

OUR ASPIRATION
To be world-leading

Annual Report & Accounts 2023/24

respect

excellence

openness

together

innovation



Collaborate
for children & young people

Revolutionise
care

Support
our people

Pioneering
breakthroughs

Outstanding
care & experience

A Healthier, Happier and Fairer Future for Children and Young People



Alder Hey Children's
NHS Foundation Trust

Annual Report & Accounts 2023/24

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7, paragraph 25 (4) (a) of the National Health
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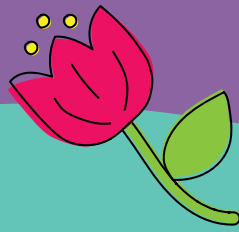


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My Alder Hey. My Values.

Zlata's Story



Five year old Zlata left Ukraine in March 2022 to receive lifesaving cancer treatment at Alder Hey.

Zlata had been having treatment for leukaemia in her home city of Kharkiv when it was heavily attacked at the start of the war between Russia and Ukraine. Together with her family she hid in a makeshift ward while terrifying bombings were taking place.

In March 2022, Zlata was transferred from her Hospital in Ukraine to Alder Hey and

has since received lifesaving cancer treatment. Following an intensive course of chemotherapy she was finally able to complete her treatment this year and ring the end of treatment bell on our Oncology Ward!

Zlata celebrated this moment with her family as well as Alder Hey's haematology and oncology staff, who mum Alina described as her 'angels'.



Mum Alina said:

“

Zlata is only five years old but has had two big wars to fight. We're so grateful for the wonderful people in this hospital who have become our saviours and to Britain for giving us hope. I hope one day we can return safely to Ukraine, but Liverpool and its wonderful people and Alder Hey will always be in our hearts.

”



A Message from our Chair and Chief Executive

A warm welcome from us both to our Annual Report and Accounts for 2023/24.



With each year that passes we grow ever more proud that at the end of it we can share with you all a story such as the one in these pages. Given all of the challenges that the NHS and society as a whole have been dealing with over recent years, we feel more strongly than ever that the notion of a vibrant, diverse and inclusive Alder Hey 'family' is at the core of what we stand for. Our fundamental commitment to improving the lives of children and young people has been the main driver behind the creation of our 2030 Vision over the last 18 months. We hope to convey a strong sense of that intent in this report and how we are setting about making key changes to our services to achieve our aspiration for 'A healthier, happier and fairer future where every child and young person achieves their potential.'

Alder Hey has always been an organisation that continually strives for excellence in all that we do and that has been demonstrated again during the last year by our incredible teams, some of whom have gained national or even international recognition for their work. There are numerous examples in the report from the last 12 months, not least our SALS Team, our Emergency Department and our leading-edge researchers in Duchenne Muscular Dystrophy. All of them truly inspiring.

However, the focus that Vision 2030 has provided has enabled us to significantly extend our reach to work with key partners on broader programmes of work as an 'Anchor Institution' for our local community. For example, we are an active participant in the *Beyond* programme, which is designed to make an impact on major health inequalities facing children and young people and significantly affecting their life chances.

Our staff see the consequences of inequality every day and we are committed to making a difference. We believe the greatest chance we have to deliver change lies in collaboration with others and we have been hugely encouraged by the equal commitment of other local organisations to work with us and with children and young people.

As an institution that advocates for children and young people, we need to be in tune with the way in which they experience their lives, including how they communicate and in particular how they interact with technology. We have spent some time this year developing our innovation work more widely, again in collaboration with expert partners in the field, to think about what may be possible for us in the future. We are already developing an artificial intelligence capability in some areas with robotic process automation and we have continued to invest in digital platforms to support service provision. We do not yet know what the future holds, but it is vital that we progress to meet it if we are to succeed with our plans.

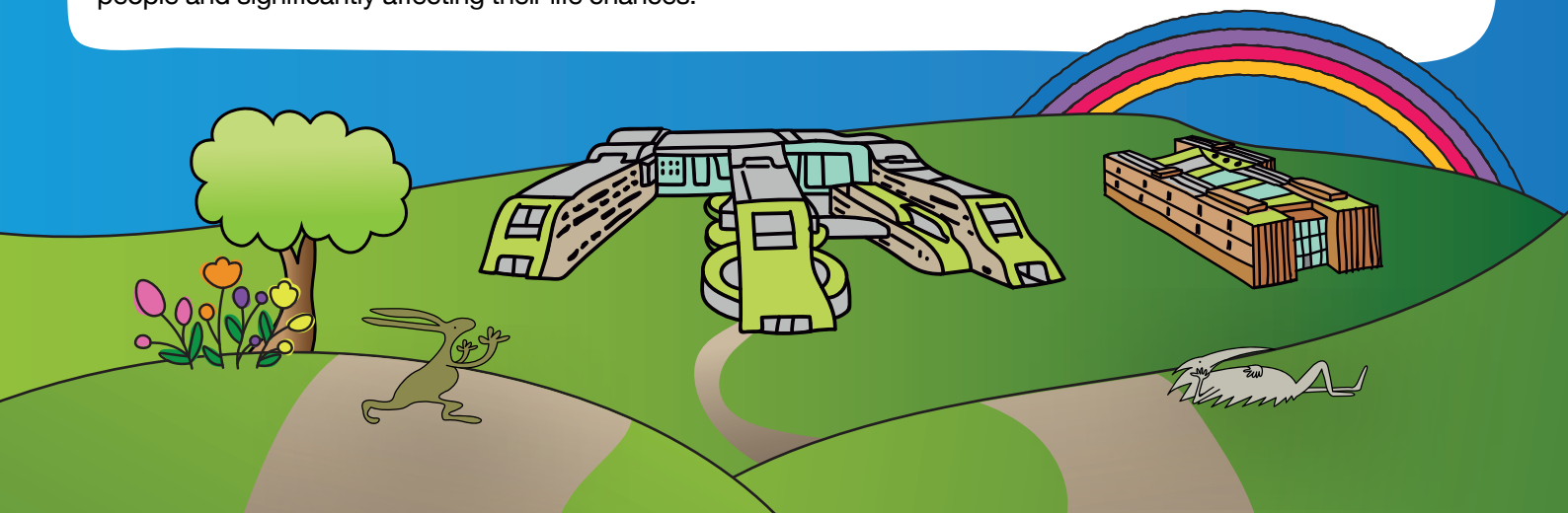
2023/24 was another amazing and successful year for us as a Trust, although there remains much to do and to strive for. We end by paying tribute to all of the extraordinary people that make up Alder Hey and to personally thank every one of them for their dedication, support, expertise and vision. We look forward to the future together.

Jo Williams

DAME JO WILLIAMS
DBE, DL
Chair

Louise Shepherd

LOUISE SHEPHERD
CBE
Chief Executive



Nathan's story

16 year old Nathan from Macclesfield was first diagnosed with epilepsy when he was nine years old.

In May 2023, he became the first patient to undertake a groundbreaking procedure at Alder Hey.

Using specialist technology, the new procedure enables clinicians to pinpoint and destroy an area of the brain where epileptic seizures are coming from. It works by using an MRI-guided laser ablation system and is a minimally

invasive surgical alternative, requiring a very small incision (just 3.3mm) compared to open surgery. Other benefits include less scarring and reducing the length of time children and young people have to spend in hospital.

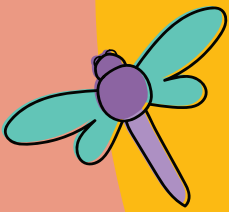
Alder Hey is only one of two paediatric hospitals to offer this procedure which aims to make children and young people seizure free and which will drastically transform the way we treat epilepsy in children and young people.

Nathan said:

“

Epilepsy really affects my day-to-day life. I have seizures during the day and night so I'm always tired and miss school sometimes. I've just turned 16 and the possibility that my next birthday could be seizure free is amazing. The procedure was a lot less scary than I thought; I was home just two days later.

”



Performance Report



Overview

This section of the report is designed to provide a brief summary of Alder Hey as an organisation:

What we are about

What we are aiming to deliver for our patients and families

The risks to achieving this

How successful we have been in the last year

About the Trust

Alder Hey Children's NHS Foundation Trust is a provider of specialist healthcare to over 450,000 children and young people each year. In addition, to the site at West Derby in North Liverpool, Alder Hey has a presence at a number of community outreach sites across Liverpool and Sefton, and in collaboration with other providers, our staff help deliver care closer to children and young people's homes by holding local clinics at locations from Cumbria to Shropshire, in Wales and the Isle of Man. The Trust also provides a regional children's Tier 4 Inpatient Unit "Sunflower House" for children under the age of 13 who require mental health inpatient care, which was this year re-provided on the main site having previously been housed at Alder Park in Waterloo.

The Trust employs a workforce of 4,457 staff who work across our community and hospital sites and as a teaching and training hospital we provide education and training to around 930 medical, physician associates and dental students and over 1,000 nursing and allied health professional students each year.

We have been authorised and licensed as an NHS Foundation Trust since August 2008 and have an active Council of Governors representing patients, parents, carers, staff, the general public and our partner organisations. The Council represents our membership which currently totals over 13,500 people across the

regions we serve. We have a well-established Children and Young Peoples' Forum 'The Youth Forum' which helps develop new ideas for how they can be at the centre of the Trust's plans and activities. This helps us to keep children and young people's voices at the forefront, including continuing to play a key role in the recruitment of key Board level and other senior posts.

Alder Hey's service profile means that it is an anchor institution for children and young people's healthcare, research and innovation. We continue to be a top performing Trust, registered with the Care Quality Commission (CQC) without conditions; throughout the year we continued to provide excellent access to children's cancer services meeting 100% compliance and exceeding national standards. Timely diagnosis and treatment was provided to our patients in line with all national waiting time standards.

For the year 2023/24 our operating turnover was £416m of which £377m directly relates to the clinical services we provide; 36% of our clinical income is non-specialised and 64% is specialised. Our principal contract is with NHS England for tertiary and quaternary care. The Trust also serves a wide population base for secondary care with Liverpool 'Place' hosting the £109m contract on behalf of nine associate places in Cheshire and Merseyside. In addition to this we also have a contract with a value of £23.1m with commissioners in Wales.

In developing its operational and financial plans, the Trust has continued to exercise its functions in accordance with the Cheshire and Merseyside ICS joint forward plan and joint capital resource plan as part of collaborative arrangements with all partners.

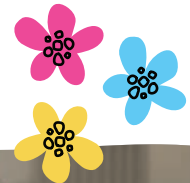
Alder Hey is one of the world's leading specialist children's hospitals, with a commitment to game-changing research and innovation rooted in outstanding clinical services. The Clinical Research Division is an established UK leader in paediatric research which facilitates the delivery of a diverse portfolio of more than 180 studies. During the year, the Division recruited more than 5,500 patients to clinical trials and studies. Based in our purpose-built Institute in the Park the Division's research studies are led by almost 100 principal investigators, providing our region's children and young people with access to a sustainable portfolio of cutting-edge research. They ensure an inclusive culture which nurtures the current and next generation of researchers from all our health and care professions to work with lay representatives and develop and deliver ground-breaking research which provides solutions to the every-day, real-world problems of children and young people.

Alder Hey continues to deliver research at volume and to the highest standards of safety and quality. The Trust has maintained a sustained record of excellence which dates back to 2017/18 in being one of the top two recruiting organisations in the North West Coast Clinical Research Network (CRN).

The Trust is supported by two main registered charities and their support ensures that Alder Hey's pioneering work continues to make a difference to the lives of children and young people. In addition to Alder Hey Children's Charity, Ronald McDonald House is located in the grounds of the Hospital. The House is able to offer support and a safe place to stay in a 'home away from home' environment for families at the toughest time in their life. Our relationship with our charitable partners remains hugely important to us and we continue to work closely with them to push the boundaries of what is possible for children's healthcare.

Our Services

The Trust remains committed to its model of managing services through four clinical divisions: medicine, surgery, clinical research and community and mental health services - each led by a triumvirate leadership team, comprising a Clinical Director (as the Accountable Officer), supported by a Senior Manager in the role of Associate Chief Operating Officer and an Associate Chief Nurse who, together with service leads and managers, are responsible and accountable for the overall clinical, workforce and financial performance of their area.



The four clinical divisions are comprised of the following services:

Medicine

- Accident and Emergency Department
- General Paediatrics
- Diabetes
- Respiratory Medicine
- Infectious Diseases
- Immunology
- Metabolic Diseases
- Nephrology
- Rheumatology
- Gastroenterology
- Dermatology
- Endocrinology
- Dietetics
- Oncology
- Haematology
- Palliative Care
- Bereavement Services
- Radiology
- Pathology
- Pharmacy – Aseptic Unit
- Therapies
- Long Term Ventilation
- Bed Management
- Medical Day Care
- Neurology
- Allergy
- Neurophysiology
- Physiotherapy
- Occupational Therapy
- Speech and Language Therapy
- Gastro Physiology
- Respiratory Physiology
- Histopathology
- Microbiology
- Neuromuscular Services

Clinical Research

- Research Management
- Research Delivery
- Research Support Services
- Research Programmes and Partnerships
- Clinical Research Facility
- Paediatric Medicines Research Unit

Surgery

- Cardiac Surgery and Cardiology
- Paediatric Intensive Care and Designated ECMO Service
- High Dependency Care
- Burns Unit
- Paediatric Surgery
- Urology
- Gynaecology
- Neonatal Surgery
- Theatres
- Anaesthesia and Chronic Pain
- Ear Nose and Throat and Audiology
- Cleft Lip and Palate
- Ophthalmology
- Maxillofacial Surgery
- Dentistry and Orthodontics
- Neurosurgery
- Craniofacial Surgery
- EBME (Medical Equipment)
- Orthopaedics
- Plastic Surgery
- Spinal Surgery
- Audiology
- Gait Lab
- Major Trauma Service
- Medical Photography
- Orthotics
- Laser
- Perfusion
- ECG
- Vascular Access Service
- Tissue Viability

Community and Mental Health

- Children's Community Nursing Team
- Homecare
- Community Matrons
- Community Therapies (Physiotherapy, Occupational Therapy, Speech & Language Therapy, Dietetics, Specialist Network for Deaf People)
- Developmental Paediatrics
- ASD and ADHD Services
- Acute Learning Disabilities Team
- SEND Team
- Complex Discharge Team
- Transition Service
- Safeguarding Services
- Rainbow Centre & SARC
- Specialist Child and Adolescent Mental Health Services - Eating Disorders, Tier 4 Children's Inpatient Unit, Crisis Care (including Home Treatment Team), Specialist Community Mental Health Services (locality based), Mental Health in Schools Teams, Intensive Support Team, Enhanced Support Team
- Clinical Health Psychology
- Outpatients
- Booking and Scheduling
- Phlebotomy



Our CQC Ratings

The Trust is currently rated as **Good** overall and **Outstanding** in the Caring domain.

OVERALL: GOOD	Safe	Requires Improvement ●
	Effective	Good ●
	Caring	Outstanding ☆
	Responsive	Good ●
	Well-Led	Good ●

Our Vision and our Strategy

2023/24 has seen the formal launch of the new Trust Strategy - Vision 2030.

The Alder Hey Board approved Vision 2030 in March 2023. Vision 2030 builds upon clear, long term strategic ambitions (originally set out in 2011) and has been endorsed by the Board and Council of Governors throughout its development. Significant progress has been made during 2023/24 in further engagement with our people, along with a widespread programme of engagement with wider stakeholders and system partners. Year 1 of the Vision 2030 transformation programme has been defined and is under implementation with underpinning programme and benefits realisation plans. The Trust's values continue to underpin all that we do and how we do it throughout the most challenging ongoing period in NHS history.

Our 2030 vision is:

“ A healthier, happier and fairer future where every child and young person achieves their potential ”



We know that the impact we have on the health of children and young people goes beyond our provision of treatment and care. We are part of a wider health and financial and social economy, and we recognise our emergent role in preventing ill health as well as treating it. We therefore have a duty to operate in a way that has a positive impact on the society around us.

Vision 2030 drives a focus on four areas of children and young people’s needs placing their needs at the centre - Get me well, Personalise my care, Improve my life chances, and Bring me the future. These are supported by five strategic objectives – Outstanding care and experience, Collaborate for children and young people, Revolutionise care, Support our people and Pioneering breakthroughs.



In terms of collaborating in communities, at Alder Hey we will focus on the following key areas: addressing health inequalities and embedding prevention into our pathways; how we advocate for children and young people at local, regional, national and global level; increasing access to high quality employment opportunities for our communities that reflect the diversity of our community; procuring goods and service locally wherever possible; being part of a network of beneficial partnerships and creating a sustainable system for children and young people; recognising and addressing our impact on climate change with a net zero plan; and understanding and then maximising our economic impact and delivering social value. By working on these we play our part in Cheshire and Merseyside as an “Anchor Institution”, working alongside others to improve the lives of all in the communities around us significantly and positively.





Delivering on Our Strategic Aims and Our Operational Plan: Highlights from 2023/24

Alder Hey's achievements in the last year have enabled us to continue to make progress against each of our strategic pillars.



Outstanding Care and Experience

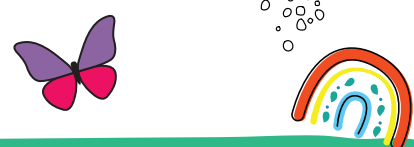
Alder Hey is committed to being a safe place for children and young people to receive healthcare. This year we embedded our Patient Safety Board with ongoing work to deliver the Trust's Patient Safety Strategy. This brings together all of our safety workstreams and has demonstrated data driven quality improvements across those areas.

Alder Hey has continued to see a rise in non-elective demand through our Emergency Department. This year the team has opened a Paediatric Assessment Unit (PAU) ensuring rapid assessment, observation and intervention for children and young people who may need a full admission to an acute bed.



Recovery of services following the pandemic has continued in the last year. The Trust has achieved the national target of no children waiting 65 weeks for surgery and has supported access to care for children across the North West.

We launched our e-consent system and expanded this to blood transfusion, further increasing our commitment to ensuring children, young people and families are fully informed as part of the consent process.



In January 2024, the Trust transitioned from the Serious Incident Framework to the Patient Safety Investigation Response Framework (PSIRF), including deploying our new incident and risk management system InPhase. This enhances the Trust focus on learning from when things go wrong and embedding that learning across the organisation.



This year, we began delivering our 2030 Vision by working with our children and young people to revise our approach to ensuring that every child, young person and family has the best experience of our care. This has started with the development of 'Our Promises' to children, young people and families and ensuring we provide access to three meals a day for all resident parents.



Other achievements that have had a positive impact on our children and young people this year include:

- 99% of staff have completed Level 1 patient safety learning.
- No grade 3 or 4 pressure ulcers and a reduction in device related pressure ulcers in critical care.
- Launching Oliver McGowen learning disability and autism training.

Supporting Our People

- As an integral part of the Trust's 2030 Vision, the new People Plan was approved by the Trust Board in May 2023. The plan outlined the innovative approach that had been taken in partnership with Strasys to address the challenge from the workforce perspective. The People Plan outlines how to address immediate challenges whilst building a thriving workforce that helps improve the life chances of children and young people; a plan which also considered the diverse and specific needs of individual staff members and balances the need to develop a workforce to deliver on the new ways of working.

Our objective was to use all available data (both qualitative and quantitative) across the organisation, including performance, quality, and finance and extract the 'human stories' in our workforce. In parallel with the development of Vision 2030, we treated our workforce as our 'population' to understand their needs, behaviours, and motivations and determine what we could do to enable an environment where they can thrive and improve care for our children and young people. This led to the work we have undertaken on workforce segmentation to deliver more precise workforce interventions with clear benefits cases to deliver the Trust's objectives.

The plan is based around the three key themes identified for our people in Vision 2023, which are 'Thriving @ Alder Hey', 'Developing the Professional Development Hub', and 'Workforce Planning'. It identifies potential savings, efficiencies and improvements across three distinct areas: productivity, wellbeing and staff retention ('churn'). Specific workstreams identified as part of this strategy have been implemented and the Trust has seen improvements in turnover (down 5%), sickness (down 1%) and colleague experience.

- Our 2023 Staff Survey results, in which 60% of colleagues submitted a response, demonstrated an improved position across all People Promise areas. We had a high proportion of colleagues recommending Alder Hey as a place to work (71%), the highest score in our peer group in the North West and 93% of colleagues recommending Alder Hey as a

place for friends and family to receive care (the highest score amongst our national peer group).

- Our commitment to staff wellbeing and to the development of a compassionate and inclusive culture continued throughout 2023/24; the Staff Advice and Liaison Service (SALS) remained a vital pillar of the offer and is accessible to all colleagues. The development of 'SALS PALS', a peer support model for teams locally was embedded.
- The Trust continued to develop its digital capability in its workforce systems; successful implementation of e-roster across the Trust has continued to generate improvements with pay accuracy and rota management and the implementation of a new recruitment system Trac further reduced the average Time to Hire metric to 35 days.
- Building on the achievements of the Equality Diversity and Inclusion (EDI) agenda, the Equality, Diversity and Inclusion Steering Group (EDISG) reports directly to Trust Board and oversees the strategic ambitions of the organisation. This ensures that EDI is at the heart of our policies and practices as an employer, healthcare provider and procurer of services, supporting the development of a diverse and inclusive culture at Alder Hey. In 2023 the Trust was awarded the Navajo Charter Mark. The Navajo Merseyside and Cheshire LGBTIQA+ Charter Mark is an equality mark sponsored by In-Trust Merseyside and supported by the LGBTIQA+ community networks across Merseyside – a signifier of good practice, commitment and knowledge of the specific needs, issues and barriers facing LGBTIQA+ people in Merseyside.
- We continued through 2023/24 with the delivery of the Apprenticeship Strategy, adapting and making use of digital learning including increasing support for individuals with additional learning needs. In 2023/24, a further 37 staff started an apprenticeship, with 14 of these being new staff joining the Trust as an Apprentice - an increase of 42% from the previous year.
- We continue to champion a working environment that encourages all staff to 'speak up' and 'listen up' through our Freedom to Speak Up Guardian and team of champions. The Freedom to Speak up Guardian continues to work in partnership with the Human Resources and SALS teams to embed a safe and just learning culture.



Collaborate for Children and Young People

- We continue to develop our local, regional, national and international networks and collaborate with a wide range of partners to improve outcomes for children and young people through educational excellence. Such collaborations include: our work with the Liverpool City Region, The Prince's Trust and Elevate Business Partners to maximise career opportunities for young people from across the region; building new local partnerships which support young people with mental health challenges get into volunteering; enhancing our offer to partner higher education institutions (both in terms of placement capacity and learning experience); strengthening our relationships with apprenticeship providers; and exploring new international partnerships which focus on learning and supporting professional development.
- 'Beyond', the children and young people's transformation programme hosted by Alder Hey on behalf of the Cheshire and Merseyside Integrated Care System (ICS) has continued to embed delivery during 2023/24. This is a large-scale programme of delivery against the NHS Long Term Plan for children and young people. Initially focused on four priority themes (Learning Disability and Autism, Childhood Obesity, Mental Health and Wellbeing, Respiratory Disease), the scope has extended during 2023/24 to include Diabetes, Epilepsy and Oral Health in line with CORE20+5 CYP. Beyond continues to focus on addressing health inequalities and is working with Barnardo's and the Institute for Health Equity on the development of a Health Equity Framework, informed by insights from children and young people. Beyond drives collaborative improvements via a range of evidence-based interventions and has reached nearly 50,000 children, young people and professionals in Cheshire and Merseyside.
- Alder Hey continues to lead and contribute to the transformation of children's services in Liverpool. Developed in partnership with primary and community care, our urgent and emergency care offer now includes a Paediatric Assessment Unit to directly manage the most acute medical presentation as well as a Symptom Checker available through our website, providing information and advice on several of the most common illnesses in children to support A&E attendance decision making for families. The Trust works in partnership with Liverpool City Council's Public Health Team, jointly leading the 'One Liverpool' plan's Healthy Children and Families cohort, and working in wider partnership with City Council services, NHS trusts and voluntary and community sector organisations to drive systematic improvement in outcomes for children, young people and families. This programme includes the mobilisation of family hubs across the city and multi-agency approach to improving lung health within the city. Work is underway to mobilise the Trust's Wellbeing Hub, our poverty proofing and social prescribing offer for the children, young people and families we serve.
- Alder Hey continues as a key member of the North West Congenital Heart Disease (CHD) Partnership, which has seen the joining of the Partnership Board with the CHD Operational Delivery Network Board this year – a key indicator of the maturing collaboration and reputation of the network. The Board continues to strive for a fully compliant, resilient and clinically safe service model for adults and children across the North West of England, North Wales and the Isle of Man.
- During 2023/24 the Liverpool Neonatal Partnership (LNP) continued to grow; this is led jointly by Alder Hey and Liverpool Women's NHS Foundation Trust. The two trusts continued working together in partnership to provide a world class neonatal service for all babies requiring the highest intensity of neonatal medical and surgical care. Acuity has continued to remain high across the partnership, which further highlights the need to ensure that the service continues to provide a safe and sustainable quality of care to all patients. Building work for the new surgical unit commenced on site at Alder Hey in October 2023 with the start of the service diversion works, giving a projected completion date of October 2025. The Charity has worked extremely hard to provide amazing support to the neonatal campaign and they have reached the target of £3million to support the project. Recruitment into clinical roles has continued at pace throughout the year alongside continuing Qualified in Specialty (QIS) training for staff on both sites. A rotational workforce model has been implemented to ensure that all nursing, Advanced Neonatal Nurse Practitioner and Consultant posts rotate to work across both sites. The Partnership Programme has moved from commissioning to delivery phase and has therefore been divided into five main workstreams who meet regularly, and their work feeds up into the LNP Operational Programme Board on a bi-monthly basis.



- Collaborative working between Alder Hey and the Royal Manchester Children's Hospital is supporting our jointly hosted clinical networks to work together to improve standards and lead the way for the development of more joined up care in the region, for example in cardiology, burns, major trauma, paediatric critical care, surgery and cancer, as well as more digitally enabled multidisciplinary working.
- Alder Hey continues to deliver new models of care within community and mental health services for children and young people. Successful investment during 2023/24 has enhanced the delivery of mental healthcare to young people including mental health support to schools; assessment and diagnosis for neurodevelopmental conditions and development of our community-based therapy teams, including the expansion of a sensory service to children and young people in Sefton. Partnership working with third sector colleagues has enhanced post diagnostic support to children and young people with neurodevelopmental needs. This includes the development and implementation of peer support workers in autism spectrum disorder during 2023/24.
- Alder Hey continues to be an integral member of the Cheshire and Merseyside Mental Health Programme Board and associated groups. The Trust continues to lead the Crisis Care Programme for children and is recognised along with specialist mental health trusts as a lead provider of children and young people's mental health services. The Trust is a member of the MHLDC (Mental Health, Learning Disability and Community) Provider Collaborative.
- Alder Hey plays an active role in the ICS Digital Programme, actively contributing to ICS wide programmes and developments. The Trust also proactively supports the North West Informatics Skills Development Network which helps support the professional and personal development of digital and data staff and services across the region. Finally, Alder Hey is regarded as a digitally mature organisation across the ICS, nationally and globally and as such plays a leadership and support role working in collaboration with others.



Pioneering Breakthroughs

Research

- Guided by a strengthened leadership team and over 70 research and delivery staff, the Clinical Research Division (CRD) has made significant progress during 2023/24. The Division has achieved its major objectives of providing access for patients to high-quality research studies, optimising the patient experience of clinical trials and supporting its staff.
- Throughout the year, the Trust has had between 20 and 30 Alder Hey chief investigators leading home-grown research projects and has been awarded more than £2.3m in grant funding, including three major awards from the National Institute for Health and Care Research (NIHR). Highlights include: completing recruitment of the large, Alder Hey-led DETECT study, aimed at reducing sepsis requiring escalation to critical care; and recruiting the first patient in the UK to the STEP YOUNG study of the anti-diabetic/anti-obesity drug semaglutide in children. The quality of care we provide for children and young people participating in clinical studies is recognised by the Trust Gold Standard award to our NIHR-funded Clinical Research Facility for the third consecutive year.
- Key to these achievements has been the Trust's and Division's diverse partnerships, internally and externally. Our most important partnership is with our children and young people, their families and their community. During the last year, the team has launched a Patient Research Experience Feedback Platform and grown our engagement activities with research ambassadors in 21 schools. We have also worked with colleagues within the Trust to develop a new Research Strategy, closely aligned with the Trust's 'Futures' strategic initiative and designed to address the Vision 2030 area of patient need - 'Bring Me The Future'.
- Our strong partnership with Alder Hey Children's Charity has been enhanced with an additional £200,000 funding, which we have used to support 'seed corn' awards for promising new projects originated within the Trust, as well as support for a Project Manager, a Clinical Development Fellow and protected research time for a Consultant-level Senior Fellow.
- A newly-developed Research Charter sets out our standards for working with external academic and commercial partners. December 2023 saw nearly 100 researchers come together at a collaborative workshop with major existing academic partner, the University of Liverpool, at which we explored a joint strategy for developing a world-class research institute. Our long-standing collaboration with academic and NHS partners in the Liverpool

Health Partnership is being strengthened by its newly-formed Joint Research Office and we have appointed new programme managers to both of the collaborative, cross-city programmes in which Alder Hey plays a major leadership role – Starting Well, and Neuroscience and Mental Health.

- In addition to new membership of the Northern Health Science Alliance, the first full year of our participation in the Paediatric Excellence Initiative collaboration with Great Ormond Street Hospital (through their NIHR-funded Biomedical Research Centre) and Sheffield and Birmingham children’s hospitals has been marked by a team-building visit by the GOSH leadership team and by additional funding through two New Projects awards.
- Two new infrastructure funding awards during 2023/24 will enable us to provide access for patients to more and varied research studies. An extra Magnetic Resonance (MR) scanner funded by a £3.3m capital award from NIHR will enable patients to participate in a wide range of imaging studies, and a CRN-funded mobile research unit will improve our ability to widen participation by taking more research studies out into the community.

Innovation

- Alder Hey continues to lead the way in healthcare innovation, driven by a team of skilled professionals and supported by a purpose-built, state-of-the-art health tech development facility spanning 1000m². Our unwavering commitment to improve health and wellbeing for children and young people through innovation is evident through the development, identification, and implementation of cutting-edge health technologies.



Innovation Pipeline

- Our Innovation Team has addressed 119 challenges in 2023/24 submitted by clinical teams and services, resulting in the advancement of seven projects to an active build stage and the piloting of one project within the same year of submission. This streamlined process enables us to swiftly identify and tackle issues within our institution, ensuring continuous improvement.

Little Hearts at Home (LHAH) - Digital Platforms Workstream



In collaboration with our community nursing teams, Alder Hey Innovation has developed a groundbreaking digital platform currently undergoing successful adoption. This platform enables community nurses to record patient observations in real-time from their homes, triggering alert emails to Alder Hey clinicians if patients breach red flag indicators. Additionally, a dashboard for tracking patient information has been designed, facilitating the monitoring of improvements and deteriorations over time.

Implemented this year for 55 patients, this project has significantly reduced unplanned admissions, calls to specialist advice lines and enhanced patient experience. Our goal is to expand this model of care to other hospitals and conditions.

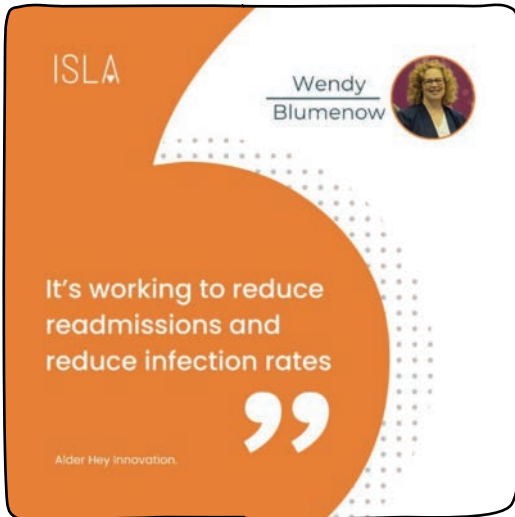
Robotic Process Automation - Artificial Intelligence (AI) Work Stream

Recognising the importance of leveraging technological advancements, our team has implemented various automated workflows. By automating routine administrative tasks such as referral management, HR processes, and patient record updates, we have freed up valuable staff time for higher-level responsibilities.

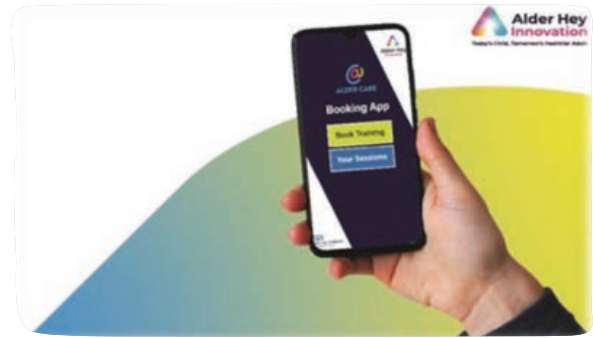
This success continues with the creation of 17 new automations this year, updating 134,000 patient records and saving over 20,000 hours of manual time. These automations not only enhance efficiency and productivity but also minimise errors, ensuring swift and accurate data processing.

Isla Care Remote Wound Monitoring

Through collaborative efforts, we have developed a novel remote patient management platform utilising photos, videos, sound recordings and digital forms to support wound monitoring securely. This platform has led to a 58% reduction in ED attendances relating to wound care and a 43% decrease in surgical site infections, highlighting its effectiveness in improving patient outcomes.



Training Booking App



To streamline training processes, we've developed a Training Booking App, enabling staff to easily schedule training sessions while providing trainers with attendance data for comprehensive reporting. This initiative promotes staff engagement, facilitates targeted training efforts and enables detailed reporting on training completion rates across various staff groups and departments.



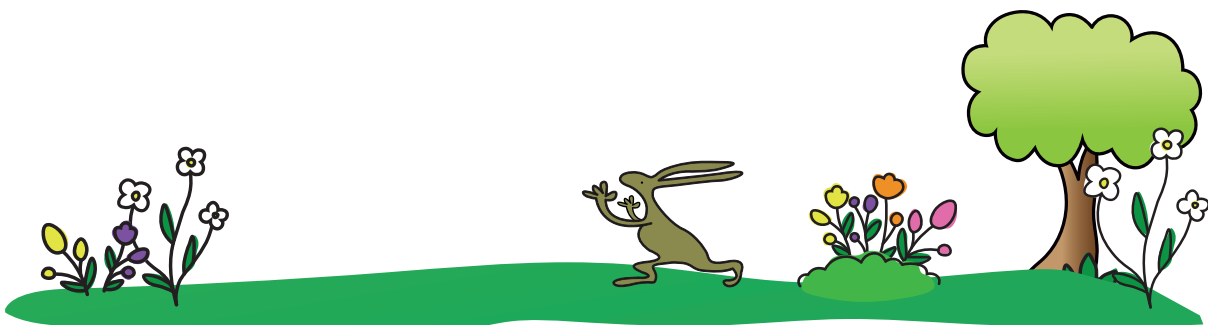
Digital Management of Complications of Excess Weight Service

Alder Hey's Complications from Excess Weight (CEW) Service experiences high demand leading to patient backlogs and infrequent face-to-face clinics. To address this, we've introduced Evira, a digital solution linked to measuring devices used by patients at home. This platform facilitates progress monitoring, clinician interaction and alerts/reminders, with plans for nationwide adoption across CEW clinics following a successful pilot at Alder Hey.

Line of Sight Technology

In support of the new Neonatal Unit and its family centred care model, Innovation has been working with the Liverpool Neonatal Partnership, industry experts and partner Neolook to complete the development of a new line of sight platform. This allows for high-resolution video monitoring of babies at all times and when deployed in the new Unit will enhance post-operative care by allowing clinicians to closely monitor their patients in real time.

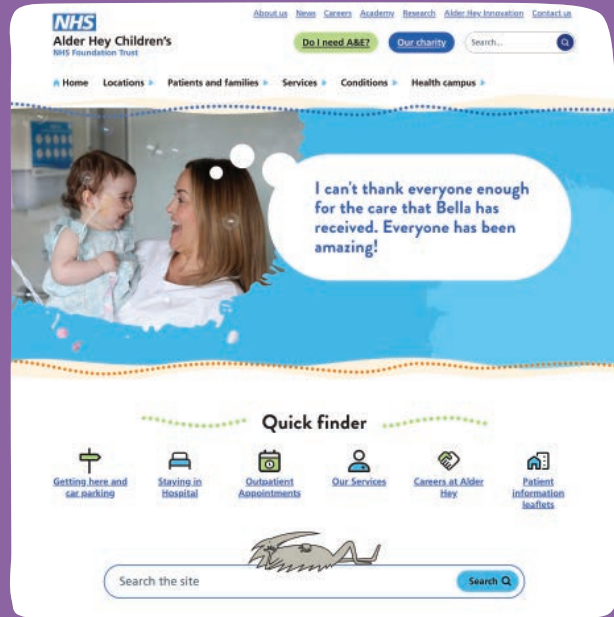
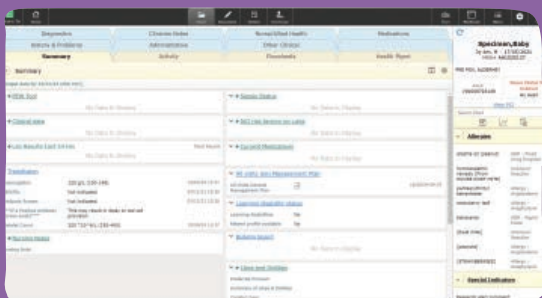
All of these initiatives demonstrate our steadfast commitment and showcase our dedication to pioneering healthcare innovation for the betterment of our children, young people and their families. For more information on our projects, please visit www.alderheyinnovation.com



Revolutionising Care

Digital

- Following the launch of Digital and Data Futures in 2022, a number of solutions have been implemented, delivering a wide range of benefits for staff, patients and families.
- The Trust launched its brand new website and intranet to improve the experience for users. The feedback has been extremely positive, with users reporting a much better experience and a reduction in time when searching for key information.
- The most significant digital achievement in 2023, was the transition to Alder Care, which is the latest version of the Trust's Electronic Patient Record. The new platform provides a much better user interface and enhanced patient safety features. The deployment was one of the first digital enablers contributing to the Vision and successful delivery of the Trust's 2030 Strategy.
- iDigital, an integrated digital service supporting both Alder Hey and Liverpool Heart and Chest Hospitals, has gone from strength to strength and celebrated its second birthday in 2023. The service has delivered many benefits and expanded by integrating further services across both trusts since its inception.



Corporate Services Collaborative

Now in its second year of operation, the Corporate Services Collaborative Group continues to meet on a monthly basis with good engagement across the 12 non-clinical service departments. Working together using a Brilliant Basics approach the collaborative's aim is to focus on particular issues and areas for improvement, identified via aggregated performance data across the same metrics used to monitor the performance of the clinical divisions. This provides a consistent organisation-wide overview.

In addition to workforce and financial data, the monthly collaborative meetings which are chaired by the Director of Corporate Affairs and attended by corporate heads of departments or deputy directors, also look at a corporate services risk register for risks rated high, moderate and above.

The group uses a 'hot spots' approach to focus on particular areas of risk. This collective and mutually supportive methodology has been welcomed by participants as a means of reducing the risk of 'silo' working across these areas and look for opportunities for sharing of good practice, resources and solutions in order to better support clinical service provision.

This will continue to be a key focus in the coming year and a means by which the organisation can respond to the challenges set out by the ICB in terms of finance and workforce across Cheshire and Merseyside.

Performance Analysis

The Trust's Integrated Performance Report has continued to be used as the key vehicle through which all relevant performance metrics are monitored by the Board, its assurance committees and the divisional teams.

It not only reflects CQC domains and is aligned to the Trust's priorities from the 2023/24 Annual Plan but also a range of locally determined measures, with a focus on SMART actions being taken to recover the position of any indicator going off track in a timely way. The report is supported by an electronic business intelligence system which enables the divisions to drill down into key financial, operational and clinical metrics at service line and even individual patient level.

Quality Improvement

Brilliant Basics is our approach to improving quality, safety, effectiveness, and experience. It is not an initiative; it is our vehicle for improvement and a way of working - 'how we do things at Alder Hey'. During 2022/23 there was a step change in establishment of the improvement system. 2023/24 has been focused on refinement.



There are three elements to our improvement system, each with a key focus that contributes to the whole.

Leading

Developing a style of leadership, at all levels of the organisation, which enables a consistent and systematically applied way to support problem solving and improvement to thrive.

The Executive Team developed and implemented their own set of standards to enable: a more specific focus on priority areas; a better grasp on issues impacting on the daily safety of the organisation; improved meeting effectiveness; and a focus on the voice of children, young people and families.

Developing our leaders to be 'leaders of improvement' is now built into our professional development offer and supported by bringing together leaders for tailored coaching, all focused on continuous improvement.

Delivering

Brilliant Basics is the architecture for all sizes of change; small everyday local changes right through to organisational priorities and strategic objectives.

We have built a shared vision through our updated strategy; Vision 2030. A single integrated plan for the organisation is aiding focus on what matters most.

Data driven decision making and assurance is central to our new way of working to ensure we are on the right track to meet the needs of our children, young people, families and organisational priorities.

A multidisciplinary team of services support Brilliant Basics. They include Improvement, Human Resources and Organisational Development, Freedom to Speak up and Staff Wellbeing. These services wrap around teams to support them to make change happen and to make it stick.

Our principles for delivery are focussed on listening to the voices of children, young people and their families and our staff to identify problems and co-design changes that are tested and measured for impact. Our children, young people and their families said, "it's just about making it normal to improve". We work together with our Youth Forum to engage on broad ideas and have a robust co-design process that enables us to design new models of care around the needs of our children and young people.

Learning

All staff are provided with an understanding of Brilliant Basics as soon as they join the organisation, so everyone is clear that this is the way we work.

We have a suite of resources supported by a knowledge matrix, so all our staff know what they need to know and do for improvement as part of their role in the Brilliant Basics system.

This is all delivered in a bespoke, flexible approach utilising our online resources, designed specifically to fit in the everyday working life.

This, in conjunction with improvement coaching, helps to embed new tools, routines and behaviours. "It's great to see when teams make small and simple changes that have a massive impact on their everyday work."

We also have a group of 'improvement connectors'; frontline colleagues from various staff groups across the organisation with enhanced improvement knowledge and skills. They bridge between their frontline team and the central Brilliant Basics team, growing and spreading improvement capability and capacity directly to the frontline.

Staff told us...

"I became a connector because I want to be able to make a difference to children, young people, families and staff at Alder Hey. I can do that by using the skills and knowledge I have and will learn as a connector to support my team and the organisation to identify opportunities for improvement, develop and implement these and then evaluate them."

Nathan Askew, Chief Nursing Officer said:

"Brilliant Basics as an improvement system gives our staff the knowledge, tools, and permission to make change. At its most fundamental level, it recognises that we all need to develop curiosity about how we can do things better for the benefit of children, young people and their families. It has been fantastic to see so many teams making changes that directly improve care and experience. Our USP is that our improvement approach is embedded into all aspects of the organisation, including how our board and subcommittees work."


Key achievements during 2023/24:

Online learning utilised in blended, flexible approach to capability building.

Quarterly Improvement Leaders Collaborative in place, co-designed approach and evaluated highly.

Leading through Change Session developed and schedule to become part of Strong Foundations from next cohort.

Managers' Essentials offer live; offering new managers the basics to get their improvement journey started.


Teams learning improvement (target = 16, actual 24).

SharePoint site developed for shared learning and resources.

Health inequalities embedded into learning.

22 improvement connectors trained in facilitating improvement across the organisation.

Improvement now within ward accreditation process and contributing to teams scores overall.

Dedicated coaching from our Youth Engagement lead to embed the voice of Children, Young People & Families in all improvement work.

Staff survey improvement now utilising Brilliant Basics approach.

BRILLIANT BASICS



Better never stops; the improvement system is continuously reviewed and improved, utilising the same consistent methodology to ensure that it is fit for the current priorities and needs and to ensure we are maximising the benefits desired. We have developed the 2024/25 priorities and approach, considering learning to date, stakeholder feedback, new NHS IMPACT standards and the international evidence base.

The focus for 2024/25 will be on:

- Bringing what matters most to life at all levels of the organisation so you can see and feel it, collectively and accumulatively delivering the outcomes desired in a systematic and consistent way.
- Leaders developing problem solving using A3 thinking and coaching conversations during 'go, see' with frontline teams.
- Effective and productive meetings using standardised meeting hygiene for all sub-board committees.
- Supporting priority teams/services to deliver productivity improvements using the Brilliant Basics tools, routines and behaviours.

“ Better never stops; the improvement system is continuously reviewed and improved. ”

Achievement of National Standards of Care

During 2023/24, ensuring compliance with national standards of care and commitments under the NHS Constitution has been challenging due to rising demand for elective and urgent care services, together with the effect of industrial action by NHS trade unions. Nonetheless, our teams have delivered good access to care for the majority of our patients, through hard work, ingenuity and commitment.

In urgent and emergency care 69,500 children and young people attended our Emergency Department (ED) in 2023/24, which is 114% of 2019/20 pre-pandemic levels. Notwithstanding, 82% of children and young people attending our Emergency Department were admitted, transferred, or discharged within four hours, making us one of only a handful of NHS organisations nationally to meet the national target of 76%. Alder Hey was one of the highest ranked trusts in England and first in the North West region. 90% of ambulance handovers were completed within 30 minutes.

Our strong performance has been driven by transformational change including:

- Establishing a new urgent care service, providing convenient appointments for low acuity patients.
- A consistent senior decision-making model, extended late into the evening.
- Transforming our acute medical service through a Paediatric Assessment Service that enables primary care to send referrals direct to this Unit, bypassing ED.
- Establishing the largest children's virtual ward in the UK.
- Delivering increased activity across all areas of community services (66% more than 2019/20).
- Outstanding access to critical care, due to a strong and resilient workforce
- Successful national contract award to provide pectus surgery.
- Launching referral portal for ASD/ADHD and Developmental Paediatrics.
- Streamlining approach to referrals and improved communication.
- Leading systems work by providing additional capacity to the Cheshire and Merseyside region by implementing the elective hub.

Throughout the year we have provided excellent access to children's cancer services, with timely diagnosis and treatment of patients in line with all national waiting time standards.



Once again, we have observed a sharp rise in our waiting list for elective care this year and we have been focused on treating the patients with the longest waiting times. We met the national target to virtually eliminate patients waiting over 65 weeks for treatment by March 2024. We all but eliminated the number of children and young people waiting on a Referral to Treatment Target waiting over 65 weeks and are on track to have no 52 week waits in CAMHS. We safely managed patients' access to care during periods of industrial action throughout the year.

Our successful achievement of access targets was delivered through deployment of pioneering digital solutions to enable our clinical teams to maintain contact with patients and families and we embedded our 'Was Not Brought' tool into clinical practice. We have worked with clinical services to embed Patient Initiated Follow Up (PIFU) and developed our approach to a virtual ward. All these achievements, alongside the dedication of our teams has enabled us to provide care to the children and young people locally and support children and young people from across the North West, with mutual aid for some specialties offered to Manchester Children's Hospital.

In 2023/24 the NHS was required to continue to focus on the restoration of services with an expectation of delivering elective, outpatient and imaging services at more than 104% of 2019/20 levels. The Trust achieved strong recovery of planned services in year two of the pandemic with 108% in outpatients recovery and 100% elective recovery. In addition, the Safe Waiting List Management Programme delivered improvements in access to care and reduced waiting times.

From a challenging position at the start of the year, we have improved access to diagnostic tests and in March 2024 85% of patients are now receiving investigations within six weeks. This improvement has largely been achieved through quality improvement work by the Urodynamics Service to increase capacity and the inception of home sleep studies by our Respiratory Physiology Service, as well as close monitoring of children and young people waiting for radiology scans.

The Trust's performance against national access and other mandated targets for 2023/24 are set out below:

Target or Indicator	Threshold	Qtr1	Qtr2	Qtr3	Qtr4
Summary Hospital Level Mortality Indicator (SHMI) ¹	n/a	n/a	n/a	n/a	n/a
C. Difficile Numbers - Due to Lapses in Care	0	0	0	0	0
C. Difficile - Rates Per 100,000 Bed Days	n/a	0	0	0	0
18 Week RTT Target Open Pathways (Patients Still Waiting for Treatment)	92%	52.3%	50.9%	51.1%	53.4%
All Cancers: Two Week GP Referrals	93%	100%	100%	100%	98%
All Cancers: One Month Diagnosis (Decision to Treat) to Treatment	70%	100%	100%	100%	100%
All Cancers: 31 Day Wait Until Subsequent Treatments	98%	100%	100%	100%	100%
A&E - Total Time in A&E (95th Percentile) <4 Hours	76%	84.9%	86.5%	77.9%	81.7%
Rate of Patient Safety Incidents	n/a	87	101	83	79
Clinical Incidents and the Percentage that Result in Severe Harm or Death	n/a	1.34%	0.12%	0%	0%
Readmission Rate Within 28 Days of Discharge ²	0-15y	6.2%	5.2%	6.6%	5.6%
	16y and over	4.7%	1.5%	5%	3.5%

NOTE: Unless otherwise indicated, the data in the table above has been obtained from the local Patient Administration Service to enable the Trust to provide the most recent available data. Most of this data is accessible through the NHS England website.

¹ Specialist trusts are excluded from SHMI reporting.

² Data source: Trust Patient Administration System – not published nationally.

Green Plan for Alder Hey – Creating a Healthier Future

As a forward-thinking organisation, Alder Hey is committed to sustainable healthcare and we recognise that it is our duty to contribute towards the level of ambition set out in 'Delivering a Net Zero Health Service'.

Building on the Net Zero Strategy agreed last year, we have focused on energy and carbon reduction and made further year on year savings. Our scope 1 and 2 savings* are now down nearly 20% from 2021/22.

We've worked with our PFI partners and key suppliers like MITIE to make a series of improvements and have identified a range of further changes over the next two years. We are now working with national and regional colleagues to roll out some of the learning from these changes.

Our clinical teams have been busy making major changes to choices of anaesthetic gases and we developed a range of new projects including glove and waste reduction schemes.

** Scope 1 relates to the Green House Gas (GHG) emissions made by the Trust e.g., while running its boilers. Scope 2 relates to emissions made indirectly by the Trust e.g., when the electricity or energy we buy for heating and cooling buildings, is being produced on our behalf.*



Task Force on Climate-Related Financial Disclosures (TCFD)

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

The phased approach incorporates the disclosure requirements of the governance pillar for 2023/24. These disclosures are provided below:

- *Describe the Board's oversight of climate-related issues*

Green Plan metrics are received and monitored monthly within the Trust's Integrated Performance Report including carbon footprint, energy usage and waste reduction values and targets. A dedicated change programme 'Greener at Alder Hey' has been established which is managed and reported through to the Board within the Vision 2030 collaborating in communities' updates.

- *Describe management's role in assessing and managing climate-related issues*

Risk assessments have been undertaken specifically looking at short term risks to operation with the Emergency Preparedness, Resilience and Response team focusing on adverse weather. Management plans are in place for these. We have also reviewed flood risks with United Utilities and the Environment Agency.

Equality of Service Delivery to Different Groups

The Trust recognises the importance of the equality, diversity and inclusion agenda in achieving its overall strategic aims and in addressing health inequalities in access, experience and outcomes. The Trust is fully committed to the requirements of the Equality Act 2010 and public sector equality duty.

The formation of integrated care systems nationally signaled a new ambition for collaborative working in order to develop effective, joined up models of care that are designed around people's needs and are more likely to improve access to care, quality of care, health inequalities and outcomes. Alder Hey is part of the Cheshire and Merseyside (C&M) Integrated Care System (ICS) and during 2023/24 we continued to work with partners to advance and coordinate paediatric care, address health inequalities and improve children and young people's outcomes.

Some examples of this work include:

- Leading on the Health Equity Collaborative for Cheshire and Mersey in partnership with Barnardo's and the Institute for Health Equity through the Beyond Programme, to address health inequalities based on evidence-based interventions.
- Continuing to host the Children's Health Alliance as a partner alongside the 11 other largest children's trusts in England.
- Collaborative working with Royal Manchester Children's Hospital to further enable stable and equitable access to specialist children and young people's services across the North West, ensuring the children of the North West have access to the absolute best clinical expertise and outcomes.
- Contribution to system leadership into Liverpool's 'Healthy Children and Families' segment of the One Liverpool Plan to address health inequalities across the city.
- Establishment of a Health Inequalities and Prevention Steering Group to tackle health inequalities using a coordinated approach to all matters of health inequalities and prevention for children, young people and their families in Alder Hey, in Liverpool, across Cheshire and Merseyside and nationally.

