King's College Hospital
NHS Foundation Trust

ANNUAL REPORT AND ACCOUNTS 2023-24

King's College Hospital NHS Foundation Trust

Annual Report and Accounts 2023/24

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GLOSSARY

ACRONYM	MEANING
BAF	Board Assurance Framework
BREEAM	Building Research Establishment Environmental Assessment Method
BAME	Black, Asian and Minority Ethnic
CCU	Critical Care Unit
CDEL	Capital Departmental Expenditure Limit (the Trust's capital budget)
CHP	Combined Heat and Power
CIP	Cost Improvement Programme
CO2	Carbon Dioxide
COO	Chief Operating Officer
CQC	Care Quality Commission
CQRG	Clinical Quality Review Group
CQUIN	Commissioning for Quality and Innovation
DH	Denmark Hill Site (King's College Hospital, Denmark Hill)
DHSC	Department of Health and Social Care
DIPC	Director of Infection Prevention and Control
DNA	Did Not Attend
DSPT	Data Security and Protection Toolkit
ECS	Emergency Care Standard (four-hour target)
ED	Emergency Department
EDS	Equality Delivery System
EMS	Environmental Management Scheme
EPR	Electronic Patient Record
ERAS	Enhanced Recovery after Surgery
ESR	Electronic Staff Record
FFT	Friends and Family Test
FSM	Financial Special Measures
FTSUG	Freedom to Speak Up Guardian
GIRFT	Getting It Right First Time
GMC	General Medical Council
GSTT	Guy's and St Thomas' NHS Foundation Trust
H&S	Health and Safety
HFMA	Healthcare Financial Management Association
HIN	Health Innovation Network
HR	Human Resources
ICO	Information Commissioner's Office

ACRONYM	MEANING
ICT	Information Computer Technology
IFRS	International Financial Recording Standards
IGSC	Information Governance Steering Committee
ISO	International Organization for Standardization
IT	Information Technology
JSCC	Joint Staff Consultative Committee
KCH	King's College Hospital
KCL	King's College London
KE	King's Executive
KFM	King's Facilities Management
KHP	King's Health Partners
LGFC	Lambeth GP's Food Co-op
LGBT	Lesbian, Gay, Bisexual, Transgender
MRSA	Meticillin-resistant staphylococcus aureus
NCEPODS	National Confidential Enquiry into Patient Outcome and Death Studies
NED	Non-Executive Director
NHSI	NHS Improvement
NICE	National Institute for Health and Care Excellence
NOF	National Oversight Framework
SEL ICS	South East London Integrated Care System
PDC	Public Dividend Capital
PHE	Public Health England
PPE	Personal Protective Equipment
PRUH	Princess Royal University Hospital
PSF	Provider Sustainability Fund
PTL	Patient Tracking List
QI	Quality Improvement
R&I	Research and Innovation
QPPC	Quality, People and Performance Committee
RGD	Regulatory Governance Department
RIDDOR	Reporting of Injuries, Diseases and Dangerous Occurrences Regulations
RTT	Referral to Treatment
SDEC	Same Day Emergency Care
SDMP	Sustainable Development Management Plan
SDU	Sustainable Development Unit
SHMI	Standardised Hospital-level Mortality Index
SIRO	Senior Information Risk Owner
SLAM	South London and Maudsley NHS Foundation Trust

ACRONYM	MEANING
UCC	Urgent Care Centre
ULEZ	Ultra Low Emission Zone
USP	Unique Selling Point
VBHC	Value Based Healthcare
VR	Virtual Reality
WRA	Workplace Risk Assessment
WRES	Workforce Race Equality Scheme

INTRODUCTION

Chairman's Statement

I am pleased to be given the opportunity to introduce this year's Annual Report and Accounts, having taken on the role of Acting Chair at the Trust in January this year.

I joined the Trust as a Non-Executive Director in July last year, and despite my relatively short association with King's, I have enjoyed meeting the superb staff who deliver our services. I have also spoken to patients and members of the public, and it is clear that people care deeply about this organisation, which is a real positive, and something we need to draw on as we approach the coming year.

There are many reasons to celebrate, and significant progress has been made in a number of areas over the past year. For example, the latest survey of maternity services at King's carried out by the Care Quality Commission (CQC) showed an improvement on the previous year (2022), although we need to do more to ensure all women accessing these services get the very best care at all times.

We joined the rest of the NHS in celebrating its 75th anniversary last year, and a number of staff and teams have won awards over the past year including, but not limited to, Laura Walton, who was awarded Midwife of the Year by the Nursing Times in October, and Dr Michael Brady and senior nurse Felicia Kwaku were listed in the Health Service Journal's most influential 50 Black, Asian and minority ethnic figures last year.

Making King's a more diverse and inclusive place to work, and to receive care, is something we take very seriously as an organisation, and there is a huge amount of work going on to make this a reality for our staff, and the people who use our services. Our diversity staff networks have grown significantly, with 3,000 staff now members, and awareness events are held every month across our hospital sites, which are helping to educate and inform.

Over the past year, we have seen a deterioration in our financial position, and our year-end deficit for 2023/24 was much greater than we planned for at the start of the year. This means that we face a very challenging year ahead, and it will be vital for the Trust to deliver its operational plan for 2024/25, so ensuring we provide patients with timely, safe and effective care, whilst also delivering significant savings.

In conclusion, I would also like to thank our 1,458 volunteers, who over the past year have contributed a phenomenal 66,000 hours of support to our teams in both clinical and non-clinical areas. Similarly, I am grateful to our Governors, who continue to give up their own time to support the work we do as an organisation.

Last but not least, I would also like to thank my fellow Trust Board members, who have also supported me personally over the past year, for which I am extremely grateful. Two of our Non-Executive Directors – Professor Jon Cohen and Steve Weiner – also ended their association with King's during 2023, and I am grateful for the superb contribution they both made during their time at the Trust. Sir David Behan will join King's as our new Chair in June 2024, and I know he is looking forward to getting started.

Jane Bailey
Acting Chair, King's College Hospital NHS Foundation Trust

PERFORMANCE REPORT

Chief Executive's Statement

I remain incredibly proud to be Chief Executive of King's, and whilst the past year has presented a number of challenges, I am extremely grateful to my colleagues for the superb job they continue to do, and for the support we receive from local people, and the communities we serve.

In July, we celebrated the 75th anniversary of the NHS, with a series of events taking place across our hospital sites to mark the occasion. We were also fortunate to receive a visit on 5 July 2023 from Her Royal Highness the Duchess of Edinburgh, who officially opened our new King's Academy training facility for nurses, midwives and allied health professionals (AHPs).

Despite significant financial challenges, which I will come to shortly, we have continued to invest in services for the benefit of patients. For example, construction work started last year to create a new endoscopy unit at the PRUH, which will enable our teams to see up to 4,500 additional suspected cancer patients each year. We also officially opened the Willowfield building on our King's College Hospital site in 2023, and refurbished a number of areas, including our liver intensive care unit and the Emergency Department majors area on the Denmark Hill site

In October 2023, we launched Epic, our new electronic patient record, together with our colleagues at Guy's and St Thomas. The biggest single launch of its kind anywhere in the world, Epic is already delivering benefits for patients and staff, and in the first six months alone, 285,000 people signed up to MyChart, giving them greater control over their care, and over 17,000 video appointments were carried out by our teams. As expected, the roll-out of Epic has been challenging for some staff, and work is ongoing to ensure we address any outstanding issues quickly, so ensuring we maximise the benefits of Epic wherever we can.

We ended the 2023/24 financial year with a deficit of £78.7 million, which shows we are spending significantly more money than we can afford. The reasons for this are multi-factorial, some of which (such as inflationary pressures) are impacting all hospitals, so we are not alone in this regard. However, I have also been clear with staff, and our stakeholders, that we have a responsibility to manage our finances effectively, which is why, over the next year, we will be working at pace to transform our services so they are more efficient, and sustainable in the long-term.

Our staff continue to innovate for patients, for which they deserve enormous credit. For example, at Beckenham Beacon, clinicians are now using high quality medical photographs to remotely assess and diagnose skin conditions, including cancer, saving patients unnecessary trips to hospital. At King's College Hospital, our teams are deploying pioneering Artificial Intelligence (AI) technology to analyse colonoscopy images as part of cancer detection; whilst separately, our diabetes team are leading a new research study to assess the potential of using stem cell therapy to treat type one diabetes. These are exciting times for innovation and the development of ground-breaking treatments, so it is great to see our teams here at King's leading the way in many specialities.

Our teams have also worked hard to ensure patients receive high quality care in a timely fashion. However, the industrial action we have seen over the past 18 months have seen our waiting lists grow, which is difficult for patients, many of whom have already experienced extended waits as a result of the COVID-19 pandemic. Our plans for 2024/25 involve us delivering at least 110% of activity compared to 2019/2020, which is going to be a challenge, but it's one I believe we can meet; and our patients will benefit as a result. We have also committed to meeting ambitious performance targets for urgent and emergency care, cancer,

routine elective care, and diagnostic tests over the next 12 months, which will be an important part of our recovery plan.

It has been an exciting year, and we were delighted to be short-listed for a Health Service Journal (HSJ) Trust of the Year award in November 2023. Going forward, we need to focus on positives such as this, whilst also delivering our operational plan which is a vital part of our efforts to become financially sustainable in the future.

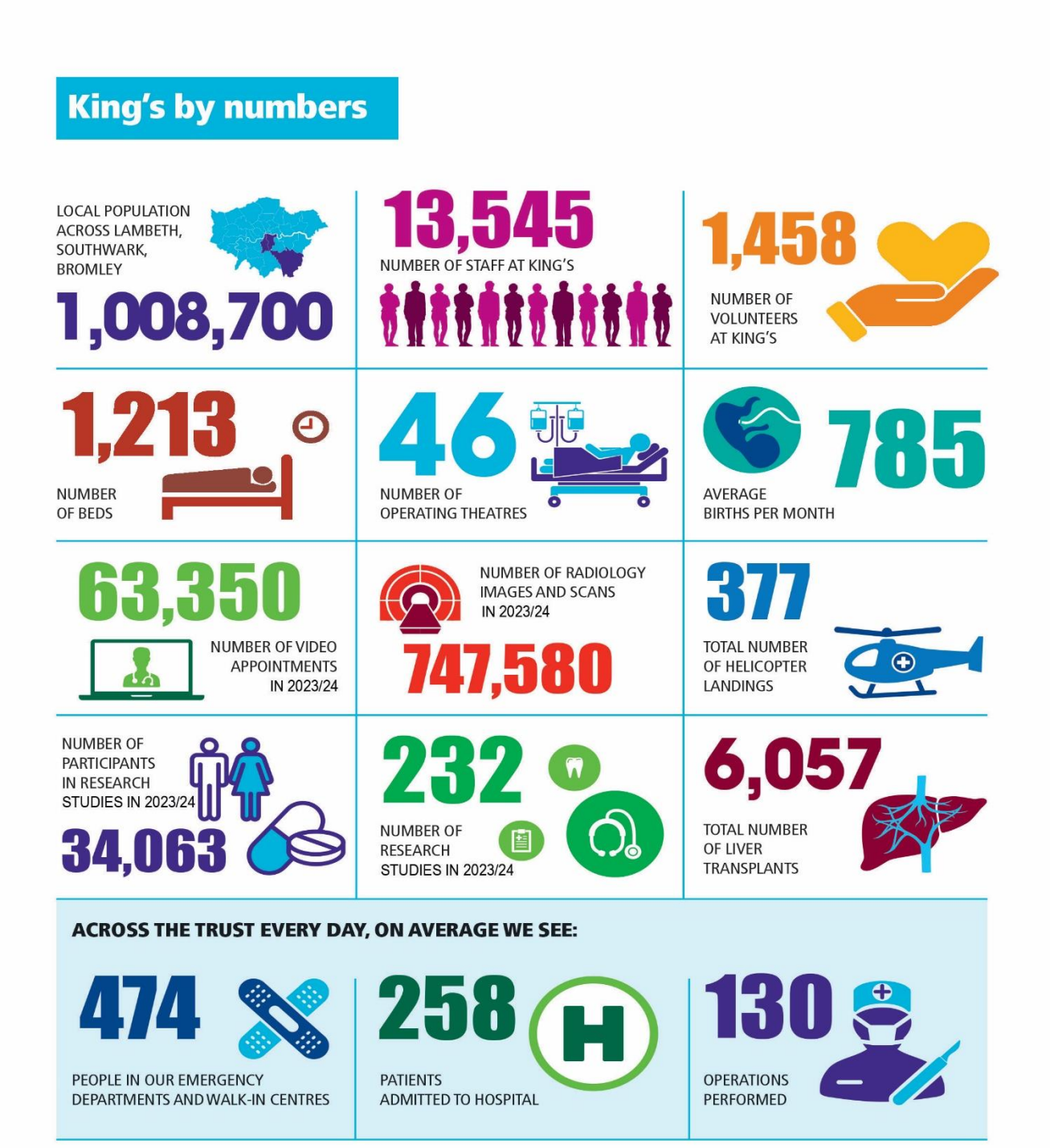
I am confident we can do this, and I remain incredibly grateful to staff for their efforts, plus the full support we continue to receive from our partners, stakeholders, our Governors, and the Trust Board, led by Jane Bailey, Acting Chair.

Professor Clive Kay
Chief Executive

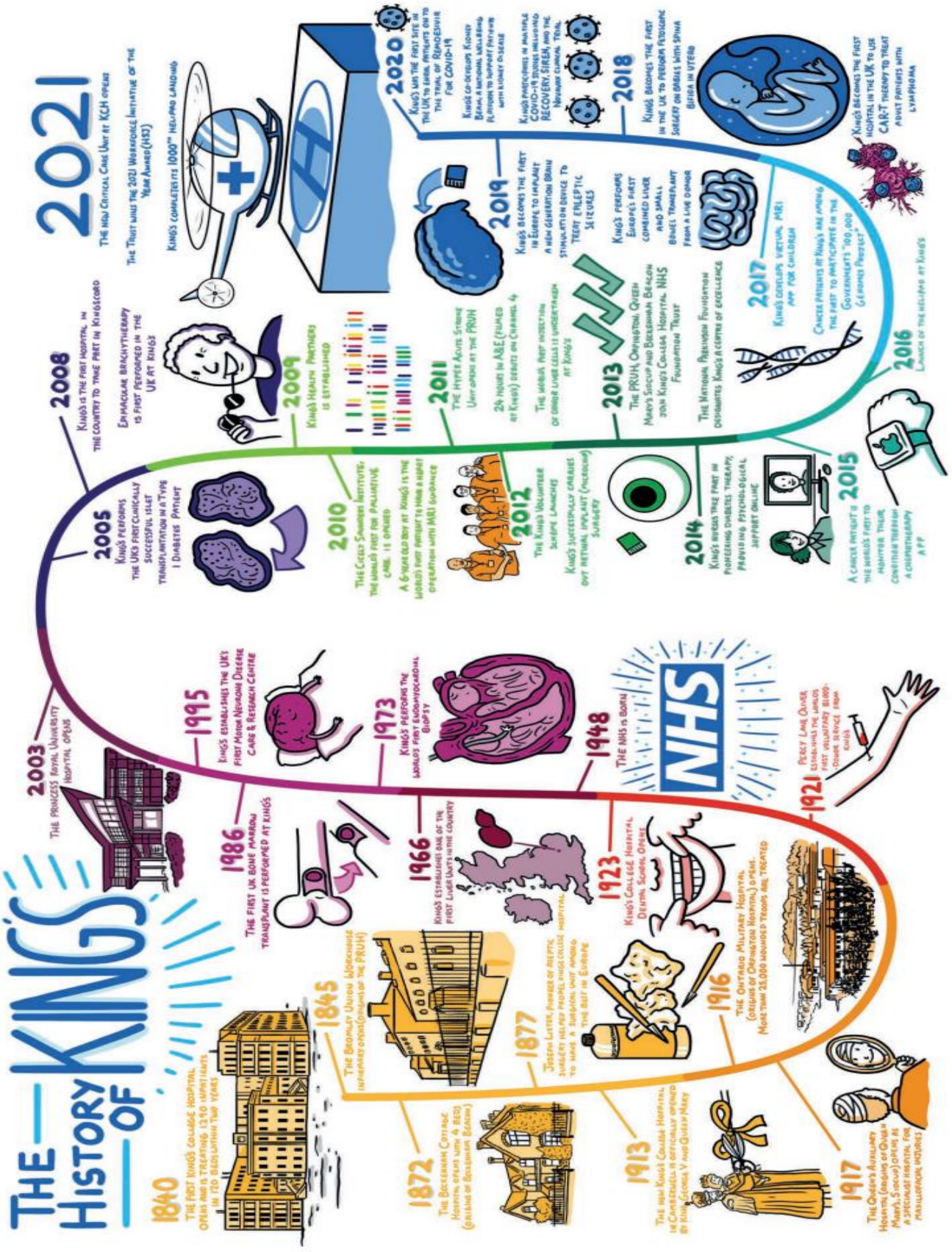
Overview of Performance
This section provides information about the Trust, its purpose, the key risks to the achievement of its objectives and how it has performed during the year.

Purpose
King's College Hospital NHS Foundation Trust has as its principal purpose the provision of goods and services for the purposes of the health service in England.

About King's



A brief history of King's



Activities

King's College Hospital NHS Foundation Trust is renowned for the international reputation of its specialty services. These include the tertiary services for liver disease and transplantation, neurosciences, diabetes, cardiac services, haematology and fetal medicine.

For people across south-east London and Kent, King's College Hospital is the designated major trauma centre, as well as a heart attack centre and the regional hyper-acute stroke centre. The helipad at King's College Hospital, which opened in November 2016, has reinforced the hospital's position as a major trauma centre for the south of England.

The Trust provides services to local residents of the London Boroughs of Lambeth, Southwark, Bromley, Bexley and Lewisham from its sites at King's College Hospital (Denmark Hill), Princess Royal University Hospital, Farnborough Common, and Orpington Hospital. It also provides services at Beckenham Beacon and Queen Mary's Hospital, Sidcup. These include accident and emergency services, maternity, care of the elderly, orthopaedics, diabetes, ophthalmology, oncology, dermatology and many more. The Trust provides a number of community-based services including dentistry.

The Trust has a reputation as a pioneer in medical research, with a record of innovation in a number of key fields. It is home to a number of leading clinical units and research centres, such as the Clinical Age Research Unit, the HIV Research Centre and the Harris Birthright Centre. Developments have recently begun to establish a new leading-edge Haematology Institute.

King's College London was founded in 1829. Clinical teaching in the medical faculty was dependent upon the Middlesex Hospital until 1839 when King's College London gained its own hospital in Portugal Street.

Established in 1840, the original King's College Hospital – a former workhouse – was based on Portugal Street, Holborn, close to Lincoln's Inn Fields in central London. It was first used as a training facility for students at King's College London, but quickly developed into a major hospital for the area. The hospital moved to its Camberwell site in 1913.

King's became part of the NHS in 1948 as a teaching hospital. The 1960s saw the introduction of a new dental school, maternity block (now the Ruskin Wing) and the King's Liver Unit. This was followed by the Normanby College of Nursing, Midwifery and Physiotherapy. In 1995 the UK's first specialist Motor Neurone Disease Care and Research Centre was established, and the Weston Education Centre was opened in 1997, accommodating the medical school, library and lecture theatres. A new Accident and Emergency Department was opened in the same year.

King's College Hospital gained Foundation Trust status on 1 December 2006. Following the dissolution of South London Healthcare Trust, King's took over Princess Royal University Hospital (PRUH) and Orpington Hospital in October 2013.

The Trust is one of London's leading trauma centres, saving lives by providing immediate specialist care to the most urgent, life-threatening cases. The helipad, opened in 2016, has transformed trauma care across south east London and Kent, and serves more than 4.5 million

people. In 2019, King's became the first major trauma centre in London to be granted permission for air ambulances to land at night, ensuring patients have access to highly-specialised treatment any time of the day.

King's is recognised globally as a world-leading innovation centre. From conducting the UK's first bone marrow transplant to helping to establish the world's first voluntary blood donor service, King's has been at the forefront of new healthcare for over a century. Over 50 years ago, King's established one of the first liver units in the country, and has since been a major European transplant programme, completing over 6,000 successful liver transplants.

We are a founding member of King's Health Partners (KHP) - one of eight accredited Academic Health Science Centres in the UK committed to delivering better health for all through high impact innovation. King's is also a member of the Shelford Group - a group of the top 10 teaching and research-active NHS Trusts.

Structure

The Trust operates with a group structure, based around the two main hospital sites, Denmark Hill and the Princess Royal University Hospital and South Sites (PRUH). The Trust has twenty-seven care groups, aligned to the site structure as well as a number of pan-Trust corporate services such as Workforce, Finance and ICT.

By organising in this way, the Trust is able to group the resources required for delivering similar types of care so that it could improve patient pathways and increase the efficiency of service delivery. It also aims to provide clearer accountability.

More about the Trust governance model can be found on page 18.

The Trust's Strategic Objectives 2023/24

The Trust published its new five year Strategy, Strong Roots, Global Reach. Our vision is for King's to be BOLD:

Brilliant People: we will attract, retain and develop pasionate and talented people, creating an environment where they can thrive.

Outstanding care: We deliver excellent health outcomes for our patients, and they always feel safe, cared for and listened to.

Leaders in Research, Innovation and Education: we continue to develop world-class research, innovation and education, providing the best teaching, and brining new treatments and technologies to patients.

Diversity, Equality and Inclusion at the heart of everything we do: we proudly champion diversity and inclusion at King's, and act decisively to deliver more equitable experiences and outcomes for our patients and people.

The Performance Analysis section on page xx provides further information on how we have delivered against these objectives in 2023/24.

Risks to achieving our strategic goals

The Trust's approach to managing risk is outlined in the accountability report later in this document Through its Board Assurance Framework, the Trust has identified a number of risks that could affect the delivery of its strategy including:

- **Recruitment & Retention** If the Trust is unable to recruit and retain sufficient staff with the appropriate skills, this will affect our ability to deliver our services and future strategic ambitions which may adversely impact patient outcomes and staff and patient experience
- **King's Culture & Values** If the Trust does not implement effective actions to develop the 'Team King's' culture and embed the Trust values, staff engagement and wellbeing may deteriorate, adversely impacting our ability to provide compassionate and culturally competent care to our patients and each other
- **Financial Sustainability** If the Trust is unable to improve the financial sustainability of the services it provides, then we may not achieve our financial plans, adversely impacting our ability to deliver our investment priorities and improve the quality of services for our patients in the future
- **Maintenance and Development of the Trust's Estate** If the Trust is unable to maintain and develop the estate sufficiently, our ability to deliver safe, high quality and sustainable services will be adversely impacted
- **Apollo Implementation** If the Trust fails to deliver the Apollo Electronic Patient Record (EPR) transformation programme effectively then the clinical and operational benefits may not be realised
- **Research and Innovation** If the Trust fails to capitalise on innovative and pioneering research opportunities, this may affect our ability to support the development of new treatments and technologies for patients now and in the future, adversely impacting the Trust's ambitions as a world-leading research and innovation centre
- **High Quality Care** If the Trust does not have adequate arrangements to support the delivery and oversight of high quality care, this may result in an adverse impact on patient outcomes and patient experience and lead to an increased risk of avoidable harm
- **Partnership Working** If the Trust does not collaborate effectively with key stakeholders and partners to plan and deliver care, this may adversely impact our ability to improve services for local people and reduce health inequalities
- **Demand and Capacity** If the Trust is unable to restore services (as a result of the COVID-19 pandemic) and sustain sufficient capacity to manage increased demand for services, patient waiting times may increase, potentially resulting in an adverse impact on patient outcomes and experience and/or patient harm
- **IT Systems** If the Trust's IT infrastructure is not adequately protected, systems may be comprised, resulting in reduced access to critical patient and operational systems and/or the loss of data

King's Health Partners

The Trust is part of King's Health Partners (KHP), one of the UK's first and foremost Academic Health Science Centres. The partnership was established in 2009, incorporating King's College London, King's College Hospital, Guy's and St Thomas', and South London and Maudsley NHS Foundation Trusts.

Integrated Care System

King's is a partner in the South East London Integrated Care System that covers the London boroughs of Bexley, Bromley, Greenwich, Lambeth, Lewisham and Southwark. This comprises local authorities, acute provider Trusts, primary and community care providers.

Acute Provider Collaborative

In partnership with Lewisham and Greenwich NHS Trust, and Guy's and St Thomas' NHS Foundation Trust, King's established an Acute Provider Collaborative (APC) in May 2020. The initial focus of the APC has been to develop a system-wide response to the backlog of patients waiting for treatment in a number of high volume, low complexity areas. Overseen by a Committee-in-Common, the APC is working to establish specialty-based hubs across South East London, to ensure that all capacity in the system is utilised as far as possible.

Details of Overseas Operations and Subsidiaries

King's Commercial Services Limited has continued to diversify income by expanding commercial activities both in the UK and overseas. It has now been in operation for over 10 years. KCS delivered a surplus of £0.378m to the Trust in 2023/24 including income from its ownership of the Synnovis LLP pathology joint venture.

KCH Management Limited continues to develop a hospital management and consultancy business both in the UK and overseas, predominantly in the Middle East. There are currently two outpatient clinics, an ambulatory centre and a full-scale inpatient hospital open in Dubai, with a number of other facilities in development in the Middle East, Asia and Africa. The company operates a successful international recruitment business covering nurses and doctors for both King's and other healthcare organisations and is currently developing a nursing education offer. The company also delivers education programmes. The company delivered a deficit of £0.641m to the Trust.

King's Facilities Management LLP (KFM) was created to provide a fully managed service across nine diagnostic and treatment facilities. These include theatres, adult critical care, radiology, cardiac catheter laboratories, liver laboratories, endoscopy, renal dialysis, children's critical care and dental. KFM maintains these facilities and equipment, and provides consumables, implants and devices used during clinical procedures.

Separately, KFM provides an end-to-end procurement and supply chain function for the Trust, working with operational leads to identify future requirements for equipment and consumables. KFM seeks to contribute to the Trust through the identification and delivery of cost improvement programme savings through more focused contract management. Since 2019, KFM have managed the outpatient pharmacy service on behalf of the Trust.

The Trust has consolidated a contribution of £11.649m from KFM for 2023/24.

PERFORMANCE ANALYSIS

Financial Performance and Sustainability

Although the Trust had agreed a break-even plan at the start of the year, this was amended part way through the year and the Trust agreed to deliver a deficit target of £17.47m. The Trust delivered an adjusted deficit of £78.730m, after removing the impact of allowable items, including impairments and the impact of accounting standard changes, of £40.207m. The Trust drew down Provider Revenue Support PDC of £63.685m in year.

Liquidity and Capital

In 2023/24 the Trust drew down £15.390m of DHSC Capital Programme Allocation and £17.741m System Capital Support PDC funding against 2023/24 capital projects. Capital expenditure incurred is in line with the Trust's CDEL allowance.

Total capital expenditure in 2023/24 was £78.768m (including Right of Use Assets of £3.301m). The programme included the continued construction of the CCU, ward refurbishments as well as investment in ICT infrastructure and device upgrades, and medical equipment. The Trust also continued to invest in the buildings infrastructure to ensure the most pressing maintenance needs were addressed. This included the investment in Epic, our new Electronic Patient Record, which went live in October 2023.

Borrowings and Capital Plan

Total borrowings are £464.378m for the Trust and £400.426m for the Group. The Trust's reported total borrowings include past expenditure on the Private Finance Initiative (PFI) schemes for the Golden Jubilee Wing and Ruskin Wing at KCH and the PRUH, and total £254.059m. PFI liabilities have increased due to the accounting standard change to IFRS 16.

Going Concern

IAS 1 requires management to undertake an assessment of the NHS Foundation Trust's ability to continue as a going concern.

King's College Hospital NHS Foundation Trust's annual report and accounts have been prepared on a going concern basis. Non-trading entities in the public sector are assumed to be going concerns where the continued provision of a service in the future is anticipated, as evidenced by inclusion of financial provision for that service in published documents.

In applying the guidance, the Trust is not aware of any plans for services currently provided to be ceased.

After making enquiries, the Directors have concluded that there is sufficient evidence that services currently delivered by the Trust will continue to be provided and that there is financial provision for this within the forward plans of commissioners. The Directors have therefore prepared these financial statements on a going concern basis.

A Review of King's Strategic Objectives for 2023/24

The Trust published our 5-year strategy, 'Strong Roots, Global Reach' in 2021, setting out the Trust's BOLD vision with four ambitions:

- To have **Brilliant people** to attract, retain and develop passionate and talented people, creating an environment where they can thrive.
- To deliver **Outstanding Care** for our patients, their families and carers.
- **To be Leaders in Research, Innovation and Education**, we continue to develop and deliver world-class research, innovation and education - providing the best teaching, and bringing new treatments and technologies to patients
- To make King's a more inclusive place for staff and patients and to build on our commitment to put **Diversity, Equality and Inclusion at the heart of everything we do.**

The strategy marked a significant step forward in how we operate as a Trust. Placing focus on how we work in an increasingly collaborative way with our partners across the South East London Integrated Care System, and further afield, our investment in both our specialist and general hospital services, placing a greater emphasis on addressing the socio-economic determinants of health as well as the important role we play in improving the health and wellbeing of our local communities.

The Trust agreed a plan for action in 2023/24, setting out the priority actions the organisation would focus on and deliver over the year.

During 2023/24, the Trust has taken huge steps towards achieving our strategic ambitions, with significant progress being made across the Trust in each of the four elements of our BOLD vision. Our focus on supporting our **Brilliant People** has seen the delivery of our second 'Brilliant People week' in June 2023. This plan sets out the Trust's actions to attract, retain and develop passionate and talented people, and ensuring we are creating the right environment to support our people to thrive.

To support career development and personal and professional development, the People directorate has delivered 'King's Kaleidoscope', our Trust-wide learning and development offer for all staff at King's. The offer includes role and subject-based education, learning forums, a modern leadership and management development pathway as well as work-based learning. Thousands of staff have engaged with the resources available.

The wellbeing of our staff a priority and our wellbeing hubs provide practical and emotional support to our staff. Our Nursing Directorate continues to develop and implement a more preventative approach to managing cases of violence and aggression towards our staff, by leading the way through trials of new bespoke preventative models.

To support our aspiration to deliver **Outstanding Care** for our patients, their families and carers, we have sought to prioritise our service and investment plans to ensure we are addressing the needs of our key services, and investing in the capacity and capability of those specialised services where King's has a leading role in the system. This year, we have made significant progress on our major capital estates projects, with the refurbishment of Majors in the emergency department on the Denmark Hill site, and the full opening of our new Critical Care Unit, which was co-designed with patients and has private bays and space for family and loved ones. Both of these new spaces will transform the way we deliver care to patients by providing a modern and pleasant environment.

The most significant development this year has been the implementation of Epic, our new electronic patient record. Epic will improve the care we provide for patients and transform the way that we work by replacing a number of historic IT systems and paper records in use at the Trust. It is the biggest clinical transformation programme we have ever undertaken. It's the biggest single investment that we are making to improve the way we care for patients and to

make things easier for our staff. It also includes MyChart, a new app that connects patients to their medical information, allowing patients to have more control over their care. It also allows us to reduce reliance on paper letters and telephone queries.

As **Leaders in Research, Innovation and Education**, we continued to develop and deliver world-class research, innovation and education - providing the best teaching, and bringing new treatments and technologies to patients. We know that better health outcomes for our communities rely on participation in our clinical research by our diverse local populations. A summary of our R&D achievements can be found later in this report.

Through the publication of our Roadmap to Inclusion (2022-2024) in May 2022, the Trust set out our plans to make King's a more inclusive place for staff and patients and to build on our commitment to put **Diversity, Equality and Inclusion at the heart of everything we do.**

The Roadmap to Inclusion makes equality, diversity and inclusion (EDI) training a priority. And a wide range of activities have continued this year including our staff training offer, ensuring our people feel equipped to deal with incidents of discrimination, and to support a culture that is wholly supportive of equal opportunities and cultural differences, and stands resolutely against discrimination.

Our staff networks provide leadership and advocate for their members, strengthening the culture of inclusion at the Trust. Our staff networks have over 2,000 members.

Our focus on inclusion has not been limited to our staff, this year we launched our new Trust-wide Health Inequalities programme which aims to ensure that our services are accessible and play a larger role in helping people live healthy lives, this is explored in more detail later in this report.

Performance - Core Constitutional Targets

Providing high quality care when patients most need it

The Trust's operational delivery and performance against patient access targets has been impacted by the effects of numerous periods of industrial action throughout the financial year, as well as the implementation of the Epic electronic patient record system from October 2023.

The extended industrial action this year and the resulting cancellation of elective outpatients and day case/inpatient admissions has continued to impede delivery of long wait reduction plans. This also represents an increased workload for our administrative teams as cancelled appointments need to be re-booked and existing outpatient, diagnostic and theatre lists are re-scheduled based on clinical priority.

The Trust estimates that our ERF activity delivery for M1-6 equates to 109% compared to the volume of activity in the Trust's 19/20 ERF baseline and that this equates to 105.3% ERF value-based delivery compared to the 110% baseline target. This internal Trust FY23/24 H1 ERF estimate is still subject to validation by NHSE. At the time of writing this report the Trust is commencing submission of its commissioning datasets to SUS and our internal estimate is that we achieved 100.8% of the FY19/20 baseline for the second half of the year. Whilst this is lower than our M1-6 actual performance, this ERF assessment is within the financial provision that the Trust had made for M7-12 reporting period.

We reduced activity across all of our services as a result of our Epic system implementation during October as all staff continue to become more familiar with the new system and clinical/administrative workflows.

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

Referral to Treatment (18-week) performance

The Trust was able to reduce the cohort of patients waiting over 78 weeks down to 9 waiters by June last year. However, the on-going industrial action combined with reduced planned activity volumes due to the Epic system implementation and required re-scheduling of patients subject to clinical need, has meant that the long waiting time position has been deteriorating from July onwards last year.

As such, the number of patients waiting over 78 weeks has increased to 46 by March 2024. Our volume of 52 week wait patients has increased from 1,506 patients waiting in September 2023 to 4,876 waiting in March 2024, driven by increased waiters in Ophthalmology, Oral Surgery, Trauma & Orthopaedics and Gynaecology.

Aside from extended growth in our long wait cohorts, we have also seen an increase in the total size of the Referral to Treatment Patient Tracking List (PTL) – growing from 93,617 patients in September 2023 to 104,374 in March 2024, driven by a combination of reduced activity and changes to patient tracking following the implementation of our electronic health record. The associated impact on RTT incomplete performance meant that the proportion of patients waiting under 18 weeks reduced from 72.62% in March 2023 to 54.04% by March 2024.

The Trust continues to work closely with local commissioners and providers to secure access to Independent Sector although financial restrictions are limiting the number of patients that we treat at off-site providers; and NHS mutual aid capacity to reduce the backlog of long waiting patients.

As part of our ongoing Elective Recovery Programme, the Theatre Productivity improvement programme continues as we seek to maximise the use of our day case and inpatient theatres. Work also continues across all our sites to improve pre-operative assessment capacity and throughout. We are all aiming to maximise outpatient clinic throughput.

Elective activity levels continued to recover through March 2024 and into the new financial year with increased activity across outpatient activity, inpatients, and elective and day case activity. There is an ongoing programme to address data quality issues and mapping issues and an a strong focus on recovering activity through meeting structures on both the Denmark Hill, and PRUH and South sites. Activity monitoring reports are in development to support weekly tracking within care groups at Point of Delivery (POD) level.

Cancer treatment targets

Following a consultation on the cancer waiting times, NHS England had approval to implement changes to the cancer standards which are published from 1 October 2023. Prominence is given to the 28 day Faster Diagnosis Standard (FDS) and the 31 and 62 day standards. Monitoring of the 2-week wait will continue but will cease to be published as that metric no longer forms part of the NHS Operating Framework.

We have not been compliant with the 62-day GP referral to treatment standard during 2023-24 with performance achieving 63.0% by September 2023. Despite performance reducing in the second half of the year to 57.5% by December 2023, the position has recovered to 63.78%, even as we continued to reduce the over 62 days patient backlog post-Epic system implementation.

The number of patients waiting over 62 days for first cancer treatment (the “backlog”) had increased significantly from 240 patients waiting prior to the Epic implementation until the end of December but has been reducing week-on-week in Quarter 4 down to 102 by the end of March, as teams increase activity and focus on increasing cancer treatment volumes. This meant that the Trust has achieved its 62-day cancer backlog reduction target of 150 patient waiting by the end of the financial year.

Performance against the new 31 day treatment target was 91.7% for December 2023 and 89.06% for March 2024 which is below the new national target of 96%.

The Trust has exceeded the new 75% national target for the 28 Faster Diagnosis since the beginning of this financial year until September 2023, impacted by the planned reduction in elective and outpatient activity. During Quarter 3 this year FDS compliance has reduced to 62.3% but continued to improve during Quarter 4 to 76.78% for March 2024. The deterioration in performance in Q3 led to the Trust being placed in Tier 1 of the oversight framework for cancer in early 2024.

Diagnostic waiting times

There are ongoing system issues associated with the Epic system implementation in early October 2023 which have contributed to the number of patients waiting over 6 weeks on the diagnostic waiting list for a DM01 reportable test increasing from 293 in March 2023 to 11,103 patients in March 2024, and an associated performance of 60.7% of patients waiting less than 6 weeks.

The inclusion of planned and therapeutic patients on the DM01 PTL drive this position and there is an agreed plan of technical fixes to address these issues. There is an increased focus on ‘Radiant’ Imaging department functionality in the Epic system through the Apollo programme which will be managed through programme structures and the KCH Stabilisation Board. There are ongoing local and corporate validation plans to ensure that incorrect patient pathways are corrected to enable an accurate understanding of the underlying position.

Modality review meetings are focused on activity improvement initiatives, at both a local and System level, noting that at the time of writing this report modalities such as non-obstetric ultrasound have seen improvements in activity from April 2024.

Emergency Care Standard (ECS)

Achievement of the Emergency Department four-hour performance standard continues to be a challenge but significant improvements were delivered during Quarter 4 at both acute sites. Trust performance improved to 68.75% by March 2024 and exceeded the 70% agreed target for year-end performance when assessed at the Trust Acute footprint level at 75.5%. Type 1 A&E department attendance levels for the period April 2023 to March 2024 are 1.7% higher compared to the previous year. Type 3 Urgent Treatment Centre attendances have reduced by 1.7% for the Denmark Hill and PRUH centres for the same period.

Four-hour Emergency Care Standard(ECS) performance at the Denmark Hill site recovered significantly in Quarter 4 achieving the highest monthly performance for the year in March 2024 at 69.19%, with Type 1 performance improving to 57.50%. Urgent Treatment Centre (Type 3) performance has typically exceeded 85% throughout the year and improving to 89.30% by March 2024.

Bed occupancy at Denmark Hill has remained exceptionally high throughout the year increasing to 97.0% based on our daily UEC Sitrep submissions compared to 96.0% reported for 2022/23. The number of patients waiting over 12-hours for admission into beds has increased again dramatically this year from 125 cases in April 2023 to 746 cases in March 2024.

The Denmark Hill Flow Group continues to move forward with the 9 workstreams to support flow. The spirit of Modernising Medicine programme will deliver a new multi-specialty SDEC space and medical assessment space to support flow over the coming months, allowing for a renewed focus on flow.

The Epic system has been updated to include trigger escalation status and a revised ED performance dashboard for in-day performance monitoring.

Four-hour emergency performance at the PRUH site has improved during the financial year, averaging 64.6% compared to 64.2% last year, but this position has been driven by improved UTC type 3 performance of 91.8% for the year. Increased Ambulatory Decision Unit (ADU) capacity was implemented in March 2024 which contributed significantly to the improvement in Type 1 performance, alongside some minor adjustment to internal escalation processes.

Bed occupancy at the PRUH has remained exceptionally high and consistent with last year at 98.6% based on our daily Sitrep submissions. Despite improvements in the number of patients waiting over 12-hours for admission into beds to January to July 2023, we have seen a considerable increase from 145 cases in July this financial year to 408 cases reported in March 2024.

Ambulance handover delays remain a focus at both acute sites. Particular focus has been given to reducing the number of delays over 60 minutes, and this has reduced from 220 breaches in April 2023 to 20 cases in March 2024. However, the number of breaches between 30-60 minutes has increased from 387 to 575 cases respectively.

The Trust has launched its Flow programme from November 2023 at both acute sites including a relaunch of ED Internal Professional Standards. Work continues to improve flow

via early discharge and improved weekend discharges, as well as expanding our SDEC footprint to manage ambulatory patients.

Infection Prevention and Control (IPC)
The Trust continues to monitor all other instances of healthcare-associated infections as a matter of priority. In 2023/24 there were 7 cases of meticillin-resistant staphylococcus aureus (MRSA) at the Trust compared to 5 cases reported for the previous year.

There were 190 cases of E-Coli Bacteraemia against a target of 160. In 2023/24 there were 115 cases of C. difficile across the Trust which is above the target set by the Department of Health and Social Care (DHSC) of 109, but below last year's incidence of 126.

The overwhelming lesson learned from the Trust-apportioned MRSA/avoidable MSSA BSI cases is the insertion and care of intravenous lines; and the majority of which were peripheral lines. There are also issues to address as regards adequacy of MRSA screening and timely commencement of MRSA protocol. The IV Task & Finish group will continue which is chaired by a Medical Director.

Clinical Outcomes
King's College Hospital continues to report good outcomes in relation to mortality. As a Trust, its mortality, as assessed using the NHS England Summary Hospital-level Mortality Indicator (SHMI), is 1.0 (Oct 22 to Sep 23) which is considered "as expected", and each of the three individual sites (Denmark Hill, Princess Royal and Orpington) are all separately identified as 'as expected'. Mortality, reported by NHS England and national clinical audits, is lower than expected or as expected across a wide range of areas including gastrointestinal haemorrhage, myocardial infarction, acute bronchitis, lung cancer, pneumonia, hip fracture, secondary malignancies, septicaemia, urinary tract infection, bowel cancer, vascular surgery, emergency laparotomy surgery, oesophago-gastric cancer, joint replacements, kidney disease, premature babies, children's intensive care, liver intensive care, liver transplant, bariatric surgery, cardiac surgery, critical care, asthma in children and young people. There are no areas in which mortality at King's has been identified as higher than expected. More detail on the Trust's clinical outcomes can be found in the Quality Account 2023/24, published on the Trust website.

