Annual Report & Accounts

1st April 2022 – 31st March 2023

NHS
The Clatterbridge Cancer Centre
NHS Foundation Trust

The Clatterbridge Cancer Centre NHS Foundation Trust

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Presented To Parliament Pursuant To Schedule 7, Paragraph 25(4) (A) Of The National Health Service Act

Contents

Introduction from the Chair and Chief Executive

We are delighted to introduce our annual report and accounts for the financial year 2022/23 and advise that some major achievements were made during the year. Our six strategic priorities are to Be Outstanding, Be Collaborative, Be a Great Place to Work, Be Research Leaders, Be Digital and Be Innovative and we have made real advances against each of these priorities. Particular highlights during the year include several research firsts, the renewal of Liverpool Experimental Cancer Medicine Centre (ECMC) funding and involvement in a Biomedical Research Centre (BRC) with The Royal Marsden NHS Foundation Trust.

Once again, we were rated one of the best hospitals in the country in the National Adult Inpatient Survey. We were delighted to welcome a number of high-profile visitors during the year including a visit from Ms A Pritchard, Chief Executive, NHS England, at the beginning of the year as the threat from the COVID-19 pandemic receded. Our neuro-oncology team achieved Tessa Jowell Centre of Excellence accreditation and our pioneering work on urgent cancer care and acute oncology was highlighted by NHS Providers.

We also faced a number of challenges as the nation responded to life after COVID-19. One of the most challenging developments facing cancer care in our region was the significant increase in referrals post-COVID. We have been busier than ever before with treatment activity rising faster and higher than anyone could have predicted. Combined with other pressures on primary and secondary care, this has meant that patients may have experienced longer waits for diagnosis and treatment before they were referred to our services than any of us would wish. That is why we have been so committed to working in partnership with colleagues across the Cheshire and Merseyside Integrated Care System and doing all we can to support earlier diagnosis.

Our operating environment changed in 2022/23, with new Integrated Care Boards (ICB) becoming statutory organisations, and we were pleased to become the host organisation for the Cheshire and Merseyside diagnostics programme. This programme encompasses the full range of diagnostic activities for all kinds of health conditions but is also of pivotal importance to cancer care across our region – early diagnosis is one of the most effective ways we can improve outcomes for people with cancer.

Just before the end of the year we were delighted to welcome patient number 50,000 to the Community Diagnostic Centre (CDC) we operate in the Wirral in collaboration with Wirral University Teaching Hospital NHS Foundation Trust. We also secured funding and approval from the national CDC programme to establish a new CDC for Liverpool, which will be based in the former Rutherford Health building in Paddington Village. We anticipate that the first patients will be able to access diagnostic services at this new centre in Quarter 2 2023/24.

Our focus on research activities continues, and we expanded our portfolio of first-in-human trials during the year with this activity enhanced with the opening of a new early phase trials inpatient unit. As mentioned above, we are now part of a NIHR Biomedical Research Centre (BRC) in partnership with The Royal Marsden NHS Foundation Trust. This followed NIHR funding confirmed at the end of 2021/22 for the Liverpool Clinical Research Facility which the Trust is part of together with Liverpool University Hospitals and the Liverpool Heart and Chest Hospital. Our Biobank has expanded and many of our staff have proactively donated blood samples that can be used as part of cancer research.

We are acutely aware that we operate within a wider social and economic context and recognise that the cost of living crisis during the year has had a real impact on the communities we serve. Supporting their wellbeing has been more important than ever. For patients, this support has included expanding our Cancer Information and Support services and working even more closely with health and social care partners and the voluntary sector to provide true wraparound care.

Supporting staff morale and wellbeing has also been a key priority with an extensive calendar of events including health checks, access to support services and the ever popular smoothie bikes! We have placed even greater focus on supporting flexible and hybrid working and developing our Ethnic Diversity, LGBT+ and Disability staff networks. During the year we achieved Fair Employment Charter status and completed reaccreditation for Bronze Veteran Aware status. In October 2022, we were delighted to host our first annual Staff Excellence Awards in a glittering ceremony at the Crowne Plaza Hotel in Liverpool. Around 300 staff attended what was a fantastic celebration of the people who work at the Trust and all they do.

System and collaborative working is now more important than ever. Our close neighbours at Liverpool University Hospitals NHS Foundation Trust opened the new Royal Liverpool University Hospital (the 'Royal') in September 2022. The two organisations have always worked closely, but our cancer centre in Liverpool and the new Royal are now physically connected via link bridges, which makes teamwork around patient care seamless. People with cancer now have rapid access to the specialist care they need, whether that is oncology services in Clatterbridge or acute services in the Royal.

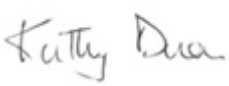
We are proud to work closely and in collaboration with all our health partners in Cheshire and Merseyside and the Trust is an active participant in the Cheshire and Merseyside Acute and Specialist Trust (CMAST) Provider Collaborative. We have also committed to working with partner organisations in Liverpool to address recommendations from the Liverpool Clinical Services Review, which concluded in January 2023. The Trust hosts the Cheshire and Merseyside Cancer Alliance, which has successfully progressed a series of developments during the year including the NHS-Galleri trial, expansion of targeted lung health checks, introduction of innovative workforce models and award-winning work to address health inequalities through targeted community engagement around prostate cancer in Black men and bowel cancer screening for people of South Asian ethnicity.

Being innovative is one of our strategic priorities and so we were excited to launch our new Innovation Strategy in 2022/23 and to mark the first full year of our Bright Ideas scheme which is funded by the Clatterbridge Cancer Charity. The scheme provides funding which allows staff to bring their transformational innovations to life, making a real difference to patient care, staff wellbeing or our drive to deliver sustainability and social value. Bright Ideas supported during the year included a pioneering entertainment screen designed for people with cancer-related spinal issues, which mean that they have to lie flat for many hours, memory boxes for children whose loved ones have incurable cancer and massage guns to help patients with pain relief.

In addition to the Charity's support for the Bright Ideas scheme, other key highlights during the year were the return of the Charity's large public events with the Midsummer Ball in June 2022 and the Glow Green Walk in February 2023 proving to be particularly memorable.

The final months of 2022/23 saw unprecedented levels of industrial action across the NHS as part of a national pay dispute. This presented difficult challenges for all concerned but we were proud of the way that everyone at Clatterbridge came together to plan and prepare for each strike day to ensure that services continued to be delivered and that safe patient care was maintained throughout. Our thanks go out to our committed and driven workforce, our volunteers, our Governors and our members who have all contributed to making The Clatterbridge Cancer Centre (CCC) a place of excellence for all our patients and their families.

We look forward to a successful 2023/24, although it is clear that the Trust, and the wider health and care system, will face difficult challenges in the coming year. Economic factors and a squeeze on public funding will mean that we need to be even more innovative when it comes to making the most effective use of finite resources for our patients and staff. The efficient delivery of services will also necessitate proactive and productive collaboration with system partners. The Board of Directors is determined to address these challenges and we continue to be as committed as ever to delivering exceptional patient care and being a great place to work.



Kathy Doran
Chair

Liz Bishop
Chief Executive

2 About the Trust

The history of the Trust dates back to 1862 when Mr James Deaton Smythe, a prominent surgeon, established the Liverpool Hospital for Cancer and Diseases of the Skin.

On 1st August 2006, The Clatterbridge Cancer Centre (CCC) was authorised as a NHS Foundation Trust under the Health and Social Care (Community Health and Social Care) Act 2003 and we are now one of the largest NHS specialist cancer treatment facilities in the United Kingdom (UK).

The Trust has almost 1,800 dedicated members of staff working across a unique multi-site care model serving a population of approximately 2.4 million in Cheshire and Merseyside, North Wales and the Isle of Man. We are one of the UK's leading cancer hospitals providing non-surgical cancer treatment delivering world-class clinical services, research and academic excellence. We are a tertiary cancer centre and our three main treatment sites are in Aintree, Liverpool and Wirral. We operate specialist chemotherapy clinics in four of Merseyside's acute hospitals, making the Trust one of the largest NHS providers of non-surgical cancer treatment for solid tumours and blood cancers. Our clinical model also includes the provision of chemotherapy in the home and the workplace.

Our facilities and clinical model enable us to provide a comprehensive range of inpatient care, acute oncology, radiology, advanced radiotherapy, chemotherapy and other systemic anti-cancer therapies including gene therapies and immunotherapies. In addition, we are the only facility in the UK providing low energy proton beam therapy to treat rare eye cancers and we also host the region's stem cell transplant unit and Teenage and Young Adult Unit.

2.1 Key risks faced by the Trust in 2022/23

It is essential that we continue to focus on maintaining our high standard of quality care. The Board Assurance Framework is the tool for the Board to assure itself on the delivery and achievement of the Trust's strategic objectives.

The following principal risks were included in the Trust's Board Assurance Framework in 2022/23:

1. Quality governance systems fail to drive improvements in patient safety and experience and the effectiveness of care
2. A risk that demand exceeds available resources that could impact the quality and safety of services
3. A risk of available funding being insufficient to deliver the Trust's strategic priorities
4. A risk that corporate and clinical governance arrangements do not provide comprehensive Board oversight and assurance
5. A risk of failure to integrate environmental sustainability into delivery of strategic priorities
6. A risk that the Trust fails to achieve sufficient strategic influence within the Integrated Care System (ICS)
7. An inability to increase the breadth and depth of research will impair research ambitions as a specialist cancer centre

8. Competition for talent and research sponsorship may result in a risk of the research programme being under-resourced
9. A risk that leadership capacity and capability is insufficient to drive changes required to achieve the Trust's strategic ambitions
10. A risk of being unable to attract and develop a diverse and highly skilled workforce
11. A risk of insufficient staffing levels in some areas of the Trust could result in disruption to services
12. A risk of decline in the health and wellbeing of staff
13. Limited development and adoption of digitisation across the Trust could constrain service improvements
14. The risk of a major security breach arising from increasing digitisation and cyber threats could disrupt services
15. A risk of inadequate governance of the Trust's subsidiary companies and joint venture could result in failure to maximise benefits

The Board of Directors participated in an externally facilitated workshop on 23rd February 2022 to refresh the risks that form the basis of the BAF and consider how presentation and use of the BAF could be enhanced. Each risk was assigned to either the Board or one of the Board Committees for oversight and scrutiny. Board Committees review their assigned risks at each Committee meeting and the complete BAF is reviewed by the Board of Directors on a quarterly basis. A refresh of the BAF was agreed to for 2023/24 at the April 2023 Board.

The Board remains focused on the strategic risks contained within the Board Assurance Framework and gains oversight of these risks via the governance arrangements in place described within section 5.2 of this report. Further information can be found at page 85.

2.2 Our strategy and values

Having delivered our last five-year strategic plan, opening CCC-Liverpool in June 2020 and embedding our unique networked model of care, our attention has turned to maximising the benefits of these developments for patient outcomes and experience. The opening of CCC-Liverpool provided us with a unique opportunity to re-examine, re-invigorate, and refresh our strategic plan. We subsequently launched a new five-year strategic plan in May 2021.

2.2.1 Our mission

Our five-year strategic plan contains a new statement of our mission for 2021-2025. We will:

Drive improved outcomes and experience through our unique network of specialist cancer care across Cheshire and Merseyside.

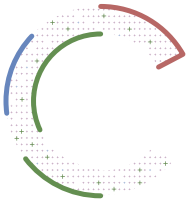
2.2.2 Our values

We refreshed our values in 2021/22, as promised in our five-year strategic plan. Our values were co-created by our people and form the foundation of our culture, our ethos and how we work every day. They define how we work to deliver the best care to our patients and how we make CCC the best place to work.