The Trust has continued to build on what we have learned during the pandemic to transform the delivery of services and has structured each of its planning priorities to use population health analytics and insights to ensure plans overcome health inequalities, particularly in regard to waiting times, for example by ethnicity and deprivation and as led by the Core20+5CYP framework. Clinical teams are empowered to take ownership and drive forward

plans to address inequalities to achieve demonstrable impact. The Trust's clinically led management model plays a key role in our ability to address the risk of lack of equality of access and delivery as the divisions can identify and address issues locally or where appropriate, contribute to Trust-wide solutions.

During 2023/24 we continued to use alternative ways of maintaining care delivery whilst keeping our patients and families safe. Alder Hey has pioneered digital solutions to enable our clinical teams to maintain contact with patients and families by continuing to offer virtual consultations via the Attend Anywhere platform.

COVID-19 has led to a significant increase in demand for mental health services. To respond to this, Alder Hey developed a comprehensive plan to expand and improve mental health services for people with learning disabilities and/or autism. This programme is based around the concept of Parity of Esteem, that is to ensure that the mental health and wellbeing of children and young people is accorded equal importance to their physical health.

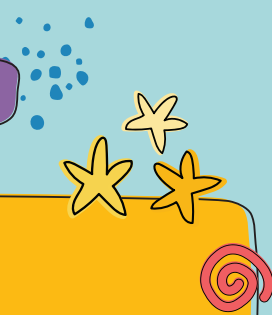
The Trust's Patient Access Policy ensures that all patients have access to care and treatment based on fair and objective criteria.

Our new Vision 2030 and underpinning strategic plan demonstrates our ongoing commitment to addressing and solving higher levels of deprivation across Cheshire and Merseyside's population by continuing to work with partners towards greater integration to close gaps in care and exploit these opportunities, co-created with children, young people and families. We will work in partnership to help children and young people today and deliver healthier adults into the economy tomorrow.





External Awards and Achievements in 2023/24



ABPN Honorary Fellowship for Alder Hey Nurse

Consultant Nurse Gerri Sefton was awarded an honorary fellowship for services to children’s nursing and her role in the field of paediatric intensive care and children’s research.

At a special event to celebrate the Association’s 85th Anniversary, the Association of British Paediatric Nurses awarded eight children’s nurses in recognition of their outstanding contribution to the nursing care of children and young people.

Caron Eyre, ABPN Chair, said “This year’s ABPN fellows are each of an extremely high calibre and have made inspirational improvements to the care of babies, children and young people.”

“The appointment of our honorary fellows acknowledges the amazing and diverse work undertaken by children’s nurses in practice, education, academia, research and leadership. We are immensely proud of their achievements and welcome them as special members of our ABPN family.”

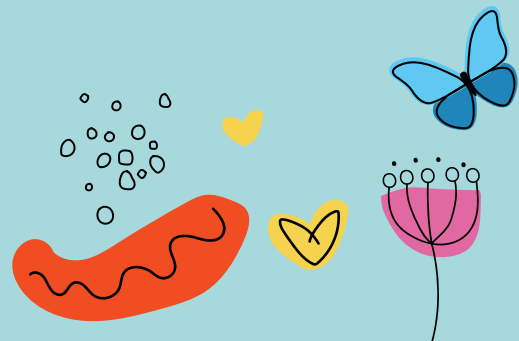
Professor Bernie Carter,
President of the ABPN

First Gene Therapy Treatment at Alder Hey

In April 2023, Alder Hey delivered its first gene therapy treatment as part of a Duchenne Muscular Dystrophy (DMD) research study. DMD is a progressive condition that causes increased muscular weakness in children and can lead to heart and breathing complications later in life. There currently is no cure for the condition.

Teddy was diagnosed with DMD two years ago and he was given the gene therapy treatment after a rigorous screening process. The treatment involved replacing the gene in Teddy’s cells that is not working properly with a healthy version.

It would not have been possible to have run such a complex, highly specialist research study without lots of help, including the DMD Hub (which helps co-ordinate study access across the UK) and charities such as Joining Jack and Duchenne UK.



Alder Hey Receives £3m Investment for Research

Alder Hey was given £3m by the National Institute for Health and Care Research (NIHR) to support paediatric research.

The money will be used to fund a research MRI scanner and other equipment, allowing access to more paediatric participants and additional studies in conditions such as Duchenne Muscular Dystrophy (DMD). It will also support studies into health inequalities.

Dr Dan Hawcutt, Senior Lecturer of Paediatric Clinical Pharmacology at the University of Liverpool and Director of the NIHR Alder Hey Clinical Research Facility said “At the CRF we drive forward progress to invent, develop and test new treatments for



children and young people. Our involvement in studies as leaders and together with partners, brings breakthroughs enabling prevention of ill-health, earlier diagnosis, more effective treatments, better outcomes and faster recovery. The impact research and this investment will have on children and young people everywhere is enormous.”

“
At the CRF we drive forward progress to invent, develop and test new treatments for children and young people.”

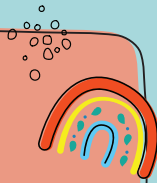
SALS Wins International Award!



Our Staff Advice and Liaison Service (SALS) Team won a prestigious International Hospital Federation Award in 2023.

Achieving a Gold Award in the American Hospital Association Healthcare Workers' Wellbeing category, the team fought off strong competition to be recognised for “excellence and outstanding achievements in ensuring the wellbeing and sustainability of healthcare workers”.

Alder Hey CEO Awarded LJMU Fellowship



Alder Hey's Chief Executive, Louise Shepherd CBE was awarded an Honorary Fellowship by Liverpool John Moores University (LJMU) in November 2023. Louise was one of ten new honorary fellows announced to mark LJMU's 200th year, all chosen because of their outstanding achievements in their respective fields and for their contributions to improving lives across the Liverpool City Region and beyond.

Louise said:

“ I'm hugely grateful and humbled to be recognised by Liverpool John Moores University in its bicentenary year, with what is its highest honour – an Honorary Fellowship. My co-recipients are a wonderful group and I'm honoured to be considered alongside them. LJMU and Alder Hey have a fantastic relationship that reaches back many years. Together, we have prepared generations of healthcare professionals to be the best they can be and provide the children and young people of Liverpool and beyond with the very best care and treatment. They deserve no less. ”



Success for Little Hearts at Home at RCN Awards

The Little Hearts at Home Team won the 2023 'Innovation in Your Speciality' Royal College of Nursing Award! Little Hearts at Home is a collaborative project between Alder Hey's Innovation Team and the Heart Centre. The platform is a paediatric first and connects our most vulnerable cardiac infants from across the North West England, North Wales and Isle of Man with their clinical teams.

Chair of the judging panel Joanne Bosanquet, Chief Executive of the Foundation of Nursing Studies and fellow of the RCN, said:

“

The inspiring Little Hearts at Home nurses and their excellent digital solution to supporting families, stood out. It addresses the digital agenda in such a person-centred way, transcending settings and different professional groups with huge benefits to children and their families. By developing a national network with other centres to share best practice, they have ensured they have spread their excellent nursing practice. ”





Alder Hey Recognised at Cheshire and Merseyside Advanced Practice Awards



enhance relationships with community colleagues and has led to positive impacts on ED flow as well as more efficient patient discharges.

aligned to the Cheshire and Merseyside People Promise. Shelley was awarded this honour because of her immense commitment, diligence, and passion for improving patient experience, enhancing clinical nursing skills through education and leadership and establishing her advanced practice role within the pre assessment team and theatres environment.

Several Alder Hey staff were recognised with a Cheshire and Merseyside Advanced Practice Award in 2023. The awards recognise and reward teams and individuals who have made an exceptional contribution to advanced practice across Cheshire and Merseyside throughout the year.

The 'Advanced Practice Team of the Year' Award was given to the 4C Paediatric Assessment Unit Advanced Practice Team for consistently demonstrating working together to deliver outstanding healthcare. The teams' collaboration has helped to improve patient experience,

Shelley Cobley, Pre-Assessment and Theatres Advance Practitioner was awarded 'Advanced Trainee of the Year'. This Award recognises the Advanced Practice Trainee who has demonstrated exceptional achievements and performance outcomes, a strong commitment to learning and the values and behaviours



Alder Hey's Neuromuscular Centre Recognised for Outstanding Care

In January 2024, Alder Hey received a prestigious Centre of Excellence Award from leading national charity Muscular Dystrophy UK. The Award was a tribute to the team for providing outstanding care, promoting best practice locally and nationally and demonstrating their

commitment to improving health and care for people living with muscle wasting and weakening conditions.

Dr Rajesh Madhu, Consultant Paediatric Neurologist and Lead for Neuromuscular Clinical and Research Services at Alder Hey said: "It is a real honour to continue to receive the Muscular Dystrophy UK's Centre of Excellence Award in recognition of the ongoing care and support that Alder Hey's Neuromuscular Multidisciplinary Team provides to our patients in the Cheshire, Merseyside, North Wales and the surrounding areas. We pride ourselves in supporting children and families living with a muscle wasting or weakening condition by providing an excellent standard of clinical care and clinical research opportunities."



Improving Access to Healthcare for Under-Represented Communities

In partnership with Contact (a charity for families with disabled children), Edge Hill University and the North West National Network of Parent Carer forums (NW NNPCF), Alder Hey was awarded a vital grant from the National Institute for Health and Care Research (NIHR). The grant will be used to fund research that will help understand what deters under-represented communities in the North West from accessing healthcare.

“

This is a really important project that will allow Alder Hey and partners to really get into the heart of these communities in the North West, speak to families directly about the challenges they face and work with them to come up with practical solutions that will help them access the care their child so desperately needs.

”

Joann Kiernan Co Principal Investigator, Consultant Learning Disability Nurse at Alder Hey and Senior Lecturer at Edge Hill



Alder Hey's ED Ranked Top in North West

During December 2023, our Emergency Department was ranked first in the North West and second nationally for its performance, after seeing and treating 85% of children and young people within four hours of their arrival.

Key changes that helped facilitate this performance over the winter included increasing streaming from the Department to our Urgent Treatment Centre and launching our Paediatric Admissions Unit (PAU) pilot.



Clinical Physiologist Wins Award for Going Extra Mile

The NHS Professionals Going the Extra Mile Award at Alder Hey was won by Clinical Physiologist, Tabitha Couston. Neurophysiology Manager Teresa Preston said:

“

Tabitha has totally proven her worth: she works quietly and effectively, and she is able to put all the children at ease with her calm and gentle nature. This also includes those children and young people who need special education or have learning needs.

”

Financial Performance

The Trust ended the year with a reported deficit of £6.5m. NHS England measures the Trust's performance against a Control Total which excludes these exceptional items; allowing for the impact of these exceptional items results in the Trust reporting a £10.3m surplus against its Control Total for the purpose of system achievement for the year.

The Trust's surplus/(deficit) on a Control Total basis:

	2023/24 £000	2022/23 £000
Reported Surplus/(Deficit) for the Year	(6,511)	16,728
Exceptional Items		
Impairment	12,390	(10,109)
Donated Income	(852)	(3,254)
Donated Depreciation	1,870	2,093
Technical PFI Adjustments	3,436	-
NHS England and Improvement 'Normalised' Surplus/(Deficit) on Control Total Basis for the Purpose of System Achievement	10,333	5,458

Capital expenditure for the year is £25.3m. This expenditure related to medical equipment, completion of the Alder Care project, works on the new neonatal building, Eating Disorder Daycase Facility and the Children and Young People's Gender Service as well as moves to complete the new campus and enable the full reinstatement of Springfield Park.



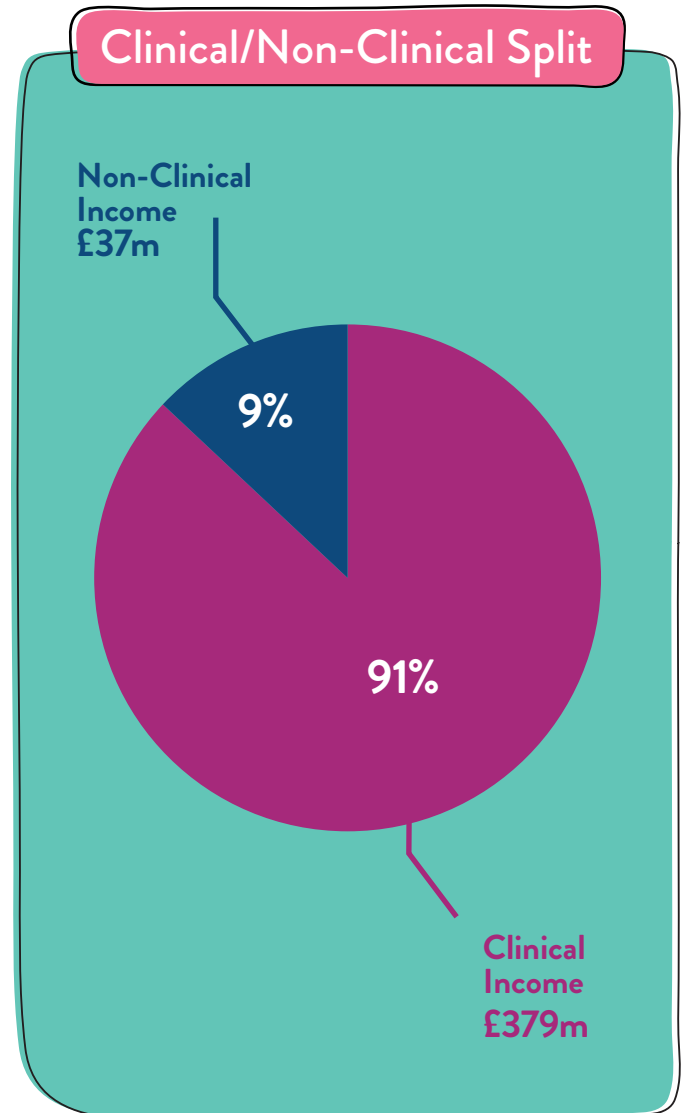
Income

Total income received by the Trust in the year ended 31st March 2024 was £416m with £377m (91%) coming from the delivery of clinical services. In 2023/24 the NHS operated under a 'blended' payment model, which meant that the majority of clinical services were block funded, with some areas (for example drugs, devices and elective activity) paid on a variable basis.

Welsh commissioners adopted the same funding model as in England, while Isle of Man, Northern Irish and Scottish activity continues to be paid on a full PBR basis.

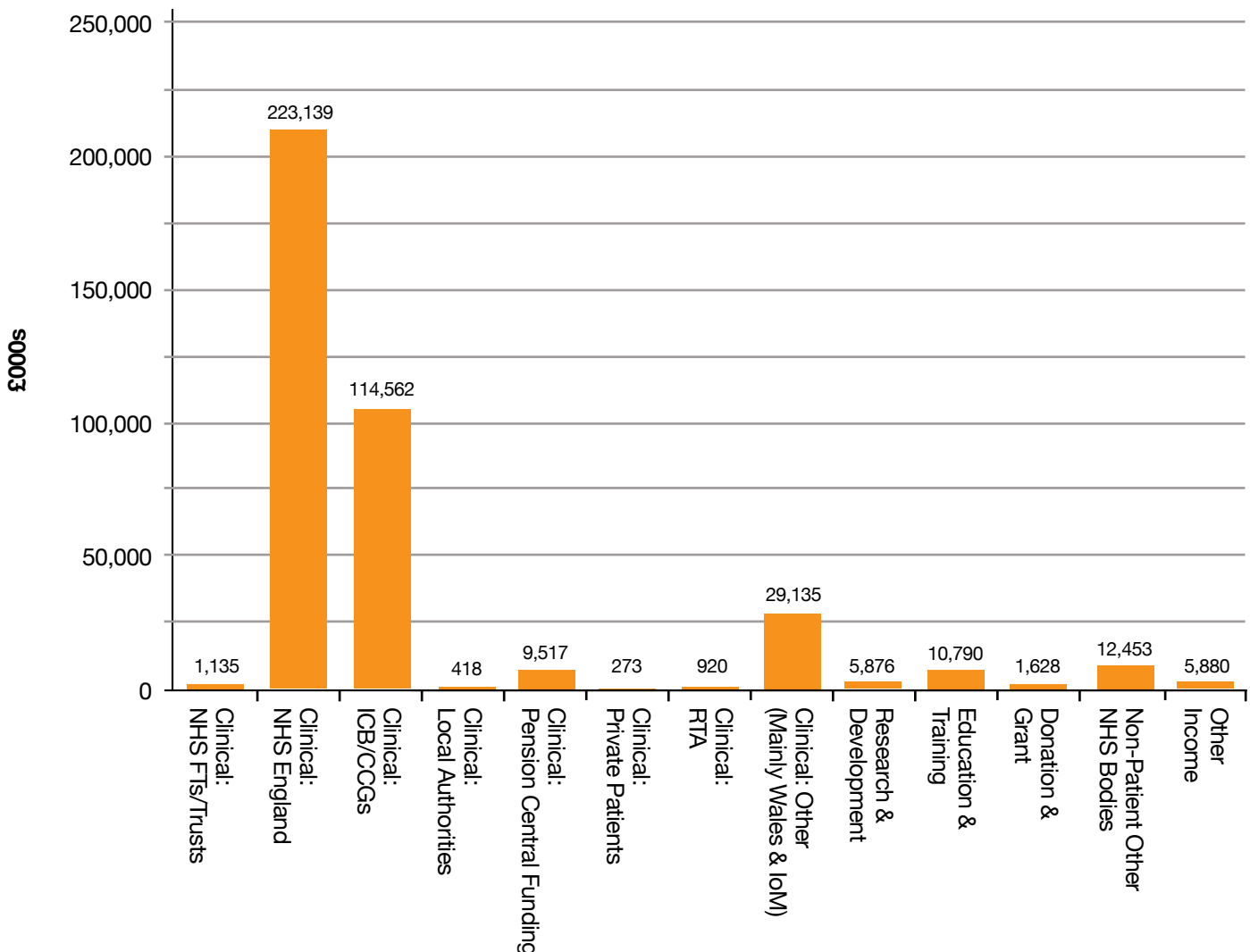
Non-clinical income exceeded plan in 2023/24, with significant over performances in education and training and R&D income.

Income by Source 2023/24:



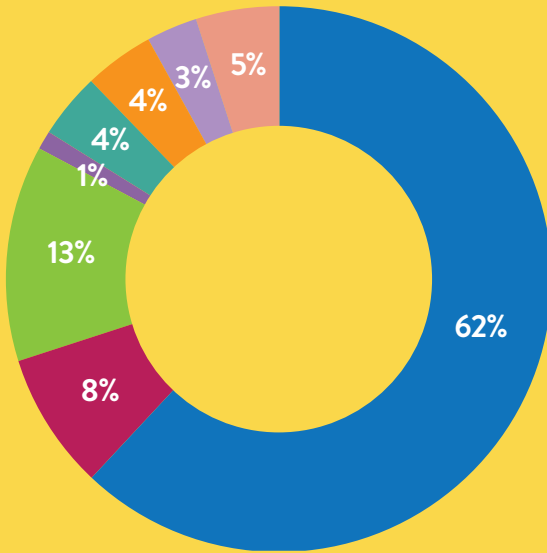
Income Breakdown (£000s)

	2023/24 £'000	2022/23 £'000
Acute Services		
Block Contract/System Envelope Income	249,190	227,563
High-Cost Drugs Income from Commissioners (Excluding Pass-Through Costs)	44,682	38,013
Other NHS Clinical Income	32,281	20,711
Mental Health Services		
Block Contract/System Envelope Income	23,884	20,063
Community Services		
Block Contract/System Envelope Income	18,845	19,263
Income from Other Sources (e.g. Local Authorities)	418	818
All Services		
Private Patient Income	273	114
Pay Award Central Funding	228	
Additional Pension Contribution Central Funding	9,588	7,486
Other Clinical Income	981	403
Total Income From Activities	379,229	350,663



Expenditure

Operating expenses totalled £410.7m for the year and, as in previous years, staff costs account for the largest use of resources at 62%. An analysis of operating expenses by type is shown in the chart below:



- Employee Expenses
- Supplies and Services
- Drugs
- Clinical Negligence
- Premises
- Depreciation
- Other



Financial and Operating Risk

Total clinical income for the year was £377m, which exceeded the plan figure by £25m. This was largely related to the income received in relation to additional anticipated staff costs for pension and pay awards. Total normalised expenditure (excluding technical issues) for the year was £393.8m which was £32.8m higher than the plan of £361m. Again, this was a result of the additional staff costs for the nationally funded pension cost and significant non pay pressures.



Capital Investment Programme

During the year the Trust completed £23.1m of capital investments which will significantly improve services for both patients and staff. A summary of capital investment undertaken in the year is provided in the table below:

Capital Investment Scheme	Investment Benefit from Activities	Value £'000
Planned Capital Estates	Includes interim and retained estates associated with completion of Alder Hey campus and demolition.	4,031
IM&T Capital Schemes	Investment in IM&T including security and resilience and development of the digital hospital.	1,570
Medical Equipment	Investment in medical equipment inclusive of equipment replacement cycle.	3,774
Alder Hey in the Park	New hospital non-medical equipment and site development costs.	6,446
Nationally Funded Initiatives	Provider frontline digitisation, diagnostic equipment, CYPO gender service and elective hub.	7,263
Total Capital Investment 2023/24		23,084

Better Payments Practice Code – Measure of Compliance

In line with other public sector bodies, NHS organisations are required to pay invoices within 30 days or within the agreed payment terms whichever is sooner. This is known as the Better Payment Practice Code. NHS trusts are required to ensure that at least 95% of invoices are dealt with in line with this code. Performance against this code is provided in the table below.

	2023/24		2022/23	
	NHS	Non-NHS	NHS	Non-NHS
Invoices Paid Within 30 Days	1,589	58,650	1,899	54,689
Invoices That Were or Should Have Been Paid Within That 30-day Period (Split Between NHS and Non-NHS Payables)	1,969	62,091	2,648	63,625
Proportion of Invoices Paid Within 30 Days Compared to Invoices That Were or Should Have Been Paid Within That 30-Day Period (Split Between NHS and Non-NHS Payables)	80.7%	94.5%	71.7%	86.0%

The total amount of interest the Trust paid during the year because of failing to pay invoices within the 30 days it was obligated to do so was nil.



Going Concern

After making appropriate enquiries, the directors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

Post Balance Sheet Events

There are no material contingent liabilities or material litigation as far as the Board is aware; to the extent that if there is potential litigation it is believed that this will be covered by the NHS Litigation Authority. For these reasons, the Trust continues to adopt the going concern basis in preparing the accounts.

Accounting Policies

IFRS16 for PFI has been applied for the first time in 2023/24 and continues to be applied to all leases (as per prior year). Other than this there have been no significant changes to our accounting policies since authorisation as a Foundation Trust.

We have complied with the cost allocated and charging requirements set out in HM Treasury and Office of Public Sector Information Guidance and followed the NHS costing manual and best practice guidance published by NHS Improvement. The Finance Department works with all financially significant departments to use the activity information available within the Trust and an established NHS costing package to appropriately allocate expenditure to services and patients.

Key Risks to Delivery in 2023/24

Risk is inherent in all aspects of healthcare activities and at Alder Hey we operate a risk management framework. This framework ensures that we proactively and continuously manage risks to people, systems and processes to ensure the efficient and effective delivery of our service aims and objectives and to protect patients, carers, visitors and staff from harm. This is described in detail in the Annual Governance Statement on page 110 of this document.

The Trust's key strategic risks were articulated in the Board Assurance Framework, which was reviewed on a monthly basis by the Board and its assurance committees throughout the year.

The most significant risks to the Trust in terms of delivering our long-term objectives are: children and young people waiting beyond the national standard to access planned care and urgent care; the current financial environment; access to children and young people's mental health; and potential inability to engage the wider system to support aspects of our 2030 Vision.

Board Statement

The directors consider 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 Alder Hey's performance, business model and strategy.

The Board of Directors approved the foregoing Performance Report at its meeting on 26th June 2024.

Signed on behalf of the Board.

Louise Shepherd

LOUISE SHEPHERD CBE
Chief Executive
26th June 2024



Hayley's Story

Eight year old Hayley was the first child with dystonia to undertake Deep Brain Stimulation (DBS) using a new advanced device.

Dystonia is a life-long neurological condition that can cause uncontrolled and sometimes painful muscle cramps and spasms. This can really impact a child's quality of life, making daily tasks more painful and difficult. Hayley has dystonic cerebral palsy which means that she has involuntary movements that affect her whole body.

During the four hour procedure, insulated electrodes were inserted into a very specific location in Hayley's

brain. This small area of the brain is responsible for movement control. The electrodes were then connected by a wire under the skin through to a pulse generator device/battery which was implanted in Hayley's abdomen. Just like a pacemaker the battery uses electrical pulses to modify the signals causing the symptoms of dystonia, thereby reducing pain and involuntary movements/spasms.

Hayley's dad Gareth said:

“

If you think of a person as a light, if you turn the light on, it stays on until you switch it off, whereas Hayley's condition means she 'flickers'. It can be really frustrating as Hayley can't tell us what she wants or needs although we know she loves being tickled as she laughs and smiles. We're hoping this operation will help control her movement more and we get more of those amazing smiles.”

”





Accountability Report



Directors' Report

Composition of the Board of Directors



Chair and Chief Executive

Dame Jo Williams – Chair

Dame Jo joined the board in November 2016 as a Non-Executive Director and was appointed as Chair, succeeding Sir David Henshaw in February 2019; she was reappointed by the governors for a second three-year term to February 2025.

Jo has enjoyed a successful 30-year career in social services in the North West, including ten years at Director level, before becoming Chief Executive of the Royal Mencap Society for five years. Dame Jo joined the Care Quality Commission as a Non-Executive Director in 2008 and held the position of Chair between 2010 and 2013. In addition, Dame Jo has had considerable experience as a Trustee in the voluntary sector, including with the NSPCC.

Previously in her career, she has been involved in shaping public policy on a

number of issues including in her role as Chair of the National Advisory Council on Children's Psychological Wellbeing and Mental Health and as part of the team that developed the National Service Framework for Children. She was also Co-Chair of the national working group that led to standards in hospital care for children following the enquiry at Bristol Royal Infirmary. More recently Dame Jo was a member of the Dilnot Commission looking at how we deliver a fair, affordable and sustainable funding system for social care in England.

Dame Jo has received a number of honours in recognition of her achievements, including a CBE for services to Social Services in Cheshire, as President of the Association of Directors of Social Services and a DBE for her work with people with a learning disability.

Louise Shepherd CBE – Chief Executive

Louise joined Alder Hey as Chief Executive in March 2008 and successfully led the Trust through a major transformation into Europe's only children's health campus in a park setting, designed by and for children and young people and opened by Her Majesty Queen Elizabeth in 2016. The campus aims to provide a world leading holistic health and wellbeing environment for all children and young people and comprises a state-of-the-art specialist children's hospital and mental health facilities, a dedicated children's research institute and academy incorporating four University partners, an Innovation Centre working with industry partners to create leading edge technologies, an NIHR Clinical Research Facility and a family support and bereavement centre.

Previously CEO of Liverpool Women's Hospital, Louise first joined the NHS as Director of Business Development at Birmingham Heartlands Hospital in 1993 from KPMG, where she spent four years as a financial and management consultant to the public sector.

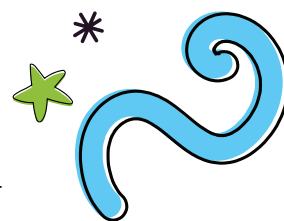
In addition to her role at Alder Hey, Louise is Chair of NHSE's National Children and Young People's Board, overseeing the development and delivery of national children's health policy and service transformation and is the Senior Responsible Officer for the Cheshire and Mersey ICS Children's Transformation Programme "Beyond".

A graduate of the University of Cambridge, Louise has a strong interest in the Arts. She was appointed Chair of the Royal Liverpool Philharmonic Society Board in November 2022 and plays violin for the Liverpool Mozart Orchestra.

Louise was awarded a CBE for services to healthcare in 2017.



Executive Directors



John Grinnell – Managing Director and Chief Finance Officer

John joined Alder Hey in April 2017 as Director of Finance and Deputy Chief Executive and took on the role of Managing Director and Chief Finance Officer in April 2023. His NHS career began via the National Finance Graduate Trainee scheme and he has worked in a variety of roles, including the Deputy Director of Performance at the University Hospital of North Staffordshire, and Deputy Director of Finance at South Manchester University Hospital.

He joined The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation (RJAH) Trust in Oswestry as Director of Finance in 2008 and played a key role in supporting the organisation's successful Foundation Trust application. He also worked with the Strategic Orthopaedic Alliance (SOA) to ensure that the voice of specialist orthopaedic providers is heard within the national financial agenda.

John became Acting Chief Executive at RJAH in October 2015 until taking up the position of Deputy Chief Executive on 1 April 2016. This was the role in which he remained until joining Alder Hey a year later. In 2019 John won two Finance Director of Year Awards; The Finance Director of a Non-Profit Large Organisation (over £100m) award and he was the overall winner of the Finance Director of the Year Award.

Adam Bateman - Chief Operating Officer

Adam was appointed Chief Operating Officer in April 2018. Since joining the NHS in 2005 through the NHS Graduate Management Training Scheme, Adam has held senior operational manager positions with responsibility for surgical, medical, emergency and community services.

Adam holds the following healthcare leadership qualifications: an MSc degree in Healthcare Leadership and an Executive Healthcare Leadership Award with distinction from the Nye Bevan NHS Leadership Academy Programme. He has also completed a Healthcare Information Fellowship at GlaxoSmithKline.

Regionally, Adam was Chair of the Cheshire and Merseyside paediatric gold command that oversaw paediatric bed capacity and mutual aid during the COVID-19 pandemic and RSV outbreak. Nationally, Adam co-led the deployment of new healthcare innovation solutions across the Children's Hospital Alliance.

Adam is the Executive lead for performance; this includes leading the recovery of paediatric services in order to address the waiting list backlog that has built up during COVID-19. He is the Senior Responsible Officer for the deployment of a new Electronic Patient Record (Alder Care) and the programme to open a new world-leading Neonatal Intensive Care Unit facility in 2024.

Nathan Askew – Chief Nursing, AHP and Experience Officer

Nathan joined Alder Hey in November 2020 as the Chief Nursing Officer providing professional leadership to nurses and Allied Health Professionals across the organisation. Nathan qualified as a registered children's nurse in 2003 from the Florence Nightingale School of Nursing, King's College London. Nathan has worked in various clinical and managerial roles including time at Guys and St. Thomas, Great Ormond Street Hospital and as Director of Nursing at Chelsea and Westminster NHS Foundation Trust.

In addition to his professional qualifications Nathan holds an MSc in advanced nursing practice and has led system wide change for children's services in North West London and more widely across the capital. Nathan has a passion for ensuring all children and young people get high quality, safe care in both physical and mental health and for championing the equality, diversity and inclusion agenda. He is the current chair of the Association of Chief Children's Nurses working to advocate for children and young people at a national level.

Alfie Bass – Chief Medical Officer

Alfie joined the Alder Hey Board in January 2022 and has worked as a Consultant Children's Orthopaedic Surgeon for 24 years having completed specialist training in the UK, Switzerland and Australia. He was awarded the WellChild Doctor award in 2018 for the service he provides to children. He was the Clinical Director for orthopaedic/spine and gait at Alder Hey for three years then the Divisional Director for Surgery during which time his focus was on enhancing patient safety. Alfie was appointed as Alder Hey's Chief Medical Officer in October 2022; in this role his focus is on facilitating the greatest access to care provided in the safest way for our patients and the staff.

Melissa Swindell – Chief People Officer

Melissa is our Chief People Officer and joined Alder Hey in 2009. Following her graduation from the University of Liverpool, Melissa started her HR & OD career in the airline industry before joining the NHS, working in HR and OD roles in London and the North West before joining Alder Hey. A Chartered Fellow of the CIPD, Melissa leads the people agenda at Alder Hey and is passionate about making Alder Hey a great place to work for everyone, with significant focus on leadership and talent development, equality, diversity and inclusion, staff engagement and health and wellbeing. Melissa has championed the development of the award-winning Alder Hey Staff Advice and Liaison Service (SALS), winner of both the national HSJ Staff Engagement Award in 2020 and the HPMA award for Excellence in Staff Engagement in 2021.

Erica Saunders – Director of Corporate Affairs (Non-Voting)

Erica joined the Alder Hey Board in September 2010. She began her NHS career in 1991 through its national Graduate Management Training Scheme. Erica spent over ten years working in primary care and commissioning roles at regional level and within Liverpool and North Cheshire, before moving to the acute sector in 2003. Prior to coming to Alder Hey, Erica was Director of Corporate Affairs at the Liverpool Women's NHS Foundation Trust for seven years, where she directed the successful application to become the first Foundation Trust in Merseyside. Part of her job includes the role of Trust Secretary, advising and supporting the Chair, Board of Directors and Council of Governors on all aspects of assurance, regulation, compliance, corporate governance and reputation management. Erica is also Executive lead for risk management and legal matters including tribunals and public inquiries. Erica holds an MBA as well as a BA (Hons) degree from the University of Liverpool.

Dani Jones – Chief Strategy and Partnerships Officer (Non-Voting)

Dani is Executive lead for the Trust's Strategic Plan, Vision 2030; an innovative approach to Trust Strategy which blended children, young people's and families' voices and needs, with staff needs and innovative Trust analytics. The approach won Gold at the HSJ Partnership awards 2024.

Dani leads the Trust's range of health and care system partnerships and is the chief architect of Cheshire and Merseyside's (C&M) children and young people's system, and Executive lead for the Cheshire & Mersey Children and Young People's 'Beyond' Transformation Programme. "Beyond" is making measurable improvements to outcomes through transformation and new care models for children across C&M; driving prevention and early intervention, community and home-based care models, for example in children's obesity, respiratory, mental health, diabetes, epilepsy and designing the national framework for health equity with Barnardo's, the Institute for Health Equity and partners. Dani has recently worked with the Integrated Care System leadership to successfully establish the Children and Young People's Committee of the Integrated Care Board – bringing children and young people's voices and needs to the forefront of system decision making. Dani is Executive lead for specialised networked care across the North West, leading the paediatric operational delivery networks in their drive to raise standards for children's specialised services across the region.

Dani specialises in developing complex partnerships to improve patient care and is experienced in building systems and partnerships to create better outcomes for

patients across primary and community care, mental health, acute trusts, local authorities and voluntary sector groups, building on nearly 20 years' experience working in the majority of these different health and care settings. Dani began her NHS life in technology and innovation, leading key initiatives such as establishing one of the largest scale telehealth models in the UK, following a BA Hons degree in Economics and an MSc in Health Care Ethics at the University of Liverpool. She achieved her Executive Leadership in Healthcare Award through the 'Nye Bevan' Programme in 2017.

Mark Flanagan - Director of Communications and Marketing (Non-Voting)

Mark joined Alder Hey in July 2017 from the UK charity Beating Bowel Cancer where he was Chief Executive. He has a degree in Medieval History from the University of St Andrews and has worked for most of his career in the Third Sector in Communications, Campaigns and Policy. Mark has extensive health experience, having worked at senior level in the Royal College of GPs, Royal College of Nursing, Diabetes UK and elsewhere. Mark is responsible for internal and external communications, including media relations, brand, staff engagement campaigns and the Trust website.

Kate Warriner - Chief Digital and Transformation Officer (Non-Voting)

Kate is the joint Chief Digital and Transformation Officer at Alder Hey and Chief Digital and Information Officer at Liverpool Heart and Chest Hospital. Kate began her NHS career in 2000 and has had a range of digital leadership roles in primary care, commissioning, shared services and acute care across Liverpool and the wider North West region. Kate is passionate about the NHS and the impact digital technology and innovation can make on improved clinical outcomes and the delivery of high quality, safe patient care. Kate is a music graduate from the University of Liverpool and holds an MSC in Health Informatics. She is the Chair of the Maghull Wind Orchestra where she is also principal flautist and saxophonist with the Phil Shotton Big Band.

John Chester – Director of Research and Innovation (Non-Voting)

John Chester has been Alder Hey's Director of Research and Innovation since July 2021 and more recently its Chief Scientific Officer. His previous experience includes 20 years as a Clinical Academic in adult oncology. Following a first degree in Biochemistry at Oxford University and a PhD in Molecular Biology at the Beatson Institute for Cancer Research in Glasgow, John studied medicine at Saint Mary's Hospital Medical School, a part of Imperial College, London. Building

on his background in both laboratory science and innovative clinical trial designs, John was appointed as Clinical Professor in Cardiff in 2011 where he built a national and international profile, including serving as inaugural Director of the Wales Cancer Research Centre. Over the last 10 years, he has increasingly focused on strategic research leadership.

John leads in advancing Alder Hey's unique position at the interface between NHS and academic paediatrics. He has recently focused on a major new strategic initiative, Alder Hey Futures. This is dedicated to building internal infrastructure and multi-agency external partnerships which promote healthier, happier and fairer futures for children and young people, their families and communities.

Non-Executive Directors

Kerry Byrne - Non-Executive Director, Chair of the Audit and Risk Committee and Senior Independent Director

Kerry joined the Alder Hey Board in September 2018 and was reappointed by the governors for a second three-year term to September 2024. She is a Fellow of the Association of Chartered Certified Accountants and a finance, risk and internal control leader with over 24 years' experience in "Big 4" professional services and as a Non-Executive Director covering governance, finance, risk management and internal control. Kerry is Chair of our Audit and Risk Committee and a member of the Safety and Quality Assurance Committee. Kerry is the Trust's NED lead for Emergency Preparedness, Resilience and Response and Freedom to Speak Up.

She was a Senior Manager at Deloitte for 11 years where she provided internal audit services to numerous organisations and industries both in the private and public sectors. She then spent three years as Head of Internal Audit at Universities Superannuation Scheme Ltd followed by three years as the Director of Retail Banking, Internal Audit at Ernst & Young (EY). Kerry spent nine years as a Non-Executive Director at Liverpool John Moores University where she was Chair of the Finance Committee and a member of the Nominations and Remuneration Committees and Chairman's Group and also served on the Audit Committee. She is a Non-Executive Director for South Lakes Housing in Cumbria, a member of the Audit and Risk Committee. Since leaving EY she has been managing her own portfolio of 10 rental properties in the North West.



**Dr. Fiona Marston OBE - Non-Executive Director,
Chair of the People and Wellbeing Committee and
Wellbeing Guardian (to 31st March 2024)**

Fiona Marston joined the Alder Hey Board in November 2019. Fiona is a biotechnology entrepreneur and was a business consultant to the Department of Clinical Sciences at Liverpool School of Tropical Medicine (LSTM) and Royal Society Entrepreneur in Residence for LSTM from 2021 to 2023. As Royal Society EiR she worked with LSTM to support training and mentoring in commercial translation of innovative research, to build the entrepreneurial skills and knowledge of staff and students.

Until late 2020 Fiona was Director of the Centre of Excellence in Infectious Diseases Research focused on commercial translation for the University of Liverpool, LSTM and associated NHS trusts. Early in her career she founded the investment incubator Healthcare Ventures, for the Rothschild Bioscience Unit and J&J Development Corporation investing in European entrepreneurs.

Currently Fiona is Chair and CEO of Erebagen Limited a synthetic biology company, Royal Society Entrepreneur in Residence at the University of Reading and advises the investment fund Northern Gritstone. Fiona has a BSc Hons (Biological Sciences; UEA), PhD (Biochemistry; UKC), MBA (London Business School) and was awarded an OBE in the 2021 Queen's Birthday Honours.

**Shalni Arora – Non-Executive Director and Chair of
the Research and Innovation Committee**

Shalni was appointed to the Board in August 2019. Shalni is CEO of Savannah Wisdom, a private family charitable foundation. She is a qualified Accountant trained at Arthur Andersen and an entrepreneur. She is one of the founders of DxS Limited, a personalised medicine business which she spun out from AstraZeneca and then successfully exited. She works for several charities and not for profit organisations through her own Foundation and is on the Board of the British Asia Trust, Belong-The Cohesion and Integration Network and is a member of the Network for Social Change.

She recently won a Beacon Award for Philanthropy and was awarded the Medal of Honour at Manchester University for her contribution to the City. She has a Masters in Genetics from Cambridge and a Masters in International Development.

Shalni is also a Council Member for the Institute of Fiscal Studies.

**Professor Fiona Beveridge – Non-Executive Director
and Chair of the Safety and Quality Assurance
Committee and Vice Chair**

Fiona joined the Alder Hey Board in October 2019 and was re-appointed for a second three-year term to October 2025. Fiona is Executive Pro-Vice-Chancellor for the Faculty of Humanities and Social Sciences at the University of Liverpool. Fiona is a Professor of Law, specialising in international and EU law, in particular foreign investment law and gender equality law and policy. She has a particular expertise in gender mainstreaming (that is, the idea that gender concerns should be addressed systematically in all areas and by all actors) and how this is implemented in international institutions, the EU, and in individual states. In the UK this approach is best exemplified by the Public Sector Equality Duty, now contained in the Equality Act 2010. She has completed two studies for the European Parliament FEMM Committee, 'A New Strategy for Gender Equality Post 2015' and 'The EU Budget for Gender Equality'.

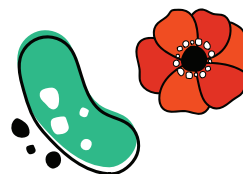
Fiona is Chair of the Board of the University of Liverpool Press.

Garth O Dallas – Non-Executive Director

Garth joined Alder Hey as a Non-Executive Director in November 2021. He is a Lawyer, Business Consultant Equality, Diversity and Inclusion Specialist and expert in ethical and socially responsible business practices.

He is Chair of the Liverpool Commonwealth Association and co-founder of the Good Small Business Awards, the UK's first Business Sustainability Awards exclusively for small and micro businesses, recognising excellence in small and micro business social and environmental impact and business sustainability.

Garth is the Alder Hey Board's EDI Champion, chairs the EDI Steering Committee and sits on various Trust assurance committees, including the People and Wellbeing Committee and the Futures Committee.



John Kelly – Non-Executive Director and Chair of the Resources and Business Development Committee

John was appointed to the Board in September 2022. A qualified Chartered Accountant, John holds long-standing experience of working with some of the world's leading companies. He was a senior partner at KPMG and a member of the Liverpool Vision Board. He has worked on strategic change and transformation programmes in a wide range of industries including consumer and retail, healthcare and life sciences and financial services.

Jo Revill – Non-Executive Director and Trust Wellbeing Guardian

Jo was appointed to the Board in October 2022. With a career across government affairs and membership bodies in both the medical and scientific sector, Jo brings considerable knowledge of how to transform organisations to be impactful, have a positive culture and deliver their strategy. Jo is passionate about the mission to improve the lives of children and has previously led on projects including the development of the three-year strategy for paediatrics for the Royal College of Paediatrics and Child Health, supporting the efforts to improve equality, diversity and inclusion in paediatrics and governance reviews.

Declaration of Interests

Members of the public can view the Trust's up-to-date register of interests, including gifts and hospitality for decision making staff by visiting <https://alderhey.mydeclarations.co.uk/home>

Political Donations

Alder Hey did not make any political donations during 2023/24.



NHS England's Well Led Framework

NHS Improvement introduced updated guidance for organisations on the use of the well-led framework in June 2017. The well-led framework was developed from the quality governance framework, originally published by Monitor in 2010 and later adopted by NHS England it sets out how providers should carry out developmental reviews of their leadership and governance.

Due to the ongoing pressures on the Board arising from the COVID-19 pandemic to recover services, the Trust has not undertaken a review against the well-led framework during 2023/24. Instead, the Board's key developmental focus during the year was upon the implementation of Alder Hey's new strategy: the 2030 Vision. The Board continued its partnership with Strasys throughout the year to continue its journey to gain a detailed, data driven understanding of the pressures facing society and how we need to develop our knowledge, expertise, and assets and leverage them – working alongside our system partners – to bring improvements for children, young people and families everywhere.

During the year the underpinning governance for delivery of the 2030 Vision was instituted including a new Strategy Board to monitor delivery of the implementation plan, transformation plans under each of the five strategic goals with programme structures to oversee project implementation and a strategic scorecard for accountability and oversight.

The Board continues to ensure a focus on well-led framework requirements through a number of embedded systems and processes including: the robustness of external assurances received; review of the Trust's objectives, vision and values; and Board Director appraisals. During the year we have built upon the work described in the previous year's Annual Report to improve and integrate our governance arrangements including the positioning of the Trust and collaboration in relation to integrated care systems and system-wide working.



In the context of the new NHS Leadership Competency Framework for Board Members, the Board has carefully considered the expectation of NHS Boards to incorporate the six new competencies into PDR processes for 2024/25.

The Board of Directors maintains continuous oversight of the Board Assurance Framework at its meeting each month to enable full oversight of key risks to delivery of the Trust's strategic objectives and the controls put in place to manage and mitigate them, as well as enabling all members to have an opportunity to identify key issues, concerns or changes to scores based on risk appetite.

The Risk Management Forum, chaired by the Director of Corporate Affairs, continues to act as the operational assurance mechanism that links together the Board Assurance Framework and Corporate Risk Register, which in turn is informed by individual divisional and departmental risk registers, drawing on senior membership comprising the Executive Team and divisional triumvirates.

Infection Prevention and Control (IPC)

IPC Workplan and Structure

The IPC committee was re-launched in June 2023 with a new IPC Policy, Terms of Reference, and development of key working groups. The committee meets bi-monthly and provides assurance to the Safety, Quality and Assurance Committee (SQAC) and Trust Board.

A significant number of IPC policies have been developed, reviewed, or updated within an ongoing policy workplan to ensure safe and effective IPC practices post COVID-19 pandemic. There has been continuing review of internal IPC processes supported by new standard operating procedures (SOPs) and guidelines.

There will be substantial strides forward in the delivery of IPC and Antimicrobial Stewardship (AMS) with the implementation of ICNET (a surveillance software), interfaced to the Trust's Laboratory Information System and the Patient Electronic Medical Record. This will launch a revolution in the management of microbiology laboratory results, critical to ensuring patient safety and preventing healthcare associated infections and antimicrobial resistance. This will allow the IPC and AMS Team to operate proactively and efficiently, replacing the retrospective system for HAI alerts, tracking and audit with a real-time system using inbuilt and internally configurable automated algorithm alerts.

Healthcare Acquired Infection (HAI) Metrics

In response to the increased number of HAI cases subject to mandatory reporting to UKHSA (UK Health Security Agency) (except MRSA blood stream infections), the IPC Department implemented a SOP (Standard Operating Procedure) on HAI surveillance to ensure all HAI cases were recorded and performed post-infection (PIR) review on blood-stream infections, healthcare-acquired viral infections and multi-drug resistant organisms' colonisation or infections. Further review of our PIR is ongoing to better align with the NHSE patient safety incident response framework (PSIRF). The IPC and AMS teams participated in the point prevalence survey on healthcare associated infections, antimicrobial use, and antimicrobial stewardship to allow benchmarking on IPC and AMS interventions in England and identify opportunities for improvement.

Achievements and Challenges

In April 2023 the IPC Team held an 'away day' with support from the Brilliant Basics Team which led to several quality improvement projects:

- IPC Parent Educational Information – currently being piloted in Oncology.
- Daily isolation walk-rounds – improving visibility and educational opportunities from the IPC Team to ward-based staff, contributing to the safe care of patients under infection precautions.
- Post Infection Reviews (PIR) – the process has been refined over 2023/24 to align with the implementation of PSIRF and now includes all major HAIs in paediatrics, not just those subject to mandatory UKHSA reporting.
- IPC Dashboards - an initial change saw the introduction of separating compliance with IPC procedures from surveillance of HCAs. Iterations of the dashboards continue to evolve with a new system preparing to go live in Quarter 1 of 2024/25 which will provide meaningful up to date data to teams and divisions. A weekly report for each area of the HCAs and other infections will be produced and linked with the associated PIR.

The IPC Team has also developed a Pseudomonas Standard Operating Procedure following a number of incidents in 2022/23, ensuring a timelier response and actions to a positive pseudomonas aeruginosa colonisation or infection report.

The response to the measles outbreak has seen a manual track and trace process move rapidly to an automated system, meaning those exposed to a possible infection can be contacted quickly and prophylaxis administered within the specific time frame. The IPC and Business Intelligence Team are looking to roll this out for other infections such as chicken pox and whooping cough.

The IPC Team has worked with the PICU Quality Improvement and Green Project Director to launch the Glove Smart campaign to stop unnecessary gloves use across the Trust.

An external review across Infectious Diseases, IPC and the Laboratory was undertaken in Quarter 3 2023 to address the challenges and opportunities. The review made some important recommendations for the IPC Service which will be implemented through 2024/25.

The successful changes seen through the IPCC, IPC processes and the multi-professional team were reflected in the external review and will be the catalyst to drive further improvements.

STAR (Safe Together & Always Right) Review - Ward Accreditation Scheme and TENDABLE (Formerly Perfect Ward) Audits

Ward accreditation schemes have been shown to promote safer patient care by motivating staff and sharing best practice between ward areas (Coward et al, 2009; Central Manchester University Hospitals NHS Foundation Trust).



In 2016, the Trust developed the Journey to the STARS – Ward Accreditation Scheme, designed with children and young people. It is a quality and safety audit tool designed to give assurance of standards of practice by measuring the quality of care delivered by wards and department teams.

The Inspection Team comprises clinical and non-clinical staff, and we have welcomed participation from the Volunteer Team, our young volunteers and the Children and Young People’s Forum. Each member of the Inspection Team will undertake an aspect of the assessment which includes the following:

- Interviewing the Ward/Department Manager
- Questions for patients, parents and carers
- Questions for staff
- An observational audit looking at the environment as well as observing interactions and behaviours
- Record keeping and documentation

Accreditation results are considered and discussed through divisional governance/performance review meetings and reported up to the Clinical Effectiveness and Outcomes Group on a quarterly basis and to the Safety Quality Assurance Committee six monthly.

During 2023/24, the Trust has been working with managers and governance leads in other departments/ services not currently part of the accreditation scheme to consider how they may be included in the scheme going forward. This includes sharing a background to the scheme and describing the process. A review of the criteria used in one of the current accreditation models (inpatient/short stay/outpatients) which closely relates to the type of service offered by the Department is undertaken and additional criteria that is specific to the service or relating to national standards may be included within the assessment criteria. A date is agreed with the Team for the first accreditation assessment; this will be an announced inspection initially as this will help staff within the Department to

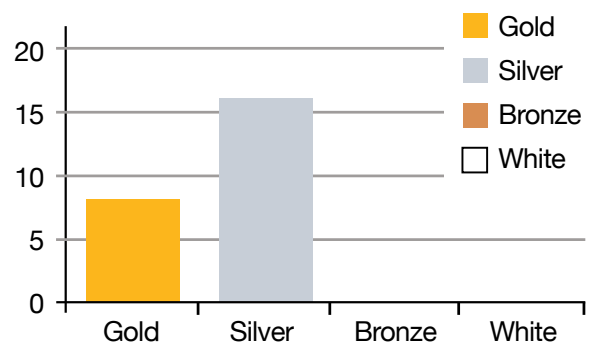
become familiar with the process. The Renal Unit, the Dental Outpatients Department and the Children’s Community Nursing Team are now included in the accreditation scheme and had their first assessments during April and May 2023.

In the last year, 27 assessments have taken place in wards and departments throughout the Trust; 24 were unannounced, and three were announced. On the day of the assessment four wards/departments were initially given a WHITE award due to non-compliance in one or more categories of the mandatory safety checklist. In three of the wards/departments, there was evidence of significant improvements when Assessment Team members returned, and those areas received the award indicated by the assessment’s overall scores. There was no evidence of significant improvements in one Ward/Department when the Assessment Team returned. Therefore, the Ward/Department remained on a WHITE award and a full accreditation assessment was scheduled. The accreditation assessment in that Ward/Department took place 12 weeks later; there were significant improvements noted by the Inspection Team and the Ward achieved a SILVER award.

The Emergency Department (ED) and the Emergency Decisions Unit (EDU) were assessed on the same day by two separate teams and as previously the outcome is presented as an overall award. It has been agreed to separate the findings for both areas and score them separately as going forward they will be two departments and the Senior Management Team felt that it would be helpful to have a specific baseline assessment for EDU now that the Paediatric Assessment Unit (PAU) is incorporated within the Unit. The plan will be to assess them as two separate departments in the future.

Due to separating ED from EDU/PAU, 24 wards/ departments are included in the accreditation scheme. The overall Trust position is indicated in the table below; it indicates that eight wards/departments have achieved a GOLD award and 16 wards/departments have achieved a SILVER award.

