either not eligible or choose not to be members of the NHS Pension Scheme at the Trust. This includes employees who are members of the NHS Pension Scheme through another role outside of the Trust and those that are not eligible to join the NHS Pension Scheme.

The alternative pension scheme is a defined contribution scheme operated by the National Employment Savings Trust (NEST). Employee and employer contribution rates are a combined minimum of 8% (with a minimum 3% being contributed by the Trust).

#### YTHFM LLP

A number of the YTHFM LLP employees remain within the NHS Pension Scheme, however YTHFM LLP also operates a NEST pension scheme for those employees not eligible to join the NHS Pension Scheme. Employee and Employer contributions mirror that of the NHS Pension Scheme as closely as possible, in that employer contributions are capped at 14%, the maximum amount that can be paid into the NEST scheme.

Please see Note 8 Employee Benefits - Pension costs - other for the in year cost to the Group.

## Note 10 Finance income (Group)

Finance income represents interest received on assets and investments in the period.

|                             | 2023/24      | 2022/23      |
|-----------------------------|--------------|--------------|
|                             | £000         | £000         |
| Interest on bank accounts   | 2,042        | 1,027        |
| <b>Total finance income</b> | <b>2,042</b> | <b>1,027</b> |

## Note 11 Finance expenditure (Group)

Finance expenditure represents interest and other charges involved in the borrowing of money or asset financing.

|   | 2023/24      | 2022/23    |
|---|--------------|------------|
|   | £000         | £000       |
| <b>Interest expense:</b>  |              |            |
| Interest on loans from the Department of Health and Social Care | 344          | 391        |
| Interest on lease obligations                                   | 765          | 458        |
| Interest on late payment of commercial debt                     | 2            | 1          |
| <b>Total interest expense</b>                                   | <b>1,111</b> | <b>850</b> |
| Unwinding of discount on provisions                             | 10           | (9)        |
| <b>Total finance costs</b>                                      | <b>1,121</b> | <b>841</b> |

## Note 11.1 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015 (Group)

|  | 2023/24 | 2022/23 |
|--|---------|---------|
|  | £000    | £000    |
| Amounts included within interest payable arising from claims made under this legislation | 2       | 1       |

## Note 12 Trust income statement and statement of comprehensive income

In accordance with Section 408 of the Companies Act 2006, the Trust can omit the Individual profit and loss account for the parent organisation where group accounts are prepared and the organisation's individual balance sheet shows the organisation's surplus/ deficit for the financial year and where the the SOCI is approved in accordance with section 414 (1) (approval by directors). This exemption applies and the Trust's surplus/(deficit) and total comprehensive income/(expense) for the period is as per the table below:-

|  | 2023/24         | 2022/23       |
|--|-----------------|---------------|
|  | £000            | £000          |
| Total Trust Comprehensive Income                                   | 804,698         | 740,110       |
| Total Trust Comprehensive Expense                                  | (810,216)       | (724,910)     |
| <b>Operating surplus/(deficit) from continuing operations</b>      | <b>(5,518)</b>  | <b>15,200</b> |
| Net Finance Costs  | (6,158)         | (6,492)       |
| Other gains/losses   | (279)           | (14)          |
| <b>Surplus / (deficit) for the year from continuing operations</b> | <b>(11,955)</b> | <b>8,694</b>  |

In addition the Group's subsidiary company - York Teaching Hosptial Facilities Management LLP SOCI is included below:-

| York Teaching Hopsital Facilities Management LLP (YTHFM LLP)                          | 2023/24         | 2022/23       |
|---|-----------------|---------------|
|   | £000            | £000          |
| Total YTHFM LLP Comprehensive Income  | 113,057         | 96,160        |
| Total YTHFM LLP Comprehensive Expense   | (114,280)       | (92,956)      |
| <b>Operating surplus/(deficit) from continuing operations</b>                         | <b>(1,223)</b>  | <b>3,204</b>  |
| Net Finance Costs   | (2,611)         | (1,216)       |
| Other gains/losses  | 63              | -             |
| <b>Surplus / (deficit) for the year from continuing operations</b>                    | <b>(3,771)</b>  | <b>1,988</b>  |
| <b>Consolidated Group Surplus / (deficit) for the year from continuing operations</b> | <b>(15,726)</b> | <b>10,682</b> |



### Note 13 Intangible assets - 2023/24

| Group & Trust   | Software<br>licences<br>£000 | Internally<br>generated<br>information<br>technology<br>£000 | Intangible<br>assets under<br>construction<br>£000 | Total<br>£000 |
|---|------------------------------|--|--|---------------|
| <b>Valuation / gross cost at 1 April 2023 - brought forward</b> | <b>17,976</b>                | <b>792</b>   | <b>-</b>   | <b>18,768</b> |
| Additions   | 2,985                        | -  | 1,797  | 4,782         |
| Disposals / derecognition                                       | (997)                        | -  | -  | (997)         |
| <b>Valuation / gross cost at 31 March 2024</b>                  | <b>19,964</b>                | <b>792</b>   | <b>1,797</b>                                       | <b>22,553</b> |
| <b>Amortisation at 1 April 2023 - brought forward</b>           | <b>7,652</b>                 | <b>375</b>   | <b>-</b>   | <b>8,027</b>  |
| Provided during the year  | 1,911                        | 79   | -  | 1,990         |
| Disposals / derecognition                                       | (988)                        | -  | -  | (988)         |
| <b>Amortisation at 31 March 2024</b>                            | <b>8,575</b>                 | <b>454</b>   | <b>-</b>   | <b>9,029</b>  |
| <b>Net book value at 31 March 2024</b>                          | <b>11,389</b>                | <b>338</b>   | <b>1,797</b>                                       | <b>13,524</b> |
| <b>Net book value at 1 April 2023</b>                           | <b>10,324</b>                | <b>417</b>   | <b>-</b>   | <b>10,741</b> |

### Note 13.1 Intangible assets - 2022/23

| Group & Trust                                  | Software<br>licences<br>£000 | Internally<br>generated<br>information<br>technology<br>£000 | Intangible<br>assets under<br>construction<br>£000 | Total<br>£000 |
|--|------------------------------|--|--|---------------|
| <b>Valuation / gross cost at 1 April 2022</b>  | <b>15,557</b>                | <b>792</b>   | <b>-</b>   | <b>16,349</b> |
| Additions                                      | 493                          | -  | 1,926  | 2,419         |
| Reclassifications                              | 1,926                        | -  | (1,926)  | -             |
| <b>Valuation / gross cost at 31 March 2023</b> | <b>17,976</b>                | <b>792</b>   | <b>-</b>   | <b>18,768</b> |
| <b>stated</b>                                  | <b>5,962</b>                 | <b>296</b>   | <b>-</b>   | <b>6,258</b>  |
| Provided during the year                       | 1,690                        | 79   | -  | 1,769         |
| <b>Amortisation at 31 March 2023</b>           | <b>7,652</b>                 | <b>375</b>   | <b>-</b>   | <b>8,027</b>  |
| <b>Net book value at 31 March 2023</b>         | <b>10,324</b>                | <b>417</b>   | <b>-</b>   | <b>10,741</b> |
| <b>Net book value at 1 April 2022</b>          | <b>9,595</b>                 | <b>496</b>   | <b>-</b>   | <b>10,091</b> |

Intangible assets are only held in the Trust accounts, therefore both Group & Trust figures are the same.