WE ARE...
KIND
EMPOWERED
RESPONSIBLE
INCLUSIVE

2.2.3 Our strategic priorities

To deliver our mission we have developed plans to address six strategic priorities and a number of associated outcomes:



BE **OUTSTANDING**

Deliver safe, high quality care and outstanding operational and financial persormance

Outstanding CQC rating
Top decile NCPES survey

BE **COLLABORATIVE**

Drive better outcomes for cancer patients, working with our partners across our unique network of care

Improved 5-year survival
Increased early diagnosis

BE **RESEARCH LEADERS**

Be leaders in cancer research to improve outcomes for patients, now and in the future

Retain ECMC status
Gain CRUK centre status

BE **A GREAT PLACE TO WORK**

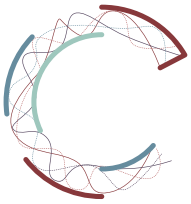
Attract, develop and retain a highly skilled, motivated and inclusive workforce to deliver the best care

Retain ECMC status
Gain CRUK centre status

BE **DIGITAL**

Drive digitally transformed services, empowering patients and staff

Develop a digital strategy
Achieve HIMSS level 7



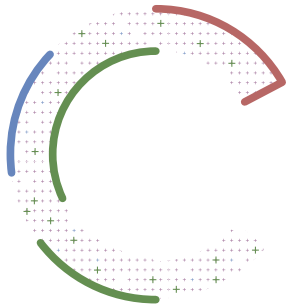
BE **INNOVATIVE**

Be enterprising and innovative, exploring opportunities that improve or support patient care

Develop and implement an innovation strategy

2.2.4 Progress this year against our strategy

We have reported our progress in delivering our strategy throughout the year to our Board of Directors, Council of Governors, and staff. These are some of the highlights in each of our strategic themes:



BE **OUTSTANDING**

- CCC rated one of the best hospitals in England for inpatient care in CQC National Inpatient Survey 2021, published in October 2022
- Successful programme delivered to support the opening of the new Royal hospital, ensuring readiness of our services and maintaining high quality, safe and effective patient care
- New appointments to the Chief Nurse's quality and governance team
- Chimeric Antigen Receptor T-cell (CAR-T) therapy service in development
- CCC-Wirral investment and redevelopment programme commenced

BE **COLLABORATIVE**

- CCC continues to lead the Cheshire and Merseyside urgent cancer care programme, working with system partners to deliver improvements and gaining national recognition for this work
- Continued leadership of the Cheshire and Merseyside Community Diagnostic Centre programme and the wider diagnostic programme
- Active role in Cheshire and Merseyside Integrated Care System and the Provider Collaborative for the region (CMAST)
- Engagement in the Liverpool Clinical Services Review and commitment to addressing recommendations of the review

BE **A GREAT PLACE TO WORK**

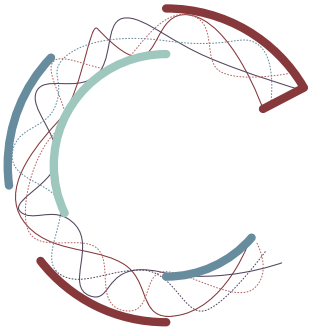
- The first Staff Excellence Awards took place in October 2022 with attendance from 300+ staff – feedback extremely positive
- Leadership development through the Springboard programme and dedicated development for Band 5 and Band 6 staff
- Good staff engagement through divisional listening events and staff networks
- Health and Wellbeing Extravaganza month July 2022 (400+ staff took part) and Health MOT sessions across the Trust in November 2022
- 65% response rate to the 2022 National Staff Survey

BE **RESEARCH LEADERS**

- Successful Biomedical Research Centre (BRC) bid with The Royal Marsden, announced October 2022
- Official launch of the NIHR Liverpool Clinical Research Facility (CRF) with Liverpool University Hospitals and Liverpool Heart and Chest in November 2022
- Experimental Cancer Medicine Centre (ECMC) renewal bid submitted June 2022 – successful outcome announced January 2023
- New Deputy Director of Clinical Research appointed
- Clatterbridge Research Funding Scheme launched November 2022

BE **DIGITAL**

- Digital Strategy developed for approval by the Board in 2023
- Good progress made on telemedicine pilot of remote monitoring immunotherapy and advance lung cancer patients
- Following a successful Health Education England funding bid, a Virtual Reality training project was implemented to support sepsis training
- A number of digital themes are now well embedded as 'business as usual' activities, with appropriate governance processes in place



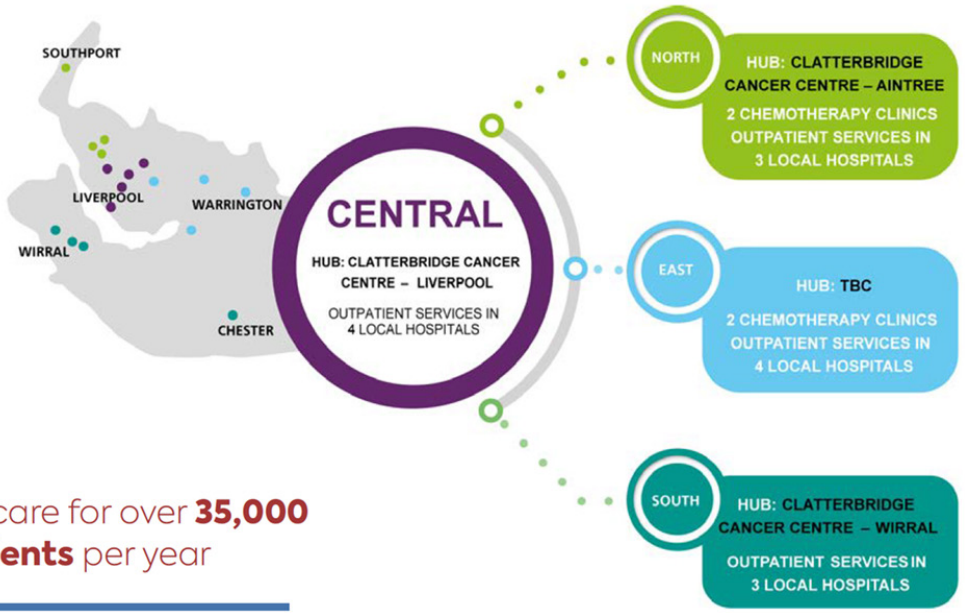
BE **INNOVATIVE**

- New Innovation Strategy developed and approved through Trust governance structures in early 2023
- Engagement with local and national innovation partners
- Bright Ideas scheme has now had 120+ submissions, including one from a patient
- Proposals in development for a 'Big Ideas' scheme to encourage innovation on a larger scale

2.3 Our services and structures

We have a unique multi-site care model consisting of three main sites, four additional systemic anti-cancer therapy (SACT) sites and 15 outpatient centres (listed here: [https://www.clatterbridgecc.nhs.uk/about-centre/mission-aims-and-values/networked-services)](https://www.clatterbridgecc.nhs.uk/about-centre/mission-aims-and-values/networked-services). Our clinical model also includes chemotherapy in the home and workplace.

The Clatterbridge Cancer Centre NHS Foundation Trust (CCC) is the principal provider of non-surgical cancer services in Cheshire and Merseyside.



We care for over **35,000 patients** per year

Clatterbridge Cancer Centre – Aintree (CCC-Aintree)

The cancer centre at Aintree opened on 14th February 2011 and is predominantly a radiotherapy treatment centre. We also provide systemic anti-cancer therapies in the Marina Dalglish Centre on the Aintree site. The site also has a busy schedule of outpatient clinics in addition to a Macmillan Information and Support Centre offering additional support to our patients.

Clatterbridge Cancer Centre – Liverpool (CCC-Liverpool)

Our new 11-storey specialist cancer hospital opened on 27th June 2020 and provides chemotherapy and other drug therapies, radiotherapy, imaging, inpatient and outpatient care, cancer support and rehabilitation, stem cell transplant, and urgent cancer care. The hospital is situated adjacent to Royal Liverpool University Hospital and is at the heart of a thriving research and healthcare campus with the University of Liverpool and other key research partners, all of which will further enable our cancer research and clinical trials.

Clatterbridge Cancer Centre – Wirral (CCC-Wirral)

The Wirral site opened in 1958 and served as our main site until we opened our new hospital in Liverpool in June 2020. The Trust was authorised as a Foundation Trust on 1st August 2006. The Wirral site continues to provide day-case and outpatient care, including chemotherapy and other systemic anti-cancer therapies, radiotherapy, imaging and patient support services including a Macmillan Cancer Information and Support Centre.

Many of our corporate and clinical support services are based at the Wirral site, including Finance, Workforce, Administration Services and the Project Management Office.

2.3.1 Our divisional structures

As part of our five-year strategic plan we committed to reviewing our clinical and operational structures. Our revised structure was embedded in 2021/22 and comprises three Clinical Divisions, each led by a Divisional Director, Divisional Allied Health Professional/Nurse Director and an Associate Medical Director.

Each Clinical Division contains a number of Tumour Site Reference Groups (SRGs). SRGs are comprised of groups of clinicians involved in the care of patients with particular cancer types. SRGs are responsible for overseeing the quality of care, developing services, and driving research and innovation for their particular cancer types.

Each Division is made up of individual clinical business units (CBUs). The triumvirate model of management is now visible at every level of the management structure, which ensures that our services are underpinned by excellent clinical oversight and high-quality, safe care.

We now have eight CBUs in total, split across the three Divisions:

Networked Services Division

CBU1: Day care and networked services	
Tumour SRGs:	Breast, Skin, Gynae, Acute Oncology, CUP (cancer of unknown primary)
Services:	Peripheral SACT delivery hubs, Day Care, Clatterbridge in the Community, Immuno-Oncology, Metastatic Spinal Cord Compression, Venous Access

CBU2: Outpatients and clinical support	
Tumour SRGs:	Upper GI, Lower GI
Services:	Outpatient services, Phlebotomy, Dietetics, Speech and Language Therapy, Physiotherapy, Occupational Therapy, Patient Information Team, Psychological Medicine, Lymphoedema, Service Level Agreements

CBU3: Admin Services	
Services:	Medical Secretaries, Access, Cancer Waiting Times, Receptionists, Assistant Service Managers, Switchboard

Acute Care Division

CBU4: Pharmacy	
Services:	Clinical Pharmacy, Aseptics, ePrescribing

CBU5: Inpatient Care	
Tumour SRGs:	Enhanced Supportive Care, Stem Cell Transplant, Haemato-Oncology, Rare cancers and Teenage and Young Adults (TYA)
Services:	Inpatient wards, Haemato-Oncology, Rare cancers, Wards 2-5, Clinical Decisions Unit and Hotline, Patient flow, Hospital at Night, Junior Doctors

Radiation Services Division

CBU6: Radiotherapy services	
Tumour SRGs:	CNS, Urology, Lung, Head and Neck
Services:	Intermediate Cancers Pre-treatment, SAS Doctors, Radiotherapy, Brachytherapy, Papillon, Cyclotron

CBU7: Radiology	
Services:	Radiotherapy Pre-Treatment, Radiology Services (CT, Nuclear Medicine, MR, US, Interventional Radiology)

CBU8: Physics	
Services:	Radiotherapy Planning (including planning radiographers), Radiotherapy Services Support, Radiology Services Support, External Support

2.4 Our partners and ventures

2.4.1 Cheshire and Merseyside

The Cheshire and Merseyside Cancer Alliance

We have continued to host the Cheshire and Merseyside Cancer Alliance which brings together organisations, patients and others affected by cancer to drive improvements in clinical outcomes and patient experience. The CEO is the Senior Responsible Officer for the Cheshire and Merseyside Cancer Alliance. The Cancer Alliance is funded and accountable to the National Cancer Programme within NHS England and has been in place since 2016. It brings together healthcare providers, commissioners, patients, cancer research institutions and voluntary and charitable sector partners to improve cancer outcomes for our local population in Cheshire and Merseyside and the Isle of Man. In bringing together experts in cancer, the Cancer Alliance is able to demonstrate quantifiable positive change in how cancer care is delivered.