Current Position



Based on the outcome of the previous assessments; four wards/departments have maintained a GOLD award and a further four wards/departments has achieved a GOLD award for their latest assessment.

The wards/departments currently with a GOLD award are as follows:

- Surgical Day Unit
- Burns Unit
- Clinical Research Facility
- Neo-Natal Surgical Unit
- Renal Unit
- Childrens Community Nursing Team
- Sunflower House (formerly Dewi-Jones Unit)
- Medical Day Unit

Tendable Audits

In 2019, the Trust developed a quality and safety audit in collaboration with an external company Tendable (formerly called Perfect Ward) to enable regular audits to be undertaken in wards and clinical areas.

Tendable is an App-based real time inspection and reporting tool for healthcare inspections. It eliminates administration by capturing inspection results directly onto electronic devices and provides automated reporting.

This tool is fundamental in enabling senior nurses within the organisation to undertake quick and timely audits in their areas of responsibility to assure themselves of the standards and quality of care being delivered and to identify where improvements are required. The results and actions also assist in providing Ward to Board assurance.

The Trust has four specific audit types within the App:

- Matrons/Ward Managers' Quality and Safety Audit
- Infection Prevention and Control and Personal Protective Equipment (PPE) Compliance Audit
- Tissue Viability Audit
- Building Services Audit

Each audit has a range of observations in the clinical area looking at the environment and clinical practice, and there are questions for staff. The Matrons/Ward Managers' Audit also has questions for patients and their families. The Tissue Viability Audit includes a review of patient records.

The reports are available in real time following the audit once the findings have been submitted. The report will show an initial summary highlighting the number of issues resolved from the previous audit, any new issues identified during the current audit and repeat issues that have not yet been resolved.

The key findings from the regular audits will be used to inform the more detailed ward accreditation process; reviewing Ward/Department performance to include as part of the briefing for the Team ahead of the accreditation assessment.

A review of the audits currently used within the Tendable App has been undertaken with the relevant teams in the organisation and the following changes have been or will be actioned:

- The Tissue Viability Audit – some of the questions were no longer applicable and the Tissue Viability Team felt that some new questions needed to be included. Sunflower House had previously not been included in the audit. The changes were made, and the new audit was updated and is now in use in Sunflower House and the rest of the Trust.
- The Infection Prevention and Control Audit and the PPE Compliance Audit have been reviewed with the IPC Team, and several changes have been agreed. The audit will be updated to reflect the changes needed.
- The Matrons/Ward Managers Quality and Safety Audit will have additional questions added related to shared decision making.

The Standard Operating Procedure relating to quality and safety audits using the Tendable App will be updated to reflect the changes to the audit schedule and will include roles and responsibilities in relation to completion of actions or escalation if actions remain unresolved.



Incident Reporting and Learning

During the 2023/24 financial year, two significant changes were implemented across the Trust. The first involved transitioning to a new electronic risk and incident management system, InPhase, in May 2023. Whilst this was a considerable change for the Trust, there continued to be a strong reporting culture as evidenced by high reporting rates pre- and post-transition to the new system, including near miss events to promote early detection and learning from patient safety and non-clinical incidents.

A key element of the procurement of the new risk and incident management system was ensuring the system was Learn From Patient Safety Events Service (LFPSE) compliant. The LFPSE is a new national NHS service for recording and analysing patient safety events occurring in healthcare and replaces the National Reporting and Learning System (NRLS).

As part of the transition, the Trust went live with the LFPSE on the 2nd of May 2023. Automated uploads are in place directly from InPhase. The Trust continues to report to the Strategic Executive Information System (StEIS) where applicable until such a time that this service is decommissioned.

The second significant change during the 2023/24 financial year comprised the Trust's transition to the Patient Safety Incident Response Framework (PSIRF), effective from the 1st January 2024 as part of the national NHS Patient Safety Strategy.

The move to PSIRF represents a complete shift in our approach to patient safety, underpinned by four key objectives including: compassionate engagement for all involved; a considered and proportionate approach to patient safety incidents; utilisation of a range of system-based approaches to learning; and revised governance and oversight processes.

National and local priorities were agreed based on the Trust's patient safety profile and revised templates devised and implemented inclusive of the national patient safety incident investigation (PSII) template and patient safety responses (PSR).

A weekly Patient Safety Incident Response Investigation Panel (PSIRI) was established which holds delegated responsibility for oversight and approval as part of locally agreed arrangements under PSIRF. The Trust's Board and sub-Board committees will receive regular reports and all completed PSII's for approval and sign off.

In view of the Trust's transition to PSIRF, the Trust's incident reporting and management policies and procedures were revised to ensure they reflect national and local priorities aligned to PSIRF and enable the

Trust to deliver its strategic aims and objectives and national priorities.

The Trust has also, following approval by Alder Hey Education Governance Committee, mandated the completion of [NHSE Patient Safety Training Syllabus](#) Level One – essentials for patient safety for all clinical and non-clinical staff within the Trust. Furthermore, Level One - essentials of patient safety for board and senior leadership teams - has been mandated to all executive members of the Trust. The overall Trust compliance is monitored through the Integrated Performance Report.

The Trust's promotion of a transparent incident reporting culture is reflected at the weekly Patient Safety Meeting led by the Chief Nursing Officer which continues to be well attended by multi-disciplinary teams. A weekly learning bulletin continues to be disseminated following each meeting highlighting good catches, themes, and key messages to promote patient safety engagement across the Trust and share findings for learning purposes.

The Patient Safety Meeting is an open forum underpinned by a 'just culture' which is supportive and psychologically safe. Those staff affected by patient safety incidents are afforded the necessary managerial support and given time to participate in learning responses. All staff will work within our just culture principles. Divisions have processes in place to ensure that managers work within this framework to ensure psychological safety.

In addition, the Trust is committed to embedding a culture of good risk management through processes that identify, analyse, evaluate, control and monitor risks. The design of the risk app on InPhase was built to enhance usability and interactivity throughout the organisation to support safety and sound risk management. A new approvals process is in place ensuring risks are validated at divisional and corporate function level prior to going 'live' on the InPhase system.

Monthly risk register oversight meetings remained in place throughout 2023/24 to validate risks with divisions and corporate functions. There is a continued focus on the proactive management of risks including: addressing overdue risk reviews, lack of or overdue actions; challenging risk scores when adequate mitigations are in place to assist divisional/corporate teams; and providing assurance to the Board and its sub-committees that the Trust has effective and robust risk management systems and processes in place.

A new risk management training module was devised in 2023/24 to educate staff on the basics of risk management and how risk management can be used to support staff and the organisation to achieve both local and strategic objectives. The training is scheduled to commence in June 2024.

Training sessions on InPhase remain available to all staff, including one to one and/or team sessions on request supported by the Divisional Governance and Corporate Governance teams.

Further work is required as the Trust continues to navigate the new PSIRF. As we move into adopting this new way of managing our patient safety incidents and learning reviews, we accept that we may not always get it right at the beginning, but we will continue to monitor the impact and effectiveness of our PSIRF implementation, responding and adapting as needed if our approach is not achieving what we expect it to.

Quality Assurance Ward/Department Rounds (QAR's)

QAR's are designed to be learning events to support the golden thread of Ward/Department to Board assurance, focusing on the CQC's five domains, and associated regulations (*Health and Social Care Act 2008 (regulated Activity) Regulations 2014 (Part 3) and Care Quality Commission (Registration) Regulation 2009 (Part 4)*).

The assurance rounds facilitate a deep dive at Ward/Department/Specialty level into quality and performance, focusing on areas of good practice and actions being taken at a local level to address areas of risk and are attended by the multidisciplinary teams from the services across the Trust, with both executive and non-executive directors attending as well as governors. In addition to providing assurance, it is an opportunity for teams to seek and gain support from board members for any areas of patient safety, experience, and effectiveness they are concerned about particularly those areas that may 'keep them awake at night'.



In 2023/24 a total of 33 QARs were held achieving widespread coverage across our complex service portfolio. Key themes to emerge from the process were as follows:

- Service areas demonstrating achievements to support patient and staff safety, clinical effectiveness, responsiveness, caring and well-led across all areas visited.
- Strong evidence that children and young people are at the heart and focus of staff practice, with good assurance evidence of outstanding practice in many services with positive feedback noted in the friends and family responses.
- QAR's continue to show that risks identified on the risk register particularly the high risks and those on the Board Assurance Framework are aligned to many of the issues identified in the QAR's.
- Increasing number of referrals and acuity of patients greater than the service capacity, managed via risk management systems.
- All services have a clear vision for their service, which is aligned with the Trust's vision, in terms of building a healthier future for children, young people and their families.
- Excellent staff health and wellbeing support offered to employees.
- All inpatient wards hold daily safety huddles: safety huddles are short multidisciplinary briefings designed to give healthcare staff opportunities to understand what is going on with each patient and anticipate future risks to improve patient safety and care.
- Strong evidence and feedback of staff going above and beyond to care for children.
- Positive team culture and working together.
- Staff taking pride in their work with the best people doing their best work.
- Recruitment challenges continue in some of the specialist services, primarily due to the specialist nature of those services and national shortages.
- Improved working with external partners.
- Good evidence of an open culture of reporting and learning from incidents.
- Strong leadership evidence demonstrated across services.

Trust Governance Model

The Trust's well-established devolved governance model continues to evolve and strengthen, supporting the Trust's commitment to be a clinically led organisation with oversight and support from the Corporate Governance Team enabling the divisional leads to deliver a quality driven service; this model clearly benefits both patients and our staff from Ward to Board and helps keep us as safe as possible through effective management of risk.

The devolved governance model at Alder Hey means that divisional directors are empowered to adapt arrangements within their own divisions, linked to strategic objectives and the Trust's new Vision 2030 in a way that ensures the best outcomes for the patients in our care, with the best experience possible for children, young people, and families throughout their journey.

The divisional directors attend Trust Board meetings as members of the Executive Team, improving engagement and cross-divisional working, providing enriched debate and supporting effective decision-making both strategically and at operational level.

NHS Volunteering England

Volunteers are crucial to the NHS's vision for the future of health and social care. Volunteering is a key enabler in transforming the way the NHS works with local people and communities.

Alder Hey Volunteers

Volunteers do not substitute Alder Hey staff; they support and enhance our families/carers' experience.

We have ensured through our robust and established recruitment and training process that the programme is accessible and inclusive; we have opportunities for a diverse range of volunteers. This has included involving people who experience health inequalities. We are proud and privileged to have more than 135 active volunteers at Alder Hey with 65 in recruitment and 15 waiting to start. With the introduction of our young volunteer's programme, we now have 10 active young volunteers and hope to recruit more in September. We also now have volunteers aged from 8-80 years. Volunteering has been identified as a way of improving physical and mental health, improving confidence, learning new skills, and making friends.

Benefits to the Trust

During 2023/24, the volunteering contribution to the Trust has been invaluable. Volunteers have continued to provide a vital front of house function, ensuring that visitors are reminded of the safety precautions they need to take whilst moving about the hospital. Our volunteers dedicated over 20,150 hours to the Trust providing companionship, play activities and staff support which enabled an improved patient experience. Results of the "Helpforce" evaluation as part of the Volunteer to Career Programme identified each volunteer interaction as saving 25 minutes of clinical time – allowing staff to concentrate on delivering clinical care.



Volunteer Roles 2023/24

Winter Pressure Volunteer Programme ED

NHS England awarded Alder Hey financial support in 2023 to increase resilience in our volunteering service to contribute to reducing pressure on our staff and the Trust services. This has continued as an essential role for the volunteers as this year's winter pressures resulted in the highest attendance to the Emergency Department due to Strep A and RSV; volunteers helped improve our patient experience and safety and supported our staff including their wellbeing.

Ronald MacDonald House

Families can use the Ronald MacDonald House and are welcome to use the Day Centre at the House, where there is a television, toys, refreshments and washing facilities. Daily passes for RMH are available for families who are experiencing day long appointments or have a long wait for patient transport. Concierge and ward departments contact volunteers who advise of this service and can also accompany families to the house for further support.

Smoking Advisors

Volunteers participate daily in a smoke patrol to try and encourage individuals not to smoke on sight. Training is provided to our volunteers to support our Smoke Free Policy.

Concierge Service

Volunteers are trained to support our Concierge Team by answering enquiries, giving information regarding car parking and providing an enhanced patient experience.



Volunteer Mentors

Volunteers are identified and trained to assist other volunteers who require additional support due to physical or learning requirements. Volunteering support along with the Academy has helped a Volunteer with additional needs to gain employment within the team to help support and mentor new volunteers with additional or physical needs.

Mealtime Facilitator

Volunteers support breakfast, lunch, and dinner times, assisting the Housekeeper/HCA/Chef and ward staff to ensure the smooth running of mealtimes. They also provide company and support for any children and young people on their own. These volunteers spend time getting to know families who can be reassured to leave their child to have meals themselves if needed.

Baby Cuddling

Volunteers are available to go to the ward to hold babies and engage with children and young people when families are not available. For many years the positive effect of human touch on infants has been clearly demonstrated. As well as cuddling babies, volunteers sing and tell stories to provide stimulation.

Play Support

Support the delivery of play activities to ensure all children and young people have the opportunity for play. Volunteers visit wards with a book trolley to encourage reading and engagement which can be requested via our Request a Reader Service. Volunteers have attended bespoke storytelling training to learn new methods and develop their skills. Volunteers also provide other activities in the Hospital Atrium, such as facepainting and games. Hopefully, soon volunteers will be supporting the Play Services Team.

Clinical Psychology Referral

Occasionally families and children and young people require extra non-clinical support on the wards for various reasons. This will be identified by a Clinical Psychologist and then referred to the Volunteer Services Team. A plan is then put in place depending on requirements. This could include a Volunteer staying with a child and playing or reading stories or a Volunteer providing company and support for a carer/parent, going for a cup of tea or familiarising themselves with the local area.

Spiritual Care Volunteers

There is a total of 12 volunteers in the Spiritual Care Team. They visit families on wards to bring comfort and support and if appropriate prayers. Parents and family members can leave a note on the prayer tree leaving information and this is a sign of reaching out. The spiritual care volunteers are open to any religion or to no religion at all. They are there to listen and show support to our children, young people and their families.

Volunteering Achievements in 2023/24

Family Support

This role was started back in September 2023 and has been a huge support to our families, children and young people. It is provided daily for new admissions on each ward and the families are given information that makes their stay in the hospital that bit easier and about the support volunteers can offer. Volunteers visit all new admissions to provide information to ensure their stay is as comfortable as possible. This service familiarises our families with local surroundings, car parking, Ronald Macdonald House, ward information booklets, emergency toiletries and the PALS Office.



Care Packages

Volunteers provide support to the Patient Experience Team to assemble the care packages that are provided to all wards and families who need extra support during their stay in the Trust. These

packs include pyjamas, toothpaste, toothbrush, comb, shower gel and body spray. Families can also be provided with nappies and sanitary products.

Digital Innovation

Volunteers have moved to a digital sign-in system to allow for a real time volunteer rota. This has also allowed for accurate data and reporting for volunteer activity, such as number of hours and location of provision.

National Volunteering Certificate

Volunteers are now able to sign up to complete the recognised National Volunteering Certificate. This requires completion of the e-learning modules by Health Education England which offers standardised basic mandatory training, designed to be portable for volunteers in health and social care. The second element is completion of 60 hours volunteering. Once both steps are complete, they will be accredited and receive certification.

Young Volunteers

Alder Hey are the first NHS Trust to provide a volunteer programme for children and young people age from 8+. Children and young people undertaking volunteering related activities from a young age, with strong support in place, are more likely to develop a habit of lifelong service (A Habit of Service 2017 – Tom Harrison, Birmingham University).

We currently have 10 young volunteers who have completed sessions during school holidays. This includes CYP from schools within Liverpool and Wirral connecting us to our communities and local schools.

Some of the activities the young volunteers have been involved in this year include:

- Becoming patient safety partners.
- Becoming learning disability champions.
- Taking part in quality ward rounds.
- Helping select Alder Hey charity champions.
- Taking part in staff recruitment interviews.
- Shadowing in different departments i.e. Surgical Day Case
- Helping distribute toys at Christmas and chocolate eggs at easter.
- Meeting the executives and asking questions regarding the Trust.
- Having sessions with the Forum to discuss how to improve patient engagement.

They spend time meeting and greeting which we hope will reduce anxiety, remove barriers, and allow an understanding of how visiting hospital and being unwell is a normal part of life.

Our aim for 2024/25 is to go out into the community to schools in more deprived areas and recruit more young volunteers to give them the chance to experience what opportunity/ roles there are in the NHS. We would also like for our active young volunteers to be able to be ward based with a volunteer buddy. This would be beneficial for the children and young people, for example in the Teenage Cancer Hub for them to play pool or computer games together.

Palliative Care Role

A role has been developed to provide support for cand families/carers under the care of Alder Hey Palliative Care Team. Referrals for support come directly from the Palliative Care Team who identify those who would benefit from play and companionship from our volunteers.

Our volunteers have engaged with one young person and taught him to play chess. Another Volunteer showed one young person to knit. Mini makeovers have been a regular activity. The Trust's Volunteer Co-ordinator matches volunteer skills and experience to this sensitive role and extra emotional support is also provided.

Family and Friends Test

Volunteers play a key role in supporting the functionality of collecting and inputting all our feedback from the Friends and Family Test.



PLACE Inspections

Volunteers take part in all our PLACE Lite and PLACE inspections and follow up the inspection ensuring highlighted concerns have been resolved.



A Big Thank You



Volunteers continue to be an integral part of our “Alder Hey Family”. They are often the first person to welcome all our visitors, children and young people to the Trust and set an impeccable first impression, encouraging a trusted caring environment and positive patient experience. Those volunteers within in our wards and community provide both a helping hand to our staff colleagues and a shoulder of support and listening ear to our families.

Thank you to all our volunteers for all they give to Alder Hey; choosing to give their time freely is appreciated, valued and immeasurable.

Complaints

The Trust is committed to ensuring all our children, young people and their families receive the highest quality of care. Alder Hey places enormous value on the views and feedback from patients, parents and carers, including when they raise concerns or submit formal complaints. In putting children and young people at the centre of all we do, we recognise this as an opportunity for them to contribute to improving services, patient experience and patient safety.

The Trust will always try to resolve any concerns at a local ward or departmental level, and through our Patient Advice and Liaison Service (PALS) and will try to avoid escalation to a formal complaint; this of course always remains the right of the family, should their initial concerns not be resolved satisfactorily. Parents and carers who raise a formal complaint are offered the opportunity to attend a meeting to resolve their concerns in addition to receiving a written response.

The table below shows the number of formal complaints received comparable to the previous two years. The number of informal PALS concerns has significantly increased; this is largely associated with an increase in contacts in relation to appointment and treatment waiting times affected by the pandemic recovery and an increase in demand for services such as mental health.

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Formal Complaints	70	66	83	121	114	159	158	155	142
PALS	1,246	1,294	1,349	1,371	1,279	915	1,524	1,903	1,987

The Trust aims to respond to concerns in a timely manner as we understand how important it is to families that their concerns are taken seriously, that they are fully supported and that appropriate action is taken as quickly as possible to resolve any issues.

A continued key quality improvement driver for 2023/24 was to improve compliance with the Trust policy to resolve informal PALS concerns within five working days and formal complaints within 25 working days. The Trust made highly significant improvements, with an average of 82% of informal PALS concerns responded to within five working days and an average of 71% of formal complaints responded to within 25 working days. Staff from various areas, including nursing, medical, operational, risk and governance, Complaints, PALS and Patient Experience worked together collaboratively to ensure patients and families received a timely, compassionate and supportive resolution to their concerns. The Trust is committed to improving this further still and understands that timely management enables earlier identification of actions, lessons learned and potential improvements to benefit all our patients and families.

Alder Hey is a learning organisation and uses complaints as a mechanism for taking forward improvements and changes in practice. Lessons learned and actions taken because of formal complaints and informal PALS concerns during the year are outlined below.

Lessons Learned

- It is important to have an action plan following reviews to ensure awareness through the team of requirements for improvement. This will ensure any agreed actions are appropriately completed.
- It is also important to have robust systems in place.
- Teams should consider the number of professionals in a meeting with parents and their families to ensure they do not feel overwhelmed.
- Appropriate examinations must be undertaken, and parents have all interactions explained to them fully so they can feel reassured by the care received.
- Multi-Disciplinary Team discussion is not always documented thoroughly enough to provide rationale for decisions.

- When multiple referrals or assessments have been completed, waiting time experience should be discussed with family to guide next steps.
- Incomplete Achenbach questionnaire (screening tool to identify which children meet the threshold for assessment for ADHD) should be identified at the point of entry onto the electronic scoring system and returned to be completed in its entirety.
- Timely communication with patients/carers is needed when queries are raised in between clinic appointments.
- New staff must be introduced to all processes and adequate training/supervision should be provided.
- More information should be given to families when provisional theatre dates are shared, including the risk of this date changing.
- Complexities of patients and planning should be considered when reviewing any potential Theatre list changes.
- Best practice for use of Ethyl Chloride spray must be followed.
- Clear and unambiguous communication and planning is vital, especially when managing a child with complex behavioural needs requiring a bespoke induction plan.
- Care and attention is needed when dictating letters/reports to ensure the correct patient is identified and the content of the letter relates to that patient only.
- Staff must ensure only one patient's record is open when dictating letters/reports to minimise the risk of incorporating a different patients' information into letters/reports in error.
- When a PALS and Complaints Officer is on leave, an out of office/answerphone message should provide the generic complaints email address so that any queries can still be responded to.
- All assessment letters should include a full report of significant life events that families have shared.

Actions:

- An additional phone line for Developmental Paediatrics was purchased and designed due to the number of complaints received and incidents reported about how difficult it was to get through, how long family members said they had to wait and statements that our staff were rude or unhelpful. The new system records calls so they can be reviewed, monitors how many calls are made, how long the caller waits before being answered and how many dropped or disconnected calls there are.
- Improvements were undertaken in the Emergency Department waiting room following feedback via FFT, complaints, PALS and incidents. There was a consistent theme of poor communication as families were not being kept informed of the waiting time and poor patient experience during the wait as no refreshments or toys were available to play with. Improvements made included provision of a refreshment trolley, purchase of a tannoy system, update of the screens to ensure they display current waiting times, provision of toys in the waiting room and accessibility of sensory toys.
- The '5 Rights of Appointments' was established due to PALS concerns, appointment errors and data protection errors. The improvement work action plan includes training, creation of 'how to' guides and amendments to Meditech and Medisec systems.
- An induction pack has been developed by the Division of Community and Mental Health Services including guidance points for staff on expectations regarding communication, values and behaviours.
- Links have improved between ADHD and CAMHS so that young people at greatest risk to themselves and others are fast tracked via consultation between a Psychiatrist and the ADHD nurse led service.
- Where possible when a parent has made a complaint, we involve them in the improvement action either by meeting with them to agree how we should move forward, asking them to consult on the change idea or involving them in reviewing the final draft action plan.
- A neurology pharmacist business case has been developed.
- A Standard Operating Procedure for supply of intrathecal baclofen is under development.
- The journey across time for access to CAMHS has been reviewed, considering wait for other services and sharing learning across CAMHS.
- New Achenbach forms have been sent for updated information to inform neurodevelopmental assessment.
- The availability of play team staff in the community has been reviewed.
- Ongoing work is underway to address wait times for follow up appointments.
- Medication safety is included in the study days on HDU.
- Staff are ensuring all patients are wearing wristbands.
- Digital technology has been used to help aid in the checking process of medication safety.
- Process review has been undertaken by the Theatre Department to request theatre time for a long day/ three session case.
- Clinicians were reminded to thoroughly proofread letters before sending to minimise the chance of naming errors.
- Administrators were asked to check whether clinicians are in work when taking messages and to inform families when there may be a delay in responding.

The Trust is proud of the achievements made this year to support children, young people and families to raise concerns and to help resolve any issues. We are committed to further improving in the coming year by continuing to focus on the feedback mechanisms for children and young people.



Stakeholder Relations

Involvement in the Local Health Economy

Alder Hey provides more than 45 clinical specialties for children and young people up to the age of 16 or 18 and in some cases older. As part of delivering individual patient care pathways prior to, during and after each child's admission to hospital or out in the community, clinicians and clinical teams work in partnership with referring general practitioners (GPs), clinicians/hospitals from across the UK and overseas. Alder Hey also works in partnership with 'Places' (previously known as clinical commissioning groups (CCGs)), primary care networks and specialised commissioners at NHS England to inform and deliver service contracts that meet the needs of children served within available resources. Alder Hey provides community and mental health paediatric services in Liverpool and Sefton.

Alder Hey is committed to co-creating system-wide collaboration and shared models of care with our strategic partners to ensure equity of access to high quality care. In order to achieve this, the Trust has continued to work proactively with local, regional and national stakeholders. During 2023/24 the Cheshire and Merseyside (C&M) integrated care system continued to partner with Alder Hey to sustain and grow the 'Beyond' Children and Young People's Transformation Programme; this has a wide range of local authority, health and voluntary/community sector partners all coming together to drive up outcomes and drive down inequalities for children, young people and families and is hosted by Alder Hey on behalf of the system. Alder Hey has also provided strategic leadership to Cheshire and Merseyside's integrated care system in setting up an innovative Children and Young People's Committee

on the Integrated Care Board; ensuring a focus on children and young people and their needs from the very top of the Integrated Care Board.

During 2023/24, Alder Hey continued to work in partnership with commissioners and health and care providers on the 'One Liverpool' plan, which incorporates a clear focus on healthier children and families. This plan prioritises closer working around children and families at a local network level to provide better support closer to home. Alder Hey provides joint leadership of the system's healthy children and families cohort with Liverpool City Council's (LCC) Public Health Team. Alder Hey's established partnership with Liverpool City Council's Public Health Team has also led to the successful appointment of a Consultant in Public Health Medicine. This Consultant will have a shared associated workplan, focused on prevention and addressing the wider determinants of health and the successful delivery of a major one-year investment programme into prevention in pathways and healthy weight approaches across Liverpool. We also work with partners in Sefton and Knowsley to ensure similar prioritisation of improvements in services for children and young people.

Alder Hey works closely with a wide range of trade unions, partner organisations and volunteers as well as our Council of Governors to continue to improve the quality of our services and patient and family experience.

During 2023/24, Alder Hey continued to drive partnerships described in Vision 2030, in order to collaborate in all of the varied communities where the CYP we look after live and belong. Vision 2030 clearly prioritises strengthening existing partnerships and developing new ones to achieve the following aims:

1 Enhanced partnership working with trusts across Cheshire and Merseyside to sustain and improve the quality of care provided to children and young people and their families.

Alder Hey takes a leading role in the region on 'Starting Well', both in terms of research leadership and the commitment to work in partnership to drive delivery of joined up and improved services for children and young people. Alder Hey has continued to be a key member of the North West Congenital Heart Disease (CHD) partnership, working together to provide a fully compliant, resilient and clinically safe service model for adults and children across the North West of England, North Wales and the Isle of Man. The Partnership is now working together to deliver the new model of care and Alder Hey hosts the associated CHD Operational Delivery Network. In addition, partnership working with Liverpool Women's NHS Foundation Trust has resulted in the Liverpool Neonatal Partnership, the two-site single service model for neonates requiring surgery and Level 3 critical care. This joint model of care is streamlining patient transfers between hospitals and improving quality of care, outcomes and patient experience. These new models are being funded through historical funding patterns and/or new business cases for new models of care agreed by commissioners. Alder Hey maintains a key role within the Cheshire & Merseyside Paediatric Network, working closely with district general hospital colleagues to ensure high standards and seamless access to all levels of paediatric care.

2 Enhanced partnership working with paediatric services across the region to improve standards and consistency of care and reduce unnecessary variation.

Alder Hey continues to jointly host the North West Paediatric Partnership Board with Royal Manchester Children's Hospital (RMCH) and in close liaison with NHS England to ensure shared oversight of all our paediatric networks. Alder Hey executive directors meet with Manchester Children's executives on a quarterly basis and jointly hold annual clinical network events to share best practice and promote good governance. The nationally mandated operational delivery networks (ODN) for paediatric services includes: Neonatal, Trauma, CHD, Paediatric Critical Care, Surgery in Children (PCC/SIC) and the newly formed Children's Cancer ODN. Alder Hey hosts the neonatal and CHD networks, and jointly hosts the PCC/SIC ODN alongside RMCH.



3 As a member of the Cheshire and Merseyside's Health and Care Partnership,

Alder Hey is a leader, a host and an active contributor to several system-level partnership groups concerned with building a sustainable model of care and improving clinical care, access and affordability. These include:

- 'Beyond' the Children and Young People's Transformation Programme (hosted by Alder Hey and Alder Hey's Chief Executive is the programme's accountable Senior Responsible Officer).
- The C&M ICB CYP Committee (Alder Hey provides strategic advice and support to the Chair and Committee).
- Liverpool, Sefton and Knowsley Place-based partnership groups;
- Cheshire and Merseyside Acute and Specialist Trust (CMASST) Provider Collaborative;
- Cheshire and Merseyside Learning Disability, Mental Health, and Community (MDMHC) Provider Collaborative.
- The Cheshire and Merseyside Children and Young People's Alliance – a newly formed alliance of providers (connected with the two provider collaboratives) which focuses on addressing priorities such as elective recovery, diagnostics and community waits (co-chaired by Alder Hey's Chief Medical Officer, in partnership with:
 - Cheshire and Merseyside ICS Mental Health Programme Board – Alder Hey is an integral member and takes the lead on the children and young people's crisis care model;
 - C&M Digital Programme (hosted at Alder Hey, Alder Hey's Chief Executive is the programme's accountable Senior Responsible Officer).





International Child Health Developments



Formed in 2018, the Department of International Child Health (DICH) has continued to support the Trust to strengthen its position as an internationally recognised children's hospital of excellence.

The Department is led by Professor Barry Pizer and Miss Sian Folder and focuses on six key themes: international health partnerships, humanitarian work, commercial/business development, education and training and research and innovation with an aim for Global Child Health to be a core aspect of what we do at Alder Hey.

The Department of International Child Health is the face of Alder Hey's international strategy, providing the focal hub which links together all forms of international working at Alder Hey.

The development of the DICH has been extremely positive and there is a clear collective desire to develop the Department and expand Alder Hey's international activities with benefit to the world's children and the staff at Alder Hey.

We have developed a comprehensive two-year plan with clear objectives. This will interweave with the international component of the Trust's overarching 2030 Strategy as well as those for individual departments including the Academy, Research and Innovation.

Notable recent successes have been the introduction of the Trust's International Volunteer Scheme that affords staff up to five days paid leave to undertake overseas work and the Alder Hey Charity's International Volunteer Fund that provides financial support for staff working abroad.

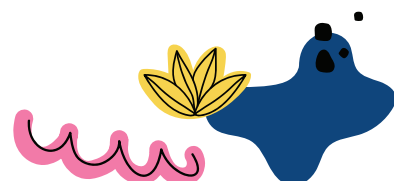
The DICH held a very successful International Child Health Week in November 2023.

We will continue to support visits by international clinicians to Alder Hey and to act as resource providing full support for individuals/teams undertaking or planning working internationally.



Our existing health partnerships continue to grow including our expanding partnership with Kenya in paediatric cardiology, respiratory medicine, public health and nutrition. Professor Barry Pizer's work in children's cancer in Nepal in collaboration with World Child Cancer has been very successful and two new substantial grants were recently awarded to develop shared case services and to increase capacity for paediatric oncology centres in this resource-limited country. Professor Atif Rahman's world leading research into child and maternal mental health continues as does Professor Melissa Gladstone's outstanding international work in child development and neuro-disability, with a recently gained Tropical Health and Education Grant. The Department is very happy to support new collaborative ventures.

Staff at Alder Hey have contributed to the Children's Hospital Alliance initiative to help children and young people affected by the crisis in Gaza.



Alder Hey in the Park – Our Vision for the Alder Hey ‘Campus’

Alder Hey’s vision of a specialist campus for children and young people’s health has continued to be realised with the demolition of several old hospital buildings during 2023, and further completion of the Springfield Park reinstatement, including the opening of outdoor gym and play area facilities.

Catkin and Sunflower Centres

In 2023 we completed the Catkin’s sister building Sunflower House, a purpose-built Tier 4 children’s Mental Health Unit. Sunflower House contains 12 inpatient beds and a range of outpatient and day-care services. The Unit opened in May 2023.



Expansion of Neonatal Service

Construction has started on a new Surgical NICU off the main Alder Hey Hospital building. The new Unit aims to set the standard for neonatal service design. The development has been overseen/inspired by a multi-disciplinary team from the Liverpool Women’s Hospital and Alder Hey. The new building will sit in front of the current Emergency Department, which will also be expanded into the lower floor of the new accommodation with the addition of a Paediatric Assessment Unit.



The new Unit is due to open in 2025.

Other Developments

A range of other developments were put into the planning stage in 2023 including an elective hub based in the main hospital, an eating disorders and therapy service planned for the Alder Park building in Waterloo, an expanded orthopaedic outpatient service, new accommodation for our Community and CAMHS teams, expansion of social prescribing facilities and options for the future development of our services to support the vision set out within the 2030 Strategy.

Alder Hey Children’s Charity

The ongoing support of our Charity changes lives every day here at Alder Hey, regardless of the season. Charitable donations help us to fund innovation, cutting edge equipment, and vital research to ensure positive outcomes both now and in the future. It also means every child and young person coming through our doors feels the Alder Hey ‘magic’; the added extras that make the hospital experience the best it can be for our patients, their families and our staff. In 2023/24, our supporters helped our Charity to raise £7.9 million, with the Charity spending £4.6 million on charitable activity. What follows is a breakdown of how this made a difference:

The Charity provides year-round support to ensure that Alder Hey continues to be an institution of world-class and patient friendly care and thanks to the donations of our valued supporters, we have been able to achieve just that. Here are just a few of the ways that we have been able to use your donations to make a difference for our patients and their families this spring.



Thanks to incredible donations, by the end of March 2024 our Charity had raised over £3million achieving our Surgical Neonatal Appeal target. This funding will enhance the new Surgical Neonatal Intensive Care Unit which is ensuring families can stay together during critical times. The Unit's preparation is well underway including recruiting and inducting new staff, increasing consulting hours and improving care consistency for families and new-borns. The project is set to make a profound difference to the well-being of our children and their loved ones.

Thanks to the generosity of supporters, £32,000 was raised to enable the refurbishment of the Snowdrop Bereavement Suite to support families through some of the most difficult times.

£510 provided pre-school hydrotherapy sessions to support children with complex needs and allow both children and their carers to be able to access much needed physical therapy whilst also becoming more confident in the water.

Our supporters can often be found running marathons, climbing mountains, and competing in a whole range of other thrilling challenges, all to raise crucial funds to support our wonderful hospital. Here are a few of the ways that these donations helped to make a difference at Alder Hey.

Last summer the Charity was able to provide £234,355 to extend funding for the Alder Active programme for a further two years. This is an innovative programme developed by two of the physiotherapists at Alder Hey during COVID, to engage children in physical activity remotely from their homes which benefited their physical and mental health. It helps children who often believe that they are not able to exercise to build confidence and exercise in a safe way for their needs. It is fantastic to work alongside charity partners the Dame Kelly Holmes Trust, LFC Foundation and Everton in the Community to ensure that even after the programme concludes children get access to help and support within this area.

The Charity was also able to support the Trust with £10,000 for a new pilot programme to help with period poverty, supporting staff, patients and families by providing and installing free dispensers around the hospital for those in need.

£34,000 was raised to upgrade our sensory rooms within Surgical Day Care. The upgrades will have a huge impact by helping patients with additional needs and/or anxiety feel calmer, happier and positively distracted whilst awaiting medical intervention which can often take longer during busy clinics. This safe space is a comforting area which is quiet and provides stimulation to our patients, helping alleviate anxieties that can arise whilst waiting for medical care.



£50,000 was raised to purchase play and craft resources that can be used by children and young people across the hospital. These resources are effective in numerous ways, helping children to have fun during their stay with us and ensuring that they continue to experience creative childhood activities, even when they're not feeling well. They also serve as a valuable distraction tool for children and young people during their time at Alder Hey, as patients can naturally experience anxiety and worry about their appointments or procedures. Playing and being creative is a valuable form of distraction, so by investing in new resources we are giving children and young people further opportunities to express themselves and enjoy their time at Alder Hey.



Donations totalling £20,500 for our Palliative Care Team allowed us to offer families facing or experiencing the death of a child support through memory making, including personalised plates, art canvases and memory boxes. Supporting our bereaved families

at the Alder Centre is one of the most important parts of our Charity's work. We hope that by always being available to talk, as well as providing help through our nature and craft activities, we provide some comfort and solace for families during their most difficult time.

Remuneration Report

Annual Statement on Remuneration

The Appointments and Remuneration Committee of the Board of Directors is responsible for determining the remuneration and terms and conditions of the Chief Executive, executive directors and non-voting directors, taking into account the results of the annual appraisal process. The Committee is chaired by the Trust Chair and comprises all non-executive directors; it operates in accordance with:

- Legal requirements
- The principles of probity
- Good people management practice
- Proper corporate governance

Remuneration Committee Membership 2023/24

Members of the Remuneration Committee during the year were as follows:

Committee Chair	Dame Jo Williams
Non-Executive Director	Shalni Arora
Non-Executive Director	Fiona Marston
Non-Executive Director	Kerry Byrne
Non-Executive Director	Fiona Beveridge
Non-Executive Director	Garth Dallas
Non-Executive Director	Jo Revill
Non-Executive Director	John Kelly
Non-Executive Director	Gerald Meehan (from 01/03/2024)

The Chair undertakes the annual appraisal of the non-executive directors and the Chief Executive, who in turn is responsible for assessing the performance of the executive directors.

The Committee convened three times during the year: June 2023, October 2023 and November 2023. All meetings were quorate. The following items of business were approved and supported:

- Changes in responsibilities and remuneration of the Executive Team in relation to delivering Vision 2030.

Research and Innovation are key aspects of our Charity's funding and it provided £50,000 to allow clinicians across the hospital to apply for starter funding to explore a research idea that could lead to future funding and potential advancements in medical care for our children and young people. We particularly encouraged applications from staff who have not done much research before to allow our clinicians to develop their skills and encourage innovative thinking.

£14,820 was raised so that we could continue to deliver the Music Matters project for long-term patients, bringing professional musicians into our wards to facilitate child-led participatory music sessions. This project has had a hugely positive impact on the wellbeing of our children and young people, as they have been able to build new skills and confidence all framed around a shared passion for music.

In addition, £27,000 was provided to deliver music programmes within the Emergency Department, to alleviate stress for children and young people and allow clinicians to perform much needed tests and assessments in a trauma setting.

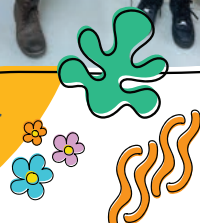
£15,300 was used to fund the provision of our resident entertainer at Alder Hey. A well-known face at Alder Hey, Barrington brings laughter and fun to children and young people of all ages, using magic tricks and balloon art to provide a sparkling experience for each child he meets. When it comes to personifying the 'Alder Hey Magic', Barrington serves as the epitome of the phrase and we are delighted to have secured his position so that he can continue to bring joy and smiles to patients across the hospital.

To capture the spirit of goodwill, donations totalling £9,652 supported the Trust in purchasing sensory and baby toys and additional gifts for our teenagers and enabled an amazing light switch-on event and decorations on the wards, alongside a special event to celebrate and recognise some of our wonderful staff and volunteers.



£15,300

Was used to fund the provision of our resident entertainer at Alder Hey.





- Agreement to implement a 5% increase for very senior managers following publication of the 45th Annual Review of Senior Salaries by the Review Body on Senior Salaries (SSRB) in July 2023.
- Executive portfolio and remuneration changes.

Advice which helped the Committee consider these matters was provided by Louise Shepherd, Chief Executive Officer, John Grinnell, Managing Director/Chief Finance Officer and Melissa Swindell, Chief People Officer.

Remuneration Committee Attendance 2023/24

Member	June 2023	Oct 2023	Nov 2023
Dame Jo Williams	✓ (Chair)	✓ (Chair)	✓ (Chair)
John Kelly	✗	✗	✓
Shalni Arora	✗	✗	✗
Fiona Marston	✓	✓	✓
Kerry Byrne	✓	✓	✓
Fiona Beveridge	✓	✓	✓
Garth Dallas	✓	✓	✓
Gerald Meehan (from 1 March 2024)	n/a	n/a	n/a
Jo Revill	✓	✓	✓

Senior Managers' Remuneration Policy

The Trust maintained its Remuneration Policy during the year for executive and non-executive directors, considering other relevant aspects of the policy framework including equality, diversity and human rights. The Trust continues to ensure that its recruitment, selection and promotion practices provide equal access/opportunities for all persons and are free from unfair or unlawful forms of discrimination.

The activities of both the Remuneration Committee and the Nominations Committee of the Council of Governors have been informed by benchmark information from the sector for a range of specific board level roles. In accordance with the Trust's policy on senior managers' remuneration, rates of pay for all senior managers are based on job size, market intelligence (including nationally published remuneration surveys) and performance. In addition, this assessment has also considered NHS Improvement's guidance on 'Established Pay Rates.' They are also set regarding the remuneration of other Trust employees who hold contracts under terms and conditions agreed nationally by assessing relative and proportional pay rates.

The Committee also receives professional independent reports as appropriate, based on objective evidence of pay benchmarking across a range of industry comparators.

The way in which the Committee operates is subject to audit scrutiny. The annual remuneration report is received by the Audit Committee as part of its year-end review and scrutiny process on behalf of the Board, including any issues raised by the Trust's external auditors.

Senior Managers' Remuneration Package

	Basic Pay	Pension	Car Allowance	R&R Premium	Additional Duties	Bonus/ PRP	Pay in Lieu of Pension
Executive Directors	✓	✓	✗	On a case by case basis	✓	✗	On a case by case basis

The Chief Executive and executive directors are employed on permanent contracts of employment; they are entitled to receive three months' notice and may give six months' notice. Provision is included within contracts of employment for contracts to be terminated with immediate effect and without compensation in certain circumstances.

There are three senior managers who during the year were paid more than £150,000 (this figure being the threshold used in the Civil Service for

approval by the Chief Secretary to the Treasury as per Cabinet Office guidance and considered by NHS Improvement as an appropriate benchmark for NHS foundation trusts). These were the Chief Executive, the Chief Medical Officer and the Director of Research and Innovation. The Trust is satisfied that for these roles the level of remuneration is reasonable for the responsibilities carried and benchmarks appropriately with comparable organisations.

Directors' Remuneration – Pension Changes

On 1st April 2015, the government made changes to public service pension schemes which treated members differently based on their age. The public service pensions remedy puts this right and removes the age discrimination for the remedy period, between 1st April 2015 and 31st March 2022.

Part 1 of the remedy closed the 1995/2008 Scheme on 31 March 2022, with active members becoming members of the 2015 Scheme on 1 April 2022.

For Part 2 of the remedy, eligible members had their membership during the remedy period in the 2015 Scheme moved back into the 1995/2008 Scheme on 1 October 2023.

This is called 'rollback'. Where a member is affected by rollback, the benefits in respect of their rolled back pensionable service during the remedy period are valued as being in the 1995/2008 Scheme and this may result in a negative real increase in pension, lump sum or cash equivalent transfer values.

Non-Executive Directors

The Nominations Committee of the Council of Governors is responsible for setting the remuneration, allowances and other terms and conditions of non-executive directors. It comprises one appointed Governor and two elected governors, one of whom must be a Staff Governor and the Trust Chair (Acting or Vice Chair in the case of the appointment of a new substantive Chair). The Chief Executive participates in

the activities of the Committee in an advisory capacity. The Committee's duties are to review the balance of skills, knowledge and expertise required on the Board in the context of the challenges ahead and in this context to agree job roles, person specifications and modes of advertisement, to undertake shortlisting and to make a formal appointment. During the year, the Committee worked together with recruitment specialists, Gatenby Sanderson in the recruitment of a new Non-Executive Director, Gerald Meehan. The Trust can confirm that Gatenby Sanderson has no other connection with the Trust or individual directors.

The Trust Chair is responsible for assessing the performance of the non-executive directors. The Chair's appraisal is undertaken by the Senior Independent Director using an inclusive process across various stakeholders including members of the Board, Council of Governors, Children and Young People's Forum and other provider chairs in accordance with the *Framework for conducting annual appraisals of NHS Provider chairs*, issued as guidance by NHS Improvement and England in September 2019 and updated in February 2024.

For non-executive directors' remuneration, comparative data is provided to the Nominations Committee from comparative organisations. Remuneration rates for non-executive directors have remained at the level set by the Nominations Committee in 2009/10, with fee levels benchmarked annually against the NHS Providers remuneration survey and other sources, including reference to the NHS Improvement and England implementation document, *Structure to align remuneration for chairs and non-executive directors of NHS trusts and NHS foundation trusts* published in November 2019. This paper confirms that Alder Hey's

remuneration rates for non-executives fall within the proposed range whilst that for the role of Chair is slightly below for the size of the organisation.

During 2023/24, there were 23 board directors in post across the period. Of these, nine individuals claimed £7,294 in expenses; for 2022/23 the figures were 10 directors claiming £4,416 in expenses.

* incorrect figure for 2022/23 reported as £19,920 – corrected above.

In the year there were 33 governors in office. The total amount of expenses paid to governors in 2023/24 was £370.91, whereas in 2022/23 governors claimed £345.36.

* incorrect figure for 2022/23 reported as £1,340.36 – corrected above.

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

The banded remuneration of the highest-paid Director in the organisation in the financial year 2023/24 was

	2023/24			2022/2023		
	25th Percentile	Median	75th Percentile	25th Percentile	Median	75th Percentile
Salary Component of Pay	£31,134	£43,701	£58,366	£31,134	£43,701	£58,366
Total Pay and Benefits Excluding Pension Benefits	£31,134	£43,701	£58,366	£31,134	£43,701	£58,366
Pay and Benefits Excluding Pension: Pay Ratio for Highest Paid Director	7.15:1	5.09:1	3.81:1	7.15:1	5.09:1	3.81:1

Due to an incorrect interpretation of the remuneration guidance, the figures in the 2022/23 Annual Report for Salary Component were incorrectly reported as the mid-point of the highest paid Director salary. This has now been rectified and the prior year comparative table updated with the correct figures for 2022/23.

The Trust's remuneration policy applies to executive directors, both voting and non-voting and is based upon open, transparent and proportionate pay decisions. All pay decisions are based on market intelligence and are designed to be capable of responding flexibly to recruitment imperatives to secure high calibre candidates. When setting levels of remuneration, the Trust's Nominations and Remuneration Committees also take into account the remuneration policies and practices applicable to our other employees, along with any guidance received from the sector regulator and the Department of Health and Social Care. The way in which the Committees operate is subject to audit scrutiny. The work of the Committees is subject to an independent level of scrutiny by the Audit and Risk Committee and this scrutiny can be exercised at any time.

The remuneration and retirement benefits of all directors, together with all other relevant disclosures are set out below.

Signed: *Louise Shepherd* LOUISE SHEPHERD CBE

Chief Executive
26th June 2024

£245k-250k (2022/23, £200k-205k). This is a change between years of 21.9%.

Total remuneration includes salary, non-consolidated performance-related pay and 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 2023/23 was from £2,993.41 to £273,880.24 (2022/23 £1,197.70 to £247,820.91). The percentage change in average employee remuneration (based on total for all employees on an annualised basis divided by full time equivalent number of employees) between years is 7.72%. Four employees received remuneration in excess of the highest-paid Director in 2023/24 of a total of 4,457 employees.

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.

Salary and Pension Entitlements of Senior Managers

Total Remuneration

Name	Title	2023/24					2022/23				
		Salary (Bands of £5,000) £000s	Expense Payments (Taxable) (Nearest £100) £s	Performance Pay and Bonuses (Bands of £5,000) £000s	Pension Related Benefits (Bands of £2,500) £000s	Total (Bands of £5,000) £000s	Salary (Bands of £5,000) £000s	Expense Payments (Taxable) (Nearest £100) £s	Performance Pay and Bonuses (Bands of £5,000) £000s	Pension Related Benefits (Bands of £2,500) £000s	Total (Bands of £5,000) £000s
Louise Shepherd*	Chief Executive	220-225	7,770	0	0	230-235	200-205	30,700	0	0	230-235
John Grinnell*	Managing Director/ CFO	180-185	200	0	0	180-185	150-155	0	0	35-37.5	190-195
Nathan Askew	Chief Nursing Officer	140-145	0	0	35-37.5	175-180	120-125	0	0	37.5-40	160-165
Alfie Bass	Chief Medical Director	210-215	5,000	0	805-807.5	1,020-1,025	200-205	23,100	0	0	225-230
Melissa Swindell*	Chief People Officer	125-130	0	0	0	125-130	115-120	0	0	27.5-30	140-145
Adam Bateman*	Chief Operating Officer	140-145	100	0	0	140-145	125-130	100	0	25-27.5	150-155
Dame Jo Williams	Chair (R)	35-40	3,300	0	0	40-45	35-40	2,200	0	0	40-45
Shalni Arora	Non-Executive Director (R)	10-15	0	0	0	10-15	10-15	0	0	0	10-15
Fiona Beveridge	Non-Executive Director (R)	10-15	0	0	0	10-15	10-15	0	0	0	10-15
Fiona Marston	Non-Executive Director (R)	10-15	0	0	0	10-15	5-10	0	0	0	5-10
Ian Quinlan	Non-Executive Director (R)	0	0	0	0	0	15-20	800	0	0	15-20
John Kelly	Non-Executive Director (R)	10-15	0	0	0	10-15	5-10	0	0	0	5-10
Kerry Byrne	Non-Executive Director (R) (A)	15-20	1,500	0	0	15-20	15-20	0	0	0	15-20
Anita Marsland	Non-Executive Director (R) (A)	0	0	0	0	0	0-5	0	0	0	0-5
Garth Dallas	Non-Executive Director (R) (A)	10-15	0	0	0	10-15	10-15	0	0	0-2.5	10-15
Jo Revill	Non-Executive Director (R) (A)	10-15	1,700	0	0	10-15	5-10	300	0	0	5-10

Name	Title	2023/24					2022/23				
		Salary (Bands of £5,000) £000s	Expense Payments (Taxable) (Nearest £100) £s	Performance Pay and Bonuses (Bands of £5,000) £000s	Pension Related Benefits (Bands of £2,500) £000s	Total (Bands of £5,000) £000s	Salary (Bands of 5,000) £000s	Taxable Benefits (To the Nearest £100) £s	Performance Pay and Bonuses (Bands of £5,000) £000s	Pension Related Benefits (Bands of £2,500) £000s	Total (Bands of £5,000) £000s
Erica Saunders*	Director of Corporate Affairs	110-115	0	0	27.5-30	140-145	110-115	100	0	27.5-30	140-145
Mark Flannagan	Director of Communications & Marketing	110-115	0	0	27.5-30	140-145	105-110	200	0	25-27.5	130-135
Kate Warriner	Chief Digital & Information Officer	140-145	0	0	12.5-15	155-160	125-130	400	0	30-32.5	155-160
Dani Jones*	Chief Strategy and Partnerships Officer	120-125	0	0	0	120-125	110-115	100	0	27.5-30	135-140

(R) Indicates that the individual is a member of the Remuneration Committee.

(A) Indicates that the individual is a member of the Audit Committee.

- Louise Shepherd chose not to be covered by the pension arrangements during 2022/23 but took part in the Trusts Pension Contribution Alternative Award Scheme. The figures in their taxable benefits relates to the respective Pensions Restructuring Payments from the scheme that they received in the 2022/23 year.
- Louise Shepherd is also Chair of the National Children's Transformation Board via NHS England. Their salary is recharged to NHSE and the value of this in 2023/24 was £28k.
- Louise Shepherd chose to re-opt into the NHS Pensions Scheme in the reporting period. This resulted in a negative value being returned for their in year pensionable benefit, as per the NHS GAM this figure has therefore been expressed as zero (paragraph 3.100)
- Alfie Bass – Chief Medical Officer chose not to be covered by the pension arrangements during 2022/23 but took part in the Trusts Pension Contribution Alternative Award Scheme. The figures in their taxable benefits relates to the respective Pensions Restructuring Payments from the scheme that they received in the 2022/23 year.
- Alfie Bass - Chief Medical Officer. The totally salary figure calculated for Alfie Bass for 2023/24 does not show an actual change in remuneration. It includes the notional pension benefits value as per the note above, which in this case has been multiplied for technical reasons related to changes in pensionable pay on transferring from a medical to a managerial contract of employment related to his role as CMO.
- Kate Warriner, Chief Digital and Transformation Officer. From 1st July 2020 also CDIO for Liverpool Heart & Chest Hospital NHS FT, 0.4 WTE via salary recharge. The figures above represent her total remuneration. £53k of this was recharged to LHCH.
- Dame Jo Williams, Chair - Expense Payments relate to Business Mileage and other Travel taxed at source.
- John Kelly, Non-Executive Director commenced in role 01/09/22.
- Anita Marsland, Non-Executive Director left role 30/06/22.
- Garth Dallas was incorrectly automatically enrolled into the NHS Pension scheme, this was corrected in 2023/24.
- Jo Revill, Non Executive Director commenced in role 01/10/2022.
- Fiona Marston, Non Executive Director left role on 31/03/24.
- Gerald Meehan, Non-Executive Director commenced in role 01/03/2024 but did not receive any pay in year, this was corrected in April 2024.
- The value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20, less the contributions made by the individual. The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights. This value derived does not represent an amount that will be received by the individual. It is a calculation that is intended to provide an estimation of the benefit being a member of the pension scheme could provide. The pension benefit table provides further information on the pension benefits accruing to the individual.