**Note 14 Property, plant and equipment - 2023/24**

| <b>Group</b>  | <b>Land<br/>£000</b> | <b>Buildings<br/>excluding<br/>dwellings<br/>£000</b> | <b>Dwellings<br/>£000</b> | <b>Assets under<br/>construction<br/>£000</b> | <b>Plant &amp;<br/>machinery<br/>£000</b> | <b>Transport<br/>equipment<br/>£000</b> | <b>Information<br/>technology<br/>£000</b> | <b>Furniture &amp;<br/>fittings<br/>£000</b> | <b>Total<br/>£000</b> |
|---|----------------------|---|---------------------------|---|---|---|--|--|-----------------------|
| <b>Valuation/gross cost at 1 April 2023 -<br/>brought forward</b>     | <b>14,114</b>        | <b>223,956</b>  | <b>1,781</b>              | <b>86,616</b>                                 | <b>41,827</b>                             | <b>832</b>                              | <b>29,515</b>                              | <b>828</b>                                   | <b>399,469</b>        |
| Additions   | -                    | 242   | -                         | 46,151  | 143                                       | -                                       | -  | 1  | 46,537                |
| Impairments   | -                    | (3,069)   | -                         | -   | -   | -                                       | -  | -  | (3,069)               |
| Reversals of impairments  | 474                  | 3,911   | 212                       | -   | -   | -                                       | -  | -  | 4,597                 |
| Revaluations  | 93                   | (21,429)  | 43                        | -   | -   | -                                       | -  | -  | (21,293)              |
| Reclassifications   | -                    | 31,664  | 6                         | (45,692)                                      | 3,353                                     | -                                       | 10,556                                     | 113  | -                     |
| Disposals / derecognition   | -                    | -   | -                         | -   | (761)                                     | (5)                                     | (6,315)                                    | -  | (7,081)               |
| <b>Valuation/gross cost at 31 March 2024</b>                          | <b>14,681</b>        | <b>235,275</b>  | <b>2,042</b>              | <b>87,075</b>                                 | <b>44,562</b>                             | <b>827</b>                              | <b>33,756</b>                              | <b>942</b>                                   | <b>419,160</b>        |
| <b>Accumulated depreciation at 1 April 2023 -<br/>brought forward</b> | -                    | <b>2,511</b>  | -                         | -   | <b>23,575</b>                             | <b>583</b>                              | <b>15,818</b>                              | <b>27</b>                                    | <b>42,514</b>         |
| Provided during the year  | -                    | 8,292   | 92                        | -   | 2,826                                     | 108                                     | 2,237                                      | 84   | 13,639                |
| Impairments   | -                    | 15,780  | -                         | -   | -   | -                                       | -  | -  | 15,780                |
| Reversals of impairments  | -                    | (675)   | -                         | -   | -   | -                                       | -  | -  | (675)                 |
| Revaluations  | -                    | (23,368)  | (92)                      | -   | -   | -                                       | -  | -  | (23,460)              |
| Disposals / derecognition   | -                    | -   | -                         | -   | (697)                                     | (5)                                     | (6,268)                                    | -  | (6,970)               |
| <b>Accumulated depreciation at 31 March<br/>2024</b>                  | -                    | <b>2,540</b>  | -                         | -   | <b>25,704</b>                             | <b>686</b>                              | <b>11,787</b>                              | <b>111</b>                                   | <b>40,828</b>         |
| <b>Net book value at 31 March 2024</b>                                | <b>14,681</b>        | <b>232,735</b>  | <b>2,042</b>              | <b>87,075</b>                                 | <b>18,858</b>                             | <b>141</b>                              | <b>21,969</b>                              | <b>831</b>                                   | <b>378,332</b>        |
| <b>Net book value at 1 April 2023</b>                                 | <b>14,114</b>        | <b>221,445</b>  | <b>1,781</b>              | <b>86,616</b>                                 | <b>18,252</b>                             | <b>249</b>                              | <b>13,697</b>                              | <b>801</b>                                   | <b>356,955</b>        |

**Note 14.1 Property, plant and equipment - 2022/23**

| Group   | Land          | Buildings<br>excluding<br>dwellings | Dwellings    | Assets under<br>construction | Plant &<br>machinery | Transport<br>equipment | Information<br>technology | Furniture &<br>fittings | Total          |
|---|---------------|-------------------------------------|--------------|------------------------------|----------------------|------------------------|---------------------------|-------------------------|----------------|
|   | £000          | £000                                | £000         | £000                         | £000                 | £000                   | £000                      | £000                    | £000           |
| <b>Valuation / gross cost at 1 April 2022</b>                       | <b>13,730</b> | <b>206,560</b>                      | <b>1,671</b> | <b>26,992</b>                | <b>41,155</b>        | <b>827</b>             | <b>26,535</b>             | <b>9</b>                | <b>317,479</b> |
| IFRS 16 implementation - reclassification<br>to right of use assets | -             | -                                   | -            | -                            | (466)                | -                      | -                         | -                       | (466)          |
| Additions   | -             | 3,455                               | -            | 70,832                       | 800                  | -                      | 30                        | -                       | 75,117         |
| Impairments   | (610)         | (631)                               | -            | -                            | -                    | -                      | -                         | -                       | (1,241)        |
| Reversals of impairments  | 686           | 11,661                              | 102          | -                            | -                    | -                      | -                         | -                       | 12,449         |
| Revaluations  | 308           | (2,577)                             | 8            | -                            | -                    | -                      | -                         | -                       | (2,261)        |
| Reclassifications   | -             | 5,488                               | -            | (11,208)                     | 1,920                | 31                     | 2,950                     | 819                     | -              |
| Disposals / derecognition   | -             | -                                   | -            | -                            | (1,582)              | (26)                   | -                         | -                       | (1,608)        |
| <b>Valuation/gross cost at 31 March 2023</b>                        | <b>14,114</b> | <b>223,956</b>                      | <b>1,781</b> | <b>86,616</b>                | <b>41,827</b>        | <b>832</b>             | <b>29,515</b>             | <b>828</b>              | <b>399,469</b> |
| <b>Accumulated depreciation at 1 April 2022</b>                     | -             | <b>2,489</b>                        | -            | -                            | <b>22,576</b>        | <b>506</b>             | <b>13,740</b>             | <b>9</b>                | <b>39,320</b>  |
| IFRS 16 implementation - reclassification<br>to right of use assets | -             | -                                   | -            | -                            | (147)                | -                      | -                         | -                       | (147)          |
| Provided during the year  | -             | 7,303                               | 84           | -                            | 2,706                | 103                    | 2,078                     | 18                      | 12,292         |
| Impairments   | -             | 1,693                               | -            | -                            | -                    | -                      | -                         | -                       | 1,693          |
| Reversals of impairments  | -             | (2,527)                             | -            | -                            | -                    | -                      | -                         | -                       | (2,527)        |
| Revaluations  | -             | (6,447)                             | (84)         | -                            | -                    | -                      | -                         | -                       | (6,531)        |
| Disposals / derecognition   | -             | -                                   | -            | -                            | (1,560)              | (26)                   | -                         | -                       | (1,586)        |
| <b>Accumulated depreciation at 31 March<br/>2023</b>                | -             | <b>2,511</b>                        | -            | -                            | <b>23,575</b>        | <b>583</b>             | <b>15,818</b>             | <b>27</b>               | <b>42,514</b>  |
| <b>Net book value at 31 March 2023</b>                              | <b>14,114</b> | <b>221,445</b>                      | <b>1,781</b> | <b>86,616</b>                | <b>18,252</b>        | <b>249</b>             | <b>13,697</b>             | <b>801</b>              | <b>356,955</b> |
| <b>Net book value at 1 April 2022</b>                               | <b>13,730</b> | <b>204,071</b>                      | <b>1,671</b> | <b>26,992</b>                | <b>18,579</b>        | <b>321</b>             | <b>12,795</b>             | -                       | <b>278,159</b> |

**Note 14.2 Property, plant and equipment financing - 31 March 2024**

| Group                             | Land<br>£000  | Buildings<br>excluding<br>dwellings | Dwellings<br>£000 | Assets under<br>construction | Plant &<br>machinery | Transport<br>equipment | Information<br>technology | Furniture &<br>fittings | Total<br>£000  |      |
|-----------------------------------|---------------|-------------------------------------|-------------------|------------------------------|----------------------|------------------------|---------------------------|-------------------------|----------------|------|
|                                   |               | £000                                |                   | £000                         | £000                 | £000                   | £000                      | £000                    |                | £000 |
|                                   |               | Owned - purchased                   |                   | 14,681                       | 219,250              | 2,042                  | 87,075                    | 16,917                  |                | 100  |
| Owned - donated/granted           | -             | 13,485                              | -                 | -                            | 1,941                | 41                     | -                         | 1                       | <b>15,468</b>  |      |
| <b>NBV total at 31 March 2024</b> | <b>14,681</b> | <b>232,735</b>                      | <b>2,042</b>      | <b>87,075</b>                | <b>18,858</b>        | <b>141</b>             | <b>21,969</b>             | <b>831</b>              | <b>378,332</b> |      |

**Note 14.3 Property, plant and equipment financing - 31 March 2023**

| Group                             | Land<br>£000  | Buildings<br>excluding<br>dwellings | Dwellings<br>£000 | Assets under<br>construction | Plant &<br>machinery | Transport<br>equipment | Information<br>technology | Furniture &<br>fittings | Total<br>£000  |      |
|-----------------------------------|---------------|-------------------------------------|-------------------|------------------------------|----------------------|------------------------|---------------------------|-------------------------|----------------|------|
|                                   |               | £000                                |                   | £000                         | £000                 | £000                   | £000                      | £000                    |                | £000 |
|                                   |               | Owned - purchased                   |                   | 14,114                       | 213,476              | 1,781                  | 86,616                    | 16,063                  |                | 127  |
| Owned - donated/granted           | -             | 7,969                               | -                 | -                            | 2,189                | 122                    | -                         | -                       | <b>10,280</b>  |      |
| <b>NBV total at 31 March 2023</b> | <b>14,114</b> | <b>221,445</b>                      | <b>1,781</b>      | <b>86,616</b>                | <b>18,252</b>        | <b>249</b>             | <b>13,697</b>             | <b>801</b>              | <b>356,955</b> |      |

**Note 14.4 Property plant and equipment assets subject to an operating lease (Trust as a lessor) - 31 March 2024**

| Group                             | Land<br>£000  | Buildings<br>excluding<br>dwellings | Dwellings<br>£000 | Assets under<br>construction | Plant &<br>machinery | Transport<br>equipment | Information<br>technology | Furniture &<br>fittings | Total<br>£000  |      |
|-----------------------------------|---------------|-------------------------------------|-------------------|------------------------------|----------------------|------------------------|---------------------------|-------------------------|----------------|------|
|                                   |               | £000                                |                   | £000                         | £000                 | £000                   | £000                      | £000                    |                | £000 |
|                                   |               | Not subject to an operating lease   |                   | 14,681                       | 232,735              | 2,042                  | 87,075                    | 18,858                  |                | 141  |
| <b>NBV total at 31 March 2024</b> | <b>14,681</b> | <b>232,735</b>                      | <b>2,042</b>      | <b>87,075</b>                | <b>18,858</b>        | <b>141</b>             | <b>21,969</b>             | <b>831</b>              | <b>378,332</b> |      |