The Alliance has four key responsibilities:

- Delivering the NHS Long Term Plan objectives for cancer, including the ambition that by 2028, 75% of cancers will be diagnosed at stages 1 and 2
- Reducing unwarranted variation in care, access, patient experience and outcomes
- Improving performance against cancer waiting times standards
- Supporting innovation and safeguarding the long term sustainability of cancer services

The ambition of the Cancer Alliance is to take every opportunity to prevent cancer and ensure outstanding cancer care is provided across Cheshire and Merseyside on behalf of the ICB. For more information about the Alliance please visit www.cmcanceralliance.nhs.uk

The Cheshire and Merseyside Integrated Care Board

Since 1st July 2022 NHS Cheshire and Merseyside – an Integrated Care Board (ICB) – has held responsibility for planning NHS services, including primary care, community pharmacy and those previously planned by clinical commissioning groups (CCGs). Accountable to the people of Cheshire and Merseyside and in charge of NHS money, NHS Cheshire and Merseyside will ensure that the strategies developed by Cheshire and Merseyside Health and Care Partnership become a reality on the ground.

The Cheshire and Merseyside Health and Care Partnership

Established in 2016, the Cheshire and Merseyside Health and Care Partnership addresses local challenges around population health, quality of care and the increasing financial pressures on these services. Its universal goal is to improve health and wellbeing and reduce health inequalities across Cheshire and Merseyside.

The Cheshire and Merseyside Acute and Specialist Trust Provider Alliance

The Trust is a member of the Cheshire and Merseyside Acute and Specialist Trust Alliance (CMAST) is a collaborative. Across the country, each all provider collaborative has been tasked with developing:

- a shared vision and commitment to collaborate
- strong accountability mechanisms for members
- building on existing successful governance arrangements
- efficient decision-making
- embedding clinical and community voices
- streamlining ways of working

During 2022/23 Cheshire and Merseyside Acute and Specialist Trust Alliance has continued to have oversight of the following programmes of work:

- Clinical Pathways
- Elective Recovery
- Diagnostic Programme
- Workforce Programme
- Finance, Efficiency and Value Programme

In addition to her role as the Senior Responsible Officer (SRO) for the Cancer Alliance, our Chief Executive Officer (CEO) has also taken on leadership roles beyond cancer and is now SRO for the regional Community Diagnostic Centre (CDC) programme and the Partnership's wider diagnostic programme.

The Cheshire and Merseyside Diagnostics Programme consists of five separate but co-dependent networks / portfolios:

- Community Diagnostic Centres (CDC)
- Endoscopy Network
- Radiology Imaging Network
- Pathology Network
- Physiological Measurements

Community Diagnostic Centres are digitally connected multi-diagnostic facilities and in Cheshire and Merseyside, we now have six operational with plans to open three more in 2023/24.

In 2022/23, our Community Diagnostic Centres delivered the fourth-highest number of tests in the country, with services accessible for up to 12-14 hours a day, seven days a week.

Liverpool Place

In 2022/23, a Liverpool Clinical Services Review was commissioned by NHS England (NHSE) and the ICB. It was recommended that three Joint Committees between Liverpool University Hospitals NHS Foundation Trust (LUHFT) and neighbouring providers were established with the purpose of maximising the opportunities of co-located estates and resources. The Joint Committee between LUHFT and ourselves was established in March 2023 and a work plan is currently being developed.

2.4.2 Our Charity*

The Clatterbridge Cancer Charity is administered by the Trust and its key objective is to focus on supporting us in providing healthcare to the public who use our services. The COVID-19 pandemic curtailed the Charity's ability to raise income as the effects of the restricted working conditions were enforced. As a result, the Charity set revised targets for 2021/22 and we remain incredibly grateful to all our supporters who help by giving their time, money or services to the Charity year-on-year.

In 2021/22 the Charity provided the final £680k agreed to fund equipment and build costs of the new hospital. In addition, it provided over £300k of funding to the Trust to support a number of activities.

- £150k to support Research and Innovation (R&I) activity
- £72k towards the landscaping of the terraces at the new hospital
- £58k towards equipment, and
- £28k to fund patients' art projects

*See erratum on page 93

The Charity continues to support our research agenda by providing the funds for vital research to enable our clinicians to look at new ways to treat and prevent cancer and support clinical trials in addition to enabling important studies such as the study to determine how COVID-19 affects people with cancer.

The Charity also operates an Innovation Fund available to all staff members and departments at the Trust, which is called the Bright Ideas Scheme. This Innovation Fund aims to fund specific projects that have been generated by the staff to support improvements in care and/or experience and/or staff experience.

2.4.3 Our ventures

The Clatterbridge Private Patient Joint Venture

The Clatterbridge Private Clinic is a Limited Liability Partnership launched in 2013 and the team of dedicated staff provides exceptional care and treatment such as chemotherapy, radiotherapy and other specialist treatments such as immunotherapy. Any profits generated by the joint venture are shared between the Trust and its partner and we reinvest directly back into the Trust for the benefit of the NHS.

The Clatterbridge Pharmacy Ltd (CPL – Trading as PharmaC)

The Clatterbridge Pharmacy Ltd was established in 2013. It was the first of our wholly owned subsidiary companies and was developed with the aim of delivering a more personalised and efficient experience for our patients. The company is a dispensing pharmacy service providing specialist cancer dispensing services that enables our patients to manage their healthcare and medicines in one place. In addition, CPL is registered as a pharmacy with the General Pharmaceutical Council and offers a range of over-the-counter medicines and healthcare products.

In addition to dispensing medication for our patients, CPL services include:

- Providing patients with advice on how to get the most benefit from their medications
- Health advice and self-care from qualified staff to help our patients make healthy lifestyle choices
- Access to a confidential consultation room to discuss any aspect of treatment or medicines
- Advice on medical requirements for holiday healthcare
- A range of medical appliances to support our patients in their cancer healthcare

The company supports the Trust in providing chemotherapy services in the community, at patients' homes and in their workplaces. We expect that this service will continue to expand and the company will play an integral part in this development. The company commenced a review of its strategy during the year and development of a new five-year Strategic Plan. This plan will set out strategic aims under broad theme areas of Consolidation, Growth and Collaboration.

PropCare

The Trust established Clatterbridge PropCare Services Ltd (PropCare) as a wholly owned subsidiary in 2016. The company specialises in project management, estates and facilities contract management and consultancy for the NHS and other public services. As the Trust is the sole shareholder, any dividend from any profits generated is reinvested directly into NHS patient care.

3 Performance report

3.1 Overview of performance from the Chief Executive

Despite the significant challenges remaining for the NHS in recovering from the global COVID-19 pandemic, we are proud to report that performance has generally remained very good this year. We have however experienced some challenges in achieving Cancer Waiting Times standards and in remaining below health care acquired infection thresholds.

We achieved our inpatient length of stay targets for the year despite significant difficulties in discharging patients due to COVID-19 related community care issues. Our quality performance generally remained very good, especially in a climate of increased staff absence and periods of industrial action. We had a number of periods of industrial action but with careful planning and rescheduling of patients, our teams were able to continue to provide safe services for our patients.

Finally, and of paramount importance, patients continue to report excellent levels of satisfaction with the care and treatment they receive, via the Friends and Family Test and national surveys.

3.2 Performance analysis

The Trust has a robust performance management framework in place, utilising the performance review process and organisational governance structure to monitor performance and drive improvements.

Directives within the following publications are the primary drivers used to determine the range of key performance indicators and metrics monitored by the Trust:

- NHS National Planning Guidance
- Contracts with Commissioners
- NHS System Oversight Framework
- COVID-19 related directives
- The Trust's Five-Year Strategic Plan 2021-2025

A monthly Integrated Performance Report is presented to Committees of the Board and the Board of Directors and a summary is provided to Council of Governors on a quarterly basis. This document is produced using an online dashboard, an automated process which reduces human error in transferring data and streamlines monthly production of the document.

During 2022/23, we developed an associated online dashboard, in testing phase at year-end, that breaks down performance by Division and Clinical Business Unit and will provide desktop access to this more detailed, real-time data. In addition, a suite of topic / service-specific dashboards have been developed to allow easy access to performance data such as bed occupancy levels in the Inpatient Dashboard and 62-day performance within the Cancer Waiting Times dashboard.

Divisions and corporate services have quarterly performance reviews as a minimum with the frequency increased when performance levels reduce and/or more support is required. These reviews monitor and triangulate all key aspects of performance against current and predicted risks.

The NHS Oversight Framework includes several metrics on activity, which continue the drive to restore NHS services to pre-COVID activity levels. The Trust continues to be fully engaged in national and regional-led planning activity, providing regular forecasts on activity and performance, which indicate how the Trust is supporting NHS recovery from the COVID-19 pandemic. Our activity volumes and the nature of referrals are heavily dependent on COVID-19 recovery activity in primary care and secondary care, as the majority of our patients come to the Trust having been reviewed, diagnosed and treated by these services. A significant increase in referrals to the Trust in 2022/23 resulted from the additional diagnostic activity undertaken across Cheshire and Merseyside throughout the year.

The additional 10% increase in referrals and episodes of industrial action (IA) during Quarter 4 created significant pressure on our clinical services. To minimise service disruption and any adverse impact on patient care, the operational and emergency planning teams worked in partnership with our clinical teams to create additional capacity. This was successfully delivered via a robust emergency planning structure that included enactment of business continuity plans, daily planning meetings before, during and post IA, a weekly Trust performance meeting and the utilisation of a number of waiting list initiative clinics (3-4 extra clinics per week) within the most pressured specialties.

The following sections provide an overview of the Trust's cancer waiting times, access performance and performance against Quality metrics in 2022/23.

3.2.1 Cancer waiting times and referral to treatment

The following table shows the Trust's performance against national access targets in 2022/23.

Table 1a Cancer Targets – Waiting Times

Key Performance Indicator	Target	2022/23	Last 12 Months
2 weeks wait from GP referral to 1st appointment	93%	95.7%	
24 days from referral to first treatment	G: ≥85% A: 80 - 84.9% R: <80%	86.1%	
28 days faster diagnosis - (Referral to diagnosis)	75%	82.1%	
28 days faster diagnoses - (Screening)	75%	100.0%	
31 day wait from decision to treat to first treatment	96%	99.2%	
31 day wait for subsequent treatment (Drugs)	98%	99.1%	
31 day wait for subsequent treatment (Radiotheraphy)	94%	98.5%	

Key Performance Indicator	Target	2022/23	Last 12 Months
Number of 31 day patients ≥ day 73	0%	1	
62 Day wait from GP referral to treatment	85%	80.6%	
62 Day wait from GP screening to treatment	90%	87.0%	
Number of patients treated ≥ 104 days AND at CCC for over 24 days (Avoidable)	G: 0 A: 1 R: >1	15	
Diagnostics: 6 Week Wait	99%	100%	
18 weeks from referral (RTT) incomplete Pathways	92%	97.4%	

Performance has generally been very good and improved during the year against the 28 Day Faster Diagnosis and 62 Day standards.

Patient numbers are relatively low for 62 Day Screening, 2 Week Wait and 28 Day Faster Diagnosis standards. This makes the target difficult to achieve, with a single breach often leading to non-compliance for a month. The Trust continues to experience high levels of referrals in all other pathways and these have been well managed in 2022/23, with a flexible approach to managing demand, which included weekend working within the Administration Team from April to November 2022.

A Cancer Waiting Times Improvement Plan is monitored and updated regularly by the Trust Operational Group. This plan incorporates actions to tackle the issues identified below.

62 Day (GP Referral to Treatment) Standard

The 85% target was achieved in six of the twelve months. Performance levels in the six non-compliant months varied between 59% and 80%. In January 2023, there was the usual seasonal reduction in performance linked to patients choosing to delay treatment until after the holiday period.