Quality and Safety
The Trust uses a number of metrics to assess whether the services being delivered are safe and caring. The process for investigating serious incidents is outlined in the Annual Governance Statement later in this report. During 2023/24, the Trust registered 1120 complaints, which is 20% higher than the 850 complaints registered in the previous year. Further detail on complaints can be found in the Annual Complaints Report, published on the Trust website.

The Trust canvasses patients' views of the services they have received using the Friends and Family test.

- **FFT – Inpatient:** The Trust scored a 91.5% recommendation rate in March 2024, compared to 92.4% at the end of March 2023. The average 2023/24 score was 92.7%. Work on improving experiences of patients admitted to King's College Hospital

continues with intervention focussed on communications and food and drink provision alongside improvements to the care environment.

- **FFT – A&E**: Overall the Trust score increased to 66.1%, compared to 65.9% in March 2023. The average score across 2023/24 was 66.8%. An extensive programme of work to improve the scores throughout the year has been implemented and included refurbishments of the Majors and Resus areas of the Emergency Department at Denmark Hill, introduction of new food and drink provision and quality improvement project around pain relief.

- **FFT – Outpatients:** the Trust's FFT score for outpatients was 92.8%, an improvement compared to the 90.4% in March 2023. The average score across 2023/24 was 90.3%. Work to fully realise the benefits of MyChart is anticipated to improve patients' experiences of our outpatient services further.

- **FFT –** Maternity combined: Overall Trust combined FFT maternity score increased to 94.5% in March 2024 from 86.6% in March 2023. The average score across 2023/24 was 91.5%. Significant improvements in scores have been subject to work undertaken with Maternity Voice Partnerships to co-design a suite of new communication materials alongside interventions to improve support available to women and birthing people.

Progress was made with achieving the objectives set out in the Quality Account Priorities (QAP) for 2023-24 as outlined below.

Quality Account Priority	**Objectives**	**2023-24 targets**
Patient Safety: **To improve the identification and management of patients with sepsis, and to improve the detection and escalation of the deteriorating children, mothers, and birthing persons.**	To reduce the incidence of harm as a result of delays in the detection and management of sepsis and therefore improve the outcomes of patients with sepsis. This Trust priority stems from our lessons learned from harm caused to our patients, and reflects the Trust's commitment to being a learning organisation. The timely identification and management of sepsis to help mitigate the impact of the condition, and therefore reduce the likelihood of ongoing mental health concerns following physical recovery.	Partially Achieved
	Achieving 80% of all unplanned paediatric critical care unit admissions from noncritical care paediatric wards of children up to their 16th birthday, having a Bedside Paediatric Early Warning Score (BPEWS) score, time of escalation and time of clinical response recorded.	Fully Achieved
	Achieving 80% of all unplanned maternity critical care unit admissions from the birth centres or labour wards, having a Maternity Early Warning Score (MEWS) score, time of escalation and time of clinical response recorded.	Fully Achieved
Patient Experience: To improve patient experience through effective communication (2 year project)	To improve communication skills with patients and their relatives / carers through education and training. Training and toolkit will improve communication positively impacting staff's wellbeing.	Fully Achieved
	To improve responsiveness to patients and their relatives / carers through answering telephone calls.	Fully Achieved
	To improve information provision to patients and their relatives / carers.	Fully Achieved

Patient Outcomes: To improve patient outcomes in neuro and major trauma rehabilitation services (2 year project)	Having identified the outcomes that are most important to our patients, we will now measure these outcomes and seek feedback from patients about the things that would improve their quality of life and health outcomes after leaving King's services. We will use this feedback to identify improvement actions within King's, and in our collaboration with colleagues and services across the Integrated Care System.	Fully Achieved Not achieved

Improving the detection and escalation of deteriorating patients

In 2022-23, we set out to improve the detection of the deteriorating patient and escalating as appropriate, thereby reducing harm to patients. We achieved our goal of at least 90% of all unplanned critical care admissions having a NEWS2 score recorded at time of escalation. With a time and date of escalation and clinician response recorded, we also achieved our target of 60% for adult patients.

We have continued with this important priority in 2023-24 expanding it to include a specific focus on the identification and management of sepsis. This aligned very closely with the learning from safety events in the hospital and feedback from the Care Quality Commission. A Sepsis Clinical Lead started in September 2023 to provide clinical leadership and direction for this important improvement work.

A focus on sepsis identification and prevention, with specific regard to health inequalities aligns to our commitment to delivering Outstanding Care whilst also ensuring that Diversity, Equality and Inclusion is at the heart of everything we do.

Other activities have included:

- participating in the NHSE Worry and Concern Pilot programme which aims to implement reliable method(s) for patients, relatives and/or carers to escalate worries and concerns about acute illness and deterioration when standard care isn't meeting their needs and to document the patient's views of their illness / wellness and any concerns into their health record, and for these to be acted on as part of daily routine practice.
- Improving education and training to clinical staff including the development of bite--sized ward-based training on communication and escalation, podcasts and simulation.
- Raising awareness of Sepsis and the support available including iMobile, where teams are concerned about individual patients.

Improve Patient Experience through effective communication

A customer service training package was developed for Doctors, with focus on active listening, personalised care and shared decision making and the training needs analysis completed. The training has received positive feedback from participants with 90% rating the session as excellent and relevant to their area of work. The work is now underway to enhance the training offer alongside deploying a Trust-wide campaign and intervention package aimed at further improving communication skills across all staff groups.

We continue to deliver communication skills for doctors training for Foundation Year, FY1, FY2 doctors and Speciality Registrars and in 2023-24, we trained 164 individuals. Following interventions put in place in Ophthalmology, the number of contacts relating to the care group recorded by the Patient Advice and Liaison Service has decreased by 47% between September 2023 and December 2023. The telephony system is now being adopted by the Patient Advice and Liaison Service with consideration for further roll-out across the Trust subject to resourcing.

In 2023-24, we deployed a co-designed 'Welcome to King's' inpatient guide. The King's Welcome Guide tells you what to expect whilst you are in hospital, how our wards are organised, our visiting policy and what we will do to help you to get ready to leave hospital at the end of your stay. It also includes a guide to staff uniforms, details of the facilities available across our hospitals and useful contacts both during and after your stay. With the support of our volunteers the guide is given to all inpatients on the day of admission. The volunteers in giving a guide to each patient, 'welcome' them to King's, befriending them by having a conversation to ease nerves especially if this is their first admittance, go through the booklet, alerting patients to key sections. By the end of February 2024, 4,224 copies of the guide have been distributed with 95% of patients receiving a copy of the guide within 24 hours of admission. The following link contains an online version of the guide. Welcome to King's | King's College Hospital NHS Foundation Trust (kch.nhs.uk)

An evaluation of the Welcome to King's booklet was done using multiple methods, including, patient surveys, volunteer surveys, focus group, email feedback, telephone conversations and conversations with staff. A total of 258 feedback was received. 45.26% reported that the King's guide definitely improved their experience as a patient at King's. 41.05% said yes to some extent to the same question in relation to their experience.68.27% reported that the guide was written in a way that was easy to understand

Improve Patient Outcomes in Neuro and Major Trauma Rehabilitation

Our patients have informed us that their rehabilitation is often a long process and that they wanted to feedback to us at 3 time points after leaving King's (6 months, 12 months and 24 months). We began sending questionnaires to our first patients in April 2023, 6 months after their discharge from King's, and in October 2023 we began dissemination of the first questionnaires to patients 12 months after leaving King's. We have sent out 117 questionnaires so far.

By the end of December 2023, thirty-three patients had returned questionnaires (18% response rate). Feedback has been analysed and we now have, for the first time, a view of patient's physical and mental health status at 6 months after discharge. Our next steps will be to track change, hopefully improvement, in health outcomes over time.

Access to rehabilitation and support in the community after discharge remains a concern for patients and we are working with our partners in South East London to improve services.

More detail on the Trust's quality priorities can be found in the Trust's 2023/24 Quality Account, published on the website.

Research and Development 2023/24

Research and Development (R&D) is a central part of the offer of care we make to patients, relatives and staff.

The Trust R&D strategy has three main aims:

Aim 1- Increase commercial and academic research activity ensuring equity of access for all patients and staff.

Aim 2 - Develop an Advanced Therapies and Biomedical Sciences

Aim 3 – Develop a Trust – wide, supportive research

An R&D roadmap is in development to cover the next phase of R&D strategy from 2024-2026

R&D remain on track to fully deliver all aims by March 2024 – as demonstrated in some of the highlights outlined below

Full details of R&D achievements can be found in the updated "Four Years on" annual report available on the trust website Research and Development Strategy: Four years on

R&D Highlights 2023/24

- **Professor Surinder Birring was elected a Fellow of the European Respiratory Society in 2023. This is a prestigious award in recognition of outstanding research.**
- The CogStack team won the Outstanding Achievements and Research Contributions - Social Good award for their innovative use of Natural Language Processing (NLP) to transform and improve research, planning, and care at the CogX Awards
- The global VOYAGE trial is a first-in-human study that aims to test the safety and pharmacokinetics of the bispecific antibody MGD006 in patients with acute myeloid leukaemia or myelodysplastic syndromes. Our team is currently the highest recruiter in the UK for this trial.
- **Professor Anil Dhawan receives Honouring the Greats award from the International Liver Transplantation Society**
- The Sleep and Ventilation team recently won funding from the QExchange programme for an innovative Home Ventilation Outreach project, exploring how to tackle health inequalities in patients with chronic respiratory failure.
- Over the past 10 years, KCH have been the biggest European recruiting site in the Phase 3 trial of the international Autologous Tumor Lysate-Loaded Dendritic Cell Vaccination in Patients with Newly Diagnosed and Recurrent Glioblastoma trial.

R&D Performance

King's College Hospital remains the highest performing NHS Trust in the U.K in terms of recruitment to the NIHR portfolio of research studies during 23/24. The infographic below highlights the research data for the full research portfolio (NIHR and non-portfolio studies combined) for the 23/24 financial year.

NUMBER OF PARTICIPANTS IN RESEARCH STUDIES 23/24

34,063

NUMBER OF RESEARCH STUDIES OPEN 23/24

232

NUMBER OF FULL TIME RESEARCH STAFF

200

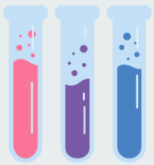
TOTAL RESEARCH TRIAL INCOME 23/24

£7,133,157

NUMBER OF NEW COMMERCIAL STUDIES OPENED 23/24

73

NUMBER OF NON-COMMERCIAL CONTRACTS JAN 23 - DEC 23



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Freedom to Speak Up Guardian

This year Board of Directors were very pleased to welcome the National Guardian, Dr Jayne Chidgey-Clark and Charlie Cassell, Director of Operations and Strategy, to attend a Board Development session. This was a great opportunity for the Board, as Jayne reviewed our Freedom to Speak Up (FTSU) data, reports and staff survey results and opened a meaningful discussion regarding FTSU at King's.

On 14 July 2023, Suzanne McCarthy, Independent Chair of the Accountability and Liaison Board for the National Guardians Office, spent the day with the Trust's Freedom to Speak Up Guardian and met members of the executive team, the non-executive director champion for speaking up and front-line staff.

On 18 August 2023, the jury returned their verdict in the trial of neo-natal nurse, Lucy Letby. On the same day, the NHS England Executive team sent a letter to all senior NHS Leaders stating, "*We want everyone working in the health service to feel safe to speak up – and confident that it will be followed with a prompt response."* Urgent actions were included, to provide assurance to NHSE.

In response to the letter, King's College Hospital NHS Trust took immediate action, not only to assure the Board, but also patients, staff, and all workers at King's. The Trust values the voice of staff, as a vital driver of learning and improvement.

The Executive team knows that for a speaking up culture to develop across the Trust, a commitment to speaking up must come from the very top of the organisation. Leadership has the biggest impact on how workers behave, and the Trust accepts that actions speak louder than words. This is why the Trust leadership team made the decision to revisit the Board Self Reflection Tool, as a priority.

A new Freedom to Speak Up Policy was launched in February 2024.The policy, which fully aligns with NHSE national one, clearly sets out the Trust's commitment to openness and accountability, through the provision of a safe environment to speak up. The document supports our delivery of the NHS People Promise and is written in a way that it is easily accessible for all (not just those staff directly employed by King's), so that all workers at King's know how to speak up and what will happen when they do.

Last year the Trust set out a commitment to build year-on-year positive progress and make it easier for staff to approach line managers and for them to respond appropriately. In line with this commitment, we have written the policy so it is fully inclusive and demonstrates our determination to tackling any barriers our staff may face. Managers have the biggest influence on the working environment and staff wellbeing; staff should feel confident and able to approach their line manager with concerns. Under the new policy, all staff are encouraged to speak up to managers under the first step of the FTSU process at King's. We anticipate concerns can be resolved quickly and locally in this way.

However, we do recognise that not everyone will feel comfortable talking to their manager, so alternative routes to raising concerns are available. These include the Freedom to Speak Up Guardians, Senior managers, King's Ambassadors, Guardians of Safe Working, staff networks, EDI, HR, and wellbeing teams.

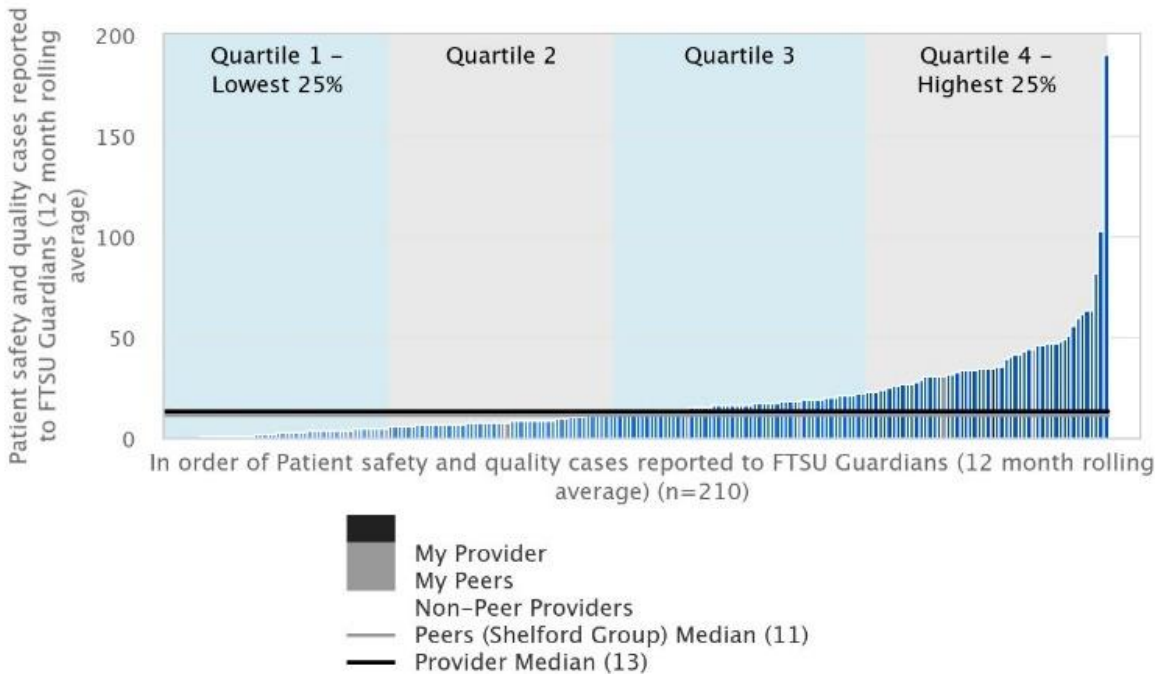
The policy also makes it clear that the Trust does not tolerate the harassment or victimisation of anyone raising a concern. Any such behaviour is a breach of the Trust's values and if following investigation it is confirmed to have taken place, it could result in disciplinary action.

To further demonstrate our commitment to strengthening the speak up culture, we have recruited a Deputy Freedom to Speak Up Guardian. The Deputy Guardian will be located at PRUH and South Sites to ensure visibility and accessibility across all areas.

Over the year there has been a decrease of 20% in the number of staff raising concerns with the FTSU Guardian. This is considered to be a positive trend indicating that staff continue to raise concerns, but are now doing so with their line managers or senior managers. This may also be due to the unexpected absence of the Guardian for an extended period. The absence of the Guardian highlighted the importance of contingency planning within the service, and further highlighted the need for a Deputy Guardian to be in post.

We have seen cases of bullying and harassment fall this year, by 10%, however workplace culture concerns have reduced by 23% which is a strong indicator that the joint working between teams and focus on creating a positive culture, is starting to see positive outcomes. Another good indicator of culture is the number of cases reported which have an element of patient safety/quality. King's is in the top 25% of trusts for cases for a rolling 12-month period. This is demonstrated in the chart below (taken from NHSE Model Health System).

Figure 1: Patient safety and quality case reported to FTSU Guardians (12 month rolling average), National Distribution



Our staff all have a voice that counts and are confident to raise concerns that impacts on patient care or quality of service delivery.

However, the National Staff Survey results have indicated that there is still work for us to do to address perceptions of fear and futility amongst staff when it comes to raising concerns. We saw a slight deterioration of 1.71% in staff confidence to raise concerns about unsafe clinical practice, but a slight increase of 0.08% in confidence to speak up about anything that concerns them and a belief the Trust would address those concerns.

The nursing workforce is the largest staff group in the Trust. As with previous years and nationally, nurses continue to be the highest reporting group of across the Trust. Historically, doctors were the least likely of all staff groups to speak up. The number of doctors raising concerns at King's is slowly increasing and this reflects the national picture. This is extremely positive and aligns with the GMC's refreshed Good Medical Practice requirements for doctors to raise concerns. The FTSU Guardian will be delivering FTSU joint awareness sessions with the GMC for all junior doctors at King's.

In March 2024 the Trust procured a new module for the InPhase software package to support Freedom to Speak Up. As well as providing a highly secure platform to record contacts (both in terms of IT security and ensuring only the Guardians have access to confidential data), this allows the opportunity to align insight from Freedom to Speak up with other sources (particularly incidents, complaints and PALS enquiries) and so further support learning and improvement across the organisation.

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Anti-Bribery Policy

King's has a zero-tolerance policy towards fraud and bribery. Appropriate policies are in place and the Counter Fraud Team ensures compliance, overseen by the Audit Committee. More detail can be found in the Annual Governance Statement, later in this report.

Health Inequalities and community engagement

The Trust recognises the importance of working with patients, stakeholders and the wider community to ensure that service delivery meets their needs. A summary of how the Trust has met this goal in the last year can be found in the Quality Account on our website.

Improving the delivery of services at King's and supporting the needs of our diverse local population was identified as a one of four organisational priorities in the *Strong Roots, Global Reach* strategy published in 2021. The King's Health Inequalities Programme is dedicated to reducing unfair and avoidable health disparities among patients and staff.

Our key aims are to:

- Remove barriers preventing fair access for patients.
- Reduce preventable differences in patient healthcare experiences.
- Reduce unfair differences in patient outcomes.
- Support staff to reduce their risk of health inequalities.

Addressing health inequalities is a strategic priority, reflecting our commitment to diversity, equality, and inclusion. This initiative also allows us to work closely with our Integrated Care System (ICS) partners and align with regional and national efforts, strengthening our role as a community anchor organisation. Health inequalities stem from various factors, many beyond our control, such as housing, income, education, and social isolation. However, by focusing

on areas within our remit, we aim to address inequalities in access, experience, and outcomes of our healthcare services.

There have been a number of developments during 2023/24. Key developments over the past year: Two community insight reports have be published. The first report established recommendations for working with communities towards better engagement and communication around managing smoking, weight, high blood pressure, alcohol abuse and mental health in secondary care. The second report established recommendations for working with communities to better understand and address existing barriers to participation. We launched a Health Inequalities intranet page dedicated to health inequalities, providing resources and updates on our four working groups.

In January 2024, we convened system partners to discuss SEL workstreams and community integration, addressing key regional health issues. This included a focus on operationalising the 'Vital 5'. In collaboration with King's College London and King's College Hospital, we introduced the "King's Model," a new approach to research recruitment, increasing diversity in study participation. Additionally, our report with Centric, "Participation in Health Research and Clinical Trials," highlighted barriers for underrepresented communities in Southeast London. This model earned recognition, winning the 'Commitment to the Local Community' award and contributing to nominations at the BAME Healthcare and National Diversity Awards.

With the implementation of EPIC we are hoping to develop a health inequalities dashboard, facilitating better tracking and action on disparities. Thirteen clinically led projects aimed at addressing health inequalities were reported up to September 2023. We plan to expand our EDI partnering approach to include methodologies for identifying and tackling health inequalities, leveraging relationships with Triumvirate and Service Leads.

In the past year, we have made significant progress in addressing health inequalities, demonstrating our commitment to fostering a diverse, equitable, and inclusive healthcare environment. Through continued collaboration with ICS partners and alignment with broader initiatives, we aim to create a lasting, positive impact on our community's health and well-being.

King's Sustainable Healthcare for All

Our King's Green Plan, launched in 2021, sets out our commitment to providing environmentally sustainable healthcare, a vision of where we need to be and how we plan to get there. During the third year of delivering this Plan and in a financially challenging environment, we remain committed to the NHS England ambition to achieve net zero carbon emissions.

Our sustainability team continues to work jointly across King's College Hospital and Guy's and St Thomas' NHS Foundation Trust, allowing us to take a local system approach to our key environmental sustainability challenges.

Summary of Sustainability Performance in 2023/24

Our carbon footprint is reviewed and calculated every year and in 2023/24 this was equivalent to an NHS Carbon Footprint (the emissions we control directly) of 38,671 tonnes CO2e and NHS Carbon Footprint Plus (including the emissions we can influence) of 198,082 tonnes CO2e. Compared to the previous year, this represents an increase in 9% for our NHS Carbon

Footprint (largely due to an increase in gas consumption – see below) and a decrease of -17% for our NHS Carbon Footprint Plus.
The key target of the five-year period of the Trust Green Plan was to reduce its NHS Carbon Footprint emissions by 44% by 2025/26 vs a 2019/20 baseline. As of 2023/24 this target remains ambitious and will require the Trust to reduce CO2e emissions by 8,400 tonnes in each of the next two years.

Key performance updates for 2023/24 include:

Energy: we have continued work on heat decarbonisation with a focus on developing more detailed designs for the future electrification of our Denmark Hill and Orpington sites. In the meantime, the combined heat and power (CHP) plant at Princess Royal Hospital came back online this year, leading to an increase in purchased gas and associated emissions and a decrease in purchased electricity. Please see Notes 1&2.

Medical gases and inhalers: in 2023/24 we have continued to make significant progress on the reduction in emissions from anaesthetic gases and have also been able to reduce emissions from inhalers. We have now decommissioned four out of five nitrous oxide manifolds and created a leaner, more efficient supply via portable cylinders where nitrous oxide is still required. This has helped us reduce our carbon impact, produce efficiency and cost savings and provide greener and better care for our patients. We have worked with the NHS South East London Integrated Care System on an inhaler recycling pilot project which launched earlier this year. The project aims to reduce waste and lower carbon emissions, and help people dispose of their inhalers safely by encouraging patients to return their used or expired inhalers.

Travel and Transport: from 1st October 2023, only electric vehicles are offered on the King's salary sacrifice scheme and 51% of this fleet are now all electric. Once the salary sacrifice fleet completes its transition to electric, this will help the Trust save approximately 174 tonnes of CO2 each year.

We also continue our work towards a full transition to electric vehicles of our own Trust fleet, including specialised and patient transport vehicles, by 2030. At Princess Royal Hospital, we have installed 41 electric vehicle charge points that are open to staff, patients and visitors. At the Denmark Hill Emergency Department, we have installed a 50kW charge point dedicated to vehicles from the London Ambulance Service. This is the first charger of its kind in the country and will help support London Ambulance Service with the operation of their first electric ambulances which will benefit patients, staff and the local community.

Our Green Travel Plans for Denmark Hill, Orpington and the PRUH as well as an overall plan for KCH were published in early 2023/24. These plans aim to support staff, visitors and patients to use more active and sustainable means of transport to reduce our carbon emissions.

Air quality and greening: in June, we published our first ever Clean Air Plan jointly with Guy's and St Thomas'. The plan defines the ways in which we will address air pollution, raise awareness of the issue and improve the health of our patients, staff and local communities. To enable clinicians to have patient-centred conversations around air pollution, we have integrated air quality data in our new electronic patient records system EPIC when it was first introduced. In line with the Clean Air Plan, we are also reporting on the air pollution footprint

of our heat & power consumption as well as our vehicle fleet for the first time (see Table: Summary of performance). We have increased greening and our garden spaces in the Atrium of the Golden Jubilee Wing, the Diabetic Foot Clinic and Anaesthetics with support from King's College Hospital Charity and increasingly focus on biodiversity and native species in our planting plans.

Climate Change Adaptation: we launched our first Climate Change Adaptation Plan in January 2024 - a first for the Trust and one of only a handful of acute hospital trusts in England to do so. The Plan outlines how we will adapt our estates and services to weather the effects of climate change that are now unavoidable - from the possibility of flooding, to extreme heat and increased air pollution. A working group was launched during the year to support the delivery of the action plan.

Waste and recycling: in our clinical areas, we are continuing to improve the segregation of waste that is non-infectious and that can be disposed of at much lower temperatures than infectious waste. This will reduce our carbon emissions from waste disposal as well as associated costs. We have also hired a Trust Waste Manager who will lead a newly formed waste management team with an increased emphasis on sustainability and innovation.

Procurement: in our procurement practices we consistently apply NHS England's 10% Net Zero and Social Value weighting criteria as well as Carbon Reduction Plan (CRP) requirements and are working on an equally consistent application in our contract management. Our carbon emissions from procurement show an annual carbon reduction of 38%, but this analysis will need to be considered in the context of a move to new NHS England methodology. Please see note 5 for further details.

Task force on climate-related disclosures

As set out in NHS England's reporting guidance, we are adopting a phased approach to publishing sustainability disclosures and reporting requirements. We're working hard to ensure that we collect robust data across a wide range of environmental performance indicators, and are pleased to be able report our full carbon footprint again this year.

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

The implementation of our Green Plan is governed through the Sustainability Steering Group, which has three primary functions: strategy and planning; systems of management control; and performance and assurance.

Table 1: Summary of performance

	2019/20	2020/21	2021/22	2022/23	2023/24	% change 2023/24 vs 2022/23
Building Energy Management						
Energy Expenditure (£)	6,714,940	6,554,575	6,713,553	10,987,380	11,215,813	↑ 2%
Purchased Gas (kWh)[1]	130,609,385	132,586,057	132,154,000	121,625,966	140,831,526	↑ 16%
Purchased Electricity (kWh) [2]	25,934,228	25,886,666	26,002,174	28,152,865	18,849,804	↓ -33%

	2019/20	2020/21	2021/22	2022/23	2023/24	% change 2023/24 vs 2022/23
Exported Electricity (kWh)	8,886,585	9,955,560	8,925,859	4,908,249	4,744,134	↓ -3%
Total Net Energy Consumption (kWh)	147,657,02	148,517,16	149,230,31	144,185,897	154,937,196	↑ 7%
Energy Carbon Emissions (tCO_2e)	35,330	35,008	35,923	33,348	35,198	↑ 6%
Air pollution footprint from heat and power (kg) [3]	n/a	n/a	n/a	n/a	NOx: 41,034 PM 10: 557 PM2.5: 503	n/a
Water Management						
Water Consumption (m^3)	295,478	294,099	305,533	305,900	343,819	↑ 12%
Water Carbon Emissions incl. sewerage (tCO_2e)	300	296	145	145	123	↓ -2%
Waste Management						
Waste (tonnes)	5,415	5,132	5,467	5,513	5,612	↑ 2%
Waste Expenditure (£)	1,850,000	1,499,492	1,728,437	2,220,809	2,392,083	↑ 8%
Waste Carbon Emissions (tCO_2e)	1,119	1,388	1,234	1,268	1,236	↓ -3%
Medical Gases						
Anaesthetic Gases (tCO_2e)	3,015	2,460	2,231	2,651	1,513	↓ -43%
Inhalers (tCO_2e)	329	196	272	175	169	↓ -4%
Total Medical Gases (tCO_2e)	3,344	2,656	2,502	2,827	1,682	↓ -40%
Transport						
Fleet Mileage (miles)	1,185,000	942,799	768,985	450,812	440,500	↓ -2%
Fleet Carbon Emissions (tCO_2e) [4]	n/a	251	187	113	133	↑ 18%
Air Pollution Footprint from fleet (kg) [3]	n/a	n/a	n/a	n/a	NOx: 269 PM 10: 2.5 PM2.5: 2.5	n/a
Procurement Management[6]						
Procurement Expenditure (£)	423,234,831	586,574,622	644,496,343	658,313,000	645,034,927	↓ -2%
Procurement Carbon Footprint (tCO_2e) [5]	189,117	285,722	263,696	232,167	143,216	↓ -38%
Carbon						
NHS Carbon Footprint (tCO_2e)	39,074	38,197	38,881	35,451	38,629	↑ 9%
NHS Carbon Footprint Plus (tCO_2e)	194,917	291,304	271,843	237,926	198,082	↓ -17%

- ***Note 1:*** *the CHP plant at Princess Royal Hospital came online this year, resulting in an increase in purchased gas and decrease in purchased electricity.*
- ***Note 2:*** *in addition to reduced purchased electricity from the CHP plant coming online at Princess Royal Hospital (see Note 1), the dental building at Denmark Hill is now fed off the local system and no longer reliant on purchased electricity.*
- ***Note 3:*** *in line with our Clean Air Plan published in June 2023, we are reporting on the air pollution footprint from heat & power as well as our vehicle fleet for the first time this year.*

- ***Note 4:*** *to improve data accuracy, emissions are based on fuel rather than mileage where available. 62% of vehicles at the Trust are now on fuel cards, greatly improving accuracy. For 2023/24 this shows as a disproportionate increase in emissions vs 2022/23 but will provide a new baseline for future years.*
- ***Note 5:*** *with increased maturity in the carbon analysis of spend data in the NHS, we have moved from the P4CR methodology provided by the Sustainable Development Unit to NHSE spend-based carbon multipliers based on DEFRA SIC carbon multipliers mapped to eClass product category listings. Please note limitations and inaccuracies remain and the reduction in the procurement footprint vs 2022-23 is likely to be overstated. Spend on elements covered in the bottom-up carbon reporting, e.g. gas and electricity, has been removed to avoid double counting.*

Summary of Performance

The strategic report was approved by the Board of Directors on xxth June 2024 and signed on its behalf by:

Professor Clive Kay Date: 27 June 2024
Chief Executive

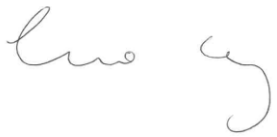
Significant issues and events since the end of 2023/24

The Trust received notification from NHS England on 3rd April that King's College Hospital NHS Foundation Trust has been moved from segment three to four in the National Oversight Framework and will be put in the Recovery Support Programme. The Trust also received notification that it was being placed in Tier One for diagnostic performance (DMO1).

In their Annual Auditor's Report (2023/24), Grant Thornton, the Trust's external auditors have identified significant weaknesses in financial sustainability. A management response has been agreed and it has been agreed that progress in implementing the action plan will be monitored by the audit committee.

On Monday 3rd June, Synnovis, the organisation that provides pathology services, including blood testing and blood transfusion to King's, informed the Trust that they have been the victim of a ransomware cyberattack. This has had a significant impact on the delivery of services at King's as well as Guy's and St Thomas' NHS Foundation Trust and other partner organisations in mental health, community and primary care services across south east London. There is currently no definite timeframe on when we can expect Synnovis' systems to be restored. This is likely to impact on King's performance for a number of months during 2024/25.

The performance report was approved by the Board of Directors on 27 June 2024 and signed on its behalf by:



Professor Clive Kay Date: 27 June 2024
Chief Executive

ACCOUNTABLITY REPORT 2023/24

2.1 Directors' Report

Governance Framework

King's governance framework comprises its membership body, the Council of Governors and the Board of Directors.

The Trust's membership is drawn from patients, staff and individuals from the local constituencies it serves. More information about recruiting and involving members in the life of King's starts on page xx.

The Council of Governors is elected by the membership or appointed in accordance with the Trust Constitution. The Council of Governors is responsible for representing the interests of members and stakeholders in the governance of King's. The Council of Governors exercises statutory powers, such as the appointment or removal of non-executive directors, appointing the external auditor, approving mergers, acquisitions and significant transactions, holding the non-executive directors individually and collectively to account, and representing the interests of members and the public. The Council of Governors meets formally four times per year to discharge its duties. The matters specifically reserved for the Council's decision are set out in the Trust's Constitution. More information about the Council of Governors, including its composition and terms of office, can be found on page 58-60.

Led by the Chair, the Board of Directors sets King's strategy, determines objectives, monitors performance and ensures that adequate systems are maintained to measure and monitor effectiveness, efficiency and economy. It decides on matters of risk and assurance, and is responsible for delivering high quality and safe services. It provides leadership and effective oversight of King's operations to ensure it is operating in the best interests of patients within a framework of prudent and effective controls that enables risk to be assessed and managed. Further information about King's internal controls and approach to clinical and quality governance can be found in the Annual Governance Statement starting on page 105.

The Board of Directors, comprising the Chair, Deputy Chair, independent non-executive directors and executive directors, are collectively responsible for the success of King's. The responsibilities of the Senior Independent Director (SID) are undertaken by one of the Non-Executive Directors. One of the non-executive directors is appointed by King's College London. All Board members have been assessed against the requirements of the 'fit and proper' person test. The terms of office and voting rights of each director is recorded later in this section of the annual report. Non-executive directors bring a breadth of expertise to the Board and provide objective and balanced opinions on matters relating to Trust business.

The Board meets six times per year and has a formal schedule of matters specifically reserved for its decisions. The Board delegates other matters to its committees and the executive directors. This is outlined in the Trust's Constitution, board committee terms of references and standing financial instructions.

The Trust's Constitution sets out the roles and responsibilities of the membership body, Council of Governors and the Board. It also details the procedures for resolving any disputes between the Council of Governors and the Board of Directors. To develop an understanding of the views of members and governors, Board members attend meetings of the Council of Governors and its

committees, the Annual Members' Meeting, and community events. They also visit wards and other clinical areas across all sites on a regular basis.

Board of Directors

Executive directors are full-time King's employees. Non-executive directors are appointed by the Council of Governors on a four-year fixed term (due to the size and complexity of the Trust). The Council of Governors has the authority to remove non-executive directors. Executive Directors manage the day-to-day running of King's whilst the Chair and the Non-Executive Directors provide strategic and board-level guidance, support and challenge. The Board benefits from the wide range of skills and experience of its members, gained from NHS organisations, other public bodies and private sector organisations. The skills portfolio of the directors, both executive and non-executive, includes accountancy, audit, education, management consultancy, commercial, communications, transformation and medicine. This broad coverage of knowledge and skills strengthens the effectiveness of the Board, giving assurance that it is balanced, complete and appropriate to supporting King's in meeting its objectives.

During 2023/24, the Board of Directors comprised:

Chair	Charles Alexander, CBE (to 31st January 2024)
Acting Chair	Jane Bailey (from 1st February 2024)
Non-Executive Directors	Nicholas Campbell-Watts Dame Christine Beasley (Senior Independent Director) Professor Jonathan Cohen (to 15th December 2023) Professor Yvonne Doyle Akhter Mateen Professor Richard Trembath Steve Weiner (to 8th October 2023) Simon Friend (from 1st September 2023) Jane Bailey (from 26th July 2023)
Chief Executive Officer	Professor Clive Kay
Chief Financial Officer	Lorcan Woods (to 9th February 2024) Arthur Vaughan (Acting CFO 10th February to 10th March 2024) Roy Clarke (from 11th March 2024)
Chief People Officer	Mark Preston
Chief Nurse and Executive Director of Midwifery	Clare Williams ([Acting]to 31st May 2023) Tracey Carter (from 1st June 2023)
Chief Medical Officer	Dr Leonie Penna
Chief Digital Information Officer (Joint GSTT)	Beverley Bryant

Denmark Hill Site CEO and Deputy Chief Executive	Julie Lowe
PRUH and South sites CEO	Jonathan Lofthouse to 6th August 2023 Angela Helleur from September 2023 (initially as interim, but subsequently permanent after an open recruitment process.

Non-Executive Directors

Jane Bailey
Jane joined the Trust in July 2023 as Deputy Chair and took on the role of Acting Chair in February 2024. She brings six years' experience on the Board of University Hospital Southampton (UHS), during which time she served as Deputy Chair and Senior Independent Director during the period covering the COVID-19 pandemic, and briefly as interim Chair. During the pandemic, she led the testing programme across Hampshire and the Isle of Wight and was pivotal in establishing a procurement collaboration between two acute Trusts in Hampshire.

Jane started her career as a management trainee at the pharmaceutical company GlaxoSmithKline, having graduated from King's College, London University with a degree in Human Environmental Studies. There she became senior commercial vice president, gaining experience of a broad range of disease areas across different regions of the world. Jane specialised in leading global research and development teams in the formation of strategies to bring new medicines to patients. For five years she ran her own strategy development consultancy working across a breadth of healthcare organisations. In 2017, Jane gained an MSc in public health, with distinction, at King's College, London University, where she focused on how to ensure the public are engaged in development of healthcare services and how social theories can help inform effective disease prevention and management.

Voting Board Member. Term in office: July 2023 to Current (four-year term)

Dame Christine Beasley
Dame Christine Beasley has held senior roles across the NHS in a career spanning 50 years. This includes being appointed Chief Nursing Officer at the Department of Health, a position she held from 2004 to 2012.

She has extensive experience of driving positive changes in clinical practice, as well as overseeing major organisational change and development. She is the Board's Senior Independent Director.

Voting Board Member. Term in office: October 2021 to Current (four-year term)

Nicholas Campbell-Watts
Nicholas Campbell-Watts has spent much of his career predominantly at a senior level in the voluntary sector, working with people and communities experiencing multiple and complex health and social care challenges, linked to mental health, learning disabilities, homelessness or offending.

Currently working for Certitude, a London charity, he has a track record of involvement in system and organisational change and transformation and also previous experience as a Non-Executive

Director at Lambeth NHS Primary Care Trust. Nicholas lives in Lewisham, and has lived and worked in South London for over 30 years.

Voting Board Member. Term in office: January 2020 to Current (Reappointed in late 2023 for a second four-year term)

Professor Yvonne Doyle

Professor Yvonne Doyle was the NHS Medical Director for Public Health until 31st March 2023, leading the public health national function within the NHS. Her most recent roles were Medical Director & Director of Health Protection in Public Health England (2019 to 2021), and PHE Regional Director for London (2013 to 2019). Yvonne has acted as Statutory Adviser to two Mayors of London. She qualified as a doctor and has worked for over 30 years in senior roles in the NHS and the UK Department of Health, and in the academic and independent sectors.

She has acted as an adviser to the WHO on Healthy Cities and continues to take a research interest in urban health and the environment.

Voting Board Member. Term in office: October 2021 to Current (four-year term)

Simon Friend

Simon Friend has a strong background in finance and audit, including as a chartered accountant and former partner at PricewaterhouseCoopers LLP (PwC). He has a thorough understanding of governance, and board experience across a range of sectors.

Simon is also a non-executive director at Guy's and St Thomas' NHS Foundation Trust, where he chairs the finance, commercial and investment committee. Prior to that, he was a NED at Royal Brompton and Harefield NHS Foundation Trust.

Simon also holds several roles at non-NHS organisations including as a NED at Bevan Brittan, and as a member of Council at the Royal Academy of Arts.

Voting Board Member. Term in office: September 2023 to Current (co-opted for 12 months)

Akhter Mateen

Akhter Mateen is a former Chief Auditor of Unilever. He retired from Unilever in Dec 2012. In his 29 year career he has held high-level finance roles in Pakistan, Bangladesh, U.K., Latin America, South East Asia and Australasia. Since 2014 he has held non-executive roles in various public, private and not-for-profit organisations. He is currently a Non-Executive Director of CABI - a not-for-profit international development organisation, a Trustee of Malala Fund UK – focusing on 12 years of free, safe and quality education for girls around the world, and a trustee of Developments in Literacy (DIL) UK – a charity contributing to the education of the underprivileged in Pakistan. He has an MBA in Finance.

Voting Board Member. Term in office: July 2020 to Current (four-year term)

Professor Richard Trembath

Richard was appointed Senior Vice President & Provost (Health) and Executive Director of King's Health Partners in September 2020. His prior role as Executive Dean of the Faculty of Life Sciences & Medicine began in September 2015. A geneticist, Richard trained in Medicine at Guy's Hospital Medical School. Following postgraduate training at the Institute of Child Health he

moved to the University of Leicester in 1992 where he was later appointed to the Foundation Chair of Medical Genetics. He moved to King's as Professor of Medical Genetics in 2005 and was Head of Division of Genetics & Molecular Medicine from 2008-11. During this time he was appointed founding Director of the KCL/GSTT NIHR Comprehensive Biomedical Research Centre.

Richard has substantial academic leadership experience. Directly prior to his Executive Dean role at King's, he was Vice-Principal for Health at Queen Mary University London and Executive Dean of Barts and The London School of Medicine and Dentistry. Richard is Fellow of the Academy of Medical Sciences and King's College London.

Richard's research has focused on identification of human disease genes, for which he has used established and emerging technologies. His interests have spanned a range of extremely rare medical conditions, including pulmonary arterial hypertension to more common disorders including the skin inflammatory disorder, psoriasis, atopic dermatitis and acne. More recently he co-founded the East London Genes and Health project (www.genesandhealth.org). This programme is one of the world's largest community-based genetics studies, seeking to improve health among people of Pakistani and Bangladeshi heritage in East London.