**Note 14.5 Property plant and equipment assets subject to an operating lease (Trust as a lessor) - 31 March 2023**

| Group                             | Land<br>£000  | Buildings<br>excluding<br>dwellings | Dwellings<br>£000 | Assets under<br>construction | Plant &<br>machinery | Transport<br>equipment | Information<br>technology | Furniture &<br>fittings | Total<br>£000  |      |
|-----------------------------------|---------------|-------------------------------------|-------------------|------------------------------|----------------------|------------------------|---------------------------|-------------------------|----------------|------|
|                                   |               | £000                                |                   | £000                         | £000                 | £000                   | £000                      | £000                    |                | £000 |
|                                   |               | Not subject to an operating lease   |                   | 14,114                       | 221,445              | 1,781                  | 86,616                    | 18,252                  |                | 249  |
| <b>NBV total at 31 March 2023</b> | <b>14,114</b> | <b>221,445</b>                      | <b>1,781</b>      | <b>86,616</b>                | <b>18,252</b>        | <b>249</b>             | <b>13,697</b>             | <b>801</b>              | <b>356,955</b> |      |

**Note 15.1 Property, plant and equipment - 2023/24**

| Trust   | Land<br>£000  | Buildings<br>excluding<br>dwellings<br>£000 | Dwellings<br>£000 | Assets under<br>construction<br>£000 | Plant &<br>machinery<br>£000 | Transport<br>equipment<br>£000 | Information<br>technology<br>£000 | Furniture &<br>fittings<br>£000 | Total<br>£000   |
|---|---------------|---|-------------------|--------------------------------------|------------------------------|--------------------------------|-----------------------------------|---------------------------------|-----------------|
| <b>Valuation/gross cost at 1 April 2023 - brought forward</b>     | <b>14,114</b> | <b>223,955</b>                              | <b>1,781</b>      | <b>14,949</b>                        | <b>41,827</b>                | <b>832</b>                     | <b>29,514</b>                     | <b>827</b>                      | <b>327,799</b>  |
| Additions   | -             | 30,845                                      | -                 | 3,586                                | 3,350                        | -                              | 62                                | 113                             | <b>37,956</b>   |
| Impairments   | -             | (3,069)                                     | -                 | -                                    | -                            | -                              | -                                 | -                               | <b>(3,069)</b>  |
| Reversals of impairments  | 474           | 3,911                                       | 212               | -                                    | -                            | -                              | -                                 | -                               | <b>4,597</b>    |
| Revaluations  | 93            | (21,429)                                    | 43                | -                                    | -                            | -                              | -                                 | -                               | <b>(21,293)</b> |
| Reclassifications   | -             | 1,069                                       | -                 | (11,708)                             | 145                          | -                              | 10,494                            | -                               | -               |
| Disposals / derecognition   | -             | -   | -                 | -                                    | (761)                        | (5)                            | (6,315)                           | -                               | <b>(7,081)</b>  |
| <b>Valuation/gross cost at 31 March 2024</b>                      | <b>14,681</b> | <b>235,282</b>                              | <b>2,036</b>      | <b>6,827</b>                         | <b>44,561</b>                | <b>827</b>                     | <b>33,755</b>                     | <b>940</b>                      | <b>338,909</b>  |
| <b>Accumulated depreciation at 1 April 2023 - brought forward</b> | -             | <b>2,512</b>                                | -                 | -                                    | <b>23,575</b>                | <b>583</b>                     | <b>15,817</b>                     | <b>27</b>                       | <b>42,514</b>   |
| Provided during the year  | -             | 8,292                                       | 92                | -                                    | 2,826                        | 108                            | 2,237                             | 84                              | <b>13,639</b>   |
| Impairments   | -             | 15,780                                      | -                 | -                                    | -                            | -                              | -                                 | -                               | <b>15,780</b>   |
| Reversals of impairments  | -             | (675)                                       | -                 | -                                    | -                            | -                              | -                                 | -                               | <b>(675)</b>    |
| Revaluations  | -             | (23,368)                                    | (92)              | -                                    | -                            | -                              | -                                 | -                               | <b>(23,460)</b> |
| Disposals / derecognition   | -             | -   | -                 | -                                    | (697)                        | (5)                            | (6,268)                           | -                               | <b>(6,970)</b>  |
| <b>Accumulated depreciation at 31 March 2024</b>                  | -             | <b>2,541</b>                                | -                 | -                                    | <b>25,704</b>                | <b>686</b>                     | <b>11,786</b>                     | <b>111</b>                      | <b>40,828</b>   |
| <b>Net book value at 31 March 2024</b>                            | <b>14,681</b> | <b>232,741</b>                              | <b>2,036</b>      | <b>6,827</b>                         | <b>18,857</b>                | <b>141</b>                     | <b>21,969</b>                     | <b>829</b>                      | <b>298,081</b>  |
| <b>Net book value at 1 April 2023</b>                             | <b>14,114</b> | <b>221,443</b>                              | <b>1,781</b>      | <b>14,949</b>                        | <b>18,252</b>                | <b>249</b>                     | <b>13,697</b>                     | <b>800</b>                      | <b>285,285</b>  |

**Note 15.2 Property, plant and equipment - 2022/23**

| Trust  | Land<br>£000  | Buildings<br>excluding<br>dwellings<br>£000 | Dwellings<br>£000 | Assets under<br>construction<br>£000 | Plant &<br>machinery<br>£000 | Transport<br>equipment<br>£000 | Information<br>technology<br>£000 | Furniture &<br>fittings<br>£000 | Total<br>£000  |
|--|---------------|---|-------------------|--------------------------------------|------------------------------|--------------------------------|-----------------------------------|---------------------------------|----------------|
| <b>Valuation / gross cost at 1 April 2022</b>  | <b>13,730</b> | <b>206,560</b>                              | <b>1,671</b>      | <b>4,434</b>                         | <b>41,155</b>                | <b>827</b>                     | <b>26,534</b>                     | <b>9</b>                        | <b>294,920</b> |
| IFRS 16 implementation - reclassification of existing leased assets to right of use assets | -             | -   | -                 | -                                    | (466)                        | -                              | -                                 | -                               | (466)          |
| Additions  | -             | 8,135                                       | -                 | 14,229                               | 2,720                        | 31                             | 74                                | 818                             | 26,007         |
| Impairments  | (610)         | (631)                                       | -                 | -                                    | -                            | -                              | -                                 | -                               | (1,241)        |
| Reversals of impairments   | 686           | 11,660                                      | 102               | -                                    | -                            | -                              | -                                 | -                               | 12,448         |
| Revaluations   | 308           | (2,577)                                     | 8                 | -                                    | -                            | -                              | -                                 | -                               | (2,261)        |
| Reclassifications  | -             | 808   | -                 | (3,714)                              | -                            | -                              | 2,906                             | -                               | -              |
| Disposals / derecognition  | -             | -   | -                 | -                                    | (1,582)                      | (26)                           | -                                 | -                               | (1,608)        |
| <b>Valuation/gross cost at 31 March 2023</b>   | <b>14,114</b> | <b>223,955</b>                              | <b>1,781</b>      | <b>14,949</b>                        | <b>41,827</b>                | <b>832</b>                     | <b>29,514</b>                     | <b>827</b>                      | <b>327,799</b> |
| <b>Accumulated depreciation at 1 April 2022</b>  | -             | <b>2,490</b>                                | -                 | -                                    | <b>22,576</b>                | <b>506</b>                     | <b>13,739</b>                     | <b>9</b>                        | <b>39,320</b>  |
| IFRS 16 implementation - reclassification of existing leased assets to right of use assets | -             | -   | -                 | -                                    | (147)                        | -                              | -                                 | -                               | (147)          |
| Provided during the year   | -             | 7,303                                       | 84                | -                                    | 2,706                        | 103                            | 2,078                             | 18                              | 12,292         |
| Impairments  | -             | 1,693                                       | -                 | -                                    | -                            | -                              | -                                 | -                               | 1,693          |
| Reversals of impairments   | -             | (2,527)                                     | -                 | -                                    | -                            | -                              | -                                 | -                               | (2,527)        |
| Revaluations   | -             | (6,447)                                     | (84)              | -                                    | -                            | -                              | -                                 | -                               | (6,531)        |
| Disposals / derecognition  | -             | -   | -                 | -                                    | (1,560)                      | (26)                           | -                                 | -                               | (1,586)        |
| <b>Accumulated depreciation at 31 March 2023</b>   | -             | <b>2,512</b>                                | -                 | -                                    | <b>23,575</b>                | <b>583</b>                     | <b>15,817</b>                     | <b>27</b>                       | <b>42,514</b>  |
| <b>Net book value at 31 March 2023</b>   | <b>14,114</b> | <b>221,443</b>                              | <b>1,781</b>      | <b>14,949</b>                        | <b>18,252</b>                | <b>249</b>                     | <b>13,697</b>                     | <b>800</b>                      | <b>285,285</b> |
| <b>Net book value at 1 April 2022</b>  | <b>13,730</b> | <b>204,070</b>                              | <b>1,671</b>      | <b>4,434</b>                         | <b>18,579</b>                | <b>321</b>                     | <b>12,795</b>                     | -                               | <b>255,600</b> |