The 62-day standard was not achieved from April to July 2022 for the following reasons:

- Due to the COVID-19 backlog, increased and sustained high numbers of late referrals from other Trusts reduced opportunities to achieve the 'hits' required to meet the target
- Molecular testing delays at an external laboratory resulted in a significant number of breaches
- Reduced capacity due to COVID-19 related absences in clinical and supporting teams
- There were instances of administrative errors, exacerbated by staff shortages which required staff to work in unfamiliar roles
- Instances of patients choosing to delay treatment, being medically unfit to start treatment and/or requiring additional tests prior to treatment.

Fifteen patients on the 62-day pathway were treated on or after 104 days after GP referral, were at the Trust for more than 24 days before the first treatment and had an avoidable delay at the Trust. The breach reasons are included within the reasons detailed above. CCC is working collaboratively with referring trusts to share data on late referrals and identify opportunities for CCC to support trusts in reducing delays across the whole pathway.

2 Week Wait Standard

During the last financial year, the 93% target for the standard was achieved in seven of the twelve months (100% in each month). In 2022/23 a total of 11 patients were not seen within two weeks.

28-Day Faster Diagnosis Standard

The Trust achieved the standard in nine of the twelve months. Performance in the three non-compliant months was 67-71% which equated to 40 patients who were not diagnosed within 28 days. The breaches were mainly unavoidable due to patient choice, medical reasons and delays to diagnostic tests at referring trusts. The transfer of the Haemato-Oncology service from Liverpool University Hospitals NHS Foundation Trust's Aintree site in February 2022 also adversely affected the Trust's performance against this standard. A number of breaches due to inherited delays and pathway issues within this service were recognised and a Rapid Diagnostic Clinic was subsequently established in partnership with the Head and Neck service to address the issues. The target was achieved consistently from June 2022 to February 2023.

31-Day Standards

The 31-day standards were consistently achieved throughout 2022/23. There was one long waiting patient (over 73 days) during the year. The patient was treated on day 77 and, while there was an initial delay in the booking process, the patient then took time to come to a decision on their treatment.

Referral to Treatment Standard

During 2022/23, the Trust consistently achieved the 92% target for the number of incomplete pathways within 18 weeks.

3.2.2 Efficiency metrics

The following table shows the Trust's performance against key efficiency targets in 2022/23.

Table 1b Cancer Targets – Efficiency

Key Performance Indicator	Target	2022/23	Last 12 Months
Length of Stay: Elective (days): Solid Tumour	G: ≤9 A: 9.1 - 10.7 R: >10.7	8.1%	
Length of Stay: Emergency (days): Solid Tumour	G: ≤12 A: 12.1 - 14.3 R: >14.3	11.8%	
Length of Stay: Elective (days): HO Ward 4	G: ≤21 A: 21.1 - 22.1 R: >22.1	17.4%	
Length of Stay: Emergency (days): HO Ward 4	G: ≤22 A: 22.1 - 23.1 R: >22.1	14.0%	
Length of Stay: Elective (days): HO Ward 5	G: ≤32 A: 32.1 - 33.6 R: >33.6	18.8%	
Length of Stay: Emergency (days): HO Ward 5	G: ≤46 A: 46.1 - 48.3 R: >48.3	12.9%	
Delayed Transfers of Car as % of occupied bed days	≤3.5%	6.00%	
Bed Occupancy: Midday (Solid Tumour)	G: ≥85% A: 81 - 84.9% R: <81%	89.1%	
Bed Occupancy: Midnight (Solid Tumour)	G: ≥85% A: 81 - 84.9% R: <81%	88.7%	
Bed Occupancy: Midday (Ward 5: HO)	G: ≥80% A: 79 - 79.9% R: <76%	91.5%	
Bed Occupancy: Midday (Ward 4: HO)	G: ≥85% A: 81 - 84.9% R: <81%	98.1%	
Bed Occupancy: Midday (Ward 5: HO)	G: ≥80% A: 79 - 79.9% R: <76%	89.4%	
Bed Occupancy: Midday (Ward 4: HO)	G: ≥85% A: 81 - 84.9% R: <81%	97.6%	
% of expected discharge dates completed	G: ≥95% A:90-94.9% R: <90%	93.0%	

There are no nationally directed targets for length of stay, due to the variation in the types of wards used across the NHS. The targets are therefore developed by the Trust and reviewed each year based on previous data and taking into account any changes to services and patient acuity. While we did not consistently achieve all targets relating to length of stay, the annual figures are within target in all areas.

Our greatest inpatient flow challenge was in discharging patients (creating delayed transfers of care) as care homes continued to experience significant challenges, some hospices closed to admissions and there remained COVID-19 related delays in implementing packages of care required prior to discharging patients to their homes. Compliance with expected dates of discharge being completed fell below target in seven out of 12 months, to a minimum of 85%. An issue related to admission documentation was identified in one service and has now been resolved.

Bed occupancy was consistently above target during the period September 2022 to March 2023. An additional 15 beds were opened in October 2022 (and remained open for the remainder of the year) to support the wider NHS system. NHS Operational and Planning Guidance directs trusts to remain below 92% bed occupancy in 2023/24 and the Trust has forecast compliance with this level of occupancy.

3.2.3 Quality

One 'Never Event' incident was reported in Quarter 4 2022/23. The incident met the criteria for an unintentional connection of a patient requiring oxygen to an air flowmeter. The investigation concluded there was minimal harm caused to the patient and all actions required to prevent a re-occurrence have been taken. The Trust's governance investigation processes were followed including reporting to the Integrated Care Board and the Care Quality Commission.

In addition we did report four incidents this year that met the current definition for a Serious Incident (SI). Following a full and thorough review process, one was stood down to Moderate, one was identified to be a clinical event, one was found to be a low harm incident and one was upheld with a supporting action plan.

One fall was reported in May 2022 as resulting in harm due to a lapse in care by the Trust. A full investigation was carried out which confirmed that no action could have been taken to prevent the fall. There was one NHS England Patient Safety Alert during 2022/23 which was not implemented within the national timescales. Implementation of remedial actions necessitated input from another NHS provider, which was delayed.

The VTE risk assessment target was consistently achieved throughout the year with the exception of Quarter 3 2022/23, which related to a misinterpretation of the process. Patient harm reviews were undertaken on all patients who were not assessed within the agreed timeframe; this demonstrated that no harm was caused. Actions to improve compliance understanding were identified and implemented and the target was subsequently achieved throughout Quarter 4.

Table 1c Quality Key Performance Indicators

Key Performance Indicator	Target	2022/23	Last 12 Months
Never Events	0	0	0 for all months
Serious Incidents (month reported to STEIS)	No Target	4	
Impatient Falls resulting in harm due to lapse in care	0	1	
Pressure Ulcers (hospital acquired grade 3/4, with a lapse in care)	0	0	0 for all months
30 day mortality (Radical Chemotheraphy)	G: ≤0.6% A: 0.6 - 0.7% R: >0.7%	0.2%	
30 day mortality (Palliative Chemotheraphy)	G: ≤2.3% A: 2.31 - 2.5% R: >2.5%	1.2%	
100 day mortality (BMT)	No Target	5.4%	
Consultant Review within 14 hours (emergency admissions)	90%	94.9%	
Safer Staffing: Fill-rate for Registered Nurse - day shifts	G: ≥90%	90.0%	
Safer Staffing: Fill-rate for Registered Nurse - night shifts	G: ≥90%	90.0%	
Safer Staffing: Fill-rate Care Staff - day shifts	G: ≥90%	90.0%	
Safer Staffing: Fill-rate Care Staff - day shifts	G: ≥90%	93.0%	
Safer Staffing: Overall Fill-rate	G: ≥90%	91.0%	
% of Sepsis patients being given IV antibiotics within an hour	90%	95.0%	
VTE Risk Assessment	95%	95.8%	
Dementia: Percentage to whom case finding is applied	90%	97.0%	
Dementia: Percentage with a diagnostic assessment	90%	No patients	No patients required an assessment
Dementia: Percentage cases referred	90%	No patients	No patients were referred
Clostridiodes difficile infection (HOHA and COHA)	≥17 (pr yr)	12	
E Coli bacterium (HOHA and COHA)	≥11 (pr yr)	21	

MRSA Infections (HOHA and COHA)	0	0	No MRSA infections
MSSA bacteraemia (HOHA and COHA)	G: ≤4 A: 5 R: >5 (pr yr)	12	
Klebsiella (HOHA and COHA)	≤8 (pr yr)	16	
Pseudomonas (HOHA and COHA)	≤1 (pr yr)	10	
FFT score: Patients (% positive)	G: ≤95% A: 90–94.9% R: >90%	96.4%	
Number of formal complaints received	No Target	64	
NHS E/1 Patient Safety Alerts: number not implemented within national timescale	0	1	

Robust infection, prevention and control measures have continued post COVID-19 pandemic with our Infection Prevention and Control Team, supported by consultant microbiology, providing expert advice and support. There has been a sustained increase across all infections, which to some degree reflects the national picture and may relate to the after-effects of the COVID-19 pandemic. The team is fully engaged in several workstreams for infection reduction with clinical teams internally and externally across the region. This work contributed to a reversal (during the second half of 2022/23) of an initial trend of increased C difficile infections. In addition, the three large oncology centres meet monthly to benchmark practice, agree a common approach and share learning. This work has also resulted in establishment of an improvement collaborative aimed at developing a bespoke gram-negative strategy for cancer patients.

Patient experience continues to be excellent and, once again, the Trust scored highly in the CQC National Inpatient Patient Survey, achieving the best scores in the country in 10 of the questions. The National Cancer Patient Experience survey results were also very good and continue to show year-on-year improvement in many areas. Sixteen of the questions highlighted key areas where the most recent score is higher compared to that of previous years. Whilst the overall patient experience score of 8.8 out of 10 has been maintained, as a trust we strive for continual improvements based on patient feedback. This is supported by our monthly Friends and Family survey where over 96% of patients reported their experience as either 'Good' or 'Very Good'.

The Trust has experienced a slow but steady increase in the number of formal complaints in recent years as detailed below:

Table 1d Total number of complaints (2020 to 2023)

Year	No of Complaints
2020/21	33
2021/22	41
2022/23	64

This increase appears to be consistent with increased clinical activity, with an increase the number of patients being treated following the opening of our CCC-Liverpool site. In addition, the ongoing impact of the COVID-19 pandemic with reduced face-to-face contact has meant that early resolution of issues has not always been possible.

Further information on the Trust's Quality performance can be found in the annual Quality Report, which is available on the Trust's website.

3.2.4 Reducing health inequalities

The NHS 2022/23 Priorities and Operational Planning Guidance outlined an expectation for Trust Board performance data to be disaggregated by deprivation and ethnicity, and reducing health inequalities remains an ambition in the 2023/24 Guidance.

During 2022/23, the Trust has explored opportunities to report in this way and presented a progress report on this subject to the Performance Committee in February 2023. The Trust faces challenges in developing meaningful reporting due to the relatively small number of patients considered within many key performance indicators, as a smaller data set reduces the ability to identify variation and trends. Our approach has therefore been to initially report on referrals and total waiting times, by deprivation and ethnicity, with recommendations made for expanding this further to include patient outcomes and access to clinical research trials.

The Trust has aligned its approach to the Core20PLUS5 initiative as directed in the NHS England 2023/24 Priorities and Operational Planning Guidance. A standalone Health Inequalities Report will be presented on a quarterly basis to the Quality Committee in 2023/24. To support this work on health inequalities, we have continued our focus on ensuring that patients' ethnicity is captured and we are pleased to report that between 93.3% and 96.6% of patients per month have ethnicity recorded (or they declined to answer) in our electronic patient record.

3.2.5 Environmental sustainability

Climate change has been widely recognised as one of the greatest threats to public health globally, nationally and in our region. The NHS is leading by example and has set an ambitious target to achieve net zero carbon emissions by 2040.

The Trust published its first ever Green Plan in January 2022. Our Green Plan aims to drive sustainable change across the Trust over the next five years and prepare us for transition to delivering net zero carbon healthcare within two decades. The Green Plan, Creating a Greener CCC, sets clear objectives and targets to take us to net zero carbon. It also includes an action plan explaining how we will achieve this.