Voting Board Member. Term in office: December 2016 to Current (University appointment)

Executive Directors

Professor Clive Kay

Professor Clive Kay joined King's as Chief Executive in April 2019. Clive has extensive clinical and leadership experience, and prior to taking up his position at King's he was Chief Executive at Bradford Teaching Hospitals NHS Foundation Trust from January 2015. Previously he was Clinical Director of Radiology (2001-2006) and subsequently the Medical Director (2006-2014). Prior to working in Bradford, Clive was a Visiting Associate Professor of Radiology at the Medical University of South Carolina. He was a Member of Council of the Royal College of Radiologists, and is a former Chairman of both the Royal College of Radiologist's Scientific Programme Committee and the British Society of Gastrointestinal and Abdominal Radiology. He is currently a Fellow of the Royal College of Radiologists and a Fellow of the Royal College of Physicians of Edinburgh. Clive is also the Acute Partner member for South East London Integrated Care Board (SEL ICB).

Voting Board Member. Term in office: April 2019 to Current (permanent contract, six-month notice period)

Beverley Bryant

Beverley joined King's College Hospital and Guy's and St Thomas' NHS Foundation Trusts as Joint Chief Digital Information Officer in September 2019. Previously, Beverley has held a number of senior leadership roles within the NHS, the Department of Health and in the private sector, including national roles at NHS England and NHS Digital between 2012 and 2017.

Non-Voting Board Member. Term in office: September 2019 to Current (permanent contract, six-month notice period)

Tracey Carter MBE, Chief Nurse and Executive Director of Midwifery
Tracey Carter joined the Trust in June 2023. Prior to this she worked at West Hertfordshire Teaching Hospitals NHS Trust, where she has been Chief Nurse and Director of Infection Prevention and Control since 2014.

Tracey has over 30 years' experience as a nurse, and has held several other senior nursing positions, including Deputy Chief Nurse at Barts Health. In May 2019, Tracey received a prestigious Chief Nursing Officer award, and in 2020 she was appointed a Member of the Order of the British Empire (MBE) for her nursing leadership and services to the NHS.
Voting Board Member. Term in office: June 2023 to Current (permanent contract, six-month notice period)

Roy Clarke, Chief Financial Officer
Roy joined the Trust in March 2024 on secondment for a year from Norfolk and Norwich University Hospitals NHS Foundation Trust, where he has been Chief Financial Officer since April 2020.

Prior to joining the team at Norfolk and Norwich, Roy held a number of Board positions within the NHS, including as Chief Financial Officer at Royal Papworth Hospital NHS Foundation Trust.

Roy is a Chartered Management Accountant, and is also a Trustee at the Royal College of Obstetricians and Gynaecologists. He has also worked as an Executive Reviewer for the Care Quality Commission.

Voting Board Member. Term in office: March 2024 to Current (12 month secondment)

Angela Helleur
Angela joined the Trust in September 2023 as Interim Site Chief Executive for Princess Royal University Hospital and South Sites and was made substantive in the role in November 2023. She joined the Trust from the South East London Integrated Care Board (ICB), where she was Chief Nursing Officer. Angela has 40 years' experience in the NHS having trained as a nurse in Exeter and a midwife at King's.

She was previously chief nurse, chief operating officer for Lewisham and Greenwich NHS Trust, and also held senior leadership roles in acute providers, a Strategic Health Authority and NHS Improvement.

Voting Board Member. Term in office: September 2023 to Current (permanent contract, six month notice period)

Julie Lowe
Julie joined the Trust in September 2020 as Site Chief Executive for the King's College Hospital site. She was appointed Deputy Chief Executive in 2023. Julie joined the NHS in 1992 as a national NHS management trainee. She has worked in hospitals in London, Yorkshire and Hertfordshire in a variety of positions, including nine years in Chief Executive roles. Prior to joining King's, Julie spent three years as Programme Director for the South East London Integrated Care System.

Voting Board Member. Term in office: September 2020 to Current (permanent appointment, six month notice period)

Dr Leonie Penna
Dr Penna joined the Board as acting Chief Medical Officer in February 2020 and was appointed substantively to this role in April 2021. She has worked at King's since 2003, when she started work as a consultant in obstetrics and foetal medicine. She was the lead for obstetrics until 2010 when she became the Clinical Director for obstetrics and gynaecology. In 2017 she became the Divisional Medical Director for Urgent, Planned and Allied Clinical Services. Throughout her previous leadership roles she has maintained a clinical profile as a high-risk obstetrician with an interest in foetal monitoring and has continued to be active in both postgraduate and undergraduate education in Women's Health.

Voting Board Member. Term in office: February 2020 to Current (permanent, six month notice period)

Mark Preston
Mark joined King's in September 2021. He was previously Executive Director of Organisational Development and People at Surrey and Sussex Healthcare NHS Trust, a role he held for five years before joining us here at King's. Mark brings significant experience to the role, having worked at a number of secondary and tertiary providers across London, including a previous period at King's where he was Associate Director of Human Resources.

Voting Board Member. Term in office: September 2021 to Current (permanent, six month notice period)

To contact an Executive send an email to the Foundation Trust Office at kchtr.FTO@nhs.net

Board Meetings and Committees
The Board of Directors meets regularly throughout the year. It also holds a series of strategy discussions and workshops. Patient stories and/or staff stories are a regular item on the Board agenda. The Board has six Committees, which are each chaired by a Non- Executive Director. The Board approves terms of reference for Board Committees, which set out the remit and delegated authority of each Committee. All Committees report regularly to the Board.

Audit Committee
The Audit Committee is responsible for providing independent assurance to the Board of Directors in a range of areas including internal control, governance, risk management, fraud, corruption, impropriety and externally reported financial performance.

The committee receives assurance from the executive team and other areas of the organisation through reports, both regular and bespoke. It validates the information it receives through the work of internal audit, external audit and counter-fraud. Assurance is also brought to the committee through the knowledge that non-executive directors gain from other areas of their work, not least their own specialist areas of expertise as well as their roles on other Board Committees.

The Audit Committee is chaired by Non-Executive Director Akhter Mateen and its membership is composed entirely of Non-Executive Directors (currently Simon Friend and Prof Yvonne Doyle). The internal and external auditors regularly attend Committee meetings, as do the Chief Financial Officer and Chief Executive, although they are not members of the committee. As agreed at the start of the year, clinical representation has been improved by the regular attendance of the Chief

Nurse. The Trust Chair, and other members of the executive team attend meetings of the Committee by invitation. The broad knowledge and skills of the members and attendees strengthens the effectiveness of the Committee. The committee chair provides the Board of Directors with a highlight report at each meeting, escalating any issues as necessary

During 2023/24 the Committee considered a number of reports that provided assurance in relation the system of internal financial control. These included a review of the use of procurement waivers, compliance with the Better Payment Practice Code and losses, write-offs and special payments. The Committee fulfilled its oversight responsibilities with regard to monitoring the integrity of the financial statements and the annual accounts for the prior year before submission to the Board and regulators.

The Committee considered a wide range of issues related to the governance of the Trust and its approach to risk management. These included regular oversight of the Board Assurance Framework and the Corporate Register, an annual report in relation to Information Governance and a report from the Risk and Governance Committee. The Committee also reviewed the framework in place to provide assurance in relation to delivering the maternity incentive scheme.

As a priority for 2023/24, the Committee agreed two priorities in relation to risk: 1) ensuring the Trust has effective data and information flows whilst Inphase is embedded and the EPIC EPR is implemented, and 2) maturing the approach to risk management to focus on the effectiveness of risk reduction. The Committee has achieved this through the regular reports provided by management. The Committee has heard directly from care groups in relation to risk maturity.

The Committee agreed the annual internal audit plan for 2023/24. The internal auditors provided a number of reports during the year, which were reviewed by the Committee. Non-executive members of the Committee held the executive body to account in discussion of the reviews and the Committee's recommendations were provided to the relevant leads to ensure there was follow-up action. The Committee received assurance from Internal Audit through the Head of Internal Audit Opinion. This was 'Significant assurance with minor improvement opportunities'.

Regular reports on counter fraud investigations and the associated recommendations of the Counter Fraud function were also considered. Proactive Counter Fraud reviews were also presented to the Committee including sickness absence and conflicts of interest.

Grant Thornton presented the external audit reports for 2022/23 for the Trust and its subsidiaries. Committee members reviewed and endorsed the methodology deployed; significant risks and the risk assessment process used to identify them; recommendations for key areas of focus and the statement of independence. The Committee also considered the auditor's commentary and findings on arrangements to secure value for money. Grant Thornton continues to review its independence and ensure that appropriate safeguards are in place. The Committee approved the audit plan for 2023/24.

The Committee has reviewed its effectiveness using a questionnaire. Broadly respondents agreed that the committee operates effectively, it is established appropriately and delivers the right outcomes. Priorities were agreed for 2024/25, including ensuring the workplan and terms of reference were in line with best practice.

Finance and Commercial Committee

The Finance and Commercial Committee's remit was changed following the review of the Trust's board governance in early 2023. It was originally established to meet every other month (i.e. six times per year), but in light of the ongoing financial challenge facing the Trust, this was increased to monthly in Q4. The Committee met seven times during 2023-24.

The purpose of the committee is to:

- To seek assurance on behalf of the Board in relation to the delivery of the Trust's financial plans and strategies, including revenue, capital, working capital, any financial recovery programme and compliance against NHSI governance and financial risk ratings.
- To provide advice to the Board on the development of future year financial plans and strategies and any financial recovery plans.
- To provide assurance to the Board on the operational and financial delivery of the Trust's commercial entities.
- To agree on behalf of, and provide assurance to the Board on the operational and financial deliver of the Trust's capital programme.
- To consider significant business cases and investment proposals on behalf of the Board to ensure they are appropriate, sustainable and aligned with the Trust's strategy.

The Committee fulfils this purpose primarily through receiving assurance from the executive team by reviewing reports and data, but also through presentations from relevant professional leads. Assurance is also brought to the committee through the knowledge that Non-Executive Directors bring through their experience and professional expertise. The Chair of the Committee provides the Board of Directors with a highlight report at each meeting and escalates issues of concern as appropriate.

The Committee was chaired by Steve Weiner until September 2023, with Simon Friend assuming the Chair for the November 2023 meeting. The membership is a mix of Non-Executive Directors (Akhter Mateen, Prof Richard Trembath, Prof Yvonne Doyle) and Executive Directors (Roy Clarke (Chief Finance Officer), Beverley Bryant (Chief Digital Information officer,), Angela Helleur and Julie Lowe (Site CEOs), and/or Tracey Carter (Chief Nurse & Executive Director of Midwifery), Dr Leonie Penna (Chief Medical Officer)). The Chair and Chief Executive are ex-officio members and have attended most of the meetings through the year. Two governor observers attend the meetings and latterly, a representative from the South East London Integrated Care System has been invited. The breadth of knowledge and experience of the membership of the committee supports its experience.

The committee reviewed financial performance at each meeting. This included the income and expenditure position, performance, against the Better Payment Practice Code and the Trust's cash position. The identification and delivery of the cost improvement programme was also reviewed regularly. Separately the committee reviewed the delivery of the capital plan on a regular basis. The committee reviewed and approved all financial planning submissions and made recommendations to the Board.

The committee reviewed a number of business cases in year, including building a new endoscopy unit at the PRUH, refurbishing part of the Golden Jubilee Wing and establishing a strategic radiology partnership. An overview of major projects was considered at each meeting. Given the scale of the programme, the committee received an update on the delivery of the EPIC EPR at

the majority of meetings before and after go-live. The committee reviewed performance of the commercial operations against their plans and approved strategic investments.

The committee considered risk at each meeting. The risks to delivery of the Trust financial plan were highlighted in each report, and separately the committee reviewed the Board Assurance Framework risks allocated to it (BAF 3 Financial Sustainability, BAF 4 Developing and Maintaining the Estate, BAF 5 Apollo Implementation).

In order to improve effectiveness, the committee moved to monthly meetings. A number of other changes will be instigated in 2024/25 to improve effectiveness including a redesign of the standard finance reports that are brought to each meeting, and a review of the risk universe and how risk is being mitigated in this area. The committee will review the delivery of benefits from prior year investments to improve accountability.

Quality Committee

The Quality Committee was established as part of a review of the board governance structure in early 2023. It met for the first time on 20th April 2023, and has met 5 times through the year.

The purpose of the committee is to:

- provide assurance to the Board through monitoring and reviewing the overall quality of services provided by the Trust in relation to patient safety, patient experience and patient outcomes
- ensure the services delivered by the trust comply with all external regulatory requirements including compliance with CQC registration and
- seek assurance that there is an impactful and effective culture of continuous quality improvement in place.

The committee fulfils this purpose primarily through receiving assurance from the executive team by reviewing reports and data, but also through presentations from relevant professional leads from across the Trust. Assurance is also brought to the committee through the knowledge that Non-Executive Directors gain from site visits, walkarounds and other areas of work, not least their own areas of expertise and professional experience. The Chair of the Committee provides the Board of Directors with a highlight report at each meeting and escalates issues of concern as appropriate.

The Quality Committee was chaired by Prof Jon Cohen until December 2023, with Prof Yvonne Doyle assuming chair in February 2004. The membership is a mix of Non-Executive Directors (Nicholas Campbell Watts and Dame Christine Beasley) and Executive Directors (Dr Leonie Penna (Chief Medical Officer), Tracey Carter (Chief Nurse) and the Site Chief Executives (Julie Lowe and Angela Helleur). The Director of Equality, Diversity and Inclusion is also a member of the committee. The Chair and Chief Executive are ex-officio members and have attended most of the meetings through the year. Two Governor Observers attend the meetings, and a representative from the South East London Integrated Care System is also invited. The breadth of knowledge and experience of the membership of the Committee supports its effectiveness.

The Committee considers safety, outcomes and experience at every meeting. It does this primarily through the review of the Integrated Quality Report and the quarterly patient outcomes reports but has also considered a number of bespoke reports including a summary of an emergency care summit held with partners in early 2023, regular updates in relation to maternity

safety and a summary of patient safety thematic reviews. Where the committee has had concerns, additional assurance has been sought. Examples through the year include an action plan in response to a number of retained swab Never Events, and the management of anti-microbial stewardship and intravenous lines.

The Committee considered a number of statutory reports through the year including the Safeguarding Annual Report 2023/24, the Annual Complaints Report 2023/24, End of Life Care Annual Report, the Annual Report from the Director of Infection Prevention and Control (DIPC) and the Learning from Deaths Annual Report. The Committee has received regular updates on progress against the Trust Quality Priorities and in relation to medication safety.

The Committee considers governance and risk at each meeting. This includes reviewing the Board Assurance Framework risks allocated to this Committee (BAF7 High Quality Care). The Committee has also received assurance from the DIPC through the IPC BAF. At several meetings, the committee received a presentation on how key red risks are being managed and mitigated. Through the year, this included violence and aggression, winter pressures and the management of patient flow including the use of Boarding.

During the year, committee convened an extraordinary meeting to consider in detail the clinical safety case in relation to the implementation of EPIC, the new electronic patient safety record, ahead of 'go live' in October. The committee considered the Clinical Safety Case and the risks and hazards log and was assured that mitigations have been identified. The committee noted that a number of the risks would be further mitigated ahead of go –live in on October 5th. The committee confirmed its approval of the clinical safety case ahead of 'go-live'.

The committee has regular oversight of the development of the new Quality Assurance Framework and the implementation of the new Patient Safety Incident Response Framework. The committee also reviewed the Maternity Incentive Scheme submission before it was submitted to the Board for approval.

The committee considered regular updates on CQC activity, including implementation of previous CQC recommendations. The committee was also made aware of any whistleblowing reports to the CQC. The committee received quarterly reports in relation to Health and Safety and sought assurance where necessary in relation to increases in incidents. The committee also received regular reports from the Guardian of Safe Working.

The Committee has reviewed its effectiveness. In general terms the committee has fulfilled its responsibilities as laid out in its terms of reference, with the exception of Quality Improvement, where more regular oversight is needed. Committee priorities for 2024/25 have been agreed in relation to patient safety, quality assurance and quality improvement.

People, Inclusion, Education and Research Committee

The People, Inclusion, Education, and Research Committee is a new committee that was established as part of a review of the board governance structure in early 2023.

The role of the committee is to:

- To seek assurance on behalf of the Board in relation to the development and delivery of the Trust's Workforce and EDI Strategies and the effectiveness of the Trust's Workforce Planning arrangements

- To seek assurance on behalf of the Board in relation to the development and delivery of education and training strategies, plans and programmes by the Trust; including those which are internally sourced and delivered, externally sourced and delivered, and those developed and delivered in partnership with other organisations.
- To seek assurance that the Trust's Research and Innovation Strategy is being effectively managed and delivered to achieve its core aims of increasing commercial and academic research activity, developing an Advanced Therapies and Biomedical Sciences Hub, and developing a supportive Trust-wide research culture

The Committee is chaired by Jane Bailey, and the membership is a mix of Non-Executive Directors (Nicholas Campbell Watts, Prof Yvonne Doyle, Prof Richard Trembath and Dame Christine Beasley) and Executive Directors (Dr Leonie Penna (Chief Medical Officer), Tracey Carter (Chief Nurse) and the Site Chief Executives (Julie Lowe and Angela Helleur)). The Director of Equality, Diversity and Inclusion is also a member of the committee. The Chair and Chief Executive are ex-officio members and have attended most of the meetings through the year. A Governor Observer attends the meetings. The breadth of knowledge and experience of the membership of the Committee supports its effectiveness.

The committee met three times during the year. The committee reviews key workforce metrics at each meeting and has undertaken detailed reviews of the staff survey results. It has reviewed the implementation of the Equality, Diversity and Inclusion Plan and has approved 2023-24 Equality Delivery Scheme submission to NHSE. The committee reviewed a number of statutory reports including the bi-annual review of nurse staffing, the gender pay gap report and the Workforce Race Equality Scheme and Workforce Disability Scheme data. In relation to its research responsibilities, the committee has scrutinised progress against the Research and Development plan. The committee also reviewed the results of the GMC training survey and the actions being taken in response to the findings. The committee has agreed a number of priorities for 2024/24, including engaging with the staff networks and reviewing the workforce implications of any transformation being delivered as part of the Trust's cost improvement programme.

Remuneration and Appointments Committee

The Remuneration and Appointments Committee is chaired by the Chair of the Board of Directors. On behalf of the Board of Directors, this Committee agrees Executive Directors' remuneration and terms of service. Together with the Chief Executive Officer, committee members form a panel for the appointment of Executive Directors. More information can be found in the Remuneration Report on page 66.

Acute Provider Collaborative Committee-in Common

The Trust works closely with Guy's and St Thomas' NHS Foundation Trust and Lewisham and Greenwich NHS Trust, and the Acute Provider Collaborative was established in 2020 to formalise these arrangements. The purpose of the Committee-in-Common is to align decision-making between the three Trusts and to provide oversight of joint working. At a high level, the Committee is responsible for driving and overseeing alignment activities between the Trusts in the context elective recovery plans for the South East London Integrated Care System and building relationships between the three Trusts.

Evaluation and Development of the Board

Collectively, the Board holds development sessions periodically throughout the year to allow for deeper discussion and investigation of key topics. Board members also undertake personal development on an ongoing basis. All Executive and Non-Executive Directors have an annual performance appraisal and personal development plan, which forms the basis of their individual development. The performance of Executive Directors is reviewed by the Chief Executive and considered by the Remuneration and Appointments Committee.

The Trust had a full CQC Well-Led inspection in November 2022. The CQC published their report in February 2023 and the Trust received a "Good" rating for well-led. Due to the financial challenges experienced in year, the Board was subject to a financial governance review, led by NHSE. Full reviews of Board effectiveness and Board governance are planned for 2024/25.

Key developments during 2023/24 include:

- Implementing the Trust's revised governance structures, including the Board and it's committees, the quality governance structure and the governance framework for managing external relationships;
- Changes to the membership of the Board of Directors.
- Development and oversight of the second year delivery plan for the Trust's five year strategy, *Strong Roots, Global Reach 2021-2026* and new values;
- Review of the Trust's strategic risks and development of the Board Assurance Framework in line with the launch of the strategy;
- Engagement in the development of emerging South East London Integrated Care System and Acute Provider Collaborative governance/ decision-making arrangements; and
- Review of the Trust's quality governance assurance programme.

Board of Directors - Meetings, Attendance, Committee Memberships

Board of Directors (Current Members)	Board of Directors (Public)	Audit & Risk Committee	Board in Committee	Finance & Commercial Committee	People, Inclusion, Education, Research Committee	Quality Committee	Renumeration Committee	
Total number of meetings held	**6**	**5**	**1**	**7**	**2**	**6**	3	
Non-Executive Directors								
Jane Bailey*	4/4	1/3	1	5/5	2	n/a	2/2	
Dame Christine Beasley	6	n/a	1	1	2	4	1	
Professor Yvonne Doyle	5	0/1	1	n/a	1	5	2	
Simon Friend*	4/4	3/3	0	5/5	n/a	n/a	1/2	
Akhter Mateen	6	5	1	7	n/a	n/a	3	
Professor Richard Trembath	5	n/a	0	5	0	n/a	2	
Nicholas Campbell - Watts	6	n/a	1	1	2	5	3	
Executive Directors								
Professor Clive Kay/*** Chief Executive Officer	6		1	7	2	4		
Beverley Bryant Chief Digital Information Officer (Joint GSTT)	6		1	4	n/a	n/a		
Angela Helleur * Site Chief Executive - PRUH & South Sites	1/4		1	4/4	1	n/a		
Julie Lowe Site Chief Executive - DH	6		1	7	2	5		
Dr Leonie Penna Chief Medical Officer	5		0	6	0	5		
Mark Preston Chief People Officer	5		1	n/a	2			
Tracey Carter* MBE Chief Nurse and Executive Director of Midwifery	5/5		1	5/6	1	4/4		
Roy Clarke* Chief Financial Officer	1/1			1/1				

Board Members no longer in post	Board of Directors (Public)	Audit & Risk Committee	Board in Committee	Finance & Commercial Committee	People, Inclusion, Education, Research Committee	Quality Committee	Renumeration Committee	
Steve Weiner *(left October 2023)*	3/3	n/a	n/a	3/3			1/2	
Jonathan Lofthouse* Site Chief Executive PRUH and South Sites *(left 6 August 2023)*	1/2	n/a	n/a	3/3		1/3		
Clare Williams* Acting Chief Nurse and Executive Director of Midwifery *(Acting role ceased 31 May 2023)*	1/1	n/a	n/a	0/1		1/1		
Charles Alexander CBE **/*** *Chairman (left 31 Jan 2024)*	4/4	2	0	3/4	0/1		2/2	
Lorcan Woods Chief Financial Officer (*left 9th February 2024)*	4/5	3	0	4/5				
Professor Jon Cohen (*left 15 Dec 2023)*	4/4	3/4	n/a	n/a		4/5	1/2	

***** Board Members who joined/left the Trust at a point during 2023/24; therefore, would not have been able to attend all meetings within the reporting year. The total number of meetings each person attended are indicated during the reporting period.

**REMCO and Audit Committee Members are all Non-Executive Directors

*** The Chair is an ex-officio members of all committees, the Chief Executive is an ex-officio member of all committees except Audit and Remuneration.

Council of Governors
The Council of Governors is made up of elected and appointed stakeholders. Elected governors make up the majority of the Council; appointed stakeholder governors include representatives from CCGs, partner health provider organisations, and local councils, which play an important part in stakeholder relations. Governors are elected by the members of the Trust. The membership constituencies include patients, staff and residents from Bromley, Lambeth, and Southwark, as well as the wider London area.

The composition of the Council, names of individual governors and their terms of office can be found in the tables on page 60. To contact a Governor, send an email to the Foundation Trust Office at kch-tr.FTO@nhs.net**.**

Function and Meetings of the Council of Governors
The Council of Governors met 4 times during the reporting period. The attendance of individual governors at these meetings, is detailed in a table on page 6.0

All directors are invited to attend Council meetings. Individual Directors, Executive and Non-Executive, regularly present items at Council meetings, in accordance with the planned agenda.

The Council of Governors has two key functions, which are to hold Non-Executive Directors to account for the performance of the Board and to represent the interests of members and the public. The Council of Governors also has specific responsibilities, which include the appointment, remuneration and removal of the Chair and other Non-Executive Directors. During the reporting period, the Council of Governors:

- received and considered the Annual Report and Accounts and the auditor's report on the accounts.
- received regular updates on the operational and financial performance challenges facing the Trust.
- held Non-Executive Director review sessions.
- attended a number of engagement sessions on accessibility, end of life care, and the Apollo programme.

The Council of Governors elects one of its members to be the Lead Governor. The Lead Governor, currently Prof Daniel Kelly, acts as a communication link between Governors and the Board of Directors. In very rare circumstances the Lead Governor will act as a direct communication link between regulators such as NHS England and the Council of Governors where it is inappropriate for regulators to communicate directly with the Trust Chair or Director of Corporate Affairs.

Governors in the Community
Governors are active within the community, helping to facilitate communication between the Trust, members and the local communities of Southwark, Lambeth, Bromley and south-east London more widely. Governors are pivotal to sharing the Trust's vision and performance with key stakeholders.

As guardians of the community interest, the Council of Governors ensures that the needs of members are considered in the planning of future services.

Governor Committees
The Council of Governors has committees which provide the opportunity to delve deeper into issues that are of interest to members, patients and the local community. All governors are eligible to sit

on governor committees, with the exception of the Nominations Committee, for which governors stand and are elected.

Patient Experience and Safety Committee
The Committee acts as a reference group for the Trust's planned activity relating to patient experience and safety. Committee members are involved with a range of initiatives to improve patient experience and safety and to monitor progress against King's quality priorities.

Strategy Committee
The Committee reviews the Trust's strategy and annual forward plan, and feeds back to the Council of Governors.

Nominations Committee
This Committee is responsible for determining and administering the selection process for the appointment and remuneration of the Chair and Non-Executive Directors, and recommending the preferred candidates to the Council of Governors for appointment. This includes consideration of the structure, size and composition of the Board. It also monitors the performance of Non-Executive Directors and makes recommendations to the Council of Governors for the reappointment or removal of individual Non-Executive Directors.

During the year the Committee met to support the Council with the appointment of the Chair of the Board of Directors, the Deputy Chair and a non-executive Director. An external recruitment firm was used to support the appointment of the Deputy Chair and non-executive director.

Nominations Committee Members	**Status**	**Constituency**
Charles Alexander CBE (to 31 Jan 2024) Jane Bailey (from 1 February 2024)	Retired Current	n/a – Chair of the Trust and Council of Governors
Prof Daniel Kelley	Current	Public Governor Lambeth
Jane Allberry	Current	Public Governor Southwark
Hilary Entwistle	Current	Public Governor Southwark
Dr Devendar Singh Banker	Current	Public Governor Bromley
Dr Akash Deep	Current	Staff Governor
Billie McPartlan	Current	Patient Governor

Non-Executive Directors Review Sessions
The Council of Governors held review sessions during 2023-24, at which Non-Executive Directors discussed the ways in which they discharged their duties to provide constructive challenge and strategic expertise to the executive team and what level of assurances they received.

Governor Development and Engagement
King's is committed to providing support and training for governors and opportunities to engage with staff, directors, members and one another. Governors have attended active bystander training during the year and are invited to a variety of engagement meetings during the year.

All governors are invited to attend meetings of the Public Board of Directors. Governors also observe a number of the Board's Committee meetings including, Audit Committee, People Committee, Quality Committee and the Trust's Finance and Commercial Committee.

Council of Governors – Meetings and Attendance (four Council of Governor meetings during the reporting period*)

Council of Governors Tenures and Meeting Attendances, 01 April 2023 –31 March 2024				
		Constituency	Tenure	Meetings Attended
Patient Governors	Deborah Johnston	Patient	15/06/2021 - 14/06/2024	4/4
	Devon Masarati	Patient	15/06/2021 - 14/06/2024	4/4
	David Tyler	Patient	15/06/2021 - 14/06/2024	3/4
	Billie McPartlan	Patient	01/12/2019 - 31/01/2026	2/4
	Adrian Winbow	Patient	15/06/2021 - 14/06/2024	0/4
	Chris Symonds	Patient	01/02/2023 - 31/01/2026	3/4
	Fidelia Nimmons	Patient	01/02/2023 - 31/01/2026	4/4
Public Governors	Devendra Singh Banker	Bromley	01/02/2020 - 31/01/2026	1/4
	Tony Benfield	Bromley	01/02/2023 - 31/01/2026	1/4
	Katie Smith	Bromley	01/02/2023 - 31/01/2026	3/4
	Victoria O'Connor	Bromley	01/02/2023 - 31/01/2026	3/4
	Jacqueline Best-Vassell	SEL System	01/02/2023 - 31/01/2026	4/4
	Emily George	Lambeth	15/06/2021 - 14/06/2024	2/4
	Rashmi Agrawal	Lambeth	15/06/2021 - 14/06/2024	3/4
	Daniel Kelly	Lambeth	15/06/2021 - 14/06/2024	4/4
	Cllr Ibtisam Adem	Lambeth	01/02/2023 - 31/01/2026	3/4
	Lindsay Batty Smith	Southwark	15/06/2021 - 14/06/2024	3/4
	Jane Allberry	Southwark	15/06/2021 - 14/06/2024	4/4
	Hilary Entwistle	Southwark	01/12/2019 - 30/01/2026	3/4
	Angela Buckingham	Southwark	15/06/2021 - 14/06/2024	4/4
Staff Governors	Erika Grobler	Nurses and Midwives	18/11/2021 - 14/06/2024	1/4
	Akash Deep	Medical and Dentistry	15/06/2021 - 14/06/2024	4/4
	Aisling Considine	Allied Health Professionals	15/06/2021 - 14/06/2024	1/4
	Tunde Joksenumi	Admin, Clerical and Management	15/06/2021 - 14/06/2024	3/4
	Christy Oziegbe	Nurses and Midwives	01/02/2023 - 31/01/2026	3/4
Stakeholder Governors	Cllr Robert Evans	Bromley Council	20/11/2022 - 19/11/2025	2/4
	Yogesh Tanna	King's College Hospital NHS Foundation Trust	23/10/2023 - 22/10/2026	2/4
	Cllr Jim Dickson	Lambeth Council	23/02/2022 - 22/08/2025	2/4
	Anne Marie Rafferty	King's College London	30/09/2022 - 01/10/2025	1/4
	Ian Rothwell**	South London and Maudsley NHS Foundation Trust	14/03/2021 - 13/03/2024	1/4

****** Completing the tenure of office of a vacant seat left by a governor who demitted and joined at a point during 2021/22; therefore, would not have been able to attend all meetings within the reporting year. The total number of meetings attended are indicated in the following format: x(y), with "x" being the number of meetings attended by the governor, and "y" the maximum number of meetings they would have been able to attend during the reporting period.

Board Members attend the Public Council of Governor meetings.

Management framework

The Board of Directors is the key decision-making body at the Trust. It is responsible for ensuring compliance with the Trust's provider licence, constitution, mandatory guidance issued by NHS Improvement, and with relevant statutory requirements and contractual obligations.

Commercial opportunities and activities are subject to scrutiny by the Board of Directors, to ensure that benefits derived from non-NHS income are channelled into supporting King's core NHS activities without incurring significant financial or reputational risk. Information about King's services outside the UK can be found in the performance report on page 20.

Directors and governors are supplied with information to enable them to discharge their duties.

The performance of the Board of Directors, its committees and individual directors are subject to regular review. The Board is committed to the NHS/CQC Well-Led Framework and was inspected by the CQC during November 2022. A full action plan was drafted following receipt of the report in February 2023 this was regularly reviewed by both the executive led Quality Assurance Group. During late 2022/23, an external assessment of the Board's governance was commissioned. This review resulted in a new Board Committee structure being agreed by the Board of Directors at its meeting in March 2023. The changes were be implemented during 2023/24. A financial governance review was undertaken by NHSE in Q4 2023/24 and the recommendations are being implemented as part of a wider Trust Financial Recovery programme.

Company directorships and other significant interests and commitments

King's maintains a register of interests for its directors and governors. Arrangements to view the register can be made by contacting the Foundation Trust Office at kch-tr.FTO@nhs.net. The register is also published on the Trust's website.

Board members and governors are asked to declare any interests and to self-certify that they meet the eligibility criteria set out in the Trust's Constitution. In addition, governors and directors are subject to a check by the Disclosure and Barring Service on appointment.

Political Donations

The Trust did not make any political donations during 2023/24.

Better Payments Practice Code (BPPC)

King's has a responsibility to meet the Better Payments Practice Code (BPPC). This focuses on the speed at which the Trust pays its invoices to the private sector and to other NHS organisations. The BPPC requires the NHS Trusts to aim to pay all valid invoices by the due date or within 30 days of receipt of a valid invoice, whichever is later. The target is to pay 95% of invoices, in terms of value and volume, within 30 days.

The Foundation Trust's performance against this target was as follows:

	Group 2023-24	
	Number	£000
Non-NHS Trade Invoices:		
Paid in the year	210,013	1,227,801
Paid within target	186,105	1,128,671
Percentage paid within target	88.6%	91.9%
NHS trade invoices		
Paid in the year	3,366	106,751
Paid within target	3,318	103,215
Percentage paid within target	98.6%	96.7%
Total trade invoices		
Paid in the year	213,379	1,334,552
Paid within target	189,423	1,231,886
Percentage paid within target	88.8%	92.3%

Figures presented for 2023-24 include an allowance for invoices queried or in dispute, which was not taken in account in prior year figures

Cost Allocation Requirements

King's has complied with the cost allocation and charging guidance issued by HM Treasury.

Summary of the Group's financial performance

The Group out-turn for the year was a deficit of £118.937m and this includes the asset impairment of £22.267M and the impact of the accounting standard change to PFI liabilities of £18.542M. This charge relates to impairments that arise from a clear consumption of economic benefits or service potential in the asset. The NHS Improvement financial performance control total measures the surplus (deficit) before impairments and after removing the income and expense impact of capital donations/grants. The control total deficit after adjusting for asset impairments and the impact of donated assets was £78.730M.

Because of the continuing service provider relationship that the Trust has with NHS England and ICSs, and the way those commissioners are financed, the Trust is not exposed to the degree of financial risk faced by business entities. The Trust has limited powers to borrow or invest surplus funds and financial assets. Liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

Income Disclosures

King's is a public benefit corporation and its principal purpose is the provision of goods and services for the purposes of the health service in England. During the reporting period, income from the provision of goods and services for the purposes of the health service in England was greater than from the provision of goods and services for any other purpose. Income received from non-NHS services is directly invested in the provision of NHS services and does not impact the services provided to NHS patients. For the financial year 2023/24, no surplus was available for reinvestment.

Full details of financial performance in 2023/24, the responsibilities of the Accounting Officer and a statement from the auditors can be found in the Annual Accounts 2023/24 on pages later in this report.

Responsibility of Directors for Preparing the Annual Report and Accounts
Directors are responsible for preparing the Annual Report and Accounts. The Directors of King's College Hospital NHS Foundation Trust consider that the Annual Report and Accounts 2023/24, taken as a whole, are fair, balanced and understandable, and provide the information necessary for patients, regulators and other stakeholders to assess the Trust's performance, business model and strategy.

The Directors have taken all reasonable steps they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Trust's auditor is aware of that information. So far as the Directors are aware, there is no material audit information of which the Trust's auditors are unaware.

Accountability and Audit
Grant Thornton UK LLP was appointed as the Trust's external auditor in November 2020. The firm was appointed for a two-year term (to cover the audits of the 2020/21 and 2021/22 financial years). This was extended in 2022/23 to cover a further two years.

The Board of Directors maintained a system of evaluating and continually improving effectiveness of risk management and internal control processes. KPMG continued as internal auditors during 2023/24, having been re-appointed in April 2020 on a three year contract, with an opportunity to extend by 2 years. KPMG provide a comprehensive internal audit function and they now also provide the Trust's Counter-Fraud function. The internal audit plan is discussed with Executive Directors, Non-Executive Directors and the Audit Committee.

The Board of Directors ensures effective scrutiny of financial and operational matters through its designated committees and by receiving reports from the executive which present a balanced and understandable assessment of King's performance and forward plans. Information about King's financial, quality and operational objectives and performance, including clinical outcome data, is published to allow members and governors to evaluate its performance.

Furthermore, all the Board Directors have made enquiries of fellow directors and the Trust's internal and external auditors through the Board of Directors' meeting and Audit Committee, and taken any steps required to give effect to their duties to the Trust to exercise reasonable care, skill and diligence.

Independence of the External Auditor
King's external Grant Thornton UK LLP, has confirmed to the Trust that there are no significant matters that impact on their independence as auditors that they are required or wish to draw to the Trust's attention. They have complied with, and implemented policies and procedures to meet the requirements of the Financial Reporting Council's Ethical Standard and confirm that as a firm, and each covered person, they are independent and are able to express an objective opinion on the financial statements.

The auditors have confirmed that they have complied with the requirements of the National Audit Office's Auditor Guidance Note 01 issued in December 2019 which sets out supplementary guidance on ethical requirements for auditors and local public bodies.

Ensuring the Trust is Well-led
The Trust has a governance framework in place that aims to ensure it is well-led. Quality governance, the approach to risk management and internal control are outlined elsewhere in this report. The

Board, through its quality committee, assures itself in relation to patient care. More detail on this can be found in the Annual Governance Statement (see page 88) and the 2023/24 Quality Account (found on the Trust website). Details of the development and evaluation of the Board can be found earlier in this section.

Stakeholder Engagement

The Trust continues to work with a wide range of stakeholders, including local Healthwatch groups, CCGs, local MPs and local authorities. It is actively engaged in developing integrated care systems in the relevant local authority areas (Bromley, Lambeth and Southwark). The Trust has good relationships with a number of local charities and community groups.

Putting our Patients and Public in Focus

King's membership

King's membership is split into four constituencies: public, patient, voluntary/community groups and staff.

Public membership – anyone who is 16 years old or over and lives within the London Boroughs of Lambeth, Southwark and Bromley. In order to reflect the role King's has within the wider south east London health system, the Trust has established a SEL Constituency and a London Constituency.

Patient membership – anyone who is 16 years old or over that has been a patient of King's in the past six years, or has been the carer of a patient of King's in the past six years, is entitled to become a patient member.

Staff membership – All staff that have employment contracts lasting more than 12 months are automatically opted into membership. They have the option to opt out should they wish. King's Volunteers and full-time employees of King's contractors are also eligible to become members, though they have to opt in to become a member.

Associate membership – Any voluntary or community organisation working in our boroughs or serving our patients and communities can join King's as an Associate member. Associate membership provides an opportunity to increase partnership working and communication between King's and local voluntary and community groups for the benefit of our patients and their families.

Membership strategy

On 31st March 2024, our patient and public membership stood at 10,551. This remains within our target of between 9,800 and 11,100 members.

There are now around 60 voluntary and community organisations which have joined King's as Associate members.

Membership communication

We have distributed our membership leaflets for adults and a dedicated young person's leaflet across our sites and online.

Our e-bulletin reaches over 4,000 members. Associate members also received regular e-bulletins during the year.

Annual Members' Meeting 2022

The Trust's Annual Members Meeting was held virtually in September 2023. The meeting included a Trust update on finance and quality, presentations from clinical staff about the new electronic patient record. Our lead governor provided a governors' update and there was a question and answer session for members.

Member engagement in quality programmes

The Trust's ability to engage members in quality programmes including PLACE and nutrition audits and there is an ongoing programme of patient engagement.

Current membership numbers:

Public constituency	**2023/24**
At year start (1 April)	7682
New members	46
Members leaving	18
At year end (31 March)	7710

Staff constituency	**2023/24**
At year start (1 April)	13812
New members	2093
Members leaving	2036
At year end (31 March)	13869

Patient constituency	**2023/24**
At year start (1 April)	2819
New members	29
Members leaving	7
At year end (31 March)	2841

2.2 REMUNERATION REPORT

The information provided in this part of the remuneration report is not subject to audit.

Foreword

The Remuneration and Appointments Committee has worked with the Chief Executive Officer and Chief People Officer to ensure that the resilience of the leadership team has been maintained throughout the year. There have been no changes to the Trust's remuneration policies in the past year. Taking into consideration national pay agreements, the Board agreed a 5% cost-of-living increase for all very senior and executive staff. The paragraphs below outline the key activities of the Committee during the year.

Jane Bailey, Chair of the Remuneration Committee

The Annual Statement

The following King's Executive appointments were made in 2023/24:

- Angela Helleur as Site Chief Executive Officer, PRUH and South Sites
- Arthur Vaughan as Acting Chief Financial Officer (9th Feb to 11th March 2024)
- Roy Clarke as Chief Financial Officer on a 12 month secondment
- Julie Lowe as Deputy Chief Executive, alongside her existing responsibilities.

The Remuneration and Appointments Committee were provided with updates on appointments to other senior posts in the organisation along with confirmation on the outcomes of Executive Director appraisals.

Senior Manager Remuneration Policy

The remuneration committee reviewed the earn-back requirement that is included in executive director contracts and agreed to remove earn-back clauses from future executive contracts and it should no longer be a requirement for current executive directors that have it in their contract. All new appointments were made within standard NHS terms and conditions

The remuneration and terms of service of the Chair and Non-Executive Directors are determined by the Council of Governors, taking account of market and survey data from relevant benchmark sources which can include the Foundation Trust Network and the Trust's NHS peer group. More information about this process and the role of the Council of Governors' Nominations Committee can be found on pages 59.

Remuneration for King's most senior managers (Directors accountable to the Chief Executive) is determined by the Remuneration and Appointments Committee, which comprises the Chair and the Non-Executive Directors. See pages 56 for committee membership and meeting attendance.

The work of the Remuneration and Appointments Committee is informed by relevant benchmark data, periodic assessments conducted by independent remuneration consultants and by salary awards and terms and conditions applying to other NHS staff groups. The work of the committee is supported by the Chief Executive Officer and the Chief People Officer, who are not members of the Committee. The Committee engaged an external recruitment agency to support the appointment of the Site CEO for PRUH and South Sites.