**Note 15.3 Property, plant and equipment financing - 31 March 2024**

| Trust  | Land<br>£000  | Buildings<br>excluding<br>dwellings | Dwellings<br>£000 | Assets under<br>construction | Plant &<br>machinery | Transport<br>equipment | Information<br>technology | Furniture &<br>fittings | Total<br>£000  |
|--|---------------|-------------------------------------|-------------------|------------------------------|----------------------|------------------------|---------------------------|-------------------------|----------------|
|  |               | £000                                |                   | £000                         | £000                 | £000                   | £000                      | £000                    |                |
| Owned - purchased                            | 14,681        | 219,256                             | 2,036             | 6,827                        | 16,916               | 100                    | 21,969                    | 828                     | <b>282,613</b> |
| Owned - donated / granted                    | -             | 13,485                              | -                 | -                            | 1,941                | 41                     | -                         | 1                       | <b>15,468</b>  |
| <b>Total net book value at 31 March 2024</b> | <b>14,681</b> | <b>232,741</b>                      | <b>2,036</b>      | <b>6,827</b>                 | <b>18,857</b>        | <b>141</b>             | <b>21,969</b>             | <b>829</b>              | <b>298,081</b> |

**Note 15.4 Property, plant and equipment financing - 31 March 2023**

| Trust  | Land<br>£000  | Buildings<br>excluding<br>dwellings | Dwellings<br>£000 | Assets under<br>construction | Plant &<br>machinery | Transport<br>equipment | Information<br>technology | Furniture &<br>fittings | Total<br>£000  |
|--|---------------|-------------------------------------|-------------------|------------------------------|----------------------|------------------------|---------------------------|-------------------------|----------------|
|  |               | £000                                |                   | £000                         | £000                 | £000                   | £000                      | £000                    |                |
| Owned - purchased                            | 14,114        | 213,474                             | 1,781             | 14,949                       | 16,063               | 127                    | 13,697                    | 800                     | <b>275,005</b> |
| Owned - donated / granted                    | -             | 7,969                               | -                 | -                            | 2,189                | 122                    | -                         | -                       | <b>10,280</b>  |
| <b>Total net book value at 31 March 2023</b> | <b>14,114</b> | <b>221,443</b>                      | <b>1,781</b>      | <b>14,949</b>                | <b>18,252</b>        | <b>249</b>             | <b>13,697</b>             | <b>800</b>              | <b>285,285</b> |

**Note 15.5 Property plant and equipment assets subject to an operating lease (Trust as a lessor) - 31 March 2024**

| Trust  | Land<br>£000  | Buildings<br>excluding<br>dwellings | Dwellings<br>£000 | Assets under<br>construction | Plant &<br>machinery | Transport<br>equipment | Information<br>technology | Furniture &<br>fittings | Total<br>£000  |
|--|---------------|-------------------------------------|-------------------|------------------------------|----------------------|------------------------|---------------------------|-------------------------|----------------|
|  |               | £000                                |                   | £000                         | £000                 | £000                   | £000                      | £000                    |                |
| Subject to an operating lease                | -             | -                                   | -                 | -                            | -                    | -                      | -                         | -                       | -              |
| Not subject to an operating lease            | 14,681        | 232,741                             | 2,036             | 6,827                        | 18,857               | 141                    | 21,969                    | 829                     | <b>298,081</b> |
| <b>Total net book value at 31 March 2024</b> | <b>14,681</b> | <b>232,741</b>                      | <b>2,036</b>      | <b>6,827</b>                 | <b>18,857</b>        | <b>141</b>             | <b>21,969</b>             | <b>829</b>              | <b>298,081</b> |

**Note 15.6 Property plant and equipment assets subject to an operating lease (Trust as a lessor) - 31 March 2023**

| Trust  | Land<br>£000  | Buildings<br>excluding<br>dwellings | Dwellings<br>£000 | Assets under<br>construction | Plant &<br>machinery | Transport<br>equipment | Information<br>technology | Furniture &<br>fittings | Total<br>£000  |
|--|---------------|-------------------------------------|-------------------|------------------------------|----------------------|------------------------|---------------------------|-------------------------|----------------|
|  |               | £000                                |                   | £000                         | £000                 | £000                   | £000                      | £000                    |                |
| Subject to an operating lease                | -             | -                                   | -                 | -                            | -                    | -                      | -                         | -                       | -              |
| Not subject to an operating lease            | 14,114        | 221,443                             | 1,781             | 14,949                       | 18,252               | 249                    | 13,697                    | 800                     | <b>285,285</b> |
| <b>Total net book value at 31 March 2023</b> | <b>14,114</b> | <b>221,443</b>                      | <b>1,781</b>      | <b>14,949</b>                | <b>18,252</b>        | <b>249</b>             | <b>13,697</b>             | <b>800</b>              | <b>285,285</b> |

#### **Note 16 Donations of property, plant and equipment**

The Trust received £341k of donated assets in 2023/24. This consisted of cash donations to purchase medical equipment and fund minor capital schemes.

In 2022/23 the Trust received £1.427m of donated assets.

#### **Note 17 Revaluations of property, plant and equipment**

In 2023/24 the Trust's Estate was revalued by a RICS registered surveyor via the District Valuers Office as of 31 March 2024. The valuation was in line with the Trust's accounting policy note 1.8

#### **Note 18 Leases - York and Scarborough Teaching Hospitals NHS Foundation Trust as a lessee**

This note details information about leases for which the Trust is a lessee.

The Trust operates as both a lessor and lessee :-

The Trust provides various land and buildings as a lessor to other NHS organisations for the provision of services outside the scope of services the Trust provides. Various space is leased to retail organisations mainly to provide services to our patients and staff.

As a lessor the Trust provides accommodation for HYMS students plus various building including parts of the Community Stadium and medical equipment for the provision of healthcare services.

The Group's transport department leases various vans and transport vehicles and the Trust's fleet of pool cars are also provided through a lease contract.

Note 18.1 Right of use assets - 2023/24

| Group & Trust   | Property             | Plant &       | Transport  | Information  | Total         | Of which:                     |
|---|----------------------|---------------|------------|--------------|---------------|-------------------------------|
|   | (land and buildings) | machinery     | equipment  | technology   |               | leased from DHSC group bodies |
|   | £000                 | £000          | £000       | £000         | £000          | £000                          |
| <b>Valuation / gross cost at 1 April 2023 - brought forward</b>           | <b>21,221</b>        | <b>11,721</b> | <b>435</b> | <b>2,261</b> | <b>35,638</b> | <b>6,994</b>                  |
| Additions   | 1,101                | 5,710         | 518        | -            | 7,329         | 52                            |
| Remeasurements of the lease liability                                     | 514                  | (3)           | 2          | -            | 513           | 226                           |
| Disposals / derecognition   | (681)                | (1,098)       | (179)      | -            | (1,958)       | (277)                         |
| <b>Valuation/gross cost at 31 March 2024</b>                              | <b>22,155</b>        | <b>16,330</b> | <b>776</b> | <b>2,261</b> | <b>41,522</b> | <b>6,995</b>                  |
| <b>Accumulated depreciation at 1 April 2023 - brought forward</b>         | <b>2,301</b>         | <b>2,720</b>  | <b>168</b> | <b>226</b>   | <b>5,415</b>  | <b>814</b>                    |
| Provided during the year  | 2,802                | 3,563         | 307        | 452          | 7,124         | 807                           |
| Disposals / derecognition   | (422)                | (1,080)       | (171)      | -            | (1,673)       | (64)                          |
| <b>Accumulated depreciation at 31 March 2024</b>                          | <b>4,681</b>         | <b>5,203</b>  | <b>304</b> | <b>678</b>   | <b>10,866</b> | <b>1,557</b>                  |
| <b>Net book value at 31 March 2024</b>                                    | <b>17,474</b>        | <b>11,127</b> | <b>472</b> | <b>1,583</b> | <b>30,656</b> | <b>5,438</b>                  |
| <b>Net book value at 1 April 2023</b>                                     | <b>18,920</b>        | <b>9,001</b>  | <b>267</b> | <b>2,035</b> | <b>30,223</b> | <b>6,180</b>                  |
| Net book value of right of use assets leased from other NHS providers     |                      |               |            |              |               | 1,897                         |
| Net book value of right of use assets leased from other DHSC group bodies |                      |               |            |              |               | 3,541                         |