The Green Plan sets out 10 broad sustainability themes:

- Corporate Approach
- Care Models
- Workforce
- Travel and Transport
- Energy and Utilities
- Waste
- Capital Projects
- Green Space
- Suppliers and Partners
- Adaptation

On 1st March 2023, the Board of Directors received the first annual report, which detailed both progress made and challenges experienced during the first year of implementation of Creating a Greener CCC. Copies of The Green Plan and the 2022 Annual Report are both published on the Trust website: **https://www.clatterbridgecc.nhs.uk/about-centre/our-strategies-and-plans/our-green-plan-creating-greener-ccc**

The reduction of our environmental impact is one of the ways that we can positively contribute to our local area (beyond the provision of healthcare) in our role as an 'anchor institution'. The Green Plan Annual Report also provides information on some of this wider anchor institution work.

Steady progress has been made during the first year of implementing our Green Plan. Staff awareness of the issues around environmental sustainability at CCC has increased and the foundations have been laid for future action on carbon reduction. We will continue our journey towards net zero carbon in 2023/24 and our activity will be a combination of discrete short-term actions and engagement and influencing longer-term change through engaging with partners. The key challenges for the second year of the programme will be to secure engagement of the necessary people across the Trust in order to continue to make positive progress and to start to measure and quantify the impact that our programme is having on our environmental sustainability and carbon emissions.

3.3 Joint forward plans and capital resource plans

During 2022/23, the Trust has continued to work with partners across the Cheshire and Merseyside integrated care system to improve care for patients. Its strategy is aligned to the ICS joint forward plan, and is actively involved in developing the plan with partners across healthcare. The Trust has fully utilised its capital allocation for 2022/23 to support the Trust and system objectives to ensure access to timely cancer diagnostics and treatment.

3.4 Going concern

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

3.5 Conclusion

In summary, 2022/23 was an extremely busy year for the Trust. I would like to say how proud I am of all our staff who worked extremely hard in sometimes difficult circumstances to ensure our patients received high-quality care at all times. I would also like to reiterate my thanks to our dedicated team of volunteers who have made a positive contribution to patient experience throughout the year.

Performance Report signed by the Chief Executive in the capacity as Accounting Officer.

Dr Liz Bishop
Chief Executive
28th June 2023

4 Staff Report

The Trust recognises that our workforce, including staff, volunteers and students are our greatest asset and are key to ensuring that we continue to deliver high quality care. The Trust is therefore committed to ensuring that staff are supported, valued and have opportunities to grow and develop.

In 2021/22, the Trust launched its five-year People Commitment to support delivery of our strategic objectives and the NHS People Plan. The People Commitment is made up of five pillars and outlines our plans over a five-year period to build on successes to date and to ensure that we continue to develop and support the workforce so that The Clatterbridge Cancer Centre is a Great Place to Work.

The five pillars of the Trust's People Commitment are:

Looking after our people
Our ambition is to create an environment where people are supported and empowered to lead healthy lives and make informed choices that support their wellbeing and enable people to perform at their best.

Developing our people
Our ambition is to develop compassionate and inclusive leaders and a culture of learning where our staff can grow and reach their full potential.

Workforce for the future
Our ambition is to create a flexible and adaptive workforce, embed new opportunities across all staff groups and to attract and retain the brightest and the best people.

Valuing our people
Our ambition is to champion a culture where everyone has a voice that counts and feels welcome, supported and understood.

Our digital workforce
Our ambition is to embed digital workforce solutions and technology to support our people to become digitally enabled and connected.

Equality, Diversity and Inclusion is the golden thread that runs through all five pillars. We recognise the importance of ensuring that our workforce is representative of our local population and the importance of celebrating diversity and embracing inclusion. The Trust is committed to creating the best culture for staff and our People Commitment is one of the key enablers for achieving this.

4.1 Our Staff

4.1.1 Analysis of staff numbers

Table 2a Breakdown of total workforce headcount by staff group

Staff Group	Number of Staff
Additional Professional, Scientific and Technical	107
Additional Clinical Services	231
Administrative and Clerical	611
Allied Health Professionals	247
Healthcare Scientists	46
Medical and Dental	113
Nursing and Midwifery Registered	441
Total	**1,796**

Table 2b Breakdown of staff FTE by contract type

Staff Group	Permanent Contract	Other Contract	Average FTE 2021/22
Additional Professional, Scientific and Technical	87.21	14.00	97.82
Additional Clinical Services	197.44	8.56	203.02
Administrative and Clerical	530.94	27.47	540.48
Allied Health Professionals	202.09	11.00	211.13
Healthcare Scientists	42.27	1.00	43.89
Medical and Dental	82.59	14.90	93.34
Nursing and Midwifery Registered	401.43	12.40	398.84

Table 2c Summary of temporary staffing

Staff Group	NHSP		Agency Headcount
	Headcount	FTE	
Additional Professional, Scientific and Technical	-	-	-
Additional Clinical Services	126	16.72	11
Administrative and Clerical	89	2.99	0
Allied Health Professionals	56	2.87	0
Healthcare Scientists	4	0.03	0
Medical and Dental	-	-	14
Nursing and Midwifery Registered	173	11.12	29

Table 2d Workforce breakdown by gender as at 31st March 2023

	Female	Male	Total
Chair	1	0	1
Executives	6	2	8
Non-Executives	1	5	6
Senior Managers (Band 8b and above)	66	20	86
All other staff	1,367	328	1,695
Total Staff	1,441	355	1,796

Table 2e Workforce breakdown by ethnicity as at 31st March 2023

Ethnicity	Headcount	FTE
White - British/Irish	1,547	1,408.73
White - Other	64	57.15
Mixed	25	22.9
Asian	76	70.72
Black	22	21.80
Any Other Ethnic Group	23	20.02
Not Stated	39	31.99
Grand Total	**1,796**	**1,633.31**

Table 2f Workforce breakdown by disability as at 31st March 2023

Disability	Headcount	FTE
No	1,606	1,462.61
Yes	81	74.61
Not Declared	109	96.09
Grand Total	**1,796**	**1,633.31**

Table 2g Workforce breakdown by age as at 31st March 2023

Age Band	Headcount	FTE
<=20 Years	8	7.32
21-25	134	128.01
26-30	250	241.62
31-35	276	252.69
36-40	244	215.49
41-45	218	195.71
46-50	204	191.25
51-55	204	190.85
56-60	150	127.20
61-65	85	68.57
66-70	16	10.57
>=71 Years	7	4.03
Grand Total	**1,796**	**1,633.31**

4.2 Key workforce information

4.2.1 Staff turnover

The Trust continues to monitor staff turnover across Divisions, Departments and staff groups and actively engages in areas where improvements to retention rates can be made. There are programmes of work in place to develop greater understanding of the reasons for turnover, which include better interrogation of our turnover data. Proactive conversations during the year ensure that preventative measures are taken where possible and 'Stay and Thrive' conversations play a pivotal role in allowing us to be proactive around retention.

Staff turnover data can be viewed here: **https://digital.nhs.uk/data-and-information/publications/statistical/nhs-workforce-statistics**

4.2.2 Sickness absence

The Workforce and Organisational Development Team work closely with line managers to support staff in maintaining their health and wellbeing and to manage any sickness absences appropriately. We have continued to provide access to support and resources to staff and to champion a culture that promotes the physical, mental and financial health and wellbeing of everyone at the Trust.

The Trust has signed up to the North West Health and Wellbeing Pledge, which shifts the focus from sickness absence to holistic wellbeing for everyone and allows us to evidence holistic wellbeing as a priority. We are committed to the three North West themes of enabling work:

- Holistic wellbeing services
- Person-centred wellbeing approach with an attendance management framework
- Leadership development

The Trust's sickness absence rates for 2022/23 can be viewed here: **https://digital.nhs.uk/data-and-information/publications/statistical/nhs-sickness-absence-rates**

4.3 Human Resources policies and procedures

The Trust has a range of Workforce policies and procedures that support staff, which are available internally through our staff intranet. We continue to regularly review all our policies and procedures, in partnership with staff side and staff network colleagues, with the aim of ensuring they remain fit for purpose and meet our diversity and equality approach to enable us to support all our staff effectively.

The Trust supports disabled job applicants as a Disability Confident Employer (Level 2) which ensures that applicants who apply for posts and meet the essential criteria are guaranteed an interview. Our managers receive equality recruitment training and are able to refer to the Trust's Reasonable Adjustment Procedure and Health Passports to support new and current staff with ongoing health conditions so that staff are supported to remain in work. We are also working towards developing a unique training and resource toolkit for managers to equip them with knowledge and skills to better support staff with disabilities.

The Disability and Long-Term Health Conditions staff network continues to grow and develop and is a vital mechanism to provide disabled staff with a voice that can inform the Trust of further opportunities to support staff. Other key policies and procedures that have enabled us to support recruitment and retention of a diverse workforce include a Flexible Working Policy and Hybrid Working Guidance. The Trust works closely with its Occupational Health service provider to support staff via pre-employment checks, management referrals and health and wellbeing interventions. The effectiveness of this service is monitored on a monthly basis.

Following the appointment of a new Head of Equality, Diversity and Inclusion in December 2022, we commenced a review of our policies to ensure that we are supporting all staff groups and building an inclusive organisation that does not discriminate. We will ensure that we work to understand our equality data and that our policies are reflective of all our staff, improving the diversity and inclusiveness of our workforce. The LGBT+ Staff Network is working towards obtaining the local Navajo In-Trust charter mark. This equality mark will help support the organisation implement best practice, commitment, and training to address the needs, issues, and barriers facing our LGBTQIA+ staff at the Trust. This is just one way of us ensuring that we are building a culture of inclusivity and we will continue to have effective policies that support our staff.

4.4 Policies and procedures for countering fraud and corruption

The Trust does not tolerate any form of fraud, bribery or corruption by, or of, its employees, associates or any person or body acting on its behalf. Maintaining fraud levels at an absolute minimum ensures that more funds are available for patient care and services.

The Trust engages an Anti-Fraud Specialist (AFS) via Mersey Internal Audit Agency (MIAA) to support the Board of Directors' commitment to maintaining an honest and open culture, ensuring that all concerns involving potential fraud have been identified and rigorously investigated. The Trust will seek to ensure that appropriate civil, disciplinary and/or criminal sanctions are applied in all cases where guilt has been proven. This supports the embedding of deterrence and prevention measures across the organisation.

The Audit Committee reviews and approves the annual work plan for the AFS and receives regular progress reports on plan delivery. The Committee has agreed the Trust's Anti-Fraud, Bribery and Corruption Policy and the Trust's Managing Conflicts of Interest Policy.

4.5 Equality, diversity and inclusion (EDI)

4.5.1 Highlights

Equality, Diversity and Inclusion (EDI) is a golden thread that runs through everything that we do at the Trust. Patient care is at the heart of everything that we do and this is reflected in our Trust values. We work hard to ensure that we are adapting our services and implementing changes which will help to reduce health inequalities, making a positive difference for both our patients and our workforce.

We are fully committed to meeting the requirements of the Equality Act 2010 and the Public Sector Equality Duty. Our reports on the Workforce Race Equality Standard (WRES), Workforce Disability Equality Standard (WDES) and Gender Pay Gap Report are published on our website and can be viewed here: The Clatterbridge Cancer Centre: Equality, Diversity and Inclusion (clatterbridgecc.nhs.uk)

We have made some positive progress through 2022/23 in regards to the Workforce Race Equality Standard and the Workforce Disability Standard, developing and implementing initiatives that will enhance the experiences of staff working at the Trust. We will continue to build on this important work, working closely together with our staff networks to gain an understanding of how it feels to work at The Clatterbridge Cancer Centre.

4.5.2 Staff networks

Our staff networks play a vital role in the development of our equality, diversity and inclusion strategies. The networks offer staff a safe space to create connections, having a shared purpose, interests and sense of belonging. Key initiatives being undertaken by our networks include:

- Our Ethnic Diversity staff network introduced a reverse mentoring programme.
- Our LGBT+ staff network has been planning events which will take place during Liverpool Pride in July 2023, ensuring that the Trust has a presence at this local celebratory event.