The Trust's strategy and annual planning processes set key business objectives which, in turn, inform individual and collective objectives for senior managers. Individual performance and that of King's

as a whole is closely monitored, discussed throughout the year and forms part of the annual appraisal.

Details of senior employees' remuneration can be found on pages 70-73. Note 1.8.2 in the annual accounts sets out accounting policies for pensions and other retirement benefits.

The Trust has taken a number of steps to ensure that the salaries for Executive Directors and Chief Officers are reasonable, especially where payment is more than £150,000. These steps include:

- Posts are evaluated using a recommended independent external agency. The Trust commissions Hays Executive to undertake this task in line with the Hays job evaluation scheme
- Hays considers a number of factors in the evaluation, comparing similar-sized Trusts and functions/complexity, factoring in the London market dimension and the relative remuneration amongst the Shelford Group, of which King's is a member. Hays provides the Trust with a salary range and recommendation
- The Remuneration and Appointments Committee agrees the salary range and benefits package before the post is advertised based on the advice from Hays Executive and market advice from the executive search organisation
- Due cognisance is given to the VSM annual pay survey, which includes executive pay levels. The post is advertised and once appointed and remuneration agreed via the Remuneration and Appointments committee, the Trust seeks guidance from NHSE to support the salary range
- The only non-cash element of the most senior managers' remuneration packages is pension-related benefits accrued during membership of the NHS Pension Scheme. Contributions into the scheme are made by both the employer and employee in accordance with the statutory regulations
- The Trust does not consult with staff on its senior staff remuneration. This is solely a matter for the Remuneration and Appointments Committee.

Service Contract Obligations
All senior managers have a standard King's service contract. Each individual Executive Director and Non-Executive Director has their appointment date, contract status and notice period (for Executive Directors only) listed in the Director's report.

Policy on Payment for Loss of Office
All senior managers are required to have a six-month notice period in their service contract. Policy for loss of office is in line with the NHSE VSM guidance and the Trust has a policy of not paying over contractual entitlement.

Compensation in the event of early termination for substantive directors is in accordance with contractual entitlements, as set out in the Agenda for Change national terms and conditions of service. There were no exceptions to this policy during 2023/24.

Diversity and Inclusion
In line with the Trust policy on diversity and inclusion, the Remuneration and Appointments Committee has considered the diversity at the most senior levels of the organisation as part of a wider review of talent management and succession.

Non-Executive Director Remuneration Framework
Remuneration for Non-Executive directors and the Chair is at a spot rate and is not pensionable. It has not been reviewed during 2023/24.

Senior Manager Remuneration Framework

	Explanation
Salary	Senior manager pay is awarded on a spot rate and is not subject to incremental increase. Senior managers may, at the discretion of the Remuneration and Appointments Committee, be awarded a cost–of-living increase, in line with the rest of the Trust (in 2023/24 this was 5%).
Pension benefits	Senior managers may opt to be members of the NHS Pension Scheme. Contributions to the scheme are made by the employee and the employer in line with statutory regulations.
Performance-related pay	Senior managers do not receive performance related pay.
Other employee benefits	There were no other employee benefits made in 2023/24
Performance Management Framework	Performance is managed on an annual baseline in line with the financial year. Individual objectives are agreed with line managers, in line with the Trust Strategy and monitored throughout the year. The Trust has an online appraisal process which is used by all staff.

Annual Report of the Remuneration and Appointments Committee
The membership, meetings and attendance of the Remuneration and Appointments Committee can be found on pages 56-7. The Chief Executive Officer and Chief People Officer attended the Committee for relevant agenda items but were not full members. During 2023/24, the Committee took advice no external advice, nor did it use any executive search agencies to fill key posts.

The Committee took reports during the year including:
- The appointments outlined on page 66.
- The resignations of executive directors.

There have been no other major decisions on senior managers' remuneration or substantial changes relating to senior managers' remuneration in 2023/24.

The committee agreed to award senior managers a 5% pay increase, in line with the national pay award for Agenda for Change staff.

The information in this section of the remuneration report is subject to audit.

Fair Pay Disclosures

NHS foundation trusts are required to disclose the relationship between the total remuneration of the highest-paid director in their organisation against the 25th percentile, median and 75th percentile of remuneration of the organisation's workforce. Total remuneration of the employee at the 25th percentile, median and 75th percentile is further broken down to disclose the salary component.

The banded remuneration of the highest paid director in the organisation in the financial year 2023-24 was £322.5k (2022-23, £307.5k).

This is a change between years of 4.9% (2022-23, 3.4%) relating to the agreed pay uplift. The highest-paid director did not receive any performance pay or bonuses in either year.

The percentage change in average employee remuneration (based on total for all employees on an annualised basis, excluding the highest paid director, divided by full time equivalent number of employees, also excluding the highest paid director) between years is 7.5% (2022-23, 4.3%). The perccentage increase is a weighted average by payroll category (substantive 8.4%, bank -1% and agency 0.1%). No performance pay or bonuses were paid by the Trust in either year.

No employees received remuneration in excess of the highest-paid director in 2023-24 (2022-23 : 0).

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

For employees of the Trust as a whole, the range of remuneration in 2023-24 was from £22.4k to £322.5k (2022-23 £20.3k to £308k).

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

		2023-24	
	25th percentile	**Median**	**75th percentile**
Total Remuneration (£)	34,208	45,239	60,440
Salary component of total remuneration (£)	33,833	45,239	60,440
Pay ratio information	9.43 : 1	7.13 : 1	5.34 : 1

		2022-23	
	25th percentile	Median	75th percentile
Total pay and benefits excluding pension benefits (£)	31,472	38,220	53,143
Salary component of total pay (£)	31,286	38,095	53,143
Pay ratio information	9.77 : 1	8.05 : 1	5.79 : 1

The reduction in the pay ratio from 2023-23 to 2023-24 is due to the impact of the non-consolidated Agenda for Change pay award included in 2023-24 salaries.

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.
The additional 2022/23 pay award was not included in the above prior year comparative calculations due to the complexity of apportioning the pay award at an individual employee level in order to accurately calculate the above ratio.

The information in this section of the remuneration report is not subject to audit.

Director and Governor Expenses
There were no director or governor expenses during 2023/24.

The information in this section is subject to audit.

Salary and pension entitlements of senior managers

A) Remuneration

		2023-24			2022-23		
Name	**Title**	**Salary & Fees (bands of £5,000)**	**Pension Related Benefits (bands of £2,500)**	**Total (bands of £5,000)**	**Salary & Fees (bands of £5,000)**	**Pension Related Benefits (bands of £2,500)**	**Total (bands of £5,000)**
Chairman and Non-Executive Directors							
Sir Hugh Taylor	Interim Chairman	-	-	-	25 - 30	-	25 - 30
Charles Alexander	Chairman	35 - 40	-	35 - 40	15 - 20	-	15 - 20
Jane Bailey	Deputy Chairman	20 - 25	-	20 - 25	-	-	-
Sue Slipman	Non-Executive Director	-	-	-	5 - 10	-	5 - 10
Professor Jon Cohen	Non-Executive Director	5 - 10	-	5 - 10	10 - 15	-	10 - 15
Professor Yvonne Doyle	Non-Executive Director	10 - 15	-	10 - 15	10 - 15	-	10 - 15
Professor Richard Trembath	Non-Executive Director	10 - 15	-	10 - 15	10 - 15	-	10 - 15
Nicholas Campbell-Watts	Non-Executive Director	10 - 15	-	10 - 15	10 - 15	-	10 - 15
Akhter Mateen	Non-Executive Director	10 - 15	-	10 - 15	10 - 15	-	10 - 15
Steve Weiner	Non-Executive Director	5 - 10	-	5 - 10	10 - 15	-	10 - 15
Dame Christine Beasley	Non-Executive Director	10 - 15	-	10 - 15	10 - 15	-	10 - 15
Simon Friend	Non-Executive Director	5 - 10	-	5 - 10	-	-	-
Executive Directors							
Professor Clive Kay	Chief Executive	320 - 325	-	320 - 325	305 - 310	-	305 - 310
Lorcan Woods	Chief Financial Officer	285 - 290	310.0 - 312.5	600 - 605	195 - 200	47.5 - 50.0	245 - 250
Arthur Vaughan **	Acting Chief Financial Officer	10-15	2.5-5.0	15-20	-	-	-
Roy Clarke *	Chief Financial Officer	10 - 15	-	10 - 15	-	-	-
Dr Leonie Penna **	Chief Medical Officer	240 - 245	-	240 - 245	230 - 235	-	230 - 235

Professor Nicola Ranger	Chief Nurse and Executive Director of Midwifery	-	-	-	120 - 125	-	120 - 125
Clare Williams	Chief Nurse and Executive Director of Midwifery	25 - 30	47.5 - 50.0	75 - 80	45 - 50	32.5 - 35.0	80 - 85
Tracey Carter	Chief Nurse and Executive Director of Midwifery	155 - 160	-	155 - 160	-	-	-
Beverley Bryant ***	Chief Digital Information Officer	160 - 165	-	160 - 165	150 - 155	-	150 - 155
Jonathan Lofthouse	Site Chief Executive (Princess Royal University Hospital and South Sites)	60 - 65	-	60 - 65	175 - 180	227.5 - 230.0	400 - 405
Angela Helleur*****	Site Chief Executive (Princess Royal University Hospital and South Sites)	120 - 125	-	120 - 125	-	-	-
Julie Lowe	Site Chief Executive (Denmark Hill)	200 - 205	-	200 - 205	185 - 190	70.0 - 72.5	255 - 260
Mark Preston	Chief People Officer	170 - 175	-	170 - 175	160 - 165	107.5 -110.0	270 - 275

*** Salary Recharged from Norfolk & Norwich University Hospital NHS Foundation Trust**

Roy Clarke * Chief Financial Officer

On Secondment from Norfolk & Norwich University Hospital Foundation Trust

**** Salary relating to non-managerial role**

Dr Leonie Penna	Chief Medical Officer	160 - 165	-	160 - 165	155 - 160	-	155 - 160
Arthur Vaughan **	Acting Chief Financial Officer	10-15	2.5-5.0	15-20			

Arthur Vaughan did not receive any remuneration in relation to the role of Acting Chief Financial Officer. Information included above relates to remuneration received in relation to his substantive role for the period he was Acting Chief Financial Officer.

***** Salary paid by Guys and St Thomas' NHS Foundation Trust**

Beverley Bryant	Chief Digital Information Officer	250 - 255	-	250 - 255	240 - 245	-	240 - 245

(GSTT salary includes the recharge cost to the Trust)

****** Salary paid by Kings College Hospital NHS Foundation Trust**

Charles Alexander		75 - 80	-	75 - 80	30 - 35	-	30 - 35

(KCH Recharges 50% of salary costs to GSTT)

******* Salary Recharged from NHS South East London ICB**

Angela Helleur *****

On Secondment from NHS South East London ICB

From 1st September 2023 - 14th January 2024	80 - 85	-	80 - 85

None of the Non-Executive or Executive Directors received a taxable benefit in kind in 2023/24.

None of the Directors claimed non-taxable expenses in 2023/24

The Trust has not paid any of the Directors compensation on early retirement.

The Trust has not made any payments to past Directors.

Lorcan Woods received a Payment In Lieu of Notice of £103k based on contractual six months salary. See Exit Packages disclosures.

The following senior managers chose not to be covered by the pension arrangements during the period of the reporting year that they were working at the Trust:

Professor Clive Kay

Roy Clarke

Dr Leonie Penna

Beverley Bryant

Angela Helleur

The Senior Managers below 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 with a zero.

Tracey Carter	Chief Nurse and Executive Director of Midwifery
Jonathan Lofthouse	Site Chief Executive (Princess Royal University Hospital and South Sites)
Julie Lowe	Site Chief Executive (Denmark Hill)
Mark Preston	Chief People Officer

Salary and pension entitlements of senior managers

Charles Alexander	Chairman	1 April 2023 – 31 January 2024
Professor Jon Cohen	Non-Executive Director	1 April 2023 – 14 December 2024
Professor Yvonne Doyle	Non-Executive Director	1 April 2023 - 31 March 2024
Professor Richard Trembath	Non-Executive Director	1 April 2023 - 31 March 2024
Nicholas Campbell-Watts	Non-Executive Director	1 April 2023 - 31 March 2024
Akhter Mateen	Non-Executive Director	1 April 2023 - 31 March 2024
Steve Weiner	Non-Executive Director	1 April 2023 - 8 October 2023
Dame Christine Beasley	Non-Executive Director	1 April 2023 - 31 March 2024
Jane Bailey	Deputy Chairman	24 July 2023 - 31 March 2024
Simon Friend	Non-Executive Director	1 September 2023 - 31 March 2024
Professor Clive Kay	Chief Executive	1 April 2023 - 31 March 2024
Lorcan Woods	Chief Financial Officer	1 April 2023 - 09 Feb 2024
Roy Clarke	Chief Financial Officer	11 March 2024 - 31 March 2024
Arthur Vaughan	Acting Chief Finance Officer	10 February – 10 March 2024
Dr Leonie Penna	Chief Medical Officer	1 April 2023 - 31 March 2024
Clare Williams	Chief Nurse and Executive Director of Midwifery	1 April 2023 - 31 May 2024
Tracey Carter	Chief Nurse and Executive Director of Midwifery	1 June 2023 - 31 March 2024
Beverley Bryant	Chief Digital Information Officer	1 April 2023 - 31 March 2024
Jonathan Lofthouse	Site Chief Executive (Princess Royal University Hospital and South Sites)	1 April 2023 - 6 Aug 2023
Angela Helleur	Site Chief Executive (Princess Royal University Hospital and South Sites)	1 Sept 2023 - 31 March 2024
Julie Lowe	Site Chief Executive (Denmark Hill)	1 April 2023 - 31 March 2024
Mark Preston	Chief People Officer	1 April 2023 - 31 March 2024

Salary and pension entitlements of senior managers

B) Pension Benefits

This pensions information is provided by the NHS Business Services Authority - Pensions Division on an annual basis.

Name	Title	Real Increase in pension at pension age (bands of £2,500)	Real Increase in pension lump sum at pension age (bands of £2,500)	Total accrued pension at pension age at 31 March 2024 (bands of £5,000)	Lump sum at pension age at 31 March 2024 (bands of £5,000)	Cash Equivalent Transfer Value at 1 April 2023	Real increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2024
		£000			£000	£000	£000	£000
Executive Directors								
Lorcan Woods	Chief Financial Officer	15.0 - 17.5	-	35 - 40	-	261	226	570
Clare Williams	Chief Nurse and Executive Director of Midwifery	0 - 2.5	-	15 - 20	-	195	6	270
Tracey Carter	Chief Nurse and Executive Director of Midwifery	-	20.0 - 22.5	55 - 60	150 - 155	1,177	76	1,294
Jonathan Lofthouse	Site Chief Executive (Princess Royal University Hospital and South Sites)	-	2.5 - 5.0	55 - 60	140 - 145	968	57	1,155
Julie Lowe	Site Chief Executive (Denmark Hill)	-	55.0 - 57.5	80 - 85	225 - 230	1,556	317	1,901
Mark Preston	Chief People Officer	-	37.5 - 40.0	60 - 65	160 - 165	1,239	203	1,465
Arthur Vaughan *	Acting Chief Financial Officer	0-2.5	0-2.5	15-20	0-5	155	1	193

* Arthur Vaughan did not receive any remuneration in relation to the role of Acting Chief Financial Officer. Information included above relates to remuneration received in relation to his substantive role for the period he was Acting Chief Financial Officer.

As Non-Executive members do not receive pensionable remuneration, there will be no entries in respect of pensions for Non-Executive members.

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

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

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

The Senior Managers below 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 with a zero.

Tracey Carter	Chief Nurse and Executive Director of Midwifery
Jonathan Lofthouse	Site Chief Executive (Princess Royal University Hospital and South Sites)
Julie Lowe	Site Chief Executive (Denmark Hill)
Mark Preston	Chief People Officer

CETV as at 1st April 2023 has been inflated by 10.1% (Consumer Price Index)

Remuneration report

The disclosures in the remuneration report fulfil our obligations under the Health and Social Care Act 2012.

Signed:

Date: 27 June 2024

Professor Clive Kay
Chief Executive and Accounting Officer

2.3 Staff Report

The information in this section of the staff report is not subject to audit.
The following tables provide information on staff costs and numbers during 2023/24. The Trust is also required to make a number of disclosures in its staff report. These are also detailed below.

The information in this section of the staff report is subject to audit.
Workforce data

Average number of employees (WTE basis)

Group	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	**2,744**	**1,022**	**1,722**	**2,615**	**982**	**1,633**
Ambulance staff	**-**	**-**	**-**	**-**	**-**	**-**
Administration and estates	**3,272**	**2,898**	**374**	**3,233**	**2,804**	**429**
Healthcare assistants and other support staff	**1,801**	**1,463**	**338**	**1,472**	**1,414**	**58**
Nursing, midwifery and health visiting staff	**5,447**	**4,670**	**777**	**5,390**	**4,486**	**904**
Nursing, midwifery and health visiting learners	**3**	**-**	**3**	**-**	**-**	**-**
Scientific, therapeutic and technical staff	**1,820**	**1,547**	**273**	**1,853**	**1,472**	**381**
Healthcare science staff	**315**	**256**	**59**	**310**	**251**	**59**
Social care staff	**20**	**18**	**2**	**19**	**16**	**3**
Other	**-**	**-**	**-**	**-**	**-**	**-**
Total average numbers	**15,422**	**11,874**	**3,548**	14,892	11,425	3,467

Please note revised staff numbers for PY 22-23. Subject to Audit.

Staff Costs

Employee benefits	**Group**					
	2023-24			2022-23		
	Total	**Permanent**	**Other**	Total	Permanent	Other
	£000	**£000**	**£000**	£000	£000	£000
Salaries and wages	**742,996**	**603,185**	**139,811**	698,440	553,507	144,933
Social security costs	**91,588**	**75,436**	**16,152**	77,093	62,340	14,735
Apprenticeship levy	**4,725**	**4,725**	**-**	3,427	3,427	-
Employer contributions to NHS Pensions	**84,570**	**69,655**	**14,915**	78,454	63,562	14,892
Employer contributions to NHS Pensions paid by NHS England on behalf of the Trust	**37,064**	**30,528**	**6,536**	33,859	27,380	6,479
Termination benefits	**4,964**	**4,964**	**-**			
Temporary staff (including bank and agency)	**89,944**	**-**	**89,944**	96,512	-	96,512
Total gross employee benefits	**1,055,851**	**788,493**	**267,358**	987,785	710,216	277,569
Recoveries from other bodies in respect of staff cost netted off expenditure	**-**	**-**	**-**	-	-	-
Total employee benefits	**1,055,851**	**788,493**	**267,358**	987,785	710,216	277,569
Of which						
Costs capitalised as part of assets	**(4,916)**	**(4,916)**	**-**	(1,349)	(1,349)	-
Total employee benefits excluding capitalised costs	**1,050,935**	**783,577**	**267,358**	986,436	708,867	277,569

Staff on fixed term contracts (including doctors on rotation) have been moved from Permanent to Other. This represents total employee costs of £161m (2022-23: £140m).

The information in this section of the staff report is not subject to audit.

Sickness Absence data

Figures Converted by DH to Best Estimates of Required Data Items		Statistics Produced by NHS Digital from ESR Data Warehouse		
Average FTE 2023	**Adjusted FTE days lost to Cabinet Office definitions**	**FTE-Days Available**	**FTE-Days Lost to Sickness Absence**	**Average Sick Days per FTE**
13,207	150,946	4,820,635	244,867	11.4

Source: NHS Digital - Sickness Absence and Workforce Publications - based on data from the ESR Data Warehouse

Period covered: January to December 2023

Data items: ESR does not hold details of the planned working/non-working days for employees so days lost and days available are reported based upon a 365-day year. For the Annual Report and Accounts the following figures are used:

The number of FTE-days available has been taken directly from ESR. This has been converted to FTE years in the first column by dividing by 365.

The number of FTE-days lost to sickness absence has been taken directly from ESR. The adjusted FTE days lost has been calculated by multiplying by 225/365 to give the Cabinet Office measure.

The average number of sick days per FTE has been estimated by dividing the FTE Days by the FTE days lost and multiplying by 225/365 to give the Cabinet Office measure. This figure is replicated on returns by dividing the adjusted FTE days lost by Average FTE.

Information on staff sickness can be found at: https://digital.nhs.uk/data-andinformation/publications/statistical/nhs-sickness-absence-rates

The information in this part of the staff report is not subject to audit.
Workforce Equality Analysis

	2022/23		2023/24	
	Headcount	**%**	**Headcount**	**%**
Age				
(0-16)	0	0%	0	0%
(17-21)	129	1%	87	1%
22+	14293	99%	14671	99%
Ethnicity				
White	5624	39%	5652	38%
BAME	7312	51%	8149	55%
Not declared	699	5%	957	6%
Unknown	787	5%	0	0%
Gender (All staff)				
Male	3596	25%	3711	25%
Female	10826	75%	11047	75%
Gender (Senior Managers)				
Male	41	56%	92	39%
Female	43	44%	142	61%
Gender (Board)				
Male	10	63%	11	58%
Female	6	38%	8	42%
Recorded Disability				
Yes	421	3%	483	3%
No	11665	81%	12574	85%
Not declared	1281	9%	1355	9%
Unknown	1055	7%	346	2%
Sexual Orietation				
Bisexual	218	2%	243	2%
Gay or Lesbian	441	3%	480	3%
Heterosexual	10739	74%	11543	78%
Other	6	0.04%	10	0.1%
I do not wish to disclose	2050	14%	2225	15%
Unknown	968	7%	257	2%
Religion				
Atheism	1632	11%	1711	12%
Buddhism	390	3%	428	3%
Christianity	6950	48%	7426	50%
Hinuism	646	4%	736	5%
Islam	947	7%	1103	7%
Jainism	21	0.1%	24	0.2%
Judaism	37	0.3%	48	0.3%
Sikhism	189	1%	188	1%
Other	621	4%	762	5%
I do not wish to disclose	2025	14%	2101	14%
Unknown	964	7%	231	2%
Total Staff Numbers	**14422**		**14758**	

The information in this section is subject to audit

Exit Packages agreed in 2023-24

Exit package cost band (including any special payment element)	Number of compulsory redundancies Number	Cost of compulsory redundancies £000	Number of other departures agreed Number	Cost of other departures agreed £000	Total number of exit packages Number	Total cost of exit packages £000	Number of departures where special payments have been made Number	Cost of special payment element included in exit packages £000
Less than £10,000	-	-	17	64	17	64	-	-
£10,000 - £25,000	-	-	14	244	14	244	-	-
£25,001 - £50,000	-	-	11	410	11	410	-	-
£50,001 - £100,000	-	-	11	758	11	758	-	-
£100,001 - £150,000	-	-	6	682	6	682	-	-
£150,001 - £200,000	-	-	-	-	-	-	-	-
Greater than £200,000	-	-	-	-	-	-	-	-
Total	**-**	**-**	**59**	**2,158**	**59**	**2,158**	**-**	**-**

Exit Packages agreed in 2022-23

Exit package cost band (including any special payment element)	Number of compulsory redundancies Number	Cost of compulsory redundancies £000	Number of other departures agreed Number	Cost of other departures agreed £000	Total number of exit packages Number	Total cost of exit packages £000	Number of departures where special payments have been made Number	Cost of special payment element included in exit packages £000
Less than £10,000	-	-	7	28	7	28	-	-
£10,000 - £25,000	-	-	3	40	3	40	-	-
£25,001 - £50,000	-	-	3	95	3	95	-	-
£50,001 - £100,000	-	-	-	-	-	-	-	-
£100,001 - £150,000	-	-	-	-	-	-	-	-
£150,001 - £200,000	-	-	-	-	-	-	-	-
Greater than £200,000	-	-	-	-	-	-	-	-
Total	**-**	**-**	**13**	**163**	**13**	**163**	**-**	**-**

Non-compulsory Departures

	Agreements Number 2023-24 No.	**Total value of agreements 2023-24 £000**	Agreements Number 2022-23 No.	Total value of agreements 2022-23 £000
Voluntary redundancies including early retirement contractual costs	**42**	**1651**	-	-
Mutually agreed resignations (MARS) contractual costs	-	-	-	-
Early retirements in the efficiency of the service contractual costs	-	-	-	-
Contractual payments in lieu of notice	**34**	**507**	13	163
Exit payments following employment tribunals or court orders	-	-	-	-
Non-contractual payments requiring HMT approval (special severance payments)*	-	-	-	-
Total	**76**	**2158**	13	163
of which:				
non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months' of their annual salary	**-**	**-**	-	-

The information in this section of the staff report is not subject to audit

Off Payroll Arrangements

Off Payroll Engagement 2023/24

For all off-payroll engagements as of 31 March 2024, for more than £245 per day and that last for longer than six months	
Number of existing engagements as of 31 March 2024	0
Of which:	
number that have existed for less than one year at time of reporting	0
number that have existed for between one and two years at time of reporting	0
number that have existed for between two and three years at time of reporting	0
number that have existed for between three and four years at time of reporting	0
number that have existed for four or more years at time of reporting	0

For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2023 and 31 March 2024 for more than £245 per day and that last for longer than six months	
Number of new engagements, or those that reached six months in duration, between 1 April 2023 and 31 March 2024	0
Of which:	
number assessed as within the scope of IR35	0
number assessed as not within the scope of IR35	0
number engaged directly (via PSC contracted to Trust) and are on the Trust's payroll Trust) and are on the Trust's payroll	0
number of engagements reassessed for consistency/assurance purposes during the year	0
number of engagements that saw a change to IR35 status following the consistency review	0

For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2023 and 31 March 2024	
Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	0
Number of individuals that have been deemed 'board members and/or senior officials with significant financial responsibility' during the financial year. This figure must include both off-payroll and on-payroll engagements.	0

The Trust follows NHSE policy on off-payroll arrangements and any highly paid appointment is subject to NHSI approval and, where necessary, Trust Board approval.

During 2023/24, no Board members were off-payroll.

The Trade Union (Facility Time Publication Requirements) Regulations 2017

By law, organisations are required to publish Trade Union (TU) facility time information. The data below is for the financial year 1 April 2023 to 31 March 2024

Relevant union officials

Number of employees who were relevant union officials during the relevant period (full time equivalent)	*Full-time equivalent employee number*
34	31.68

Percentage of time spent on facility time

Percentage of time	*Number of employees*
0%	0
1-50%	31
51%-99%	0
100%	3

Percentage of pay bill spent on facility time

	Figures
Provide the total cost of facility time	£81,255
Provide the total pay bill	£1,050,935
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.077

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: *(total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100*	58%

Expenditure on Consultancy

On occasions the Trust brings in consultants from outside to provide advice and support that cannot be provided within the Trust. In 2023/24, King's spent £3.11m on external consultancy. This was to provide specific targeted support in areas such as capital estates programmes and the implementation of the new electronic patient record system (Epic).

	Group	
	2023/24	**2022/23**
	£000	**£000**
Consultancy costs	3,119	5,960

Supporting our Staff

The Trust recognises that there is clear evidence supporting the link between staff health and wellbeing and safe patient care and is committed to continually working to improve the health and wellbeing of staff. The Trust's recruitment policy ensures that all applicants with a disability who meet the essential criteria are offered an interview. Successful candidates are asked what adaptations they may require to carry out their role. Similarly, staff who become disabled after commencing employment with the Trust will be supported and individual packages of support and training will be offered depending on need.

The Trust has an in-house occupational health department which supports and advises both managers and staff on the full remit of occupational health services in line with our policies on sickness absence and equality and diversity. We are committed to improving disabled staff experience across the organisation and as part of this we are proud to have launched King's Reasonable Adjustment Plan (RAP).

A RAP is a framework for staff with a disability or long term health condition and their line managers to discuss what support and changes (known as adjustments) can be put in place to enable them to thrive at work. The document can be reviewed at regular intervals and means disabled people don't have to explain their requirements every time their line manager changes, or they change roles within their organisation and adjustments may still be needed. The Trust is recognised as a disability confident employer and is committed to promoting equality of access, opportunity and treatment for candidates and employees.

The Trust's Workforce team, EDI team, Occupational Health and our line managers have been working collaboratively to ensure that we are being proactive and providing the support that our staff require to enable them to remain at work and their experience of this is positive and fulfilling.

The Trust's Health & Wellbeing team are well established across the organisation and provide significant levels of support for staff and their line managers. They continue to develop a wide range of targeted and innovative wellbeing programmes for our staff. These include permanent wellbeing hubs, regular health and wellbeing events, access to psychological support, ongoing exercise classes, a staff benefits platform, mental health awareness and support, mindfulness and counselling services

The Trust recognises that the best outcomes often happen when concerns are dealt with at the earliest opportunity, quickly and informally. Our Early Resolution Policy provides guidance

to managers and staff on this approach, and our Disciplinary Policy places an emphasis on 'just culture' principles and restorative justice.

The Trust has an approved counter-fraud and corruption policy and does not tolerate any form of fraud, bribery or corruption by its employees, partners or third parties acting on its behalf. We investigate allegations fully and apply sanctions to those found to have committed a fraud, bribery or corruption offence.

We have continued to work on streamlining our policies, benchmarking where possible with other NHS Trusts and professional bodies. We continue to aim to provide streamlined processes which are less onerous for all staff and managers. We carry out this work in partnership with our staff side colleagues. Our policies are discussed and agreed at the Trust's Policy Review Group before final ratification at our Partnership Committee.

Supporting employee experience at King's

Our King's People and Culture Plan was launched in June 2022. The Plan is one of the supporting strategies of the Trust's '*Strong Roots, Global Reach*' overarching strategy, which places our Brilliant People at the centre of everything we do. Delivery of the People and Culture Plan is supported by the People Experience Delivery Group,

Staff Wellbeing

Our Well-being hubs have remained a very popular resource and we have permanent locations for the hubs at our Denmark Hill, PRUH and Orpington sites. As well as a place to take a break, the hub provide an opportunity for staff to seek additional support and advice, and we also run our in-reach service for those staff not able to regularly attend the hubs. We have continued to review our staff offer to ensure these are relevant and add value to our King's people.

Learning & Organisational Development

The Learning and Organisational Development team deliver King's Kaleidoscope which provides a holistic personal and professional development offer for all staff at King's. This includes:

- The creation of a suite of online learning catalogues and resources
- A personal and professional work-based learning offer comprising short courses and masterclasses.
- A suite of 5 King's Leaders programmes, two of which are delivered internally and three which utilise our apprenticeship levy.
- An internal coaching skills programme and coaching network.
- A number of professional forums including a King's Admin Professionals Network and an Operational Manager's forum.
- Serval profiling tools to support 360 feedback and leadership development interventions.
- An OD business partnering service to support care groups with team and cultural activities.

Since its launch, more than thousands of staff have engaged with Kaleidoscope whether that be accessing online content, undertaking a short course or as a participant in one of our leadership development programmes.

In February 2023 the Trust launched its Apprenticeship500 plan which sets out our ambitions to have 500 apprenticeships in the Trust by the end of 2024.

The Trust achieved its target for appraisal compliance reporting 90.73% at the end of the 2023 appraisal season against a target of 90%.

Following a successful launch in 2021, our King's Interns Scheme (Project Search), the Trust has successfully supported three cohorts of interns with learning difficulties and disabilities; the third cohort commenced in September 2023.

Staff Feedback

We use the data and commentary from leavers' surveys, the national quarterly pulse survey and the annual National Staff Survey to inform us on how staff feel about working at King's. We also get regular feedback via the People Experience Delivery Group, Joint Consultative Committee (JCC) and the FTSU Guardian on the key concerns being raised by our staff. This feedback is used to develop interventions to address the issues and concerns staff have raised with us.

The Trust employs a number of methods for ensuring staff are engaged and informed including Ask the CEO sessions, newsletters, all-staff emails, monthly magazines, drop-in sessions and management cascades. The Trust sends out a news-update three times a week and directs staff to our detailed intranet.

2023 National Staff Survey

The 2023 Staff Survey took place between October–November 2023. 6783 staff (48%) completed the 2023 staff survey. This was the Trust's highest ever response rate and a 2% increase on last year (46%, 6183 responses), and a 10% increase over the past two years. In addition, our 2023 response rate was higher than the NHS Acute Trust average of 47%.

Indicators	2023		2022		2021	
People Promise Elements and themes	Trust Score	Benchmarking group score	Trust Score	Benchmarking group score	Trust Score	Benchmarking group score
People Promise						
We are compassionate & inclusive	**6.98**	7.24	**6.99**	7.2	**7.0**	7.2
We are recognised & rewarded	**5.63**	5.94	**5.55**	5.7	**5.70**	5.8
We each have a voice that counts	**6.43**	6.7	**6.49**	6.6	**6.5**	6.7
We are safe & healthy	**5.71**	n/a	**5.69**	5.9	**5.7**	5.9

We are always learning	**5.64**	5.61	**5.62**	5.4	**5.5**	5.2
We work flexibly	**5.64**	6.2	**5.61**	6.0	**5.7**	5.9
We are a team	**6.57**	6.75	**6.58**	6.6	**6.5**	6.6
Staff engagement	**6.64**	6.91	**6.70**	6.8	**6.7**	5.8
Morale	**5.56**	5.91	**5.53**	5.7	**5.6**	5.7

People Priorities 2024/25

The national staff survey scores provide the Trust with opportunities to focus on a number of key areas. Each Care Group and Corporate Teams have used the survey to develop one People Priority that they will focus on based on their local results.

Given our overall results, the Trust have been working closely with stakeholders to identify our key priorities to improve staff experience. We will be sharing these with our staff to ensure everyone is aware and involved in improving their experience at the Trust.

Trust recruitment

It has been another exceptionally busy year with Trust recruitment. We received 92,702 applications for roles and conducted 11,139 interviews. Including Junior Doctors on rotation programmes, 2,349 new starters joined the Trust in 2023/24. This included 368 Internationally Educated Nurses. The Trust headcount increased from 14,475 to 14,758. The Trust will continue to recruit the best possible talent locally, nationally and internationally. Through work with our local Job Centres and educational establishments we continue our recruitment initiatives as an anchor organisation. The overall Trust vacancy rate reduced from 12.48% on 31st March 2023 to 9.21% on 31st March 2024. The Trust turnover rate has decreased over the year and was ended the year at 12.17%. Turnover has been below target (13%) since October 2023. More detail on our workforce statistics can be found here: NHS workforce statistics - NHS England Digital.

Temporary Staffing

The temporary staffing provision provided the Trust with much needed support in 2023/24.

- There was an overall fill of 215,702 Bank shifts.
- There was a fill of 23,800 shifts by agency.
- There was an overall average fill of 78% for requested shifts.

Local Community Engagement

The Trust has worked throughout the year with local authorities and local educational establishments to promote vacancies, career opportunities and also to support those under-represented groups within the community. We have also joined the Lambeth Skills and Employment Board, as well as being an active member of One Bromley.

The Trust's Roadmap to Inclusion (2022-2024) outlines our strategy to ensure that our commitment to placing Diversity, Equality, and Inclusion (EDI) at the core of everything we do translates into tangible, meaningful improvements for colleagues, patients, and all associated with King's.

Workforce Inclusion

Over the past 12 months we have seen: -

- Improvement in 16 out of 20 Staff Survey EDI-related metrics.
- Improvement in 7 out of 9 Workforce Race Equality Standard metrics.
- Improvement in 6 out of 9 Workforce Disability Equality Standard metrics.

National Recognition

Our efforts have been acknowledged with national accolades:

- Shortlisted for HSJ Trust of the Year
- Winner in the Commitment to the Local Community category at the Better Society Awards.
- Winner in the Grassroots Project category at the Mayor of London's Design Lab Symposium.
- Shortlisted in the Diverse Company of the Year category at the National Diversity Awards.
- Shortlisted in the Best Employer for Diversity & Inclusion category at the Nursing Times Workforce Awards.
- Shortlisted in the Community Initiative of the Year category at the National BAME Health & Care Awards.
- Recognised as a Top 50 Employer at the Inspiring Workplaces Awards.

Staff Diversity Networks.

We have continued to support and grow King's five Staff Diversity Networks, each now having two Executive sponsors:

- King's Able: +127 members (290 total).
- King's Women's Network: +420 members (1,098 total).
- King's & Queers: +245 members (902 total).
- Race, Ethnicity & Cultural Heritage Network (REACH): +196 members (846 total).
- Interfaith & Belief Network: +91 members (452 total).

Inclusive Culture and Awareness.

We have made significant progress in fostering an inclusive culture by celebrating key national diversity dates and raising awareness of cultural differences, influencing our collaboration and patient care. Our expanded online events included the entire NHS, hosting 95 events with thousands of participants from within our organisation and across the NHS. During this period, we launched our Cultural Intelligence programme.

Updated Workforce Policies

Several workforce policies have been updated, each supported by Equality Impact Assessments. Notable new policies include:

- A Workplace Adjustment Policy and plan for staff.
- Guidance for Transgender and Non-binary Patients.

EDI Training and Development
Systematic attendance and engagement in flagship EDI training sessions continued, including:

- 134 staff attending Inclusive Recruitment training (667 in total).
- 245 attending Active Bystander training (1,772 in total).
- 398 completing online Skills Boosters training (780 in total).
- Almost 100 attending full-day King's Cultural Intelligence (CQ) training, and a further 320 completing bitesize CQ training.
- Launched King's Workplace Adjustments training.
- 174 attending career development sessions for ethnic minority staff.
- 12 participants in the Calibre leadership programme for disabled staff.

Counter Fraud and Corruption
The Trust has a number of policies in place to counter fraud and corruption and has a good track record in reporting suspected fraud. The work of the Local Counter Fraud Representative is outlined elsewhere in this report and is reported to the Audit Committee. During 2024/24, KPMG has provided the Trust with counter-fraud services, following a competitive tender process.

Health and Safety
This report outlines key developments and the work that has been taken during this reporting period. It is an opportunity to consider work planned and the objectives for the year ahead.

It also reflects the trust's compliance with the Chief Executives approved 'Statement of Intent' and Health & Safety Policy Statement, which requires those responsible for health and safety within KCH premises and during trust activities to:

- Comply with health and safety legislation.
- Implement health and safety arrangements.
- Comply with monitoring and reporting mechanisms appropriate to internal and external key stakeholders and statutory bodies.
- Develop partnership working and to ensure health and safety arrangements are maintained for all staff, contractors and visitors.
- To ensure that the health and safety agenda is not only embedded, but embraced throughout the trust, using a variety of monitoring methods, including:

    1. Health and Safety Committee (bi-monthly)
    2. Risk based monitoring groups, such as Asbestos, Medical Gases, Ventilation Safety, Water Safety and Radiation Safety.

Overview of Legal Compliance

The table below outlines the main health & safety legislation and identifies the proactive work that the trust has carried out in order to ensure compliance.

Legislation	**Description of Actions/Compliance**	
Health & Safety at Work Act 1974	KCH Health & Safety Management Policy established, updated and reviewed in 2023. Competent persons are in place to provide compliance advice across all sites. Health and Safety Committee held bi-monthly.	
Management of Health & Safety at Work Regulations 1999	Annual H&S Audit mechanism in place. Annual H&S Work plan for 2024. Training available for Risk Assessments (Workplace, COSHH and Anti-Ligatures for all Divisions).	
Display Screen Equipment Regulations 1992	DSE self- assessment tool has been updated and includes an action plan for users in trust premises, as well as for staff working from home following C19 Regulations (2023).	
Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995 (RIDDOR)	Investigations have been conducted for all RIDDOR incidents and the findings are shared with the H&S Committee, Executive and QPC	
Health & Safety Information for Employees Regulations (Amendment) 2009. Health & Safety Consultation with Employees Regulations 1996 Safety Representatives and Safety Committees Regulations 1977.	Terms of Reference have been established for the H&S Committees across all sites. KCH H&S Policy has been updated for 2024. Health and Safety Committee is attended by Managers, Trust Competent Persons and TU Safety Reps. Reports on Audits, Action Plan progress, and Risk Register Acts as consultative committee for H&S policies.	
Control of Substances Hazardous to Health (COSHH) Regulations 2002 Electricity at Work Regulations 1989 Workplace (Health Safety & Welfare) Regulations 1992 **H&S First Aid at Work Regulations (2013)** Provision and Use of Work Equipment Regulations (PUWER) 1998 **Working at Height Regulations** The Control of Noise at Work Regulations 2005 Control of Asbestos Regulations 2012 **Personal Protective Equipment at Work Regulations 2022** **Control of Vibrations at Work Regulations 2005**	Regulations are monitored by the KCH Health and Safety Committee and managed through meetings of the specialist groups. Authorising Engineers, where appropriate, are in place to advise on subject matters. Annual Health & Safety Internal reviews of compliance. Health and Safety advisors attend the subject matter groups to monitor compliance	

Reported Health and Safety Incidents.

There were a total of 39,864 reported incidents regarding personal accident / ill-health / assaults and dangerous occurrences during 2023/24. (A “Dangerous Occurrence” or “Near Miss” is an unplanned event that did not result in death, injury or damage but had the potential to do so).

This is a decrease of 867 incidents, representing a negligible fall by -2.12% compared to previous the report. A total of 892 submissions were accepted, indicating an increase of 10.3% as valid H&S incidents. However, 463 inputs were rejected as being spurious and non-valid safety incidents. The comparison with the former report should be treated with a degree of caution, as the implementation of InPhase subsuming Datix and home working arrangements have a continual impact upon incidents reported.

5291 reports were accredited to Violence & Aggression, expressing an increase of 4.42% incidents, compared to the previous report. Although the amount of submissions are relatively consistent annually, it must be noted that ‘verbal assaults’ form a large part of these statistics and the level of ‘offence’ taken by staff and translated as an “assault” is subjective.

The health & safety incidents received amounted to 892 valid occurrences. There has been an increase of 92 submissions, demonstrating a modest rise of 10.3% from the previous annual sum total. As is the norm, this total includes incidents reported by staff, visitors and others and is broken down into specific incident categories.