Note 18.2 Right of use assets - 2022/23

| Group & Trust   | Property             | Plant &       | Transport  | Information  | Total         | Of which:                     |
|---|----------------------|---------------|------------|--------------|---------------|-------------------------------|
|   | (land and buildings) | machinery     | equipment  | technology   |               | leased from DHSC group bodies |
|   | £000                 | £000          | £000       | £000         | £000          | £000                          |
| <b>Valuation / gross cost at 1 April 2022 - brought forward</b>                                   | -                    | -             | -          | -            | -             | -                             |
| IFRS 16 implementation - reclassification of existing leased assets from PPE or intangible assets | -                    | 466           | -          | -            | 466           | -                             |
| IFRS 16 implementation - adjustments for existing operating leases / subleases                    | 14,745               | 6,504         | 248        | -            | 21,497        | 6,982                         |
| Additions   | 6,540                | 4,817         | 187        | 2,261        | 13,805        | 12                            |
| Remeasurements of the lease liability   | -                    | 48            | -          | -            | 48            | -                             |
| Disposals / derecognition   | (64)                 | (114)         | -          | -            | (178)         | -                             |
| <b>Valuation/gross cost at 31 March 2023</b>  | <b>21,221</b>        | <b>11,721</b> | <b>435</b> | <b>2,261</b> | <b>35,638</b> | <b>6,994</b>                  |
| <b>Accumulated depreciation at 1 April 2022 - brought forward</b>                                 | -                    | -             | -          | -            | -             | -                             |
| IFRS 16 implementation - reclassification of existing leased assets from PPE or intangible assets | -                    | 147           | -          | -            | 147           | -                             |
| Provided during the year  | 2,365                | 2,687         | 168        | 226          | 5,446         | 814                           |
| Disposals / derecognition   | (64)                 | (114)         | -          | -            | (178)         | -                             |
| <b>Accumulated depreciation at 31 March 2023</b>  | <b>2,301</b>         | <b>2,720</b>  | <b>168</b> | <b>226</b>   | <b>5,415</b>  | <b>814</b>                    |
| <b>Net book value at 31 March 2023</b>  | <b>18,920</b>        | <b>9,001</b>  | <b>267</b> | <b>2,035</b> | <b>30,223</b> | <b>6,180</b>                  |
| <b>Net book value at 1 April 2022</b>   | -                    | -             | -          | -            | -             | -                             |
| Net book value of right of use assets leased from other NHS providers                             |                      |               |            |              |               | 1,947                         |
| Net book value of right of use assets leased from other DHSC group bodies                         |                      |               |            |              |               | 4,233                         |

Assets categorised as Right of Use assets are only held in the Trust accounts, therefore both Group & Trust figures are the same. The Trust's corresponding lease liability is disclosed within Note 24 Loans from subsidiary and lease liabilities.

### Note 18.3 Revaluations of right of use assets

In accordance with the GAM, the Trust has employed the cost model rather than a revaluation model for right of use assets.

The Trust has determined that the cost model provides an appropriate proxy to the current value in use or fair value, due to;

- Material leases relating to property , contain regular rent reviews to reflect market conditions
- The risk that fair value of equipment and vehicle leases fluctuating is deemed to be low.

### Note 18.4 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 24.

|  | Group         |               | Trust         |               |
|--|---------------|---------------|---------------|---------------|
|  | 2023/24       | 2022/23       | 2023/24       | 2022/23       |
|  | £000          | £000          | £000          | £000          |
| <b>Carrying value at 1 April</b>                                   | <b>30,070</b> | <b>315</b>    | <b>10,238</b> | <b>0</b>      |
| IFRS 16 implementation - adjustments for existing operating leases | -             | 21,162        | -             | 13,278        |
| Lease additions  | 6,746         | 13,368        | 240           | 2,846         |
| Lease liability remeasurements                                     | 513           | 48            | 284           | -             |
| Interest charge arising in year                                    | 765           | 458           | 105           | 80            |
| Early terminations - Lease novated to Subsidiary                   | (189)         | -             | (126)         | (4,338)       |
| Lease payments (cash outflows)                                     | (6,939)       | (5,281)       | (2,168)       | (1,628)       |
| <b>Carrying value at 31 March</b>                                  | <b>30,966</b> | <b>30,070</b> | <b>8,573</b>  | <b>10,238</b> |

Lease payments for short term leases, leases of low value underlying assets and variable lease payments not dependent on an index or rate are recognised in operating expenditure.

These payments are disclosed in Note 6. Cash outflows in respect of leases recognised on-SoFP are disclosed in the reconciliation above.

### Note 18.5 Maturity analysis of future lease payments at 31 March 2024

|   | Group         |   | Trust         |   |
|---|---------------|---|---------------|---|
|   | Total         | Of which leased from DHSC group bodies: | Total         | Of which leased from DHSC group bodies: |
|   | 31 March 2024 | 31 March 2024                           | 31 March 2024 | 31 March 2024                           |
|   | £000          | £000                                    | £000          | £000                                    |
| <b>Undiscounted future lease payments payable in:</b> |               |   |               |   |
| - not later than one year;                            | 7,256         | 856                                     | 2,286         | 636                                     |
| - later than one year and not later than five years;  | 16,559        | 3,015                                   | 4,702         | 2,133                                   |
| - later than five years.                              | 11,454        | 2,278                                   | 1,802         | 1,293                                   |
| <b>Total gross future lease payments</b>              | <b>35,269</b> | <b>6,149</b>                            | <b>8,790</b>  | <b>4,062</b>                            |
| Finance charges allocated to future periods           | (4,303)       | (636)                                   | (218)         | (142)                                   |
| <b>Net lease liabilities at 31 March 2024</b>         | <b>30,966</b> | <b>5,513</b>                            | <b>8,572</b>  | <b>3,920</b>                            |
| <b>Of which:</b>                                      |               |   |               |   |
| Leased from other NHS providers                       |               | 1,936                                   |               | 343                                     |
| Leased from other DHSC group bodies                   |               | 3,577                                   |               | 3,577                                   |

**Note 18.6 Maturity analysis of future lease payments at 31 March 2023**

|   | Group                    |                                      | Trust                    |                                      |
|---|--------------------------|--------------------------------------|--------------------------|--------------------------------------|
|   | Total                    | Of which                             | Total                    | Of which                             |
|   |                          | leased from<br>DHSC group<br>bodies: |                          | leased from<br>DHSC group<br>bodies: |
| 31 March<br>2023<br>£000                              | 31 March<br>2023<br>£000 | 31 March<br>2023<br>£000             | 31 March<br>2023<br>£000 |                                      |
| <b>Undiscounted future lease payments payable in:</b> |                          |                                      |                          |                                      |
| - not later than one year;                            | 6,309                    | 834                                  | 2,097                    | 664                                  |
| - later than one year and not later than five years;  | 15,577                   | 3,077                                | 6,017                    | 2,415                                |
| - later than five years.                              | 12,425                   | 2,684                                | 2,382                    | 1,697                                |
| <b>Total gross future lease payments</b>              | <b>34,311</b>            | <b>6,595</b>                         | <b>10,496</b>            | <b>4,776</b>                         |
| Finance charges allocated to future periods           | (4,241)                  | (488)                                | (258)                    | (170)                                |
| <b>Net finance lease liabilities at 31 March 2023</b> | <b>30,070</b>            | <b>6,107</b>                         | <b>10,238</b>            | <b>4,606</b>                         |
| <b>Of which:</b>                                      |                          |                                      |                          |                                      |
| Leased from other NHS providers                       |                          | 1,957                                |                          | 456                                  |
| Leased from other DHSC group bodies                   |                          | 4,150                                |                          | 4,150                                |

## Note 19 Inventories

|                                       | Group                    |                          | Trust                    |                          |
|---------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
|                                       | 31 March<br>2024<br>£000 | 31 March<br>2023<br>£000 | 31 March<br>2024<br>£000 | 31 March<br>2023<br>£000 |
| Drugs                                 | 4,375                    | 4,505                    | 4,375                    | 4,504                    |
| Consumables                           | 8,742                    | 7,247                    | 8,072                    | 6,562                    |
| Energy                                | 134                      | 202                      | -                        | -                        |
| <b>Total inventories</b>              | <b>13,251</b>            | <b>11,954</b>            | <b>12,447</b>            | <b>11,066</b>            |
| <b>of which:</b>                      |                          |                          |                          |                          |
| Held at fair value less costs to sell | -                        | -                        | -                        | -                        |

Inventories recognised in expenses for the year were £107,779k (2022/23: £76,113k). Write-down of inventories recognised as expenses for the year were £0k (2022/23: £0k).

These inventories were recognised as additions to inventory at deemed cost with the corresponding benefit recognised in income. The utilisation of these items is included in the expenses disclosed above.