4.5.3 Gender pay gap

In March 2023, we published the Trust's Gender Pay Gap report which detailed information on the gender pay gaps which occurred during the previous financial year (1st April 2021 – 31st March 2022). The report reflects the progress and achievements made over the 12-month period to reduce any imbalances of average pay across the Trust and outlines our ambitions and commitments to implement and sustain long-term improvements.

The total number of Trust employees at 31st March 2022 was 1,697. Eighty-one per cent (81%) were women and 19% were men. This breakdown is broadly consistent with previous years and the figures are reflective of the position across NHS trusts in regard to the higher number of females compared to males in the NHS workforce. There is a headcount growth of 217 from 2021 to 2022. The ratio of male to female staff however remains fairly static with a slight decrease in the number of male employees by 1%.

In real terms, there remains a notable gender pay gap within the Trust of 23.88% in terms of average hourly pay and 19.54% in terms of median pay. Despite the gender pay gap of 23.88% we are confident that this is not as a result of paying men and women differently for the same or equivalent job role. We accept that there is more work to be done to support our female colleagues, although our female representation remains high in the majority of senior clinical roles. We have initiated a range of activities over the past 12 months which will contribute to closing the gender pay gap and we will continue to work towards ensuring that the Trust is the 'best place to work'.

Some of the highlights of our Gender Pay Gap Action Plan:

- Establish a women's career and development community of practice, bringing together female colleagues to discuss barriers, opportunities, and sharing their lived experiences
- The appointment of a gender equality champion within the Senior Leadership Team
- Review the recruitment and retention processes to ensure ensuring these are inclusive and that recruitment panels are gender balanced
- Seek to mandate tailored inclusive recruitment training for all our recruiting managers and staff involved in the recruitment process

4.6 Engaging our staff

The Trust is committed to ongoing staff wellbeing and engagement and recognises that the quality of the services that we deliver to patients is defined by our workforce. We strive to find ways to work with staff to improve their working lives and feedback is crucial to understanding their experiences, views and needs.

The Trust carries out quarterly Culture and Engagement Pulse surveys to seek the views of staff on their experiences at work, and measures three staff engagement themes: Motivation, Involvement and Advocacy. In addition, all staff are invited to take part in the annual staff survey, which provides detailed feedback on staff experience across a range of key themes.

The Trust actively works with its staff networks and staffside representatives to understand the lived experience of colleagues, to ensure a two-way dialogue and to support the implementation of real and lasting change that will enhance staff experience.

The Trust is committed to keeping staff up to date with news and developments through an internal communications programme, which includes:

- Team Brief
- Teams Live events
- Blogs
- The staff intranet
- Social media

In October 2022, the Trust held its first Annual Staff Excellence Awards to celebrate the outstanding achievements of staff from across the organisation. Over 300 staff attended the event, with over 100 nominations received across the six award categories.

The Trust continues to invest in staff wellbeing. In 2022/23, our offer included:

- Education Programmes – As part of the Trust's commitment to supporting staff development, a variety of wellbeing programmes are available to all staff and students at the Trust. These include: resilience, stress awareness, mental health awareness and mental health first aid programmes
- Engagement Events – As part of our Live Well, Work Well programme staff accessed a range of wellbeing events including NHS Games, Nutrition and Hydration Week, Health MOTS, Wellbeing Awareness Month
- Wellbeing Conversations – The Trust has embedded Wellbeing conversations into its annual appraisal process

WE ARE...
KIND

We care for our patients and pride ourselves on providing the best care.

We lead by kindness for all – for our patients, their families and our colleagues.

We recognise achievements and collectively celebrate success.

WE ARE...
EMPOWERED

We contribute and make suggestions to improve patient and staff experience.

We create an environment where colleagues are open, honest and feel empowered to speak up.

We continuously learn and improve to achieve the best outcomes and to achieve our full potential.

WE ARE...
RESPONSIBLE

We create a supportive working environment where everyone is accountable for their actions.

We always act with integrity.

We work as one team and support each other to maintain the highest professional standards.

WE ARE...
INCLUSIVE

We celebrate the diversity and difference that everyone brings.

We treat people fairly without favouritism or discrimination.

We collaborate and engage with each other, our partners and our communities.

4.6.1 NHS Staff Survey

The Trust is committed to listening to the views of staff and recognising their achievements on a regular basis. We believe that motivated and engaged staff deliver better outcomes for our patients and our ongoing aspiration is to improve levels of staff engagement on a year-on-year basis, as measured by the NHS National Staff Survey.

The 2022 NHS National Staff Survey took place from September to November 2022. The survey questions have been aligned with the seven elements of the NHS People Promise, together with previous themes of Staff Engagement and Morale, since 2021. This replaced the 10 indicator themes used in previous years. All indicators are based on a score out of 10 for specific questions with the indicator score being the average of the individual question scores.

The Trust's response rate for the 2022 staff survey was 65% (1,087), which is an increase of three percentage points from the previous year (62%) and significantly above the specialist acute sector median of 52%. This means that nearly two-thirds of the workforce responded to the survey which gives an increased level of confidence in the results overall.

The tables below provide a summary of outcomes by theme over the previous three years:

Table 3a Staff survey scores 2021 to 2022

People Promise Themes	2022		2021	
	Trust	Sector	Trust	Sector
We are compassionate and inclusive	7.7	7.5	7.6	7.5
Staff engagement	7.2	7.2	7.2	7.3
We have a voice that counts	7.1	7.0	7.1	7.0
We are a team	7.1	6.9	7.0	6.9
We work flexibly	6.5	6.4	6.2	6.3
We are safe and healthy	6.4	6.3	6.3	6.2
We are recognised and rewarded	6.3	6.0	6.3	6.1
Morale	6.1	6.1	6.0	6.0
We are always learning	5.7	5.7	5.6	5.6

Table 3b Staff survey scores 2020

Themes	2020	
	Trust score	Specialist acute sector score
Equality, diversity and inclusion	9.5	9.2
Health and wellbeing	6.6	6.5
Immediate managers	7.3	7.1
Morale	6.4	6.4
Quality of care	7.7	7.9
Safe environment – Bullying and harassment	9.0	8.4
Safe environment – Violence	9.9	9.8
Safety culture	7.3	7.0
Staff engagement	7.4	7.4
Team working	6.9	6.8

Headlines from the 2022 Survey

The Trust has seen an improvement in six out of the nine themes in comparison to 2021, with the other areas remaining the same as 2021. We Work Flexibly saw the greatest in-year improvement (6.2 in 2021 to 6.5 in 2022) and We are Compassionate and Inclusive remained the Trust highest-performing theme.

In comparison to our sector the Trust scored:

- Best for ***We are Recognised and Rewarded***
- Above average for ***We are Compassionate and Inclusive, We Have a Voice that Counts, We Work Flexibly, and We are Safe and Healthy***
- Average for ***We are always Learning, Morale and Staff Engagement***

Future priorities

The survey results were shared across the Trust, with Divisional listening events held to share local results and co-create Divisional improvement plans. The Trust has a number of programmes of work underway to support improvements in staff experience as outlined in the Five Year People Commitment.

This year, as well as identifying three Divisional priorities to focus on during 2023/24, all Divisions will need to identify how they will support the three priorities identified at an organisational level. These are:

- Engagement and Morale: increase in staff sense of belonging to the organisation and their teams, staff enjoying their work and recommending the trust as a place to work
- Recognition and Reward: staff feeling valued within their teams, increase in local recognition processes, increase in staff and teams being put forward for internal and external awards
- Appraisal: Ensuring all staff have a high-quality appraisal conversation that includes a discussion around performance objectives and career development

The Trust will continue to provide regular opportunities for staff to give their feedback via the quarterly Culture and Engagement Pulse, through staff listening events and via our staff networks and staff forums.

4.6.2 Working in partnership

Partnership working is well embedded within the Trust and is underpinned by a Partnership and Recognition Agreement. Our management, staff and trade union organisations within the Trust work together to achieve a shared vision, common understanding and joint communication to best meet the needs of the service and provide the best possible patient care through effective joint working.

We are committed to the Trust's Partnership Forum arrangements, which provide a two-way channel of communication and involvement between staff and members of the Trust Board. The Partnership Forum receives and considers strategic matters relating to performance, developments in service provision and matters of organisational change. It forms the platform for collective bargaining and negotiation of local agreements, employment policies and general terms and conditions of employment. This group and its supporting forums enable the Trust to consult with its employees and their representatives to ensure appropriate involvement in changes across the organisation.

We are committed to providing a workplace that is free from bullying and harassment in all its forms and will take the steps, which are needed in partnership with our Trade Union colleagues to achieve this.

Trade Union facility time

The Trust has an active and engaged body of local Trade Union representatives. The data provided within the following tables cover the period 1st April 2021 to 31st March 2022 as per statutory regulations. Updated reporting covering the period 1st April 2022 to 31st March 2023 will be published on the Trust's website by 30th September 2023.

Table 3c Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
14	13.60

Table 3d Percentage of time spent on facility time

Percentage of time	Number of employees
0%	
1-50%	14
0%	
1-50%	

Table 3e Percentage of pay bill spent on facility time

Provide the total cost of facility time	£54,524.00
Provide the total pay bill	£78,578,000.00
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	0.07%

Table 3f 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	40.84%

5 Accountability report

5.1 Directors' report

The Trust Board is a unitary Board accountable for setting the Trust's strategic direction. The Board is led by the Chair and comprises six additional Non-Executive Directors who are all deemed to be independent in addition to six Executive Directors and two Directors who are non-voting members of the Board.

5.1.1 Non-Executive Directors

Kathy Doran – Chair (First term of office from 1st April 2019 to 31st March 2022; second term of office from 1st April 2022 to 31st March 2025)

Kathy joined the Trust as Chair in April 2019 and has over 40 years' public sector experience at national, local and regional levels. Kathy has a significant amount of leadership and Board experience having been a successful Chief Executive and Chair, in addition to having an in-depth understanding of the NHS and system working.

Mark Tattersall – Non-Executive Director (First term of office from 1st December 2018 to 30th November 2021; second term of office from 1st December 2021 to 30th November 2024)

Mark is a qualified accountant and brings a significant amount of Board-level experience as an Executive and Non-Executive Director across the NHS, private and public sectors. Mark was appointed Vice-Chair from 1st January 2021 and re-appointed as a Non-Executive Director for a second three-year term commencing 1st December 2021.

Mark is the Trust Board-nominated Non-Executive Director for PropCare, one of the Trust's wholly owned subsidiary companies.

Geoff Broadhead – Non-Executive Director (Associate Non-Executive Director from 1st December 2018 to 30th June 2019; Non-Executive Director first term of office from 1st July 2019 to 30th June 2022; second term of office from 1st July 2022 until 30th June 2025)

As a qualified accountant, Geoff has over 30 years' experience in senior financial roles within the public and private sector in addition to over 20 years' experience at Executive Board level.

Geoff has a strong corporate services background, having managed finance, IT, HR and facilities at Board level, and has strong change management and systems implementation experience.

Geoff is the Trust Board-nominated Chair for Clatterbridge Pharmacy Ltd, one of the Trust's wholly owned subsidiary companies. Geoff was appointed as the Senior Independent Director on 1st January 2021.

Terry Jones – Non-Executive Director (First term of office from 1st October 2019 to 30th September 2022; second term of office from 1st October 2022 until 30th September 2025)

Terry brings a wealth of clinical experience and research expertise to the Board and is currently the Professor of Head and Neck Surgery at the University of Liverpool and Director of the Liverpool Head and Neck Centre. In addition to his clinical role as a head and neck cancer surgeon, Terry has led the development and delivery of many head and neck cancer clinical trials and is currently Director of Research and Innovation at Liverpool University Hospitals NHS Foundation Trust and Director of Research for the Cheshire and Merseyside Integrated Care System.