H&S General Incidents (e.g. collisions, burns, lone-working, stress, confined spaces etc.) unexpectedly became the most reported category over the reporting period, overtaking the long-standing category of BBV injuries.

Of the 335 incidents raised (including “Near Misses”), a total of 197* BBV incidents were accepted, forming the second highest category of incidents. There were 126 occurrences attributed to Denmark Hill.

The third highest category of injury was identified as Moving & Handling incidents, totalling 144 incidents, again with Denmark Hill recording 102 of these.

The busiest recorded month for BBV injuries fell in June 2023, resulting with 08 x BBV splashes and 26 x Clinical Sharps Injuries. The main cause of these BBV incidents reported was identified as increased working pressures on KCH staff, causing unintentional unsafe sharps practices. The data analysis and follow up investigations demonstrated very few other common trends for sharps injuries. The H&S Team has noted that incorrect disposal of dirty sharps had reduced significantly across the Trust.

DH retains the highest level of recorded BBV incidents, thus subjected to the focus of remedial & awareness training by the H&S Team in an effort to meet the requirements of the ‘Code of Practice on the Prevention & Control of Infections’ and ‘Sharps Instruments in Healthcare Regulations - 2013’. PRUH was identified as the second most common location for BBV incidents in 2023/24.

* In October 2023, “Inphase” was upgraded to record BBV incidents under the correct incident sub-type “Blood Borne Virus (including Needle-stick)”. Previously on Datix, these incidents

were recorded under a generic “Health and Safety” label and this may cause minor discrepancies with previous obtained data.

RIDDORs

Under RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013), particular work place accidents, incidents, ill health and specified near miss events are required to be recorded. Depending upon the severity and nature of the injury, as well as the person affected, the Trust has a legal duty to report this data to the Health and Safety Executive.

There were a total of 35 RIDDORS reported in 2023/24 (including 9 Dangerous Occurrences), compared to the 28 RIDDORs submitted in the previous reporting period. The highest category recorded was that of Physical Assault, with Slips, Trips and Falls being a close second. See Fig 2

Although the submissions represent a slight increase in the reporting trend, it equates to the levels reported by other acute NHS trusts of a similar size and clinical specialisation. This increase does not necessarily indicate a rise in occupational accidents. Analysis suggests that more staff are aware of what occurrences need to be reported via InPhase and although some incidents did not result in actual harm, some of these had been submitted as a “Dangerous Occurrence”.

Additionally, the RIDDOR reporting requirements are anticipated to be incorporated as a factor in the Health and Safety training competencies on LEAP in 2024/25 and consequently, a further increase in submissions is anticipated for 2024/25.

The Trust lost an average of 617 days per full time equivalent staff member due to sickness/injury in 2023/24.

Statutory / Mandatory Training Compliance

The reporting period saw that most Statutory/Mandatory training maintained or surpassed the 80% level over the course of the reporting period. Following on from last year’s trend, few topics consistently exceeded the 90% threshold as set out by the Learning and Development Department. The topics are:

- Clinical Infection Control (Level 2)
- Clinical Manual Handling (Level 2)
- Data Security Awareness .

This problem was regularly raised in the bi-monthly HSC and improvements were monitored via the H&S Action Plan. It is anticipated that with further amendments to the current electronic learning packages and introduction of some face to face training, the compliance levels will improve by the next reporting period.

H&S Assessments

The Trust is required to continually conduct assessments for Workplace Risks, Control of Substances Hazardous to Health (COSHH), Hand/Arm Vibration areas, Ligatures and Fire Safety (latter managed by Trust's Fire Safety Team).

There is also a legal requirement to log Risk Assessments that show "significant hazards" (defined as a risk with the potential to cause death or serious harm). The Trust is broadly compliant with the following:

Assessment	**Compliance**
Workplace Risk Assessment	93% (including 8 new areas)
COSHH	95% (including 6 new areas)
Hand/Arm Vibration	90% (including 2 new areas)
Ligatures	87% (including 6 new areas)

KCH H&S Objectives for 2024/25

- Apart from formal H&S Induction on LEAP, no other formal H&S training is available to KCH staff. Limited training for Managers/Supervisors in compiling RIDDOR information has been attained but on an "ad hoc" basis. The level of safety education/training is based upon training needs analysis, type of role, location and service need. The learning outcomes should be supplemented with specific job and site training. This is an aspiration to be achieved for 2025 and beyond.
- Clinical participation in the bi-monthly Health & Safety Committee has been poor over the reporting period. Nominated clinicians should attend and contribute to the committee. Currently KCH H&S strategy for 2023/24 has been mostly planned in isolation by non-clinical committee members and requires regular contribution from clinical members of the committee to be an effective tool.
- The regular routine attendance by all standing members of HSC in order to ensure dissemination of learning, views and concerns.
- To review KCH training needs analysis and engineer expansion to include specified bespoke H&S requirements.
- To ensure there is a H&S representative located in each ward and department.

4.4 Disclosures set out in Code of Governance for NHS Provider Trusts

The Trust has applied the principles of the Code of Governance for NHS Provider Trusts (the Code) on a 'comply or explain' basis. The Code is founded on the principles of the UK Corporate Governance Code, and was most recently revised in October 2022. A summary of where detail can be found in relation to the matters we are required to disclose in the report is included in the table below:

Code of Governance reference	Requirement	Annual report reference
A.2.1 (Disclose)	The board of directors should assess the basis on which the trust ensures its effectiveness, efficiency and economy, as well as the quality of its healthcare delivery over the long term, and contribution to the objectives of the ICP and ICB, and place-based partnerships. The board of directors should ensure the trust actively addresses opportunities to work with other providers to tackle shared challenges through entering into partnership arrangements such as provider collaboratives. The trust should describe in its annual report how opportunities and risks to future sustainability have been considered and addressed, and how its governance is contributing to the delivery of its strategy.	Accountability Report - Director's Report
A.2.3 (Disclose)	The board of directors should assess and monitor culture. Where it is not satisfied that policy, practices or behaviour throughout the business are aligned with the trust's vision, values and strategy, it should seek assurance that management has taken corrective action. The annual report should explain the board's activities and any action taken, and the trust's approach to investing in, rewarding and promoting the wellbeing of its workforce.	Accountability Report - Staff Report, Director's Report
A.2.8 (Disclose)	The board of directors should describe in the annual report how the interests of stakeholders, including system and place-based partners, have been considered in their discussions and decision-making, and set out the key partnerships for collaboration with other providers into which the trust has entered. The board of directors should keep engagement mechanisms under review so that they remain effective. The Board should set out how the organisation's governance processes oversee its collaboration with other organisations and any associated risk management arrangements.	Accountability Report - Director's Report, AGS

Code of Governance reference	Requirement	Annual report reference
B.2.6 (Disclose)	The board of directors should identify in the annual report each non-executive director it considers to be independent. Circumstances which are likely to impair, or could appear to impair, a non-executive director's independence include, but are not limited to, whether a director: • has been an employee of the trust within the last two years • has, or has had within the last two years, a material business relationship with the trust either directly or as a partner, shareholder, director or senior employee of a body that has such a relationship with the trust • has received or receives remuneration from the trust apart from a director's fee, participates in the trust's performance-related pay scheme or is a member of the trust's pension scheme • has close family ties with any of the trust's advisers, directors or senior employees • holds cross-directorships or has significant links with other directors through involvement with other companies or bodies • has served on the trust board for more than six years from the date of their first appointment • is an appointed representative of the trust's university medical or dental school. Where any of these or other relevant circumstances apply, and the board of directors nonetheless considers that the non-executive director is independent, it needs to be clearly explained why.	Accountability Report – Directors' Report
B.2.13 (Disclose)	The annual report should give the number of times the board and its committees met, and individual director attendance.	Accountability Report – Directors' Report

Code of Governance reference	Requirement	Annual report reference
B.2.17 (Disclose)	For foundation trusts, this schedule should include a clear statement detailing the roles and responsibilities of the council of governors. This statement should also describe how any disagreements between the council of governors and the board of directors will be resolved. The annual report should include this schedule of matters or a summary statement of how the board of directors and the council of governors operate, including a summary of the types of decisions to be taken by the board, the council of governors, board committees and the types of decisions which are delegated to the executive management of the board of directors.	Accountability Report – Directors' Report
C.2.5 (Disclose)	If an external consultancy is engaged, it should be identified in the annual report alongside a statement about any other connection it has with the trust or individual directors.	Accountability Report
C.2.8 (Disclose)	The annual report should describe the process followed by the council of governors to appoint the chair and non-executive directors. The main role and responsibilities of the nominations committee should be set out in publicly available written terms of reference.	Accountability Report – Directors' Report
C.4.2 (Disclose)	The board of directors should include in the annual report a description of each director's skills, expertise and experience.	Accountability Report – Directors' Report
C4.7 (Disclose)	All trusts are strongly encouraged to carry out externally facilitated developmental reviews of their leadership and governance using the Well-led framework every three to five years, according to their circumstances. The external reviewer should be identified in the annual report and a statement made about any connection it has with the trust or individual directors.	Accountability Report – Director's Report – not applicable for 2023/24

Code of Governance reference	Requirement	Annual report reference
C.4.13 (Disclose)	The annual report should describe the work of the nominations committee(s), including: • the process used in relation to appointments, its approach to succession planning and how both support the development of a diverse pipeline • how the board has been evaluated, the nature and extent of an external evaluator's contact with the board of directors and individual directors, the outcomes and actions taken, and how these have or will influence board composition • the policy on diversity and inclusion including in relation to disability, its objectives and linkage to trust vision, how it has been implemented and progress on achieving the objectives • the ethnic diversity of the board and senior managers, with reference to indicator nine of the NHS Workforce Race Equality Standard and how far the board reflects the ethnic diversity of the trust's workforce and communities served • the gender balance of senior management and their direct reports.	Accountability Report – Directors' Report and Staff Report
C.5.15 (Disclose)	Foundation trust governors should canvass the opinion of the trust's members and the public, and for appointed governors the body they represent, on the NHS foundation trust's forward plan, including its objectives, priorities and strategy, and their views should be communicated to the board of directors. The annual report should contain a statement as to how this requirement has been undertaken and satisfied.	Accountability Report – Director's Report

Code of Governance reference	Requirement	Annual report reference
D.2.4 (Disclose)	The annual report should include: the significant issues relating to the financial statements that the audit committee considered, and how these issues were addressed • an explanation of how the audit committee (and/or auditor panel for an NHS trust) has assessed the independence and effectiveness of the external audit process and its approach to the appointment or reappointment of the external auditor; length of tenure of the current audit firm, when a tender was last conducted and advance notice of any retendering plans • where there is no internal audit function, an explanation for the absence, how internal assurance is achieved and how this affects the external audit • an explanation of how auditor independence and objectivity are safeguarded if the external auditor provides non-audit services.	Accountability Report – Director's Report
D.2.6 (Disclose)	The directors should explain in the annual report their responsibility for preparing the annual report and accounts, and state that they consider the annual report and accounts, taken as a whole, is fair, balanced and understandable, and provides the information necessary for stakeholders to assess the trust's performance, business model and strategy.	Accountability Report – Director's Report
D.2.7 (Disclose)	The board of directors should carry out a robust assessment of the trust's emerging and principal risks. The relevant reporting manuals will prescribe associated disclosure requirements for the annual report.	Accountability Report - Annual Governance Statement

Code of Governance reference	Requirement	Annual report reference
D.2.8 (Disclose)	The board of directors should monitor the trust's risk management and internal control systems and, at least annually, review their effectiveness and report on that review in the annual report. The monitoring and review should cover all material controls, including financial, operational and compliance controls. The board should report on internal control through the annual governance statement in the annual report.	Accountability Report - Annual Governance Statement
D.2.9 (Disclose)	In the annual accounts, the board of directors should state whether it considered it appropriate to adopt the going concern basis of accounting when preparing them and identify any material uncertainties regarding going concern. Trusts should refer to the DHSC group accounting manual and NHS foundation trust annual reporting manual which explain that this assessment should be based on whether a trust anticipates it will continue to provide its services in the public sector. As a result, material uncertainties over going concern are expected to be rare.	Performance Report and Annual Accounts.
E.2.3 (Disclose)	Where a trust releases an executive director, e.g. to serve as a non-executive director elsewhere, the remuneration disclosures in the annual report should include a statement as to whether or not the director will retain such earnings.	Not applicable for 2023/24
Appendix B para 2.3 (Disclose)	The annual report should identify the members of the council of governors, including a description of the constituency or organisation that they represent, whether they were elected or appointed, and the duration of their appointments. The annual report should also identify the nominated lead governor.	Accountability Report – Director's Report.
Appendix B para 2.14 (Disclose)	The board of directors should ensure that the NHS foundation trust provides effective mechanisms for communication between governors and members from its constituencies. Contact procedures for members who wish to communicate with governors and/or directors should be clear and made available to members on the NHS foundation trust's website and in the annual report.	Accountability Report – Director's Report.

Code of Governance reference	Requirement	Annual report reference
Appendix B para 2.15 (Disclose)	The board of directors should state in the annual report the steps it has taken to ensure that the members of the board, and in particular the non-executive directors, develop an understanding of the views of governors and members about the NHS foundation trust, e.g. through attendance at meetings of the council of governors, direct face-to-face contact, surveys of members' opinions and consultations.	Accountability Report – Directors' Report
Additional requirement of FT ARM resulting from legislation	If, during the financial year, the Governors have exercised their power* under paragraph 10C** of schedule 7 of the NHS Act 2006, then information on this must be included in the annual report. This is required by paragraph 26(2)(aa) of schedule 7 to the NHS Act 2006, as amended by section 151 (8) of the Health and Social Care Act 2012. * Power to require one or more of the directors to attend a governors' meeting for the purpose of obtaining information about the foundation trust's performance of its functions or the directors' performance of their duties (and deciding whether to propose a vote on the foundation trust's or directors' performance). ** As inserted by section 151 (6) of the Health and Social Care Act 2012)	Accountability Report – Directors' Report Whilst Directors have attended all Governor meetings, this power has not be exercised.

4.5 NHS System Oversight Framework

NHS England's NHS Oversight Framework provides the framework for overseeing systems including providers and identifying potential support needs. NHS organisations are allocated to one of four 'segments'.

A segmentation decision indicates the scale and general nature of support needs, from no specific support needs (segment 1) to a requirement for mandated intensive support (segment 4). A segment does not determine specific support requirements. By default, all NHS organisations are allocated to segment 2 unless the criteria for moving into another segment are met. These criteria have two components:

- 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)

- additional considerations focused on the assessment of system leadership and behaviours, and improvement capability and capacity.

An NHS foundation trust will be in segment 3 or 4 only where it has been found to be in breach or suspected breach of its licence conditions.

For the accounting period 2023/24, the Trust was in segment 3. However due to the deterioration in the Trust's financial position in Q4, the Trust received notification on 12th April 2024 that it was being placed in segment 4 and would receive support from the National Recovery Support Programme. To date, no enforcement action has taken by NHS England. NHS England commissioned a review of financial governance. This identified a number of opportunities for improvement and a recovery programme, with eleven workstreams is being developed. The Trust will meet with the Recovery Support Programme in July 2024, to agree what further support is needed.

This segmentation information is the trust's position as at 12th April 2024. Current segmentation information for NHS trusts and foundation trusts is published on the NHS England website: NHS England » NHS oversight framework segmentation

4.6 Statement of the Chief Executive's responsibilities as the Accounting Officer of King's College Hospital NHS Foundation Trust

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

NHS England has given Accounts Directions which require King's College Hospital 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 King's College Hospital NHS Foundation Trust and of its income and expenditure, other items of comprehensive income and cash flows for the financial year.

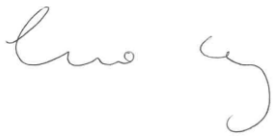
In preparing the accounts and overseeing the use of public funds, the Accounting Officer is required to comply with the requirements of the Department of Health and Social Care Group Accounting Manual and in particular to:

- observe the Accounts Direction issued by NHS England, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual (and the Department of Health and Social Care Group Accounting Manual) have been followed, and disclose and explain any material departures in the financial statements
- ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance
- confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS Foundation Trust's performance, business model and strategy and
- prepare the financial statements on a going concern basis and disclose any material uncertainties over going concern.

The Accounting Officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS Foundation Trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned Act. The Accounting Officer is also responsible for safeguarding the assets of the NHS Foundation Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As far as I am aware, there is no relevant audit information of which the Foundation Trust's auditors are unaware, and I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the entity's auditors are aware of

that information. To the best of my knowledge and belief, I have properly discharged the responsibilities set out in the NHS Foundation Trust Accounting Officer Memorandum.



Signed: Date: 27 June 2024

Professor Clive Kay, Chief Executive and Accounting Officer

4.7 Annual Governance Statement 2023/24

Scope of Responsibility

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

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

Capacity to handle risk

As Chief Executive and Accounting Officer, I have overall responsibility for risk management with the Chief Nurse and Executive Director of Midwifery providing operational leadership. Each Executive Director is responsible for managing the risks within their portfolio. All Executive Directors report to me and I have a range of forums in place to ensure that they are held to account for the performance and delivery of individual, team and Trust objectives.

The Trust's Risk Management Strategy has resulted in:

- Enhanced risk profile reporting through the Executive Risk and Governance Committee and the Audit & Risk Committee.
- The development of the Trust's intranet to collate guidance and support on risk management and quality governance including best practice examples observed in the Trust.
- Development of the risk module on the Local Risk Management System delivering more effective operational risk management and more effective reporting pathways, allowing focus on risk metrics, effectiveness of mitigating actions and timeliness of reviews.
- Positive assurance through internal audits of the Trust's approach to managing risk in 2022/23 and 2023/24.

The risk and control framework

The Trust's risk management strategy outlines the risk principles, framework and process. The risk management policy support the strategy and focuses on the identification, recording, assessment and management of risk. The policy also includes a 5 x 5 matrix for the

assessment and evaluation of risk. The risk scoring is based on an assessment of the consequence/impact and the likelihood.

The policy identifies the duties of key individuals in the risk management process and the roles and responsibilities of relevant groups and committees.

The Trust's internal auditors have reviewed the design of the revised risk management framework (April 2021), assessed the operating effectiveness of the arrangements (March 2022) and reviewed the Corporate Risk Register (March 2023) and operational functionality of the Care Group risk management processes (January 2024). All the reviews have provided positive assurance.

Risk appetite

The Trust recognises that its long-term sustainability depends upon delivery of its strategic objectives and its relationships with its patients, staff, the local community and strategic partners. The risk management policy outlines the Board's approach to risk appetite with the lowest risk appetite relating to safety and compliance objectives, including employee health and safety, with a higher appetite associated with the strategic partnerships. During 2023/24 the Board considered the risk appetite as part of the review and update of the Trust's risk management policy and strategy.

Board assurance framework

The board assurance framework (BAF) connects the Trust's strategic objectives to risk management and assurance arrangements. It summarises the potential risks impacting the achievement of the Trust's strategic objectives and the key controls and processes in place to manage the key risks. The BAF supports the Board's understanding of the effectiveness of the key controls and mitigations in place to manage strategic risk and, as a result, supports oversight of the delivery of the Trust's strategic objectives. The BAF is reviewed regularly by the Board of Directors and by relevant board committees. Additional risks were included in-year, to reflect the risks associated with the implementation of EPIC.

Quality governance arrangements

'Outstanding care' forms part of King's BOLD vision, which was set out in Trust's strategy published in July 2021.

The corporate quality governance arrangements are led by the Chief Nurse and Executive Director of Midwifery and the Chief Medical Officer. The Trust's Quality Committee scrutinises the clinical and quality risk management control arrangements and assurances that the arrangements are operating effectively. The Committee is chaired by a non-executive director.

The Committee receives an Integrated Quality Report at each meeting. This report provides information on key quality indicators, including infection control, patient safety, patient experience and clinical effectiveness.

In addition to quarterly patient outcome reports the committee receives updates on any specific quality and safety concerns the Trust is managing, for example: externally-led

inspection findings and action plans; infection, prevention and control issues and learning from individual patient cases.

Risks to quality and safety are managed through the Trust's risk management processes. There are processes in place in relation to the identification and response to safety incidents. The Trust has maintained a positive level of incident reporting and has a framework for the identification and investigation of serious incidents. Over the course of 2023/24, the Trust has declared 5 Never Events. This included 3 retained swabs in maternity services, an accidental scalding of a patient and a wrong site surgery.

During 2023-24 the Trust went live with Learning from Patient Safety Events (LfPSE) and the Patient Safety Incident Response Framework (PSIRF). This marks a significant change in the way in which patient safety incidents are responded to by the organisation moving the focus to sustained improvements and better patient and staff engagement. In agreement with South East London (SEL) Integrated Care Board and in conjunction with other providers across SEL the Trust moved from the Serious Incident Framework to the PSIRF in November 2023. Between November 2023 and March 2024 the Trust commissioned 6 Patient Safety Incident Investigations, including one in collaboration with a range of SEL system partners and one which met the criteria for referral to the Maternity and Newborn Safety Investigations programme.

During 2023-24 the Trust undertook a refresh of Quality Governance arrangements. This included the introduction of a new Quality Assurance Framework, alongside a revised quality reporting structure through standing up site and group level Outstanding Care Boards in November 2023.

The Trust also substantially completed a full quality round of all care groups under the new Quality Assurance Framework. This is an executive led quality visit supported by members of the quality governance team, medical equipment and pharmacy and which concludes with a mock 'well led' interview for the care group. Phase 1 is being evaluated so that appropriate modifications can be made ahead of Phase 2 which included Non-Executive Director participation.

Care Quality Commission (CQC)

The Trust has not been subject to any inspections from the CQC during 2023-24 and the Trust remains rated as 'Requires Improvement'. The Trust continues to engage in a responsive and open dialogue with the CQC ahead of the full roll out of the new Single Assessment Framework. The Trust is compliant with its CQC registration.

Major risks

The Trust's principal risks are overseen by the Trust Board and its Committee through the board assurance framework. As outlined above the Trust's BAF was refreshed during the year to reflect in-year and future risks to the achievement of our strategic objectives and BOLD vision.

The principal risks faced by the Trust in 2023/24 are set out below:

Risk	Summary	Board Oversight & Assurance Committee
Recruitment & Retention	If the Trust is unable to recruit and retain sufficient staff with the appropriate skills, this will affect our ability to deliver our services and future strategic ambitions which may adversely impact patient outcomes and staff and patient experience	People, Education Inclusion and Research Committee
King's Culture & Values	If the Trust does not implement effective actions to develop the 'Team King's' culture and embed the Trust values, staff engagement and wellbeing may deteriorate, adversely impacting our ability to provide compassionate and culturally competent care to our patients and each other	People, Education Inclusion and Research Committee
Financial Sustainability	If the Trust is unable to improve the financial sustainability of the services it provides, then we may not achieve our financial plans, adversely impacting our ability to deliver our investment priorities and improve the quality of services for our patients in the future	Finance and Commercial Committee
Maintenance and Development of the Trust's Estate	If the Trust is unable to maintain and develop the estate sufficiently, our ability to deliver safe, high quality and sustainable services will be adversely impacted.	Finance and Commercial Committee
Apollo Implementation	A) If the Trust fails to deliver the Apollo Electronic Patient Record (EPR) transformation programme effectively then the clinical and operational benefits may not be realised B) The Trust will experience increased operational pressure and a heightened state of clinical risk during the Epic implementation which may result in medium-term organisational impact from system issues and hazards following go-live that could affect patients, staff and the Trust wider strategic objectives C) The Trust may not successfully implement the Electronic Health Record due to the readiness of the technology, underpinning infrastructure, and workforce capability and structure.	Finance and Commercial Committee
Research & Innovation	If the Trust fails to capitalise on innovative and pioneering research opportunities, this may affect our ability to support the development of new treatments and technologies for patients now and in the future, adversely impacting the Trust's ambitions as a world-leading research and innovation centre	People, Education Inclusion and Research Committee
High Quality Care	If the Trust does not have adequate arrangements to support the delivery and oversight of high quality care, this may result in an adverse impact on patient outcomes and patient experience and lead to an increased risk of avoidable harm	Quality Committee
Partnership Working	If the Trust does not collaborate effectively with key stakeholders and partners to plan and deliver care, this may adversely impact our ability to improve services for local people and reduce health inequalities	Board of Directors

Demand and Capacity	If the Trust is unable to restore services (as a result of the COVID-19 pandemic) and sustain sufficient capacity to manage increased demand for services, patient waiting times may increase, potentially resulting in an adverse impact on patient outcomes and experience and/or patient harm	Quality Committee
IT Systems	If the Trust's IT infrastructure is not adequately protected, systems may be comprised, resulting in reduced access to critical patient and operational systems and/or the loss of data	Audit Committee

The detail included in the BAF has been developed to:

- map the Trust's key controls, mitigations and sources of assurance to each strategic risk;
- identify the current risk scoring based on the Trust's likelihood/ consequence framework;
- identify any gaps in controls and/or assurances; and
- identify the actions required to address any significant gaps in controls and/or assurances (in line with the development of the Strong Roots, Global Reach Delivery Plan). The Trust's Strategy, Research and Partnerships Committee reviews progress to implement the Strategy Delivery Plan.

Each strategic risk has been assigned to a Board Committee for review and oversight. Review of all BAF risks is also considered at the Trust's Audit Committee. An overview of the BAF and a summary of any changes and key developments is presented to the Trust Board on a quarterly basis.

The BAF was be used to inform the meeting agendas for the Board and its Committees in 2023/24.

Stakeholders involved in risk management

The Trust's stakeholders are involved in the Trust's risk management arrangements in a number of difference ways, including:

- The Trust's members are represented by the Trust's Council of Governors, which includes public, staff, patient and stakeholder governors.
- The Council of Governors receive updates on the delivery of the Trust's objectives and Governor representatives observe Board assurance committees to seek assurance on the oversight and mitigation of risk.
- Governor engagement in Patient Experience & Safety Committee and Strategy Committee and other Trust patient groups.
- Feedback obtained through the Patient Advice and Liaison Services.
- ICS attendance at Serious Incident Panel and Quality Committee.
- Engagement with staff, governors, patient and community groups in the development of the Trust's five-year strategy.
- The Board receives patient or staff stories at each Board meeting
- Executive and Non-Executive Director clinical visits.

Workforce Strategies

Our Strong Roots, Global Reach strategy places 'Brilliant People' as the centre of everything we do. During 2021/22 we have developed our People and Culture Plan 2022-2026, underpinned by the Trust's refreshed values – We are a kind, respectful team – to support our BOLD vision. The Plan was formally launched in June 2022. In developing the People and Culture Plan we have prioritised five themes:

- Belonging to King's
- Being our best
- Looking after our people
- Inspiring leadership
- Ensuring our people thrive.

The Board Assurance Framework includes a specific risk in relation to the recruitment and retention of our people. Details regarding the mitigations and key sources of assurance are periodically reviewed by the Board and the Board's Committees. We have developed a strategic recruitment programme which includes a number of initiatives to support recruitment, for example dedicated campaigns for specific services and international recruitment activities.

The Trust's People, Education Inclusion and Research Committee receives regular workforce performance reports to provide a consolidated overview of core workforce priorities and key performance indicators. The report also includes local and national benchmarking information. Metrics reported include: staff engagement, eRostering finalisation, job planning completion, vacancy rates, staff turnover rate, sickness absence, appraisal rates and training compliance. Key workforce metrics are also reported to the Trust Board within the Integrated Performance Report.

The People, Education Inclusion and Research Committee receives other workforce reports including the results of the annual national NHS staff survey and plans to support improvements based on responses to the survey, exception reports from the Guardians of Safe Working and from the Trust's Freedom to Speak Up Guardian, as well as bi-annual nurse establishment reviews.

Workforce planning is undertaken as part of the Trust's business planning cycle. Business cases to address any emerging changes to the Trust's workforce profile and to reduce the reliance on temporary staffing arrangements are also considered by the Trust's Investment Board throughout the year.

Workforce data is reviewed along with operational, finance and quality performance metrics as part of care group and site performance reviews to support the identification and escalation of any emerging risks.

In line with NHS Improvement's Developing Workforce Safeguards recommendations to support Trusts in making informed, safe and sustainable workforce decisions, there is regular reporting on nursing establishments to the People, Education Inclusion and Research Committee and to the Board to provide details of the staffing position including, care hours per patient day (CHPPD), vacancy rates and turnover rates, and to outline any trends. The

number of staff required per shift is calculated using an evidence based tool, the Safer Nursing Care Tool, which provides specific multipliers depending on the acuity and dependency levels of patients. The number is further informed by professional judgement, taking into consideration issues such as ward size and layout, staff skill mix, incidence of harm and patient satisfaction.

On a monthly basis the Trust-wide Nursing and Midwifery Workforce Governance Group provides oversight and supports future nursing and midwifery workforce planning.

Processes to support business-as-usual dynamic staffing risk assessments, include regular review of staffing levels, for example, daily staffing huddles, and weekly e-rostering reviews.

Compliance statements

The foundation trust has published on its website an up-to-date register of interests, including gifts and hospitality, for decision-making staff (as defined by the trust with reference to the guidance) within the past twelve months as required by the Managing Conflicts of Interest in the NHS guidance.

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

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

The Trust's most recent CQC well-led inspection (Feb 2023), assessed the Trust as well-led. During 2023/24, the Trust implemented a new board committee and executive governance structure aimed at further improve the oversight of risk and the delivery of the Trust's strategic objectives. The Trust was subject to review of its financial governance arrangements by NHS England. An action plan has been agreed and implementation will be overseen by the Board of Directors.

The Trust has arrangements in place to identify and mitigate risks to compliance with the NHS Foundation Trust licence condition 4 (8) (Foundation Trust governance) including the Board and Board committee structure (details are outlined above and in the Accountability Report), the risk management framework and site governance and performance arrangements.

The Trust is able to assure itself by considering information from a range of sources including:

- the Head of Internal Audit opinion and annual report;
- external auditor reports; and
- other external assurance reports e.g. the CQC Well-Led Inspection.

Review of Economy, Efficiency and Effectiveness of the Use of Resources

The Board reviews the annual planning process. Delivery of the financial plan is subject to scrutiny and oversight by the Finance and Commercial Committee and the Trust Board at each meeting. A trust-wide process is in place to oversee the development and approval of revenue and capital business cases and significant programmes are monitored by the Finance and Commercial Committee.

The Trust uses a range of key performance indictors (KPIs) to monitor performance. The Trust's performance management framework is aligned to care group leadership structure and regular performance reviews are held at a site and group level.

The Trust has a range of policies and procedures to support the financial control framework, and the Trust's Standing Financial Instructions were subject to a full review during 2022. The final document was agreed by the Trust's Board of Directors in December 2022. During 2023/24 the Trust's internal auditors reviewed the Trust's core financial controls which provided significant assurance with minor improvement opportunities.

In order to ensure that the Trust achieved its savings plan the Trust implemented enhanced governance to oversee the identification and delivery of its cost improvement programme (CIP). The Executive Efficiency Board monitors overall progress of the cost improvement programme and major programme achievement against key KPIs, acts as primary decision maker to address key blockers and approve mitigating actions to support continuity of the work streams and programme's delivery objectives and provide assurance that decisions taken support and enhance the quality and safety agenda of the Trust. The Trust agreed a CIP of £72m, which acknowledged to be ambitious at the start of the year, and was highlighted as a concern by the Trust's external auditors. Despite introducing enhanced controls through the year, including tightening recruitment so that only essential appointments were progressed, that target was missed.

The Trust's external auditors are required to assess the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources in line with the National Audit Office's Code of Audit Practice. The external auditors report the findings of their review to the Audit Committee. The conclusion from the 2023/24 review can be found later in this report.

Information Governance and Data Security

The Trust identified a strategic risk, as part of the refresh of the BAF, in relation to the IT infrastructure and the need to protect systems and data.

The Trust is required to process information (personal and corporate) in line with current standards set out in statute; Data Protection Legislation (including the Data Protection Act 2018 and the UK General Data Protection Regulations 2021) as well as other government guidance (for example, the NHS IG Assurance Framework).

Information Governance (IG) at the Trust comprises identified responsibilities and strategy, together with policy and procedures that enable staff to handle personal information in line with these requirements. This is overseen by the Trust Information Governance Steering Group (IGSG) which reports to the Risk and Governance Committee. The Chair of the IGSG

is the Chief Digital Information Officer in their role as the Senior Information Risk Owner (SIRO) with membership including key roles such as the Caldicott Guardian, Data Protection Officer, IG Manager, Information Security, Freedom of Information Lead, Head of Patient Records, and representatives across the Trust.

The Trust measures its compliance with the IG Assurance Framework via the NHS England Data Security and Protection Toolkit (DSPT). Assurance of compliance with DSPT standards is demonstrated by achievement of requirements set out in ISB 1512 Information Governance Standards Framework. This assurance is audited by King's internal auditors each year to support the Trust's position.

The annual submission date for the DSPT is 30 June, the DSPT result for the period 1 July 2022 to 30 June 2023 was reported in the last Annual Report, the result is repeated in this report because the submission date falls in the 2023/24 reporting period.

The Trust originally achieved an "Approaching Standards" with an agreed action plan with NHS England in June 2023. By July 2023, the Trust had agreed with NHS England that all actions were completed and republished our assessment as "Standards met" for the 2022/23 DSPT.

Work on the DSPT 2023/24 is ongoing, the results of which will be reported in the 2024/25 Annual Report.

The ICT department have obtained ISO27001 certification, this provides assurance that the information security measures that the Trust's ICT department has in place to protect personal and sensitive data are robust, effective and comply with international standards.

IG Incidents

During the financial year 2023/24 a total of 489 incidents were reported. Three were considered to be serious incidents but it was agreed that only two of these were required to be externally reported to the Information Commissioner's Office (ICO). This assessment is based on the criteria defined by NHS England (As part of DSPT process).

A further three Cyber incidents were identified that affected the Trust (reported to the ICO via the relevant Controllers) All incidents reported to the ICO have been closed and actions required locally have been completed.

ICO Complaints

There were nine complaints made to the ICO, eight were regarding Data Protection and one regarding Freedom of Information (FOI). Eight of the Data Protection related complaints have been closed, the FOI complaint is currently open.

Data quality and governance

To effectively design, implement, and measure improvements in patient care and patient safety the Trust requires high quality data. The Trust has a series of processes and controls in place to support improvements in the completeness and accuracy of data, including elective waiting list data. Many of these processes have been revised following the implementation of

our electronic health record (Epic) earlier this year, which necessitated significant changes in how the Trust oversees and manages data quality.

Prior to the installation of the Epic system, the Trust embarked on a comprehensive data quality programme of work focussed on patient demographic data cleansing as well as the review of open patient referrals to ensure that the Trust met the data quality standards required for migration to the new system, which were completed successfully in September 2023.

Since then, the Trust has focussed on re-establishing data quality checks and processes in the new system. This has included the development of multiple data quality dashboards within the Epic system itself, to support appropriate oversight and governance of pathways. The Trust has also maintain its Internal Activity Recording Panel to review and approve any proposed changes to the recording of Trust data following the go-live of the new system.

Improvements in the quality and accuracy of elective waiting time data continue to be supported by the Trust's referral to treatment (RTT) validation and RTT Data Quality Team. The RTT training team have developed new tools and training packages for all Trust staff who are involved in patient management. Other processes to support improvements in data quality include a trust-wide monthly RTT validation process, sample testing, and deep-dives to explore any areas of concern to identify root causes to inform training plans and/or process updates.

Data quality arrangements are also assessed as part of the Trust's annual internal audit plan supported by KPMG. In 2023/24, the review focused on outpatient processes. The review provided partial assurance with improvements required. The rating was driven by the need to:

- update standard operating procedures (SOPs) following the introduction of Epic,
- strengthen governance arrangements and
- address exceptions identified through sample testing.

An action plan has been agreed and progress in implementation is reported through the risk and governance committee.

Equality, Diversity and Inclusion

King's is an incredibly diverse organisation, serving diverse communities and we are incredibly proud of the rich cultural heritage provided by our staff, patients and local communities. Putting diversity, equality and inclusion at the heart of everything we do forms part of King's BOLD vision, which is set out in the Trust's five-year strategy.

The Trust's work in this area is led by an executive-level post, Director of Equality, Diversity and Inclusion, was created to accelerate the Trust's ambitious EDI agenda. The Trust has delivered the 'Road map to Inclusion' for 2022-2024, which sets out the steps the Trust will be taking over the next two years to make King's a more inclusive place to work, and to be treated.

The Roadmap was designed to help tackle inequalities through practical initiatives, such as making diverse recruitment panels mandatory for certain roles, increasing diversity in recruitment to research teams, and embedding an Equality Risk Assessment Framework (ERAF) in all new and reviewed policies.

The Trust reported progress regarding the gender pay gap, the workforce race equality standard (WRES) and the workforce disability equality standard (WDES) to the Trust's People, Education Inclusion and Research Committee along with plans to continue to make King's a better place to work. The Trust's gender pay gap data can be found here: Gender pay gap reports for King's College Hospital - Gender pay gap service (gender-pay-gap.service.gov.uk)

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

Review of Effectiveness

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

My review is also informed by comments made by the external auditors in their annual audit report and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee, and the Quality Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Board and its Committees continued to meet throughout the year to review and oversee the system of internal control and emerging risks. The Board has oversight of strategic risk. The Board and the Board's Committees continue to use the assurance framework to oversee the management and mitigation of strategic risks.

The Audit Committee has received reports from the Trust's internal and external auditors and other external reviewers during the year to support the committee's review of the risk management arrangements and governance framework**.**

The Board has also considered the outcomes of two further external reviews.

Given the scale and nature of the changes brought about by the implementation of Epic, the Trust, jointly with GSTT commissioned a review of Epic Reporting. The review's findings were in line with expectation and found clear ownership and accountability for data reporting, business intelligence and data quality, but found opportunities for improvement in relation to pace of delivery and balancing priorities. Other improvement opportunities identified included pathway management, training and leadership and governance. A full action plan is in place and delivery is being monitored through the Epic stabilisation governance.

On 22 November 2024, The Trust submitted an updated financial plan for H2 2023-24 to be consolidated within the plans submitted to NHSE by SEL. The plan and its trajectories committed the Trust to deliver a deficit of £42m in 2023-24 whilst delivering a range of other

agreed performance targets. On 8 January 2024, the Trust alerted SEL that the forecast outturn deficit would increase.

As a result, NHS England commissioned a review of the Trust's financial governance, focussed on gaining an understanding of key roles, responsibilities, relationships and accountabilities and how these factors impacted financial governance. The report made a series of recommendations aimed at embedding financial sustainability, board leadership and culture, accountability, shared understanding of the need to reconcile performance, activity workforce and financial plans with quality ambitions, and governance including understanding of risk, presentation of information and use of business intelligence. These recommendations will be addressed as part of the Trust's wider financial recovery programme through 2024/25.

2023/24 Internal Audit Programme

The Trust's internal auditors, KPMG LLP, develop an annual audit plan based on the Trust's objectives, risk profile and an assessment of existing sources of assurance. The 2023/24 plan was presented to the Audit Committee in March 2023. The reports, detailing the key findings and recommendations are reviewed by the Trust's Audit Committee.

Five areas were assessed as 'partial assurance with improvements required. Plans are in place to address the findings. The Risk and Governance Committee monitors progress with these actions and updates are provided to the Audit Committee.

The conclusions of each of the 2023/24 reviews are noted in the table below:

	Review *(core reviews)*	Assurance rating
1	DSP Toolkit	**Significant assurance with minor improvement opportunities**
2	Outpatient Processes *(data quality)*	**Partial assurance with improvements required**
3	HR Processes	**Partial assurance with improvements required**
4	Infection Control	**Significant assurance with minor improvement opportunities**
5	Medical Devices *(governance)*	**Significant assurance with minor improvement opportunities**
6	Core Financial Controls *(finance)*	**Significant assurance with minor improvement opportunities**
7	Care Group Risk Management *(risk)*	**Significant assurance with minor improvement opportunities**
8	Clinical Audits	**Significant assurance with minor improvement opportunities (National Clinical Audits)** **Partial assurance with improvements required (Local Clinical Audits)**
9	Management of Mental Health in ED	**Partial assurance with improvements required**
10	In and Outsourced Services: Pathology and Radiology	**Partial assurance with improvements required**

Head of Internal Audit Opinion

The overall Head of Internal Audit Opinion for the period 1 April 2023 to 31 March 2024 is that **'partial assurance with improvements required'** can be given to the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control**.**

The basis for forming the opinion includes:

- An assessment of the range of individual assurances arising from contemporary core reviews of financial systems, governance, risk management and data quality;
- An assessment of the range of individual assurances arising from their risk-based internal audit assignments that have been reported throughout the period. This assessment has taken account of the relative materiality of these areas; and
- An assessment of the implementation status of prior year actions raised from internal audit assignments. This assessment has taken account of the severity and nature of actions raised.

KPMG's annual report and opinion provides commentary to support their assessment as follows:

"We set out below the key drivers of our opinion in terms of the core and risk based reviews we completed in 2023/24 and the implementation of management actions arising as well as other relevant factors noted below.

The range of individual assurances arising from contemporary core reviews of financial systems, governance, risk management and data quality

Our core reviews of financial systems and risk management provided 'significant assurance with minor improvement opportunities'. Our core reviews of data quality and governance provided 'partial assurance with improvements required'. Our data quality work identified one high priority management action relating to the implementation of EPIC and challenges faced with data migration and maintenance of patient records. Management has agreed actions in place to address these issues.

The range of individual opinions arising from risk-based reviews contained within our risk-based plan that have been reported throughout the year

We provided 'significant assurance with minor improvement opportunities' for our risk-based reviews of infection control, DSP toolkit, medical devices and national clinical audits. We provided 'partial assurance with improvements required' for our risk-based reviews of:

- HR leavers and overpayments processes: this review identified issues relating to document retention, timeliness of leavers notifications, late processing of payslips and repayment plans for overpayments.
- Local clinical audits: this review identified issues relating to the review and approval of an annual plan of clinical audits, monitoring completion of the plan, use of templates and recoding the implementation of actions.
- In and outsourced Pathology and Radiology services: this review identified two high priority issues relating to procuring services and declarations of interest.