## Note 20 Receivables

|  | Group                    |                          | Trust                    |                          |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
|  | 31 March<br>2024<br>£000 | 31 March<br>2023<br>£000 | 31 March<br>2024<br>£000 | 31 March<br>2023<br>£000 |
| <b>Current</b>   |                          |                          |                          |                          |
| Contract receivables                                       | 28,686                   | 34,988                   | 27,991                   | 32,629                   |
| Allowance for impaired contract receivables / assets       | (354)                    | (485)                    | (354)                    | (486)                    |
| Prepayments (non-PFI)                                      | 4,681                    | 3,686                    | 2,216                    | 1,831                    |
| PDC dividend receivable                                    | 149                      | 129                      | 149                      | 129                      |
| VAT receivable   | 1,304                    | 3,950                    | 486                      | 710                      |
| Clinicians pensions tax reimbursement funding from NHSE    | 27                       | 15                       | 27                       | -                        |
| Other receivables  | 2,551                    | 2,449                    | 2,462                    | 2,309                    |
| Receivables relating to the subsidiary                     | -                        | -                        | 7,211                    | 5,277                    |
| <b>Total current receivables</b>                           | <b>37,044</b>            | <b>44,732</b>            | <b>40,188</b>            | <b>42,399</b>            |
| <b>Non-current</b>   |                          |                          |                          |                          |
| Contract receivables                                       | 908                      | 761                      | 909                      | 761                      |
| Allowance for impaired contract receivables / assets       | (50)                     | (71)                     | (50)                     | (71)                     |
| Receivables relating to subsidiary                         | -                        | -                        | 128,875                  | 99,035                   |
| VAT receivable   | 463                      | 821                      | 462                      | 821                      |
| Clinicians pensions tax reimbursement funding from NHSE    | 803                      | 1,020                    | 803                      | 1,020                    |
| <b>Total non-current receivables</b>                       | <b>2,124</b>             | <b>2,531</b>             | <b>130,999</b>           | <b>101,566</b>           |
| <b>Of which receivable from NHS and DHSC group bodies:</b> |                          |                          |                          |                          |
| Current  | 20,515                   | 26,620                   |                          |                          |
| Non-current  | 803                      | 1,020                    |                          |                          |



### Note 20.1 Allowances for credit losses - 2023/24

|  | Group<br>Contract<br>receivables and<br>contract assets<br>£000 | Trust<br>Contract<br>receivables and<br>contract assets<br>£000 |
|--|---|---|
| <b>Allowances as at 1 Apr 2023 - brought forward</b> | <b>556</b>  | <b>557</b>  |
| New allowances arising                               | 56  | 56  |
| Changes in existing allowances                       | (157)   | (157)   |
| Reversals of allowances                              | (13)  | (13)  |
| Utilisation of allowances (write offs)               | (38)  | (38)  |
| <b>Allowances as at 31 Mar 2024</b>                  | <b>404</b>  | <b>405</b>  |

### Note 20.2 Allowances for credit losses - 2022/23

|   | Group<br>Contract<br>£000 | Trust<br>Contract<br>£000 |
|---|---------------------------|---------------------------|
| <b>Allowances as at 1 Apr 2022 - as previously stated</b> | <b>1,702</b>              | <b>1,671</b>              |
| New allowances arising                                    | 34                        | 34                        |
| Changes in existing allowances                            | (435)                     | (435)                     |
| Reversals of allowances                                   | (637)                     | (605)                     |
| Utilisation of allowances (write offs)                    | (108)                     | (108)                     |
| <b>Allowances as at 31 Mar 2023</b>                       | <b>556</b>                | <b>557</b>                |

### Note 21 Cash and cash equivalents movements

|   | Group           |                 | Trust           |                 |
|---|-----------------|-----------------|-----------------|-----------------|
|   | 2023/24<br>£000 | 2022/23<br>£000 | 2023/24<br>£000 | 2022/23<br>£000 |
| <b>At 1 April</b>                                 | <b>50,347</b>   | <b>65,366</b>   | <b>46,263</b>   | <b>63,848</b>   |
| Net change in year                                | (2,872)         | (15,019)        | (136)           | (17,585)        |
| <b>At 31 March</b>                                | <b>47,475</b>   | <b>50,347</b>   | <b>46,127</b>   | <b>46,263</b>   |
| <b>Broken down into:</b>                          |                 |                 |                 |                 |
| Cash at commercial banks and in hand              | 61              | 471             | 44              | 459             |
| Cash with the Government Banking Service          | 47,414          | 49,876          | 46,083          | 45,804          |
| <b>Total cash and cash equivalents as in SoFP</b> | <b>47,475</b>   | <b>50,347</b>   | <b>46,127</b>   | <b>46,263</b>   |
| <b>Total cash and cash equivalents as in SoCF</b> | <b>47,475</b>   | <b>50,347</b>   | <b>46,127</b>   | <b>46,263</b>   |

### Note 21.1 Third party assets held by the Trust

York and Scarborough Teaching Hospitals NHS Foundation Trust held cash and cash equivalents which relate to monies held by the Trust on behalf of patients or other parties. This has been excluded from the cash and cash equivalents figure reported in the accounts.

|                                 | Group and Trust          |                          |
|---------------------------------|--------------------------|--------------------------|
|                                 | 31 March<br>2024<br>£000 | 31 March<br>2023<br>£000 |
| Bank balances                   | 8                        | 4                        |
| Monies on deposit               | -                        | -                        |
| <b>Total third party assets</b> | <b>8</b>                 | <b>4</b>                 |

**Note 22.1 Trade and other payables**

|  | Group         |               | Trust         |               |
|--|---------------|---------------|---------------|---------------|
|  | 31 March      | 31 March      | 31 March      | 31 March      |
|  | 2024          | 2023          | 2024          | 2023          |
|  | £000          | £000          | £000          | £000          |
| <b>Current</b>   |               |               |               |               |
| Trade payables   | 13,552        | 16,349        | 9,217         | 7,478         |
| Capital payables   | 14,970        | 18,054        | 1,088         | 10,036        |
| Accruals   | 28,072        | 43,716        | 24,595        | 37,192        |
| Receipts in advance and payments on account              | 156           | 107           | 152           | 104           |
| Payables relating to subsidiary                          | -             | -             | 10,237        | 9,349         |
| Social security costs                                    | 10,304        | 10,090        | 9,854         | 9,674         |
| Other taxes payable                                      | 170           | 159           | 160           | 149           |
| Pension contributions payable                            | 6,564         | 5,775         | 6,172         | 5,423         |
| Other payables   | 6,274         | 4,575         | 5,707         | 4,099         |
| <b>Total current trade and other payables</b>            | <b>80,062</b> | <b>98,825</b> | <b>67,182</b> | <b>83,504</b> |
| <b>Non-current</b>                                       |               |               |               |               |
| Trade payables   | 72            | 72            | 55            | 55            |
| <b>Total non-current trade and other payables</b>        | <b>72</b>     | <b>72</b>     | <b>55</b>     | <b>55</b>     |
| <b>Of which payables from NHS and DHSC group bodies:</b> |               |               |               |               |
| Current  | 5,364         | 3,513         | 7,905         | 8,335         |

**Note 23 Other liabilities**

|  | Group        |              | Trust      |              |
|--|--------------|--------------|------------|--------------|
|  | 31 March     | 31 March     | 31 March   | 31 March     |
|  | 2024         | 2023         | 2024       | 2023         |
|  | £000         | £000         | £000       | £000         |
| <b>Current</b>                         |              |              |            |              |
| Deferred income: contract liabilities  | 3,381        | 2,213        | 866        | 2,198        |
| <b>Total other current liabilities</b> | <b>3,381</b> | <b>2,213</b> | <b>866</b> | <b>2,198</b> |

**Note 24 Borrowings**

|                                     | Group         |               | Trust         |               |
|-------------------------------------|---------------|---------------|---------------|---------------|
|                                     | 31 March      | 31 March      | 31 March      | 31 March      |
|                                     | 2024          | 2023          | 2024          | 2023          |
|                                     | £000          | £000          | £000          | £000          |
| <b>Current</b>                      |               |               |               |               |
| Loans from DHSC                     | 3,104         | 2,937         | 3,104         | 2,937         |
| Loans from subsidiary               | -             | -             | 12,415        | 8,754         |
| Lease liabilities                   | 6,591         | 5,761         | 2,213         | 2,332         |
| <b>Total current borrowings</b>     | <b>9,695</b>  | <b>8,698</b>  | <b>17,732</b> | <b>14,023</b> |
| <b>Non-current</b>                  |               |               |               |               |
| Loans from DHSC                     | 18,803        | 18,818        | 18,803        | 18,818        |
| Loans from subsidiary               | -             | -             | 71,235        | 48,481        |
| Lease liabilities                   | 24,375        | 24,309        | 6,360         | 7,906         |
| <b>Total non-current borrowings</b> | <b>43,178</b> | <b>43,127</b> | <b>96,398</b> | <b>75,205</b> |

**Note 24.1 Reconciliation of liabilities arising from financing activities (Group)**

| <b>Group - 2023/24</b>                                    | <b>Loans from<br/>DHSC<br/>£000</b> | <b>Other<br/>loans<br/>£000</b> | <b>Lease<br/>liabilities<br/>£000</b> | <b>Total<br/>£000</b> |
|---|-------------------------------------|---------------------------------|---------------------------------------|-----------------------|
| <b>Carrying value at 1 April 2023</b>                     | <b>21,755</b>                       | <b>-</b>                        | <b>30,070</b>                         | <b>51,825</b>         |
| Financing cash flows - payments and receipts of principal | 168                                 | -                               | (6,174)                               | <b>(6,006)</b>        |
| Financing cash flows - payments of interest               | (360)                               | (2)                             | (765)                                 | <b>(1,127)</b>        |
| <b>Non-cash movements:</b>                                |                                     |                                 |                                       |                       |
| Additions   | -                                   | -                               | 6,746                                 | <b>6,746</b>          |
| Lease liability remeasurements                            | -                                   | -                               | 513                                   | <b>513</b>            |
| Application of effective interest rate                    | 344                                 | -                               | 765                                   | <b>1,109</b>          |
| Early terminations  | -                                   | -                               | (189)                                 | <b>(189)</b>          |
| Other changes   | -                                   | 2                               | -                                     | <b>2</b>              |
| <b>Carrying value at 31 March 2024</b>                    | <b>21,907</b>                       | <b>-</b>                        | <b>30,966</b>                         | <b>52,873</b>         |