David Elkan Abrahamson – Non-Executive Director (First term of office from 1st September 2019 to 31st August 2022; second term of office from 1st September 2022 until 31st August 2025)

Elkan is a solicitor with experience of working in Hong Kong and latterly the United Kingdom specialising in childcare law and prisoners' rights. More recently, Elkan has represented bereaved families in the Hillsborough Inquests, the Manchester Arena Inquiry and the current UK COVID-19 Inquiry. Elkan has significant Board-level experience in the private sector and for nine years was a Trustee of the Bloom Appeal (until April 2023), a local charity founded to help patients with blood cancers.

Asutosh Yagnik – Non-Executive Director (First term of office from 1st January 2021 to 31st December 2023)

Asutosh is a Chartered Scientist and a Fellow of the Royal Society of Chemistry with over 20 years' senior executive and Board-level experience. He brings a wealth of expertise in governance, strategy and organisational transformation, from a wide range of organisations including start-ups, global blue-chip companies and not-for-profit organisations, both in the UK and overseas. As a certified executive coach, Asutosh works closely with senior executives and Board members in multiple industry sectors, supporting them in successfully implementing both personal and organisational change..

Anna Rothery – Non-Executive Director (First term of office from 1st January 2021 to 31st December 2023)

Anna joined the Board in January 2021 and brings a wealth of experience to the Board having worked for over 25 years in community development in some of the most diverse cities in the UK. She has significant experience in partnership working and is passionate about reducing health inequalities. Anna is a Senior Fellow at Liverpool Hope University and was the Mayoral lead for equality at Liverpool City Council and has spoken on religious, linguistic and minority differences at the United Nations in 2012.

5.1.2 Executive Directors

Liz Bishop – Chief Executive (from November 2018)

Dr Liz Bishop has been Chief Executive of the Trust and Senior Responsible Officer (SRO) for Cheshire and Merseyside Cancer Alliance since 2018. She is also the Diagnostics Lead for Cheshire and Merseyside and chairs the North West Radiotherapy Operational Delivery Network.

A cancer nurse by background, Liz is driven by a desire to improve the experiences and outcomes of people with cancer. Liz specialised in cancer nursing and later moved into management where she held senior roles in London teaching hospitals for many years. She was Deputy Chief Executive at The Royal Marsden in London before relocating to Clatterbridge. She was attracted to The Clatterbridge Cancer Centre by the once-in-a-lifetime opportunity to deliver change that would bring enormous benefits to cancer patients with the opening of our new flagship hospital in Liverpool, located next to a major acute trust and the university.

Liz is also deeply committed to working in partnership with other organisations to deliver the best for people with cancer at all stages of their journey. As SRO for the Cheshire and Merseyside Cancer Alliance, she plays a leading role in overseeing the whole cancer 'pathway' within the region including screening diagnosis, surgery, systemic anti-cancer therapy (e.g. chemotherapy and immunotherapy), radiotherapy, clinical therapies, palliative care and wraparound services that support people living with and beyond cancer.

Sheena Khanduri – Medical Director (from December 2017)

Sheena trained in Clinical Oncology at West Midland and Yorkshire Deaneries and was appointed consultant at Shrewsbury and Telford Hospitals in 2007 where she was appointed Lead Clinician for Cancer Services in 2016. Sheena joined the Trust as Medical Director in December 2017. Sheena has a postgraduate qualification in strategic leadership from the University of Warwick and completed the Senior Clinical Leadership Programme with the King's Fund in 2019. Sheena is also the Responsible Officer, Caldicott Guardian and Executive Lead for Research for the Trust.

Jayne Shaw – Director of Workforce and OD (from December 2018)

Jayne joined the Trust in December 2018 having previously held executive director roles in Workforce and Organisational Development within the NHS for the last 16 years.

Jayne has a wealth of experience working in a range of NHS organisations including specialist mental health and acute services. She has significant experience of successful workforce development and organisational change to improve patient care and staff performance.

James Thomson – Director of Finance

James joined the Trust in February 2019 having held a previous role as Deputy Director of Finance at The Christie NHS Foundation Trust. Prior to this, he held a number of senior finance positions within the healthcare sector.

James has a strong background in financial delivery, commercial development and is committed to supporting excellent patient care through sustainable financial planning and decision-making. James is the nominated Executive Director representative for our wholly owned subsidiary companies.

Joan Spencer – Chief Operating Officer

Joan joined the Trust in March 2014 to take up a role as a Divisional Manager and was appointed Chief Operating Officer in 2019. She has over 30 years' experience in cancer nursing and operational management having held a number of senior roles within cancer services at the Royal Liverpool University Hospital. Joan remains a registered nurse and has a BSc Hons in Health Studies and an MSc in Leadership and Management.

Joan leads the Urgent Cancer Care Programme Board for Cheshire and Merseyside and is the Chair of the North West Teenage and Young Adult Delivery Network.

Julie Gray – Chief Nurse

Julie joined the Trust in October 2021 from The Christie where she was Director of Nursing and Director of Infection Prevention & Control. Julie completed her nurse training in 1993 at Salford and Bolton School of Nursing and Midwifery, working in a variety of clinical specialties. She became a registered clinical tutor in 2006, has an MSc Leadership in Health and Social Care and completed the Aspiring Nurse Director Scholarship with the Florence Nightingale Foundation in 2018. Julie has spent 20 years in specialist oncology, which is something that she is very passionate about.

Sarah Barr – Chief Information Officer

Sarah joined the Trust as Chief Information Officer in August 2017, joining the Board as a non-voting member in November 2019. Sarah has a BA (Hons) in Public Management and a PGDip in Health Informatics. Sarah achieved an Executive Leadership in Healthcare award through the Nye Bevan Programme in 2019. Sarah has over 24 years' experience of working in Digital and Informatics and was the Deputy Director of Informatics at Mersey Care NHS Foundation Trust.

Tom Pharaoh – Director of Strategy

Tom joined the Trust in April 2019 having held various NHS management roles in the North West since moving to Liverpool from London, including time at The Christie and as a General Manager in the Royal Liverpool University Hospital. Tom joined the Board as a non-voting member in November 2020 and provides specialist knowledge, advice and insight into key strategic decisions.

Balance, completeness and appropriateness of Board Membership

Skill / Experience	Responsible Non-Executive Director
Clinical	Terry Jones
Financial Acumen	Mark Tattersall / Geoff Broadhead
Commercial / Strategic	Asutosh Yagnik
Legal	Elkan Abrahamson
Equality and Diversity	Anna Rothery

5.1.3 Well-led arrangements

There is a clear division of responsibilities between the Chair and the Chief Executive. The composition of the Board is such that members are a wide range of diverse individuals with senior-level experience across a spectrum of clinical, public, private and legal sectors.

The Trust commissioned an independent well-led developmental review, which was carried out by the Good Governance Institute between November 2021 and February 2022. The review was based on the eight key lines of enquiry set out in NHS England's Well-led Developmental Framework and outcomes from the review, which were generally positive, were formally reported to the Board of Directors on 27th April 2022. The review identified a number of areas for development and improvement and these were incorporated in an action plan with progress reviewed by the Board on a quarterly basis throughout 2022/23. Good progress was made in addressing recommendations and the Board formally closed the completed action plan on 25th January 2023.

5.1.4 Independence of the Board

Provision B.1.1 of the NHS Foundation Trust Code of Governance requires the Board to determine whether the Chair and other Non-Executive Directors are independent in character and judgement. The Board of Directors reviewed the independence of Non-Executive Directors on 29th March 2023 and concluded that there were no relationships or circumstances which are likely to affect, or could appear to affect, the judgement of the Non-Executive Directors. Consequently, the Board determined that the current Chair and Non-Executive Directors are independent and are able to objectively challenge and hold management to account.

5.1.5 Declarations of interest and registers of gifts and hospitality

The Trust has in place a Managing Conflict of Interests Policy, the content of which is consistent with national guidance. The Trust's Register of Declarations 2022/23 can be accessed via the Trust's website at:

https://www.clatterbridgecc.nhs.uk/about-centre/corporate-matters/public-documents

The Trust did not receive any political donations during 2022/23.

5.2 Meetings of the Board of Directors and associated committees

5.2.1 Board of Directors

The Board of Directors meets monthly and met on 10 occasions during 2022/23 (meetings were not held in August and December 2022). The Board of Directors continued to meet in public, with the exception of those occasions when it was necessary for confidential matters to be dealt with in a private session of the Board. A hybrid approach was adopted for Board meetings with meetings held in person with the option to join meetings virtually with links made available to members of the public. Board papers are published on the Trust's website in advance of the meetings. The Board also participates in regular development sessions to ensure that members have the opportunity to discuss strategic matters in more detail.

The Board scrutinises the Trust's performance against regulatory requirements and national standards at each meeting through review of a comprehensive Integrated Performance Report. In addition, the Board continues to emphasise the importance of patient and staff experience by hearing stories directly from patients and staff through patient / staff stories and videos to share their personal experiences and perspectives. Similarly, the Board considers a report at each meeting, which details the outcomes of Patient Experience visits conducted by Non-Executive Directors and Governors. These visits help to promote Board and Governor visibility, provide an opportunity for engagement with staff and patients and provide a valuable source of assurance for both the Board and the Council of Governors.

The Chairs of each of the Board's Committees provide a report to the Board following each Committee meeting to provide assurance, which may be positive or negative, on business conducted during meetings and to escalate any matters of concern for attention by the Board.

Table 4b Attendance at Board Meetings during 2022/23

Board Member	Name	Attendance record
Chair	Kathy Doran	10/10
Non-Executive Director	Mark Tattersall	10/10
Non-Executive Director	Geoff Broadhead	8/10
Non-Executive Director	Elkan Abrahamson	9/10
Non-Executive Director	Terry Jones	8/10
Non-Executive Director	Anna Rothery	7/10
Non-Executive Director	Asutosh Yagnik	7/10
Chief Executive	Liz Bishop	10/10
Director of Workforce and OD	Jayne Shaw	10/10
Medical Director	Sheena Khanduri	9/10
Chief Nurse	Julie Gray	10/10
Chief Operating Officer	Joan Spencer	9/10
Director of Finance	James Thomson	10/10
Chief Information Officer	Sarah Barr (NV)	10/10
Director of Strategy	Tom Pharaoh (NV)	10/10

5.2.2 Audit Committee

The Audit Committee is formally constituted as a Committee of the Board and its membership comprises three Non-Executive Directors. The Committee is chaired by Mark Tattersall, who has significant finance experience. The Committee met on nine occasions during 2022/23.

Board Member	Attendance record
Mark Tattersall	9/9
Geoff Broadhead	9/9
Asutosh Yagnik	8/9

The Trust Audit Committee has a key role in ensuring the adequacy and effectiveness of systems, governance, risk management and internal control (both financial and non-financial), all of which support the Trust Strategic Priorities. The Committee critically reviews the governance and assurance processes upon which the Board of Directors places reliance and is able to triangulate work of the Board's assurance Committees through cross-membership of the People, Performance and Quality Committees.

In carrying out its function, the Audit Committee reviews the outcomes of work undertaken by independent Internal Audit and External Audit service providers together with reports from management. The principal areas of review and significant issues considered by the Audit Committee during 2022/23 were as follows:

- Review of Accounting Policies
- Review of Accounting Estimates
- Review of Trust Constitution
- Head of Internal Audit Opinion
- Approved Internal Audit Plan 2022/23
- Approved Anti-Fraud Plan 2022/23
- Internal Audit Progress Reports and Follow-Up on Audit Recommendations
- Anti-Fraud Progress Reports
- External Audit Progress Reports
- Committee Work Plan, Committee Terms of Reference and Review of Committee
- Effectiveness
- Board Assurance Framework
- Going Concern Management Assessment
- Director of Finance Reports
- Key Finance Assurance Indicators
- Data Security and Protection Toolkit
- Review of Draft Annual Governance Statement
- Review of Draft Annual Report & Accounts
- External Audit – Audit Results Report
- Compliance with Provider Licence Conditions
- Annual Reports of Board Committees
- Health Procurement Liverpool – Governance Arrangements
- Review of HFMA Improving Financial Sustainability Checklist
- Managing Conflict of Interests
- Cyber Security Assurance Report
- Assurance Report – Complaints and Serious Incident Reviews
- Code of Governance Compliance Checklist

Internal Audit

Internal Audit services are provided by Mersey Internal Audit Agency (MIAA) and the Committee has worked effectively with the service provider throughout the year to ensure delivery of a risk-based internal audit plan intended to test the effectiveness of the Trust's internal control processes. A comprehensive risk-based programme of audit reviews was planned and delivered during 2022/23 with the Committee considering review outcomes through Internal Audit progress reports at each Committee meeting.