* These 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.

Salary and Pension Entitlements of Senior Managers (cont'd)

Total Pension Entitlements

Name and Title	Real Increase in Pension at Age 60 (Bands of £2,500) £000s	Real Increase in Lump Sum at Aged 60 (Bands of £2,500) £000s	Total Accrued Pension at Age 60 at 31 March 2023 (Bands of £5,000) £000s	Lump Sum at Age 60 Related to Pension at 31 March 2023 (Bands of £5,000) £000s	Cash Equivalent Transfer Value at 1 April 2021 £000s	Real Increase in Cash Equivalent Transfer Value £000s	Cash Equivalent Transfer Value at 31 March 2023 £000s	Employer's Contribution to Stakeholder Pension £000s
Louise Shepherd Chief Executive	0-2.5	0-2.5	75-80	230-235	2,242	0	2,056	0
John Grinnell Managing Director /CFO	0-2.5	45-47.5	50-55	135-140	780	215	1,095	0
Nathan Askew Chief Nursing Officer	0-2.5	37.5-40	35-40	95-100	454	208	728	0
Melissa Swindell Chief People Officer	0-2.5	32.5-35	35-40	90-95	545	150	767	0
Erica Saunders Director of Corporate Affairs	0-2.5	35-37.5	50-55	135-140	932	186	1,228	0
Alfie Bass Chief Medical Officer	35-37.5	95-97.5	90-95	230-235	1,227	900	2,277	0
Mark Flannagan Director of Communications and Marketing	0-2.5	0-2.5	15-20	0-5	181	42	256	0
Kate Warriner Chief Digital and Transformation Officer	0-2.5	32.5-35	35-40	90-95	432	180	673	0
Adam Bateman Chief Operating Officer	0-2.5	35-37.5	30-35	80-85	377	160	593	0
Dani Jones Director of Strategy	0-2.5	25-27.5	30-35	75-80	416	116	590	0

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

Staff Report

Diversity and Inclusion Policies, Initiatives and Longer-Term Ambitions

The Trust Board recognises that our people are our most important and valuable resource and is committed to attracting and retaining a diverse and thriving workforce with the right skills, values and knowledge to deliver world class care for children, young people and their families.

Creating and retaining a diverse and inclusive workforce enables the organisation to deliver a more inclusive service with an overall improvement in both patient care and staff experience. Our colleagues are our community and we recognise the importance of ensuring our workforce is representative of our local population.

The leadership and direction of the Equality and Diversity Steering Group has facilitated further developments of our ED&I agenda during 2023/2024, which have included the following:

- Awarded the Navajo Charter Mark. The Navajo Merseyside & Cheshire LGBTIQ+ Charter Mark is an equality mark sponsored by In-Trust Merseyside and supported by the LGBTIQ+ community networks across Merseyside– a signifier of good practice, commitment and knowledge of the specific needs, issues and barriers facing LGBTIQ+ people in Merseyside.
- Achieved the Armed Forces Covenant Silver Employer Recognition Scheme (ERS) Award.
- Accreditation with the Veterans Covenant Healthcare Alliance (VCHA).
- Development of a suite of resources to support managers.

The Trust remains a Disability Confident Employer and aims to successfully employ and retain those colleagues with disability and those with health conditions wherever they can. We provide a fully inclusive and accessible recruitment process and provide employees with ongoing access to Occupational Health support and advice, access to work support and health and safety advice, including bespoke risk assessments.



Staff Turnover

The total staff turnover for the Trust in 2023/24 was 10.94% and the table below shows this breakdown per staff group.

Staff Group	Leaver Headcount	Turnover % by Headcount
Additional Professional Scientific and Technical	24	8.25%
Additional Clinical Services	72	12.93%
Administrative and Clerical	108	10.93%
Allied Health Professionals	36	9.14%
Estates and Ancillary	24	9.92%
Healthcare Scientists	14	10.57%
Medical and Dental	67	17.34%
Nursing and Midwifery Registered	130	9.64%
Grand Total	475	10.94%

The Trust has seen a significant reduction in turnover during 2023/24, compared to 2022/23 when turnover was at its highest at 15%. Focused activity and interventions to reduce turnover, improve stability and increase retention have reduced turnover across all staff groups.

Details of the Trust's staff turnover position in comparison to other NHS organisations can be found here <https://digital.nhs.uk/data-and-information/publications/statistical/nhs-workforce-statistics>

As of 31st March 2023, the gender split of our workforce was 83% females and 17% males. The 2023 gender pay gap report, reporting for the year 2022 is published on the Trust website and Cabinet Office website <https://gender-pay-gap.service.gov.uk/>

At the end of the year the gender breakdown of our workforce was as follows:

	Male	Female
Directors	5	5
Senior Managers	2	8
Employees	772	3671

Analysis of Trust staff by type and cost during the year 2023/24 is set out in the table below, together with a comparison with 2022/23:

	Total 2023/24 No.	Permanent 2023/24 No.	Other 2023/24 No.	Total 2022/23 No.	Permanent 2022/23 No.	Other 2022/23 No.
Medical and Dental	521	520	1	518	332	186
Ambulance Staff						
Administration and Estates	943	907	36	904	869	35
Healthcare Assistants and Other Support Staff	228	202	26	231	210	21
Nursing, Midwifery and Health Visiting Staff	1,519	1,382	137	1,454	1,326	128
Nursing, Midwifery and Health Visiting Learners						
Scientific, Therapeutic and Technical Staff	925	910	15	893	882	11
Healthcare Science Staff						
Social Care Staff						
Agency and Contract Staff						
Bank Staff						
Other						
Total Average Numbers	4,137	3,922	215	4,000	3,619	381
Of Which:						
Number of Employees (WTE) Engaged on Capital Projects	48	47	1	47	45	1

Staff Costs

	Permanent £0	Other £0	2023/24 Total £0	2022/23 Total £0
Salaries and Wages	177,830	18,478	196,308	186,080
Social Security Costs	19,183	0	19,183	17,199
Apprenticeship Levy	929		929	806
Employer's Contributions to NHS Pensions	21,758		21,758	19,830
Employer's Contributions to NHS Pensions paid by NHSE	9,517		9,517	8,684
Pension Cost - Other	0		0	0
Other Post-Employment Benefits	0		0	0
Other Employment Benefits	0		0	0
Termination Benefits	0		0	0
Temporary Staff	0	12,903	12,903	10,706
Total Gross Staff Costs	229,216	31,381	260,598	243,305
Recoveries in Respect of Seconded Staff	-2,109	0	-2,109	-1,998
Total Staff Costs	227,107	31,381	258,489	241,307
Of Which				
Costs Capitalised as Part of Assets	3,057	114	3,171	2,590

Sickness Absence Data

In 2023/24 we continued to promote positive health and wellbeing, recognising the challenges faced by our staff and across the wider NHS in recent years and the impact that has had on our workforce. Through ongoing and additional support through our Staff Advice and Liaison Service (SALS) we prioritise and champion the physical, mental, social and financial health and wellbeing of our staff. In addition to the support offered by SALS, our staff have access to an internal counselling service.

We are focused on developing psychological safety in our teams so that our staff trust and respect each other and feel able to be open with each other and with the children and families in their care. This includes supporting staff and managers with sickness absence management. Details of our sickness absence position in comparison to other NHS organisations can be found here <https://digital.nhs.uk/data-and-information/publications/statistical/nhs-sickness-absence-rates>

Staff Policies and Actions

During 2023/24, the Trust has continued to work in partnership with our staff side colleagues and managers to ensure effective communication and consultation on all 'people' practices and policies. The excellent collaboration and consultation with staff side colleagues enabled the Trust to enhance and improve the Trust partnership agreement relaunched in 2022/23.

Trust management meets with trade union colleagues at both the Joint Consultation and Negotiation Committee (JCNC) (monthly) and Local Negotiating Committee (LNC) (bi-monthly), where a range of business matters are discussed and shared with staff representatives. This ensures the views of employees can be considered in making decisions which are likely to directly impact them.

The Trust has continued through 2023/24 to ensure a working environment free from all forms of bullying and harassment and prejudicial or discriminatory behaviour and to ensure that all policies and practices reflect that, with a focus on resolution and a restorative culture.

Trade Union Facility Time Disclosures

The Trade Union (Facility Time Publication Requirements) Regulations 2017 came into force on 1st April 2017. Under the Regulations, Alder Hey Children's NHS Foundation Trust is required to publish the following information relating to trade union officials and facility time.

The Trust Trade Union Facility Time for Alder Hey for 2023/24

Measure	Fig
Total Number of Trade Union Representatives Your Organisation Employed - Include Employees who were not Representatives for the Full 12 Months	28
Total Full Time Equivalent Number of Representatives (FTE)	24.05
Number of TU Representatives that Spend 0% Working Hours	5
Number of TU Representatives that Spend 1-50% Working Hours	23
Number of TU Representatives that Spend 51-99% Working Hours	0
Number of TU Representatives that Spend 100% Working Hours	0
Total Amount of Time Representatives Spent on Facility Time (Annual Hours)	2823
Percentage of Working Hours Each Representative Spent on Facility Time	1-50%
Total Amount of Time Representatives Spent on Paid Facility Time – Paid Union Duties and Activities (Annual Hours)	5082
Total Amount of Time Representatives Spent on Paid Union Activities (Annual Hours)	2259
Total Amount of Time Representatives Spent on Unpaid Union Activities (Annual Hours)	0
Total Pay Bill – for all Employees not Just Union Representatives	£188,308,079
Total Cost of Facility Time	£68,826.10
Percentage of Pay Spent on Facility Time	0.04%
Percentage of Hours Spent on TU Activities	6.03%

Communications

Throughout 2023/24 the Marketing and Communications Team continued to play a central role in enhancing the Trust's profile, driving brand awareness and recognising colleagues' contributions, while also supporting the Trust's operations and service delivery.

During the year the team worked closely with a wide range of Alder Hey colleagues and the Trust Board as well as children and young people and their families to develop the Trust's **Vision 2030**. Our work involved building engagement and providing opportunities for feedback and input from children, young people and families, our staff and our partners. A **robust engagement programme** captured and considered feedback on Vision 2030 and used it to help guide our ongoing direction of travel. A Vision 2030 film was produced and engagement work included senior leader and departmental strategy conversations, online feedback forms and 'fast feedback' postcards, Town Hall meetings, dedicated live broadcasts, open meetings for larger scale conversations and away day briefings.

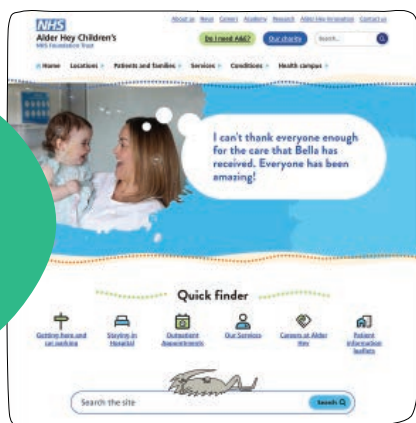


This engagement work allowed us to develop a carefully crafted narrative and bring that to life using various media, including video, print and social media. The work successfully socialised the concepts within Vision 2030, achieving broad awareness and support for the strategic direction. From 2024 we will be refocusing our Marketing and Communications Strategy to support the delivery of this Vision and '**Our Journey to 2030**', delivering a renewed, more strategic approach to marketing communications and brand positioning.

One of the

leading moments

of 2023/24



One of the leading moments of 2023/24 was the launch of our new and greatly improved Trust **website** in June 2023. Optimised for mobile devices, the new site incorporates a bright design and features enhanced accessibility, improved search functionality and refined navigation. New improved features include quick finder links, easy to find locations, dedicated sections for careers and the Alder Hey Campus and A-Z directory pages. Following feedback from children and young people, the new site also includes a 'Worry Box' to ask questions and a 'What Happens When...' feature to alleviate concerns before a procedure. The website has been warmly welcomed, offering a step change in usability and opportunities to reach out to our world.

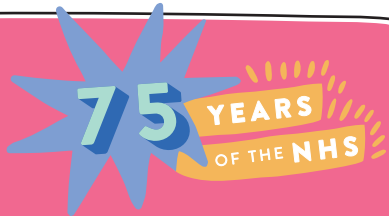
Staff communications and engagement remain a key function of our work. Alongside a regular cascade of messaging through **all staff emails, Intranet updates, physical communication stations and our monthly manager's bulletins**, we host weekly '**Ask the Execs**' broadcast meetings which is a great means of providing staff with a platform to ask questions of the Senior Management Team, whilst at the same time supporting visibility of the Executive. It achieves a weekly average live audience of 120 people and can also be accessed later via Microsoft Teams by colleagues unable to join.

We also delivered a successful communications plan to support the roll out of **Alder Care**, the Trust's new electronic patient record system. Our aim was to ensure that colleagues were aware this was happening and also understand their own individual role in supporting a safe switchover. Our committed involvement continued post launch to support management of the inevitable snagging issues and bedding-in.

In addition, we also delivered great work through the **NHS Staff Survey**, achieving the highest-ever response rate of 60% of staff, relative to an overall response rate of 47% of NHS staff. We are currently engaged in planning the communication of results. We have also run dedicated, staff-targeted campaigns in

support of **Freedom to Speak Up (FTSU)**, working closely with the FTSU Guardian, and supported engagement with the various **equality, diversity and inclusion (EDI) staff networks**. Linked to this we have run various campaigns relating to awareness days, weeks and months, including **Black History Month, LBTGQ+ History Month, Deaf Awareness Week, International Women’s Day, International Child Health, and Organ Donation Week**.

On the 5th July 2023, we celebrated 75 years of the NHS by shining a spotlight on our history and achievements – and our staff and volunteers - and the opportunities that lie ahead.



Activity included: supporting NHS75 initiatives (Park Run/1000miles challenge); capturing and sharing memories from staff, patients and families; highlighting work of our volunteers;

raising awareness of the 75th anniversary of the Windrush generation and their role within the NHS; linking in and sharing social content with the Children’s Alliance and the ICB; and encouraging staff to take part in the NHS Big Tea Event.

As part of the 75th birthday celebrations, we hosted a live broadcast from **BBC Radio Merseyside** in the Atrium which included numerous interviews with our staff. The BBC also captured our NHS75 event which included a staff baking competition, performances in the hospital Atrium, free ice cream and lots of fun to give the staff and our families a birthday party to remember. A photo collage of our staff was also created to commemorate the birthday celebration.



A painting by New York-based artist, Aliza Nisenbaum, was unveiled during the celebrations to highlight the frontline staff who worked tirelessly during the COVID-19 pandemic.

The artwork was donated by the Tate and generated widespread coverage (**BBCNW, BBC Radio Merseyside, ITV Granada, The Guardian, Independent, BBC Online, Art in Liverpool, FAD Magazine, The Times, Yahoo!, Liverpool Echo**).



Other media coverage relating to the NHS75 celebrations included **CBBC’s Newsround** who filmed one of our inspirational cardiac patients Jakob and his Cardiologist, Dr Caroline Jones. **CBBC’s Operation Ouch** also gave some of our deserving staff from a range of different departments an ‘Operation Ouch Heroes Award’ as part of the NHS75 celebrations.

Christmas is always a special time of year for everyone at Alder Hey and our **Christmas 2023 Campaign** gave our staff, families and young people plenty of opportunity to celebrate. The highly anticipated Alder Hey Christmas Tree and decorations brought smiles to many and we shared uplifting content across all our channels throughout December.



We also delivered a memorable Christmas Lights Switch on Event, our first full in person event since before the Covid pandemic. It was a fun-filled day packed with special guest appearances and musical performances from Cascade Music, St Paul and St Timothy Infants Choir, Katumba Drumming Group and the Alder Hey Choir.

The lights were officially switched on by Rubi-Mae who was born with a rare condition called Septo Optic Dysplasia. Rubi-Mae also sang 'It Was On A Starry Night' to a large audience of staff, children and families who gathered in the Hospital Atrium to watch alongside those watching online via Alder Hey's YouTube channel. The event was also featured on **BBCNW**.

We were also delighted to be able to reintroduce our annual visits from Everton and Liverpool football clubs to our wards during the festive season. Players from both clubs took time out of their schedules to meet our children, young people and families.



Our staff were also recognised throughout our Christmas Campaign. The Rapid Relief Team returned to Alder Hey to provide staff with free hot chocolate and cake and we held a number of prize draws and events thanks to the support of our Charity. Colleagues

nominated for an Alder Hey Star Award throughout the year were invited to a special **Christmas Stars and Celebration Lunch**. Joined by other teams receiving special recognition, they were treated to a free Christmas Dinner and musical performances. Several staff also appeared across our Christmas content and a montage film highlighting achievements of the year was shared across the organisation. We also produced the annual Christmas song (a film featuring staff/children/young people and families dancing along to a popular Christmas tune).

During 2023/24, we continued to share messaging with staff, patients and families relating to the development of our Campus and included the new NICU and Sunflower House in our PR activity where possible.

Various content was created to promote the launch of our new **Sunflower House** in May 2023, including a 360 degree film of the unit, an animation of a parent story, a launch film and official photography.



The story was shared widely across our social channels, media (including **BBCNW, ITV Granada, The Guardian, The Times, BMJ and Liverpool World**), internally and to our networks. Following the opening, we continued to support architects Cullinan on award opportunities (including facilitating a photo shoot in the Catkin Centre) and also maximise opportunities for further coverage. This included accommodating visits by both the **Guardian and The Times**.

In July 2023, we revealed designs for the new state-of-the-art surgical NICU through a flythrough film. The film was featured on **BBC Radio Merseyside, BBCNW, The Guide, BBC Online and Liverpool Echo**.

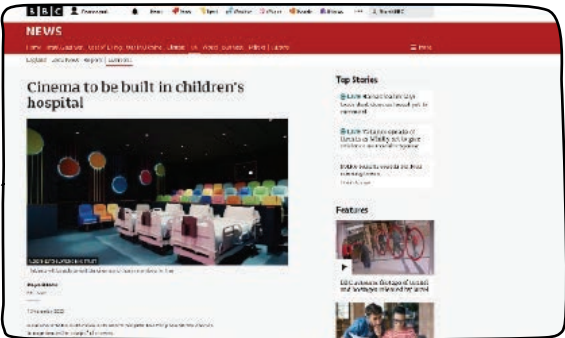
Further media coverage later in the year (**BBC Radio Merseyside and Wirral Globe**) focused on the Charity's appeal target for the new Unit being reached.



This was followed up in February 2024 with a memorable photo call to celebrate diggers coming on site. Children from the Alder Hey Nursery were invited to join representatives from Alder Hey and Morgan Sindall on the construction site. We also used this as an opportunity to share details of the new Same Day Emergency Centre.

Alongside these 'PR moments' we have shared messaging about the ongoing impact of construction works onsite particularly around increased noise levels, car park closures and diversions. We also updated on the relocation of the popular Tin Man statue which has been temporarily moved to the Institute in the Park.

The Marketing and Communications Team continued to support the vital work of Alder Hey Children's Charity during 202/24. This year was the 10th year of the Charity's partnership with Matalan and their annual fundraising campaign. We helped to promote the campaign both internally and externally and secured media coverage with **ITV Granada, BBCNW and the Liverpool Echo** highlighting how the partnership has and continues to help children and young people.



In November 2023, we raised awareness of the Charity's appeal to fund a new £600,000 MediCinema in the Hospital. The story was covered in both regional and national media including **Radio Merseyside, The Liverpool Echo and BBC Online**. Our social media reached over half a million people on Facebook with over 140,000 engagements, over 100,000 on X (Twitter) and 51,000 on Instagram.

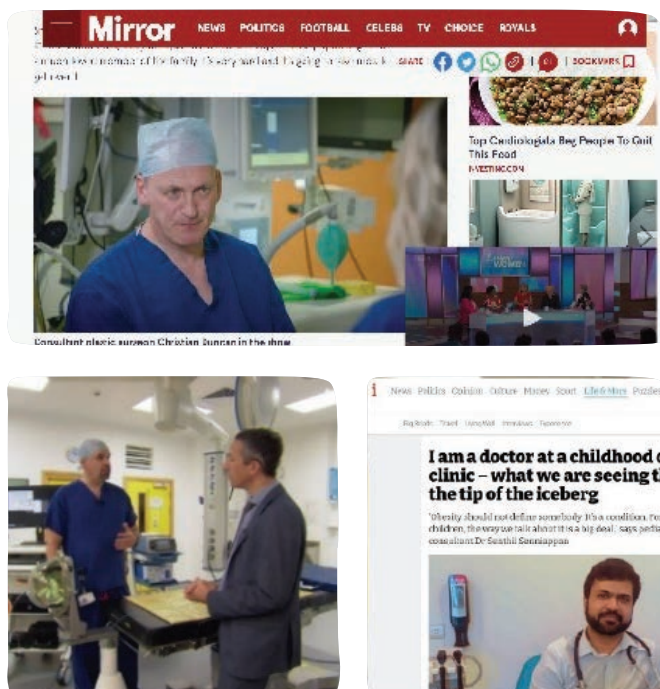
We have also played host to a number of high-profile visits this year. As a General Election approaches, we have hosted visits from **Secretary of State for Education Gillian Keegan MP and Leader of HM Official Opposition, Sir Keir Starmer MP**, who visited the Trust in January alongside **Wes Streeting MP, Shadow Secretary of State for Health and Social Care**. In addition to these visits, we played host to the **Children's Commissioner for England, Dame Rachel de Souza and Matthew Taylor, CEO of NHS Confederation**.

Over the past 12 months we have used **media coverage** to widen our audience scope and position our brand as a true global leader in children's healthcare, research and innovation. This has involved increasing our proactive storytelling, building relationships with key media contacts, negotiating exclusives with media outlets, establishing Alder Hey 'experts' and working in partnership with other organisations.

Alongside media coverage supporting our campus development and events we have secured a variety of regional, national and international media coverage including:

- Case studies highlighting 'outstanding care' in various publications including **Liverpool Echo, ITV Granada, BBCNW, Isle of Man Today, Daily Mirror, The Guide, Manchester Evening News, New Magazine, Take a Break magazine**.
- Respiratory Consultant, Professor Ian Sinha interviewed about the devastating effect mould and damp can have on children's respiratory health. The story was covered by **The Observer, The Mirror, BBC Look North West and BBC Panorama**.
- **CBBC Newsround** interviewed Professor Ian Sinha about the dangers of vaping for children.
- Consultant Endocrinologist Dr Senthil Senniapan was interviewed about tackling obesity and appeared in **The Independent, French TV, BBC Radio 5 Live, the Guardian and the I-newspaper**.
- **BBC Radio Merseyside** interviewed Volunteer Coordinator Nicola Stringer on the value of volunteering and what our volunteers bring to Alder Hey.
- Head Chef John Worthington was interviewed by the **Liverpool Echo** about his role at Alder Hey and the ward chef scheme.
- **BBC's Tiny Happy People** interviewed Ear, Nose and Throat Surgeon Mr Sunil Sharma for a feature on Balance including what affects children's balance, how do balance issues feel and what can parents look out for.
- **Granada Reports and Radio City** covered Alder Hey's first procedure using technology that enables clinicians to pinpoint and destroy an area of the brain which seizures are arising from in a person with epilepsy.
- The first Rotationplasty surgery to take place at Alder Hey was featured in the **Sunday Mirror and New Magazine**.
- **Hits Radio** interviewed A&E Consultant Dr Hannah Poole about the signs, symptoms and treatment for whooping cough.

- Chief Nurse Nathan Askew was filmed as part of a campaign by NHSE, UKHSA and DHSC to increase the uptake of childhood immunisations among 0-5 year olds.
- Professor Calum Semple in partnership with Professor Matt Ashton Director of Public Health Liverpool, also did several interviews including with **BBC Breakfast** encouraging parents to vaccinate their children.
- **ITV News** interviewed A&E consultant Laura Duthie about the dangers of button batteries.
- Consultant Plastic and Craniofacial Surgeon Mr Christian Duncan was interviewed by a number of media outlets including **ITV Tonight Programme, ITV Granada, BBCNW, the Daily Mirror, Mail Online** around dog bite injuries and dangerous dogs and was a key spokesperson of the Taking the Lead Campaign with Merseyside Police.



A key function of the Marketing and Communications Team is to manage the Trust's reputation. Over 2023/24 we continued to do excellent work in this respect, delivering robust communications support to local and national issues that impact the Trust. This included managing media and communications during a major incident, mitigating the impact of ongoing industrial action (radio adverts were produced for **Radio City and Global Radio**) and delivering comms plans to alleviate pressures on the Trust's Emergency Department.

On **social media** we have also continued to enjoy strong performance across all platforms, using our expertise to grow interest organically. We use social media as a primary tool for brand positioning, using curated content to deliver messages in support of our ambitions in the fields of research, innovation and outstanding care.

We currently have approximately 222,000 followers on our social media channels which is an increase of 20,000 followers from last year. Throughout 2023/24, our social media channels (**Twitter, Facebook, LinkedIn, Instagram and TikTok**) helped us reach an audience of over 25 million people. One of our most successful posts featuring a visit by Liverpool Football Club at Christmas reached six million people, with over nine million plays and almost 550k engagements.



Other activity during a busy 2023/24 included:

- **CBBC's Operation Ouch** returned to Alder Hey to film the 12th series of the BAFTA award-winning programme.
- 2012 Grand National winner Neptune Collonges was joined by jockeys from the 2023 Randox Grand National on their annual visit to Alder Hey. The event featured on **ITV Racing, ITV Granada and BBCNW**.
- We continued to engage with the local community about the redevelopment of Springfield Park. This included developing a dedicated Springfield Park section on the new Trust website, arranging a Community Day in early July and taking part in a Public Meeting alongside Liverpool City Council in December, delivering community newsletters and rolling out social content. Although communications around the Park delays were challenging, we were delighted to be able to share positive progress including the opening of a new Multi Use Games Area and the opening of a new children's playground.
- Supporting the Trust's statutory governance requirements in the production of the **Annual Report and Quality Report**, the staging and promotion of the **Annual Members' Meeting (AMM)**, and the production of a quarterly **Members' Newsletter**. In so doing, we have worked closely with the Membership Strategy Committee (MSC).
- Developing and delivering a robust communications plan to support the launch of the new Children and Young Person's Gender Service (North West).
- Strengthening our internal governance with the introduction of a Social Media Policy. We also launched a guidance booklet for staff to help them feel safer online.

Counter Fraud

The Trust engages Mersey Internal Audit Agency (MIAA) to provide counter fraud services. The Local Counter Fraud Specialist, supported by the Trust, has continued to enhance the overall anti-fraud arrangements at Alder Hey through a range of agreed activities specified in the Trust's Anti-Fraud Workplan for 2023/24. The Trust has in place a local Counter Fraud Champion – a core requirement promoted by the Government's Counter Fraud Function.

Routine reports on progress against its delivery are received by the Audit and Risk Committee. The key to the success of these activities is the achievement of outcomes across the defined areas of anti-fraud work.

One of the fundamental principles of the NHS is the proper use of public funds. It is therefore important that all those individuals or organisations that utilise or have relationships with the NHS are aware of the risks of fraud, bribery, corruption, theft, and other illegal acts involving dishonesty.

The aim of all anti-fraud work is to support improved NHS services and ensure through awareness raising and local proactive work that fraud within the NHS is clearly seen as being unacceptable. Stopping the theft of public money by fraudsters who are committing criminal offences, brings with it the bonus of being able to see NHS funds being deployed for the public good, as the taxpayer intended. During the year the Local Counter Fraud Specialist undertook a range of preventive and investigatory activities in pursuit of this aim.

A self-assessment against compliance with the Standards for Providers issued by NHS Counter Fraud Authority for 2023/24 was undertaken. The Trust has rated itself overall as green. The Counter Fraud Service provided regular updates to the Audit and Risk Committee on work undertaken to prevent and detect fraud including any investigations.

Health and Safety Performance, Occupational Health and Staff Wellbeing

Our organisational approach to supporting health and wellbeing within the workplace has been recognised for excellence and innovation with global and national awards. Initiatives have organically developed within the Alder Hey community and responsively adapted to the operational context of the organisation. This includes rapidly adapting and responding to the changing context of COVID-19 and working to support staff to thrive in the post pandemic recovery phase. More recently, we have widened our offer to consider the wider socioeconomic context and the stress experienced by the rising costs of living.

Effective delivery of NHS services relies on a safe and well workforce. Data published by NHS Digital reveals a steady increase in sickness absence rates which surged during the pandemic and have remained elevated compared to pre-pandemic levels (Majeed, 2024). Evidence from previous disasters suggest that the psychological recovery from societal trauma can take 4-6 years and suggests we are still working through the 'disillusionment phase', into the 'reconstruction phase', whilst facing a complex and volatile global context.

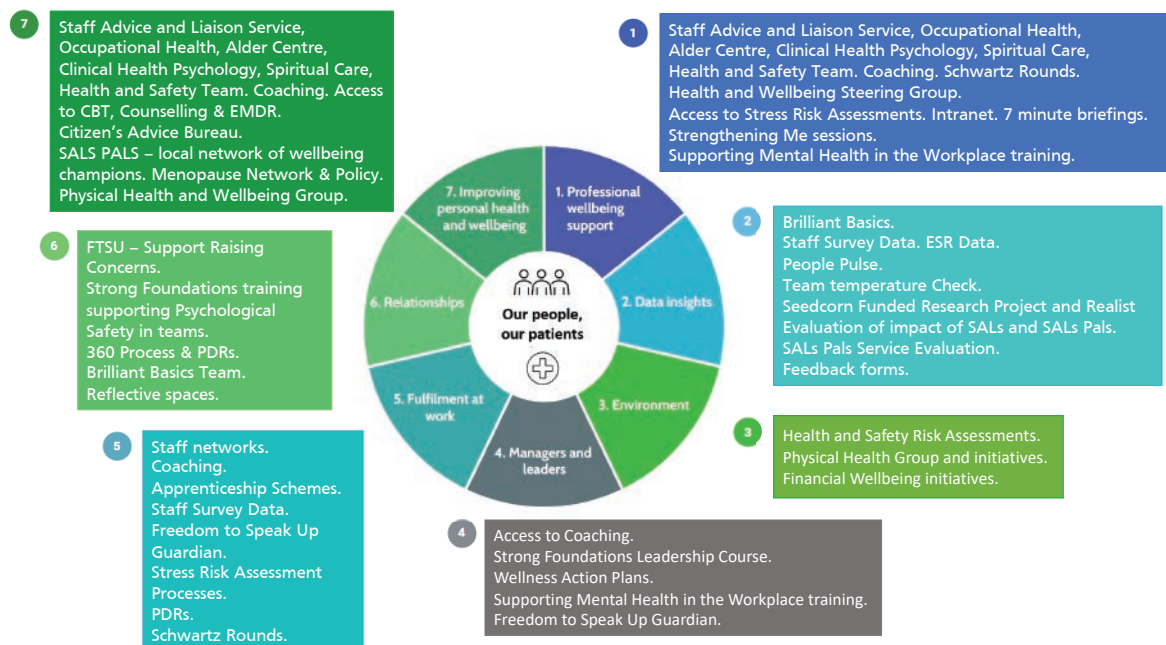
We continue to support a workforce affected by complex and acute mental health difficulties. In line with a national picture in the NHS, we are seeing staff presenting with high rates of post-traumatic stress disorder (PTSD), burn out and compassion fatigue. Mental illness accounts for 8%–12% of sickness absence each year in the UK labour force, compared with around 25% per year in the NHS workforce (Majeed, 2024). This likely relates to working conditions in the NHS, with over one-third of staff surveyed in the 2022 NHS Staff Survey in England reporting they often or always felt burnt out because of their work. We are also witnessing the impact of the pandemic on interpersonal relationships as staff present with relational strain, affecting working relationships within work with a rise in incivility between colleagues.

An Organisational Health and Wellbeing Approach

Our approach to staff support at Alder Hey has been and continues to be closely informed by the developing evidence base around what works, for whom and in what context. Whilst incorporating evidence into our practice, we also share learning with other organisations and continue to develop as a Centre of Excellence. What we know clearly, and what our staff routinely tell us, is that initiatives need to integrate the dual responsibility of individuals and their employing organisations to stay well. A recent review of employee wellbeing found that individual-level interventions that do not engage with working conditions are less effective (Fleming, 2024). Rapid access to support within an organisational context is more effective, and offers a clear return on investment (LSE, 2022).

The Staff Advice and Liaison Service (SALS) and other support mechanisms in the organisation therefore take an organisational health and wellbeing approach. NHS England have developed an organisational health and wellbeing framework based on the evidence and insights gathered about staff health and wellbeing and those actions and factors that are likely to have the most impact when staff are working under pressure.

The diagram below summarises our organisational offers in line with the health and wellbeing framework, which will be expanded on in the sections below.



Staff Advice and Liaison Service (SALS)

The Staff Advice and Liaison Service (SALS) celebrated its fourth year at Alder Hey and continues to provide support within the organisation as a one door 'listening service'. The service acts as a hub within the organisation and has had over 12,000 contacts to date. These contacts represent over 1,900 individuals representing approximately 38% of the workforce. Feedback from staff accessing the service remains very positive with 100% of the sample surveyed saying they 'would recommend the service to friends or colleagues in the organisation'.

SALS does not carry a waiting list for support and staff do not have to meet any criteria to access support, only that they are part of the Alder Hey community. Our data tells us that SALS see staff on average 4.5 times indicating that a little can go a long way when

it is tailored to an individual and provided at the right time. Providing a responsive and person-centred service is key.

Underpinning the model is the message that 'It's OK not to be OK' and SALS aims to normalise distress, provide a positive experience of help seeking, and liaise with appropriate individuals and services to develop a network of support around an individual. There is also a focus in SALS on systemic intervention. Considerable focus is also given to supporting staff to both transition to and navigate through services, providing a "safety net" of support during what can be extremely difficult journeys and processes.



Working in Unity

Building relationships and developing pathways are crucial to the emotional health and wellbeing of our staff. We therefore connect with others in the Trust to support individuals to navigate systems on their help seeking journey, ensuring that offers feel coordinated and cohesive.

At Alder Hey, staff have access to a range of support for their health and wellbeing including SALS, Occupational Health and the Alder Centre staff counselling service. Staff in medical specialties and critical care can also access support from clinical health psychology services via clinical psychologists embedded in teams. The Trust has also developed an active group of professional nurse advocates who work closely with SALS and have all received SALS Pals training. SALS also works closely with our Lead for Nurse Retention and our Freedom to Speak up Guardian (FTSU) and have a pathway in place for signposting staff to both areas. SALS also works closely with our Staff Side colleagues when needed.

SALS have also developed a pathway with community colleagues for staff with neurodiverse children who may be struggling to navigate and understand the service pathways or the implications. This new pathway has enabled staff to be able to quickly speak to an identified professional to gain insight and education about the next steps for their child, which will support our own staff saying happy and healthy in work. Similarly, a new pathway is being developed with our colleagues in the Alder Centre to offer education and guidance to support their own children during difficult times of bereavement.

Menopause

The work of the Trust's menopause group continues to grow, with a vibrant community meeting once per month which not only offers a place of support for colleagues but also provides an active group of informal champions who help and support each other. Our first Menopause Policy is in the final stages of development, and the group are now developing training videos used concurrently with the Menopause Policy to support leaders and staff throughout the Trust.

Financial Pressures

In response to the rising cost of living, we have continued with our efforts to support our staff during what has been a challenging time financially and the measures that we put into place last year have continued. This includes our partnership with the Citizens Advice Bureau which continues to offer a bespoke clinic to our Alder Hey colleagues, providing expertise on money and debt management. We have

been able to offer some reduced-cost meals for both staff and families in addition to developing a 'Pay it Forward' scheme which helps our staff in need but also gives us the opportunity to develop a community of support within the Trust. We have also continued with our 'Sway' leaflet with up-to-date financial offers externally to support staff to access and benefit from local offers of financial support.

The Trust has also introduced a 'Wage Stream' giving staff the ability to draw down on their wages to alleviate staff from financial pressure and offer an alternative Pay Day Loan. Staff have also further benefitted from the introduction of a pilot project offering both staff and visitors complimentary sanitary products to address period poverty and to support staff who are experiencing menopause. The Trust also has a local connection with Barclays Bank who attend our site once a month to offer financial guidance/information to staff.

Physical Health

Outputs from our growing Physical Health Group include fresh fruit and vegetables available once a week via a community project called Queen of the Greens; development of physical exercise groups; and sign up for the third year in succession to the NHS Games. The group has also developed a 'SWAY' leaflet which can signpost staff to national, local and community-based activity to support their physical and holistic health and wellbeing.

Arts Initiatives

Working in Partnership with the Arts for Health Team who are also supported by our Charity, we are able to signpost staff to a range of activities through their 'Create, Revive and Thrive' programme which includes: photography classes; art classes; pottery classes; a staff choir; and a staff orchestra. This programme is designed to support the health and wellbeing of our staff whilst offering new skills and opportunities to connect.

Professional Wellbeing Support

SALS is part of a wider community of stakeholders supporting professional wellbeing support. This includes our HR colleagues, the Organisational Development Team, the FTSU Guardian and champions, Occupational Health and clinical health psychology colleagues. SALS also contributes to a 'Thriving Teams' MDT to support team functioning and offer bespoke sessions to teams to support the development of professional wellbeing.

In terms of professional health, wellbeing and development, staff have also been able to access a growing internal coaching and mentoring offer. This comprises coaches across specialities and disciplines offering a mixture of wellbeing and more general coaching to colleagues. Our Strong Foundations Leadership Course is going from strength to strength and is now booked into cohort 33. Our next planned cohort is September 2024. To date 608 staff have accessed our Strong Foundations Leadership Course and we currently have over 100 staff waiting to access the programme.

We continue to provide '7 in 7' briefings based on a model of disseminating information used in the FBI where seven key points are covered in seven minutes. Themes for these videos include 'Kindness' (to target and support civility at work) as well as 'Moral Injury' (which has become pertinent as staff face challenges in recovering services alongside their team's recovered and in the context of the waves of strike action in 2023). Other training developed includes a session focused on civility and a 'Strengthening Me' session focused on psychological models and ideas that can support health care professionals. This draws on evidence and understandings from biology, psychology and neuroscience to support staff in staying well and feeling strong and has been designed to support the recovery of staff, alongside the recovery of services during the global pandemic. This has been delivered to over 150 staff.

Induction processes have been renewed and enhanced with a new policy waiting to be ratified which includes health and wellbeing conversations as part of the process of onboarding. This is alongside the training which supports health and wellbeing conversations as part of routine PDRs.

We have also supported an increase in trained facilitators to run Schwartz Rounds, providing staff with safe spaces to process and reflect on the emotional impact of work. Alder Hey has run six rounds in the last 18 months, now has 24 trained facilitators and has secured funding to train another 10 people to run rounds, building capacity for whole organisation sessions and bespoke sessions for teams using Team Time. Themes have been developed within the Schwartz Steering Group in line with themes that resonate at the time including, 'When your best isn't good enough?' to reflect moral distress, or 'I can see clearly now the fog has gone' featuring staff stories of menopause.

In line with NICE Guidelines on employee mental health (NG212, 2022), SALS has also developed 'Supporting Mental Health in the Workplace' training which is available to all staff. This online training involves two modules: 1) Strengthening Me – to support individual mental health awareness, 2) Strengthening Others – to support a proactive and preventative approach to managing mental health at work in line with the principles of psychological first aid.

Data Insights

To support the evaluation of our interventions within teams, we have also developed a 'Team Temperature Check', which is a tool to assess how 'Safe and Well' teams are working together. This tool assesses levels of engagement, burnout, wellbeing, psychological safety and patient safety culture. The tool is being used by the Organisational Development Team to evaluate changes in team culture and has been shared with our Brilliant Basics colleagues.

The Clinical Research Division, supported by the Alder Hey Charity, launched a seed corn fund to help develop new projects, ideas, and initiatives across Alder Hey's clinical research which can be achieved within 12 months. SALS were successful in their bid to undertake research focused on what works for staff within an organisational context.

The primary objectives of this study are:

1. To analyse existing data to understand SALS utilisation and impact.
2. To integrate this evidence with emerging evidence and develop a model of staff support, to guide organisations to improve staff wellbeing and quality of care.

SALS is thus supporting the development of an evidence base where research should focus on the key ingredients of change in effective interventions (What works wellbeing, 2022).



Relationships



There are several networks now available to staff to help form relationships and foster belonging. These include: the Race Ethnicity and Cultural Heritage (REACH) Staff Network; Lesbian, Gay, Bisexual, Transgender, Transsexuals, Queer, Questioning, Intersex, Asexual, Agender + (LGBTQIA+) Staff Network; Ability Celebrate Educate (ACE) Network; and the Armed Forces Network.

SALS are coming to the end of a two-year project funded by NHS England/Improvement to pilot a model of paid wellbeing champions called SALS pals. Working closely with the SALS Team, SALS pals are recruited to provide a listening ear in their department and are trained to offer compassionate conversations. This hub and spoke model supports an organisation wide approach focusing on improving connection and communication, with an aim of minimising distress and maximising trust.

The project has funded over 1,110 hours of SALS pals time within the organisation to provide a listening ear, compassionate support, help, and guidance to colleagues in their local areas. SALS pals were recruited and targeted in teams with high levels of stress including the Emergency Department (ED), Theatres, on the wards, Radiology, Speech, and Language Therapy (SALT). SALS created, developed, and delivered in-house training to support SALS pals to have compassionate conversations with an understanding of the principles of psychological first aid. This training was extended to staff working in a pastoral role to enhance their offer and support a cohesive wellbeing offer. These staff were not paid additional hours but were supported in their substantive posts. This included our professional nurse advocates (PNAs), the practice education facilitators (PEFs) and the peer support group for doctors in training known as 'SPRINT'. Through this project, we have joined up networks of support and created a sense of belonging amongst the well-being community.



SALS pals fed back the following positives from implementing this model:

- “People are now talking” – SALS pals had supported a culture of openness, helped to reduce stigma, promoted help seeking and spread the message “it is ok not to be ok”.
- The training was helpful and helped staff identify those that might be struggling.
- There is improved connection in the team because individuals got to know each other better and strengthened their connectedness and togetherness.
- Being paid for additional hours enabled staff to know that someone would have the time to stay and discuss their needs with their full attention without managing competing demands.
- “Being part of the SALS Team was a wonderful experience.”

We now have over 100 SALS pals in the Trust who are also able to access SALS for ongoing support and supervision. Findings from the pilot evaluation suggest SALS pals had a positive impact on reducing sickness absence. Data from ESR indicates that the sickness absence rates were lower in the areas where SALS pals was implemented than the same period the previous year. Many staff members were supported effectively by their SALS Pal without any further signposting to other services: 55% of staff were signposted on and 45% were not. Of those who were signposted on, 14% were referred on to SALS while other staff were signposted to support from their manager or other support offers internally and externally. 100% of SALS pals surveyed said they thought the initiative should continue and 100% of staff said they found it helpful speaking to a SALS Pal with 95% of them feeling better afterwards.

Based on the feedback, we will continue with the project and are in the process of developing a model to support its sustainability. In response to the pilot, we are rolling out SALS pals across the organisation from April 2024. SALS will continue to evaluate the SALS pals project over the next 12 months.



Being part of the SALS Team was a wonderful experience.



Outcomes and Impacts

Since 2020, the year of SALS introduction, the proportion of staff absent from work due to mental health reasons has dipped significantly from 43.49% in 2020 to 29.62% in 2022. Figures from April 2023 until March 2024 indicate that staff who have been absent from work due to mental health reasons was 1.93%.

The coherence of our whole approach to staff engagement (including our commitment to staff wellbeing and to the development of

compassionate and inclusive culture) has been recognised externally through our success in being awarded two funded projects to develop our service from NHS England/Improvement. SALS was shortlisted and named Gold Winners of the International Hospital Federation (IHF) Excellence Award for Healthcare Workers' Wellbeing on the 26th of October 2023, with their submission showcasing the work undertaken by our SALS and OD teams.



The value of our work is also evidenced by qualitative feedback from Alder Hey's staff:

“ Thank you so much for your support the past couple of months. It has really helped me. Your service and team are invaluable to the Trust and I cannot thank you enough for being there for me when I didn't know where else/ what else to do the very first time I walked through your doors. ”



“ Talking to SALS was really beneficial, I felt listened to, believed and saw actions immediately. I honestly felt that my best interests were at the centre of our conversations. ”

“ I never saw myself walking through your doors, even though I knew you were there. The feedback my colleagues have told me about the service gave me the confidence to approach you when I really needed someone. ”



“ Of all the services I reached out to for support, SALS was the only one that was consistent, supportive, and flexible in meeting my needs at that time. I feel so privileged to have been able to access this service and feel it has helped me greatly to be able to continue doing my job to a quality standard. ”

Freedom to Speak Up (FTSU)

The Trust's Freedom to Speak Up Guardian (FTSUG) has continued to build capacity and capability throughout the organisation during the year in relation to a positive speaking up culture, working to consolidate close working with SALS colleagues developed during the pandemic. The two services have embedded their symbiotic relationship, frequently signposting staff to each other and work is ongoing to align activity data between the two on a thematic and strictly anonymised basis.

Recruitment of FTSU champions continues, with the overall vision of a diverse group of champions supporting each ward/department. This increased capacity has provided more opportunity for staff to seek the service of FTSU and ensured that staff have a colleague who understands the area that they work in and the barriers they may face in accessing FTSU. The role of the Champion is one that promotes the principles of FTSU, signposts staff to the service and highlights the importance of staff completing the Speak Up, Listen Up training which is available to all and which has now been mandated for all staff.

An FTSU Visibility Programme is now in place enabling champions to visit every ward and department both on and off site, describing to staff the principles of FTSU and how to access the service. In August 2023, we successfully included the National Guardians Office, Speak Up, Listen, Follow Up, ESR training, as part of the mandatory training programme, with compliance being 82%, a great success given the short time span.

The coming year 2024/25 will see the recruitment of a Deputy Freedom to Speak Up Guardian, the evolution of our Champion network, a continued use of intelligence gathered via FTSU to assist in the growth of quality improvements and aiding the development of a restorative, just and learning culture within Alder Hey.

Health and Safety

The Health and Safety Team continued to work in partnership with teams across the Trust to ensure the organisation is a safe environment for all of our patients and staff. Alongside Occupational Health and the Staff Advice and Liaison Service (SALS), the Trust offers wide ranging support for the physical, mental and psychological health and wellbeing of every colleague working at Alder Hey.

The Alder Hey Academy

The Alder Hey Academy focuses on all things learning, education and opportunity related, ensuring that both current and future staff have the knowledge, skills and confidence to undertake their roles effectively. Since 2021, the Academy has included Medical Education; Clinical Education; Learning and Development; Apprenticeships as well as Events and our Vocational Programmes and Schools & Colleges Out-Reach.

As a major provider of education and training for doctors, nurses, and allied health professionals we partner with several universities and other education providers to offer a range of learning opportunities for pre and post registration students as well as offering placements, work experience and shadowing opportunities to those at different stages in their career. In 2023/24 we welcomed over 600 medical students to Alder Hey on placement, and for the first time these included medical students from Edge Hill University and the University of Central Lancashire as well as students from our long-



Our Registered Nurse Degree Apprentices

standing partner, the University of Liverpool. We also provided clinical placements to more than 900 nursing and allied health students as well as offering placement weeks for over 60 BTEC students and 185 students seeking work experience.

In addition, Alder Hey delivers a number of postgraduate modules and courses to support wider workforce development. Our academic partnership with Edge Hill University enables us to offer modules/awards in High Dependency Care and Paediatric Critical Care (with over 90 participants undertaking these during 2023/24) and a new partnership with Great Ormond Street Hospital and Middlesex University has enabled us to offer modules in the physical examination and assessment of children and young people as part of a new Advanced Clinical Practice Programme.

As a large employer with an ethical and social responsibility within the Liverpool City Region (LCR), expanding our apprenticeship offer is a key priority for us. In 2023/24, a further 37 staff started an apprenticeship, with 14 of these being new staff joining the Trust as an apprentice - an increase of 42% from the previous year. To date, we have over 250 staff undertaking an apprenticeship across 43 different subjects, ranging from Level 2 up to Level 7 (Masters). New subjects being studied in 2023/24 include Clinical Associate in Psychology Level 7 (Masters), Artificial Intelligence Data Specialist Level 7 (Masters), Senior People Professional Level 7 (Masters) Operating Department Practitioner Level 6, (Degree) Dietician L6 (Degree), and Safety, Health, and Environment Technician Level 3. To maximise the opportunities available through apprenticeships, we currently work with 35 apprenticeship training providers across the North West Region and beyond (including 11 universities, 10 colleges and 14 Independent training providers) and we are also now working with new stakeholders for apprenticeship provision which include: Cambridge Spark Limited, MBKB, RHG Consult Limited, the University of Bolton and the University of Exeter. Alder Hey remains one of the first NHS trusts to be awarded Matrix accreditation for our Information, Advice and Guidance (IAG) Service, and this quality mark ensures that colleagues and managers receive high quality support and impartial IAG about career-related apprenticeship decisions.

We were delighted by the successes of our apprentices during 2023/24 – from one of our apprentices being awarded the prize as the highest achieving student on the Level 6 Social Worker Degree Apprenticeship (through Manchester Metropolitan University) to our cohort of registered nurse degree apprentices (through UCLAN) who successfully achieved their apprenticeship and started their new roles as

Band 5 staff nurses within the Trust in February 2024.

Ensuring we provide high quality learning opportunities is a major focus for us, and during the year we implemented a number of actions to enhance students/trainees experience whilst at Alder Hey. Many of these focused on student wellbeing, managing the changes brought about by new curricula, enhancing student/trainee 'voice', supporting supervisors and mentors and realising the benefits of technology and technology enhanced learning. Managing the quality of students' learning experience during periods of industrial action brought some significant challenges, it is testament to our collaborative approach and partnership working that we were able to navigate these periods with minimum cancellations.

Some highlights from our enhancement work include:

- *Timetabling of student activities*
Work to implement the University of Liverpool's automated timetabling system was completed in-year, enabling UoL medical students to receive full details of their placement activities in advance of their placement. This has aided placement planning and supported good communications between all parties, which was particularly relevant in light of the significant changes introduced by the University to their Year 4 curricula in September 2023.
- *Refreshed Induction/s*
Receiving a good induction is critical to ensuring that all students, trainees and staff feel welcome and orientated to Alder Hey. Our undergraduate medical student inductions were refreshed under the direction of our new Clinical Sub-Dean and the induction for trainees was reviewed and revised under the guidance of a Postgraduate Tutor and Director of Medical Education Team with support from the medical education team. Alder Hey's corporate induction has also undergone a major refresh, with a new framework being introduced from April 2024.
- *Student Engagement and Support*
Reflective of the need to ensure timely and accessible support for all students, our Medical Education Team has changed its approach to student registration to ensure daily face to face contact with students, which complements our open-door policy. In addition, we have introduced an annual study day for regional

child field nursing students, (Year 1 introduction to practice, Year 2 consolidation of practice and Year 3 transition) which aligns to student's professional proficiencies. These events have also been designed to enable students to engage with the Practice Education Team at regular points throughout their programme - ensuring those requiring support can be identified and any specific requirements implemented. We also facilitate quarterly learner forums for a range of learners within the organisation, to participate in shared learning and utilise some dedicated time to understand learner experiences within the organisation currently.