The implementation status of prior year actions raised from internal audit assignments

At the start of 2023/24 there were 18 live actions, of which 15 have now been implemented and 3 relating to our Temporary Staffing review are live relating to policy, overpayments and invoicing.

We raised 55 new actions in 2023/24, of which 9 have been implemented, 41 are not yet due and 1 is overdue (not high priority). Of the 55 actions raised 3 were high priority:

- One high priority action was raised in 2024/24 in our Outpatients review relating to data quality issues identified through our testing; and
- Two high priority actions were raised in our In and Outsourced Services – Pathology and Radiology review relating to procuring services and declarations of interest.

These actions are on track for completion in 2024/25.

Other relevant factors

In December 2022 NHS England moved the Trust from System Oversight Framework (SOF) segment 4 to SOF 3 in recognition of the significant improvements secured in how it plans, manages and oversees its financial position. In April 2024 NHS England returned the Trust to SOF 4. It will receive support from the National Recovery Support Programme in order to gain assurance that the financial governance challenges that led to the decision to place the Trust into segment 4 of the SOF are being sustainably addressed.

In addition NHS England commissioned a financial governance review in January 2024. It recommended actions around completing the HFMA and 'Grip and Control' checklists and for the Trust to consider whether current accountability arrangements need to be strengthened to provide assurance of ownership, commitment and delivery. As part of our 2024/25 internal audit plan we have agreed with Audit Committee to undertake a financial governance review in quarter one."

Conclusion

The Trust has risk management arrangements and an internal control framework in place, and as evidenced by the conclusions of a number of individual internal audit reviews, these provide significant assurance. However, the Head of Internal Audit Opinion has provided only partial assurance, and an external review of financial governance has highlighted significant areas for improvement. This has been underlined by the Audit Annual Report of the external auditor. In June 2024 the Audit and Risk Committee agreed that the criminal cyber-attack perpetrated against Synnovis, the provider of the Trust's pathology services on 3 June, was not, at this stage, a significant internal control weakness. As Accounting Officer, I have ensured action plans are in place and will ensure there is regular reporting to the Board of Directors on progress. No further significant control issues have been identified.

Professor Clive Kay **27 June 2024**
Chief Executive and Accounting Officer

ANNUAL ACCOUNTS 2023/24

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF GOVERNORS AND BOARD OF DIRECTORS OF KING'S COLLEGE HOSPITAL NHS FOUNDATIONTRUST

Report on the audit of the financial statements

Trust Accounts Consolidation (TAC) Summarisation Schedules for King's College Hospital NHS Foundation Trust

Summarisation schedules numbers TAC01 to TAC34 and accompanying WGA sheets for 2023/24 are attached.

Finance Director Certificate

1. I certify that the attached TAC schedules have been compiled and are in accordance with:
   - the financial records maintained by the NHS Foundation Trust
   - accounting standards and policies which comply with the Group Accounting Manual issued by the Department of Health and Social Care and
   - the template accounting policies for NHS Foundation Trusts issued by NHS Improvement, or any deviation from these policies has been fully explained in the Confirmation questions in the TAC schedules.
2. I certify that the TAC schedules are internally consistent and that there are no validation errors.
3. I certify that the information in the TAC schedules is consistent with the financial statements of the NHS Foundation Trust.

Roy Clarke, Chief Financial Officer
Date 27 June 2024

Chief Executive Certificate

1. I acknowledge the attached TAC schedules, which have been prepared and certified by the Chief Finance Officer, as the TAC schedules which the Foundation Trust is required to submit to NHS Improvement.
2. I have reviewed the schedules and agree the statements made by the Chief Finance Officer above.

Professor Clive Kay Chief Executive Officer
Date: 27 June 204

Independent auditor's report to the Council of Governors of King's College Hospital NHS Foundation Trust

Report on the audit of the financial statements

Opinion on financial statements

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

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

In auditing the financial statements, we have concluded that the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Annual Report and Accounts, other than the financial statements and our auditor's report thereon. The Accounting Officer is responsible for the other information contained within the Annual Report and Accounts. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

We have nothing to report in this regard.

Opinion on other matters required by the Code of Audit Practice

In our opinion:

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of the Accounting Officer

As explained more fully in the Statement of the Chief Executive's responsibilities as the accounting officer, the Chief Executive, as Accounting Officer, is responsible for the preparation of the financial statements in the form and on the basis set out in the Accounts Directions included in the NHS Foundation Trust Annual Reporting Manual 2023/24, for being satisfied that they give a true and fair view, and for such internal control as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accounting Officer is responsible for assessing the group's and the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer has been informed by the relevant national body of the intention to dissolve the Trust and the group without the transfer of the services to another public sector entity.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and Trust and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks (international accounting standards and the National Health Service Act 2006, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2023-24).
- We enquired of management and the Audit and Risk Committee, concerning the group and Trust's policies and procedures relating to:
  - the identification, evaluation and compliance with laws and regulations;
  - the detection and response to the risks of fraud; and
  - the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.
- We enquired of management, internal audit and the Audit and Risk Committee, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- We assessed the susceptibility of the group and Trust's financial statements to material misstatement, including how fraud might occur, evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls and fraud in income and expenditure recognition. We determined that the principal risks were in relation to:
  - journal entries that improved the Trust's or group's financial performance for the year;
  - the occurrence and accuracy of income relating to the Trust, in particular income that varies based on activity, and the existence and accuracy of the related receivables;
  - the completeness of non-pay expenditure and payables for the Trust;
  - potential management bias in determining accounting estimates and judgements, in particular those in relation to the valuation of the Trust's land and buildings.
- Our audit procedures involved:

- evaluation of the design effectiveness of controls that management has in place to prevent and detect fraud;
- journal entry testing, with a focus on [significant journals at the end of the financial year which improved the Trust's or group's financial performance;
- substantive testing of income for the Trust with a focus on income recognition, along with substantive testing of a sample of receivables for the Trust;
- testing a sample of non-pay cash payments made and invoices received after the year end;
- challenging assumptions and judgements made by management in its significant accounting estimates in respect of land and building valuations for the Trust;
- assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.

- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members, including the potential for fraud in revenue and expenditure recognition in the Trust accounts, and the significant accounting estimates related to land and buildings valuations for the Trust. We remained alert to any indications of non-compliance with laws and regulations, including fraud, throughout the audit.
- Our assessment of the appropriateness of the collective competence and capabilities of the group and Trust's engagement team and component auditors included consideration of the engagement team's and component auditor's:
  - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
  - knowledge of the health sector and economy in which the group and Trust operates
  - understanding of the legal and regulatory requirements specific to the group and Trust including:
    - the provisions of the applicable legislation
    - NHS England's rules and related guidance
    - the applicable statutory provisions.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
  - The group and Trust's operations, including the nature of its income and expenditure and its services and of its objectives and strategies to understand the classes of transactions, account balances, financial statement consolidation processes, expected financial statement disclosures and business risks that may result in risks of material misstatement.
  - The group and Trust's control environment, including the policies and procedures implemented by the group and Trust to ensure compliance with the requirements of the financial reporting framework.
- For components at which audit procedures were performed, we requested component auditors to report to us instances of non-compliance with laws and regulations that gave rise to a risk of material misstatement of the group financial statements. No such matters were identified by the component auditors.

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

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

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

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

We have nothing to report in respect of the above matter except:

- On 13 June 2024 we identified a significant weakness in the Trust's financial sustainability arrangements. This was in relation to the short and medium-term financial challenges faced by the Trust, and issues raised by an external governance review. We recommended that:
    - As a priority the Trust needs to develop further its CIP programme and work with system partners to identify wider opportunities to support this and a pipeline of wider transformation opportunities for the medium and longer term. The programme, underpinned by robust assumptions, needs to be validated and owned by staff delivering the services and should be triangulated with other supporting plans, for example workforce and activity plans, as well as with system plans
    - Through engagement with stakeholders both internal and external the Trust should develop a robust financial strategy and medium-term plan that sets a realistic trajectory to a sustainable financial position and without undue reliance on non-recurrent measures.
- On 13 June 2024 we identified a significant weakness in the Trust's governance arrangements. Significant governance issues have been raised in 2023/24, culminating in the Trust re-entering segment 4 of the NHS Oversight Framework (NOF 4) and the Recovery Support Programme (RSP) in April 2024. We recommended that:
    - The Trust should continue to maintain enhanced oversight and continue to work with system partners and NHS England to agree and implement the actions in the transformation and improvement programme linked to the governance issues raised in 2023/24 and subsequent NOF4 entry. The remit and effectiveness of Trust groups and committees should be also be reviewed as part of the consideration of risk management and escalation/reporting processes at the Trust. The Trust also needs to ensure it keeps under review the resources allocated to this critical improvement programme to ensure it moves at the pace the actions warrant and enhanced oversight should continue as the actions and timelines are further developed and refined in 2024/25.

Responsibilities of the Accounting Officer

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

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

We are required under paragraph 1 of Schedule 10 of the National Health Service Act 2006 to be satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

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

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

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

Report on other legal and regulatory requirements – Certificate

We cannot formally conclude the audit and issue an audit certificate for King's College Hospital NHS Foundation Trust for the year ended 31 March 2024 in accordance with the requirements of the National Health Service Act 2006 and the Code of Audit Practice until we have completed the work necessary to issue our Whole of Government Accounts Component Assurance statement for the Trust for the year ended 31 March 2024. We are satisfied that this work does not have a material effect on the financial statements for the year ended 31 March 2024.

Use of our report

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Trust's Council of Governors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Trust's Council of Governors as a body, for our audit work, for this report, or for the opinions we have formed.

Paul Dossett

Paul Dossett, Key Audit Partner

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

London

27 June 2024

Independent auditor's report to the directors of King's College Hospital NHS Foundation Trust

In our auditor's report issued on 27 June 2024, we explained that we could not formally conclude the audit and issue an audit certificate for the Trust for the year ended 31 March 2024, in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice, until we completed the work necessary to issue our Whole of Government Accounts Component Assurance statement for the Trust for the year ended 31 March 2024. We have now completed this work.

Opinion on the financial statements

In our auditor's report for the year ended 31 March 2024 issued on 27 June 2024 we reported that, in our opinion the financial statements:

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

No matters have come to our attention since 27 June 2024 that would have a material impact on the financial statements on which we gave this opinion.

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

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

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

In our auditor's report for the year ended 31 March 2024 issued on 27 June 2024 we reported that we have nothing to report in respect of the above matter except:

- On 13 June 2024 we identified a significant weakness in the Trust's financial sustainability arrangements. This was in relation to the short and medium-term financial challenges faced by the Trust, and issues raised by an external governance review. We recommended that:
    - As a priority the Trust needs to develop further its CIP programme and work with system partners to identify wider opportunities to support this and a pipeline of wider transformation opportunities for the medium and longer term. The programme, underpinned by robust assumptions, needs to be validated and owned by staff delivering the services and should be triangulated with other supporting plans, for example workforce and activity plans, as well as with system plans
    - Through engagement with stakeholders both internal and external the Trust should develop a robust financial strategy and medium-term plan that sets a realistic trajectory to a sustainable financial position and without undue reliance on non-recurrent measures.
- On 13 June 2024 we identified a significant weakness in the Trust's governance arrangements. Significant governance issues have been raised in 2023/24, culminating in the Trust re-entering segment 4 of the NHS Oversight Framework (NOF 4) and the Recovery Support Programme (RSP) in April 2024. We recommended that:
    - The Trust should continue to maintain enhanced oversight and continue to work with system partners and NHS England to agree and implement the actions in the transformation and improvement programme linked to the governance issues raised in 2023/24 and subsequent NOF4 entry. The remit and effectiveness of Trust groups and committees should be also be

reviewed as part of the consideration of risk management and escalation/reporting processes at the Trust. The Trust also needs to ensure it keeps under review the resources allocated to this critical improvement programme to ensure it moves at the pace the actions warrant and enhanced oversight should continue as the actions and timelines are further developed and refined in 2024/25.

Report on other legal and regulatory requirements – Audit certificate

We certify that we have completed the audit of King's College Hospital NHS Foundation Trust for the year ended 31 March 2024 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice.

Use of our report

This report is made solely to the directors of the Trust, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014. Our audit work has been undertaken so that we might state to the Trust's directors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Trust's directors as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Thornton UK LLP

Paul Dossett, Key Audit Partner
for and on behalf of Grant Thornton UK LLP, Local Auditor

London

3 July 2024

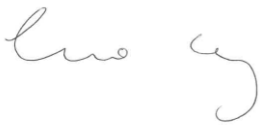
King's College Hospital NHS
NHS Foundation Trust

Final Annual Accounts
for the year ended 31 March 2024

FOREWORD TO THE ACCOUNTS

King's College Hospital NHS Foundation Trust

These accounts, for the year ending 31 March 2024, have been prepared by King's College Hospital NHS Foundation Trust in accordance with paragraphs 24 and 25 of Schedule 7 to the National Health Service Act 2006 and comply with the guidance for NHS Foundation Trusts within the Department of Health Group Accounting Manual.



Signed: Date: 27 June 2024

Prof Clive Kay
Chief Executive

Statement of the Chief Executive's responsibilities as the Accounting Officer of King's College Hospital NHS Foundation Trust

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

NHS England, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require King's College Hospital 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 King's College Hospital NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

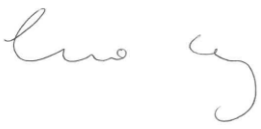
In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Department of Health Group Accounting Manual and in particular to:

- observe the Accounts Direction issued by NHS Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the *NHS Foundation Trust Annual Reporting Manual (and the Department of Health 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.

The accounting officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS foundation trust and to enable him/her to ensure that the accounts comply with requirements outlined in the above mentioned Act. The Accounting Officer is also responsible for safeguarding the assets of the NHS foundation trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As far as I am aware, there is no relevant audit information of which the foundation trust's auditors are unaware, and I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in the NHS Foundation Trust Accounting Officer Memorandum.

Signed:  Date: 27 June 2024

Prof Clive Kay
Chief Executive

Consolidated Statement of Comprehensive Income for year ended 31 March 2024

		Group	
		2023-24	2022-23
	Note	**£000**	£000
Operating income from patient care activities	2.1, 2.2	**1,659,633**	1,586,925
Other operating income	2.1	**136,351**	135,940
Total operating income from continuing operations		**1,795,984**	1,722,865
Operating expenses	3.1	**(1,848,889)**	(1,742,220)
Operating deficit from continuing operations		**(52,905)**	(19,355)
Finance income and costs			
Finance income		**3,067**	1,528
Finance expenses	5	**(56,036)**	(30,151)
Public Dividend Capital dividends payable		**(12,210)**	(15,723)
Net finance costs		**(65,179)**	(44,346)
Other (losses) / gains	7	(681)	255
Share of profit of associates and joint ventures	7.1	(209)	(393)
Corporation tax expense		37	(752)
Deficit from continuing operations		**(118,937)**	(64,591)
Deficit for the year		**(118,937)**	(64,591)
Other comprehensive expense, that will not be reclassified subsequently to income and expenditure			
Impairments	6	**(24,996)**	(73,860)
Revaluations	21	**26,199**	26,663
Fair value gains/(losses) on equity instruments designated at FV through OCI		**1,551**	125
Other reserve movements		**(135)**	(94)
Total other comprehensive income		**2,619**	(47,166)
Total comprehensive expense for the year		**(116,318)**	(111,757)
Allocation of losses for the year			
Deficit for the year attributable to:			
(i) non-controlling interest; and		-	-
(ii) Trust		**(118,937)**	(64,591)
Total		**(118,937)**	(64,591)
Total comprehensive expense for the year attributable to:			
(i) non-controlling interest; and		**-**	-
(ii) Trust		**(116,318)**	(111,757)
Total		**(116,318)**	(111,757)

Consolidated Statement of Comprehensive Income for year ended 31 March 2024 (continued)

		Group	
	Note	**2023-24**	2022-23
Note to Statement of Comprehensive Income		**£000**	£000
Total comprehensive income / (expense) for the year		**(116,318)**	(111,757)
Add back other comprehensive expenses		**(2,619)**	47,166
Deficit for the year		**(118,937)**	(64,591)
Add back impairments and reversal of impairments *	3.1, 6	**22,267**	45,149
Remove capital donations / grants I&E impact		**(602)**	(521)
Adjust for impact of IFRS 16 Implementation to PFI		**18,542**	0
Adjusted financial performance		**(78,730)**	(19,963)

** This is the total impairments and impairment reversals charged to the Consolidated Statement of Comprehensive Income in the year as disclosed in note 3.1 and note 6.*

The adjusted financial performance is the primary view which is used by the Board of Directors to monitor the Trust's financial performance and is in line with NHS England's financial performance measure.

The Group's deficit for the year was £118.937m and this figure includes allowable asset impairments of £22.3m. This charge relates to impairments that arise from changes in market value of Land and Buildings assets and intangible assets. The NHSE financial performance measures the surplus/(deficit) before impairments and the impact of donated assets.

In accordance with Section 408 of the Companies Act 2006, the Trust is exempt from the requirement to present its own income statement and statement of comprehensive income. The unconsolidated deficit relating to the Foundation Trust for the year ended 31 March 2024 is £131.7m (2023: £74.1m) and total operating income for the year is £1,790m (2023: £1,724m).

Statements of Financial Position as at 31 March 2024

		Group		Trust	
		31 March 2024	31 March 2023	**31 March 2024**	31 March 2023
	Note	**£000**	£000	**£000**	£000
Non-current assets					
Intangible assets	8	**46,750**	36,084	**46,013**	35,276
Property, plant and equipment	9	**665,728**	674,077	**597,058**	610,521
Right of Use Assets	10	**107,165**	110,057	**172,952**	170,576
Investment in associates, joint ventures and subsidiaries	11.1,11.2	**6,319**	5,620	**250**	250
Other investments	11.4	**4,344**	2,460	**4,011**	2,460
Receivables	13	**20,964**	24,690	**60,032**	76,746
Total non-current assets		**851,270**	852,988	**880,316**	895,829
Current assets					
Inventories	12	**25,152**	22,208	**7,324**	7,922
Receivables	13	**70,419**	102,166	**69,635**	98,695
Cash and cash equivalents	14	**72,561**	57,605	**62,797**	36,775
Total current assets		**168,132**	181,979	**139,756**	143,392
Total assets		**1,019,402**	1,034,967	**1,020,072**	1,039,221
Current liabilities					
Trade and other payables	15	**(188,227)**	(205,283)	**(172,177)**	(184,859)
Borrowings	17	**(27,075)**	(22,833)	**(37,278)**	(31,910)
Provisions	18	**(4,828)**	(2,416)	**(4,828)**	(2,416)
Other liabilities	16	**(25,672)**	(15,793)	**(25,688)**	(15,776)
Total current liabilities		**(245,802)**	(246,325)	**(239,971)**	(234,961)
Net current (liabilities) / assets		**(77,670)**	(64,346)	**(100,215)**	(91,569)
Total assets less current liabilities		**773,600**	788,642	**780,101**	804,260
Non-current liabilities					
Borrowings	17	**(373,351)**	(267,917)	**(427,100)**	(318,134)
Provisions	18	**(3,550)**	(4,431)	**(3,549)**	(4,431)
Total non-current liabilities		**(376,901)**	(272,348)	**(430,649)**	(322,565)
Total assets employed		**396,699**	516,294	**349,452**	481,695
Financed by:					
Taxpayers' equity					
Public Dividend Capital		**1,200,314**	1,103,498	**1,200,314**	1,103,498
Revaluation reserve	21	**165,219**	164,016	**165,219**	164,017
Financial assets at FV through Other Comprehensive Income reserve		**3,329**	1,778	**1,551**	-
Income and expenditure reserve		**(972,163)**	(752,998)	**(1,017,632)**	(785,820)
Total taxpayers' equity		**396,699**	516,294	**349,452**	481,695

The notes on pages 5 and 10 to 58 form part of these accounts.

The financial statements on pages 4 to 9 were approved by the Board on 27 June 2024 and signed on its behalf by

Signed: **Date: 27 June 2024**

Prof Clive Kay
Chief Executive

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2024

Group	Note	Public Dividend Capital £000	Revaluation reserve £000	Financial assets at FV through Other Comprehensive Income reserve £000	Income and expenditure reserve £000	Total reserves £000
Taxpayers' and others' equity at 1 April 2023 - brought forward		1,103,498	164,016	1,778	(752,998)	**516,294**
Application of IFRS 16 measurement principles to PFI liability on 1 April 2023		-	-	-	(100,093)	**(100,093)**
Deficit for the year		-	-	-	(118,937)	**(118,937)**
Impairments	21	-	(24,996)	-	-	**(24,996)**
Revaluations - property, plant and equipment	21	-	26,199	-	-	**26,199**
Fair value gains on equity instruments designated at FV through OCI		-	-	1,551	-	**1,551**
Share of comprehensive income from associates and joint ventures		-	-	-	-	**-**
Public Dividend Capital received		96,816	-	-	-	**96,816**
Other reserve movements		-	-	-	(135)	**(135)**
Taxpayers' and others' equity at 31 March 2024		**1,200,314**	**165,219**	**3,329**	**(972,163)**	**396,699**
Taxpayers' and others' equity at 1 April 2022 - brought forward		1,063,739	211,213	1,579	(688,239)	588,292
Deficit for the year		-	-	-	(64,591)	(64,591)
Impairments	21	-	(73,860)	-	-	(73,860)
Revaluations - property, plant and equipment	21	-	26,663	-	-	26,663
Transfer to retained earnings on disposal of assets		-	-	-	-	-
Fair value gains on equity instruments designated at FV through OCI		-	-	125	-	125
Share of comprehensive income from associates and joint ventures		-	-	-	-	-
Public Dividend Capital received		39,759	-	-	-	39,759
Other reserve movements		-	-	74	(168)	(94)
Taxpayers' and others' equity at 31 March 2023		1,103,498	164,016	1,778	(752,998)	516,294

Trust	Note	Public Dividend Capital £000	Revaluation reserve £000	Financial assets at FV through Other Comprehensive Income reserve £000	Income and expenditure reserve £000	Total reserves £000
Taxpayers' and others' equity at 1 April 2023 - brought forward		**1,103,498**	**164,017**	**-**	**(785,820)**	**481,695**
Application of IFRS 16 measurement principles to PFI liability on 1 April 2023		**-**	**-**	**-**	**(100,093)**	**(100,093)**
Deficit for the year		-	-	-	**(131,690)**	**(131,690)**
Impairments	21	-	(24,996)	-	-	**(24,996)**
Revaluations - property, plant and equipment	21	-	26,199	-	-	**26,199**
Fair value gains on equity instruments designated at FV through OCI		-	-	1,551	-	**1,551**
Public Dividend Capital received		96,816	-	-	-	**96,816**
Taxpayers' and others' equity at 31 March 2024		**1,200,314**	**165,219**	**1,551**	**(1,017,603)**	**349,481**
Taxpayers' and others' equity at 1 April 2022 - brought forward		1,063,739	211,213	-	(711,736)	563,216
Deficit for the year		-	-	-	(74,084)	(74,084)
Impairments	21	-	(73,860)	-	-	(73,860)
Revaluations - property, plant and equipment	21	-	26,664	-	-	26,664
Public Dividend Capital received		39,759	-	-	-	39,759
Taxpayers' and others' equity at 31 March 2023		1,103,498	164,017	-	(785,820)	481,695

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2024 (continued)

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.

Income and expenditure reserve
The balance of this reserve is the accumulated surpluses and deficits of the trust.

Financial assets at FV through Other Comprehensive Income reserve
This reserve holds the valuation gain in respect of the PIK note held by the group.
The Trust holds this PIK note as a result of a historic transaction in which it received a combination of cash and other benefits for the sale of a business. The instrument entitles the Trust to dividends and also the ability to cash out in two tranches in the future.
The PIK (payment in kind) note is a financial instrument which enables the issuer to defer dividend payments until the instrument matures. The dividend expense is not paid in cash but accrued onto the balance of the instrument.

Statement of Cash Flows for the year ended 31 March 2024

		Group		Trust	
		2023-24	2022-23	**2023-24**	2022-23
	Note	**£000**	£000	**£000**	£000
Cash flows from operating activities					
Operating surplus / (deficit) from continuing operations		**(52,905)**	(19,355)	**(69,454)**	(31,321)
Non-cash income and expense					
Depreciation and amortisation	3.1	**57,472**	52,145	**53,386**	50,163
Net Impairments	3.1	**21,134**	45,149	**22,267**	45,149
Income recognised in respect of capital donations		**(2,146)**	(2,048)	**(121)**	(2,048)
(Increase)/Decrease in trade and other receivables		**34,817**	(27,172)	**45,118**	(11,988)
(Increase)/Decrease in inventories		**(2,944)**	(473)	**598**	6
Increase/(Decrease) in trade and other payables		**(13,277)**	9,100	**(8,903)**	2,232
Increase/(Decrease) in other liabilities		**9,879**	152	**9,912**	268
Increase/(Decrease) in provisions		**1,493**	(172)	**1,492**	(137)
Corporation Tax Paid		**288**	(519)	**-**	-
Other movements in operating cash flows		**1,099**	279	**1,029**	756
Net cash used in operations		**54,910**	57,086	**55,324**	53,080
Cash flows used in investing activities					
Interest received		**3,067**	1,528	**6,400**	3,692
Purchase of financial assets		**(333)**	(675)	**-**	(2,125)
Purchase of intangible assets	8	**(19,191)**	(7,330)	**(19,000)**	(6,793)
Purchase of property, plant and equipment	9	**(50,054)**	(61,586)	**(36,181)**	(46,279)
Sales of property, plant and equipment		**126**	4,006	**350**	462
Receipt of cash donation to purchase asset		**121**	2,048	**121**	2,048
Net cash used in investing activities		**(66,264)**	(62,009)	**(48,310)**	(48,995)
Cash flows from financing activities					
Public Dividend Capital received		**96,816**	39,759	**96,816**	39,759
Movement in loans from the Department of Health and Social Care		**(3,418)**	(3,418)	**(3,418)**	(3,418)
Movement in other loans		**(640)**	(875)	**(640)**	(640)
Capital element of lease liability repayments		**(12,127)**	(11,698)	**(18,986)**	(18,382)
Capital element of PFI and other service concession	22.3	**(12,481)**	(6,135)	**(12,481)**	(6,135)
Interest on DHSC loans		**(1,019)**	(1,116)	**(1,019)**	(1,116)
Interest on other loans		**(49)**	(11)	**(49)**	-
Other Interest		**(1)**	(31)	**(1)**	-
Interest paid on lease liability repayments		**(1,120)**	(848)	**(1,563)**	(1,181)
Interest element of PFI and other service concession obligations		**(26,069)**	(28,208)	**(26,069)**	(28,208)
Public Dividend Capital dividend paid		**(13,582)**	(17,882)	**(13,582)**	(17,882)
Net cash from financing activities		**26,310**	(30,463)	**19,008**	(37,203)
Increase / (decrease) in cash and cash equivalents		**14,956**	(35,386)	**26,022**	(33,118)
Cash and cash equivalents at 1 April		**57,605**	92,991	**36,775**	69,893
Cash and cash equivalents at 31 March		**72,561**	57,605	**62,797**	36,775

Notes to the accounts

1. Accounting policies

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 Going concern

The Trust has prepared its annual report and accounts on a going concern basis.
Non-trading entities in the public sector are assumed to be going concerns where the continued provision of a service in the future is anticipated, as evidenced by inclusion of financial provision for that service in published documents. The Trust has confirmed that this is applicable to its own services.

1.2 Accounting convention

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

Consolidated Accounts

1.3 Basis of Consolidation

Charitable funds
The King's College Hospital Charity and Friends of King's are independent charities and are not under the control of the Foundation Trust. Therefore, these charities have not been consolidated within these accounts.

1.3.1 Subsidiaries
Subsidiary entities are those over which the Foundation Trust is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The income, expenses, assets, liabilities, equity and reserves of subsidiaries are consolidated in full into the appropriate financial statement lines. The amounts consolidated are drawn from the draft financial statements of the subsidiaries for the year. Where subsidiaries' accounting policies are not aligned with those of the Foundation Trust then the amounts are adjusted during consolidation where the differences are material. Inter-entity balances, transactions and gains/losses are eliminated in full on consolidation.

The Foundation Trust has a wholly owned subsidiary company, KCH Commercial Services Ltd, which wholly owns KCH Management Ltd. The accounts for these companies have been consolidated into the group accounts.

In 2016/17, the Foundation Trust formed King's Interventional Facilities Management LLP in partnership with Kings Commercial Services Ltd. The accounts for this partnership have been consolidated into the Trust's annual accounts.

1. Accounting Policies (continued)

The primary statements and notes to the accounts have been presented with separate 'Group' and 'Trust' columns. Where the difference between the 'Group' and 'Trust' figures is considered immaterial, the 'Trust' version of the note has been omitted.

In accordance with Section 408 of the Companies Act 2006, the trust is exempt from the requirement to present its own income statement and statement of comprehensive income. The trust's deficit for the period was (£131.8m) (2022/23: (£74.1m)).

1.3.2 Associates

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

1.3.3 Joint ventures

Joint ventures are arrangements in which the Foundation 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.

1.3.4 Joint operations

Joint operations are arrangements in which the Foundation 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 Foundation Trust includes within its financial statements its share of the assets, liabilities, income and expenses.

1.4 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Trust's accounting policies, management is required to make various judgements, estimates and assumptions. These are regularly reviewed.

In the application of the Foundation Trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on an on-going basis.
Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

1.4.1 Critical judgements in applying accounting policies

The Trust has applied critical judgement in assessing the timing of asset recognition of its electronic patient records system, which entered a period of stabilisation between switch on and asset recognition in March 2024. This asset was valued at £50m prior to recognition (£47m within intangibles and the balance in other PPE), and was revalued at recognition.

1. Accounting Policies (continued)

1.4.2 Sources of estimation uncertainty

The following are assumptions about 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:

Estimate - Revaluation of Land and Buildings

Revaluations of property, plant and equipment are performed with sufficient regularity to ensure that carrying values are not materially different from those that would be determined at the end of the reporting period. Current values in existing use are determined as follows:

Non-specialised buildings and Land –market value for existing use

Land (Denmark Hill Site) –alternative site basis, based on patient postcode analysis
Specialised buildings –depreciated replacement cost on a modern equivalent asset basis.

The Trust seeks professional advice from its valuers' annually in determining the value of its land and buildings. The values in the valuer's report have been used to inform the measurement of property assets at valuation in these financial statements. The RICS qualified valuer exercised their professional judgement in providing the valuation and it remains the best information available to the Trust. However, the valuer uses informed assumptions regarding obsolescence, rebuild rates and the area of the sites required to accommodate modern equivalent assets with the same service potential which could change and have a material impact on the valuation. The Trust has also used an external advisor to assess the assumptions regarding modern equivalent assets used, with new assumptions adopted in the current year, particularly reflecting MEA land requirements.

Consequences of Change in Estimate

The net book value at 31 March 2024 of the Trust's Property, Plant & Equipment valued by professional valuers and reflected in these financial statements is £522.6m. A change in the estimated values would result in changes to the Revaluation Reserve and / or a loss or gain recorded as appropriate in the Statement of Comprehensive Income. If the value of land and buildings were to change by 5% this would result in a movement of around £26.1m.

Additional changes in modern equivalent asset assumptions made in year would be expected to lead to significant changes in the estimated values of land and buildings. The changes in assumptions adopted in the current year have led to a reduction in land and building values of around £16.9m.

It is also noted that land valuations, which are based on a notional appraisal are very sensitive to input parameters, with small variations in input leading to potentially large movements in value.

The Trust makes a number of other estimates in its financial accounts, which are not considered to be at risk of material uncertainty.

1. Accounting Policies (continued)

1.5 Operating segments

The Foundation Trust has a number of business divisions which are aggregated under one reportable segment being the provision of healthcare. The Foundation Trust provides Private Patient, Research and Development and Training and Education services within this healthcare sector, but as they do not have a material impact, they are aggregated under this one reportable segment. Note 2 entitled "Operating Income" includes the relevant income figures for these services.

The subsidiary figures have not been disclosed separately in this note as the SoCI has been prepared on a group only basis. Separate Group and Trust only SoFP information has been provided. The subsidiaries support the Trust in the overall provision of healthcare.

1.6 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. TheTrust typically applies standard payment terms of 30 days to all invoices raised.

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

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

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

In 2022/23 fixed payments were set at a level assuming the achievement of elective activity targets within aligned payment and incentive contracts.

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 BTP 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.

1. Accounting Policies (continued)

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.

1.7 Other Forms of Income

1.7.1 Revenue grants and donations
Government grants are grants from government bodies other than income from commissioners or trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure. Where the grant is used to fund capital expenditure, it is credited to the consolidated statement of comprehensive income once conditions attached to the grant have been met. Donations are treated in the same way as government grants.

1.7.2 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. Accounting policies (continued)

1.8 Expenditure on employee benefits

1.8.1 Short-term employee benefits
Salaries, wages and employment-related payments, such as social security costs and the apprenticeship levy, are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

1.8.2 Pension Costs
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 the 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 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 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 operating expenses at the time the foundation trust commits itself to the retirement, regardless of the method of payment.

1.9 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.

1.9.1 Value added tax
Most of the activities of the Foundation Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.10 Corporation tax

The Finance Act 2004 amended S519A Income and Corporation Taxes Act 1988 provided power to the Treasury to make certain non-core activities of Foundation Trusts potentially subject to corporation tax. This legislation is effective from September 12 2005. Any outstanding payments of corporation tax as at the end of the financial year are provided for in the Statement of Comprehensive Income. The Foundation Trust did not incur Corporation Tax in 2023/24 as the Foundation Trust did not generate any taxable income. Corporation Tax is payable on profits made in the Trust's trading subsidiary companies.

1. Accounting policies (continued)

1.11 Property, plant and equipment

1.11.1 Recognition

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential will be supplied to the foundation trust;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and either
- 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 a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

1.11.2 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.

1.11.3 Measurement and Valuation

All property, plant and equipment is measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

Assets are measured subsequently at valuation. Assets which are held for their service potential and are in use (i.e. operational assets used to deliver either front line services or back office functions) are measured at their current value in existing use. Assets that were most recently held for their service potential but are surplus with no plan to bring them back into use are measured at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Revaluations are performed with sufficient regularity to ensure that carrying amounts 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; and
Specialised buildings – depreciated replacement cost on a modern equivalent asset basis.

1. Accounting policies (continued)

For specialised assets, current value in existing use is interpreted as the present value of the asset's remaining service potential, which is assumed to be at least equal to the cost of replacing that service potential. Specialised assets are therefore valued at their depreciated replacement cost (DRC) on a modern equivalent asset (MEA) basis. An MEA basis assumes that the asset will be replaced with a modern asset of equivalent capacity and location requirements of the services being provided. Assets held at depreciated replacement cost have been valued on an alternative site basis where this would meet the location requirements. The Trust uses an external advisor to inform MEA assumptions.

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.

Valuations are carried out by professionally qualified valuers in accordance with the Royal Institute of Chartered Surveyors (RICS) Valuation – Global Standards (effective from 31st January 2020).
Land and buildings are revalued by full site inspection every three years, with desktop valuations on interim years The last asset valuations were undertaken as at 31 March 2024 by a RICS Registered Valuer from Avison Young (Kerry Maguire) on a desktop basis.

Depreciated Replacement Cost (DRC) is recognised under IAS 16 as a method of valuation for financial reporting purposes. DRC assessments were undertaken for those assets considered to be specialised properties (e.g. NHS patient treatment facilities). The Department of Health and Social Care has adopted the Modern Equivalent Asset approach (MEA) in carrying out the DRC assessment method.

Depreciated Replacement Cost has been adopted because of the asset classification as specialist properties which are rarely sold in the open market. The MEA approach is based on valuing the cost of a modern equivalent asset that has the same service potential as the existing asset and then adjusted to take account of obsolescence.

Only that plant and machinery forming part of the building services installations has been included. Total external works for each site have been allocated to each building based upon a percentage of replacement build costs adopted.

The valuation included the Foundation Trust's PFI schemes.

The carrying values of property, plant and equipment are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable. The costs arising from financing the construction of the property, plant and equipment are not capitalised but are charged to the Statement of Comprehensive Income in the year to which they relate. All impairments resulting from price changes are charged to the Statement of Comprehensive Income. If the balance on the revaluation reserve is less than the impairment the difference is taken to the Statement of Comprehensive Income.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately. Assets are revalued and depreciation commences when they are brought into use.

IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful lives or low values or both, as this is not considered to be materially different from current value in existing use.

1.12 Intangible assets

1.12.1 Recognition
Intangible assets are non-monetary assets without physical substance, which are capable of being sold separately from the rest of the Foundation Trust's business or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, the trust; where the cost of the asset can be measured reliably.

1. Accounting policies (continued)

Software
Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset.

Internally generated intangible assets
Internally generated goodwill, brands, mastheads, publishing titles, customer, lists and similar items are not capitalised as intangible assets. Expenditure on research is not capitalised. Expenditure on development is capitalised when it meets the requirements set out in IAS 38.

1.12.2 Measurement
Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently, intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

1.13 Depreciation, amortisation and impairments

Items of property, plant and equipment are depreciated over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

Property, plant and equipment which has been reclassified as 'Held for Sale' ceases to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the foundation trust, respectively.

Buildings, installations and fittings are depreciated on their current value on a straight line basis over the estimated remaining life of the asset as advised by the valuer.

Equipment is depreciated on current cost evenly over the useful economic life of the asset. Standard useful economic lives are estimated for each major category of equipment and individual lives will only be applied where it is clear that the standard lives are materially inappropriate.

Useful economic lives reflect the total life of an asset and not the remaining life of an asset. The major categories and their useful economic lives are:

furniture - 7 - 10 years;
office and IT equipment - 5 - 8 years;
soft furnishings - 7 - 10 years;
medical and other equipment - 5 - 15 years.

Useful economic lives of building assets are provided through the annual independent valuation process and range from 4 - 62 years.
Leased assets (including land) are depreciated over the shorter of the useful economic life or the lease term, unless the trust expects to acquire the asset at the end of the lease term in which case the assets are depreciated in the same manner as owned assets above.

1. Accounting policies (continued)

Amortisation
Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Useful economic lives reflect the total life of an asset and not the remaining life of an asset. Standard useful economic lives are estimated for each major category of equipment and individual lives will only be applied where it is clear that the standard lives are materially inappropriate.

The Trust amortise intangibles over the following useful lives range:
software license, 3 - 10 years;
development cost, 5 - 10 years.

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 had previously been recognised in operating expenses, in which case they are recognised as 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 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 DHSC GAM, impairments that arise from a clear consumption of economic benefits or service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (I) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised. Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

De-recognition
Assets intended for disposal are reclassified as ‘Held for Sale’ once all of the following criteria 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. 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 economic life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

1.14 Donated, government grant or other grant-funded assets

Donated and grant-funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor. In which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that

1. Accounting policies (continued)

Government grant funded assets are capitalised at current value in existing use, if they will be held for their service potential, or otherwise at fair value on receipt, with a matching credit to income. Deferred income is recognised only where conditions attached to the grant preclude immediate recognition of the gain.

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.

1.15.1 The Foundation Trust as lessee
Initial recognition and measurement

At the commencement date of the lease, being when the asset is made available for use, the Trust recognises a right of use asset and a lease liability.

The right of use asset is recognised at cost comprising the lease liability, any lease payments made before or at commencement, any direct costs incurred by the lessee, less any cash lease incentives received. It also includes any estimate of costs to be incurred restoring the site or underlying asset on completion of the lease term.

The lease liability is initially measured at the present value of future lease payments discounted at the interest rate implicit in the lease. Lease payments includes fixed lease payments, variable lease payments dependent on an index or rate and amounts payable under residual value guarantees. It also includes amounts payable for purchase options and termination penalties where these options are reasonably certain to be exercised.

Where an implicit rate cannot be readily determined, the Trust's incremental borrowing rate is applied. This rate is determined by HM Treasury annually for each calendar year. A nominal rate of 3.51% applied to new leases commencing from January 2023 to December 2023 and 4.72% to new leases commencing in January 2024 to December 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 or other systematic basis. 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.

1. Accounting policies (continued)

The Trust subsequently measures the lease liability by increasing the carrying amount for interest arising which is also charged to expenditure as a finance cost and reducing the carrying amount for lease payments made. The liability is also remeasured for changes in assessments impacting the lease term, lease modifications or to reflect actual changes in lease payments. Such remeasurements are also reflected in the cost of the right of use asset. Where there is a change in the lease term or option to purchase the underlying asset, an updated discount rate is applied to the remaining lease payments.

1.15.2 The Foundation Trust as lessor

The Trust assesses each of its leases and classifies them as either a finance lease or an operating lease. Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

Where the Trust is an intermediate lessor, classification of the sublease is determined with reference to the right of use asset arising from the headlease.

Finance leases

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the Trust's net investment outstanding in respect of the leases.

Operating leases

Income from operating leases is recognised on a straight-line basis or another systematic basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Initial application of IFRS 16 in 2022/23

IFRS 16 Leases as adapted and interpreted for the public sector by HM Treasury was applied to these financial statements with an initial application date of 1 April 2022. IFRS 16 replaced *IAS 17 Leases, IFRIC 4 Determining whether an arrangement contains a lease* and other interpretations.

The standard was applied using a modified retrospective approach with the cumulative impact recognised in the income and expenditure reserve on 1 April 2022. Upon initial application, the provisions of IFRS 16 were only applied to existing contracts where they were previously deemed to be a lease or contain a lease under IAS 17 and IFRIC 4. Where existing contracts were previously assessed not to be or contain a lease, these assessments were not revisited.

The Trust as lessee

For continuing leases previously classified as operating leases, a lease liability was established on 1 April 2022 equal to the present value of future lease payments discounted at the Trust's incremental borrowing rate of 0.95%. A right of use asset was created equal to the lease liability. Hindsight was used in determining the lease term where lease arrangements contained options for extension or earlier termination.