| <b>Group - 2022/23</b>   | <b>Loans from<br/>DHSC<br/>£000</b> | <b>Other<br/>loans<br/>£000</b> | <b>Lease<br/>liabilities<br/>£000</b> | <b>Total<br/>£000</b> |
|--|-------------------------------------|---------------------------------|---------------------------------------|-----------------------|
| <b>Carrying value at 1 April 2022</b>  | <b>24,503</b>                       | <b>-</b>                        | <b>315</b>                            | <b>24,818</b>         |
| <b>Cash movements:</b>   |                                     |                                 |                                       |                       |
| Financing cash flows - payments and receipts of principal                      | (2,726)                             | -                               | (4,823)                               | <b>(7,549)</b>        |
| Financing cash flows - payments of interest                                    | (413)                               | -                               | (458)                                 | <b>(871)</b>          |
| <b>Non-cash movements:</b>   |                                     |                                 |                                       |                       |
| IFRS 16 implementation - adjustments for existing operating leases / subleases | -                                   | -                               | 21,162                                | <b>21,162</b>         |
| Additions  | -                                   | -                               | 13,368                                | <b>13,368</b>         |
| Lease liability remeasurements   | -                                   | -                               | 48                                    | <b>48</b>             |
| Application of effective interest rate   | 391                                 | -                               | 458                                   | <b>849</b>            |
| <b>Carrying value at 31 March 2023</b>   | <b>21,755</b>                       | <b>-</b>                        | <b>30,070</b>                         | <b>51,825</b>         |

## Note 24.2 Reconciliation of liabilities arising from financing activities

| Trust - 2023/24   | Loans<br>from<br>DHSC<br>£000 | Loans from<br>subsidiary<br>£000 | Lease<br>liabilities<br>£000 | Total<br>£000   |
|---|-------------------------------|----------------------------------|------------------------------|-----------------|
| <b>Carrying value at 1 April 2023</b>                     | <b>21,755</b>                 | <b>57,234</b>                    | <b>10,238</b>                | <b>89,227</b>   |
| <b>Cash movements:</b>                                    |                               |                                  |                              |                 |
| Financing cash flows - payments and receipts of principal | 168                           | (12,573)                         | (2,063)                      | <b>(14,468)</b> |
| Financing cash flows - payments of interest               | (360)                         | (2,392)                          | (105)                        | <b>(2,857)</b>  |
| <b>Non-cash movements:</b>                                |                               |                                  |                              |                 |
| Additions   | -                             | 38,989                           | 240                          | <b>39,229</b>   |
| Lease liability remeasurements                            | -                             | -                                | 284                          | <b>284</b>      |
| Application of effective interest rate                    | 344                           | 2,392                            | 105                          | <b>2,841</b>    |
| Early terminations  | -                             | -                                | (126)                        | <b>(126)</b>    |
| <b>Carrying value at 31 March 2024</b>                    | <b>21,907</b>                 | <b>83,650</b>                    | <b>8,573</b>                 | <b>114,130</b>  |

| Trust - 2022/23  | Loans<br>from<br>DHSC<br>£000 | Loans from<br>subsidiary<br>£000 | Lease<br>liabilities<br>£000 | Total<br>£000  |
|--|-------------------------------|----------------------------------|------------------------------|----------------|
| <b>Carrying value at 1 April 2022</b>  | <b>24,503</b>                 | <b>31,383</b>                    | <b>-</b>                     | <b>55,886</b>  |
| <b>Cash movements:</b>   |                               |                                  |                              |                |
| Financing cash flows - payments and receipts of principal                      | (2,726)                       | (5,237)                          | (1,548)                      | <b>(9,511)</b> |
| Financing cash flows - payments of interest                                    | (413)                         | (1,816)                          | (80)                         | <b>(2,309)</b> |
| <b>Non-cash movements:</b>   |                               |                                  |                              |                |
| IFRS 16 implementation - adjustments for existing operating leases / subleases | -                             | 7,030                            | 13,278                       | <b>20,308</b>  |
| Additions  | -                             | 24,058                           | 2,846                        | <b>26,904</b>  |
| Application of effective interest rate   | 391                           | 1,816                            | 80                           | <b>2,287</b>   |
| Early terminations - Lease novated to Subsidiary                               | -                             | -                                | (4,338)                      | <b>(4,338)</b> |
| <b>Carrying value at 31 March 2023</b>   | <b>21,755</b>                 | <b>57,234</b>                    | <b>10,238</b>                | <b>89,227</b>  |

## Note 25 Provisions for liabilities and charges analysis (Group & Trust)

| Group  | Pensions:<br>early<br>departure | Pensions:<br>injury | Legal claims | Other        | Total        |
|--|---------------------------------|---------------------|--------------|--------------|--------------|
|  | costs<br>£000                   | benefits<br>£000    | £000         | £000         | £000         |
| <b>At 1 April 2023</b>                               | <b>402</b>                      | <b>171</b>          | <b>219</b>   | <b>1,035</b> | <b>1,827</b> |
| Change in the discount rate                          | (10)                            | (7)                 | -            | (179)        | (196)        |
| Arising during the year                              | 62                              | 24                  | -            | -            | 86           |
| Utilised during the year                             | (60)                            | (20)                | -            | (15)         | (95)         |
| Reversed unused                                      | (56)                            | -                   | (19)         | (65)         | (140)        |
| Unwinding of discount                                | 7                               | 3                   | -            | 54           | 64           |
| <b>At 31 March 2024</b>                              | <b>345</b>                      | <b>171</b>          | <b>200</b>   | <b>830</b>   | <b>1,546</b> |
| <b>Expected timing of cash flows:</b>                |                                 |                     |              |              |              |
| - not later than one year;                           | 58                              | 20                  | 200          | 27           | 305          |
| - later than one year and not later than five years; | 209                             | 77                  | -            | 64           | 350          |
| - later than five years.                             | 78                              | 74                  | -            | 739          | 891          |
| <b>Total</b>   | <b>345</b>                      | <b>171</b>          | <b>200</b>   | <b>830</b>   | <b>1,546</b> |

The amounts detailed in the category 'Other' above are Clinicians who are members of the NHS Pension Scheme and who as a result of work undertaken in 2019/20 tax year, potentially face a tax charge in respect of the growth of their NHS pension benefits above their pension savings annual allowance threshold. NHS England and the Government have committed to fund the payments to clinicians as and when they arise.

This statement provides NHS England's updated calculation for provision liabilities arising from the 2019/20 clinicians' pensions compensation scheme for the Trust. These figures use the latest available information on actual uptake of the scheme. They are derived from combining information on applications to join the 2019/20 scheme under the policy, together with information in the scheme pays election form where present, and with averages assumed where these forms are absent or clearly an estimate (values less than £100). Future liabilities based on individual member data and scheme rules are then discounted to give totals for the Trust.

Legal claims relate to outstanding claims that are being handled by NHS Resolution where they have advised that it is likely that the Trust will have to pay the excess relevant for the claim.

Please note both the Group and Trust provisions are the same.

## Note 25.1 Clinical negligence liabilities

At 31 March 2024, £192,115k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of York and Scarborough Teaching Hospitals NHS Foundation Trust (31 March 2023: £245,152k).

## Note 26 Contingent assets and liabilities

On 31 March 2024 and 31st March 2023, the Group held no contingent assets or liabilities. There were no contingent assets or liabilities in the prior year to .

## Note 27 Contractual capital commitments

|                               | Group                    |                          | Trust                    |                          |
|-------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
|                               | 31 March<br>2024<br>£000 | 31 March<br>2023<br>£000 | 31 March<br>2024<br>£000 | 31 March<br>2023<br>£000 |
| Property, plant and equipment | 9,313                    | 10,851                   | 9,313                    | 10,851                   |
| <b>Total</b>                  | <b>9,313</b>             | <b>10,851</b>            | <b>9,313</b>             | <b>10,851</b>            |

## Note 28 Financial instruments

### Note 28.1 Financial risk management

IFRS 7 regarding Financial Instruments, requires disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. Due to the continuing service provider relationship that the Trust has with the Integrated Care Board and the way those ICBs are financed, the Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which IAS 32, 39 and IFRS 7 mainly apply.

#### Liquidity Risk

Treasury and NHS England have a process in place by which Trusts which find themselves with liquidity risk can make an application for (a) deficit cash support and (b) working capital cash support.

The Trust in 2023/24 made a successful application and received cash support and therefore does not consider itself at risk of no liquidity.

#### Interest Rate Risk

The Trust's financial assets and financial liabilities carry nil or fixed rates of interest. Therefore, the Trust is not exposed to significant interest-rate risk.

#### Credit Risk

The risk that one party will cause a financial loss for the other party by failing to discharge an obligation.