- *Supportive Coaching in Practice (SCiP)*
We have now fully implemented our SCiP model across the organisation. The principles of the SCiP model are to empower students to lead their own learning under the support of a coach and this model enables learners to develop multiple skills including workload prioritisation, leadership, teamworking and communication. The principles of SCiP are now implemented in all areas of the Trust and feedback from learners is incredibly positive as to the benefits of this approach. SCiP has been identified in recent recruits' application forms as fundamental to their professional confidence at the point of registration in addition to all the skills developments identified above.
- *The Practice Experience Recognition Certificate (PERC)*
PERC is a relatively new project which enables us to identify child nursing students who consistently demonstrate exceptional skills whilst in clinical practice. Any student who is awarded a PERC in all years of their programme is then able to access an adjusted recruitment pathway, which provides more choices in relation to their area preference. There is also the opportunity for ward managers to award a 'lightning PERC' to students in year 3, which enables the student to access the adjusted recruitment pathway for their designated area.
- *Additional Practice Learning Activities (APLA)*
APLA is a resource that has been created to enable practice learning that takes place outside of the clinical environment to be recognised. We have developed an extensive data base of resources to aid students in their learning and to offer guidance in relation to proficiency-based activities in order to enhance their practice knowledge. This is available to all students and has been created in partnership with multidisciplinary teams within Alder Hey and our local university partners. Learners are supported to take control of and be responsible for their own

learning and via APLA are provided with multiple opportunities to develop their own practice, which enables them to further work towards becoming independent, reflective and professional practitioners. The value of this, along with our wider child nursing pre-registration innovations, was recognised when we were the winners of the 'Celebrating Achievements And Practice Excellence Award' from the University of Chester.

Wider work during 2023/24 has included the roll out of the professional nurse advocate (PNA) framework overseen by the new Lead for Nurse Retention; a new preceptorship policy and framework approved (February 24); a refresh of the Band 5 development pathway and piloting of the new national nursing competencies for Band 5 nurses; the creation of a Band 6 nurse development programme; delivery of the Care Certificate to healthcare support workers and a review of the design of trainee's paediatric programme in light of new national curricula.

Our in-house leadership development programme 'Strong Foundations', rooted in psychology around understanding self and others, continues to be both popular and impactful across all levels of the organisation and Insights Discovery is also offered to individuals and teams to support team dynamics and compassionate leadership. Wider development opportunities include coaching, mentoring and 360 feedback, all of which are co-ordinated by the Organisational Development Team to ensure personalised support and development is available when/where it is needed most.

The Academy Learning and Development (L&D) Team, under the guidance of the new Head of L&D, have spent time ensuring that courses and events are more visible to staff across the Trust and the L&D team are integrated more fully within team discussions and workforce planning activities. They have also worked tirelessly with divisional leads, HR colleagues and subject matter experts to deliver on our requirement to ensure staff are compliant with mandatory training. Notwithstanding new topics being added, the operational challenges of industrial action, embedding different ways of working and managing the demands on our services this year, we have consistently exceeded our 90% target. During the latter part of 2023/24, the L&D Team introduced a refreshed approach to training needs analysis (TNA), with the intention of creating a more personalised experience at team, service and divisional level. Feedback has been positive, and this will now feed forward into 24/25 priorities.

Across Alder Hey we use a range of technologies to support learning and our Simulation Special Interest Group (SIM-SIG) has gone from strength to strength in 2023/24, bringing together those with experience of and/or an interest in simulation. Partway through the year and reflective of the growth in simulation activity, a new approach to capturing and reporting simulation was introduced. During Quarter 3 and Quarter 4, 72 formal simulation sessions were run, covering topics such as sepsis, cardiac arrest, burns, anaesthetic emergencies and deterioration. Pre and post evaluations highlight the value of simulation in supporting staffs' confidence, with participants typically recording a usefulness of between 9 and 10 (10 being the maximum) and an increase in confidence of between 3 to 5 points (on a 10-point scale).

As a leading provider of paediatric care, we are keen to maximise opportunities for sharing our knowledge and expertise and to learn from others. Hundreds of learning events run throughout the year but some highlights include the 5th Annual Vestibular Conference in October 2023, which attracted delegates from as far afield as Mumbai, Bucharest, Nice and Barcelona. In addition, ENT colleagues hosted the prestigious European Society of Otorhinolaryngology 2023 Congress in the M&S Bank Arena, supported by the Academy Events Team. This reflects a shift in our ways of working as logistically not all events are able to be accommodated on-site.

Other highlights include two practical paediatric radiology study days within our state-of-the-art Radiology Teaching Suite (provided in conjunction with the North West School of Radiology); our collaboration with Liverpool Medical Institute to offer an Aspiring Medics Programme (designed to enthuse, inspire, and support the next generation of doctors) and our work with Manchester Metropolitan University and the Alder Centre for education which ensures that all trainee teachers at MMU hear first-hand from young people about their experiences of mental health and how teachers/schools can best support them.

Reflecting our role as an anchor organisation within the city and given the need to attract talent from across a wide range of communities, we continue to work with internal and external partners to deliver our Inspiring Futures programmes.

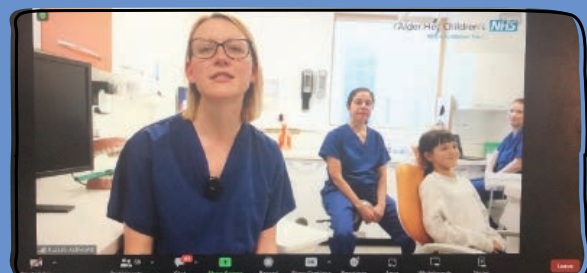
As part of this we:

- Offer supported internships in partnership with

Liverpool City Council, DfN Project Search and the Royal Liverpool University Foundation NHS Trust. 12 young people are currently on the programme, which sees them develop skills across a range of placement areas during the year, with the aim of securing employment at the end of the programme.



- Develop new partnerships to maximise the value of our placements and work experience opportunities for local young people with specific support needs.
- Support a range of local careers related events for both primary and secondary schools.
- Run our Aspiring Medics Programme for those interested in medicine as a career.
- Partner with The Prince's Trust to offer employment support for young people aged 16-29.
- Collaborate with other trusts across Cheshire and Merseyside in terms of career-related support for care experienced young people.
- Deliver sessions for The Children's University, which is an education programme working with children aged 5 - 14 to ignite a passion for learning, to raise aspirations and build self-confidence. A recent Alder Hey broadcast saw over 2,000 children join online to explore all things 'teeth' related!



Children's University Mini Mouth Matters Zoom Broadcast by Alder Hey's Dental Team.

Expenditure on Consultancy

Expenditure on consultancy during 2023/24 was for specialist advice and operational delivery on an interim basis to ensure high quality services for children and families. Consultancy costs for the year 2023/24 were £611k (£549k 2022/23).

Off Payroll Engagements

The Trust has continued with its policy to use off-payroll arrangements only in circumstances where the skills market is limited in providing the level of expertise and availability required to fulfil a particular role or provide professional advice.

Details of the Trust's off-payroll engagements during the year are set out in the tables below:

Table 1: Off-Payroll Worker Engagements as at 31 March 2024

For all Off-Payroll Engagements as of 31st March 2024, for More Than £245 per Day and That Last Longer Than Six Months	2023/24 Number of Engagements
No. Of Existing Engagements 31 March 2024	10
Of Which:	
Number That Have Existed for Less Than One Year at the Time of Reporting	1
Number That Have Existed for Between One and Two Years at the Time of Reporting	3
Number That Have Existed for Between Two and Three Years at the Time of Reporting	3
Number That Have Existed for Between Three and Four Years at the Time of Reporting	2
Number That Have Existed for Four or More Years at the Time of Reporting	1

Table 2: All Off-Payroll Workers Engaged at any Point During the Year Ended 31 March 2024

All Off-Payroll Workers Engaged at Any Point During the Year Ended 31st March 2024	2023/24 Number of Engagements
Number of Off-Payroll Workers Engaged During Year Ended March 2024	26
Of Which:	
No. Assessment as Within Scope of IR35	0
No. Assessment as Outside Scope of IR35	26
No. of Engagements Reassessed For Consistency/Assurance Purposes During the Year	0
No. of Engagements That Saw a Change To IR35 Status Following The Consistency Review	0
Number of Engagement Where the Status Was Disputed Under Provisions in the Off-Payroll Legislation	0
Of Which: Number of Engagements That Saw a Change to IR35 Status Following Review	0

Table 3: For any Off-Payroll Engagements of Board Members, and/or Senior Officials, With Significant Financial Responsibility, Between 1 April 2023 and 31 March 2024

No. of Off-Payroll Engagements of Board Members, and/or Senior Officials With Significant Financial Responsibility, During the Financial Year	1
No. of Individuals That Have Been Deemed "Board Members and/or Senior Officials With Significant Financial Responsibility" During the Financial Year.	38

Exit Packages 2023/24

Exit Package Cost Band (Including Any Special Payment Element)	Number of Compulsory Redundancies	Number of Other Departures Agreed	Total Number of Exit Packages by Cost Band
	Number	Number	Number
<£10,000	-	7	7
£10,001 - £25,000	1	1	2
£25,001 - 50,000	-	-	-
£50,001 - £100,000	1	-	1
£100,001 - £150,000	-	-	-
£150,001 - £200,000	-	-	-
>£200,000	-	-	-
Total Number of Exit Packages by Type	2	8	10
Total Resource Cost (£)	£79,000	£38,000	£117,000

Exit Packages: Other (Non-Compulsory) Departure Payments

Note 6.3 Exit packages: Other (Non-Compulsory) Departure Payment

	2023/24	2023/24	2022/23	2022/23
	Payments Agreed Number	Total Value of Agreements £000	Payments Agreed Number	Total Value of Agreements £000
Voluntary Redundancies Including Early Retirement Contractual Costs	-	-	2	18
Mutually Agreed Resignations (MARS) Contractual Costs	-	-	-	-
Early Retirements in the Efficiency of the Service Contractual Costs	-	-	-	-
Contractual Payments in Lieu of Notice	8	38	17	86
Exit Payments Following Employment Tribunals or Court Orders	-	-	-	-
Non-Contractual Payments Requiring HMT Approval (Special Severance Payments)*	-	-	-	-
Total	8	38	19	104
Of Which: Non-Contractual Payments Requiring HMT Approval Made to Individuals Where the Payment Value Was More Than 12 Months of Their Annual Salary	-	-	-	-

Staff Survey

Approach to Engagement

Over the past few years, we have focused our efforts to increase response rates and engagement in the Staff Survey by utilising a comprehensive communication plan. This plan ensures that staff across the Trust are aware of the importance of completing the survey, as well as the impact that their feedback has had in terms of improvements and changes within the Trust.

In addition to this, for 2023 we focused heavily on challenging and empowering our divisions and teams to drive engagement within their own areas.

As in the past few years, we continue to encourage local feedback and have a comprehensive feedback plan whereby each eligible team and department receive a copy of their local data to discuss together in a 'Big Conversation'. These conversations are a chance to discuss feedback and agree local actions they can take together to improve staff experience and engagement. The overall Trust performance is reviewed at the Trust Board and has been shared with staff across the organisation.

The annual Staff Survey is just one of the mechanisms that we have in place to monitor and learn from staff feedback. We gain valuable insights from the quarterly People Pulse and from other formal but more regular opportunities to hear staff voices and act on their feedback. This includes a newly developed Working Safe and Well Team Temperature Check, ad hoc surveys, the Ground Truth tool and of course through our staff networks.

In addition, we are constantly striving to improve opportunities for "everyday" listening opportunities through PDRs, health and wellbeing conversations, 'stay' conversations, conversations with SALS Pals, professional nurse advocates and trainee wellbeing leads, targeted listening sessions (with teams, groups or issue specific, such as industrial action), weekly 'Ask the Execs' and regular team meetings.

Summary of Performance -

Results from the NHS Staff Survey

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

The Trust achieved a 60% response rate in 2023, up from 54% in 2022. 71.15% of staff recommend Alder Hey as a place to work and 88.82% as a place for friends and family to receive care. Both results have improved since last year and both are significantly above the average of our comparator group, with the latter being "best-in-class" for our comparator group of 122 acute and community trusts.



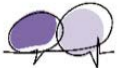




This year has seen excellent results for Alder Hey as we have seen improvements across all the People Promises and themes compared to last year's results and scored higher than average across each of them in our comparator group. In addition to this we have seen improvements in all 21 of the Staff Survey sub-scores and scored above average for 20 out of 21, scoring just below average for appraisals despite some significant improvements this year.

The Trust is particularly proud of being ranked top in our comparator group for the below questions:

- Care of patients/service users is my organisation's top priority.
- My organisation acts on concerns raised by patients/service users.
- My organisation encourages us to report errors, near misses or incidents.
- If a friend or relative needed treatment I would be happy with the standard of care provided by this organisation.

The Trust survey responses reflect a national picture of overall improvement as the NHS recovers from the exceptional challenges faced over the past few years due to the COVID-19 pandemic and its many impacts, as well as the resolution to some of the pay disputes that were ongoing during the last year.

The table below provides an analysis of our results across the seven key NHS People Promises and the additional themes of staff engagement and morale over the last three years.

People Promise/Theme	2021	2022	2023	Change from Last Year
 We are compassionate and inclusive	9.4	9.4	9.4	9.1
 We are recognised and rewarded	6.4	6.4	6.4	6.1
 We each have a voice that counts	6.9	6.9	6.9	6.8
 We are safe and healthy	6.6	6.6	6.6	6.2
 We are always learning	n/a	n/a	n/a	n/a
 We work flexibly	7.6	7.6	7.6	7.5
 We are a team	8.7	8.7	8.7	8.1
Staff engagement	9.8	9.8	9.8	9.5
Morale	7.1	7.1	7.1	6.8

Below and overleaf are the top five and bottom five scores from our results, showing comparisons over the last three years and national averages for each score. All scores are reported as positive percentages, meaning that higher % is better, regardless of the wording of the question/statement.

Top 5 Scores				
Question	2021	2022	2023	National Average
13b: In the last 12 months how many times have you personally experienced physical violence at work from managers?	99.7%	99.8%	99.7%	99.2%
13c: In the last 12 months, how many times have you personally experienced physical violence at work from other colleagues?	99.1%	98.9%	99.2%	98%
17a: In the last 12 months, how many times have you been the target of unwanted behaviour of a sexual nature in the workplace from patients/service users, their relatives or other members of the public?	New question for 2023, no previous data available.		99%	92%
17b: In the last 12 months, how many times have you been the target of unwanted behaviour of a sexual nature in the workplace from staff/colleagues?	New question for 2023, no previous data available.		98.6%	96.1%
16c04: On what grounds have you experienced discrimination? Sexual Orientation.	96.4%	95.1%	98.4%	95.8%

Bottom 5 Scores

Question	2021	2022	2023	National Average
12e: How often, if at all, do you feel worn out at the end of your working day/shift?	18.5%	18.1%	19.2%	18.9%
12a: How often, if at all, do you find your work emotionally exhausting?	22.2%	20.9%	21.3%	22.6%
21d: (My Appraisal)... helped me to improve how I do my job.	18.1%	20.9%	23.1%	26.6%
12c: How often, if at all, does your work frustrate you?	20.9%	20.5%	23.4%	22.3%
5a: I have unrealistic time pressures.	24.5%	22.8%	26.5%	25.2%

Areas for Improvement

Whilst there will always remain areas for improvement, there are many positive and very encouraging results from the Staff Survey, and we have shared and celebrated our results across the Trust and with individual teams and divisions.

Looking at our five lowest scoring questions, it is clear there is still more work needed to ensure that staff receive appropriate support. There is a requirement for a continued focus on staff wellbeing both physical and psychological, as well as work done to ensure staff aren't overstretched.

Despite a consistent improvement over the last few years in staff opinion of the appraisal process, there is also still focus required around further improving the link between the appraisal conversation and the practical impact this has on staff performance in their role.

As well as the above, a particular area of emphasis for this year will be on improving the consistency of results across the Trust. It's clear from our results that there is a real variation of experience depending on where staff work, their staff group, ethnicity and disability. In particular, we will look to explore these differences in experience around ethnicity and disability in more detail with our various networks to understand and improve experience.

Future Priorities and Targets

While our results for 2023 are in the main very positive, we are conscious that 40% of staff chose not to complete the Staff Survey this year. As ever, our commitment for next year will be to encourage more staff than ever before to complete the survey and help us understand their experience of working at Alder Hey.

We will continue to strive for an improvement in all our results, but we will focus particularly on improving the number of staff who recommend Alder Hey as a place to work, increasing our target for 2024/25 from 80% to 85%.

Louise Shepherd

LOUISE SHEPHERD CBE

Chief Executive
26th June 2024



Teddy's Story

In 2023 eight year old Teddy received Alder Hey's first gene therapy treatment. The treatment was part of a research study aiming to enhance the care available to boys with Duchenne Muscular Dystrophy (DMD).

DMD is a progressive condition that causes increasing muscular weakness in children, including difficulty standing and walking, and can lead to heart and breathing complications later in life. There currently is no cure for the condition.

The treatment involved replacing the gene in Teddy's cells that isn't working with a healthy version.

It would not have been possible for such a complex, highly specialist research study to take place without the support of charities such as Joining Jack and Duchenne UK, who have funded a number of roles in DMD research at Alder Hey and the DMD Hub who help coordinate study access across the UK.



Mum Nicola said:

“

This trial is the best opportunity that Teddy has been given. We have to stay positive and hopefully, it can help other boys with Duchenne Muscular Dystrophy in the future.

”



NHS Foundation Trust Code of Governance

The NHS Foundation Trust Code of Governance was first published by Monitor in 2006. The purpose of the Code of Governance is to assist NHS foundation trust boards in improving their governance practices by bringing together the best practice of public and private sector corporate governance. The Code is issued by NHS England as best practice advice but imposes some disclosure requirements which are set out in the sections below.

Alder Hey Children's NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a 'comply or explain' basis.

The arrangements put in place by the Trust in response to the Code are set out in the sections below and elsewhere in the report as appropriate. The Code of Governance for NHS provider trusts replaced the former NHS Foundation Trust Code of Governance on 1 April 2023.

Our Council of Governors

2023/24 again saw several changes on the Council of Governors following the annual elections. A comprehensive Trust induction programme continued to be delivered virtually to enable incoming governors to understand their new role as rapidly as possible. This training is also offered to existing governors annually to refresh their skills. Several Alder Hey governors also took advantage of the ongoing *GovernWell* development programme offered by NHS Providers; also provided virtually, which is an invaluable resource. A bespoke face-to-face training session was facilitated during the year by NHS Providers which focused on accountability and holding to account, ensuring governors are equipped with the skills and knowledge they require to hold the Board to account. Training and development opportunities remain flexible and responsive to meet the needs of the governors.

All board reports are made available to the governors to equip them with the information they require to give feedback about the Trust's activities to members and other stakeholders, including the host organisations of appointed governors. The governors use a variety of mechanisms to canvass the view of members and the wider community; some of these are informal and carried out through individuals' networks and others more formal such as inviting comments via the newsletter and direct engagement at the Annual Members' Meeting. Such views are fed back to the Board throughout the year at regular formal meetings, providing an opportunity for governors to discuss key strategies with board members. The Council has continued to work alongside the Board to understand and contribute to the Trust's plans.

The Council met formally four times during the year. The Council re-appointed one of the existing non-executives during 2023/24 for a third three-year term of office and approved the appointment of a new Non-Executive Director of the Trust. The Council also approved changes to the Constitution during the year.

Executive and non-executive directors attend the Council of Governors' meetings and report on the work of their committees and the Chair and Chief Executive report on the Trust's performance and on key strategic and operational issues and developments. This ensures that the agendas of the two bodies remain closely interlinked and appropriate decisions taken by each in accordance with its Standing Orders.

The 2023 Annual Members' Meeting (AMM) was held in November via Microsoft Teams where reflections from the previous year were shared, specifically highlighting the challenges facing the NHS and how Alder Hey responded through various mechanisms such as mutual support for our staff, new ways of working and working collaboratively with our system partners.



The AMM also featured a video prepared by the Alder Hey Forum and Chameleons Group in the style of ‘Who Wants to be an Alder Hey Exec?’ to deliver just some of the highlights from the 2022/23 Annual Report and Accounts. This was followed by a formal presentation of the Trust’s Annual Accounts 2022/23 and the report of the Council of Governors. The meeting was concluded by showcasing our new strategy Vision 2030 and our ambitious plans to meet the changing needs of children and young people locally, regionally and nationally.

The governors have also continued to input into a fully inclusive process for the Chair’s appraisal and agreement of annual objectives, led by the Senior Independent Director. In addition to its statutory role the Council contributes to the life of the Trust in a variety of ways including: observing various assurance committee meetings to better understand the workings of the Trust; holding the non-executive directors to account for the performance of the Board; and attending quality assurance rounds.





The Lead Governor continued to hold regular meetings with the governors without members of the Board present. These discussions generate items for discussion at formal Council meetings to provide governors with additional assurance on key topics such as: the suitability of the beds for parents in patient rooms; the extent of the follow-up outpatient waiting list; the Trust’s management of initial appointments and follow-up appointments; the rollout of the new Electronic Patient Record (EPR) and whether it is working as well as indicated; the processes in place to identify and resolve issues that might result in a risk of ‘hidden’ waiting lists and restricted access to vital clinical information as a result of the transfer/changed processes of EPR; and the learning that has been taken from the Lucy Letby case to improve the culture at Alder Hey and the workforce in terms of addressing low morale and ensuring staff feel safe.

Informal governor meetings established by Dame Jo continued in-year and have been welcomed by the Council to allow information flows on important topics outside of the formal governor meetings. Updates on matters raised throughout the year were attended by subject matter experts.

In addition to the full Council meetings, governors have been involved in the Membership Strategy Committee, chaired by Public Governor Daniel Casson who reported: “Our ambition is to have a membership base which is engaged and actively involved in co-producing future service design and delivery and is reflective of the needs of patients and the local community. We are particularly keen to ensure the voice of children and young people is central to our work and have benefited from the involvement of patient governors in sharing their insights. Through

our Membership Strategy we are keen to continue to engage with and update members about Alder Hey, encourage active involvement and support further recruitment of members and governors. Together with meeting the requirements of a Foundation Trust, membership communications also has an integral role to play in the wider Trust Communications Strategy. We have welcomed the Director for Marketing and Communications to our committee meetings to work together. Many of our key stakeholders are current or potential members. We regularly engage with them via a refreshed newsletter which seeks to maintain their support and raise awareness of the Alder Hey brand. Every member is a potential advocate of Alder Hey who can support the hospital, build awareness of our brand as a world-leading children’s healthcare campus and even potentially fundraise. We continue to seek to offer members opportunities to be involved in and feel part of the Alder Hey family.

The Membership Strategy Committee continued to take forward its work plan and objectives in support of the Membership Strategy. Key activities in the year included:

-  Acting as an editorial board for the members’ newsletter, supported by members of the Communications and Marketing Team.
-  Exploring social media platforms for membership purposes.
-  Providing greater incentive and perks for members.
-  Planning and organisation of the Annual Members’ Meeting.

Governors are contactable through the Trust’s Board Administrator based at Alder Hey on **0151 282 4888** or by email at membership@alderhey.nhs.uk.

Composition of the Council of Governors

The Council of Governors is made up of 25 elected governors and 10 appointed governors from nominated organisations and comprises six staff governors (elected by staff), nine public governors, four patient governors, six parent and carer governors (elected by members). The Council represents, as far as possible, every staff group and the communities that Alder Hey serves across England and North Wales. Elected governors are chosen as part of an independent process managed on behalf of the Trust by Civica UK Ltd., in accordance with the Constitution. Elections to the Council of Governors take place annually in the

summer. On election or appointment all governors are required to sign the Council's Code of Conduct and to complete their declaration of interests in accordance with the Trust's policy.

The Council of Governors operates under the leadership of the Trust Chair and its endeavours are supported by the Lead Governor, Ana Samuel who was elected to this role in October 2023. The roles and responsibilities of governors are set out in the Trust's Constitution and Council of Governors' Standing Orders.

Governor	Constituency	Class	Term	Term of Office	Council Meetings Eligible to Attend in 2023/24	Total No. of Attendances at Council Meetings
**Barbara Murray	Appointed	Local Authorities (LCC)	-	n/a	5	5
Rob Tabb	Appointed	Local Authorities (LCC)	-	n/a	5	5
Francine Watkins	Appointed	Liverpool University	-	n/a	5	4
Salman Khan	Appointed	Stakeholders (Local Dental Committee)	-	n/a	5	3
Jane Roberts	Appointed	Edge Hill University	-	n/a	5	4
Lila Bennett	Appointed	Local Authorities (LCC)	-	n/a	2	0
Liz Parsons	Appointed	Local Authorities (LCC)	-	n/a	2	0
John Patterson	Appointed	Stakeholders (Education)	-	n/a	5	1
Monique Collier	Appointed	Voluntary/ Local Interest/ Community Groups	-	n/a	5	3
Howard Lewis	Appointed	Voluntary/ Local Interest/ Community Groups	-	n/a	5	4
Molly Wardle	Patient	Merseyside	First Term	01-09-20 31.08.23	1	0
Bella Plows	Patient	Merseyside	First Term	01.09.22 – 31.08.25	5	3
Emily Carragher-Leigh	Patient	Merseyside	First term	01.09.22 – 31.08.25	5	4

Governor	Constituency	Class	Term	Term of Office	Council Meetings Eligible to Attend in 2022/23	Total No. of Attendances at Council Meetings
Leah Priestly-Black	Patient	Rest of England and North Wales	First Term	01.09.22 – 31.08.25	5	1
Josh Martin	Patient	Merseyside	First Term	01.09.23 – 31.08.26	4	0
Pippa Hunter-Jones	Patient	Parent & Carer	Third Term	01-09-20 – 31.08.23	1	1
Georgina Tang	Patient	Parent & Carer	Third Term	01.09.22 – 31.08.25 Resigned Dec 2024	3	3
Cheryl Danher	Patient	Parent & Carer	Second Term	04.04.24 – 03.04.27	5	2
Naomi Grannell	Patient	Parent & Carer	Third Term	01.09.20 – 31.08.23	1	1
*Ana Samuel	Patient	Parent & Carer	Second Term	01-09-23 – 31.08.26	5	4
Nicola Thorbinson	Patient	Parent & Carer	Second Term	01-09-23 – 31.08.26	5	2
Hilary Peel	Public	Merseyside	Third Term	01.09.22 – 31.08.25	5	5
Micaela Dempsey	Public	Merseyside	First Term	15.09.21 – 14.09.24	5	1
Rebecca Moore	Public	Merseyside	First Term	01.03.23 – 28.02.26	5	0
Brian Lawless	Public	Merseyside	First Term	01.09.23 – 31.08.26	4	0
Sue Thoms	Public	Wider North West	Second Term	01-09-23 – 31.08.23	5	2
Simon Jacobs	Public	Wider North West	Second Term	01-09-20 – 31.08.26	5	2
**Daniel Casson	Public	Rest of England	Second Term	01.09.22 – 31.08.25	5	3
Lowri Smith	Public	N. Wales	First Term	15.09.21 – 14.09.24	5	2
**Sujata De	Staff	Medical Practitioners and Dental Practitioners	Second Term	15.09.21 – 14.09.24	5	2

Governor	Constituency	Class	Term	Term of Office	Council Meetings Eligible to Attend in 2022/23	Total No. of Attendances at Council Meetings
Mike Travis	Staff	Nursing Staff	First Term	01.09.22 – 31.08.25	5	2
Jacqui Pointon	Staff	Nursing Staff	First Term	22.03.22 – 21.03.25	5	4
Lachlan Stark	Staff	Other & Trust Volunteers	First Term	01.09.22 – 31.08.25	5	4
John Ashton	Staff	Other & Trust Volunteers	First Term	22.03.23 – 21.03.26	5	5
Michael Mander	Staff	Other & Trust Volunteers	First Term	01-09-23 – 31.08.26	5	4

* Lead Governor

** Members of the Nominations Committee





Attendance at Council of Governors by Board Members



There were four meetings held in 2023/24.



Dame Jo Williams
Attended 4 meetings



Gerald Meehan
n/a



Fiona Marston
Attended 2 meetings



Kerry Byrne
Attended 4 meetings



Garth Dallas
Attended 4 meeting



Fiona Beveridge
Attended 3 meetings



Shalni Arora
Attended 3 meetings



Alfie Bass
Attended 4 meetings



Louise Shepherd
Attended 3 meetings



John Grinnell
Attended 3 meetings



Melissa Swindell
Attended 3 meetings



Adam Bateman
Attended 4 meetings



Nathan Askew
Attended 3 meetings



Erica Saunders
Attended 4 meetings



Dani Jones
Attended 3 meetings



Kate Warriner
Attended 4 meetings



John Kelly
Attended 4 meetings



Jo Revill
Attended 3 meetings

Declaration of Interests

A copy of the Council's Register of Interests is available on request from Erica Saunders, Director of Corporate Affairs via the Executive Office on **0151 282 4888** or by email at membership@alderhey.nhs.uk

Our Membership

It is important to us that membership is relevant to all sections of the communities we serve, and we continue to make every effort to reach all groups within our membership constituencies. We seek to ensure that our membership reflects the social and cultural mix of our catchment population. We also need to ensure that our Council of Governors reflects our membership, and we aim to address this challenge by encouraging a large, representative membership from all areas served by the Trust.

Alder Hey has three board membership constituencies: public, patients and staff. Within these there are different classes, each of which has at least one Governor representing them. We also have a group of appointed governors who represent the partnership arrangements the Trust has within the wider health and social care system. The wide geographical basis for the public constituencies is derived from the Trust's patient footprint, since we are also a supra-regional centre which means that patients from all over the country (and the world!) are referred to us for treatment. In addition, a specific class for parents and carers reflects the vital role played by individuals who support and care for our patients. Membership is open to anyone over the age of seven who lives in the electoral wards specified. Once a patient reaches 20 years of age they are required to transfer to the public or parent and carer category, whichever is most applicable.

Membership Strategy

The Trust's Membership Strategy is owned and led by a committee of the Council of Governors called the Membership Strategy Committee. During 2023/24 the Committee continued to meet as planned via Microsoft Teams and was chaired by one of our public governors, Daniel Casson. The terms of reference of the Committee were approved by the Council of Governors to undertake the following:




- Devise a Membership Development Strategy on behalf of Council, which describes clearly the processes by which the Trust will develop as a membership organisation.
- Ensure that regular analysis of the existing membership is undertaken to inform recruitment of new members, ensuring that the membership remains representative of the communities served by the Trust.
- Devise a system of effective communication with the wider membership so that members are actively engaged with activities such as elections.
- Develop and implement appropriate monitoring systems to evaluate the membership strategy in terms of openness, diversity, representativeness and sustainability.

- Engage with other membership-based organisations on best practice recruitment and communication to determine if there is transferability to the Trust.

The Membership Strategy Committee is supported by the Trust's Marketing and Communications Team and Corporate Governance Team and works to an agreed set of objectives created to reflect the overall aims of the Membership Strategy. Achievements during 2023/24 included:

- Continuing to communicate to our membership. Alder Hey continued to share useful information for patients, parents, families and members through our website.
- Delivery of the membership newsletter 'Alder Hey Matters' via email on a bi-monthly basis, featuring an introduction from a different Governor each issue, a 'look back' calendar of other events and key updates from the Trust. The newsletter enables the Trust to communicate more effectively with its members and in a timely way, ensuring they remain up to date on the latest Alder Hey news.
- Updating the Membership section of the Trust website to ensure it remained effective and useful. The section features information about the Council of Governors and its role, alongside up to date copies of the membership newsletter, annual reports and the ability to sign up to become a Member.

- Once again, we hosted our Annual Members' Meeting virtually in November 2023 to share information with members about Alder Hey's operational and financial performance. Particular highlights of the AMM included:

-  Reflections from the previous year, specifically highlighting the challenges facing the NHS and how Alder Hey responded through various mechanisms such as mutual support for our staff, new ways of working and working collaboratively with our system partners.
-  A video prepared by the Alder Hey Forum and Chameleons Group in the style of 'Who Wants to be an Alder Hey Exec?' to deliver some of the highlights from the 2022/23 Annual Report and Accounts.
-  A presentation of the Trust's Annual Accounts 2022/23 and the report of the Council of Governors. The meeting was concluded by showcasing our new strategy Vision 2030 and our ambitious plans to meet the changing needs of children and young people locally, regionally and nationally.

Throughout our membership activities, the Trust endeavours to ensure that all the communities that it serves are provided with every opportunity to become an informed and engaged Member. It is our intention to continue to maintain our membership population at around 14,000 overall but with a continued focus on recruitment of more children and young people as members in the coming year. This strategy will be carried out in line with the Trust's Vision 2030 Strategy and with all legislation pertaining to equality and diversity issues.

Plans for 2024/25 include a number of ideas to enhance membership engagement and ensure the Council's legal duties are met:

- Ongoing support and training to governors to enable them to effectively promote Alder Hey to their constituents and external connections.
- Liaising with community leads in the Trust and Alder Hey Children's Charity to explore how the Trust can maximise support and sign ups from schools and local community groups.
- Engaging with members by collecting feedback through online surveys or questionnaires featured in membership newsletters.
- Increasing awareness and recruiting members via Trust careers and apprenticeship events.
- Developing promotional material such as flyers and information leaflets to ensure that messaging is targeted internally and externally.
- Continuing with our social media campaign that targets a younger audience to drive membership recruitment within a younger age category.
- Creating collateral and display boards for membership which can be used across various events and open days within the Trust and the community.
- Continuing to maintain an effective membership section on the website.
- Re-launching membership and pathway options with a specific campaign involving a new website section, internal communications, social media messaging and sign-up stall in Atrium.
- Going digital where possible using the Trust website and social media. Bi-monthly newsletters are now communicated via email rather than mail. This supports the Trust's Green Plan ambitions.
- Continuing to weave the overarching Trust brand narrative and core messages through all communications to members.
- Encouraging staff to engage with membership by increasing the visibility of staff governors. This can be achieved through internal staff communication channels including Alder Hey Life.

- Look at how we strengthen mechanisms by which the Council of Governors can consider the views of the 'public at large'.

Membership Profile

Constituency	Number of Members 2023/24 (Actual as at 31st March 2024)
Public	4,590
Patients & Parent Carer	4,310
Staff (Including Volunteers)	4,677
Total	13,577

Our Board of Directors

The Trust's constitution provides for a Board of Directors which is comprised of no more than seven executive and no more than eight non-executive directors excluding the Chair. All director roles have been occupied during 2023/24 in accordance with the strategy developed by the Trust in support of the constitution. The Trust considers that it operates a balanced, complete and unified Board with particular emphasis on achieving the optimum balance of appropriate skills and experience; this is reviewed whenever any vacancy arises and was rigorously tested in the year as part of the process to appoint executive directors and to appoint and re-appoint non-executive directors.

The Board of Directors operates to clear Standing Orders and an annual work plan, which reflect the Trust's Constitution and Provider Licence and which are in turn supported by detailed standing financial instructions, a scheme of delegation and a schedule of matters reserved for the Board which are set out in the Trust's Corporate Governance Manual and Constitution.

It is the role of the Board to set the organisation's strategic direction in the context of an overall operational planning framework set by NHS regulators. It is responsible for all key business decisions but delegates the operationalisation of these to an appropriate committee or the Trust's Operational Delivery Board to receive assurance that the organisation is fulfilling its responsibilities including compliance with standards and targets and the conditions set out in the Trust's Provider Licence.

The Board meets on the first Thursday of each month except August. Board meetings are fully and accurately minuted, including challenges and concerns of individual directors as appropriate. The Chair meets separately with the non-executive directors directly before each meeting. All board meetings are open to the public. The dates, times and how to access the meetings are published on the Trust's website and the papers posted shortly after. The Board's agenda is structured around the Trust's strategic priorities set out in the overarching plan for Vision 2030. Each meeting begins with a patient or staff story which is designed to ensure that patients and patient care remain at the centre of all discussions and decisions. At each meeting, the Board receives the integrated performance report which describes in detail how the organisation has performed against key local and national metrics, including a quality report which focuses on progress against the Trust's quality aims. Accompanying the performance information is the Board Assurance Framework which demonstrates to the Board how the principal risks to the organisation's business are being controlled and mitigated.

Board governance is supported by several assurance committees which have oversight of key activities:

- Safety and Quality Assurance Committee
- Resources and Business Development Committee
- Audit and Risk Committee
- Research and Innovation Committee
- People and Wellbeing Committee
- Remuneration and Appointments Committee

Each assurance committee submits an annual report to the Board describing how it has fulfilled its terms of reference and work plan during the year; these are also considered by the Audit and Risk Committee in the context of its role on behalf of the Board to ensure that the Trust's control environment is effective and fit for purpose.

Non-executive directors are appointed by the Council of Governors at a general meeting, following a selection process undertaken on behalf of the Council by its Nominations Committee. The Council of Governors has adopted a standard term of office of three years for all non-executive appointments, in accordance with the 'NHS Foundation Trust Code of Governance.' The Chair and non-executive directors can also be removed by the Council of Governors through a process which is described in section 24 of the Constitution.

Members can contact all governors and directors by the following methods:

- In writing, care of the Board Administrator, Alder Hey Children's NHS Foundation Trust, Eaton Road, Liverpool, L12 2AP.
- By telephone on **0151 282 4888**
- By email at membership@alderhey.nhs.uk

Independence of Non-Executive Directors

The Board considers all of its current non-executive directors to be independent. All appointments and re-appointments are made by the Council of Governors specifically to meet the requirements set out in Monitor's 'NHS Foundation Trust Code of Governance'.

Board Performance

Each member of the Board of Directors undergoes an annual appraisal to review his or her performance against agreed objectives, personal skills and competencies and progress against personal development plans. Since 2014/15, the Trust's appraisal process has assessed how individuals have performed in relation to the Trust's values of Excellence, Openness, Respect, Innovation and Togetherness. Non-executive director assessments and that of the Chief Executive are undertaken by the Chair of the Trust and Executive Director performance is assessed by the Chief Executive. The appraisal of the Chair includes input from all Board members and the Council of Governors as well as key external partners; it is led by the Senior Independent Director. The process is undertaken in accordance with guidance issued by NHS Improvement in 2019.



Attendance at Board of Directors and Key Board Committee Meetings

		Board of Directors	Audit and Risk Committee	Safety & Quality Assurance Committee	Resources & Business Development Committee	People & Wellbeing Committee	Research and Innovation Committee
No. of Meetings Held 2023/24		11	5	11	12	6	4
Dame Jo Williams	Chair	11	Not a Member	1 of 1	3 of 3	Not a Member	Not a Member
Louise Shepherd	Chief Executive	9	Not a Member	Not a Member	Not a Member	Not a Member	3
Gerald Meehan	Non-Executive Director	0 of 1	n/a	n/a	Not a Member	Not a Member	Not a Member
Fiona Beveridge	Non-Executive Director	9	Not a Member	11 Chair	Not a Member	6	Not a Member
Jo Revill	Non-Executive Director	10	4	8	Not a Member	2 of 2	Not a Member
Shalni Arora	Non-Executive Director	7	Not a Member	Not a Member	11	Not a Member	4 Chair
John Kelly	Non-Executive Director	9	Not a Member	Not a Member	12	5	4
Fiona Marston	Non-Executive Director	9	Not a Member	Not a Member	4 of 8	6 Chair	3 of 3
Kerry Byrne	Non-Executive Director	11	5 Chair	10	1 of 1	Not a Member	Not a Member
Garth Dallas	Non-Executive Director	10	4	Not a Member	Not a Member	6	Not a Member
John Grinnell	Managing Director / CFO	10	3 Attendee	8	11	Not a Member	3
Adam Bateman	Chief Operating Officer	10	4 Attendee – Risk Only	10	9	3	Not a Member
Erica Saunders	Dir. of Corporate Affairs	11 Attendee	4 Attendee	9	9 Attendee	5	3
Melissa Swindell	Chief People Officer	9	Not a Member	10	8	5	Not a Member

Attendance at Board of Directors and Key Board Committee Meetings Cont'd.

		Board of Directors	Audit and Risk Committee	Safety & Quality Assurance Committee	Resources & Business Development Committee	People & Wellbeing Committee	Research and Innovation Committee
No. of Meetings Held 2023/24		11	5	11	12	6	4
Alfie Bass	Chief Medical Officer	8	Not a Member	8	not a Member	2	0
Nathan Askew	Chief Nursing Officer	9	Not a Member	10	Not a Member	2	3
Dani Jones	Chief Strategy and Partnerships Officer	10	Not a Member	9	9 Attendee	Not a Member	Not a Member
Mark Flannagan	Dir. Marketing and Communications	2	Not a Member	Not a Member	11 Attendee	7	Not a Member
Kate Warriner	Chief Digital and Transformation Officer	10	Not a Member	6	9	Not a Member	5

Audit and Risk Committee Report

The Audit and Risk Committee is comprised of non-executive directors only, excluding the Trust Chair. The Committee was chaired by Kerry Byrne, a Non-Executive Director with 'recent relevant financial experience' which is best practice. The Managing Director/CFO and Director of Corporate Affairs, together with the Director of Finance and Development and Assistant Director of Nursing and Governance, are invited to attend and the Committee may request the attendance of the Chief Executive and any other officer of the Trust to answer any points which may arise. Attendance by members is set out above.

The aim of the Audit and Risk Committee is to provide one of the key means by which the Board of Directors ensures effective internal control arrangements are in place. In addition, the Committee provides a form of independent check upon the Executive arm of the Board. As defined within the NHS Audit Committee Handbook (2024), the Committee has responsibilities for the review of governance, risk management and internal control covering both clinical and non-clinical areas.

In discharging these duties, the Committee is required to:

- Establish and maintain an effective system of governance, risk management and internal control, across the whole of the organisation's activities;
- Ensure that there is an effective internal audit function;
- Review the work and findings of the external auditors;
- Receive updates from local counter fraud service on national and local matters;
- Review the findings of other significant assurance functions;
- Satisfy itself that the organisation has adequate arrangements in place for counter fraud, bribery and corruption;
- Monitor the integrity of the financial statements; and
- Review the effectiveness of the arrangements in place for allowing staff (and contractors) to raise (in confidence) concerns about possible improprieties.

The conduct of this remit is achieved firstly through the Committee being appropriately constituted and secondly, by the Committee being effective in ensuring internal accountability and the delivery of audit and assurance services.

Internal Audit

The internal audit service is provided by Mersey Internal Audit Agency (MIAA), an independent NHS organisation. The Director of Internal Audit Opinion and Annual Report for 2023/24 reports that MIAA have demonstrated their compliance with Public Sector Internal Audit Standards. Internal Audit provides an independent and objective opinion to the Accountable Officer, the Board and the Audit and Risk Committee on the degree to which risk management, internal control and governance support the achievement of the agreed objectives of the organisation.

Upon specific request they can also provide an independent and objective consultancy service specifically to help line management improve the organisation's risk management, internal control and governance arrangements.

The Audit and Risk Committee contributed to the risk assessment to inform and subsequently approve the content of the Internal Audit Plan for 2022/23. This plan was structured to provide the Director of Internal Audit Opinion which gives an assessment of the:

- Design and operation of the underpinning Assurance Framework, risk management and supporting processes;
- Range of assurances arising from risk-based internal audit assignments that have been reported throughout the period considering the relative materiality of systems reviewed and management's progress in respect of addressing control weaknesses identified; and
- The organisations response to internal audit recommendations and the extent to which they have been implemented.

The opinion is based upon the delivery of a range of individual opinions arising from risk-based audits that have been reported throughout the year. The assessment has taken account of the relative materiality of these areas and the findings and management's progress in respect of addressing those findings.

The key conclusion from their work for 2023/24 as provided in the Director of Internal Audit Opinion and Annual Report, was that 'Substantial Assurance' can be given that there is a good system of internal control designed to meet the organisation's objectives and that controls are generally being applied consistently.

External Audit

The provision of external audit services is delivered by Ernst & Young, who, following a tendering exercise undertaken during summer 2022 were appointed by the Council of Governors in September 2022 for a three-year period (extendable to five years). The external audit fees for the three-year contract were at a fixed price of £502,000, covering the audit of the Trust's financial accounts and includes a total of 210 audit days per year. A further review of this fee was undertaken during 2023/24 as a consequence of additional audit resource required due to a number of complex transactions and additional testing of data and, following thorough discussion on the rationale and benefit to the Trust an additional fee was approved by the Council of Governors of £19,680 for year ending 31st March 2024.

The work of the External Audit can be divided into three broad areas:

- To audit the financial statements and provide an opinion thereon;
- Report by exception, any significant weaknesses in our arrangements to secure economy, efficiency and effectiveness in our use of resources; and
- Provide commentary on our arrangements in relation to Value for Money.

The Committee has approved an External Audit Plan and receives regular updates on the progress of audit work undertaken.

The Audit and Risk Committee considered the external audit results for 2023/24 which confirmed there were no matters to report.

The Audit and Risk Committee members have had regular opportunities to meet in private with internal audit, external audit and the Associate Director of Nursing and Governance during the year.

Five meetings were held during the financial year 2023/24, of which one in June was devoted to consideration of the auditors' report on the Annual Accounts and ISA 260. The Committee has an annual work plan with meetings timed to consider and act on specific issues within that plan.

Clinical Audit

The Audit and Risk Committee is responsible for the oversight of Clinical Audit activities, but the detailed oversight is undertaken by the Safety and Quality Assurance Committee on its behalf. The Committee received the Trust Clinical Audit Plan 2023/24 following its approval by SQAC. The Plan is designed to reflect mandatory national and regional audits, National Confidential Enquiries (NCE) and audits that the Trust has identified as areas of priority fulfilling the requirements of the NHS Quality Contract and Trust Quality Account.

During 2023/24 the CEOG was established to oversee all clinical audit delivery reporting into SQAC. CEOG is chaired by a senior clinician and it endorses the Trust Clinical Audit Plan prior to approval by SQAC and oversees its delivery.

At each meeting the Audit and Risk Committee considered a range of key issues and tested the underpinning control and assurance mechanisms, including:

- The Board Assurance Framework report;
- The Corporate Risk Register;
- A summary of the findings from internal audit reports in accordance with the approved 2023/24 work plan;
- A summary of the outcome of the progress in implementing internal audit recommendations that have passed their due date; and
- Counter fraud reports by the MIAA counter fraud specialist in accordance with the approved 2023/24 work plan.

In addition, throughout the year the Audit and Risk Committee has reviewed and dealt with the following matters:

- Annual Governance Statement
- Consideration of the 2023/24 Annual Accounts (for the year ending 31 March 2024)
- External Audit report on the financial statements to 31 March 2024 and ISA 260
- Internal Audit work plan for 2023/24
- Internal Audit Charter
- Ernst & Young External Audit Year-End Report 2023/24
- External Audit Strategy and Accounting Issues relating to the Audit of the Trust's 2023/24 Accounts
- Accounting policies for the 2023/24 financial statements
- Audit and Risk Committee workplan 2023/24
- Terms of reference and workplan for the Audit and Risk Committee

- Annual reports from all the Trust's assurance committees
- Gifts and hospitality registers
- Assurances in relation to the implementation of InPhase
- Effectiveness review of External Audit
- Corporate Governance Manual
- Financial statement audit risks for 2023/24
- Waiver Activity Report including exemptions to the waiver process
- Reports from key risk areas including project assurance, data protection, cyber security, data quality, Freedom of Information and EPRR
- Clinical Audit
 - Annual Report 2023/24
 - Plan 2023/24
- Presentations of risk management processes within the divisions
- Update on the actions from the ARC self-assessment that was completed in 2021/22

The Board Assurance Framework is reviewed monthly by the Board and used by the assurance committees to inform standing agenda items. In addition, each of the assurance committees provides assurance to ARC in their Annual Report as to the effectiveness of managing those risks within their area of responsibility with the exception of R&I Committee. Scrutiny of the management of the financial and operational risks to the organisation is the responsibility of the Resources and Business Development Committee. Risks pertaining to our workforce fall under the remit of the People and Wellbeing Committee. Clinical risks are overseen by the Safety and Quality Assurance Committee and risks that affect the delivery of the Trust's Research and Innovation Strategy are the responsibility of the Research and Innovation Committee.

The Audit and Risk Committee maintains a regular overview of these key risks via its consideration of the Board Assurance Framework which details the controls in place to mitigate them, any gaps in assurance and the action being taken to address them. In this way the cycle of control is maintained between the various elements of the governance framework. The Risk Management Forum is the operational assurance mechanism that also reviews the BAF and Corporate Risk Register and reports to the Audit and Risk Committee.

Nominations Committees

The Trust has established separate nominations/appointments committees to oversee the appointments of executive and non-executive directors.

The **Nominations Committee of the Council of Governors** is responsible for the appointment and removal of non-executive directors. It is chaired by the Trust Chair apart from when it is concerned with the appointment or re-appointment of the Trust Chair. Other members of the Committee are:

- Barbara Murray – Appointed Governor
- Su De – Staff Governor
- Daniel Casson – Public Governor

During 2023/24 the Committee considered:

- The re-appointment of Non-Executive Director, Kerry Byrne for a further three year extension; and
- The appointment of Non-Executive Director, Gerald Meehan.

NHS Oversight Framework

NHS England and NHS Improvement's 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); and
- 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 license conditions.

Segmentation

Alder Hey has been placed in segment 2. This segmentation information is the Trust's position as of 31st March 2024. Current segmentation information for NHS trusts and foundation trusts is published on the NHS England website:

<https://www.england.nhs.uk/publication/nhs-system-oversight-framework-segmentation/>.

Voluntary Disclosures

Equality Report

Alder Hey Children's NHS Foundation Trust is committed to enhancing equality, diversity, and inclusion, creating a welcoming experience for all our patients, families, visitors and colleagues. Supporting a diverse workforce, we understand the importance of recognising difference; different backgrounds, different views, beliefs, or different ways of working and/or learning.

Appreciating this diversity is key to success, enabling the delivery of the best possible care to our children, young people, and their families. Patient care is at the heart of everything that we do, and this is reflected in Alder Hey values. Equality, diversity and inclusion flow through the Trust values and are key to delivering the organisational objectives. As a public sector organisation, we recognise our role and responsibility to provide equal opportunities and advance inclusion, working to eliminate discrimination and foster good relationships as defined in the Equality Act 2010. It's not only our legal duty but it is fundamental to our practices at Alder Hey. We believe that everyone has a part to play in adopting a culture of inclusion and belonging and challenging inequality. We encourage and support our people to work together, respect each other, appreciate and embrace differences and deliver the best care to our children and young people.

“ Patient care is at the heart of everything that we do, and this is reflected in Alder Hey values. ”





Collaborate for children and young people

Jaidon's Story

Five year old Jaidon from Crewe was diagnosed with Autosomal Recessive Polycystic Kidney Disease (ARKPD) when he was just four days old. 1 in 20,000 babies are born with this rare genetic condition where the kidneys and liver eventually fail. Jaidon is on the organ waiting list for a kidney and liver transplant.

The impact Jaidon's condition has on his life and his family can be overwhelming. His mum Kayleigh travels with him to Alder Hey six days a week from their home in Crewe so he can receive 5-6 hours of dialysis at a time.

Now thanks to a huge funding boost from medical charities LifeArc and

Kidney Research UK, children and young people with kidney disease will be given better access in the future to improved diagnostics, treatments and potentially cures.

Over the next five years, the LifeArc-Kidney Research UK Centre for Rare Kidney Diseases will create a £9.4m 'UK Kidney Ecosystem'. Led by experts from Alder Hey and the University of Liverpool, the Centre will bring together scientists, clinicians, patients, and other stakeholders to work together as one kidney community and will be supported by an additional £1m funding from Kidney Research UK. The Centre will initially focus on finding new, improved treatments for children like Jaidon.



Director of Research and Innovation Professor John Chester said

“

Research into new treatments is crucial for advancing healthcare, improving patient outcomes, and ultimately enhancing quality of life for people around the world. Alder Hey is always striving to drive research and innovation forward and we're excited to see how this new ecosystem will improve the lives of our children and young people long in to the future.

”





Statement of the Chief Executive's Responsibilities as the Accountable Officer of Alder Hey Children's NHS Foundation Trust



The National Health Service Act 2006 states that the Chief Executive is the Accountable Officer of the NHS Foundation Trust. The relevant responsibilities of the Accountable 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 Accountable Officer Memorandum* issued by NHS England.

NHS England has given accounts directions which require Alder Hey Children's 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 Alder Hey Children's 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 Accountable Officer is required to comply with the requirements of the *Department of Health 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 Accountable 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 Accountable 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 Trust's auditors are aware of that information.

To the best of my knowledge and belief the information in the document is accurate; I have properly discharged the responsibilities set out in Monitor's *NHS Foundation Trust Accountable Officer Memorandum*.

Signed.