No adjustments were made on initial application in respect of leases with a remaining term of 12 months or less from 1 April 2022 or for leases where the underlying assets had a value below £5,000. No adjustments were made in respect of leases previously classified as finance leases.

The Trust as lessor

Leases of owned assets where the Trust was lessor were unaffected by initial application of IFRS 16.

1. Accounting policies (continued)

1.16 Private finance initiative (PFI) transactions

PFI transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's FReM, are accounted for as "on-Statement of Financial Position" by the trust. The underlying assets are recognised as property, plant and equipment, together with an equivalent PFI liability measured in alignment with the principles of IFRS 16 from 1 April 2023 as mandated by the FReM.

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.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:

payment for the fair value of services received
repayment of the PFI liability, including finance costs, and
payment for the replacement of components of the asset during the contract 'lifecycle replacement'.

1.16.1 Services received
The cost of services received in the year is recorded under the relevant expenditure headings within operating expenses.

1.16.2 PFI assets, liabilities and finance costs
The PFI assets are initially measured using the principles of IFRS 16. Subsequently, the assets are measured at current value in existing use per the policies applied under IAS 16.

A PFI liability equal to the capital value of the contract is recognised at the same time as the PFI assets are recognised. This does not include service elements and interest charges within the PFI contract which are expensed in accordance with IFRIC 12 as adapted and interpreted by the FReM and as detailed below.

An annual finance cost is calculated by applying the implicit interest rate in the contract to the opening PFI liability for the period, and is charged to 'Finance Costs' within the Statement of Comprehensive Income.

An element of the annual unitary payment is therefore allocated as a financing cost when repaying the PFI liability over the life of the contract.

Where there is a change in future lease payments resulting from a change in an index or a rate used to determine those payments, including for example a change to reflect changes in market rental rates following a market rent review. The entity remeasures the PFI liability to reflect those revised payments only when there is a change in the cash flows (i.e. when the adjustment to the payments takes effect). The entity shall determine the revised payments for the remainder of the PFI arrangement based on the revised contractual payments. As subsequent measurement of the PFI asset is per IAS 16 than IFRS 16, the opposite entry to adjustment of the PFI liability for such remeasurements is charged to Finance Costs.

Given this represents a change in the measurement basis of the PFI liability for 1 April 2023, PFI liabilities have been remeasured to include all the index linked changes relating to the capital element of the contract which would have taken place since the arrangement commenced. The entity has remeasured this using a cumulative catch up approach by which the cumulative effect of the change in measurement of the PFI liability is recognised as an adjustment to the opening balance of retained earnings (or other component of equity as appropriate). Comparative information has not been restated.

1. Accounting policies (continued)

1.16.3 Lifecycle Replacement
Components of the asset replaced by the operator during the contract ('lifecycle replacement') are capitalised where they meet the Foundation Trust's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at cost.

The element of the annual unitary payment allocated to lifecycle replacement is predetermined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term finance lease liability or prepayment is recognised respectively. Where the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a 'free' asset and a deferred income balance is recognised, and is released to the operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

1.16.4 Assets contributed by the Trust to the operator for use in the scheme
Assets contributed by the Foundation Trust for use in the scheme continue to be recognised as items of property, plant and equipment in the foundation trust's Statement of Financial Position.

1.17 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 method. This is considered to be a reasonable approximation to current cost due to the high turnover of stocks.

1.18 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. These balances exclude monies held in the Foundation Trust's bank account belonging to patients. Account balances are only set off where a formal agreement has been made with the bank to do so. In all other cases overdrafts are disclosed within payables. Interest earned on bank accounts and interest charged on overdrafts is recorded as, respectively, interest receivable and interest payable in the periods to which they relate. Bank charges are recorded as operating expenditure in the periods to which they relate.

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 Foundation Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

1.19 Provisions

The Foundation Trust recognises a provision where it has a present legal or constructive obligation as a result of a past event for which it is probable that there will be a future outflow of cash or other resources to settle the obligation; and a reliable estimate can be made of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using HM Treasury's discount rates.

1. Accounting policies (continued)

Early retirement provisions are discounted using HM Treasury's pension discount rate of negative 2.45% (2022-23: 1.70%) in real terms.

All general provisions are subject to four separate discount rates according to the expected timing of cashflows from the Statement of Financial Position date:

A nominal short-term rate of 4.26% (2022-23 3.27%) for inflation adjusted expected cash flows up to and including 5 years from Statement of Financial Position date.
A nominal medium-term rate of 4.03% (2022-23: 3.20%) for inflation adjusted expected cash flows over 5 years up to and including 10 years from the Statement of Financial Position date.
A nominal long-term rate of 4.72% (2022-23: 3.51%) for inflation adjusted expected cash flows over 10 years and up to and including 40 years from the Statement of Financial Position date.
A nominal very long-term rate of 4.40% (2022-23: 3.00%) for inflation adjusted expected cash flows exceeding 40 years from the Statement of Financial Position date.

1.19.1 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 Foundation Trust. The total value of clinical negligence provisions carried by NHS resolution on behalf of the Foundation Trust is disclosed in note 18 but is not recognised in the Foundation Trust's accounts.

1.19.2 Non-clinical risk pooling
The Foundation Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk-pooling schemes under which the foundation trust pays an annual contribution to the NHS Resolution and, in return, receives assistance with the costs of claims arising. The annual membership contributions, and any "excesses" payable in respect of particular claims are charged to operating expenses as and when the liability arises.

1.20 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 19 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in Note 20, 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.

1.21 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.

1. Accounting policies (continued)

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, fair value through income and expenditure or fair value through other comprehensive income.

Financial liabilities classified as subsequently measured at amortised cost or fair value through income and expenditure.

Financial assets and financial liabilities at amortised cost

Financial assets and financial liabilities at amortised cost are those held with the objective of collecting contractual cash flows and where cash flows are solely payments of principal and interest. This includes cash equivalents, contract and other receivables, trade and other payables, rights and obligations under lease arrangements and loans receivable and payable.

After initial recognition, these financial assets and financial liabilities are measured at amortised cost using the effective interest method less any impairment (for financial assets). The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Interest revenue or expense is calculated by applying the effective interest rate to the gross carrying amount of a financial asset or amortised cost of a financial liability and recognised in the Statement of Comprehensive Income and a financing income or expense. In the case of loans held from the Department of Health and Social Care, the effective interest rate is the nominal rate of interest charged on the loan.

Financial assets 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 derecognition, 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.

The Trust has irrevocably elected to measure the following equity instruments at fair value through other comprehensive income:

PIK Note held for investment in KCH Healthcare LLC

1. Accounting policies (continued)

Financial assets and financial liabilities at fair value through profit and loss

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 a loss allowance representing expected credit losses on the financial instrument.

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).

Overseas visitor's debts less than one year are provided for based on historical recoverability. Private Patient debts and salary overpayments are provided for based on management estimation of the percentage of recoverability. The Foundation Trust applies the percentage provided by the Department of Health to gross debts for injury costs recovery (RTA).

HM Treasury has ruled that central government bodies may not recognise stage 1 or stage 2 impairments against other government departments, their executive agencies, the Bank of England, Exchequer Funds, and Exchequer Funds' assets where repayment is ensured by primary legislation. The Trust therefore does not recognise loss allowances for stage 1 or stage 2 impairments against these bodies.

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.

1.22 Public dividend capital

Public Dividend Capital (PDC) is a type of public sector equity finance, which represents the Department of Health and Social Care's investment in the trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

1. Accounting policies (continued)

At any time, the Secretary of State can issue new PDC to, and require repayments of PDC from, the trust. PDC is recorded at the value received.

An annual charge, reflecting the cost of capital utilised by the Trust, is payable as PDC dividend. The charge is calculated at the real rate set by the Secretary of State with the consent of 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, except for:

donated and grant funded assets,

average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility and;

any PDC dividend balance receivable or payable;

The average relevant net assets are calculated as a simple average of opening and closing relevant net assets.

In accordance with the requirements laid down by the Department of Health and Social Care, 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 thus calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts. The PDC dividend calculation is based upon the trust's group accounts (i.e. including subsidiaries), but excluding consolidated charitable funds.

1.23 Foreign exchange

The functional and presentational currency of the Foundation 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. The Foundation Trust does not have material foreign currency transactions. 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.

1.24 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. Details of third party assets are given in Note 24 to the accounts.

1.25 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. Accounting policies (continued)

1.26 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.

1.27 IFRS Standards that have been issued but have not yet been adopted

The DHSC GAM does not require the following IFRS Standards and Interpretations to be applied in 2023-24. These Standards are still subject to HM Treasury FReM adoption.

IFRS 17 Insurance Contracts – The Standard is effective for accounting periods beginning on or after 1 January 2023. IFRS 17 is yet to be adopted by the FReM which is expected to be from the 1 April 2025. Early adoption is not permitted. It is not currently possible for the Trust to provide an estimate of the impact of IFRS 17.

1.28 Prior Period Adjustment Policy

The Trust applies IAS 8 when considering if prior period adjustments are required.

2. Operating income

2.1 Income from activities by classification

	Group	
	2023-24	2022-23
	£000	£000
Income from patient care activities		
Income from commissioners under API contracts*	**1,553,008**	1,433,223
High cost drugs income from commissioners	**42,213**	41,981
Other NHS clinical income	**4,527**	6,989
Additional income for delivery of healthcare services		
Private Patient income	**8,765**	9,351
Elective Recovery Fund	**-**	21,592
Additional pension contribution central funding**	**37,064**	33,859
Agenda for change pay award central funding ***	**809**	24,662
Other clinical income****	**13,247**	15,268
Total income from activities****	**1,659,633**	1,586,925
Other operating income recognised in accordance with IFRS 15		
Research and development	**9,494**	7,397
Education and training	**48,894**	46,518
Non-patient care services to other bodies	**11,948**	10,550
Reimbursement and top-up funding	**-**	11,795
Income in respect of employee benefits accounted on a gross basis	**9,415**	10,163
Trading Income	**20,553**	-
Other	**17,525**	29,142
Total other operating income (IFRS 15)	**117,829**	115,565
Other operating income recognised in accordance with other standards		
Research and development	**13,641**	13,038
Education and training - notional income from apprenticeship fund	**704**	937
Receipt of capital grants and donations	**2,146**	2,048
Charitable and other contributions to expenditure	**128**	7
Contributions to expenditure - consumables (inventory) donated from DHSC group bodies for COVID response	**548**	3,105
Rental revenue from operating leases	**1,340**	1,240
Other	**15**	-
Total other operating income (Non-IFRS 15)	**18,522**	20,375
Total operating Income	**1,795,984**	1,722,865

*Aligned payment and incentive contracts are the main form of contracting between NHS providers and their commissioners. More information can be found in the 2023/24 NHS Payment Scheme documentation.

** 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.

**** Other clinical income includes HIV/AIDS funding, NSCG funding for liver services, bone marrow transplant funding, critical care funding from CCGs, CQUIN funding, off-tariff drugs and devices, renal dialysis, direct access, community midwifery, community dental services, national screening programmes, RTA funding and IVF services.

***** Income from patient care activity is recognised in accordance with IFRS 15.

2.2 Income from activities by type

	Group	
	2023-24	2022-23
	£000	£000
NHS Foundation Trusts	**1**	59
NHS Trusts	**1,389**	1,789
Clinical Commissioning Groups, Integrated Care Boards and NHS England *	**1,632,285**	1,554,890
NHS Other (including Public Health England and Prop Co)	**4,527**	-
Non-NHS		
Local Authorities	**4,835**	4,373
Private patients	**8,765**	9,351
Overseas patients (non-reciprocal)	**4,080**	4,103
Injury costs recovery	**3,751**	4,301
Other **	**-**	8,059
Total income from activities	**1,659,633**	1,586,925

* Includes £37.064m (2022-23: £33.859m) notional income for pension contributions paid by NHS England on behalf of the Trust

** Non-NHS Other income includes patient care provided to devolved administrations, personal contributions for IVF treatment and services to prisons.

2.3 Overseas visitors

	Group 2023-24 £000	2022-23 £000
Income recognised this year	**4,080**	4,103
Cash payments received in-year	**835**	903
Additions to provision for impairment of receivables	**2,637**	2,577
Amounts written off in-year	**2,164**	2,613

2.4 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 within contract liabilities at the previous period end	**13,285**	13,133
Revenue recognised from performance obligations satisfied (or partially satisfied) in previous periods	-	-

2.5 Transaction price allocated to remaining performance obligations

Revenue from existing contracts allocated to remaining performance obligations is expected to be recognised:	31 March 2024 £000	31 March 2023 £000
within one year	**19,232**	15,793
after one year, not later than five years	-	-
after five years	-	-
Total revenue allocated to remaining performance obligations	**19,232**	15,793

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.

2.6 Income from activities arising from commissioner requested and non-commissioner requested services

Under the terms of its Provider License, 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 license 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:

	Group 2023-24 £000	2022-23 £000
Commissioner requested services	**1,644,115**	1,541,984
Non-commissioner requested services	**151,869**	180,881
Total	**1,795,984**	1,722,865

2.7 Fees and charges - aggregate of all schemes that, individually, have a cost exceeding £1m

	Group 2023-24 £000	2022-23 £000
Income	**8,765**	9,351
Full cost	**(7,125)**	(6,763)
Surplus	**1,640**	2,588

2.8 Operating lease income

	Group	
	2023-24	2022-23
	£000	£000
Rental revenue from operating leases	**1,340**	1,240

	31 March	31 March
	2024	2023
	£000	£000
Future minimum lease receipts due on leases of buildings expiring		
- not later than one year	**1,337**	1,215
- between one and five years	**5,348**	4,860
- later than five years	**10,360**	10,485
Total	**17,045**	16,560

The above note discloses income generated in operating lease agreements where King's College Hospital NHS Foundation Trust is the lessor. The operating leases relate to the lease of space and buildings owned by the Trust.

3. Operating expenses

3.1 Operating expenses by type

	Group	
	2023-24	2022-23
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	19,278	11,113
Purchase of healthcare from non-NHS and non-DHSC bodies	82,865	62,182
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	222,783	206,573
Supplies and services - clinical (excluding drugs costs)	121,944	129,660
Supplies and services - general	4,116	3,714
Supplies and services – clinical: utilisation of consumables donated from DHSC group bodies for COVID response	548	3,105
Inventories written down (net including drugs)	586	1,021
Staff and executive directors costs	1,050,935	986,436
Remuneration of non-executive directors	167	177
Establishment	16,691	15,028
Transport (including patient travel)	14,122	12,831
Premises	64,279	53,870
Rentals under operating leases - minimum lease payments	53	76
PFI service costs	81,757	70,902
Clinical negligence	50,217	44,236
Depreciation on property, plant and equipment and right of use assets	55,316	49,718
Amortisation on intangible assets	2,156	2,427
Net impairments	21,134	45,149
Movement in credit loss allowance: contract receivables / contract assets	4,052	2,844
Consultancy costs	3,119	5,960
Education and Training Costs	3,837	9,479
Audit fees payable to the external auditor		
Statutory audit	381	341
Internal audit costs	350	285
Other *	28,203	25,093
Total operating expenses	**1,848,889**	1,742,220

* Other operating expenses include expenditure relating to the implementation of the EPIC system, including staff training, as well as legal fees, storage costs, work permits and infection control costs.

The external audit fee for the current year is £381k, including £63k of irrecoverable VAT. No other remuneration was paid to the Trust's external auditors in 2023-24 (2022-23 : Nil). This figure includes £133k inclusive of VAT for subsidiary audits.

Research and development expenditure is included in other operating expenditure, clinical and general supplies and services, premises and establishment expenses as well as in staff costs.

3.2 Late Payment of Commercial Debts (Interest) Act 1998	2023-24 £000	2022-23 £000
Compensation paid to cover debt recovery costs under this legislation	**1**	31

3.3 Limitation on Auditor's Liability

The limitation on auditor's liability in 2023/24 was £5m (2022/23: £5m).

4 Employee benefits

4.1 Employee benefits

	Group 2023-24 Total	2022-23 Total
	£000	£000
Salaries and wages	**742,996**	698,440
Social security costs	**91,588**	77,093
Apprenticeship levy	**4,725**	3,427
Employer contributions to NHS Pensions	**84,570**	78,454
Employer contributions to NHS Pensions paid by NHS England on behalf of the Trust	**37,064**	33,859
Temporary staff (including bank and agency)	**89,944**	96,512
Redundancy costs	**4,964**	-
Total employee benefits	**1,055,851**	987,785
Of which		
Costs capitalised as part of assets	**(4,916)**	(1,349)
Total employee benefits excluding capitalised costs	**1,050,935**	986,436

4.2 Early retirements due to ill health

During 2023/24 there were 6 early retirements 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 £882k (£574k in 2022/23).

These estimated costs are calculated on an average basis and will be borne by the NHS Pension Scheme.

4.3 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.

5 Finance expenses

	Group 2023-24 £000	2022-23 £000
Loans from the Department of Health and Social Care		
Capital loans	**997**	1,093
Finance leases	**1,120**	848
Other Loans	**49**	11
Finance costs on PFI and other service concession arrangements		
Main finance cost	**26,069**	15,248
Contingent finance cost*	**-**	12,960
Remeasurement of PFI liability resulting from change in index or rate*	**27,749**	-
Interest on late payment	**1**	31
Total interest expense	**55,985**	30,191
Unwinding of discount on provisions	**38**	(40)
Other finance costs	**13**	-
Total finance costs	**56,036**	30,151

Finance expenditure represents interest and other charges involved in the borrowing of money.

* 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.

6 Impairments

	Group 2023-24 £000	2022-23 £000
Changes in market price - charged to operating expenses	**22,267**	45,149
Changes in market price - charged to the revaluation reserve	**24,996**	73,860
Other impairments - charged to operating expenses	**(1,133)**	-
Total	**46,130**	119,009

Asset valuations were undertaken in 2024 as at the prospective valuation date of 31 March 2024. This was based on an alternative site assessed via an analysis of postcode information allocated between outpatients and

The revaluation resulted in an overall decrease of £45.5m in the value of land and buildings owned by the Trust offset by revaluation increases to land and building values of £30.3m. This was due to decreases in land values, from further reassessment of modern equivalent asset requirements.

As a result of the land and buidlings revaluation, a net impairment amount of £15.898m has been taken to the Statement of Comprehensive Income and an impairment of £24.996m has been charged to the revaluation reserve A revaluation gain of £26.199m transferred to revaluation reserve.

A further impairment of £6.4m has been charged to Opex following revalution of the EPIC patient record system on asset recognition

A previous impairment of £1.1m in relation to investments has been reversed

7 Other gains / (losses)

	Group 2023-24 £000	2022-23 £000
Gains on disposal of property, plant and equipment	**2**	393
Losses on disposal of assets	**(683)**	(138)
Total (losses) / gains on disposal of assets	**(681)**	255

7.1 Share of operating profit in associates and joint ventures

	Group 2023-24 £000	2022-23 £000
Synnovis Group LLP*	**-**	131
MedTech Innovations	**(209)**	(524)
	(209)	(393)

*Formerly known as Viapath Group LLP

8 Intangible non-current assets

8.1 Intangible non-current assets - current year

Group	Software licences	Intangible assets under construction	Total
	£000	£000	£000
Cost or valuation			
At 1 April 2023	**17,943**	**28,787**	**46,730**
Additions purchased	**686**	**18,489**	**19,175**
Additionas donated	**16**	**-**	**16**
Impairments charged to operating expenses	**(6,369)**	**-**	**(6,369)**
Reclassifications	**47,276**	**(47,276)**	**-**
At 31 March 2024	**59,552**	**-**	**59,552**
Amortisation			
At 1 April 2023	**10,646**	**-**	**10,646**
Charged during the year	**2,156**	**-**	**2,156**
At 31 March 2024	**12,802**	**-**	**12,802**
Net book value			
Purchased	**46,750**	**-**	**46,750**
Total at 31 March 2024	**46,750**	**-**	**46,750**

8.2 Intangible non-current assets - current year

Trust	Software licences	Intangible assets under construction	Total
	£000	£000	£000
Cost or valuation			
At 1 April 2023	**16,301**	**28,787**	**45,088**
Additions purchased	**495**	**18,489**	**18,984**
Additions donated	**16**	**-**	**16**
Impairments charged to operating expenses	**(6,369)**	**-**	**(6,369)**
Reclassifications	**47,276**	**(47,276)**	**-**
At 31 March 2024	**57,719**	**-**	**57,719**
Amortisation			
At 1 April 2023	**9,812**	**-**	**9,812**
Charged during the year	**1,894**	**-**	**1,894**
At 31 March 2024	**11,706**	**-**	**11,706**
Net book value			
Purchased	**46,013**	**-**	**46,013**
Leased	**-**	**-**	**-**
Total at 31 March 2024	**46,013**	**-**	**46,013**

The range of useful economic lives over which intangible assets are amortised is included in note 1.13.

Intangible assets reclassified from intangible assets under construction in year relates to the Trust's Electronic Patient Records (EPR) system completed in year. On completion in March 2024 the EPR system was revalued resulting in an impairment of £6.369m and the revalued asset balance will amortise over the useful economic life of the asset (15 years).

For all other categories of intangible assets, the Trust considers that depreciated historical cost is an acceptable proxy for current value in existing use, as the useful economic lives used are considered to be realistic reflection of the lives of assets and the depreciation methods used reflect the consumption of the asset.

8 Intangible non-current assets

8.3 Intangible non-current assets - prior year

Group	Software licences	Intangible assets under construction	Total
	£000	£000	£000
Cost or valuation			
At 1 April 2022	**16,184**	**23,216**	**39,400**
Additions purchased	**1,690**	**5,571**	**7,261**
Additions donated	**69**	**-**	**69**
At 31 March 2023	**17,943**	**28,787**	**46,730**
Amortisation			
At 1 April 2022	**8,219**	**-**	**8,219**
Charged during the year	**2,427**	**-**	**2,427**
At 31 March 2023	**10,646**	**-**	**10,646**
Net book value			
Purchased	**7,297**	**28,787**	**36,084**
Total at 31 March 2023	**7,297**	**28,787**	**36,084**

8.4 Intangible non-current assets - prior year

Trust	Software licences	Intangible assets under construction	Total
	£000	£000	£000
Cost or valuation			
At 1 April 2022	**15,188**	**23,216**	**38,404**
Reclassifications of existing finance lease assets to right of use assets on 1 April 2022	**(109)**	**-**	**(109)**
Additions purchased	**1,153**	**5,571**	**6,724**
Additions donated	**69**	**-**	**69**
	16,301	**28,787**	**45,088**
Amortisation			
At 1 April 2022	**7,586**	**-**	**7,586**
Reclassifications of existing finance lease assets to right of use assets on 1 April 2022	**(55)**	**-**	**(55)**
Charged during the year	**2,281**	**-**	**2,281**
	9,812	**-**	**9,812**
Net book value			
Purchased	**6,489**	**28,787**	**35,276**
Leased		**-**	**-**
Total at 31 March 2023	**6,489**	**28,787**	**35,276**

The range of useful economic lives over which intangible assets are amortised is included in note 1.13.

For all categories of intangible assets, the Trust considers that depreciated historical cost is an acceptable proxy for current value in existing use, as the useful economic lives used are considered to be realistic reflection of the lives of assets and the depreciation methods used reflect the consumption of the asset. Intangible assets under construction relates to the Trust's Electronic Patient Records (EPR) system completed and reclassified to finished assets in year.

9 Property, plant and equipment

9.1 Property, plant and equipment - current year

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings	Total
	Group							
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation								
At 1 April 2023	**64,297**	**487,255**	**1,882**	**22,586**	**130,848**	**57,285**	**1,714**	**765,868**
Additions purchased	-	7,622	-	23,714	12,851	3,968	43	**48,198**
Additions donations of physical assets	-	-	-	-	1,245	-	-	**1,245**
Additions - assets purchased from cash donations/grants	-	-	-	-	105	-	-	**105**
Impairments charged to operating expenses	(4,502)	(18,318)	-	-	-	-	-	**(22,820)**
Impairments charged to the revaluation reserve	(21,361)	(6,813)	(406)	-	-	-	-	**(28,580)**
Reversal of impairments credited to operating expenses	-	1,749	-	-	-	-	-	**1,749**
Revaluations	-	15,051	(11)	-	-	-	-	**15,040**
Reclassifications	-	19,064	-	(19,064)	-	-	-	**-**
Disposals	-	-	-	-	(8,224)	-	-	**(8,224)**
At 31 March 2024	**38,434**	**505,610**	**1,465**	**27,236**	**136,825**	**61,253**	**1,757**	**772,581**
Depreciation								
At 1 April 2023	**-**	**468**	**-**	**-**	**60,332**	**29,841**	**1,151**	**91,792**
Charged during the year	-	20,167	98	-	13,362	8,575	193	**42,395**
Impairments charged to operating expenses	-	(2,278)	-	-	-	-	-	**(2,278)**
Impairments charged to the revaluation reserve	-	(3,550)	(34)	-	-	-	-	**(3,584)**
Reversal of impairments credited to operating expenses	-	(2,895)	-	-	-	-	-	**(2,895)**
Revaluations	-	(11,095)	(64)	-	-	-	-	**(11,159)**
Disposals	-	-	-	-	(7,417)	-	-	**(7,417)**
At 31 March 2024	**-**	**816**	**-**	**-**	**66,277**	**38,416**	**1,344**	**106,853**
Net book value								
Owned - purchased	**19,354**	**286,379**	**1,275**	**9,916**	**60,035**	**22,670**	**336**	**399,966**
Owned - donated	**847**	**13,337**	**190**	**6,452**	**2,933**	**166**	**78**	**24,003**
On balance sheet PFI	**18,233**	**205,078**	**-**	**10,868**	**7,580**	**-**	**-**	**241,759**
Total at 31 March 2024	**38,434**	**504,794**	**1,465**	**27,236**	**70,548**	**22,836**	**414**	**665,728**
Revaluation reserve balance								
At 1 April 2023	**32,032**	**130,269**	**1,715**	**-**	**-**	**-**	**-**	**164,016**
Revaluation and indexation in year	**(21,361)**	**22,883**	**(319)**	**-**	**-**	**-**	**-**	**1,203**
At 31 March 2024	**10,671**	**153,152**	**1,396**	**-**	**-**	**-**	**-**	**165,219**

The effective date of land and building revaluation was 31 March 2024 and the valuation was carried out by Kerry Maguire of Avison Young, a RICS registered valuer.
The range of useful economic lives over which property plant and equipment are depreciated are included in note 1.13.
For all categories of non-property assets, the Trust considers that depreciated historical cost is an acceptable proxy for current value in existing use, as the useful economic lives used are considered to be realistic reflection of the lives of assets and the depreciation methods used reflect the consumption of the asset.
The total gross book value of assets held with a net nil carrying value is £15.9m.

9 Property, plant and equipment - continued

9.2 Property, plant and equipment - current year

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings	Total
	Trust							
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation								
At 1 April 2023	**64,297**	**480,122**	**1,882**	**22,588**	**36,472**	**57,285**	**1,714**	**664,361**
Additions purchased	-	7,601	-	18,549	4,164	3,968	43	**34,325**
Additions - assets purchased from cash donations/grants	-	-	-	-	105	-	-	**105**
Impairments charged to operating expenses	(4,502)	(18,319)	-	-	-	-	-	**(22,821)**
Impairments charged to the revaluation reserve	(21,361)	(6,813)	(406)	-	-	-	-	**(28,580)**
Reversal of impairments credited to operating expenses	-	1,749	-	-	-	-	-	**1,749**
Revaluations	-	14,761	(11)	-	-	-	-	**14,750**
Reclassifications	-	19,064	-	(19,064)	-	-	-	**-**
Disposals	-	-	-	-	(7,112)	-	-	**(7,112)**
At 31 March 2024	**38,434**	**498,165**	**1,465**	**22,073**	**33,629**	**61,253**	**1,757**	**656,777**
Depreciation								
At 1 April 2023	**-**	**467**	**-**	**-**	**22,380**	**29,841**	**1,151**	**53,840**
Charged during the year	-	19,949	98	-	3,530	8,575	193	**32,345**
Impairments charged to operating expenses	-	(2,279)	-	-	-	-	-	**(2,279)**
Impairments charged to the revaluation reserve	-	(3,551)	(34)	-	-	-	-	**(3,585)**
Reversal of impairments credited to operating expenses	-	(2,895)	-	-	-	-	-	**(2,895)**
Revaluations	-	(10,877)	(64)	-	-	-	-	**(10,941)**
Disposals	-	-	-	-	(6,767)	-	-	**(6,767)**
At 31 March 2024	**-**	**814**	**-**	**-**	**19,143**	**38,416**	**1,344**	**59,718**
Net book value								
Owned - purchased	**19,357**	**278,934**	**1,276**	**4,752**	**5,215**	**22,671**	**336**	**332,541**
Owned - donated	**847**	**13,337**	**190**	**6,452**	**1,688**	**166**	**78**	**22,758**
On balance sheet PFI	**18,233**	**205,078**	**-**	**10,868**	**7,580**	**-**	**-**	**241,759**
Total at 31 March 2024	**38,437**	**497,349**	**1,466**	**22,072**	**14,483**	**22,837**	**414**	**597,058**
Revaluation reserve balance								
At 1 April 2023	**32,032**	**130,269**	**1,715**	**-**	**-**	**-**	**-**	**164,016**
Revaluation and indexation in year	**(21,361)**	**22,883**	**(319)**	**-**	**-**	**-**	**-**	**1,203**
At 31 March 2024	**10,671**	**153,152**	**1,396**	**-**	**-**	**-**	**-**	**165,219**

The effective date of land and building revaluation was 31 March 2024 and the valuation was carried out by Kerry Maguire of Avison Young, a RICS registered valuer.
The range of useful economic lives over which property plant and equipment are depreciated are included in note 1.13.

For all categories of non-property assets, the Trust considers that depreciated historical cost is an acceptable proxy for current value in existing use, as the useful economic lives used are considered to be realistic reflection of the lives of assets and the depreciation methods used reflect the consumption of the asset.

9 Property, plant and equipment

9.3 Property, plant and equipment - prior year

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings	Total
	Group							
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation								
At 1 April 2022	**129,720**	**458,697**	**1,832**	**52,520**	**120,673**	**48,344**	**1,697**	**813,484**
Additions purchased	-	12,582	-	30,181	15,323	9,291	17	**67,394**
Additions - assets purchased from cash donations/grants	-	-	-	979	1,000	-	-	**1,979**
Impairments charged to operating expenses	(4,965)	(46,933)	-	-		-	-	**(51,898)**
Impairments charged to the revaluation reserve	(63,667)	(17,177)	-	-	-	-	-	**(80,844)**
Reversal of impairments credited to operating expenses	-	2,634	-	-	-	-	-	**2,634**
Revaluations	3,209	16,358	50	-	-	-	-	**19,617**
Reclassifications	-	61,094	-	(61,094)	-	-	-	**-**
Disposals	-	-	-	-	(6,148)	(350)	-	**(6,498)**
At 31 March 2023	**64,297**	**487,255**	**1,882**	**22,586**	**130,848**	**57,285**	**1,714**	**765,868**
Depreciation								
At 1 April 2022	**-**	**133**	**-**	**-**	**51,085**	**22,663**	**946**	**74,827**
Charged during the year	-	18,390	90	-	11,645	7,528	205	**37,858**
Impairments charged to operating expenses	-	(2,454)	-	-	-	-	-	**(2,454)**
Impairments charged to the revaluation reserve	-	(6,984)	-	-	-	-	-	**(6,984)**
Reversal of impairments credited to operating expenses	-	(1,661)	-	-	-	-	-	**(1,661)**
Revaluations	-	(6,956)	(90)	-	-	-	-	**(7,046)**
Disposals	-	-	-	-	(2,398)	(350)	-	**(2,748)**
At 31 March 2023	**-**	**468**	**-**	**-**	**60,332**	**29,841**	**1,151**	**91,792**
Net book value								
Owned - purchased	**42,244**	**273,573**	**1,676**	**13,630**	**61,305**	**27,174**	**467**	**420,070**
Owned - donated	**1,997**	**12,648**	**206**	**7,093**	**3,330**	**269**	**97**	**25,640**
On balance sheet PFI	**20,056**	**200,567**	**-**	**1,863**	**5,881**	**-**	**-**	**228,367**
Total at 31 March 2023	**64,297**	**486,788**	**1,882**	**22,586**	**70,516**	**27,443**	**564**	**674,077**
Revaluation reserve balance								
At 1 April 2022	**92,490**	**117,148**	**1,575**	**-**	**-**	**-**	**-**	**211,213**
Revaluation and indexation in year	**(60,458)**	**13,121**	**140**	**-**	**-**	**-**	**-**	**(47,197)**
At 31 March 2023	**32,032**	**130,269**	**1,715**	**-**	**-**	**-**	**-**	**164,016**

The effective date of land and building revaluation was 31 March 2023 and the valuation was carried out by Kerry Maguire of Avison Young, a RICS registered valuer.
The range of useful economic lives over which property plant and equipment are depreciated are included in note 1.13.

For all categories of non-property assets, the Trust considers that depreciated historical cost is an acceptable proxy for current value in existing use, as the useful economic lives used are considered to be realistic reflection of the lives of assets and the depreciation methods used reflect the consumption of the asset.

9 Property, plant and equipment - continued

9.4 Property, plant and equipment - prior year

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings	Total
	Trust							
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation								
At 1 April 2022	**129,720**	**458,697**	**1,832**	**52,520**	**104,576**	**48,344**	**1,697**	**797,387**
Reclassifications of existing finance lease assets to right of use assets on 1 April 2022	**-**	(5,006)	-	-	(69,882)	**-**	**-**	**(74,888)**
Additions purchased	-	11,034	-	30,183	2,561	9,291	17	**53,086**
Additions - assets purchased from cash donations/grants	-	-	-	979	-	-	-	**979**
Impairments charged to operating expenses	(4,965)	(46,933)	-	-		-	-	**(51,898)**
Impairments charged to the revaluation reserve	(63,667)	(17,177)	-	-	-	-	-	**(80,844)**
Reversal of impairments credited to operating expenses	-	2,634	-	-	-	-	-	**2,634**
Revaluations	3,209	15,779	50	-	-	-	-	**19,038**
Reclassifications	-	61,094	-	(61,094)	-	-	-	**-**
Disposals	-	-	-	-	(783)	(350)	-	**(1,133)**
At 31 March 23	**64,297**	**480,122**	**1,882**	**22,588**	**36,472**	**57,285**	**1,714**	**664,361**
Depreciation								
At 1 April 2022	**-**	**133**	**-**	**-**	**34,987**	**22,663**	**946**	**58,729**
Reclassifications of existing finance lease assets to right of use assets on 1 April 2022	-	-	-	-	(15,415)	-	-	**(15,415)**
Charged during the year	-	18,186	90	-	3,424	7,528	205	**29,433**
Impairments charged to operating expenses	-	(2,454)	-	-	-	-	-	**(2,454)**
Impairments charged to the revaluation reserve	-	(6,984)	-	-	-	-	-	**(6,984)**
Reversal of impairments credited to operating expenses	-	(1,661)	-	-	-	-	-	**(1,661)**
Revaluations	-	(6,752)	(90)	-	-	-	-	**(6,842)**
Disposals	-	-	-	-	(616)	(350)	-	**(966)**
At 31 March 2023	**-**	**467**	**-**	**-**	**22,380**	**29,841**	**1,151**	**53,840**
Net book value								
Owned - purchased	**42,244**	**266,440**	**1,676**	**13,632**	**5,880**	**27,174**	**467**	**357,514**
Owned - donated	**1,997**	**12,648**	**206**	**7,093**	**1,560**	**269**	**97**	**23,870**
On balance sheet PFI	**20,056**	**200,567**	**-**	**1,863**	**5,881**	**-**	**-**	**228,367**
Owned - equipment donated from DHSC and NHSE for COVID response	**-**	**-**	**-**	**-**	**770**	**-**	**-**	**770**
Total at 31 March 2023	**64,297**	**479,655**	**1,882**	**22,588**	**14,091**	**27,443**	**564**	**610,521**
Revaluation reserve balance								
At 1 April 2022	**92,490**	**117,148**	**1,575**	**-**	**-**	**-**	**-**	**211,213**
Revaluation and indexation in year	**(60,458)**	**13,121**	**140**	**-**	**-**	**-**	**-**	**(47,197)**
At 31 March 2023	**32,032**	**130,269**	**1,715**	**-**	**-**	**-**	**-**	**164,016**

The effective date of land and building revaluation was 31 March 2023 and the valuation was carried out by Kerry Maguire of Avison Young, a RICS registered valuer.
The range of useful economic lives over which property plant and equipment are depreciated are included in note 1.13.

For all categories of non-property assets, the Trust considers that depreciated historical cost is an acceptable proxy for current value in existing use, as the useful economic lives used are considered to be realistic reflection of the lives of assets and the depreciation methods used reflect the consumption of the asset.

10 Leases and Right of Use Assets

The Trust has applied IFRS 16 to account for lease arrangements from 1 April 2022 without restatement of comparatives.

10.1.1 Right of use assets - current year

Group	Property (land and buildings)	Plant & machinery	Total	Of which: leased from DHSC group bodies
Cost or Valuation	**£000**	**£000**	**£000**	**£000**
Valuation / gross cost at 1 April 2023 - brought forward	114,786	7,131	121,917	55,675
Additions	1,048	-	1,048	1,048
Additionas - peppercorn leases	-	780	780	-
Remeasurements of the lease liability	8,201	-	8,201	(2,269)
Valuation/gross cost at 31 March 2024	**124,035**	**7,911**	**131,946**	**54,454**
Depreciation				
Accumulated depreciation at 1 April 2023 - brought forward	9,288	2,572	11,860	6,448
Provided during the year	10,880	2,041	12,921	5,895
Accumulated depreciation at 31 March 2024	**20,168**	**4,613**	**24,781**	**12,343**
Net book value at 31 March 2024	**103,867**	**3,298**	**107,165**	**42,111**

Net book value of right of use assets leased from other NHS providers	**6,148**
Net book value of right of use assets leased from other DHSC group bodies	**35,963**

10.1.2 Right of use assets - prior year

Group	Property (land and buildings)	Plant & machinery	Total	Of which: leased from DHSC group bodies
Cost or Valuation	**£000**	**£000**	**£000**	**£000**
IFRS 16 implementation - adjustments for existing operating leases / subleases	77,399	7,131	84,530	55,675
Additions	37,387	-	37,387	-
Valuation/gross cost at 31 March 2023	**114,786**	**7,131**	**121,917**	**55,675**
Depreciation				
Provided during the year	9,288	2,572	11,860	6,448
Accumulated depreciation at 31 March 2023	**9,288**	**2,572**	**11,860**	**6,448**
Net book value at 31 March 2023	**105,498**	**4,559**	**110,057**	**49,227**

Net book value of right of use assets leased from other NHS providers	**14,152**
Net book value of right of use assets leased from other DHSC group bodies	**35,075**

10 Leases and Right of Use Assets - Continued

The Trust has applied IFRS 16 to account for lease arrangements from 1 April 2022 without restatement of comparatives.

10.2.1 Right of use assets - current year

Trust	Property (land and buildings)	Assets under construction	Plant & machinery	Intangibles	Total	Of which: leased from DHSC group bodies
Cost or Valuation	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Valuation / gross cost at 1 April 2023 - brought forward	121,919	-	80,481	109	**202,509**	55,675
Additions	1,069	5,165	10,082	-	**16,316**	1,048
Remeasurements of the lease liability	8,489	-	-	-	**8,489**	(2,269)
Disposals / derecognition	-	-	(2,725)	-	**(2,725)**	-
Valuation/gross cost at 31 March 2024	**131,477**	**5,165**	**87,838**	**109**	**224,589**	**54,454**
Depreciation						
Accumulated depreciation at 1 April 2023 - brought forward	9,288	-	22,568	77	**31,933**	6,448
Provided during the year	11,095	-	9,950	22	**21,067**	5,895
Revaluations	(218)	-	-	-	**(218)**	-
Disposals / derecognition	-	-	(1,145)	-	**(1,145)**	-
Accumulated depreciation at 31 March 2024	**20,165**	**-**	**31,373**	**99**	**51,637**	**12,343**
Net book value at 31 March 2024	**111,312**	**5,165**	**56,465**	**10**	**172,952**	**42,111**

Net book value of right of use assets leased from other NHS providers	6,148
Net book value of right of use assets leased from other DHSC group bodies	35,963

10.2.2 Right of use assets - prior year

Trust	Property (land and buildings)	Assets under construction	Plant & machinery	Intangibles	Total	Of which: leased from DHSC group bodies
Cost or Valuation	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Reclassification of existing finance leased assets to right of use assets on 1 April 2022	5,006	-	69,882	109	**74,997**	-
IFRS 16 implementation - adjustments for existing operating leases / subleases	77,399	-	2,368	-	**79,767**	55,675
Additions	38,935	-	13,596	-	**52,531**	-
Revaluations	579	-	-	-	**579**	-
Disposals / derecognition	-	-	(5,365)	-	**(5,365)**	-
Valuation/gross cost at 31 March 2023	**121,919**	**-**	**80,481**	**109**	**202,509**	**55,675**
Depreciation						
Reclassification of existing finance leased assets to right of use assets on 1 April 2022	-	-	15,415	55	**15,470**	-
Provided during the year	9,492	-	8,935	22	**18,449**	6,448
Revaluations	(204)	-	-	-	**(204)**	-
Disposals / derecognition	-	-	(1,782)	-	**(1,782)**	-
Accumulated depreciation at 31 March 2023	**9,288**	**-**	**22,568**	**77**	**31,933**	**6,448**
Net book value at 31 March 2023	**112,631**	**-**	**57,913**	**32**	**170,576**	**49,227**

Net book value of right of use assets leased from other NHS providers	14,152
Net book value of right of use assets leased from other DHSC group bodies	35,075

10 Leases and Right of Use Assets - Continued

10.3 Reconciliation of the carrying value of lease liabilities

	Group		Trust	
	2023/24	2022/23	2023/24	2022/23
	£000	£000	£000	£000
Carrying value at 1st April	**110,219**	**-**	**169,513**	**59,120**
IFRS 16 implementation - adjustments for existing operating leases	**-**	84,530	**-**	**79,767**
Lease additions	**1,048**	37,387	**16,316**	**52,591**
Lease liability remeasurements	**8,201**	-	**8,200**	**-**
Interest charge arising in year	**1,120**	848	**1,563**	**1,181**
Early terminations/disposals	**-**	-	**(1,927)**	**(3,583)**
Lease payments (cash outflows)	**(13,247)**	(12,546)	**(22,372)**	**(19,563)**
Carrying value at 31 March 202	**107,341**	110,219	**171,293**	**169,513**

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.