The Trust receives the majority of its income from Integrated Care Board and Statutory bodies and so the credit risk is negligible. The Trust's treasury management policy minimises the risk of loss of cash invested by limiting its investments to:-

- the government banking service and the National Loans Fund
- Banks registered directly regulated by the PRA (Prudential Regulation Authority)



## Note 28.2 Carrying values of financial assets (Group)

| <b>Carrying values of financial assets as at 31 March 2024</b> | <b>Held at<br/>amortised cost<br/>£000</b> | <b>Total book<br/>value<br/>£000</b> |
|--|--|--------------------------------------|
| Trade and other receivables excluding non financial assets     | 32,573                                     | <b>32,573</b>                        |
| Cash and cash equivalents                                      | 47,475                                     | <b>47,475</b>                        |
| <b>Total at 31 March 2024</b>                                  | <b>80,048</b>                              | <b>80,048</b>                        |

| <b>Carrying values of financial assets as at 31 March 2023</b> | <b>Held at<br/>amortised cost<br/>£000</b> | <b>Total book<br/>value<br/>£000</b> |
|--|--|--------------------------------------|
| Trade and other receivables excluding non financial assets     | 38,642                                     | <b>38,642</b>                        |
| Cash and cash equivalents                                      | 50,347                                     | <b>50,347</b>                        |
| <b>Total at 31 March 2023</b>                                  | <b>88,989</b>                              | <b>88,989</b>                        |

## Note 28.3 Carrying values of financial assets (Trust)

| <b>Carrying values of financial assets as at 31 March 2024</b> | <b>Held at<br/>amortised cost<br/>£000</b> | <b>Total book<br/>value<br/>£000</b> |
|--|--|--------------------------------------|
| Trade and other receivables excluding non financial assets     | 31,788                                     | <b>31,788</b>                        |
| Receivables relating to subsidiary                             | 136,086                                    | <b>136,086</b>                       |
| Cash and cash equivalents                                      | 46,127                                     | <b>46,127</b>                        |
| <b>Total at 31 March 2024</b>                                  | <b>214,001</b>                             | <b>214,001</b>                       |

| <b>Carrying values of financial assets as at 31 March 2023</b> | <b>Held at<br/>amortised cost<br/>£000</b> | <b>Total book<br/>value<br/>£000</b> |
|--|--|--------------------------------------|
| Trade and other receivables excluding non financial assets     | 36,161                                     | <b>36,161</b>                        |
| Receivables relating to subsidiary                             | 104,312                                    | <b>104,312</b>                       |
| Cash and cash equivalents                                      | 46,263                                     | <b>46,263</b>                        |
| <b>Total at 31 March 2023</b>                                  | <b>186,736</b>                             | <b>186,736</b>                       |

#### Note 28.4 Carrying values of financial liabilities (Group)

|  | Held at<br>amortised cost | Total<br>book value |
|--|---------------------------|---------------------|
|  | £000                      | £000                |
| Carrying values of financial liabilities as at 31 March 2024 |                           |                     |
| Loans from the Department of Health and Social Care          | 21,907                    | 21,907              |
| Obligations under leases                                     | 30,966                    | 30,966              |
| Trade and other payables excluding non financial liabilities | 64,608                    | 64,608              |
| <b>Total at 31 March 2024</b>                                | <b>117,481</b>            | <b>117,481</b>      |

|  | Held at<br>amortised cost | Total<br>book value |
|--|---------------------------|---------------------|
|  | £000                      | £000                |
| Carrying values of financial liabilities as at 31 March 2023 |                           |                     |
| Loans from the Department of Health and Social Care          | 21,755                    | 21,755              |
| Obligations under leases                                     | 30,070                    | 30,070              |
| Trade and other payables excluding non financial liabilities | 88,539                    | 88,539              |
| <b>Total at 31 March 2023</b>                                | <b>140,364</b>            | <b>140,364</b>      |

#### Note 28.5 Carrying values of financial liabilities (Trust)

|  | Held at<br>amortised cost | Total<br>book value |
|--|---------------------------|---------------------|
|  | £000                      | £000                |
| Carrying values of financial liabilities as at 31 March 2024 |                           |                     |
| Loans from the Department of Health and Social Care          | 21,907                    | 21,907              |
| Obligations under leases                                     | 8,573                     | 8,573               |
| Trade and other payables relating to subsidiary              | 93,887                    | 93,887              |
| Trade and other payables excluding non financial liabilities | 42,246                    | 42,246              |
| <b>Total at 31 March 2024</b>                                | <b>166,613</b>            | <b>166,613</b>      |

|  | Held at<br>amortised cost | Total<br>book value |
|--|---------------------------|---------------------|
|  | £000                      | £000                |
| Carrying values of financial liabilities as at 31 March 2023 |                           |                     |
| Loans from the Department of Health and Social Care          | 21,756                    | 21,756              |
| Obligations under leases                                     | 10,238                    | 10,238              |
| Trade and other payables relating to subsidiary              | 66,583                    | 66,583              |
| Trade and other payables excluding non financial liabilities | 64,283                    | 64,283              |
| <b>Total at 31 March 2023</b>                                | <b>162,860</b>            | <b>162,860</b>      |

#### Note 28.6 Fair values of financial assets and liabilities

The Trust has carried all financial assets and financial liabilities at amortised cost for the year 2023/24. Due to the nature of the assets and liabilities management consider that the carrying value is a reasonable approximation of the fair value.

## Note 28.7 Maturity of financial liabilities

The following maturity profile of financial liabilities is based on the contractual undiscounted cash flows. This differs to the amounts recognised in the statement of financial position which are discounted to present value.

|  | Group                    |                          | Trust                    |                          |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
|  | 31 March<br>2024<br>£000 | 31 March<br>2023<br>£000 | 31 March<br>2024<br>£000 | 31 March<br>2023<br>£000 |
| In one year or less                                | 75,091                   | 97,936                   | 73,743                   | 90,409                   |
| In more than one year but not more than five years | 22,495                   | 22,345                   | 54,755                   | 48,100                   |
| In more than five years                            | 26,626                   | 26,632                   | 107,768                  | 77,717                   |
| <b>Total</b>                                       | <b>124,212</b>           | <b>146,913</b>           | <b>236,266</b>           | <b>216,226</b>           |

## Note 29 Losses and special payments

| Group and Trust                          | 2023/24                            |                                 | 2022/23                            |                                 |
|--|------------------------------------|---------------------------------|------------------------------------|---------------------------------|
|  | Total number<br>of cases<br>Number | Total value<br>of cases<br>£000 | Total number<br>of cases<br>Number | Total value<br>of cases<br>£000 |
| <b>Losses</b>                            |                                    |                                 |                                    |                                 |
| Cash losses                              | 30                                 | -                               | 18                                 | 3                               |
| Bad debts and claims abandoned           | 100                                | 36                              | 17                                 | 109                             |
| <b>Total losses</b>                      | <b>130</b>                         | <b>36</b>                       | <b>35</b>                          | <b>112</b>                      |
| <b>Special payments</b>                  |                                    |                                 |                                    |                                 |
| Ex-gratia payments                       | 76                                 | 107                             | 79                                 | 328                             |
| <b>Total special payments</b>            | <b>76</b>                          | <b>107</b>                      | <b>79</b>                          | <b>328</b>                      |
| <b>Total losses and special payments</b> | <b>206</b>                         | <b>143</b>                      | <b>114</b>                         | <b>440</b>                      |

### **Note 30 Related parties**

York and Scarborough Teaching Hospitals NHS Foundation Trust is a corporate body established by order of the Secretary of State for Health.

During the year none of the Board Members, members of the Council of Governors or members of the key management staff or parties related to them has undertaken any material transactions with York and Scarborough Teaching Hospitals NHS Foundation Trust.

The Department of Health and Social Care is regarded as a related party. During the year York and Scarborough Teaching Hospitals NHS Foundation Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department.

Entities where significant transactions have occurred during the year are listed below. Transactions are considered material for this note, if either income or expenditure for the year exceeds £10m.

Department of Health and Social Care  
HM Revenue & Customs  
Hull University Teaching Hospitals NHS FT  
NHS England  
NHS Humber and North Yorkshire ICB  
NHS Pension Scheme  
NHS Resolution

During the year, the Trust had a number of transactions with the subsidiary, YTHFM LLP. The Trust received income totalling £5.3m (2022/23 £3.3m) and incurred expenditure totalling £106.5m (2022/23 £85.4m). At the year-end there was a receivable balance in the Trust of £136m (2022/23 £104.3m) due from YTHFM LLP and a creditor balance of £94m (2022/23 £62m) due to YTHFM LLP. All of these transactions and balances have been eliminated from the consolidated group position.

The Trust has also received total contributions of £0.6m (£0.3m towards revenue expenditure and £0.3m towards capital expenditure) (2022/23 £1.2m) from the York & Scarborough Hospitals Charity, the Corporate Trustee for which is York and Scarborough Teaching Hospitals NHS Foundation Trust. At the year-end there was a receivable balance in the Trust of £0.2m (2022/23 £0.4m) due from the York and Scarborough Hospitals Charity. The Charity's accounts are not consolidated into the Group on the basis of immateriality.

### **Note 31 Events after the reporting date**

On 3 April 2024 the British Medical Association (BMA) and Hospital Consultants and Specialists Association (HCSA), voted to accept the Government revised pay reform offer for consultants. The offer includes reforms to the consultant pay scales which would be backdated to 1 March 2024. The additional expenditure relating to March 2024 of £322k is included in Note 8 - Employee benefits with the additional corresponding income from NHS England included in Note 2 - Operating income from patient care activities.

These financial statements were authorised for issue on 19 June 2024 by Simon Morrith Chief Executive.