Louise Shepherd

LOUISE SHEPHERD CBE

Chief Executive
26th June 2024

13 year old Niamh was born with a bilateral cleft lip and palate. She has been a patient at Alder Hey since she was just three months old and has had several operations over the years.

Because of her condition, Niamh has had several ear infections and hearing difficulties. This is because the muscles of the palate play a crucial role in regulating airflow into the middle ear and draining fluids from it. When this process is disrupted, fluid accumulates in the ear, resulting in a temporary hearing impairment. The fluid also increases the risk of middle ear infections, potentially resulting in permanent hearing loss if left untreated.

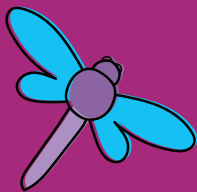
Niamh recently had an operation to insert an active middle ear implant into her ear. This is the first operation of its kind at Alder Hey and one of the few times an implant of this type has been used on a child in the North of England.

The operation involved attaching the implant to one of the bones in Niamh's middle ear. The implant has an external processor that picks up sound waves. The implant turns the sound waves into mechanical vibrations which are amplified and get sent to the inner ear and then to the brain, just like in the normal hearing process.

Niamh said

“ It feels amazing to be able to hear by myself. Everything is so clear. I can wear my hair down for the first time now, as I had to wear it up for external hearing aids to work. I want to say a big thank you to the ENT team who I've grown up with, they've been amazing. ”

Niamh's Story





and economically. The system of internal control has been in place in Alder Hey Children's NHS Foundation Trust for the year ended 31 March 2024 and up to the date of approval of the annual report and accounts.

Capacity to Handle Risk

Every member of staff at Alder Hey has an individual responsibility for the management of risk within the organisation. Managers at all levels must understand the Trust's Risk Management Strategy and be aware that they have the authority to manage risk within their area of responsibility.

As Chief Executive and Accountable Officer, I have overall responsibility and accountability for risk management; I am informed of significant risk issues via the established reporting mechanisms and assurance committees, ensuring that my role in relation to risk management is fulfilled. The Chief Medical Officer is jointly accountable with the Chief Nurse to the Board of Directors and the Chief Executive for clinical risk management and clinical governance via appropriate reporting mechanisms. The Chief Nurse is responsible for embedding compliance with CQC standards across the organisation. The Director of Corporate Affairs is the executive lead for risk management and is accountable to the Board and the Chief Executive for the Trust's risk management activities. The Associate Director of Nursing and Governance is the operational lead for risk management, accountable to the Director of Corporate Affairs and has line management responsibility for the Trust's corporate level Risk Management Team. They are responsible for ensuring that the Trust's risk management systems and processes are effective and operate in accordance with best practice. The Chief Operating Officer is the executive lead for Estates and Facilities and is responsible for the effective management of risk in those areas. The Chief People Officer retains an overview of workforce risks and is responsible for the health and safety management function. The Director of Corporate Affairs is the executive lead for regulatory, reputational and legal risks. The Managing Director/Chief Finance Officer is responsible for ensuring that the Trust carries out its business within sound financial governance arrangements that are controlled and monitored through effective audit and accounting systems. The Chief Digital and Information Officer is responsible for information management and technology risk, is responsible for information governance and is the nominated Senior Information Risk Owner, whilst the Chief Nurse is the Trust's Caldicott Guardian.

Scope of Responsibility

As Accountable 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 Foundation 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 Alder Hey Children's NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively

Divisional directors and associate chief operating officers and their senior teams, including associate chief nurses and risk and governance leads, are responsible for ensuring that risk management systems within the divisions are effective and meet

the objectives outlined within the Risk Management Strategy. Divisional boards have a key role in assuring the effectiveness of risk management, including regular scrutiny of divisional risk registers. Associate chief nurses and divisional risk and governance leads monitor and review incidents, risk assessments, claims and complaints and ensure that agreed actions are carried out and feedback is given to staff.

Ward and department line managers ensure that relevant staff are trained on InPhase, the Trust's electronic incident reporting system and that incidents are reported and actions taken as required. They provide feedback to staff, ensuring that Trust policies, procedures and guidelines are followed to minimise risk and share learning from incidents and near misses. Individuals are responsible for reporting any identified risks in order that they can be addressed and are accountable for ensuring their own competency and that their training needs are met in discussion with their line managers. They attend induction and statutory and mandatory training as required. They ensure that they practice within the standards of their professional bodies, national standards and Trust policies, procedures and guidelines.

During the year 2023/24, Alder Hey continually encouraged a strong reporting culture. The Trust's performance position in relation to incident reporting improved compared to previous years with 8,572 incidents recorded, compared to 7,740 in 2022/23.

Alder Hey transitioned to the new reporting system, Learning from Patient Safety Events (LFPSE) on 2nd May 2023 in line with national guidance. The incident

reporting per 1,000 bed days previously published by the National Reporting and Learning System NRLS is no longer available due to the LFPSE changes.

LFPSE data is not directly comparable to NRLS data and NHS England recommend when reviewing trends/changes over time to use a full year of data. As there is no historic data when comparing data across the current time periods, no data publication will be possible during the first 12-18 months of LFPSE operation. Work is currently in progress with the LFPSE NHS England Team to produce a new recorded data dashboard due for release in late 2024.

Through the new national framework, the Trust continues to demonstrate a positive safety ethos and promotes an open, transparent incident reporting culture to prioritise immediate learning and ensure remedial actions are implemented and embedded, leading to changes in practice and improved services for children and young people.

In May 2023, following a joint procurement process with Liverpool Heart and Chest Hospital NHS Foundation Trust a new electronic risk management system 'InPhase' was implemented. Alder Hey's previous risk management system, Ulysses, did not fully comply with the requirements under the Patient Safety Incident Response Framework (PSIRF). The new system has delivered several benefits to enable analysis to be used for learning and improvements in practice ensuring the safety of patients, staff and public.

Risk registers continue to be used interactively throughout the organisation and are fully embedded in the Trust's governance structures including the Board, its sub-committees, the Trust Risk Management Forum and divisional integrated assurance governance groups, to better drive the management, including mitigation of risks.

To support the effective delivery of the Trust's Risk Management Strategy, work continues to improve the functionality of the InPhase risk management system, including the development of divisional risk heat maps and dashboards to allow for real time interrogation of risks.

During the year, regular monthly meetings continued to validate risks on risk registers with operational teams, ensuring that risks are identified, assessed, mitigated, and reviewed promptly. Work has also continued to develop the governance of risk processes, thus assuring the Trust Board about the effective management of risk.



A new and improved risk management training package was developed for staff aligned to the new InPhase system and will be rolled out from April 2024.

During Quarter 3 2023/24, the Board revised the Board Assurance Framework (BAF) to align with the risks to delivery of our revised Vision and ambitious 2030 Strategy. The Board of Directors maintained its regular and robust oversight of the Board Assurance Framework during the year, with the assurance committees also keeping their related risks under regular review and where appropriate requesting further scrutiny of a particular risk or issue by another committee. In addition, assurance committees undertook several 'deep dives' of the strategic risks under its purview during the year, using a standard approach developed for consistency in helping to gauge risk appetite. The focus of these exercises was to review the rationale for the current score, examine the mitigations currently in place and establish if the actions planned were sufficiently robust. During the year, the Board and assurance committees continued to maintain oversight of corporate risks directly linked to the BAF risks allowing a line of sight on key operational risks that could threaten delivery of the strategic plan. The BAF continues to support the construction and delivery of the Board agenda and has contributed towards the achievement of a positive opinion from the Trust's internal auditors under the annual review of the assurance framework which states that:

Structure: The organisation's AF is structured to meet the NHS requirements.

Risk Appetite: The organisation does consider the risk appetite regularly and the risk appetite is used to inform the management of the AF.

Engagement: The AF is visibly used by the organisation.

Quality & Alignment: The AF clearly reflects the risks discussed by the Board.

The Trust received a rating of 'substantial assurance' for its AF confirmed by the Director of Audit Opinion for 2023/24.



The Risk and Control Framework

Implementation of the Trust's Risk Management Strategy is monitored through the Audit and Risk Committee supported by the Risk Management Forum. The Board of Directors and its assurance committees have maintained their focus on key risks in 2023/24 to ensure there is a strategic oversight of any changes to the organisation's risk profile.

The risk management strategy provides a robust framework for the systematic identification, assessment, treatment and monitoring of risks, whether the risks are clinical, organisational, technological, financial or environmental. Its purpose is to minimise risks to patients, staff, visitors and the organisation by ensuring that effective risk management systems and processes are implemented in all areas of service provision and that these are regularly reviewed.



The key elements of the strategy include:



- A definition of risk management;
- The Trust's policy statement and organisational philosophy in relation to risk management as an integral part of our corporate objectives, goals and management systems;
- Strategic vision for risk management across the organisation;
- Roles, responsibilities and accountabilities; and
- Governance structures in place to support risk management, including terms of reference of key committees.

The Board Assurance Framework, which focuses on identifying and monitoring the principal strategic risks to the organisation at corporate level, is embedded within the Trust and is regularly reviewed and updated. The Assurance Framework has been reviewed by the Board of Directors on a monthly basis during the year and oversees the following elements:

- Identification of principal risks to the achievement of strategic objectives;
- An assessment of the level of risk in-month, calculated in accordance with the Trust’s risk matrix, described below;
- Internal controls in place to manage the risks;
- Identification of assurance mechanisms which relate to the effectiveness of the system of internal control;
- Identification of gaps in controls and assurances;
- A target risk score that reflects the level of risk that the Board is prepared to accept; and

- The actions taken by the Trust to address control and assurance gaps.

The Trust uses a robust, well-established risk assessment process. Risks are analysed to determine their cause, their potential impact on patient and staff safety, the achievement of local objectives and strategic objectives, the likelihood of them occurring or recurring and how they may be managed. Risks are evaluated using the Trust’s Framework for the Grading of Risks, which reflects industry best practice. This framework provides a consistent approach to the grading of risks as they are identified and enables all risks to be graded in the same manner against the same generic criteria. This allows for comparisons to be made between different types of risk and for judgments and decisions about individual risk appetite and the prioritisation of resource allocation to be made on that basis. It enables decisions to be taken about the level of management of each risk within the Trust.

The top three risks during the year were:

Risk	Key Controls
1 Children and young people waiting beyond the national standard to access planned care and urgent care	<ul style="list-style-type: none"> • Clinical review of long waiting patients • Safe Waiting List Management Programme • Controls for waiting time in the Emergency Department • Controls for referral to treatment times for planned care • Controls for access to care in Community Paediatrics • Controls for access to care in specialist mental health services • Urgent operating lists • Additional weekend working in Outpatients and Theatres to increase capacity
2 Impact of worsening financial environment	<ul style="list-style-type: none"> • Organisation-wide financial plan • NHSE financial regime, regulatory and ICS • Capital Planning Review Group • Financial review panel meetings • Financial systems, budgetary control and financial reporting processes • CIP subject to programme assessment and sub-committee performance management • Assurance committee deep dive into any areas or departments that are off track and high risk
3 System working to deliver 2030 Strategy	<ul style="list-style-type: none"> • Joint development of new models of care on a wider footprint • PLACE partnerships • Working relationships with key system leaders and regulators • Membership of CMAST and MHLDC provider collaboratives • Impact assessment re: delegation of specialist services into ICS guidance (national, regional, ICS level) to enable understanding of risks/opportunities and influence for CYP

The Trust's risk appetite statement was agreed in February 2022 incorporating risk tolerances linked to the various defined risk categories, including safety and quality, regulation and compliance, financial environment and innovation, using a risk appetite framework based upon best practices promoted by the Good Governance Institute.

In 2022/23 each of the main assurance committees was asked to undertake a review of the risk tolerance scores for the BAF risks within the categories under their remit, including current scoring, impact and likelihood threshold descriptors where they exist and to determine what those may be where they do not. This work was placed on hold following the implementation of InPhase whilst we developed a number of system reports.

During the latter part of 2023/24 this work resumed and the next phase is for the Audit and Risk Committee to consider the risk profile that this presents during the first quarter of 2024/25 and make any recommendations that arise to the Board when it next considers its overall appetite; this may include the adjustment of thresholds or differentiation of risk categories that are more reflective of Alder Hey's strategic direction e.g. Futures.

A cornerstone of the Trust's approach to risk is to continue to further embed risk management within its clinical divisions and corporate functions. In order to achieve that, each division and corporate function has a lead for risk and governance who acts as the focus for the various aspects of governance and risk management within their area. They coordinate all such work and liaise with the Risk Management Team and with other governance professionals across the Trust. Regular updates to departmental and divisional risk registers are fed into the Corporate Risk Register. The Risk Management Forum engages in an active analysis of the Corporate Risk Register (a subset of the TRR for risks scored 15+) and Trust Risk Register (TRR) report at each meeting taken in the broader context of the Board Assurance Framework. The Forum also invites specific risk owners to present a deep dive of a particular risk at each meeting, usually as a result of the position that has emerged during the analysis of the corporate risk register at the previous meeting. The deep dives often lead to escalation of the particular risk to another senior forum such as the Executive Team or an assurance committee.

Now in its second year of operation, the Corporate Services Collaborative continues to meet monthly with good engagement across the 12 non-clinical service departments; its ethos is to operate as a supportive collective of senior managers, with a focus on service improvement using a Brilliant Basics approach - our method to improving quality, safety, effectiveness, and experience.

Particular issues and areas for improvement are identified via aggregated performance data across the

same metrics used to monitor performance within the clinical divisions. In addition to workforce and financial data, the monthly collaborative meetings which are chaired by the Director of Corporate Affairs and attended by corporate heads of department or deputy directors, also look at a corporate services risk register for risks rated high moderate and above. The group uses a 'hot spots' approach to focus on particular areas of risk. This collective and mutually supportive methodology has been welcomed by participants as a means of reducing the risk of 'silo' working across these areas and look for opportunities for sharing of good practice, resources and solutions to better support clinical service provision.

Alder Hey continues to operate a successful clinically led management model, with the divisional clinical directors for medicine, surgery, community and mental health services and research and innovation attending all board meetings as members of the Executive Team. This has demonstrably improved engagement and cross-divisional working over the eight years it has been in operation, also providing enriched debate and decision-making. This way of working is now fully embedded within the Trust's governance mechanisms and underpins the operation of the unitary board concept.

The Trust is fully compliant with the registration requirements of the Care Quality Commission (CQC).

The Trust remains rated as 'Good' overall with 'Outstanding' in the Caring domain following the last inspection of seven core services in January and February 2020. The Trust is also rated 'Good' in the Well-Led domain, reflecting the continued focus on improving the Trust's risk and governance arrangements.

Monitoring compliance with registration requirements and essential standards takes place routinely; the clinical divisions provide assurance via monthly submissions of their key issues reports through to the Safety and Quality Assurance Committee (SQAC) incorporating a set of key quality indicators and metrics. The divisional key issue reports include compliance against CQC standards and other constitutional and regulatory targets. They also include assurance against clinical effectiveness, patient experience and patient safety indicators such as incidents, risks, medication errors and infections. The weekly patient safety meeting continues to scrutinise key incidents in a timely fashion, agreeing any immediate actions required; action plans from serious incidents are also presented and monitored with dissemination to divisions for shared learning.

Regular engagement meetings continued to be held between the Trust's local CQC inspectors and several executive directors during the year. This has also

provided an invaluable means by which to continually self-assess performance against expected standards. The Trust has worked with CQC colleagues to develop an ongoing dialogue regarding the performance of the Trust's core services based on an agreed data set submitted to the inspectors in advance. The Trust has found this ongoing relationship to be a positive and constructive one, as well as a means of sharing information about how the CQC is progressing with the implementation of its new strategy and approach to inspection from March 2024.

The Board at Alder Hey continues to regularly review its quality governance arrangements and underpinning systems and processes to ensure that they remain fit for purpose and able to respond to both internal and external factors. The Safety and Quality Assurance Committee (SQAC), whose membership includes all divisional directors as well as board directors, has delegated authority from the Board to undertake scrutiny and oversight of the Trust's compliance with any quality requirements set out by regulators, as well as the delivery of the Trust's quality priorities, incorporating measures of clinical effectiveness, patient safety and positive patient experience.

In May 2023, SQAC approved the proposal to disband the Clinical Quality Steering Group, previously reporting into SQAC, to enable the formation of a clinical effectiveness and outcomes group, a revised and refreshed patient safety group and a patient experience group to progress to an improved model of oversight and quality assurance. Regular reports were also received on the Trust's three key quality and safety priorities relating to the deteriorating patient, safe

medicines management and parity of esteem. The work of the Audit and Risk Committee complements this by discharging its responsibility for the maintenance of an effective system of integrated governance, risk management and internal control across the whole of the organisation's activities.

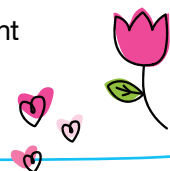
In 2023/24 the Trust's programme of quality assurance ward/department rounds (QARs) continued via MS Teams as we came to the end of the pandemic. The key purpose of the process is to demonstrate to the Board the golden thread of quality assurance from ward to board and as such they have continued to be attended by the multidisciplinary teams and executive and non-executive directors and governors. The rounds facilitate a deep dive at ward/department/specialty level into quality, safety and performance, focusing on areas of good practice and actions being taken at a local level to address areas of concern. The rounds are also an opportunity for teams to seek and gain support from executives and non-executives for any areas of patient safety, experience and effectiveness they have concerns about. The assurance rounds provide both quantitative and qualitative information to demonstrate that the services are safe, effective, responsive, caring and well-led in line with the CQC's five domains and supporting Key Lines of Enquiry (KLOEs).

In January 2024, Trust executives and non-executives approved the transition from the current delivery of all QARs via MS Teams to a hybrid model from April 2024 and opportunity for all stakeholders to support a more dynamic QAR approach. The revised hybrid approach to QARs aligned to the new CQC single assessment framework will commence from April 2024.

During the year a total of 33 QAR's were held which is nearing the pre-pandemic level the organisation had historically achieved in order to gain widespread coverage across our complex service portfolio. Key themes to emerge from the process were as follows:

Successes

- Services demonstrate best practice
- Improved reporting of incident themes
- Positive feedback from FFT Survey
- Good governance structures within MDT's
- Proactive research and audit within the services
- Staff go above and beyond
- Strong leadership within the service
- Training and development opportunities for staff



Challenges

- Recruitment and workforce issues
 - Staff retention, turnover and skill mix
 - Some service staffing levels under resourced
 - Recruitment and workforce issues due to national staff shortages
 - Staff resilience - staff sickness and burnout
 - Risk of insufficient medical staffing and succession planning
- Service delivery concerns
 - Increasing number of referrals, acuity of patients greater than service capacity
 - Waiting list backlog

Any risks associated with the identified QAR challenges are addressed at the point of presentation with a solution focused approach.

The Integrated Performance Report remains the principal mechanism for ensuring that the Board and its committees receive timely, accurate and comprehensive information on the performance of the organisation. The report is structured around the CQC domains and was updated during the year to align to the Trust's strategic objectives and priorities, in line with the Annual Plan and implementation of Vision 2030. The new report was implemented from June 2023. The non-executive directors were involved in the development of the new report and continue to provide regular feedback on the report and on the presentation of individual indicators. A recent benchmarking exercise of performance reports across NHS trusts resulted in a commendation of the Alder Hey IPR as an example of best practice. As a result of changes to the Trust's corporate calendar during 2023/24 a new real time 'flash report' was created to capture headline performance metrics straight after month end to be submitted to the Board meeting at the end of the first week of the following month. This approach has proved very effective in supporting existing reporting arrangements to enable immediate oversight of emerging issues without any data lag.

The Trust has continued with its Brilliant Basics programme. The aim of Brilliant Basics is to drive strategy into action through a number of workstreams, managed by an Executive scorecard to provide a monthly snapshot of whether the organisation is moving towards delivery against its strategic priority areas. This dashboard consists of driver and watch metrics which will assist the Board and its committees in measuring effectiveness. Over the last 12 months we have continued to make significant progress in embedding the Brilliant Basics approach into how we work at Alder Hey including the introduction of improvement connectors; a community of staff volunteers who help drive our shared vision of driving forward improvements. Bespoke training has continued for frontline teams and senior leaders across all divisions. The Leader Standard Work approach to our performance routines and meetings has remained in place throughout 2023/24 including the continuation of the Daily Safety Briefing each morning, chaired by an Executive Director, that focuses and centres our Trust leadership team each day on the issues and risks that may impact upon the delivery of safe care, but always with a practical, solution-based approach.

As the NHS emerged from the pandemic the Board turned its attention to the recovery of services; issues arising from the backlog including acute attention to the safe management of waiting lists; and anticipation of a surge in 'normal' paediatric respiratory viruses that had been suppressed during the pandemic, specifically

RSV. The Board Assurance Framework remained as the chief tool in assessing and mitigating the threats to delivery of the Trust's strategic plan underpinned by the annual risk appetite review, which as described above, will in the coming year be informed by the in-depth review of risk tolerances.

Members of Alder Hey's staff groups participated in the national ballots held by the major health trades unions during the year with regard to historical pay issues and their impact. This resulted in lawful industrial action being taken by a number of professional staff groups including hospital consultants, nurses, physiotherapists, radiographers and junior doctors over the agreed periods of time. The Trust engaged fully with regional and national representatives and strike committees to ensure that there was clarity with regard to service derogations and that commensurate internal contingency plans were in place. The first priority for all concerned was the continuing safety of our patients and preservation of the highest quality services. At no time was this compromised and Alder Hey was pleased to work in partnership with trade union colleagues and staff to ensure that this promise was upheld. As part of this process, the Executive Team reinstated the Gold Command structure that it had effectively employed during the COVID-19 pandemic to manage business continuity issues. This tried and tested system ensured that the organisation was safely managed for the duration of each period of industrial action with no patient safety issues reported.

Although in 2022/23 the Board undertook no formal review of its performance against the Well Led Governance Framework, it engaged in a wide range of activities to ensure that the organisation was continuing to follow best practice in leadership and good governance. Focus continued to be placed upon: effective ward to board governance and assurance; the effective management of emerging risks; and the demonstration of strong and supportive leadership at all levels. Good communication was fundamental to this and the all staff live briefings continued in the year, in the format of a weekly 'Ask the Execs' question and answer session with a monthly post-Board broadcast to give timely feedback from the meeting. The Staff Advice and Liaison Service (SALS) continued to provide vital support to staff in relation to their health and wellbeing and the Trust continued to work on implementation of the national wellbeing guardian principles led by Jo Revill, one of our non-executive directors, underpinning both the SALS concept and Trust values. There has continued to be significant focus for the Board on providing resources for staff to have their voice heard at Alder Hey, alongside the well-established Freedom to Speak Up model. The Board was pleased to see that the results of the 2023 Staff Survey demonstrated that staff continue to feel confident to raise concerns and that they will be acted upon.

“ Over the last 12 months we have continued to make significant progress in embedding the Brilliant Basics approach into how we work at Alder Hey including the introduction of improvement connectors. ”

The Board undertook its annual formal gap analysis against the conditions contained within its Provider License during the year. Regarding Condition FT4 – NHS Foundation Trust Governance Arrangements, the exercise did not identify any material risks to compliance with this condition. Alder Hey remains in segment ‘2’ under NHS Improvement’s Oversight Framework – providers offered targeted support - reflecting the Trust’s financial position.

As previously described, the Board continues to keep its governance arrangements under regular review and itself appraised of any new guidance or best practice advice that is published through the year including the NHS Leadership Competency Framework for board members and revised guidance in relation to the fit and proper person test in response to the 2019 Tom Kark KC review.

The Board’s main assurance committees each provides an annual report on its work to the Board, describing how the committee has fulfilled its terms of reference and annual work plan and outlining key areas of focus during the year, together with an overview of its priorities for the coming year. These are also submitted to the Audit and Risk Committee for it to assure itself that the activities of the committees are contributing effectively to the Trust’s overall control environment and that the work of the assurance committees is directly linked to the Board Assurance Framework. The assurance committees review their terms of reference on an annual basis to provide assurance to the Board that its structures continue to reflect the changing needs of the organisation and the environment in which it operates, including clear lines of accountability.

The Trust has in place an established process for incorporating equality impact assessments (EIAs) into the organisation’s decision-making processes. The purpose of this was to secure better integration from a process perspective and ensure that the Trust is properly responding to the different needs of staff and patients to meet its statutory and policy obligations,

as well as its own values and the commitments made under the NHS Constitution. The EIA process is carried out in relation to the development of Trust policies or procedures, service redesign or development, strategic or business planning, organisational changes affecting patients, employees or both, procurement, cost improvement programmes and the commissioning or decommissioning of services. Subsequently, the EIA process was embedded into the quality impact assessment process to inextricably link the two key priorities.






The Trust has reviewed the *Developing Workforce Safeguards* recommendations issued by NHS Improvement in October 2018 and is confident that the principles are embedded in the existing workforce planning framework. The Chief Nurse reports annually to the Trust Board with regard to standards and processes to provide assurance that nursing staffing is safe, effective and sustainable in accordance with the CQC’s well led assessment. During the year, Alder Hey continued to proactively recruit nursing staff to ensure sufficient numbers in post to cover known and anticipated gaps for maternity leave and long-term sickness. International recruitment was again a key strand of the Trust’s strategy and a further cohort of nurses from India joined us midway through the year. In addition, the Trust successfully recruited to key senior nursing leadership posts in 2022/23, including the new role of Deputy Director of Allied Health Professionals, as well as heads of nursing in the Emergency Department and Community.

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.

Control measures are in place to ensure that the organisation's obligations under equality, diversity and human rights legislation are complied with. The Trust maintains continuing compliance with the statutory and regulatory duties related to equality, diversity and human rights, with the publication of information to meet the Public Sector Equality Duty. The Trust's equality objectives will continue to be aligned with NHS EDS 2, the WRES and the WDES and will respond to the associated commissioning requirements.

Arrangements for the strategic oversight of progress towards the Trust's equality objectives have continued to be a key priority during the year. The Equality, Diversity, and Inclusion Steering Group, chaired by Non-Executive Director, Garth Dallas plays a crucial governance role in providing strategic coherence and oversight across all matters related to equality, diversity and inclusion.

The Trust has set up five staff networks which are going from strength to strength:

-  LGBTQIA+
-  ACE (Disability Network)
-  REACH (black and minority ethnic)
-  Menopause
-  Armed Forces Community

In addition, the Trust has recently signed up to the North West BAME Assembly Anti-Racist Framework and will be working with the REACH network leads to explore and agree future actions.

The Foundation Trust has undertaken risk assessments on the effects of climate change and severe weather and had 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 Adaption Reporting requirements are complied with. The Alder Hey in the Park campus is being developed to act as a catalyst for improving the health and wellbeing of our children, young people, families, staff, and surrounding communities. A number of initial workstreams have been implemented to enable us to deliver the pathway to net zero including travel; waste (especially clinical); energy and procurement. We have formed a clinically focused Green Steering Group to oversee the implementation and to embed a focus on health, science, and inequalities into our plan.

In terms of the Trust's Emergency Preparedness, Resilience and Response (EPRR) Core Standards return, the Trust submitted a position of 'non-compliance', in common with many other trusts.

This was due to a much more stringent check and challenge processes into each individual standard, alongside several changes to national guidance relating to EPRR. This submission was agreed by the Board, with an additional robust remedial action plan agreed with ICB partners to improve compliance.

The Trust has published on its website an up-to-date register of interests, including gifts and hospitality, for decision-making staff (as defined by the Trust with reference to the guidance) within the past twelve months, as required by the 'Managing Conflicts of Interest in the NHS' guidance. Members of the public can view register by visiting <https://alderhey.mydeclarations.co.uk/home>

Review of Economy, Efficiency and Effectiveness of the Use of Resources

As Accountable Officer, I am responsible for ensuring arrangements are in place for securing value for money in the use of the Trust's resources. The Financial Plan is approved by the Board and submitted to NHS England. The plan, including forward projections, is monitored in detail by the Resources and Business Development Committee, a formal assurance committee of the Board. During 2023/24, the Trust continued to review a number of operational efficiency metrics through the Integrated Performance Report including productivity and recovery. The Trust's resources are managed within the framework set by the Corporate Governance Manual, which includes Standing Financial Instructions and Scheme of Reservation and Delegation. Financial governance arrangements are supported by internal and external audit to ensure economic, efficient and effective use of resources.

The Trust made good progress on reducing care backlogs, meeting the target set by the national team and within the financial plan approved by NHSE for the year. This included delivery of the £75m cost improvement programme and reduction in the number of patients waiting over 65 weeks for treatment. The Trust was one of the highest performers nationally in terms of the 4 hour A&E target at 81%.

Quality Improvement remains a key focus and the organisation has continued to embrace the Brilliant Basics Improvement System; our vehicle for empowering staff to implement improvements and make work-related processes better for the benefit of our services, and for the ultimate benefit of our children, young people and their families.

During the year 2023/24, the contracting arrangements have continued to follow the simplified arrangements and financial framework put back into place in 2022/23.

The key areas of the 2023/24 financial framework included:

- Continuation of a system level financial envelope and expectation of system financial balance;
- Continuation of block income payments with exception of elective care;
- Continuation of a national Elective Recovery Fund (ERF) with providers paid on a payment by results (PBR) model for activity levels delivered;
- Recovery target set by each commissioner for elective care based on exceeding pre-pandemic levels;
- Changes made through the year to activity targets to recognise impact of industrial action; and
- Continued emphasis on system working and collaboration.

The Trust has continued to play an active role in the Cheshire and Merseyside system and support in providing a robust response to the financial challenges set out. During the year, the Board have continued to shape the financial strategy that will ensure delivery of the 2030 vision and financial sustainability.

The directors have considered and kept under review throughout the year the financial governance framework that operates within the Trust and its flexibility and to maintain their response to the financial challenges imposed upon the organisation and the Cheshire and Mersey system.

Taking into account potential planning scenarios and the robust financial framework and governance structures in place within the Trust, the directors have a reasonable expectation that the NHS Foundation Trust will have adequate resources to continue in operational existence for the foreseeable future.

Financial Governance and Intelligence

- Alder Hey is nationally recognised for finance staff development and training as a Level 2 Finance Skills Development accredited organisation.
- We continue to embed the workforce sustainability plan across the Trust with successful achievement of the NHSI agency cap threshold in year.
- To deliver the arrangements for 2023/24 the Trust set robust budgets signed off in line with the SFIs (Standing Financial Instructions) of the organisation.

In year monitoring was undertaken through the appropriate governance process and escalation where required.

- The Resource and Business Development Committee received monthly assurance on the ongoing financial position and associated risks.
- The Trust continued to report financial position and risks to the ICB on a monthly basis alongside formal submission to NHSIE.

Operationally, the Executive Team uses a range of mechanisms through which it monitors performance, identifies emerging risks to delivery and takes mitigating action to address issues as they arise. These processes have continued during the year and include three times daily patient flow huddles, a weekly activity meeting and a weekly dashboard report to the Executive Team meeting.

The Board's assurance system is underpinned by the work of the Trust's internal auditors, Mersey Internal Audit Agency (MIAA) which is overseen by the Audit and Risk Committee. Each year the Committee agrees an audit programme which aims to focus on areas of weakness or potential risk in internal control and make recommendations to address deficits where these are identified. MIAA retain a database of agreed management actions arising from audits and these are followed up by the Audit and Risk Committee until completed. During the last 12 months the Committee Chair has retained a strong focus on the processes around the monitoring of the implementation of internal audit recommendations and the provision of regular reports both from lead officers and internal audit, to ensure that agreed action is undertaken on a timely basis.

In addition, the Trust engages MIAA to provide counter fraud services. The Local Counter Fraud Specialist, supported by the Trust, has continued to enhance the overall anti-fraud arrangements at Alder Hey through the conduct of a range of agreed proactive activities specified in the Trust's Anti-Fraud Work Plan for 2023/24 as well as undertaking investigations as required. Routine reports on progress against its delivery are received by the Audit and Risk Committee. The key to the success of these activities is the achievement of outcomes across the defined areas of anti-fraud work.

Digital and Data Futures

Following the launch of Digital and Data Futures in 2022, a number of solutions have been implemented delivering a wide range of benefits for staff, patients and families. In early 2023, the Trust launched its brand new website and intranet with improved functionality. The feedback has been extremely positive, with users reporting a much better experience and a reduction in time when searching for key information.

The most significant digital achievement in 2023 was the transition to Alder Care, which is the latest version of the Trust's Electronic Patient Record. The system went live in September 2023 and was a huge collaborative effort across all clinical and support teams. The new platform provides a much better user interface and enhanced patient safety features. The deployment was one of the first digital enablers contributing to the Trust's 2030 Vision and successful delivery of the Trust's 2030 Strategy.

iDigital, an integrated digital service supporting both Alder Hey and Liverpool Heart and Chest Hospital, has gone from strength to strength and celebrated its 2nd birthday in 2023. The service has delivered many benefits and has expanded by integrating further services across both trusts since its inception.

Information Governance

The Data Security and Protection Toolkit (DSPT) baseline assessment for 2023/24 was submitted in February 2024, with the final submission to be completed in June 2024. The submission process is supported by an independent two-phase audit process by Mersey Internal Audit Agency, with an assurance opinion provided regarding robustness of evidence and information risk management. It is anticipated the Trust will submit a compliant return for 2023/24.

The information governance function continues to work collaboratively in partnership with Liverpool Heart and Chest Hospital across all areas of information governance and cyber security. Outputs and delivery of the information governance work programme are monitored through the Trust's governance and committee structures. The Information Governance Team were shortlisted as finalists for the National Health and Social Care Information Governance Annual Awards 2024.

During 2023/24, two data security incidents were reported to the Information Commissioners Office (ICO), with no further action deemed necessary by the ICO.

Data Quality and Governance

The Chief Medical Officer and Chief Nurse are jointly responsible at Board level for leading the quality agenda within the Trust, supported by the Director of Nursing, Deputy Director of Nursing and Associate Director of Risk and Governance. The Chief Operating Officer, supported by the divisional associate chief operating officers, is responsible for access to services and the Chief Information and Digital Officer is responsible for data quality.

During the year the Trust's internal quality and performance metrics, which form the Integrated Performance Report, continued to be reported and scrutinised by the relevant Trust committees. The quality metrics are reviewed in detail by the Safety and Quality Assurance Committee and the totality of indicators by the Board of Directors on a monthly basis.

In the 2023, a significant amount of work has been undertaken by the Trust to ensure accurate and timely data and reporting:

- A full review of the Trusts high priority, internal and external reports following the transition to Alder Care. The review provided robust assurance on the integrity of the data following the transition to a new electronic patient record.
- The review was supported by NHS England who met weekly with the implementation team to provide guidance and support around national statutory submissions.
- The review included a focussed effort on validating the Trust's waiting lists, following a similar approach that was previously employed via the Safer Waiting List Management Group.
- The Data Quality Steering Group continues to meet regularly and reports into the Digital Oversight Collaborative and Resource and Business Development Committee for assurance.
- In 2023, the Trust refreshed the Terms of Reference for its Data Access Committee, chaired by the Chief Nurse. The Committee ensures that any data generated by the Trust is only accessed, processed or used to benefit the hospital or its patients.

The Trust continues to participate in the Specialist Children's Hospital Benchmarking Group to look at benchmarking national specialised services indicators.

Alder Hey's Board has identified a strategic risk relating to timely access to high quality services for our children and young people that accumulated during the COVID-19 crisis. The key determining factors driving this risk include industrial action (which has affected hospital capacity), coupled with a surge in demand for services including mental health support and neuro-diversity services, and a rise in referrals for elective care. Across community and mental health services, elective surgery and emergency services, a range of interventions and transformation programmes have been implemented to mitigate this risk. In 2023-24 our position is:

- Virtually eliminated the number of children and young people waiting over 65 weeks for treatment in consultant-led care pathways.

- In Quarter 4, we treated over 81% of patients within four hours of arrival to our Emergency Department, making Alder Hey one of the best performing trusts in England. Our good performance has been driven by transformational change including:
 - establishing a new urgent care service, providing convenient appointments for low acuity patients;
 - a consistent senior decision-making model, extended later into the evening;
 - transforming our acute medical service through a Paediatric Assessment Service that enables primary care to send referrals direct to this unit, bypassing ED; and
 - establishing the largest children's virtual ward in the UK.
- Delivery of increased activity across all areas of community services (66% more than 2019/20).
- Outstanding access to in-region critical care services, due to a strong and resilient workforce.
- Our ASD and ADHD services have seen a surge in demand and our largest operational access risk relates to the large number of children and young people waiting over 65 weeks for a diagnosis. Within Alder Hey a pathway improvement programme has been launched and we are supporting the national review of neuro-diversity services.
- The assurance committees of the Board are key components by which I am able to assess the effectiveness and assure the Board of risk management generally and clinical risk in particular via the Safety and Quality Assurance Committee, supported by the Risk Management Forum and divisional performance reviews;
- Internal Audit provides quarterly reports to the Audit and Risk Committee and full reports to the Chief Finance Officer and other Trust officers;
- Routine reports from Counter Fraud to the Audit and Risk Committee against delivery of the Trust's Anti-Fraud Work Plan;
- The Chief Finance Officer also meets regularly with internal and external audit managers;
- The Audit and Risk Committee holds clinical divisions and corporate departments to account for the effective management of their key risks via the Risk Management Forum;
- Other explicit review and assurance mechanisms include divisional risk registers linked to the Trust's operational plan and a range of independent assessments against key areas of control, as set out in the Assurance Framework; and
- Full registration with the CQC.

Any significant internal control issues would be reported to the Board via the appropriate Assurance Committee.

Review of Effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit, counter fraud and the executive managers and clinical leads within the Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the information provided in this annual report and other 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 the Audit and Risk Committee. A plan to address weaknesses and ensure continuous improvement of the system is in place.

The process that has been applied in maintaining and reviewing the effectiveness of the system of internal control includes the following elements:

- The Board of Directors provides active leadership of the Trust within a framework of prudent controls that enable risk to be assessed and managed;
- The Audit and Risk Committee, as part of an integrated governance structure, is pivotal in advising the Board on the effectiveness of the system of internal control;

I receive reports from royal colleges and following Deanery visits; although these remain fewer in number than usual because of COVID-19 backlog and recovery across the whole healthcare system, there have been other independent assessments against key areas of control which provide assurance, for example:

- Higher Level Responsible Officer (NHS England)
- Major Trauma Peer Review
- Patient Led Assessments of the Care Environment
- Navajo Assessment
- Sickle Cell Peer Review

The Board of Directors is committed to continuous improvement and development of the system of internal control and the recommendations from all visits and inspections are monitored through the Trust's governance processes until completion.

Conclusion

In conclusion, for 2023/24 no significant internal control issues have been identified.

Signed: *Louise Shepherd*

LOUISE SHEPHERD CBE

Chief Executive
26th June 2024

Understanding Diseases and Developing New Treatments

A new research project aiming to understand the causes of Hirschsprung's Disease and develop new treatments is taking place at Alder Hey.

Hirschsprung's Disease is a rare condition which causes a blockage of the bowel and can lead to life-long issues with bowel control and, in a small number of children, death. It affects around 170 babies every year in the UK.

Nerves that control bowel function grow from specific stem cells. Researchers were surprised to find these stem cells were still present in babies with Hirschsprung's Disease, indicating they had the potential for normal nerve development, but something went wrong.

This new project funded by Bowel Research UK aims to understand what stopped those stem cells forming functioning nerves and whether those cells can be 'switched on' to grow functioning nerves in the patient retrospectively.

Dr Rachel Harwood, Researcher and Paediatric Surgeon said:

“ No new parent wants to hear that their newborn baby has a condition that needs surgery and will likely affect them for life. Our research aims to understand Hirschsprung's Disease better so that we can develop smarter treatments which improve their outcomes and quality of life. ”



Annual Accounts

Foreword to the Accounts

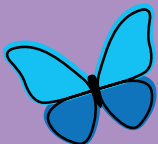
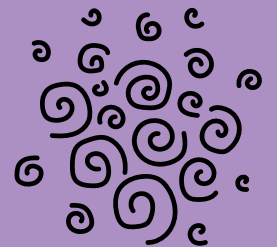
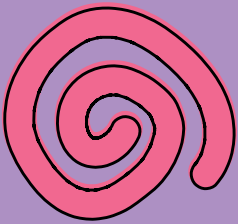
Alder Hey Children's NHS Foundation Trust

These accounts, for the year ended 31 March 2024, have been prepared by Alder Hey Children's NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006.

Signed: *Louise Shepherd*

LOUISE SHEPHERD CBE

Chief Executive
26th June 2024



Statement of Comprehensive Income

	Note	2023/24 £000	2022/23 £000
Operating Income from Patient Care Activities	3	379,299	350,663
Other Operating Income	4	36,626	40,578
Operating Expenses	7, 9	(410,726)	(364,829)
Operating Surplus from Continuing Operations		5,198	26,411
Finance Income	11	4,403	1,709
Finance Expenses	12	(12,701)	(9,151)
PDC Dividends Payable		(3,042)	(2,296)
Net Finance Costs		(11,340)	(9,738)
Other Gains/(Losses)	13	(369)	55
Share of Profit/(Losses) of Associates/Joint Arrangements	21	-	-
Gains/(Losses) arising from transfers by absorption	46	-	-
Corporation Tax Expense		-	-
(Deficit)/Surplus for the Year From Continuing Operations		(6,511)	16,728
Surplus/(Deficit) on Discontinued Operations and the Gain/(Loss) on Disposal of Discontinued Operations	15	-	-
(Deficit)/Surplus for the Year		(6,511)	16,728
Other Comprehensive Income			
Will Not be Reclassified to Income and Expenditure:			
Impairments	8	-	(564)
Revaluations	18	156	19,523
Share of Comprehensive Income from Associates and Joint Ventures	21	-	-
Fair Value Gains/(Losses) On Equity Instruments Designated at Fair Value Through OCI	22	-	-
Other Recognised Gains and Losses		-	-
Remeasurements of the Net Defined Benefit Pension Scheme Liability/Asset	38	-	-
Gains/(Loss) arising from on transfers by modified absorption	46	-	-
Other Reserve Movements		-	-
May be Reclassified to Income and Expenditure when Certain Conditions are Met:			
Fair Value Gains/(Losses) on Financial Assets Mandated at Fair Value through OCI	22	-	-
Recycling Gains/(Losses) on Disposal of Financial Assets Mandated at Fair Value through OCI	13	-	-
Foreign Exchange Gains/(Losses) Recognised Directly in OCI		-	-
Total Comprehensive Income/(Expense) for the Period		(6,355)	35,687

Statement of Financial Position

	Note	31 March 2024 £000	31 March 2023 £000
Non-Current Assets			
Intangible Assets	15	28,602	31,434
Property, Plant And Equipment	16	263,504	266,343
Right of Use Assets	19	5,540	4,744
Investment Property	20	-	-
Investments in Associates and Joint Ventures	21	-	-
Other Investments/Financial Assets	22	-	-
Receivables	25	299	388
Other Assets	27	-	-
Total Non-Current Assets		297,945	302,909
Current Assets			
Inventories	24	4,972	4,449
Receivables	25	20,831	28,093
Other Investments/Financial Assets	22	-	-
Other Assets	27	-	-
Non-Current Assets For Sale and Assets in Disposal Groups	28.1	-	-
Cash and Cash Equivalents	29	78,280	83,478
Total Current Assets		104,083	116,020
Current Liabilities			
Trade and Other Payables	30	(59,637)	(70,312)
Borrowings	32	(10,139)	(6,032)
Other Financial Liabilities	33	-	-
Provisions	34	(7,839)	(11,149)
Other Liabilities	31	(1,955)	(4,142)
Liabilities in Disposal Groups	28.2	-	-
Total Current Liabilities		(79,570)	(91,635)
Total Assets Less Current Liabilities		322,458	327,295
Non-Current Liabilities			
Trade and Other Payables	30	-	-
Borrowings	32	(133,801)	(132,917)
Other Financial Liabilities	33	-	-
Provisions	34	(635)	(2,282)
Other Liabilities	31	(2,850)	(3,067)
Total Non-Current Liabilities		(137,286)	(138,266)
Total Assets Employed		185,172	189,029
Financed by			
Public Dividend Capital		107,939	99,299
Revaluation Reserve		21,063	20,907
Financial Assets Reserve		-	-
Other Reserves		-	-
Merger Reserve		-	-
Income and Expenditure Reserve		56,170	68,823
Total Taxpayers' Equity		185,172	189,029

The notes on pages 131 to 186 form part of these accounts.

Signed: *Louise Shepherd*

LOUISE SHEPHERD CBE
Chief Executive
26th June 2024

Statement of Changes in Equity for the Year Ended 31 March 2024

	Public Dividend Capital £000	Revaluation Reserve £000	Financial Assets Reserve £000	Other Reserves £000	Merger Reserve £000	Income and Expenditure Reserve £000	Total £000
Taxpayers' and Others' Equity at 1 April 2023 - Brought Forward	99,299	20,907	-	-	-	68,823	189,029
Application of IFRS 16 Measurement Principles to PFI Liability on 1 April 2023	-	-	-	-	-	(6,142)	(6,142)
Surplus/(Deficit) for the Year	-	-	-	-	-	(6,511)	(6,511)
Gain/(Loss) Arising from Transfers by Modified Absorption	-	-	-	-	-	-	-
Transfers by Absorption: Transfers Between Reserves	-	-	-	-	-	-	-
Transfer from Revaluation Reserve to Income And Expenditure Reserve for Impairments Arising from Consumption of Economic Benefits	-	-	-	-	-	-	-
Other Transfers Between Reserves	-	-	-	-	-	-	-
Impairments	-	-	-	-	-	-	-
Revaluations	-	156	-	-	-	-	156
Transfer to Retained Earnings on Disposal of Assets	-	-	-	-	-	-	-
Share Of Comprehensive Income From Associates and Joint Ventures	-	-	-	-	-	-	-
Fair Value Gains/(Losses) on Financial Assets Mandated at Fair Value Through OCI	-	-	-	-	-	-	-
Fair Value Gains/(Losses) on Equity Instruments Designated at Fair Value Through OCI	-	-	-	-	-	-	-
Recycling Gains/(Losses) on Disposal of Financial Assets Mandated at Fair Value Through OCI	-	-	-	-	-	-	-
Foreign Exchange Gains/(Losses) Recognised Directly Through OCI	-	-	-	-	-	-	-
Other Recognised Gains and Losses	-	-	-	-	-	-	-
Remeasurements of the Defined Net Benefit Pension Scheme Liability/Asset	-	-	-	-	-	-	-
Public Dividend Capital Received	8,640	-	-	-	-	-	8,640
Public Dividend Capital Repaid	-	-	-	-	-	-	-
Public Dividend Capital Written Off	-	-	-	-	-	-	-
Other Movements in Public Dividend Capital In Year	-	-	-	-	-	-	-
Other Reserve Movements	-	-	-	-	-	-	-
Taxpayers' and Others' Equity at 31 March 2024	107,939	21,063	-	-	-	56,170	185,172

Statement of Changes in Equity for the Year Ended 31 March 2023

	Public Dividend Capital £000	Revaluation Reserve £000	Financial Assets Reserve £000	Other Reserves £000	Merger Reserve £000	Income and Expenditure Reserve £000	Total £000
Taxpayers' and Others' Equity at 1 April 2022 - Brought Forward	94,539	7,107	-	-	-	46,936	148,582
Prior Period Adjustment	-	-	-	-	-	-	-
Taxpayers' and others' equity at 1 April 2022 - restated	94,539	7,107	-	-	-	46,936	148,582
Implementation of IFRS 16 on 1 April 2022	-	-	-	-	-	-	-
Surplus/(Deficit) for the Year	-	-	-	-	-	16,728	16,728
Gain/(Loss) Arising from Transfers by Modified Absorption	-	-	-	-	-	-	-
Transfers by Absorption: Transfers Between Reserves	-	-	-	-	-	-	-
Transfer from Revaluation Reserve to Income and Expenditure Reserve For Impairments Arising from Consumption of Economic Benefits	-	-	-	-	-	-	-
Other Transfers Between Reserves	-	-	-	-	-	-	-
Impairments	-	(564)	-	-	-	-	(564)
Revaluations	-	19,523	-	-	-	-	19,523
Transfer to Retained Earnings on Disposal of Assets	-	-	-	-	-	-	-
Share of Comprehensive Income From Associates and Joint Ventures	-	-	-	-	-	-	-
Fair Value Gains/(Losses) on Financial Assets Mandated At Fair Value Through OCI	-	-	-	-	-	-	-
Fair Value Gains/(Losses) on Equity Instruments Designated at Fair Value Through OCI	-	-	-	-	-	-	-
Recycling Gains/(Losses) on Disposal of Financial Assets Mandated at Fair Value Through OCI	-	-	-	-	-	-	-
Foreign Exchange Gains/(Losses) Recognised Directly Through OCI	-	-	-	-	-	-	-
Other Recognised Gains and Losses	-	-	-	-	-	-	-
Remeasurements of the Defined Net Benefit Pension Scheme Liability/Asset	-	-	-	-	-	-	-
Public Dividend Capital Received	4,760	-	-	-	-	-	4,760
Public Dividend Capital Repaid	-	-	-	-	-	-	-
Public Dividend Capital Written Off	-	-	-	-	-	-	-
Other Movements in Public Dividend Capital in Year	-	-	-	-	-	-	-
Other Reserve Movements	-	(5,159)	-	-	-	5,159	-
Taxpayers' and Others' Equity at 31 March 2023	99,299	20,907	-	-	-	68,823	189,029

Information on Reserves

Public Dividend Capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. Additional PDC may also be issued to trusts by the Department of Health and Social Care. A charge, reflecting the cost of capital utilised by the Trust, is payable to the Department of Health as the public dividend capital dividend.

Revaluation Reserve

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are recognised in operating income. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

Financial Assets Reserve

This reserve comprises changes in the fair value of financial assets measured at fair value through other comprehensive income. When these instruments are derecognised, cumulative gains or losses previously recognised as other comprehensive income or expenditure are recycled to income or expenditure, unless the assets are equity instruments measured at fair value through other comprehensive income as a result of irrevocable election at recognition.

Other Reserves

The Trust currently has no other reserves.

Merger Reserve

This legacy reserve reflects balances formed on previous mergers of NHS bodies.

Income and Expenditure Reserve

The balance of this reserve is the accumulated surpluses and deficits of the Trust.



Statement of Cash Flows

	Note	2023/24 £000	2022/23 £000
Cash Flows from Operating Activities			
Operating Surplus		5,198	26,411
Non-Cash Income and Expense:			
Depreciation and Amortisation	7.1	16,577	14,067
Net Impairments	8	12,390	(10,109)
Income Recognised in Respect of Capital Donations	4	(851)	(3,254)
Amortisation of PFI Deferred Credit		(137)	(137)
Non-Cash Movements in on-SoFP Pension Liability		-	-
(Increase)/Decrease in Receivables and Other Assets		8,263	(5,141)
(Increase)/Decrease in Inventories		(523)	(697)
(Increase)/Decrease in Payables and Other Liabilities		(14,843)	(1,989)
(Increase)/Decrease in Provisions		(4,950)	(108)
Tax (Paid)/Received		-	-
Operating Cash Flows from Discontinued Operations		-	-
Other Movements in Operating Cash Flows		-	-
Net Cash Flows From/(Used in) Operating Activities		21,125	19,044
Cash Flows From Investing Activities			
Interest Received		4,028	1,709
Purchase and Sale of Financial Assets/Investments		-	-
Purchase of Intangible Assets		(4,741)	(8,030)
Sales of Intangible Assets		-	-
Purchase of PPE and Investment Property		(14,906)	(13,943)
Sales of PPE and Investment Property		178	55
Initial Direct Costs or Up Front Payments in Respect of New Right of Use Assets (Lessee)		-	-
Receipt of Cash Lease Incentives (Lessee)		-	-
Lease Termination Fees Paid (Lessee)		-	-
Receipt of Cash Donations to Purchase Assets		851	3,254
Prepayment of PFI Capital Contributions		-	-
Finance Lease Receipts (Principal and Interest)		-	-
Investing Cash Flows from Discontinued Operations		-	-
Cash from Acquisitions/Disposals of Subsidiaries		-	-
Net Cash Flows From/(Used in) Investing Activities		(14,590)	(16,955)
Cash Flows From Financing Activities			
Public Dividend Capital Received		8,640	4,760
Public Dividend Capital Repaid		-	-
Movement on Loans from DHSC		(2,759)	(2,759)
Movement on Other Loans		-	-
Other Capital Receipts		-	-
Capital Element of Finance Lease Rental Payments		(954)	(683)

Statement of Cash Flows (continued)

	Note	2023/24 £000	2022/23 £000
Capital Element of PFI, LIFT and Other Service Concession Payments		(3,126)	(2,429)
Interest on Loans		(855)	(923)
Other Interest		-	-
Interest Paid on Finance Lease Liabilities		(46)	(44)
Interest Paid on PFI, LIFT and Other Service Concession Obligations		(7,837)	(8,183)
PDC Dividend (Paid)/Refunded		(4,796)	186
Financing Cash Flows of Discontinued Operations		-	-
Cash Flows From (Used in) Other Financing Activities		-	-
Net Cash Flows From/(Used in) Financing Activities		(11,733)	(10,075)
Increase/(Decrease) in Cash and Cash Equivalents		(5,198)	(7,985)
Cash and Cash Equivalents at 1 April - Brought Forward		83,478	91,463
Prior Period Adjustments		-	-
Cash and Cash Equivalents at 1 April - Restated		83,478	91,463
Cash and Cash Equivalents Transferred Under Absorption Accounting	46	-	-
Unrealised Gains/(Losses) on Foreign Exchange		-	-
Cash and Cash Equivalents at 31 March	29.1	78,280	83,478



Notes to the Accounts

1. Accounting Policies and Other Information

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.