10.4.1 Maturity analysis of future lease payments at 31 March 2024

The Foundation Trust is not exposed to significant liquidity risks in relation to lease liabilities as the Foundation Trust is able to access funding through the Department of Health and Social Care in order to manage continuing operations.
The trust leases various buildings and medical equipment used in the provision of healthcare.
Buildings leases include renewal clauses and rental cost review dates and medical equipment leases include extension clauses or purchase options. Due to the uncertainty of these, potential future cash flows related to these are not included in the measurement of the lease liabilities.

	Group		Trust	
	Total	Of which leased from DHSC group bodies:	Total	Of which leased from DHSC group bodies:
	31 March 2024	31 March 2024	31 March 2024	31 March 2024
	£000	£000	£000	£000
Undiscounted future lease payments payable in:				
- not later than one year;	12,792	6,375	23,584	6,375
- later than one year and not later than five years;	40,147	19,752	73,713	19,752
- later than five years.	61,548	18,162	84,753	18,162
Total gross future lease payments	**114,487**	**44,289**	**182,050**	**44,289**
Finance charges allocated to future periods	(7,146)	(2,061)	(10,756)	(2,061)
Net lease liabilities at 31 March 2024	**107,341**	**42,228**	**171,294**	**42,228**
Of which:				
- Current	11,754	5,969	21,957	5,969
- Non-Current	95,587	36,259	149,337	36,259

At 31 March 2024, the Trust has not committed to any leases which had not commenced at that date.
There are no restrictions or covenants imposed by the Trust's lease arrangements.

10.4.2 Maturity analysis of future lease payments at 31 March 2023

	Group		Trust	
	Total	Of which leased from DHSC group bodies:	Total	Of which leased from DHSC group bodies:
	31 March 2023	31 March 2023	31 March 2023	31 March 2023
	£000	£000	£000	£000
Undiscounted future lease payments payable in:				
- not later than one year;	13,103	6,861	22,724	6,861
- later than one year and not later than five years;	43,646	23,819	78,491	23,819
- later than five years.	60,037	20,874	78,245	20,874
Total gross future lease payments	**116,786**	**51,554**	**179,460**	**51,554**
Finance charges allocated to future periods	(6,567)	(2,238)	(9,948)	(2,238)
Net lease liabilities at 31 March 2023	**110,219**	**49,316**	**169,512**	**49,316**
Of which:				
- Current	12,105	6,420	21,182	6,420
- Non-Current	98,114	42,896	148,329	42,896

At 31 March 2023, the Trust has not committed to any leases which had not commenced at that date.
There are no restrictions or covenants imposed by the Trust's lease arrangements.

11 Investments

11.1 Subsidiary undertakings, associates and joint ventures held

The Foundation Trust's principal subsidiary undertakings, associates and joint ventures as included in its consolidated accounts are set out below.
The accounting date of the financial statements for the subsidiaries is 31 March 2024, and for the associate (Synnovis), 31 December 2023.
The Trust holds a £250k investment in KCH Commercial Services Ltd.

	Country of Incorporation and Registered Office	Beneficial interest	Principal activity
Directly owned subsidiary undertakings			
KCH Commercial Services Ltd	UK	100%	Holding company
KCH Interventional Facilities Management LLP *	UK	100%	Interventional Facilities Management
Indirectly owned subsidiary undertakings			
KCH Management Ltd	UK	100%	Healthcare services
Associates			
Synnovis Group LLP (Synnovis)**	UK	24.5%	Healthcare services
MedTech Innovations Ltd ***	UK	30%	Healthcare technology
Joint operations			
NIHR/Wellcome Trust Clinical Research Facility (CRF) *****	UK		
Equity		35%	Research
Constructions		54%	Research
Other investments			
King's Fertility Limited	UK	10%	Healthcare services
KHP Ventures I Limited Partnership ****	UK	11.9%	Healthcare technology

* KCH Interventional Facilities Management LLP (KIFM) is a limited liability partnership between King's College Hospital NHS Foundation Trust (90%) and KCH Commercial Services Ltd (10%). KIFM started trading on 1 July 2016 and was set up to provide an efficient transformation and procurement service to the Trust. The income, expenses, assets, liabilities, equity and reserves of KIFM have been consolidated in full into the appropriate financial statement lines.
** Synnovis Group LLP was formerly known as Viapath Group LLP
*** MedTech Innovations Ltd is a joint venture with GSTT NHS FT and King's College London. The Trust has a 30% ownership share in this company.
**** The Trust has invested as a limited partner in KHP Ventures I Limited Partnership. This investment is held through its commercial subsidiary KCS. The current invesment represents an 11.9% share of the partnership however this percentage will decrease as additional partners invest in line with fund plans.
***** The Foundation Trust entered into a joint operation with King's College London and South London and Maudsley NHS Foundation Trust for the construction and use of premises known as the NIHR/Wellcome Trust Clinical Research Facility, which opened in November 2012.
The Foundation Trust has capitalised 54% of the cost of the building, and equipment assets therein based on the construction proportion. The Foundation Trust recognises 35% of revenue and expenditure generated by the facility, based on the equity proportion as stipulated in the Collaboration Agreement.

11.2 Carrying value of associates

	2023-24	2022-23
Group		
	£000	£000
Balance at 1 April	**5,620**	5,113
Acquisitions in year	**-**	900
Share of profit	**(209)**	(393)
Reversal of prior impairment	**1,133**	-
Disposals	**(225)**	-
Balance at 31 March	**6,319**	5,620

The balance includes investment of £1,057k in MedTech Innovations Ltd. The remainder of the balance relates to Synnovis, which provides critical pathology services to the Trust.
The share of loss relates to the investment in KHP MedTech Innovations Ltd.
Investments in Synnovis and MedTech Innovations are held by the Trust's subsidiary KCH Commercial Services Ltd.

11.3 Value of associates

	2023-24	2022-23
	£000	£000
Total gross assets of the entity as at 31 March	**217,239**	163,409
Total gross liabilities of the entity as at 31 March	**(187,074)**	(138,756)
Total revenues for the year ending 31 March	**209,314**	191,541
Profit for the year ending 31 March	**4,248**	4,507

The above figures are estimates based on the Synnovis draft annual accounts for the year ended 31 December 2023.
Figures from the Synnovis year end are used as there is not expected to be a material difference in position between the two year end dates.

11.4 Carrying value of other investments

	Group		**Trust**	
	31 March 2024	31 March 2023	**31 March 2024**	31 March 2023
	£000	£000	**£000**	£000
King's Fertility Limited	**335**	335	**335**	335
KHP Ventures I Limited Partnership	**333**	-	**-**	-
Other financial assets*	**3,676**	2,125	**3,676**	2,125
	4,344	2,460	**4,011**	2,460

*Other financial assets relates to a PIK note held by the Trust
The Trust invested £333k into KHP Ventures in year, a new fund. This investment is held by KCH Commercial Services Ltd

12 Inventories

12.1 Inventories - current year

	Group			
	Drugs £000	Consumables £000	Consumables donated from DHSC bodies £000	Total £000
At 1 April 2023	**9,150**	**13,058**	**-**	**22,208**
Additions	**224,548**	**111,459**	**-**	**336,007**
Additions donated	**-**	**-**	**548**	**548**
Inventories consumed and expensed	**(222,783)**	**(109,694)**	**(548)**	**(333,025)**
Write down of inventories	**(586)**	**-**	**-**	**(586)**
At 31 March 2024	**10,329**	**14,823**	**-**	**25,152**

Inventories - current year

	Trust			
	Drugs £000	Consumables £000	Consumables donated from DHSC bodies £000	Total £000
At 1 April 2023	**7,922**	**-**	**-**	**7,922**
Additions	**225,070**	**11,905**	**548**	**237,523**
Inventories consumed and expensed	**(225,264)**	**(11,737)**	**(548)**	**(237,549)**
Write down of inventories	**(572)**	**-**	**-**	**(572)**
At 31 March 2024	**7,156**	**168**	**-**	**7,324**

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 £0.548m of items purchased by DHSC.

The deemed cost of these inventories was charged directly to expenditure on receipt with the corresponding benefit recognised in income. No material balance of centrally issued stock was held by the Trust as at the balance sheet date.

12.2 Inventories - prior year

	Group			
	Drugs £000	Consumables £000	Consumables donated from DHSC bodies £000	Total £000
At 1 April 2022	8,529	13,206	-	21,735
Additions	208,065	123,113	-	331,178
Additions donated	-	-	3,105	3,105
Inventories consumed and expensed	(206,573)	(123,111)	(3,105)	(332,789)
Write down of inventories	(871)	(150)	-	(1,021)
At 31 March 2023	9,150	13,058	-	22,208

Inventories - prior year

	Trust			
	Drugs £000	Consumables £000	Consumables donated from DHSC bodies £000	Total £000
At 1 April 2022	7,526	402	-	7,928
Additions	186,431	22,022	3,105	211,558
Inventories consumed and expensed	(186,035)	(22,424)	(3,105)	(211,564)
At 31 March 2023	7,922	-	-	7,922

13 Trade and other receivables

13.1 Trade and other receivables

	Group		Trust	
	31 March 2024	31 March 2023	**31 March 2024**	31 March 2023
	£000	£000	**£000**	£000
Current				
Contract receivables	**58,719**	90,356	**52,861**	84,249
Allowance for impaired contract receivables / assets	**(11,511)**	(10,892)	**(11,511)**	(10,680)
Deposits and advances	**397**	366	**397**	366
Prepayments (non-PFI)	**7,652**	7,178	**7,630**	7,161
PDC dividend receivable	**2,706**	1,334	**2,706**	1,334
VAT receivable	**12,229**	13,658	**15,214**	13,434
Other receivables due from subsidiaries	**-**	-	**2,110**	2,367
Clinician pension tax provision reimbursement funding from NHSE	**103**	117	**103**	117
Other receivables	**124**	49	**125**	347
Total current receivables	**70,419**	102,166	**69,635**	98,695
Non-current				
Contract receivables	**12,835**	14,111	**4,050**	5,314
Other receivables due from subsidiaries	**-**	-	**47,853**	60,853
Clinician pension tax provision reimbursement funding from NHSE	**2,201**	2,684	**2,201**	2,684
Other Receivables	**5,928**	7,895	**5,928**	7,895
Total non-current receivables	**20,964**	24,690	**60,032**	76,746
Total	**91,383**	126,856	**129,667**	175,441
Of which are receivable from NHS and DHSC group bodies:				
Current	**25,809**	50,643	**25,809**	50,643
Non-current	**2,201**	2,684	**2,201**	2,684

The majority of trade is with NHS England and Clinical Commissioning Groups. As these bodies are funded by the UK Government to buy NHS patient care services, no credit scoring of them is considered necessary.

The largest outstanding debtor at 31 March 2024 was Guy's & St Thomas' Foundation Trust totalling £8.986m (2023: NHS England £24.662m).

13.2 Allowances for credit losses - 2023/2024

	Group		Trust	
	Contract receivables	**All other receivables**	**Contract receivables**	**All other receivables**
	£000	**£000**	**£000**	**£000**
Allowances as at 1 Apr 2023 - brought forward	**10,892**	**-**	**10,680**	**-**
New allowances arising	4,152	-	4,152	-
Reversals of allowances	(100)	-	(100)	-
Utilisation of allowances (write offs)	(3,433)	-	(3,221)	-
Allowances as at 31 Mar 2024	**11,511**	**-**	**11,511**	**-**

Allowances for credit losses - 2022/2023

	Group		Trust	
	Contract receivables	**All other receivables**	**Contract receivables**	**All other receivables**
	£000	**£000**	**£000**	**£000**
Allowances as at 1 Apr 2022	**10,888**	**-**	**10,676**	-
New allowances arising	3,135	-	3,135	-
Reversals of allowances	(291)	-	(291)	-
Utilisation of allowances (write offs)	(2,840)	-	(2,840)	-
Allowances as at 31 Mar 2023	**10,892**	**-**	**10,680**	**-**

14 Cash and cash equivalents

	Group		Trust	
	31 March 2024	31 March 2023	**31 March 2024**	31 March 2023
	£000	£000	**£000**	£000
Opening balance	**57,605**	92,991	**36,775**	69,893
Net change in year	**14,956**	(35,386)	**26,022**	(33,118)
Closing balance	**72,561**	57,605	**62,797**	36,775
Made up of				
Cash with Government Banking Service	**67,213**	52,312	**59,688**	34,991
Commercial banks and cash in hand	**5,348**	5,293	**3,109**	1,784
Cash and cash equivalents as in statement of financial position	**72,561**	57,605	**62,797**	36,775
Patients' money held by the Foundation Trust	**-**	14	**-**	14

15 Trade and other payables

	Group		Trust	
	31 March 2024	31 March 2023	**31 March 2024**	31 March 2023
	£000	£000	**£000**	£000
Current				
Trade payables	**42,587**	50,970	**46,039**	35,948
Capital payables	**9,669**	13,448	**9,669**	13,448
Accruals	**93,645**	102,521	**76,526**	98,000
Receipts in advance	**1,615**	1,079	**1,615**	1,079
Social security costs	**13,286**	11,641	**11,717**	11,626
Other taxes payable	**11,734**	12,189	**12,831**	11,783
Other payables	**15,691**	13,435	**13,779**	12,975
Total	**188,227**	205,283	**172,176**	184,859
Of which are payable to NHS and DHSC group bodies:				
Current	**28,329**	15,543	**28,329**	15,543

All trade and other payables are current; there are no non-current balances.

16 Other liabilities

	Group and Trust	
	31 March 2024	31 March 2023
	£000	£000
Current		
Deferred income	**19,232**	15,793
Elective Recovery Funding (ERF) Clawback	**6,440**	-
Total	**25,672**	15,793

All deferred income is current; there are no non-current balances.
£12k of the deferred income is held by the subsidiary, KCH Management Ltd (£17k in 2022-23)

17 Borrowings

	Group		Trust	
	31 March 2024	31 March 2023	**31 March 2024**	31 March 2023
Current	**£000**	£000	**£000**	£000
Loans from DHSC				
Capital loans	**3,688**	3,710	**3,688**	3,710
Other loans	**641**	640	**641**	640
Lease liabilities	**11,754**	12,105	**21,957**	21,182
Obligations under PFI contracts	**10,992**	6,378	**10,992**	6,378
Total current borrowings	**27,075**	22,833	**37,278**	31,910
Non-current				
Loans from DHSC				
Capital loans	**33,416**	36,834	**33,416**	36,834
Other loans	**1,281**	1,922	**1,281**	1,922
Lease liabilities	**95,587**	98,114	**149,336**	148,331
Obligations under PFI contracts	**243,067**	131,047	**243,067**	131,047
Total non-current borrowings	**373,351**	267,917	**427,100**	318,134
Total	**400,426**	290,750	**464,378**	350,044

17.1 Reconciliation of liabilities arising from financing activities

Group	**Loans from DHSC**	**Other loans**	**PFI and LIFT schemes**	**Lease Liabilities**	**Total**
	£000	**£000**	**£000**	**£000**	**£000**
Carrying value at 1 April 2023	**40,544**	**2,562**	**137,425**	110,219	**290,750**
Cash movements:					
Financing cash flows - payments and receipts of principal	(3,418)	(640)	(12,481)	(12,127)	**(28,666)**
Financing cash flows - payments of interest	(1,019)	(49)	(26,069)	(1,120)	**(28,257)**
Non-cash movements:					
Application of IFRS 16 to PFI liability on 1st April 2023	-	-	100,093	-	**100,093**
Additions			1,273	1,048	**2,321**
Lease liability remeasurements	-	-	-	8,201	**8,201**
PFI liability remeasurement	-	-	27,749	-	**27,749**
Interest charge arising in year	997	49	26,069	1,120	**28,235**
Other Changes		-	-	-	**-**
Carrying value at 31 March 2024	**37,104**	**1,922**	**254,059**	**107,341**	**400,426**

Group	**Loans from DHSC**	**Other loans**	**PFI and LIFT schemes**	**Lease Liabilities**	**Total**
	£000	**£000**	**£000**	**£000**	**£000**
Carrying value at 1 April 2022	**43,985**	**3,541**	**142,262**	-	**189,788**
Cash movements:					
Financing cash flows - payments and receipts of principal	(3,418)	(875)	(6,135)	(11,698)	**(22,126)**
Financing cash flows - payments of interest	(1,116)	(11)	(15,248)	(848)	**(17,223)**
Non-cash movements:					
IFRS 16 implementation - adjustments for existing operating leases	-	-	-	84,530	**84,530**
Additions	-	-	1,250	37,387	**38,637**
Interest charge arising in year	1,093	11	15,248	848	**17,200**
Other Changes	-	(104)	48	-	**(56)**
Carrying value at 31 March 2023	**40,544**	**2,562**	**137,425**	**110,219**	**290,750**

17 Borrowings - Continued

17.3 Reconciliation of liabilities arising from financing activities

Trust	Loans from DHSC	Other loans	PFI and LIFT schemes	Lease Liabilities	Total
	£000	£000	£000	£000	£000
Carrying value at 1 April 2023	**40,544**	**2,562**	**137,425**	**169,513**	**350,044**
Cash movements:					
Financing cash flows - payments and receipts of principal	(3,418)	(640)	(12,481)	(20,809)	**(37,348)**
Financing cash flows - payments of interest	(1,019)	(49)	(26,069)	(1,563)	**(28,700)**
Non-cash movements:					
Application of IFRS 16 to PFI liability on 1st April 2023			100,093	0	**100,093**
Additions			1,273	16,316	**17,589**
Lease liability remeasurement			-	8,200	**8,200**
PFI liability remeasurement	-	-	27,749	-	**27,749**
Interest charge arising in year	997	49	26,069	1,563	**28,678**
Early terminations/disposals	-	-	-	(1,927)	**(1,927)**
Other Changes	-	-	-	-	**-**
Carrying value at 31 March 2024	**37,104**	**1,922**	**254,059**	**171,293**	**464,378**

Trust	Loans from DHSC	Other loans	PFI and LIFT schemes	Lease Liabilities	Total
	£000	£000	£000	£000	£000
Carrying value at 1 April 2022	**43,985**	**3,202**	**142,262**	**59,120**	**248,569**
Cash movements:					
Financing cash flows - payments and receipts of principal	(3,418)	(640)	(6,135)	(18,382)	**(28,575)**
Financing cash flows - payments of interest	(1,116)	-	(15,248)	(1,181)	**(17,545)**
Non-cash movements:					
IFRS 16 implementation - adjustments for existing operating leases / subleases				79,767	**79,767**
Additions	-	-	1,250	52,591	**53,841**
Interest charge arising in year	1,093	-	15,248	1,181	**17,522**
Disposals				(3,583)	**(3,583)**
Other Changes	-	-	48	-	**48**
Carrying value at 31 March 2023	**40,544**	**2,562**	**137,425**	**169,513**	**350,044**

18 Provisions

18.1 Provisions - current year

Group	Pensions: Early Departure costs £000	Pensions: Injury benefits * £000	Legal claims £000	Other £000	Restructuring Provisions £000	Clinicians' Pension Provision £000	Total £000
At 1 April 2023	2,356	90	261	1,339	-	2,801	**6,847**
Arising during the year	476	64	2	9	3,313	-	**3,864**
Utilised during the year - cash	-	-	-	-	-	-	**-**
Utilised during the year - accruals	(658)	(67)	-	-	-	(56)	**(781)**
Reversed unused	(119)	-	-	(920)	-	(95)	**(1,134)**
Change in discount rate	(108)	(2)	-	-	-	(496)	**(606)**
Unwinding of discount	35	3	-	-	-	150	**188**
At 31 March 2024	**1,982**	**88**	**263**	**428**	**3,313**	**2,304**	**8,378**
Expected timing of cash flows:							
No later than one year	658	63	263	428	3,313	103	**4,828**
Later than one year and not later than five years	1,246	25	-	-	-	207	**1,478**
Later than five years	78	-	-	-	-	1,994	**2,072**
Total	**1,982**	**88**	**263**	**428**	**3,313**	**2,304**	**8,378**

All provisions relate to the Trust

The timing of the provisions cash flow represents our best estimate of future liabilities based on available input from NHS professionals in the respective areas.

"Other provisions" relates to provisions raised against the cost of defending and settling legal disputes

18.2 Provisions - prior year

Group	Pensions: Early Departure £000	Pensions: Injury benefits* £000	Legal claims £000	Other £000	Restructuring Provisions £000	Clinicians' Pension Provision £000	Total £000
At 1 April 2022	3,602	165	155	818	-	2,319	7,059
Arising during the year	370	-	166	698	-	2,908	4,142
Utilised during the year - cash	(633)	(61)	-	(103)	-	(18)	(815)
Reversed unused	(271)	(7)	(60)	(74)	-	-	(412)
Change in discount rate	(672)	(7)	-	-	-	(2,464)	(3,143)
Unwinding of discount	(40)	-	-	-	-	56	16
At 31 March 2023	2,356	90	261	1,339	-	2,801	6,847
Expected timing of cash flows:							
No later than one year	638	61	261	1,339	-	117	2,416
Later than one year and not later than five years	1,718	29	-	-	-	211	1,958
Later than five years	-	-	-	-	-	2,473	2,473
Total	2,356	90	261	1,339	-	2,801	6,847

All provisions relate to the Trust

The timing of the provisions cash flow represents our best estimate of future liabilities based on available input from NHS professionals in the respective areas.

"Other provisions" relates to provisions raised against the cost of defending and settling legal disputes

18.3 Provisions - further information

Clinical negligence

£653.291m (31 March 2023: £660.933m) is included in the provisions of the NHS Resolution at 31 March 2024, in respect of the estimated clinical negligence liabilities and existing liabilities of the Foundation Trust. As such, no provision is included in the Trust's accounts. NHS Resolution took over responsibility for unsettled clinical negligence claims for 1 April 2000, financial responsibility for all other clinical negligence claims transferred on 1 April 2002.

Pensions

The measure of the Foundation Trust's pension liability for early retired staff was recalculated in 2012-13, using the Office for National Statistics life expectancy tables. Expected future cash flows have been discounted using the real discount rate of 2.45% (2022-23: 1.7%) (set by HM Treasury) to determine the full liability.

Legal claims

The provision is based upon information provided by the NHS Resolution and refers to non-clinical claims against the Foundation Trust (e.g. public and employer's liability cases).

Other

The Foundation Trust has provided £0.371m (31 March 2023: £0.364m) for outstanding Employment Tribunal cases and associated legal fees. A further provision has been provided for the costs of defending and settling legal claims.

19 Contingencies

	Group and Trust	
	31 March 2024	31 March 2023
	£000	£000
Contingent liabilities		
Non-clinical legal claims	**(111)**	(90)

The above contingencies refer to non-clinical legal claims, dealt with by the NHS Resolution on behalf of the Foundation Trust. This represents our best estimate of future liabilities based on available input from NHS professionals in the respective areas.

There is one ongoing legal matter which may result in a contingent liability. The scope is currently very difficult to assess and may either fall away or result in an obligation to pay costs.

The Foundation Trust has no contingent assets.

20 Contracted capital commitments

	Group and Trust	
	31 March 2024	31 March 2023
	£000	£000
Property, plant and equipment	**25,382**	24,006

Capital commitments at 31st March 2024 include works on the the Endoscopy build at the PRUH site.

21 Revaluation reserve

Group and Trust		**31 March 2024**	31 March 2023
	Property, plant and equipment	**Total**	Total
	£000	**£000**	£000
At 1 April	**164,016**	**164,016**	211,213
Net impairments	**(24,996)**	**(24,996)**	(73,860)
Revaluations	**26,199**	**26,199**	26,663
At 31 March	**165,219**	**165,219**	164,016

22 On-SoFP PFI arrangements

22.1 The following are obligations in respect of the finance lease element of on-Statement of Financial Position PFI schemes:

	Group and Trust 31 March 2024 £000	31 March 2023 £000
Gross PFI liabilities	**496,879**	280,854
Of which liabilities are due:		
- not later than one year	**37,914**	21,087
- later than one year and not later than five years	**145,239**	79,478
- later than five years	**313,726**	180,289
Total	**496,879**	280,854
Finance charges allocated to future periods	**(242,820)**	(143,429)
Net PFI liabilities	**254,059**	137,425
Of which liabilities are due:		
- not later than one year	**10,992**	6,378
- later than one year and not later than five years	**45,682**	23,849
- later than five years	**197,385**	107,198
Total	**254,059**	137,425

22.2 Total on-SoFP PFI commitments

Total future obligations under these on-SoFP schemes are as follows:

	Group and Trust 31 March 2024 £000	31 March* 2023 £000
Total future payments committed of which will fall due:		
- not later than one year	**112,453**	105,563
- later than one year and not later than five years	**463,648**	436,035
- later than five years	**1,096,909**	1,155,910
Total	**1,673,010**	1,697,508

*The DHSC GAM has been updated to clarify the requirement to disclose the total contractual commitments measured at current prices at the reporting date to ensure a consistent approach is taken to this disclosure.
The Trust has updated prior year future obligations to reflect current prices, including inflation to balance sheet date but excluding any assumptions for future inflation.
Total PFI commitments for 31 March 2023 have been reduced by £965m from £2,638m to £1,673m excluding future inflation assumptions. Commitments not later than one year increased by £4m from £109m. Commitments later than one year and not later than five years reduced by £48m from £512m. Commitments later than five years reduced by £921m from £2,019m.

22.3 Analysis of amounts payable to service concession operator

This note provides an analysis of the unitary payments made to the service concession operator:

	Group and Trust 31 March 2024 £000	31 March 2023 £000
Unitary payment payable to service concession operator (total of all schemes)	**113,089**	97,977
Consisting of:		
- Interest charge	**26,069**	15,248
- Repayment of finance lease liability	**12,481**	6,135
- Service element	**70,789**	60,633
- Revenue lifecycle maintenance	**3,750**	3,001
- Contingent rent	**-**	12,960
	113,089	97,977
Other amounts paid to operator due to a commitment under the service concession contract but not part of the unitary payment	**7,218**	7,268
Total	**120,307**	105,245

22.4 PFI Schemes

King's College Hospital

The PFI consisted of two phases: phase 1 (construction of the new Golden Jubilee Clinical Wing) and phase 2 (refurbishment of the existing Ruskin Wing). The project enabled the centralisation of acute services on the Denmark Hill site following the transfer of services from Dulwich Hospital and Mapother House. As part of the scheme, HpC (King's College Hospital) plc also took responsibility for the provision of site-wide catering, domestic and portering services from April 2000. As a result recurrent revenue savings were achieved.

The project has been financed by a means of a wrapped, index linked bond guaranteed by MBIA-AMBAC and debt and equity capital provided by Costain, Skanska, Sodexo and Edison Capital. The contract period is 38 years. The annual payments by the Trust are dependent on availability and service quality standards being met.

22 On-SoFP PFI arrangements continued

Princess Royal Hospital - building PFI

Under the building PFI, United Healthcare (Bromley) Limited provided the land, building and site-wide hard and soft facilities management at the Princess Royal Hospital.

The capital funding is a combination of senior debt and equity finance. The senior debt financing was originally provided by way of loan from Commerzbank AG (and others). There was a refinancing process in 2004 which involved the issue of 3.018% index-linked guaranteed secure bonds, repayable in 66 six monthly instalments which commenced in 2004 and will end in 2036, and are subject to half yearly indexation in line with RPI.

Princess Royal Hospital - managed equipment services PFI

The MES PFI Scheme agreement dated 22 March 2002 is a 30 year PFI agreement and relates to the purchase of medical equipment, and the installation, maintenance and replacement of this and other clinical equipment. This agreement is between (1) The Trust, (2) United Healthcare (Bromley) Limited and (3) Healthsource (Bromley) Limited and commenced on the 1st of January 2003.

22.5 Impact of change in accounting policy for on-SoFP PFI 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.

22.6 Impact of change in accounting policy on the allocation of unitary payment

	IFRS 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	**113,089**	**113,089**	**-**
Consisting of:			
- Interest charge	26,069	14,762	**11,307**
- Repayment of balance sheet obligation	12,481	7,088	**5,393**
- Service element	70,789	70,789	**-**
- Lifecycle maintenance	3,750	3,750	**-**
- Contingent rent	-	16,700	**(16,700)**
- Addition to lifecycle prepayment - capital	-	-	**-**

22.7 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 and other service concession liabilities	(122,449)
Decrease in PDC dividend payable / increase in PDC dividend receivable	3,610
Increase in cash and cash equivalents (impact of PDC dividend only)	-
Impact on net assets as at 31 March 2024	**(118,839)**

Impact of change in PFI accounting policy on 2023/24 Statement of Comprehensive Income:	**£000**
PFI liability remeasurement charged to finance costs	(27,749)
Increase in interest arising on PFI liability	(11,307)
Reduction in contingent rent	16,700
Reduction in PDC dividend charge	3,610
Net impact on surplus / (deficit)	**(18,746)**

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	(100,093)
Net impact on 2023/24 surplus / deficit	(18,746)
Impact on equity as at 31 March 2024	**(118,839)**

Impact of change in PFI accounting policy on 2023/24 Statement of Cash Flows:	**£000**
Increase in cash outflows for capital element of PFI	(5,393)
Decrease in cash outflows for financing element of PFI	5,393
Decrease in cash outflows for PDC dividend	-
Net impact on cash flows from financing activities	**0**

23 Financial instruments

23.1 Risk profile and management

Financial risk management

Financial reporting standard IFRS 7 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 Foundation Trust has with NHS England and integrated care boards, and the way those commissioners are financed, the Foundation Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The Foundation Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Foundation Trust in undertaking its activities.

The Foundation Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Foundation Trust's standing financial instructions and policies agreed by the board of directors. This treasury activity is subject to review by the internal auditor.

Currency risk

The Foundation Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Foundation Trust itself has no overseas operations and therefore has low exposure to currency rate fluctuations. The Trust's subsidiary, KCH Management Ltd, is involved in some overseas activities and is exposed to exchange rate movements in some of its operations. This is an immaterial risk to the KCH group position.

Interest rate risk

48% of the Foundation Trust's financial assets and 99% of its financial liabilities carry nil or fixed rates of interest. The interest rate on cash held is 0.37%, so overall the Foundation Trust is not exposed to significant interest-rate risk. The two tables below show the interest rate profiles of the Foundation Trust's financial assets and liabilities.

Credit risk

Because the majority of the Foundation Trust's revenue comes from contracts with other public sector bodies, the Foundation Trust has low exposure to credit risk. The maximum exposures as at 31 March 2024 are in receivables from customers, as disclosed in the trade and other receivables note (note 12). Trade and other receivables outstanding but not past due date are considered recoverable and are not impaired. Factors determining the of impairment of trade and other receivables past due is included in note 1.21.4. Debts past their due date are covered by credit provisions or relate to intercompany loans where no requirement to impair has been identified.

Liquidity risk

The Foundation Trust’s operating costs are incurred under contracts with integrated care boards and NHS England, which are financed from resources voted annually by Parliament. The Foundation Trust funds its capital expenditure from funds obtained within its prudential borrowing limit. The Foundation Trust is not, therefore, exposed to significant liquidity risks outside of the uncertainty in the funding regime. See note 1.1.

23.2 Financial assets

Group	Total £000	Floating rate £000	Fixed rate £000	Non-interest bearing £000
Gross financial assets				
at 31 March 2024	**139,376**	**72,561**	**-**	**66,815**
at 31 March 2023	156,490	57,605	-	98,885
Trust				
Gross financial assets				
at 31 March 2024	**164,932**	**62,796**	**-**	**102,136**
at 31 March 2023	184,487	36,775	-	147,712

The weighted average interest rate for total financial assets was 0.37% (2022/23: 0.21%).
The weighted average period for which fixed years was unlimited (2022-23: unlimited).
The non-interest bearing weighted average term years was nil (2022-23: nil).

23.3 Financial liabilities

Group	Total £000	Floating rate £000	Fixed rate £000	Non-interest bearing £000
Gross financial liabilities				
at 31 March 2024	**558,014**	**1,922**	**406,826**	**149,266**
at 31 March 2023	465,328	2,562	294,059	168,707
Trust				
Gross financial liabilities				
at 31 March 2024	**606,388**	**1,922**	**470,779**	**133,687**
at 31 March 2023	504,621	2,562	353,353	148,706

The weighted average interest rate for total financial liabilities was 7.18% (2022/23: 5.72%).
The weighted average period for which fixed years was unlimited (2022-23: unlimited).
The non-interest bearing weighted average term years was nil (2022-23: nil).

23.4 Carrying values of financial assets

Group

Carrying values of financial assets as at 31 March 2024	Held at amortised cost £000	Held at fair value through I&E £000	Held at fair value through OCI £000	Total book value £000
Trade and other receivables excluding non financial assets	62,471	-	-	**62,471**
Other investments / financial assets	668	-	3,676	**4,344**
Cash and cash equivalents	72,561	-	-	**72,561**
Total at 31 March 2024	**135,700**	**-**	**3,676**	**139,376**

Carrying values of financial assets as at 31 March 2023	Held at amortised cost £000	Held at fair value through I&E £000	Held at fair value through OCI £000	Total book value £000
Trade and other receivables excluding non financial assets	96,425	-	-	**96,425**
Other investments / financial assets	335	-	2,125	**2,460**
Cash and cash equivalents	57,605	-	-	**57,605**
Total at 31 March 2023	**154,365**	**-**	**2,125**	**156,490**

Trust

Carrying values of financial assets as at 31 March 2024	Held at amortised cost £000	Held at fair value through I&E £000	Held at fair value through OCI £000	Total book value £000
Trade and other receivables excluding non financial assets	97,792	-	-	**97,792**
Other investments / financial assets	668	-	3,676	**4,344**
Cash and cash equivalents	62,796	-	-	**62,796**
Total at 31 March 2024	**161,256**	**-**	**3,676**	**164,932**

Carrying values of financial assets as at 31 March 2023	Held at amortised cost £000	Held at fair value through I&E £000	Held at fair value through OCI £000	Total book value £000
Trade and other receivables excluding non financial assets	145,252	-	-	**145,252**
Other investments / financial assets	335	-	2,125	**2,460**
Cash and cash equivalents	36,775	-	-	**36,775**
Total at 31 March 2023	**182,362**	**-**	**2,125**	**184,487**

23.5 Carrying values of financial liabilities

	Group		
Carrying values of financial liabilities as at 31 March 2024	**Held at amortised cost £000**	**Held at fair value through I&E £000**	**Total book value £000**
Loans from the Department of Health and Social Care	37,104	-	**37,104**
Obligations under PFI, LIFT and other service concessions	254,059	-	**254,059**
Obligations under leases	107,341	-	**107,341**
Other borrowings	1,922	-	**1,922**
Trade and other payables excluding non financial liabilities	149,266	-	**149,266**
Provisions under contract	8,322	-	**8,322**
Total at 31 March 2024	**558,014**	**-**	**558,014**

Carrying values of financial liabilities as at 31 March 2023	**Held at amortised cost £000**	**Held at fair value through I&E £000**	**Total book value £000**
Loans from the Department of Health and Social Care	40,544	-	**40,544**
Obligations under PFI, LIFT and other service concessions	137,425	-	**137,425**
Obligations under leases	110,219	-	**110,219**
Other borrowings	2,562	-	**2,562**
Trade and other payables excluding non financial liabilities	168,707	-	**168,707**
Provisions under contract	5,871	-	**5,871**
Total at 31 March 2023	**465,328**	**-**	**465,328**

	Trust		
Carrying values of financial liabilities as at 31 March 2024	**Held at amortised cost £000**	**Held at fair value through I&E £000**	**Total book value £000**
Loans from the Department of Health and Social Care	37,104	-	**37,104**
Obligations under PFI, LIFT and other service concessions	254,059	-	**254,059**
Obligations under finance leases	171,294	-	**171,294**
Other borrowings	1,922	-	**1,922**
Trade and other payables excluding non financial liabilities	133,687	-	**133,687**
Provisions under contract	8,322	-	**8,322**
Total at 31 March 2024	**606,388**	**-**	**606,388**

Carrying values of financial liabilities as at 31 March 2023	**Held at amortised cost £000**	**Held at fair value through I&E £000**	**Total book value £000**
Loans from the Department of Health and Social Care	40,544	-	**40,544**
Obligations under finance leases	137,425	-	**137,425**
Obligations under PFI, LIFT and other service concessions	169,513	-	**169,513**
Other borrowings	2,562	-	**2,562**
Trade and other payables excluding non financial liabilities	148,706	-	**148,706**
Provisions under contract	5,871	-	**5,871**
Total at 31 March 2023	**504,621**	**-**	**504,621**

23.6 Fair values of financial assets and liabilities

The carrying value of financial assets and liabilities is considered a reasonable approximation of their fair values.

23.7 Maturity of financial liabilities

	Group		Trust	
	31 March 2024 £000	**31 March 2023 £000**	**31 March 2024 £000**	**31 March 2023 £000**
In one year or less	**209,777**	209,463	**204,954**	199,081
In more than one year but not more than five years	**204,302**	143,863	**237,868**	178,708
In more than five years	**399,144**	268,275	**422,349**	286,483
Total	**813,223**	621,601	**865,171**	664,272

This analysis is based on undiscounted future cash flows i.e. gross liabilities including finance charges. The amounts of both principal and interest payments which the Trust and group are committed to make under PFI and finance lease obligations are shown in Note 17.

24 Third party assets

At 31 March 2024, the Foundation Trust held £0 (31 March 2023: £14,423) cash at bank and in hand that related to monies held by the Foundation Trust on behalf of patients. This is excluded from the cash at bank and in hand figure reported in the accounts.

25 Events after the reporting period

In June 2024, a criminal cyber-attack was perpetrated against Synnovis, the provider of the Trusts pathology services. This remained an extremely serious incident affecting the Trust at the time of finalising the annual report and accounts. Given the ongoing nature of the response, as well as the potential for unknown factors, the full impact remains unknown at this stage, but is not expected to materially affect the 2023-24 financial statements.

26 Related parties

King's College Hospital NHS Foundation Trust is a body corporate established by order of the Secretary of State for Health. The Department of Health and Social Care is the Trust's parent department and ultimate controlling party.

During the year, none of the Board members, the Foundation Trust's governors, members of the key management staff or parties related to them have undertaken any material transactions with the Foundation Trust.

The Department of Health and Social Care (DHSC) is regarded as a related party. During the year, the Foundation Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent entity, including ICBs, NHS Trusts and NHS England, as well as the NHS Resolution and the NHS Business Services Authority . These organisations are listed below.

NHS South East London Integrated Care Board
London Commissioning Region
NHS England Central Commissioning Hub
NHS Kent and Medway Integrated Care Board
NHS South West London Integrated Care Board
NHS England
Guy's and St Thomas' NHS Foundation Trust
NHS Resolution
NHS Sussex Integrated Care Board
NHS Surrey Heartlands Integrated Care Board
Health And Social Care Board
NHS North Central London Integrated Care Board
Oxleas NHS Foundation Trust
NHS Blood And Transplant
Community Health Partnerships Ltd
NHS Buckinghamshire, Oxfordshire and Berkshire West Integrated Care Board
NHS North West London Integrated Care Board
NHS North East London Integrated Care Board

Current year	Income £000	Expenditure £000	Receivables £000	Payables £000
Synnovis Group LLP	10,475	62,333	3,141	6,381
Medtech	-	-	-	-
KHP Ventures*	-	-	-	-

Prior year	Income £000	Expenditure £000	Receivables £000	Payables £000
Synnovis Group LLP	11,590	70,980	2,901	5,069
Medtech				225

*The Trust has invested £333k in KHP Ventures during the year, a new related party in 2023-24.

26.1 Related parties - Trust

In addition to the related party disclosures above, the Trust has the following transactions with its subsidiary companies:

Current year	Income £000	Expenditure £000	Receivables £000	Payables £000
King's Interventional Facilities Management*	13,767	189,018	37,541	79,939
King's Commercial Services Ltd	356	8	11,500	-
KCH Management Ltd	4,207	1,755	1,193	386

Prior year	Income £000	Expenditure £000	Receivables £000	Payables £000
King's Interventional Facilities Management*	13,281	180,491	50,032	77,277
King's Commercial Services Ltd	463	-	12,250	-
KCH Management Ltd	1,703	1,832	1,188	99

*The Payables figure with King's Interventional Facilities Management includes lease liabilities for equipment owned by the subsidiary

27 Losses and special payments

Group and Trust	2023-24		2022-23	
	Number	**Value £000**	Number	Value £000
Losses of cash due to:				
- overpayment of salaries	**135**	**116**	124	167
- other causes	**13**	**8**	-	-
Bad debts and claims abandoned in relation to:				
- private patients	**93**	**44**	1	24
- overseas visitors	**339**	**2,164**	391	2,613
- other	**43**	**34**	28	36
Stores Losses	**34**	**572**	31	1,021
Damage to buildings, property etc. due to:				
- theft, fraud etc.	**13**	**6**	3	1
Total losses	**670**	**2,944**	578	3,862
Special payments due to:				
Ex-gratia payments due to:				
- loss of personal effects	**23**	**24**	11	12
Total special payments	**23**	**24**	11	12
Total losses and special payments	**693**	**2,968**	589	3,874

In 2023-24 there were nil cases where the loss or special payment exceeded £300,000 (2022-23: 0 cases).

Losses and special payments are disclosed on an accruals, rather than a cash basis, but exclude provision for future losses.