1.1.1 Accounting Convention

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

1.2 Going Concern

These accounts have been prepared on a going concern basis. The financial reporting framework applicable to NHS bodies, derived from the HM Treasury Financial Reporting Manual, defines that the anticipated continued provision of the entity's services in the public sector is normally sufficient evidence of going concern. The directors have a reasonable expectation that this will continue to be the case. The directors of the Trust have considered whether there are any local or national policy decisions that are likely to affect the continued funding and provision of services by the Trust. The Trust is a member of the Cheshire and Merseyside ICS and continues to provide specialist services across the North West that are part of the ICS forward looking plans. No circumstances were identified causing the Directors to doubt the continued provision of NHS services.

This year the Trust reported an operating surplus of £5,198k and recorded an accounting deficit of £6,511k, primarily due in year impairments against assets

brought into use. The Trust also achieved a control total surplus of £10.3m against which its financial performance as measured by NHSE.

Income from Commissioners was largely based on a 'blended' approach to funding in England. Some elements will be 'variable': elective points of delivery will be funded based on actual activity undertaken, and there will be some adjustments for quality performance. All other areas will remain block funded.

The Trust has produced its financial plans for 2024/25 based on these assumptions which have been approved by the Trust Board and by the Cheshire & Merseyside ICS level. The control target for the 2024/25 year agreed with ICS is a £3.38m surplus. The Trust has a proven track record of consistently meeting the performance and control totals set by the regulator and over the last five years has delivered significant surpluses to support the sustainability of the Trust, and the Trust is therefore reasonably assured of the achievability of this financial targets.

Our going concern assessment is made up to 30/09/2025, with internal base case and downside scenarios for liquidity assessed to September 2025. This includes assessment of the full 2024/25 financial year.

This models downside risk in relation to failure to achieve operating targets and non delivery of cost improvement plans.

The Trust has assumed that;

- Service requirements will remain broadly unchanged over the period,
- The Trust expenditure to meet these requirements will remain stable,
- The income received from commissioners and the ICS will as a minimum match the levels agreed and included in the 2024/25 plans; and
- Capital development plans and capital expenditure cash requirements will progress in line with the current plans and timetable.

The Trust has prepared a cash forecast modelled on the above expectations for funding during the going concern period to 30 September 2025. The cash forecast shows sufficient liquidity for the Trust to continue to operate during that period with a minimum cash position of £64m. Interim support can be accessed if it were required, but there is currently no such requirement identified

In conclusion, these factors, and the anticipated future provision of services in the public sector, support the Trust's adoption of the going concern basis for the preparation of the accounts.

1.3 Interests in Other Entities

Associates

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

Associates which are classified as held for sale are measured at the lower of their carrying amount and "fair value less costs to sell".

Joint Ventures

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

Joint Operations

Joint operations are arrangements in which the Trust has joint control with one or more other parties and has the rights to the assets, and obligations for the liabilities, relating to the arrangement. The Trust includes within its financial statements its share of the assets, liabilities, income and expenses.

1.4 Revenue from Contracts with Customers

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The GAM expands the definition of a contract to include legislation and regulations which enables an entity to receive cash or another financial asset that is not classified as a tax by the Office of National Statistics (ONS).

Revenue in respect of goods/services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust's entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received or receivable relates to a performance obligation that is to be

satisfied in a future period, the income is deferred and recognised as a contract liability.

The value of payment for Elective Recovery and Drug and Device activities, are not fully known until three months after the reporting period. Therefore, the Trust has included a number of accounting estimates in its financial statements, which will be transacted within the first quarter of the next reporting period.

Revenue from NHS Contracts

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

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

High cost drugs and devices excluded from national HRG tariffs are reimbursed on an actual usage basis. The exception is some high costs drugs paid for by spec comm on a fixed basis (as per national policy).

In 2022/23 fixed payments were set at a level assuming the achievement of elective activity targets within aligned payment and incentive contracts.

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

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

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

Elective recovery funding provides additional funding to integrated care boards to fund the commissioning of elective services within their systems. In 2023/24, trusts do not directly earn elective recovery funding, instead earning income for actual activity performed under API contract arrangements as explained above. The level of activity delivered by the Trust contributes to system performance and therefore the availability of funding to the Trust's commissioners. In 2022/23 elective recovery funding for providers was separately identified within the aligned payment and incentive contracts.

Revenue from Research Contracts

Where research contracts fall under IFRS 15, revenue is recognised as and when performance obligations are satisfied. For some contracts, it is assessed that the revenue project constitutes one performance obligation over the course of the multi-year contract. In these cases it is assessed that the Trust's interim performance does not create an asset with alternative use for the Trust, and the Trust has an enforceable right to payment for the performance completed to date. It is therefore considered that the performance obligation is satisfied over time, and the Trust recognises revenue each year over the course of the contract. Some research income alternatively falls within the provisions of IAS 20 for government grants.

NHS Injury Cost Recovery Scheme

The Trust receives income under the NHS injury cost recovery scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when performance obligations are satisfied. In practical terms this means that treatment has been given, it receives notification from the Department of Work and Pension's Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less an allowance for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

1.5 Other Forms of Income

Grants and Donations

Government grants are grants from government bodies other than income from commissioners or trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure. Where the grants is used to fund capital expenditure, it is credited to the Statement of Comprehensive Income once conditions attached to the grant have been met. Donations are treated in the same way as government grants.

Apprenticeship Service Income

The value of the benefit received when accessing funds from the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider from the Trust's Digital Apprenticeship Service (DAS) account held by the Department for Education, the corresponding notional expense is also recognised at the point of recognition for the benefit.

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.

Holiday Pay Accrual

The accrual for outstanding leave has been calculated on an actual basis.

The accrual is calculated based upon an estimate of leave outstanding following feedback from management. The Trust's annual leave policy clearly states that annual leave is expected to be taken in the year it relates to and only carried forward on an exceptional basis and with agreement from managers up to five days.

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.

1.8 Discontinued Operations

Discontinued operations occur where activities either cease without transfer to another entity, or transfer to an entity outside of the boundary of Whole of Government Accounts, such as private or voluntary sectors. Such activities are accounted for in accordance with IFRS 5. Activities that are transferred to other bodies within the boundary of Whole of Government Accounts are 'machinery of government changes' and treated as continuing operations.

1.9 Property, Plant and Equipment

Recognition

Property, plant and equipment is capitalised where:

- It is held for use in delivering services or for administrative purposes;
- It is probable that future economic benefits will flow to, or service potential be provided to, the Trust;
- It is expected to be used for more than one financial year;
- The cost of the item can be measured reliably;
- The item has cost of at least £5,000, or;
- Collectively, a number of items have a cost of at least £5,000 and individually have cost of more than £250, where the assets are functionally interdependent, had



broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, e.g. 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 or NHS England as part of the response to the coronavirus pandemic. As defined in the GAM, the Trust applies the principle of donated asset accounting to assets that the Trust controls and is obtaining economic benefits from at the year end.

Private Finance Initiative (PFI) and Local Improvement Finance Trust (LIFT) Transactions

PFI and LIFT transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's FReM, are accounted for as 'on-Statement of Financial Position' by the Trust. Annual contract payments to the operator (the unitary charge) are apportioned between the repayment of the liability including the finance cost, the charges for services and lifecycle replacement of components of the asset.

Initial Recognition

In accordance with HM Treasury's FReM, the underlying assets are recognised as property, plant and equipment, together with an equivalent liability. Initial measurement of the asset and liability are in accordance with the initial measurement principles of IFRS 16 (see leases accounting policy).

Subsequent Measurement

Assets are subsequently accounted for as property, plant and equipment and/or intangible assets as appropriate.

The liability is subsequently reduced by the portion of the unitary charge allocated as payment for the asset and increased by the annual finance cost. The finance cost is calculated by applying the implicit interest rate to the opening liability and is charged to finance costs in the Statement of Comprehensive Income. The element of the unitary charge allocated as payment for the asset is split between payment of the finance cost and repayment of the net liability.

Where there are changes in future payments for the asset resulting from indexation of the unitary charge, the Trust remeasures the PFI liability by determining the revised payments for the remainder of the contract once the change in cash flows takes effect. The remeasurement adjustment is charged to finance costs in the Statement of Comprehensive Income.

The service charge is recognised in operating expenses in the Statement of Comprehensive Income.

Initial Application of IFRS 16 Liability Measurement Principles to PFI and LIFT Liabilities

IFRS 16 liability measurement principles have been applied to PFI, LIFT and other service concession arrangement liabilities in these financial statements from 1 April 2023. The change in measurement basis has been applied using a modified retrospective approach with the cumulative impact of remeasuring the liability on 1 April 2023 recognised in the income and expenditure reserve.

Comparatives for PFI, LIFT and other service concession arrangement liabilities have not been restated on an IFRS 16 basis, as required by the DHSC Group Accounting Manual. Under IAS 17 measurement principles which applied in 2022/23 and earlier, movements in the liability were limited to repayments of the liability and the annual finance cost arising from application of the implicit interest rate. The cumulative impact of indexation on payments for the asset was charged to finance costs as contingent rent as incurred.

Useful Lives of Property, Plant and Equipment

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

	Minimum Life Years	Maximum Life Years
Land	-	-
Buildings, Excluding Dwellings	1	80
Dwellings	40	40
Plant & Machinery	1	20
Transport Equipment	-	-
Information Technology	5	11
Furniture & Fittings	2	11

1.10 Intangible Assets

Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the Trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the Trust and where the cost of the asset can be measured reliably.

Internally Generated Intangible Assets

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised. Expenditure on development is capitalised where it meets the requirements set out in IAS 38.

Software

Software which is integral to the operation of hardware, e.g. an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, e.g. application software, is capitalised as an intangible asset.

Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that

it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Intangible assets held for sale are measured at the lower of their carrying amount or fair value less costs to sell.

Amortisation

Intangible assets are amortised over their expected useful 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:

	Minimum Life Years	Maximum Life Years
Information Technology	-	-
Development Expenditure	-	-
Websites	-	-
Software Licences	1	10
Licences & Trademarks	-	-
Patents	-	-
Other (Purchased)	-	-
Goodwill	-	-

1.11 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the first in, first out (FIFO) method.

The Trust received inventories including personal protective equipment from the Department of Health



and Social Care at nil cost. In line with the GAM and applying the principles of the IFRS Conceptual Framework, the Trust has accounted for the receipt of these inventories at a deemed cost, reflecting the best available approximation of an imputed market value for the transaction based on the cost of acquisition by the Department.

1.12 Investment Properties

Investment properties are measured at fair value. Changes in fair value are recognised as gains or losses in income/expenditure.

Only those assets which are held solely to generate a commercial return are considered to be investment properties. Where an asset is held, in part, for support service delivery objectives, then it is considered to be an item of property, plant and equipment. Properties occupied by employees, whether or not they pay rent at market rates, are not classified as investment properties.

1.13 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 three months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

1.14 Financial Assets and Financial Liabilities

Recognition

Financial assets and financial liabilities arise where the Trust is party to the contractual provisions of a financial instrument, and as a result has a legal right to receive or a legal obligation to pay cash or another financial instrument. The GAM expands the definition of a contract to include legislation and regulations which give rise to arrangements that in all other respects would be a financial instrument and do not give rise to transactions classified as a tax by ONS.

This includes the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements and are recognised when, and to the extent which, performance occurs, ie, when receipt or delivery of the goods or services is made.

Classification and Measurement

Financial assets and financial liabilities are initially measured at fair value plus or minus directly attributable transaction costs except where the asset or liability is not measured at fair value through income and expenditure. Fair value is taken as the transaction price, or otherwise determined by reference to quoted market prices or valuation techniques.

Financial assets or financial liabilities in respect of assets acquired or disposed of through leasing arrangements are recognised and measured in accordance with the accounting policy for leases described below.

Financial assets are classified as subsequently measured at amortised cost.

Financial liabilities classified as subsequently measured at amortised cost.

Financial Assets and Financial Liabilities at Amortised Cost

Financial assets and financial liabilities at amortised cost are those held with the objective of collecting contractual cash flows and where cash flows are solely payments of principal and interest. This includes cash equivalents, contract and other receivables, trade and other payables, rights and obligations under lease arrangements and loans receivable and payable.

After initial recognition, these financial assets and financial liabilities are measured at amortised cost using the effective interest method less any impairment (for financial assets). The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Interest revenue or expense is calculated by applying the effective interest rate to the gross carrying amount of a financial asset or amortised cost of a financial liability and recognised in the Statement of Comprehensive Income and a financing income or expense. In the case of loans held from the Department of Health and Social Care, the effective interest rate is the nominal rate of interest charged on the loan.

Financial Assets Measured at Fair Value Through Other Comprehensive Income

A financial asset is measured at fair value through other comprehensive income where business model objectives are met by both collecting contractual cash flows and selling financial assets and where the cash flows are solely payments of principal and interest. Movements in the fair value of financial assets in this category are recognised as gains or losses in other comprehensive income except for impairment losses. On de-recognition, cumulative gains and losses previously recognised in other comprehensive income are reclassified from equity to income and expenditure, except where the Trust elected to measure an equity instrument in this category on initial recognition.

Financial Assets and Financial Liabilities at Fair Value Through Income and Expenditure

Financial assets measured at fair value through profit or loss are those that are not otherwise measured at amortised cost or at fair value through other comprehensive income. This category also includes financial assets and liabilities acquired principally for the purpose of selling in the short term (held for trading) and derivatives. Derivatives which are embedded in other contracts, but which are separable from the host contract are measured within this category. Movements in the fair value of financial assets and liabilities in this category are recognised as gains or losses in the Statement of Comprehensive Income.

Impairment of Financial Assets

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets or assets measured at fair value through other comprehensive income, the Trust recognises an allowance for expected credit losses.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

Expected credit losses are determined using historical losses as a guide. Specific impairment provisions are made for non contract receivables where required. Credit losses with other NHS bodies are not normally recognised unless there is evidence of impairment.

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.

De-Recognition

Financial assets are de-recognised when the contractual rights to receive cash flows from the assets have expired or the Trust has transferred substantially all the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

1.15 Leases

A lease is a contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration. An adaptation of the relevant accounting standard by HM Treasury for the public sector means that for NHS bodies, this includes lease-like arrangements with other public sector entities that do not take the legal form of a contract. It also includes peppercorn leases where consideration paid is nil or nominal (significantly below market value) but in all other respects meet the definition of a lease. The Trust does not apply lease accounting to new contracts for the use of intangible assets.

The Trust determines the term of the lease term with reference to the non-cancellable period and any options to extend or terminate the lease which the Trust is reasonably certain to exercise.

The Trust as a Lessee

Recognition and Initial Measurement

At the commencement date of the lease, being when the asset is made available for use, the Trust recognises a right of use asset and a lease liability.



The right of use asset is recognised at cost comprising the lease liability, any lease payments made before or at commencement, any direct costs incurred by the lessee, less any cash lease incentives received. It also includes any estimate of costs to be incurred restoring the site or underlying asset on completion of the lease term.

The lease liability is initially measured at the present value of future lease payments discounted at the interest rate implicit in the lease. Lease payments includes fixed lease payments, variable lease payments dependent on an index or rate and amounts payable under residual value guarantees. It also includes amounts payable for purchase options and termination penalties where these options are reasonably certain to be exercised.

Where an implicit rate cannot be readily determined, the Trust's incremental borrowing rate is applied. This rate is determined by HM Treasury annually for each calendar year. A nominal rate of 3.51% applied to new leases commencing in 2023 and 4.72% to new leases commencing in 2024.

The Trust does not apply the above recognition requirements to leases with a term of 12 months or less or to leases where the value of the underlying asset is below £5,000, excluding any irrecoverable VAT. Lease payments associated with these leases are expensed on a straight-line basis over the lease term. Irrecoverable VAT on lease payments is expensed as it falls due.

Subsequent Measurement

As required by a HM Treasury interpretation of the accounting standard for the public sector, the Trust employs a revaluation model for subsequent measurement of right of use assets, unless the cost model is considered to be an appropriate proxy for current value in existing use or fair value, in line with the accounting policy for owned assets. Where consideration exchanged is identified as significantly below market value, the cost model is not considered to be an appropriate proxy for the value of the right of use asset.

The Trust subsequently measures the lease liability by increasing the carrying amount for interest arising which is also charged to expenditure as a finance cost and reducing the carrying amount for lease payments made. The liability is also remeasured for changes in assessments impacting the lease term, lease modifications or to reflect actual changes in lease payments. Such remeasurements are also reflected in the cost of the right of use asset. Where there is a change in the lease term or option to purchase the underlying asset, an updated discount rate is applied to the remaining lease payments.

The Trust as a Lessor

The Trust assesses each of its leases and classifies them as either a finance lease or an operating lease. Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

Where the Trust is an intermediate lessor, classification of the sublease is determined with reference to the right of use asset arising from the headlease.

Finance Leases

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the Trust's net investment outstanding in respect of the leases.

Operating Leases

Income from operating leases is recognised on a straight-line basis or another systematic basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Initial Application of IFRS 16 in 2022/23

IFRS 16 Leases as adapted and interpreted for the public sector by HM Treasury was applied to these financial statements with an initial application date of 1 April 2022. IFRS 16 replaced IAS 17 Leases, IFRIC 4 Determining whether an arrangement contains a lease and other interpretations.

The standard was applied using a modified retrospective approach with the cumulative impact recognised in the income and expenditure reserve on 1 April 2022. Upon initial application, the provisions of IFRS 16 were only applied to existing contracts where they were previously deemed to be a lease or contain a lease under IAS 17 and IFRIC 4. Where existing contracts were previously assessed not to be or contain a lease, these assessments were not revisited.

The Trust as a Lessee

For continuing leases previously classified as operating leases, a lease liability was established on 1 April 2022 equal to the present value of future lease payments discounted at the Trust's incremental borrowing rate of 0.95%. A right of use asset was created equal to the lease liability and adjusted for prepaid and accrued lease payments and deferred lease incentives recognised in the Statement of Financial Position immediately prior to initial application. Hindsight



HM Treasury provides discount rates for general provisions on a nominal rate basis. Expected future cash flows are therefore adjusted for the impact of inflation before discounting using nominal rates. The following inflation rates are set by HM Treasury, effective from 31 March 2024:

	Inflation Rate	Prior Year Rate
Year 1	3.60%	7.40%
Year 2	1.80%	0.60%
Into Perpetuity	2.00%	2.00%

was used in determining the lease term where lease arrangements contained options for extension or earlier termination.

No adjustments were made on initial application in respect of leases with a remaining term of 12 months or less from 1 April 2022 or for leases where the underlying assets had a value below £5,000. No adjustments were made in respect of leases previously classified as finance leases.

Trust as a Lessor

Leases of owned assets where the Trust was lessor were unaffected by initial application of IFRS 16. For existing arrangements where the Trust was an intermediate lessor, classification of all continuing sublease arrangements was been reassessed with reference to the right of use asset.

1.16 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rates effective from 31 March 2024:

		Nominal Rate	Prior Year Rate
Short-term	Up to 5 years	4.26%	3.37%
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%
Very long-term	Exceeding 40 years	4.40%	3.00%

Early retirement provisions and injury benefit provisions both use the HM Treasury's post-employment benefits discount rate of 2.45% in real terms (prior year: 1.70%).

Clinical Negligence Costs

NHS Resolution operates a risk pooling scheme under which the Trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the Trust is disclosed at Note 34.2 but is not recognised in the Trust's accounts.

Non-Clinical Risk Pooling

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any excesses payable in respect of particular claims are charged to operating expenses when the liability arises.

1.17 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in Note 35 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in Note 35, unless the probability of a transfer of economic benefits is remote.

Contingent liabilities are defined as:

- Possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- Present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

1.18 Public Dividend Capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

The Secretary of State can issue new PDC to, and require repayments of PDC from, the Trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the Trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, with certain additions and deductions as defined by the Department of Health and Social Care.

In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

1.19 Value Added Tax

Most of the activities of the Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.20 Corporate Tax

As an NHS Body the Trust is not directly subject to Corporation Tax.

1.21 Climate Change Levy

Expenditure on the climate change levy is recognised in the Statement of Comprehensive Income as incurred, based on the prevailing chargeable rates for energy consumption.

1.22 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.

1.23 Third Party Assets

Assets belonging to third parties in which the Trust has no beneficial interest (such as money held on behalf of patients) are not recognised in the accounts. However, they are disclosed in a separate note to the accounts in accordance with the requirements of HM Treasury's FReM.

1.24 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.

1.25 Gifts

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

1.26 Transfers of Functions (to/from) (Other NHS Bodies/Local Government Bodies)

There have been no transfers of functions either into or out of Alder Hey to any other NHS bodies/local government bodies.

1.27 Early Adoption of Standards, Amendments and Interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2023/24.

1.28 Standards, Amendments and Interpretations in Issue but not yet Effective or Adopted

IFRS 18 – Presentation and Disclosure in Financial Statements

From 1st April 2027 the Trust will have to adopt the above standard which set out requirements for the presentation and disclosure of information in general purpose financial statements (financial statements) to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses.

1.29 Critical Judgements in Applying Accounting Policies

The following are the judgements, apart from those involving estimations (see below) that management has made in the process of applying the Trust accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

The Trust has nothing significant to disclose in this area.

1.30 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:

In the current reporting period, the Trust has applied indices to determine the movement in valuation since the last full asset revaluation of PPE, in line with the trust's policy for asset valuation. The Trust has a full asset revaluation, undertaken independently, every five years, the last valuation was as at 31st March 2023.

2. Operating Segments

The Trust has considered segmental reporting and the Chief Executive and the Board receive sufficient and appropriate high level information to enable the business to be managed effectively and to monitor and manage the strategic aims of the Trust. Sufficiently detailed information is used by middle and lower management to ensure effective management at an operational level. Neither of these are sufficiently discrete to profile operating segments, as defined by IFRS8, that would enable a user of these financial statements to evaluate the nature and financial effects of the business activities that the Trust undertakes. Therefore the Trust has decided that it has one operating segment for healthcare provision.



3. Operating Income from Patient Care Activities

All income from patient care activities relates to contract income recognised in line with accounting policy 1.4.

3.1 Income from Patient Care Activities (by Nature)

	2023/24 £000	2022/23 £000
Acute Services		
Income from Commissioners Under API Contracts - Variable Element*	74,746	
Income from Commissioners Under API Contracts - Fixed Element*	174,133	227,563
High Cost Drugs Income from Commissioners	44,682	38,013
Other NHS Clinical Income	31,592	20,711
Mental Health Services		
Income from Commissioners Under API Contracts*	23,884	20,063
Services Delivered Under a Mental Health Collaborative	-	-
Income for Commissioning Services in a Mental Health Collaborative	-	-
Clinical Partnerships Providing Mandatory Services (Including S75 Agreements)	-	-
Clinical Income for the Secondary Commissioning of Mandatory Services	-	-
Other Clinical Income from Mandatory Services	-	-
Ambulance Services		
A&E Income	-	-
Patient Transport Services Income	-	-
Other Income	-	-
Community Services		
Income from Commissioners Under API Contracts*	18,845	19,263
Income from Other Sources (e.g. Local Authorities)	418	818
All Services		
Private Patient Income	273	114
Elective Recovery Fund	-	7,486
National Pay Award Central Funding***	228	7,544
Additional Pension Contribution Central Funding**	9,517	8,684
Other Clinical Income	981	403
Total Income from Activities	379,299	350,663

*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.

***In March 2023 the Government announced an additional pay offer for 2022/23, in addition to the pay award earlier in the year. Additional funding was made available by NHS England for implementing this pay offer for 2022/23 and the income and expenditure has been included in these accounts as guided by the Department of Health and Social Care and NHS England. In May 2023 the government confirmed this offer will be implemented as a further pay award in respect of 2022/23 based on individuals in employment at 31 March 2023.

3.2 Income from Patient Care Activities (by Source)

2023/24
£000

2022/23
£000

Income from Patient Care Activities Received from:		
NHS England	232,595	221,674
Clinical Commissioning Groups		24,821
Integrated Care Boards	114,873	76,793
Department of Health and Social Care	-	-
Other NHS providers	1,335	1,481
NHS Other	-	-
Local Authorities	418	818
Non-NHS: Private Patients	273	114
Non-NHS: Overseas Patients (Chargeable to Patient)	61	3
Injury Cost Recovery Scheme	920	401
Non NHS: Other	28,824	24,559
Total Income from Activities	379,299	350,663
Of which:		
Related to Continuing Operations	379,299	350,663
Related to Discontinued Operations	-	-

3.3 Overseas Visitors (Relating to Patients Charged Directly by the Provider)

2023/24
£000

2022/23
£000

Income Recognised this Year	61	3
Cash Payments Received In-Year	61	3
Amounts Added to Provision for Impairment of Receivables	-	-
Amounts Written off In-Year	-	5



4. Other Operating Income

	2023/24			2022/23		
	Contract Income	Non-Contract Income	Total	Contract Income	Non-Contract Income	Total
	£000	£000	£000	£000	£000	£000
Research and Development	5,876	-	5,876	5,270	-	5,270
Education and Training	10,790	-	10,790	9,821	-	9,821
Non-Patient Care Services to Other Bodies	12,453	-	12,453	10,977	-	10,977
Reimbursement and Top Up Funding	-	-	-	296	-	296
Income in respect of Employee Benefits Accounted on a Gross Basis	669	-	669	612	-	612
Receipt of Capital Grants and Donations and Peppercorn Leases	-	851	851	-	3,254	3,254
Charitable and Other Contributions to Expenditure	-	777	777	-	1,182	1,182
Support from the Department of Health and Social Care for Mergers	-	-	-	-	-	-
Revenue from Finance Leases (Variable Lease Receipts)	-	-	-	-	-	-
Revenue from Operating Leases	-	-	-	-	-	-
Amortisation of PFI Deferred Income/Credits	-	137	137	-	137	137
Other Income	5,073	-	5,073	9,029	-	9,029
Total Other Operating Income	34,861	1,765	36,626	36,005	4,573	40,578
Of which:						
Related to Continuing Operations			36,626			40,578
Related to Discontinued Operations			-			-

Other income is primarily made up of; car park income, catering, rental, membership contributions, procurement rebates, proceeds from insurance, other grants, other income generation schemes.

5.1 Additional Information on Contract Revenue (IFRS 15) Recognised in the Period

	2023/24 £000	2022/23 £000
Revenue Recognised in the Reporting Period that was Included in Within Contract Liabilities at the Previous Period End		
Revenue Recognised from Performance Obligations Satisfied (or Partially Satisfied) in Previous Periods		

5.2 Transaction Price Allocated to Remaining Performance Obligations

	31 March 2024 £000	31 March 2023 £000
Revenue from Existing Contracts Allocated to Remaining Performance Obligations is Expected to be Recognised:		
Within One Year		
After One Year, Not Later Than Five Years		
After Five Years		
Total Revenue Allocated to Remaining Performance Obligations	-	-

The Trust has exercised the practical expedients permitted by IFRS 15 paragraph 121 in preparing this disclosure. Revenue from (i) contracts with an expected duration of one year or less and (ii) contracts where the Trust recognises revenue directly corresponding to work done to date is not disclosed.

5.3 Income from Activities Arising from Commissioner Requested Services

The Trust is required to analyse the level of income from activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider licence and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

	2023/24 £000	2022/23 £000
Income from Services Designated as Commissioner Requested Services	366,216	321,758
Income from Services Not Designated as Commissioner Requested Services	50,836	55,313
Total	417,052	377,071

5.4 Profits and Losses on Disposal of Property, Plant and Equipment

The Trust has experienced no material gains or losses in relation to the disposal of property, plant and equipment.

5.5 Fees and Charges

The following disclosure is of income from charges to service users where the full cost of providing that service exceeds £1 million and is presented as the aggregate of such income. The cost associated with the service that generated the income is also disclosed.

	2023/24 £000	2022/23 £000
Income	-	-
Full Cost	-	-
Surplus/(Deficit)	-	-

6. Operating Leases - Alder Hey Children's NHS Foundation Trust as a Lessor

This note discloses income generated in operating lease agreements where Alder Hey Children's NHS Foundation Trust is lessor.

6.1 Operating Lease Income

	2023/24 £000	2022/23 £000
Lease Receipts Recognised as Income in Year	-	-
Minimum Lease Receipts	-	-
Variable Lease Receipts/Contingent Rents	-	-
Total In-Year Operating Lease Income	-	-

6.2 Future Lease Receipts

	2023/24 £000	2022/23 £000
Future Minimum Lease Receipts Due In:	-	-
- Not Later Than One Year	-	-
- Later Than One Year and Not Later Than Two Years	-	-
- Later Than Two Years and Not Later Than Three Years	-	-
- Later Than Three Years and Not Later Than Four Years	-	-
- Later Than Four Years and Not Later Than Five Years	-	-
- Later Than Five Years	-	-
Total	-	-

7.1 Operating Expenses

	2023/24 £000	2022/23 £000
Purchase of Healthcare from NHS and DHSC bodies	2,367	-
Purchase of Healthcare from non-NHS and non-DHSC bodies	1,931	2,261
Purchase of Social Care	-	-
Staff and Executive Directors Costs	242,454	226,550
Remuneration of Non-Executive Directors	144	148
Supplies and Services - Clinical (Excluding Drugs Costs)	28,862	28,090
Supplies and Services - General	2,276	2,329
Drug Costs (Drugs Inventory Consumed and Purchase of Non-Inventory Drugs)	51,663	49,724
Inventories Written Down	-	-
Consultancy Costs	611	549
Establishment	2,439	2,411
Premises	17,069	16,036
Transport (Including Patient Travel)	746	630
Depreciation on Property, Plant and Equipment	12,334	9,174
Amortisation on Intangible Assets	4,243	4,893
Net Impairments	12,390	(10,109)
Movement in Credit Loss Allowance: Contract Receivables/Contract Assets	21	416
Movement in Credit Loss Allowance: All Other Receivables and Investments	62	139
Increase/(Decrease) in Other Provisions	-	1,288
Change in Provisions Discount Rate(s)	-	(62)
Fees Payable to the External Auditor		
Audit Services - Statutory Audit	249	195
Other Auditor Remuneration (External Auditor Only)	-	-
Internal Audit Costs	-	-
Clinical Negligence	4,372	3,831
Legal Fees	1,072	348
Insurance	435	377
Research and Development	5,455	5,042
Education and Training	10,836	10,579
Expenditure on Short Term Leases	-	12
Expenditure on Low Value Leases	-	-
Variable Lease Payments not Included in the Liability	-	-
Early Retirements	2	102
Redundancy	78	18
Charges to Operating Expenditure for on-SoFP IFRIC 12 schemes (e.g. PFI/LIFT)	5,099	4,912
Charges to operating expenditure for off-SoFP PFI/LIFT schemes	-	-
Car Parking and Security	1,021	997
Hospitality	8	25
Losses, Ex-Gratia and Special Payments	-	-
Grossing Up Consortium Arrangements	-	-
Other Services, e.g. External Payroll	434	379
Other	2,053	3,546
Total	410,726	364,829
Of which:		
Related to Continuing Operations	410,726	364,829
Related to Discontinued Operations	-	-

7.2 Other Auditor Remuneration

2023/24
£000

2022/23
£000

Other Auditor Remuneration Paid to the External Auditor:		
1. Audit of Accounts of any Associate of the Trust	-	-
2. Audit-Related Assurance Services	-	-
3. Taxation Compliance Services	-	-
4. All Taxation Advisory Services not Falling Within Item 3 Above Local Authorities	-	-
5. Internal Audit Services	-	-
6. All Assurance Services not Falling Within Items 1 to 5	-	-
7. Corporate Finance Transaction Services not Falling Within Items 1 to 6 Above	-	-
8. Other Non-Audit Services not Falling Within Items 2 to 7 Above	-	-
Total	-	-

7.3 Limitation on Auditor's Liability

The limitation on auditor's liability for external audit work is £2 million (2022/23: £2 million).

8. Impairment of Assets

This note discloses income generated in operating lease agreements where Alder Hey Children's NHS Foundation Trust is lessor.

2023/24
£000

2022/23
£000

Net Impairments Charged to Operating Surplus/Deficit Resulting From:		
Loss or Damage from Normal Operations	-	-
Over Specification of Assets	-	-
Abandonment of Assets In Course of Construction	-	-
Unforeseen Obsolescence	-	-
Loss as a Result of Catastrophe	-	-
Changes in Market Price	10,885	(10,109)
Other	1,505	-
Total Net Impairments Charged to Operating Surplus/Deficit	12,390	(10,109)
Impairments Charged to the Revaluation Reserve	-	564
Total Net Impairments	12,390	(9,545)

The impairments above relate to the change in asset value from the cost of the asset to the value in use. The Sunflower/Catkin building was fully completed in year and was valued by Cushman and Wakefield the Trust valuers, and the Impairment of £10.8m was the impairment to the asset value.

For the Trusts Electronic Patient Record system, Alder Care, due to contract complications, it was decided that an element of the cost towards the system would be impaired.

9. Employee Benefits

	2023/24 £000	2022/23 £000
Salaries and Wages	196,308	186,080
Social Security Costs	19,183	17,199
Apprenticeship Levy	929	806
Employer's Contributions to NHS Pensions	31,275	28,514
Pension Cost - Other	-	-
Other Post Employment Benefits	-	-
Other Employment Benefits	-	-
Termination Benefits	-	-
Temporary Staff (Including Agency)	12,903	10,706
Total Gross Staff Costs	260,598	243,305
Recoveries in Respect of Seconded Staff	(2,109)	(1,998)
Total Staff Costs	258,489	241,307
Of which		
Costs Capitalised as Part of Assets	3,171	2,590

9.1 Retirements Due to Ill-Health

During 2023/24 there was one early retirement from the Trust agreed on the grounds of ill-health (3 in the year ended 31 March 2023). The estimated additional pension liabilities of these ill-health retirements is £33k (£582k in 2022/23).

These estimated costs are calculated on an average basis and will be borne by the NHS Pension Scheme.

10. Pension Costs

Past and present employees are covered by the provisions of the NHS Pension Schemes. Details of the benefits payable and rules of the schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting Valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2024, is based on valuation data as 31 March 2023, updated to 31 March 2024 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full Actuarial (Funding) Valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from April 2024. The Department of Health and Social Care has recently laid Scheme Regulations confirming the employer contribution rate will increase to 23.7% of pensionable pay from 1 April 2024 (previously 20.6%). The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.

11. Finance Income

Finance income represents interest received on assets and investments in the period.

	2023/24 £000	2022/23 £000
Interest on Bank Accounts	4,403	1,709
Interest Income on Finance Leases	-	-
Interest on Other Investments/Financial Assets	-	-
Other Finance Income	-	-
Total Finance Income	4,403	1,709

12.1 Finance Expenditure

Finance expenditure represents interest and other charges involved in the borrowing of money or asset financing.

	2023/24 £000	2022/23 £000
Interest expense:		
Interest on Loans from the Department of Health and Social Care	857	915
Interest on Other Loans	-	-
Interest on Overdrafts	-	-
Interest on Lease Obligations	46	44
Interest on Late Payment of Commercial Debt	-	-
Finance Costs on PFI, LIFT and Other Service Concession Arrangements:		
Main Finance Costs	7,837	7,259
Contingent Finance Costs*	-	924
Remeasurement of the Liability Resulting from Change in Index or Rate*	3,969	
Total Interest Expense	12,709	9,142
Unwinding of Discount on Provisions	(8)	9
Other Finance Costs	-	-
Total Finance Costs	12,701	9,151

* From 1 April 2023, IFRS 16 liability measurement principles are applied to PFI, LIFT and other service concession liabilities. Increases to imputed lease payments arising from inflationary uplifts are now included in the liability, and contingent rent no longer arises. More information is provided in Note 40.

12.2 The Late Payment of Commercial Debts (Interest) Act 1998/ Public Contract Regulations 2015

	2023/24 £000	2022/23 £000
Total Liability Accruing in Year Under this Legislation as a Result of Late Payments	-	-
Amounts Included Within Interest Payable Arising From Claims Made Under this Legislation	-	-
Compensation Paid to Cover Debt Recovery Costs Under this Legislation	-	-

13. Other Gains/(Losses)

	2023/24 £000	2022/23 £000
Gains on Disposal of Assets	113	55
Losses on Disposal of Assets	(482)	-
Total Gains/(Losses) on Disposal of Assets	(369)	55
Gains/(Losses) on Foreign Exchange	-	-
Fair Value Gains/(Losses) on Investment Properties	-	-
Fair Value Gains/(Losses) on Financial Assets/Investments	-	-
Fair Value Gains/(Losses) on Financial Liabilities	-	-
Recycling Gains/(Losses) on Disposal of Financial Assets Mandated as Fair Value Through OCI	-	-
Gains/(Losses) on Remeasurement of Finance Lease Receivables (Lessor)	-	-
Gains/(Losses) on Termination of Finance Leases (Lessor)	-	-
Other Gains/(Losses)	-	-
Total Other Gains/(Losses)	(369)	55

14. Discontinued Operations

	2023/24 £000	2022/23 £000
Operating Income of Discontinued Operations	-	-
Operating Expenses of Discontinued Operations	-	-
Gain on Disposal of Discontinued Operations	-	-
(Loss) on Disposal of Discontinued Operations	-	-
Corporation Tax Expense Attributable to Discontinued Operations	-	-
Total	-	-

15.1 Intangible Assets - 2023/24

	Software Licences £000	Intangible Assets Under Construction £000	Total £000
Valuation/Gross Cost at 1 April 2023 - Brought Forward	37,590	12,768	50,358
Transfers by Absorption	-	-	-
Additions	1,727	1,189	2,916
Impairments	(1,505)	-	(1,505)
Reversals of Impairments	-	-	-
Revaluations	-	-	-
Reclassifications	6,348	(6,348)	-
Transfers to/from Assets Held for Sale	-	-	-
Disposals/De-Recognition	(42)	-	(42)
Valuation/Gross Cost at 31 March 2024	44,118	7,609	51,727
Amortisation at 1 April 2023 - Brought Forward	18,924	-	18,924
Transfers by Absorption	-	-	-
Provided During the Year	4,243	-	4,243
Impairments	-	-	-
Reversals of Impairments	-	-	-
Revaluations	-	-	-
Reclassifications	-	-	-
Transfers to/from Assets Held for Sale	-	-	-
Disposals/De-Recognition	(42)	-	(42)
Amortisation at 31 March 2024	23,125	-	23,125
Net Book Value at 31 March 2024	20,993	7,609	28,602
Net Book Value at 1 April 2023	18,666	12,768	31,434



15.2 Intangible Assets - 2022/23

	Software Licences £000	Intangible Assets Under Construction £000	Total £000
Valuation/Gross Cost at 1 April 2022 - as Previously Stated	37,642	8,941	46,583
Prior Period Adjustments	-	-	-
Valuation/Gross Cost at 1 April 2022 - Restated	37,642	8,941	46,583
IFRS 16 Implementation - Re-Classification of Existing Finance Leased Assets to Right of Use Assets	-	-	-
Transfers by Absorption	-	-	-
Additions	299	3,827	4,126
Impairments	-	-	-
Reversals of Impairments	-	-	-
Revaluations	-	-	-
Reclassifications	-	-	-
Transfers to/from Assets Held For Sale	-	-	-
Disposals/De-Recognition	(351)	-	(351)
Valuation/Gross Cost at 31 March 2023	37,590	12,768	50,358
Amortisation at 1 April 2022 - as Previously Stated	14,382	-	14,382
Prior Period Adjustments	-	-	-
Amortisation at 1 April 2022 - Restated	14,382	-	14,382
IFRS 16 Implementation - Reclassification of Existing Finance Leased Assets to Right of Use Assets	-	-	-
Transfers by Absorption	-	-	-
Provided During the Year	4,893	-	4,893
Impairments	-	-	-
Reversals of Impairments	-	-	-
Revaluations	-	-	-
Reclassifications	-	-	-
Transfers to/from Assets Held for Sale	-	-	-
Disposals/De-Recognition	(351)	-	(351)
Amortisation at 31 March 2023	18,924	-	18,924
Net Book Value at 31 March 2023	18,666	12,768	31,434
Net Book Value at 1 April 2022	23,260	8,941	32,201

16.1 Property, Plant and Equipment - 2023/24

	Land	Buildings Excluding Dwellings	Dwellings	Assets Under Construction	Plant and Machinery	Transport Equipment	Information Technology	Furniture and Fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/ Gross cost at 1 April 2023 - Brought Forward	7,634	179,343	119	48,938	37,367	-	21,446	8,878	303,725
Transfers by Absorption	-	-	-	-	-	-	-	-	-
Additions	-	2,402	-	13,035	4,129	-	284	0	19,850
Impairments	-	(11,015)	-	-	-	-	-	-	(11,015)
Reversals of Impairments	-	130	-	-	-	-	-	-	130
Revaluations	-	156	-	-	-	-	-	-	156
Reclassifications	1,008	22,227	-	(24,167)	-	-	243	689	-
Transfers to/ from Assets Held For Sale	-	-	-	-	-	-	-	-	-
Disposals/ De-Recognition	-	-	-	-	(4,002)	-	(2,071)	-	(6,073)
Valuation/Gross Cost at 31 March 2024	8,642	193,243	119	37,806	37,494	-	19,902	9,567	306,773
Accumulated Depreciation at 1 April 2023 - Brought Forward	-	-	-	-	23,954	-	10,120	3,308	37,382
Transfers by Absorption	-	-	-	-	-	-	-	-	-
Provided During the Year	-	4,974	4	-	3,182	-	2,339	913	11,412
Impairments	-	-	-	-	-	-	-	-	-
Reversals of impairments	-	-	-	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-
Transfers to/ from Assets Held for Sale	-	-	-	-	-	-	-	-	-
Disposals/ De-Recognition	-	-	-	-	(3,812)	-	(1,713)	-	(5,525)
Accumulated Depreciation at 31 March 2024	-	4,974	4	-	23,324	-	10,746	4,221	43,269
Net Book Value at 31 March 2024	8,642	188,269	115	37,806	14,170	-	9,156	5,346	263,504
Net Book Value at 1 April 2023	7,634	179,343	119	48,938	13,413	-	11,326	5,570	266,343

16.2 Property, Plant and Equipment - 2022/23

	Land £000	Buildings Excluding Dwellings £000	Dwellings £000	Assets Under Construction £000	Plant & Machinery £000	Transport Equipment £000	Information Technology £000	Furniture & Fittings £000	Total £000
Valuation/Gross Cost at 1 April 2022 - as Previously Stated	4,028	163,605	103	44,018	35,312	-	21,633	6,749	275,448
Prior Period Adjustments	-	-	-	-	-	-	-	-	-
Valuation/Gross Cost at 1 April 2022 - Restated	4,028	163,605	103	44,018	35,312	-	21,633	6,749	275,448
IFRS 16 Implementation - Reclassification of Existing Finance Leased Assets to Right of Use Assets	-	-	-	-	(439)	-	-	-	(439)
Transfers by Absorption	-	-	-	-	-	-	-	-	-
Additions	2,000	-	-	7,027	3,048	-	71	665	12,811
Impairments	-	(4,725)	-	-	-	-	-	-	(4,725)
Reversals of Impairments	636	-	-	-	-	-	-	-	636
Revaluations	370	20,463	16	-	-	-	-	-	20,849
Reclassifications	600	-	-	(2,107)	43	-	-	1,464	-
Transfers to/from Assets Held for Sale	-	-	-	-	-	-	-	-	-
Disposals/De-Recognition	-	-	-	-	(597)	-	(258)	-	(855)
Valuation/Gross Cost at 31 March 2023	7,634	179,343	119	48,938	37,367	-	21,446	8,878	303,725
Accumulated Depreciation at 1 April 2022 - as Previously Stated	-	10,187	12	-	21,512	-	8,005	2,606	42,322
Prior Period Adjustments	-	-	-	-	-	-	-	-	-
Accumulated Depreciation at 1 April 2022 - Restated	-	10,187	12	-	21,512	-	8,005	2,606	42,322
IFRS 16 Implementation - Reclassification of Existing Finance Leased Assets to Right of Use Assets	-	-	-	-	(266)	-	-	-	(266)
Transfers by Absorption	-	-	-	-	-	-	-	-	-
Provided During the Year	-	2,106	3	-	3,305	-	2,373	702	8,489
Impairments	-	-	-	-	-	-	-	-	-
Reversals of Impairments	-	(13,634)	-	-	-	-	-	-	(13,634)
Revaluations	-	1,341	(15)	-	-	-	-	-	1,326
Reclassifications	-	-	-	-	-	-	-	-	-
Transfers to/from Assets Held for Sale	-	-	-	-	-	-	-	-	-
Disposals/De-Recognition	-	-	-	-	(597)	-	(258)	-	(855)
Accumulated Depreciation at 31 March 2023	-	-	-	-	23,954	-	10,120	3,308	37,382
Net Book Value at 31 March 2023	7,634	179,343	119	48,938	13,413	-	11,326	5,570	266,343
Net Book Value at 1 April 2022	4,028	153,418	91	44,018	13,800	-	13,628	4,143	233,126

16.3 Property, Plant and Equipment Financing - 31 March 2024

	Land	Buildings Excluding Dwellings	Dwellings	Assets Under Construction	Plant and Machinery	Transport Equipment	Information Technology	Furniture and Fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Owned - Purchased	8,642	19,917	115	37,190	10,436	-	8,624	5,256	90,180
On-SoFP PFI Contracts and Other Service Concession Arrangements	-	161,990	-	-	-	-	-	-	161,990
Off-SoFP PFI Residual Interests	-	-	-	-	-	-	-	-	-
Owned - Donated/Granted	-	6,362	-	616	3,734	-	532	90	11,334
Total Net Book Value at 31 March 2024	8,642	188,269	115	37,806	14,170	-	9,156	5,346	263,504

16.4 Property, Plant and Equipment Financing - 31 March 2023

	Land	Buildings Excluding Dwellings	Dwellings	Assets Under Construction	Plant and Machinery	Transport Equipment	Information Technology	Furniture and Fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Owned - Purchased	7,634	8,223	119	45,898	8,161	-	10,637	5,467	86,139
On-SoFP PFI Contracts and Other Service Concession Arrangements	-	166,160	-	-	-	-	-	-	166,160
Off-SoFP PFI Residual Interests	-	-	-	-	-	-	-	-	-
Owned - Donated/Granted	-	4,960	-	3,040	5,252	-	689	103	14,044
Total Net Book Value At 31 March 2023	7,634	179,343	119	48,938	13,413	-	11,326	5,570	266,343

16.5 Property Plant And Equipment Assets Subject To An Operating Lease (Trust As A Lessor) - 31 March 2024

	Land	Buildings Excluding Dwellings	Dwellings	Assets Under Construction	Plant and Machinery	Transport Equipment	Information Technology	Furniture and Fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Subject to an Operating Lease									-
Not Subject to an Operating Lease									-
Total Net Book Value at 31 March 2024	-	-	-	-	-	-	-	-	-

16.6 Property Plant And Equipment Assets Subject To An Operating Lease (Trust As A Lessor) - 31 March 2023

	Land	Buildings Excluding Dwellings	Dwellings	Assets Under Construction	Plant and Machinery	Transport Equipment	Information Technology	Furniture and Fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Subject to an Operating Lease									-
Not Subject to an Operating Lease									-
Total Net Book Value at 31 March 2023	-	-	-	-	-	-	-	-	-

17. Donations of Property, Plant and Equipment

The Trust received £618k from The National Institute of Health Research (NIHR) towards the purchase of a MRI scanner, which is due to be completed in 2024/25.

18. Revaluations of Property, Plant and Equipment

All land and buildings were revalued as at 31 March 2023. The valuation was carried out by an independent valuer, Cushman & Wakefield.

The basis of the valuation was to use the Depreciated Replacement Cost (DRC) approach. The DRC approach assumes that the asset would be replaced with a modern equivalent, not a building of identical design, with the same service potential as the existing asset. The modern equivalent may be smaller than the existing asset for example, due to technological advances in plant and machinery.

The ultimate objective of the valuation is to place a value upon the asset, and in this the value of the land in providing a modern equivalent facility must be considered. The modern equivalent asset may be located on a new site out of town, or be on a smaller site due to changes in the way services are provided.

The site is valued based on the size of the modern equivalent, and not the actual site area occupied currently.

Asset values have been adjusted to reflect the latest BCIS "All in" Tender Price Indices to reflect change in valuation to 31 March 2024.

19. Leases - Alder Hey Children's NHS Foundation Trust as Lessee

This note details information about leases for which the Trust is a lessee.

The Trust is a lessee for several buildings and some cleaning and medical equipment. The leased buildings enable the Trust to provide services away from the main hospital site, as well as providing off-site working accommodation for staff.



19.1 Right of Use Assets - 2023/24

	Property (Land and Buildings)	Plant & Machinery	Transport Equipment	Information Technology	Furniture & Fittings	Intangible Assets	Total	Of Which: Leased From DHSC Group Bodies
	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/Gross Cost at 1 April 2023 - Brought Forward	5,247	448	-	-	-	-	5,695	2,863
Transfers by Absorption	-	-	-	-	-	-	-	-
Additions	975	-	-	-	-	-	975	-
Remeasurements of the Lease Liability	916	-	-	-	-	-	916	713
Movements in Provisions for Restoration/ Removal Costs	-	-	-	-	-	-	-	-
Impairments	-	-	-	-	-	-	-	-
Reversal of Impairments	-	-	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-
Disposals/ De-Recognition	(208)	(448)	-	-	-	-	(656)	(169)
Valuation/Gross Cost at 31 March 2024	6,930	-	-	-	-	-	6,930	3,407
Accumulated Depreciation at 1 April 2023 - Brought Forward	593	358	-	-	-	-	951	286
Transfers by Absorption	-	-	-	-	-	-	-	-
Provided During the Year	832	90	-	-	-	-	922	407
Impairments	-	-	-	-	-	-	-	-
Reversal of Impairments	-	-	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-
Disposals/ De-Recognition	(35)	(448)	-	-	-	-	(483)	(21)
Accumulated Depreciation at 31 March 2024	1,390	-	-	-	-	-	1,390	672
Net Book Value at 31 March 2024	5,540	-	-	-	-	-	5,540	2,735
Net Book Value at 1 April 2023	4,654	90	-	-	-	-	4,744	2,577
Net Book Value of Right of Use Assets Leased From Other NHS Providers								350
Net Book Value of Right of Use Assets Leased from Other DHSC Group Bodies								2,385

19.2 Right of Use Assets - 2022/23

	Property (Land and Buildings)	Plant & Machinery	Transport Equipment	Information Technology	Furniture & Fittings	Intangible Assets	Total	Of Which: Leased From DHSC Group Bodies
	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/Gross Cost at 1 April 2022 - Brought Forward	-	-	-	-	-	-	-	-
IFRS 16 Implementation - Reclassification of Existing Finance Leased Assets from PPE or Intangible Assets	-	439	-	-	-	-	439	-
IFRS 16 Implementation - Adjustments for Existing Operating Leases/Subleases	5,247	9	-	-	-	-	5,256	2,863
Transfers by Absorption	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-
Remeasurements of the Lease Liability	-	-	-	-	-	-	-	-
Movements in Provisions for Restoration/Removal Costs	-	-	-	-	-	-	-	-
Impairments	-	-	-	-	-	-	-	-
Reversal of Impairments	-	-	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-
Disposals/De-Recognition	-	-	-	-	-	-	-	-
Valuation/Gross Cost at 31 March 2023	5,247	448	-	-	-	-	5,695	2,863
Accumulated Depreciation at 1 April 2022 - Brought Forward	-	-	-	-	-	-	-	-
IFRS 16 Implementation - Reclassification of Existing Finance Leased Assets From PPE or Intangible Assets	-	266	-	-	-	-	266	-
IFRS 16 Implementation - Adjustments for Existing Subleases	-	-	-	-	-	-	-	-
Transfers by Absorption	-	-	-	-	-	-	-	-
Provided During the Year	593	92	-	-	-	-	685	286
Impairments	-	-	-	-	-	-	-	-
Reversal of Impairments	-	-	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-
Disposals/De-Recognition	-	-	-	-	-	-	-	-
Accumulated Depreciation at 31 March 2023	593	358	-	-	-	-	951	286
Net Book Value at 31 March 2023	4,654	90	-	-	-	-	4,744	2,577
Net Book Value at 1 April 2022	-	-	-	-	-	-	-	-
Net Book Value of Right of Use Assets Leased from Other DHSC Group Bodies								533
Net Book Value of Right of Use Assets Leased from Other DHSC Group Bodies								2,044

19.3 Revaluations of Right of Use Assets (See Note 1.15.)

See note 1.15.

19.4 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 32.1.

	2022/23 £000	2022/23 £000
Carrying Value at 31 March	4,915	342
Prior Period Adjustments		-
Carrying Value at 31 March - Restated	4,915	342
IFRS 16 Implementation - Adjustments for Existing Operating Leases		5,256
Transfers by Absorption	-	-
Lease Additions	975	-
Lease Liability Remeasurements	916	-
Interest Charge Arising in Year	46	44
Early Terminations	(176)	-
Lease Payments (Cash Outflows)	(1,000)	(727)
Other Changes	-	-
Carrying Value at 31 March	5,676	4,915

Lease payments for short term leases, leases of low value underlying assets and variable lease payments not dependent on an index or rate are recognised in operating expenditure.

These payments are disclosed in Note 7.1. Cash outflows in respect of leases recognised on-SoFP are disclosed in the reconciliation above.

Income generated from subleasing right of use assets in £0k and is included within revenue from operating leases in note 4.

19.5 Maturity Analysis of Future Lease Payments

	Total 31 March 2024 £000	Of which Leased from DHSC Group Bodies: 31 March 2024 £000	Total 31 March 2023 £000	Of which Leased from DHSC Group Bodies: 31 March 2023 £000
Undiscounted Future Lease Payments Payable in:				
- Not Later Than One Year	590	418	801	299
- Later Than One Year and Not Later Than Five Years	3,579	1,471	2,120	1,195
- Later than Five Years	1,760	954	2,181	1,195
Total Gross Future Lease Payments	5,929	2,843	5,102	2,689
Finance Charges Allocated to Future Periods	(253)	(85)	(187)	(99)
Net Lease Liabilities at 31 March 2024	5,676	2,758	4,915	2,590
Of which:				
Leased From Other NHS Providers		354		536
Leased From Other DHSC Group Bodies		2,404		2,054

19.6 Leases - Other Information

Nothing to disclose in this area.

20. Investment Property

	2023/24 £000	2022/23 £000
Carrying Value at 1 April - Brought Forward	-	-
Prior Period Adjustments		
Carrying Value at 1 April - Restated	-	-
IFRS 16 Implementation - Adjustments for Existing Operating Leases		
Transfers by Absorption	-	-
Acquisitions in Year	-	-
Remeasurements of the Lease Liability	-	-
Movements in Provisions for Restoration/Removal Costs	-	-
Movement in Fair Value	-	-
Reclassification to/from PPE or Right of Use Assets	-	-
Transfers to/from Assets Held for Sale	-	-
Disposals	-	-
Carrying Value At 31 March	-	-

20.1 Investments Property Income and Expenses

	2023/24 £000	2022/23 £000
Direct Operating Expense Arising from Investment Property which Generated Rental Income in the Period	-	-
Direct Operating Expense Arising from Investment Property which did not Generate Rental Income in the Period	-	-
Total Investment Property Expenses	-	-
Investment Property Income	-	-

21. Investments in Associates and Joint Ventures

	2023/24 £000	2022/23 £000
Carrying Value At 1 April - Brought Forward	-	-
Prior Period Adjustments		
Carrying Value At 1 April - Restated	-	-
Transfers by Absorption	-	-
Acquisitions in Year	-	-
Share of Profit/(Loss)	-	-
Net Impairments	-	-
Transfers to/from Assets Held for Sale	-	-
Disbursements/Dividends Received	-	-
Disposals	-	-
Share of Other Comprehensive Income	-	-
Other Equity Movements	-	-
Carrying Value at 31 March	-	-

22. Other Investments/Financial Assets (Non-Current)

2023/24 2022/23
£000 £000

Carrying Value At 1 April - Brought Forward	-	-
Prior Period Adjustments		
Carrying Value At 1 April - Restated	-	-
Transfers by Absorption	-	-
Acquisitions in Year	-	-
Movement in Fair Value Through Income and Expenditure	-	-
Movement in Fair Value Through OCI	-	-
Net Impairments	-	-
Transfers to/from Assets Held For Sale	-	-
Amortisation at the Effective Interest Rate	-	-
Current Portion of Loans Receivable Transferred to Current Financial Assets	-	-
Disposals	-	-
Carrying Value at 31 March	-	-

22.1 Other Investments/Financial Assets (Current)

31 March 2024 31 March 2023
£000 £000

Loans Receivable within 12 Months Transferred from Non-Current Financial Assets	-	-
Deposits with the National Loans Fund	-	-
Other Current Financial Assets	-	-
Total Current Investments/Financial Assets	-	-



23. Disclosure of Interests in Other Entities

The Trust has the following wholly owned subsidiaries:

Name/Purpose	% Shareholding
Alder Hey Ventures Limited - Commercialisation and Exploitation of IP	100
Alder Hey Living Hospitals Limited - Development of Software Applications	100

Alder Hey Ventures Limited is not yet trading and therefore not consolidated. The accounts of Alder Hey Living Hospitals Limited have not been consolidated as it is considered to be immaterial.

The Trust has a number of interests in other entities for the commercialisation and exploitation of Intellectual Property (IP). These interests are not accounted for on the grounds of immateriality.

Name	% Shareholding
Hand Hygiene Solutions Ltd	20.70%
Audiology Metrics Ltd	23.60%
Optimising Care Ltd	19.17%
Acorn Partners Ltd	27.50%
Asthma Buddy Ltd	30.10%
Doctors Hours Ltd	30.10%
Bloom Revalidation Ltd	30.10%
Digital Audiology Technologies Ltd	30.10%
Blood Sense Ltd	30.00%

24. Inventories

	31 March 2023 £000	31 March 2022 £000
Drugs	1,882	1,739
Work in Progress	-	-
Consumables	3,028	2,648
Energy	62	62
Other	-	-
Total Inventories	4,972	4,449
Of Which:		
Held at Fair Value Less Costs to Sell	-	-

Inventories recognised in expenses for the year were £57,626k (2022/23: £47,494k). Write-down of inventories recognised as expenses for the year were £0k (2022/23: £0k).

In response to the COVID-19 pandemic, the Department of Health and Social Care centrally procured personal protective equipment and passed these to NHS providers free of charge. During 2023/24 the Trust received £33k of items purchased by DHSC (2022/23: £375k).

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.

The deemed cost of these inventories was charged directly to expenditure on receipt with the corresponding benefit recognised in income.

25.1. Receivables

	31 March 2023 £000	31 March 2022 £000
Current		
Contract Receivables	14,750	21,512
Contract Assets	-	-
Capital Receivables	-	-
Allowance for Impaired Contract Receivables/Assets	(1,092)	(1,423)
Allowance for Other Impaired Receivables	(771)	(730)
Deposits and Advances	-	-
Prepayments (non-PFI)	5,716	5,484
PFI Prepayments - Capital Contributions	-	-
PFI Lifecycle Prepayments	-	-
Interest Receivable	375	-
Finance Lease Receivables	-	-
Operating Lease Receivables	-	-
PDC Dividend Receivable	536	-
VAt Receivable	938	2,737
Corporation and Other Taxes Receivable	-	-
Other Receivables	379	513
Total Current Receivables	20,831	28,093
Non-Current		
Contract Receivables	-	-
Contract Assets	-	-
Capital Receivables	-	-
Allowance for Impaired Contract Receivables/Assets	-	-
Allowance for Other Impaired Receivables	-	-
Deposits and Advances	-	-
Prepayments (Non-PFI)	-	-
PFI Prepayments - Capital Contributions	-	-
PFI Lifecycle Prepayments	-	-
Interest Receivable	-	-
Finance Lease Receivables	-	-
Operating Lease Receivables	-	-
VAT Receivable	-	-
Corporation and Other Taxes Receivable	-	-
Other Receivables	299	388
Total Non-Current Receivables	299	388
Of Which Receivables from NHS and DHSC Group Bodies:		
Current	9,181	13,994
Non-Current	299	388

The majority of trade is with Integrated Care Systems and NHS England, as commissioners for NHS patient care services. As these bodies are funded by government to buy NHS patient care services, no credit score of them is considered necessary.

25.2 Allowances for Credit Losses

	2023/24		2022/23	
	Contract Receivables and Contract Assets	All Other Receivables	Contract Receivables and Contract Assets	All Other Receivables
	£000	£000	£000	£000
Allowances as at 1 April - Brought Forward	1,423	730	1,014	620
Prior Period Adjustments			-	-
Allowances as at 1 April - Restated	1,423	730	1,014	620
Transfers by Absorption	-	-	-	-
New Allowances Arising	416	285	513	298
Changes in Existing Allowances	-	-	-	-
Reversals of Allowances	(395)	(223)	(97)	(159)
Utilisation of Allowances (Write Offs)	(352)	(21)	(7)	(29)
Changes Arising Following Modification of Contractual Cash Flows	-	-	-	-
Foreign Exchange and Other Changes	-	-	-	-
Allowances as at 31 March 2024	1,092	771	1,423	730

25.3 Exposure to Credit Risk

The Trust's Financial risk management is set out in Note 40.1

26 Finance Leases (Alder Hey Children's NHS Foundation Trust as a Lessor)

This note discloses future lease payments receivable from lease arrangements classified as finance leases where the Alder Hey Children's NHS Foundation Trust is the lessor.

26.1 Reconciliation of the Carrying Value of Finance Lease Receivables (Net Investment in the Lease)

	2023/24 £000	2022/23 £000
Finance Lease Receivables at 31 March 2022	-	-
IFRS 16 Implementation - Adjustments for Existing Subleases	-	-
Transfers by Absorption	-	-
Additions	-	-
Interest Arising (Unwinding of Discount)	-	-
Remeasurements of Lease Receivables	-	-
Lease Receipts (Cash Payments Received)	-	-
De-Recognition Due to Early Termination	-	-
Finance Lease Receivables at 31 March 2023	-	-

26.2 Finance Lease Receivables Maturity Analysis

	Total	Of Which Leased	Total	Of Which Leased
	31 March 2024	to DHSC Group Bodies:	31 March 2023	to DHSC Group Bodies:
	31 March 2024	31 March 2024	31 March 2023	31 March 2023
	£000	£000	£000	£000
Undiscounted Future Lease Receipts Receivable in:	-	-	-	-
- Not Later than One Year;	-	-	-	-
- Later than One Year and Not Later than Two Years;	-	-	-	-
- Later than Two Years and not Later than Three Years;	-	-	-	-
- Later than Three Years and not Later than Four Years;	-	-	-	-
- Later than Four Years and not Later than Five Years;	-	-	-	-
- Later than Five Years.	-	-	-	-
Total Future Finance Lease Payments to be Received	-	-	-	-
Estimated Value of Unguaranteed Residual Interest	-	-	-	-
Unearned Interest Income	-	-	-	-
Allowance for Uncollectable Lease Payments	-	-	-	-
Net Investment in Lease (Net Lease Receivable)	-	-	-	-
Of Which those Receivable:				
Leased to Other NHS Providers		-		-
Leased to Other DHSC Group Bodies		-		-

26.3 Assets De-Recognised Under Finance Leases with Other DHSC Group Bodies

The Trust has nothing to disclose in this area.

27. Other Assets

	31 March 2024 £000	31 March 2023 £000
Current		
Other Assets	-	-
Total Other Current Assets	-	-
Non-Current		
Net Defined Benefit Pension Scheme Asset	-	-
Other Assets	-	-
Total Other Non-Current Assets	-	-



28.1 Non-Current Assets Held for Sale and Assets in Disposal Groups

	2023/24 £000	2023/24 £000
NBV of Non-Current Assets for Sale and Assets In Disposal Groups at 1 April	-	-
Prior Period Adjustment		
NBV of Non-Current Assets For Sale And Assets In Disposal Groups at 1 April - Restated	-	-
Transfers By Absorption	-	-
Assets Classified as Available for Sale in the Year	-	-
Assets Sold In Year	-	-
Impairment of Assets Held for Sale	-	-
Reversal of Impairment of Assets Held for Sale	-	-
Assets no Longer Classified as Held for Sale, for Reasons Other than Sale	-	-
NBV of Non-Current Assets for Sale and Assets in Disposal Groups at 31 March	-	-

28.2 Liabilities in Disposal Groups

	31 March 2024 £000	31 March 2023 £000
Categorised as:	-	-
Provisions	-	-
Trade and Other Payables	-	-
Other	-	-
Total	-	-

29.1 Cash and Cash Equivalents Movements

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	2023/24 £000	2022/23 £000
At 1 April	83,478	91,463
Prior Period Adjustments	-	-
At 1 April (Restated)	83,478	91,463
Transfers by Absorption	-	-
Net Change In Year	(5,198)	(7,985)
At 31 March	78,280	83,478
Broken Down Into:		
Cash at Commercial Banks and in Hand	268	1,034
Cash with the Government Banking Service	78,012	72,444
Deposits with the National Loan Fund	-	10,000
Other Current Investments	-	-
Total Cash and Cash Equivalents as in SoFP	78,280	83,478
Bank Overdrafts (GBS and Commercial Banks)	-	-
Drawdown in Committed Facility	-	-
Total Cash and Cash Equivalents as in SoCF	78,280	83,478

29.2 Third Party Assets Held by The Trust

Alder Hey Children's NHS Foundation Trust held cash and cash equivalents which relate to monies held by the Trust on behalf of patients or other parties and in which the Trust has no beneficial interest. This has been excluded from the cash equivalents figure reported in the accounts.

	31 March 2024 £000	31 March 2023 £000
Bank Balances	-	-
Monies on Deposit	-	-
Total Third Party Assets	-	-



30.1 Trade and Other Payables

	31 March 2024 £000	31 March 2023 £000
Current		
Trade Payables	5,670	8,818
Capital Payables	15,971	12,852
Accruals	28,259	25,746
Receipts in Advance and Payments on Account	-	-
PFI Lifecycle Replacement Received in Advance	-	-
Social Security Costs	-	-
VAT Payables	-	-
Other Taxes Payable	4,905	4,415
PDC Dividend Payable	-	1,218
Pension Contributions Payable	3,107	2,819
Other Payables	1,725	14,444
Total Current Trade and Other Payables	59,637	70,312
Non-Current		
Trade Payables	-	-
Capital Payables	-	-
Accruals	-	-
Receipts in Advance and Payments on Account	-	-
PFI Lifecycle Replacement Received in Advance	-	-
VAT Payables	-	-
Other Taxes Payable	-	-
Other Payables	-	-
Total Non-Current Trade and Other Payables	-	-
Of Which Payables from NHS and DHSC Group Bodies:		
Current	8,423	3,359
Non-Current	-	-

30.2 Early Retirements in NHS Payables Above

The payables note above includes amounts in relation to early retirements as set out below:

	31 March 2024 £000	31 March 2024 Number	31 March 2023 £000	31 March 2023 Number
- To Buy Out the Liability for Early Retirements Over 5 Years	-	-	-	-
- Number of Cases Involved	-	-	-	-

31. Other Liabilities

	31 March 2024 £000	31 March 2023 £000
Current		
Deferred Income: Contract Liabilities	1,818	4,005
Deferred Grants	-	-
Deferred PFI Credits/Income	137	137
Other Deferred Income	-	-
Total Other Current Liabilities	1,955	4,142
Non-Current		
Deferred Income: Contract Liabilities	40	120
Deferred Grants	-	-
Deferred PFI Credits/Income	2,810	2,947
Other Deferred Income	-	-
Net Pension Scheme Liability	-	-
Total Other Non-Current Liabilities	2,850	3,067

32.1 Borrowings

	31 March 2024 £000	31 March 2023 £000
Current		
Bank Overdrafts	-	-
Drawdown in Committed Facility	-	-
Loans from DHSC	2,808	2,806
Other Loans	-	-
Lease Liabilities	517	761
Obligations under PFI, LIFT or Other Service Concession Contracts	6,814	2,465
Total Current Borrowings	10,139	6,032
Non-Current		
Loans from DHSC	33,048	35,807
Other Loans	-	-
Lease Liabilities	5,159	4,154
Obligations under PFI, LIFT or Other Service Concession Contracts	95,594	92,956
Total Non-Current Borrowings	133,801	132,917

32.2 Reconciliation of Liabilities Arising from Financing Activities

	Loans from DHSC £000	Other Loans £000	Finance Leases £000	PFI and LIFT Schemes £000	Total £000
Carrying Value at 1 April 2023	38,613	-	4,915	95,421	138,949
Cash Movements:					
Financing Cash Flows - Payments and Receipts of Principal	(2,759)	-	(954)	(3,126)	(6,839)
Financing Cash Flows - Payments of Interest	(855)	-	(46)	(7,836)	(8,737)
Non-Cash Movements:					
Application of IFRS 16 Measurement Principles to PFI Liability on 1 April 2023				6,143	6,143
Transfers by Absorption	-	-	-	-	-
Additions	-	-	975	-	975
Lease Liability Remeasurements	-	-	916	-	916
Remeasurement of PFI/Other Service Concession Liability Resulting from Change in Index or Rate	-	-	-	3,969	3,969
Application of Effective Interest Rate	857	-	46	7,837	8,740
Change in Effective Interest Rate	-	-	-	-	-
Changes in Fair Value	-	-	-	-	-
Early Terminations	-	-	(176)	-	(176)
Other Changes	-	-	-	-	-
Carrying Value at 31 March 2024	35,856	-	4,915	102,408	143,940

	Loans from DHSC £000	Other Loans £000	Finance Leases £000	PFI and LIFT Schemes £000	Total £000
Carrying Value at 1 April 2022	41,380	-	342	97,849	139,571
Prior Period Adjustment	-	-	-	-	-
Carrying value at 31 March 2024	41,380	-	342	97,849	139,571
Cash Movements:					
Financing Cash Flows - Payments and Receipts of Principal	(2,759)	-	(683)	(2,429)	(5,871)
Financing Cash Flows - Payments of Interest	(923)	-	(44)	(7,258)	(8,225)
Non-Cash Movements:					
Impact of Implementing IFRS 16 on 1 April 2022			5,256		5,256
Transfers by Absorption	-	-	-	-	-
Additions	-	-	-	-	-
Lease Liability Re-measurements	-	-	-	-	-
Application of Effective Interest Rate	915	-	44	7,259	8,218
Change in Effective Interest Rate	-	-	-	-	-
Changes in Fair Value	-	-	-	-	-
Early Terminations	-	-	-	-	-
Other Changes	-	-	-	-	-
Carrying Value at 31 March 2024	38,613	-	4,915	95,421	138,949

33. Other Financial Liabilities

	31 March 2024 £000	31 March 2023 £000
Current		
Derivatives Held at Fair Value Through Income and Expenditure	-	-
Other Financial Liabilities	-	-
Total Current Other Financial Liabilities	-	-
Non-Current		
Derivatives Held at Fair Value Through Income and Expenditure	-	-
Other Financial Liabilities	-	-
Total Non-Current Other Financial Liabilities	-	-

34.1 Provisions for Liabilities and Charges Analysis

	Pensions - Early Departure Costs	Pensions: Injury Benefits	Legal Claims	Re- structuring	Equal Pay (including Agenda for Change)	Redundancy	Other	Total
	£000	£000	£000	£000	£000	£000	£000	£000
At 1 April 2023	155	339	252	-	-	-	12,685	13,431
Transfers by Absorption	-	-	-	-	-	-	-	-
Change in the Discount Rate	-	-	-	-	-	-	(68)	(68)
Arising During the Year	35	33	148	-	-	-	1,804	2,020
Utilised During the Year	(55)	(48)	(70)	-	-	-	(2,593)	(2,766)
Reclassified to Liabilities Held in Disposal Groups	-	-	-	-	-	-	-	-
Reversed Unused	-	-	(154)	-	-	-	(4,002)	(4,156)
Unwinding of Discount	(1)	(7)	-	-	-	-	21	13
At 31 March 2024	134	317	176	-	-	-	7,847	8,474
Expected Timing of Cash Flows:								
- Not Later Than One Year;	59	56	176	-	-	-	7,548	7,839
- Later Than One Year and not Later Than Five Years;	75	175	-	-	-	-	21	271
- Later Than Five Years.	-	86	-	-	-	-	278	364
Total	134	317	176	-	-	-	7,847	8,474

Early departure costs and injury benefits for former employees have been estimated using life expectancy from the Government's actuarial tables.

Legal claims relate to third party and employer liability claims and have been estimated by NHS Resolution. It is expected that these claims will be settled in the next year.

Provision liability arising from the 2019/20 pensions scheme 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.

The majority of the value in other provisions includes the anticipated costs to deliver on the Trust's legal obligation towards the re-instatement of Springfield Park as part of the land agreement.



34.2 Clinical Negligence Liabilities

At 31 March 2024, £165,649k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Alder Hey Children's NHS Foundation Trust (31 March 2023: £178,178k).

35. Contingent Assets and Liabilities

	31 March 2024	31 March 2023
	£000	£000
Value of Contingent Liabilities		
NHS Resolution Legal Claims	-	-
Employment Tribunal and Other Employee Related Litigation	-	-
Redundancy	-	-
Other	-	-
Gross Value of Contingent Liabilities	-	-
Amounts Recoverable Against Liabilities	-	-
Net Value of Contingent Liabilities	-	-
Net Value of Contingent Assets	-	-

36. Contractual Capital Commitments

	31 March 2024 £000	31 March 2023 £000
Property, Plant and Equipment	112,904	95,907
Intangible Assets	-	-
Total	112,904	95,907

37. Other Financial Commitments

The Trust is committed to making payments under non-cancellable contracts (which are not leases, PFI contracts or other service concession arrangement), analysed by the period during which the payment is made:

	31 March 2024 £000	31 March 2023 £000
Not Later Than One Year;	-	-
After One Year and Not Later Than Five Years;	-	-
Paid Thereafter	-	-
Total	-	-

38. Defined Benefit Pension Schemes

The Trust has no disclosures for defined benefit schemes.



38.1 Changes in the Defined Benefit Obligation and Fair Value of Plan Assets During the Year

	2023/24	2022/23
	£000	£000
Present Value of the Defined Benefit Obligation at 1 April	-	-
Prior Period Adjustment		
Present Value of the Defined Benefit Obligation at 1 April - Restated	-	-
Transfers by Absorption	-	-
Current Service Cost	-	-
Interest Cost	-	-
Contribution by Plan Participants	-	-
Remeasurement of the Net Defined Benefit (Liability)/Asset:		
- Actuarial (Gains)/Losses	-	-
Benefits Paid	-	-
Past Service Costs	-	-
Business Combinations	-	-
Curtailments and Settlements	-	-
Present Value of the Defined Benefit Obligation at 31 March	-	-
Plan Assets at Fair Value at 1 April	-	-
Prior Period Adjustment		
Plan Assets at Fair Value at 1 April - restated	-	-
Transfers by Normal Absorption	-	-
Interest Income	-	-
Remeasurement of the Net Defined Benefit (Liability)/Asset:		
- Return on Plan Assets	-	-
- Actuarial Gain/(Losses)	-	-
- Changes in the Effect of Limiting a Net Defined Benefit Asset to the Asset Ceiling	-	-
Contributions by the Employer	-	-
Contributions by the Plan Participants	-	-
Benefits Paid	-	-
Business Combinations	-	-
Settlements	-	-
Plan Assets at Fair Value at 31 March	-	-
Plan Surplus/(Deficit) at 31 March	-	-

38.2 Reconciliation of the Present Value of the Defined Benefit Obligation and the Present Value of the Plan Assets to the Assets and Liabilities Recognised in the Balance Sheet

	31 March 2024 £000	31 March 2023 £000
Present Value of the Defined Benefit Obligation	-	-
Plan Assets at Fair Value	-	-
Net Defined Benefit (Obligation)/Asset Recognised in the SoFP	-	-
Fair Value of any Reimbursement Right	-	-
Net (Liability)/Asset After the Impact of Reimbursement Rights	-	-

38.3 Amounts Recognised in the SoCI

	2023/24 £000	2022/23 £000
Current Service Cost	-	-
Interest Expense/Income	-	-
Past Service Cost	-	-
Gains/(Losses) on Curtailment and Settlement	-	-
Total Net (Charge)/Gain Recognised In SoCI	-	-

39. On-SoFP PFI, LIFT or Other Service Concession Arrangements

The PFI scheme relates to the main hospital building on East Prescott Road. The Trust has the right to use the buildings, however Alder Hey (Special Purpose Vehicle) Limited (Acorn Consortium) have responsibility for maintaining the buildings to an agreed standard. All lifecycle replacement is also the responsibility of Alder Hey (Special Purpose Vehicle) Limited. A key feature of the PFI scheme is that the operator is responsible for ensuring that the property is maintained to an agreed standard for the entire life of the contract. These are known as lifecycle costs. The costs which the operator expects to incur in doing this is reflected in the unitary payment. The contract with Alder Hey (Special Purpose Vehicle) Limited expires on 21 June 2045, after which time the Trust will become responsible for the maintenance and lifecycle costs of those buildings.



39.1 On-SoFP PFI, LIFT or Other Service Concession Arrangement Obligations

The following obligations in respect of the PFI, LIFT or other service concession arrangements are recognised in the statement of financial position:

	31 March 2024 £000	31 March 2023 £000
Gross PFI, LIFT or Other Service Concession Liabilities	212,336	196,929
Of Which Liabilities are Due		
- Not Later Than One Year	10,270	9,542
- Later Than One Year and Not Later Than Five Years	39,773	36,844
- Later Than Five Years	162,293	150,543
Finance Charges Allocated to Future Periods	(109,928)	(101,508)
Net PFI, LIFT or Other Service Concession Arrangement Obligation	102,408	95,421
- Not Later Than One Year	6,814	2,465
- Later Than One Year and Not Later Than Five Years	9,959	10,425
- Later Than Five Years	85,635	82,531

39.2 Total on-SoFP PFI, LIFT and Other Service Concession Arrangement Commitments

Total future commitments under these on-SoFP schemes are as follows:

	31 March 2024 £000	31 March 2023 £000
Total Future Payments Committed in Respect of the PFI, LIFT or Other Service Concession Arrangements	373,770	390,093
Of Which Payments are Due:		
- Not Later Than One Year	15,089	16,324
- Later Than One Year and Not Later Than Five Years	62,141	61,558
- Later Than Five Years	296,540	312,211

39.3 Analysis of Amounts Payable to Service Concession Operator

This note provides an analysis of the unitary payments made to the service concession operator:

	2023/24 £000	2022/23 £000
Unitary Payment Payable to Service Concession Operator	16,062	15,524
Consisting of:		
- Interest Charge	7,837	7,259
- Repayment of Balance Sheet Obligation	3,126	2,429
- Service Element and Other Charges to Operating Expenditure	3,792	4,020
- Capital Lifecycle Maintenance	-	-
- Revenue Lifecycle Maintenance	1,307	892
- Contingent Rent	-	924
- Addition to Lifecycle Prepayment	-	-
- Other amounts paid to Operator Due to a Commitment Under the Service Concession Contract but not part of the Unitary Payment	-	-
Total Amount Paid to Service Concession Operator	16,062	15,524



40.1 Impact of change in accounting policy for on-SoFP PFI, LIFT and other service concession liabilities

IFRS 16 liability measurement principles have been applied to PFI, LIFT and other service concession arrangement liabilities from 1 April 2023. When payments for the asset are uplifted for inflation, the imputed lease liability recognised on the SoFP is remeasured to reflect the increase in future payments. Such increases were previously recognised as contingent rent as incurred.

The change in measurement basis has been applied retrospectively without restatement of comparatives and with the cumulative impact on 1 April 2023 recognised in the income and expenditure reserve. The incremental impact of applying the new accounting policy on (a) the allocation of the unitary charge in 2023/24 and (b) the primary statements in 2023/24 is set out in the disclosures below.

	FRS 16 Basis (New Basis) 2023/24 £000	IAS 17 Basis (Old Basis) 2023/24 £000	Impact of Change 2023/24 £000
Unitary Payment Payable to Service Concession Operator	16,062	16,062	-
Consisting of:			
- Interest Charge	7,837	7,079	758
- Repayment of Balance Sheet Obligation	3,126	2,464	662
- Service Element	3,792	4,242	(450)
- Lifecycle Maintenance	1,307	1,307	-
- Contingent Rent	-	970	(970)
- Addition to Lifecycle Prepayment	-	-	-

40.2 Impact of Change in Accounting Policy on Primary Statements

Impact of Change in PFI Accounting Policy on 31 March 2024 Statement of Financial Position:	£000
Increase in PFI/LIFT and Other Service Concession Liabilities	(9,450)
Decrease in PDC Dividend Payable/ Increase in PDC Dividend Receivable	177
Increase in Cash and Cash Equivalents (Impact of PDC Dividend Only)	-
Impact on Net Assets as at 31 March 2024	(9,273)

Impact of Change in PFI Accounting Policy on 2023/24 Statement of Comprehensive Income:	£000
PFI Liability Remeasurement Charged to Finance Costs	(3,969)
Increase in Interest Arising on PFI liability	(758)
Reduction in Contingent Rent	1,420
Reduction in PDC Dividend Charge	177
Net Impact on Surplus/(Deficit)	(3,130)

Impact of Change in PFI Accounting Policy on 2023/24 Statement of Changes in Equity:	£000
Adjustment to Reserves for the Cumulative Retrospective Impact on 1 April 2023	(6,143)
Net Impact on 2023/24 Surplus/Deficit	(3,130)
Impact on Equity as at 31 March 2024	(9,273)

Impact of Change in PFI Accounting Policy on 2023/24 Statement of Cash Flows:	£000
Increase in Cash Outflows for Capital Element of PFI/LIFT	(662)
Decrease in Cash Outflows for Financing Element of PFI/LIFT	662
Decrease in Cash Outflows for PDC Dividend	-
Net Impact on Cash Flows from Financing Activities	-

41. Off-SoFP PFI, LIFT and Other Service Concession Arrangements

Alder Hey Children's NHS Foundation Trust incurred the following charges in respect of off-Statement of Financial Position PFI and LIFT arrangements:

	31 March 2024 £000	31 March 2023 £000
Charge in Respect of the Off SoFP PFI, LIFT or Other Service Concession Arrangement for the Period	-	-
Commitments in Respect of off-SoFP PFI, LIFT or Other Service Concession Arrangements:		
- Not Later Than One Year	-	-
- Later Than One Year and Not Later Than Five Years	-	-
- Later Than Five Years	-	-
Total	-	-

42. Financial Instruments

42.1 Financial Risk Management

Financial reporting standard IFRS7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the Trust has with intergrated care boards (ICB's) and the way those ICBs are financed, the Trust is not exposed to the degree of financial risk faced by business activities. Also, financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply.

The Trust's treasury management operations are carried out by the Finance Department, within parameters defined formally within the Trust's standing financial instructions and policies agreed by the Board of Directors. Trust treasury activity is subject to review by the Trust's internal auditors.

Liquidity Risk

Alder Hey Children's NHS Foundation Trust net operating costs are incurred under legally binding contracts with local ICBs. The Trust receives regular monthly payments from ICBs based on an agreed contract value with adjustments made for actual services provided.

The Trust finances its capital expenditure from internally generated funds or Public Dividend Capital made available by the Department of Health and Social Care. The Trust is therefore not exposed to significant liquidity risks.

Interest Rate Risk

All of the Trust's financial assets carry nil or fixed rates of interest. The Trust is not exposed to significant interest rate risk.

Foreign Currency Risk

The Trust is principally a domestic organisation with the majority of transactions, assets and liabilities being in the UK and sterling based. The Trust has limited business with overseas clients. The Trust therefore has low exposure to currency rate fluctuations.

Price Risk

The contracts from NHS commissioners in respect of healthcare services have a pre-determined price structure which negates the risk of price fluctuation.

Credit Risk

The contracts from NHS commissioners in respect of healthcare services are agreed annually and take into account the commissioners' ability to pay and hence credit risk is minimal.



42.2 Carrying Values of Financial Assets

	Held at Amortised Cost £000	Held at Fair Value Through I&E £000	Held at Fair Value Through OCI £000	Total Book Value £000
Carrying Values of Financial Assets as at 31 March 2024				
Trade and Other Receivables Excluding Non Financial Assets	13,623	-	-	13,623
Other Investments/Financial Assets	-	-	-	-
Cash and Cash Equivalents	78,280	-	-	78,280
Total at 31 March 2024	91,903	-	-	91,903

	Held at Amortised Cost £000	Held at Fair Value Through I&E £000	Held at Fair Value Through OCI £000	Total Book Value £000
Carrying Values of Financial Assets as at 31 March 2023				
Trade and Other Receivables Excluding Non Financial Assets	19,872	-	-	19,872
Other Investments/Financial Assets	-	-	-	-
Cash and Cash Equivalents	83,478	-	-	83,478
Total at 31 March 2023	103,350	-	-	103,350

42.3 Carrying Values of Financial Liabilities

	Held at Amortised Cost £000	Held at Fair Value Through I&E £000	Total Book Value £000
Carrying Values of Financial Liabilities as at 31 March 2023			
Loans from the Department of Health and Social Care	35,856	-	35,856
Obligations Under Leases	5,676	-	5,676
Obligations Under PFI, LIFT and Other Service Concession Contracts	102,408	-	102,408
Other Borrowings	-	-	-
Trade and Other Payables Excluding Non Financial Liabilities	53,029	-	53,029
Other Financial Liabilities	-	-	-
Provisions Under Contract	-	-	-
Total at 31 March 2024	196,969	-	196,969

42.3 Carrying Values of Financial Liabilities (continued)

	Held at Amortised Cost £000	Held at Fair Value Through I&E £000	Total Book Value £000
Carrying Values of Financial Liabilities as at 31 March 2023			
Loans from the Department of Health and Social Care	38,613	-	38,613
Obligations Under Leases	4,915	-	4,915
Obligations under PFI, LIFT and Other Service Concession Contracts	95,421	-	95,421
Other Borrowings	-	-	-
Trade and Other Payables Excluding Non Financial Liabilities	65,882	-	65,882
Other Financial Liabilities	-	-	-
Provisions Under Contract	-	-	-
Total at 31 March 2023	204,831 -		204,831

42.4 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.

	31 March 2024 £000	31 March 2023 £000
In One Year or Less	67,440	79,836
In More Than Two Year But Not More Than Five Years	55,376	51,672
In More Than Five Years	190,546	182,084
Total	313,362	313,592

42.5 Fair Values of Financial Assets and Liabilities

It is considered that the book value (carrying value) is a reasonable approximation of fair value.



43. Losses and Special Payments

	2023/24		2022/23	
	Total Number of Cases	Total Value of Cases	Total Number of Cases	Total Value of Cases
	Number	£000	Number	£000
Losses				
Cash Losses	13	42	23	29
Fruitless Payments and Constructive Losses	-	-	-	-
Bad Debts and Claims Abandoned	31	352	21	7
Stores Losses and Damage to Property	-	-	-	-
Total Losses	44	394	44	36
Special Payments				
Compensation Under Court Order or Legally Binding Arbitration Award	-	-	-	-
Extra-Contractual Payments	-	-	-	-
Ex-Gratia Payments	36	147	18	484
Special Severance Payments	-	-	-	-
Extra-Statutory and Extra-Regulatory Payments	-	-	-	-
Total Special Payments	36	147	18	484
Total Losses and Special Payments	80	541	62	520
Compensation Payments Received				

Details of Cases Individually over £300k

In the prior year ex-gratia payments contains one cast of Lease Car VAT reimbursement to those members of the scheme who after a change in VAT laws where eligible for a refund of payments already made. As per NHS England guidance, this is classed as a single case and the total paid is £398k.

44. Gifts

	2023/24		2022/23	
	Total Number of Cases	Total Value of Cases	Total Number of Cases	Total Value of Cases
	Number	£000	Number	£000
Gifts Made	-	-	-	-

45. Related Parties

Alder Hey Children's NHS Foundation Trust is a public interest body authorised by NHS England. During the period, none of the Trust Board members or members of the key management staff, or parties related to any of them, has undertaken any transactions with Alder Hey Children's NHS Foundation Trust. The Department of Health and Social Care is regarded as the parent department. During the period the Trust has had a significant number of transactions with the Department, and with other entities for which the Department is regarded as the parent Department. The transactions relate mainly to the provision of healthcare services and purchase of services in the ordinary course of business.

Paragraph 25 of IAS 24 allows entities which are related parties because they are under the same government control to reduce the volume of the detailed disclosures.

During the year the Trust had significant transactions with the following NHS bodies which are related by government oversight only – the Trust does not have any control over these entities: NHS England North West Specialist Commissioning Hub, NHS Cheshire and Merseyside Intergrated Care Board, NHS England and Health Education England. The Trust also had significant transactions with the following other

government departments: Welsh Health Specialised Services Committee, HM Revenue & Customs, NHS Professionals and NHS Pension Scheme.

Transactions with related parties are on an arm's length basis.

46. Transfers by Absorption

The Trust has nothing to disclose in this area.

47. Prior Period Adjustments

Trusts should comply with the disclosure requirements of IAS 8 where comparative information has been restated due to either a change in accounting policy or material prior period error.

48. Events after the Reporting Date

The Trust has nothing to disclose in this area.

49. Final Period of Operation as a Trust Providing NHS Healthcare

Note is not applicable to Alder Hey Children's NHS Foundation Trust.

50. Staff Costs

			2023/24	2022/23
	Permanent Number	Other £000	Total Number	Total £000
Salaries and Wages	177,830	18,478	196,308	186,080
Social Security Costs	19,183	-	19,183	17,199
Apprenticeship Levy	929	-	929	806
Employer's Contributions to NHS Pension Scheme	31,275	-	31,275	28,514
Pension Cost - Other	-	-	-	-
Other Post Employment Benefits	-	-	-	-
Other Employment Benefits	-	-	-	-
Termination Benefits	-	-	-	-
Temporary Staff	-	12,903	12,903	10,706
Total Gross Staff Costs	229,216	31,381	260,598	243,305
Compensation Payments Received	(2,109)	-	(2,109)	(1,998)
Total Staff Costs	227,107	31,381	258,489	241,307
Of which				
Costs Capitalised as Part of Assets	3,057	114	3,171	2,590

51. Average Number of Employees (WTE basis)

			2023/24	2022/23
	Permanent Number	Other £000	Total Number	Total £000
Medical and Dental	520	1	521	518
Ambulance Staff	-	-	-	-
Administration and Estates	907	36	943	904
Healthcare Assistants and Other Support Staff	202	26	228	231
Nursing, Midwifery and Health Visiting Staff	1,383	137	1,520	1,454
Nursing, Midwifery and Health Visiting Learners	-	-	-	-
Scientific, Therapeutic and Technical Staff	910	15	925	893
Healthcare Science Staff	-	-	-	-
Social Care Staff	-	-	-	-
Other	-	-	-	-
Total Average Numbers	3,922	215	4,137	4,000
Of Which:				
Number of Employees (WTE) Engaged on Capital Projects	47	1	48	47

52. Reporting of Compensation Schemes - Exit Packages 2023/24

Exit Package Cost Band (Including Any Special Payment Element)	Number of Compulsory Redundancies Number	Number of Other Departures Agreed Number	Total Number of Exit Packages Number
<£10,000	-	7	7
£10,000 - £25,000	1	1	2
£25,001 - 50,000	-	-	-
£50,001 - £100,000	1	-	1
£100,001 - £150,000	-	-	-
£150,001 - £200,000	-	-	-
>£200,000	-	-	-
Total Number of Exit Packages by Type	2	8	10
Total Cost (£)	£79,000	£38,000	£117,000

53. Reporting of Compensation Schemes - Exit Packages 2022/23

Exit Package Cost Band (Including any Special Payment Element)	Number of Compulsory Redundancies Number	Number of Other Departures Agreed Number	Total Number of Exit Packages Number
<£10,000	-	15	15
£10,000 - £25,000	-	3	3
£25,001 - 50,000	-	1	1
£50,001 - £100,000	-	-	-
£100,001 - £150,000	-	-	-
£150,001 - £200,000	-	-	-
>£200,000	-	-	-
Total Number of Exit Packages by Type	-	19	19
Total Cost (£)	£0	£103,930	£103,930

54. Exit Packages: Other (Non-Compulsory) Departure Payments

	Payments Agrees Number	Total Value of Agreements £000	Payments Agrees Number	Total Value of Agreements £000
Voluntary Redundancies Including Early Retirement Contractual Costs	-	-	2	18
Mutually Agreed Resignations (MARS) Contractual Costs	-	-	-	-
Early Retirements in the Efficiency of the Service Contractual Costs	-	-	-	-
Contractual Payments in Lieu of Notice	8	38	17	86
Exit Payments Following Employment Tribunals or Court Orders	-	-	-	-
Non-Contractual Payments requiring HMT Approval	-	-	-	-
Total Number of Exit Packages by Type	8	38	19	104

Of which:

Non-Contractual Payments Requiring HMT Approval Made to Individuals where the Payment Value was More Than 12 months' of Their Annual Salary	-	-	-	-
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There have been no redundancy schemes in place in the current financial year, the majority of the exit packages relate to payments made to employees to terminate their employment in line with contractual obligations.

Of the non-compulsory payments made in the table above, there was one instance where the payment made related to the financial year 2022/23, but wasn't recorded in that period.

Our Innovation

Alder Hey's Innovation Strategy 'Today's Child, Tomorrow's Healthier Adult' aims to deliver solutions to healthcare problems faced by children and young people.

Some of Alder Hey Innovation projects include:

- Little Hearts at Home; a remote monitoring solution that will enable new-born and infants with a severe Congenital Heart Defect to receive care within the comfort of their homes – the first of its kind in the UK.
- The One Mental Health platform; a mental health integrated platform, co-created with children, young people and professionals, bringing together a single point of access for referrals, support and resources.
- Lab 2 Life; A data lab committed to tackling healthcare inequalities caused by poverty in the UK. We are achieving this through research and programmes linking with national expertise.
- Was Not Brought (WNB)– Reducing Healthcare Inequalities; using an artificial intelligence tool to quickly identify those children that have a higher predictability of a WNB, enabling staff to provide bespoke support to help them attend their appointments.


Professor John Chester,
Director of Research and
Innovation said:

“

Alder Hey is a place of outstanding care, amazing people, and world leading clinicians. But our ambition goes beyond the day-to-day and the bounds of our hospital. Our Innovation Strategy ensures that we focus on solving the real-world problems children, young people and families face, providing solutions to create healthier, happier, fairer futures for children in our region and globally.

”





Independent Auditor's Report to the Council Of Governors of Alder Hey Children's NHS Foundation Trust

Opinion

We have audited the financial statements of Alder Hey Children's NHS Foundation Trust for the year ended 31 March 2024 which comprise the Trust's Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows, and the related notes 1 to 48, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted International Financial Reporting Standards as interpreted and adapted by the HM Treasury's Financial Reporting Manual: 2023-24 as contained in the Department of Health and Social Care Group Accounting Manual 2023 to 2024 and the Accounts Direction issued by NHS England with the approval of the Secretary of State as relevant to the National Health Service in England.

In our opinion the financial statements:

- Give a true and fair view of the financial position of Alder Hey Children's NHS Foundation Trust as at 31 March 2024 and of the Foundation Trust'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 to 2024; and
- Have been properly prepared in accordance with 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 for the audit of the financial statements section of our report. We are independent of the Foundation Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the Comptroller and Auditor General's AGN01 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 Accountable Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Foundation Trust's ability to continue as a going concern for a period to 30th September 2025.

Our responsibilities and the responsibilities of the Accountable Officer with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Foundation Trust's ability to continue as a going concern.

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 Accountable Officer is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion On Other Matters Prescribed By The Code Of Audit Practice

In our opinion:

- Other information published together with the audited financial statements is consistent with the financial statements; and
- The parts of the Remuneration Report and Staff Report identified as subject to audit have been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2023/24.

Matters on Which we are Required to Report By Exception

The Code of Audit Practice requires us to report to you if:

- We issue a report in the public interest under schedule 10(3) of the National Health Service Act 2006;
- We refer the matter to the regulator under schedule 10(6) of the National Health Service Act 2006 because we have reason to believe that the Foundation Trust, or a director or officer of the Foundation Trust, is about to make, or has made, a decision involving unlawful expenditure, or is about to take, or has taken, unlawful action likely to cause a loss or deficiency;

- We are not satisfied that the Foundation Trust has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources;
- We have been unable to satisfy ourselves that the Annual Governance Statement, and other information published with the financial statements meets the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2023/34 and is not misleading or inconsistent with other information forthcoming from the audit; or
- We have been unable to satisfy ourselves that proper practices have been observed in the compilation of the financial statements.

Responsibilities of the Accountable Officer

As explained more fully in the 'Statement of the Chief Executive's responsibilities as the Accountable Officer of Alder Hey Children's NHS Foundation Trust' set out on pages 122 to 124 the Chief Executive is the Accountable Officer of Alder Hey Children's NHS Foundation Trust. The Accountable 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 Accountable Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accountable Officer is responsible for assessing the Foundation Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council of Governors intend to cease operations of the Foundation Trust, or have no realistic alternative but to do so.

As explained in the Governance Statement, the Accountable Officer is responsible for the arrangements to secure economy, efficiency and effectiveness in the use of the Foundation Trust's resources.

Auditor's Responsibility 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.

Explanation as to What Extent the Audit was Considered Capable of Detecting Irregularities, including Fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Trust and determined that the most significant are the National Health Service Act 2006, the Health and Social Care Act 2012 and the Health and Care Act 2022, as well as relevant employment laws of the United Kingdom. In addition, the Foundation Trust has to comply with laws and regulations in the areas of anti-bribery and corruption, data protection and health & safety.
- We understood how Alder Hey Children's NHS Foundation Trust is complying with those frameworks by understanding the incentive, opportunities and motives for non-compliance, including inquiring of management, internal audit and those charged with governance and obtaining and reviewing documentation relating to the procedures in place to identify, evaluate and comply with laws and regulations, and whether they are aware of instances of non-compliance. We corroborated this

through our review of the Foundation Trust's board minutes, through enquiry of employees to verify Foundation Trust policies, and through the inspection of employee handbooks and other information. Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures had a focus on compliance with the accounting framework through obtaining sufficient audit evidence in line with the level of risk identified and with relevant legislation.

- We assessed the susceptibility of the Foundation Trust's financial statements to material misstatement, including how fraud might occur by understanding the potential incentives and pressures for management to manipulate the financial statements, and performed procedures to understand the areas in which this would most likely arise. Based on our risk assessment procedures, we identified manipulation of reported financial performance (through improper recognition of revenue), inappropriate capitalisation of revenue expenditure and management override of controls to be our fraud risks.
- To address our fraud risk around the manipulation of reported financial performance through improper recognition of revenue, we performed procedures that tested whether income, and contract receivables were recorded in the correct financial year, challenging assumptions and reconciling income for the period to amounts notified by material commissioners.
- To address our fraud risk around the manipulation of reported financial performance through improper recognition of expenditure, we performed procedures that tested whether expenditure, and liabilities were recorded in the correct financial year, challenging assumptions and testing the completeness of provisions at the date of the Statement of Financial Position.
- To address our fraud risk of inappropriate capitalisation of revenue expenditure we tested the Trust's capitalised expenditure to ensure the capitalisation criteria were properly met and the expenditure was genuine and incurred in the reporting period.
- To address the presumed fraud risk of management override of controls, we implemented a journal entry testing strategy, assessed accounting estimates for evidence of management bias and evaluated the business rationale for significant unusual transactions. This included testing specific journal entries identified by applying risk criteria to the entire population of journals. For each journal selected, we tested specific transactions back to source documentation to confirm that the journals were authorised and accounted for appropriately.

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

Scope of the Review of Arrangements for Securing Economy, Efficiency and Effectiveness in the Use of Resources

We have undertaken our review in accordance with the Code of Audit Practice 2020, having regard to the guidance on the specified reporting criteria issued by the Comptroller and Auditor General in May 2024, as to whether the Foundation Trust had proper arrangements for financial sustainability, governance and improving economy, efficiency and effectiveness. The Comptroller and Auditor General determined these criteria as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Foundation Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2024.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether, in all significant respects, the Foundation Trust had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

We are required under schedule 10(1)(d) of the National Health Service Act 2006 to be satisfied that the Foundation Trust has made proper arrangements for

securing economy, efficiency and effectiveness in its use of resources. Under the Code of Audit Practice, we are required to report to you if the Foundation Trust has not made proper arrangement for securing economy, efficiency and effectiveness in the use of resources.

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

Certificate

We certify that we have completed the audit of the accounts of Alder Hey Children's NHS Foundation Trust in accordance with the requirements of the National Health Service Act 2006 and the Code of Audit Practice issued by the National Audit Office on behalf of the Comptroller and Auditor General.

Use of our Report

This report is made solely to the Council of Governors of Alder Hey Children's NHS Foundation Trust in accordance with Schedule 10 of the National Health Service Act 2006 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, for our audit work, for this report, or for the opinions we have formed.



HASSAN ROHIMUN (Key Audit Partner)
Ernst & Young LLP (Local Auditor)
Manchester
28th June 2024



Max's Story

Max was around 12 days old when he experienced 18 episodes of apnoea, causing his lips to turn blue. He was transferred to Alder Hey's intensive care unit to receive treatment but a later EEG scan confirmed he had a small lesion on his brain. Max was given epilepsy medication but he continued to have multiple seizures every

day. A follow up MRI scan at 14 months old revealed that the lesion on his brain had grown and that Max would have to have surgery. Surgeons at Alder Hey were able to successfully remove 85% of the growth on Max's brain and since then Max has been seizure free. He has started attending nursery, making friends along the way.



Mum Liane said:

“ The news was incredibly painful to bear, especially considering that I was heavily pregnant at the time. But thankfully Max had approximately 85% of the tumour located in his right temporal lobe successfully removed by Alder Hey neurosurgeons Professor Conor Mallucci and Mr. Ellenbogen and their team in an 8-hour surgery in March. I can't express how grateful I am to everyone involved in Max's care. ”



Supporting our staff

Our Staff Advice and Liaison Service

Our Staff Advice and Liaison Service (SALS) is an open access listening service available to all staff and learners at Alder Hey. The service has been developed and is delivered by Alder Hey staff for Alder Hey staff and is underpinned by the principles of person-centred compassionate care.

SALS acts as a hub within Alder Hey and has had over 12,000 contacts to date. These contacts represent over 1,900 individuals representing approximately 38% of the workforce. Feedback from staff accessing the service remains very positive with 100% surveyed saying they 'would recommend the service to friends or colleagues in the organisation'.

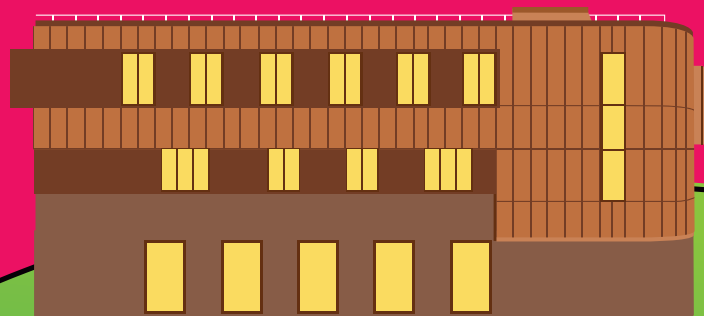
SALS is part of a wider community of stakeholders supporting professional wellbeing support. This includes our HR colleagues, the Organisational Development Team, the FTSU Guardian and champions, Occupational Health and clinical health psychology colleagues.

In October 2023, our SALS Team were recognised with the 'Excellence Award for Healthcare Workers' Wellbeing' at the International Hospital Federation annual Award Ceremony and Gala Dinner.

“

Talking to SALS was really beneficial, I felt listened to, believed and saw actions immediately. I honestly felt that my best interests were at the centre of our conversations.

”



If you would like any more information about any of the details in this Report, please contact:



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