MIAA also provided interim support for the Trust's Information Governance function during Quarter 4 2022/23. The Trust and the Internal Audit provider are both satisfied that this arrangement did not result in any conflict of interests.

External Audit

The Council of Governors appointed Ernst & Young LLP as the Trust's External Audit service provider at a meeting held on 22 September 2021 for an initial three-year contract period. 2022/23 is the second year of the contract with an audit fee for the year of £160,200. The Trust did not use Ernst & Young LLP for any non-audit related services during 2022/23.

The External Auditor provides progress reports at Committee meetings, including the annual accounts audit timetable and programme of work, in addition to their statutory reports on outcomes of their audit work on the Trust's financial statements.

Better Payment Practice Code ('the Code')

In reviewing performance in relation to debtors, the Audit Committee also reviewed performance against payment of invoices. The Better Payment Practice Code requires the Trust to pay all undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later. The table below illustrates our performance against the Code:

Table 4c Performance against the Better Payment Practice Code 2021 – 2023

	Trust			
	2022/23		2021/22	
	Number	£000	Number	£000
Non-NHS				
Total non-NHS trade invoices paid in the year	10,386	185,169	7816	154,782
Total non-NHS trade invoices paid within target	10,207	184,171	6140	127,650
Percentage of non-NHS trade invoices paid within target	98.3%	99.5%	78.6%	82.5%
NHS				
Total NHS trade invoices paid in the year	1,127	27,751	1,227	27,751
Total NHS trade invoices paid within target	1,111	42,503	1,135	25,937
Percentage of NHS trade invoices paid within target	98.6%	98.9%	92.5%	93.5%

5.2.3 Quality Committee

The Quality Committee is formally constituted as a Committee of the Board and its membership comprises both Non-Executive Directors and Executive Directors. The Committee is chaired by a Non-Executive Director, Professor Terry Jones, whose significant clinical and research experience has brought depth and clarity to the work of the Committee. The Committee met on four occasions during 2022/23.

Table 4d Members attendance – Quality Committee 2022/23

Member	Board Member	23/6/22	22/9/22	22/12/22	23/3/23
Prof T Jones	Chair	✓	✓	✓	✓
Mr A Yagnik	Non-Executive Director	✓	✓	✓	x
Mr E Abrahamson	Non-Executive Director	✓	✓	✓	✓
Ms J Gray	Non-Executive Director	✓	✓	✓	✓
Dr S Khanduri	Non-Executive Director	✓	✓	✓	✓
Ms J Shaw	Non-Executive Director	✓	x	✓	x
Ms J Spencer	Non-Executive Director	✓	✓	✓	✓
Ms S Barr	Chief Information Officer	✓	✓	✓	✓

The Quality Committee supports the Board in obtaining assurance that high standards of care and clinical governance are provided by the Trust and, in particular, that adequate and appropriate controls are in place. The Committee reviewed reports on the following subject areas during 2022/23:

- Committee Work Plan, Committee Terms of Reference and Review of Committee Effectiveness
- Board Assurance Framework
- Integrated Performance Report
- Risk and Quality Governance
- Infection Prevention and Control
- Safer Staffing Report
- Patient Safety and Experience
- Quality Account
- Learning from Deaths
- Mortality Report
- National Institute of Clinical Excellence (NICE) Compliance
- Annual Reports: Safeguarding, Quality Improvement, Health, Safety & Security, Clinical Audit, Caldicott Guardian, Patient Experience and Inclusion
- Innovation Strategy
- Digital Strategy
- Risk Management Strategy
- Complaints Review

5.2.4 Performance Committee

The Performance Committee is formally constituted as a Committee of the Board and its membership comprises both Non-Executive Directors and Executive Directors. A Non-Executive Director, Geoff Broadhead, who has considerable experience within the financial sector, chairs the Committee. The Committee met on four occasions during 2022/23.

Table 4e Members attendance – Performance Committee

Member	Board Member	18/5/22	24/8/22	23/11/22	15/2/23
Mr G Broadhead	Non-Executive Director	✓	✓	✓	✓
Mr M Tattersall	Non-Executive Director	✓	✓	✓	✓
Mr E Abrahamson	Non-Executive Director	✓	✓	✓	✓
Mr J Thomson	Director of Finance	✓	✓	✓	✓
Ms J Spencer	Chief Operating Officer	✓	✓	✓	✓

The purpose of the Performance Committee is to provide the Board with in-year assurance on development and delivery of the Trust's Strategic Plan and ensure that proposed capital investments are consistent with the Trust's Investment Policy. The Committee also oversees performance of the Trust's wholly owned subsidiaries, maintains oversight of financial management arrangements and seeks assurance on delivery against the Trust's key performance indicators. The Committee reviewed reports on the following subject areas during 2022/23:

- Committee Work Plan, Committee Terms of Reference and Review of Committee Effectiveness
- Board Assurance Framework
- Integrated Performance Report
- Financial Position
- Emergency Preparedness, Resilience and Response
- Research and Innovation Business Plan
- PropCare Ltd - Performance Reports
- Clatterbridge Pharmacy Ltd – Performance Reports
- Clatterbridge Private Clinic – Performance Reports
- Community Diagnostic Hubs
- Genomics Action Plan
- Elective Recovery – Deep Dive Analysis
- Cost Improvement Programme – Deep Dive Analysis
- Divisional Business Plans
- Winter Planning
- Operational and Financial Planning 2023/24
- Green Plan Annual Report
- Review of Capital Investments
- Performance reporting: Health Inequalities

5.2.5 People Committee

The People Committee is formally constituted as a Committee of the Board and its membership comprises both Non-Executive Directors and Executive Directors. A Non-Executive Director, Anna Rothery, who has considerable knowledge and experience of the Equality, Diversity and Inclusion agenda, chairs the Committee. The Committee met on three occasions during 2022/23 (a fourth meeting had been scheduled in March 2023 but was deferred to April 2023 as a result of industrial action).

Table 4f Members attendance – Performance Committee

Member	Board Member	8/6/22	29/9/22	21/12/22	13/3/23
Ms A Rothery	Non-Executive Director	✓	x	✓	
Mr G Broadhead	Non-Executive Director	✓	x	✓	
Mr E Abrahamson	Non-Executive Director	✓	✓	✓	
Ms J Shaw	Director of Workforce	✓	✓	✓	
Ms J Spencer	Chief Operating Officer	✓	✓	✓	
Ms J Gray	Chief Nurse	✓	✓	✓	
Dr S Khanduri	Medical Director	✓	✓	✓	
Ms S Barr	Chief Information Officer	✓	✓	x	

The purpose of the People Committee is to provide the Board of Directors with assurance on the quality, delivery and impact of people, workforce and organisational development strategies and on the effectiveness of people management arrangements in the Trust. The Committee reviewed reports on the following subject areas during 2022/23:

- Committee Work Plan, Committee Terms of Reference and Review of Committee Effectiveness
- Board Assurance Framework
- Integrated Performance Report
- People Commitment Progress Reports
- Workforce Race Equality Standard
- Workforce Disability Equality Standard
- Equality, Diversity & Inclusion – Staff Networks
- Guardian of Safe Working
- Trust Workforce Plan
- Recruitment and Retention
- Staff Wellbeing and Engagement
- Mandatory Training and Appraisal Performance
- Clinical Education
- Allied Health Professionals (AHP) – Workforce Supply Strategy
- Apprenticeships
- Assurance Reports from Sub-Groups

5.2.6 Nominations and Remuneration Committees

The Trust has in place two Nominations and Remuneration Committees; one deals with nominations and remuneration for Non-Executive Director appointments (including the Chair) and the other with nominations and remuneration for Executive Director appointments.

Nominations and Remuneration Committee (Non-Executive Directors)

Membership: Trust Chair (Chair of the Committee), Lead Governor, Governor Chair of the Membership Committee and up to three elected governors from the public constituency. The Committee met on two occasions during 2022/23 and conducted the following business:

- Chair and Non-Executive Director appraisals
- Re-appointment of Non-Executive Directors, Terry Jones and Elkan Abrahamson, for a second three-year term
- Structure to Align Remuneration for Chairs & Non-Executive Directors
- Committee Terms of Reference
- Arrangements for Non-Executive Director Appraisals and Succession Planning

In the absence of relevant national guidance, no inflationary pay awards were made to Non-Executive Directors in 2022/23.

Nominations and Remuneration Committee (Executive Directors)

Membership: Chaired by the Trust Chair with all other Non-Executive Directors as members.

The Committee met on one occasion during 2022/23 and conducted the following business:

- Approved inflationary pay award for Executive Directors in accordance with NHS England guidance dated 20th July 2022.

5.3 Annual remuneration report

This report sets out the Trust's remuneration process, i.e. it explains the process under which the Chair, Non-Executive Directors and Executive Directors and other Board Directors were remunerated for the financial period 1st April 2022 to 31st March 2023. It also provides tables of information showing details of the salary and pension interests of all Executive Directors for the financial period 1st April 2022 to 31st March 2023.

5.3.1 Annual statement on remuneration

The Clatterbridge Cancer Centre Foundation Trust has established a Nominations and Remuneration Committee that advises the Board of Directors with regard to the appropriate remuneration and terms of service of the Chief Executive and other Executive Directors including:

- All aspects of salary
- Arrangements for termination of employment and other contractual terms

During 2022/23, the Nomination and Remuneration Committee met on one occasion and approved an inflationary pay award for Executive Directors in accordance with NHS England guidance dated 20th July 2022.

The members of the committee are the Chairman and non-executive directors. The Chief Executive, other directors and any other officers in attendance are not present for discussions about their own remuneration and terms of service. Further information can be found on page 57 of this report.

Senior managers' remuneration policy

The Nominations and Remuneration Committee, in respect of the Chief Executive and other Executive Directors, determines the remuneration policies and practices of the Trust for those who have authority or responsibility for directing or controlling the major activities of the organisation. The following posts have been designated as fitting this criterion and are collectively referred to as the senior managers within this report:

- Chief Executive
- Director of Finance
- Medical Director
- Chief Nurse
- Chief Operating Officer
- Director of Workforce and Organisational Development

Members of the Board who are not Executive Directors are covered by the NHS Agenda for Change terms and conditions.

In considering the Executive Directors' remuneration, the Committee takes into account the national inflationary uplifts recommended for other NHS staff, any variation in, or change to, the responsibility of Executive Directors and relevant benchmarking with other public sector posts, with the aim of attracting, motivating and retaining high-calibre Directors who will deliver the Trust's strategic objectives.

The determination of salaries for senior managers for 2022/23 onwards is informed by national guidelines regarding Very Senior Managers' (VSM) pay, which cover the Chief Executive and Executive Directors.

The Remuneration Committee reviewed Executive Director salaries in line with peer group hospitals and levels of experience in February 2022. The Committee agreed and implemented changes for the 2021/2022 financial year.

Executive Directors and other Board Directors participate in an annual appraisal process, which identifies and agrees objectives for the coming year.

Remuneration in excess of £150,000 per annum

In respect of those senior managers who receive remuneration of more than £150,000, the Trust has considered comparable data from other similar organisations in determining a rate that would enable the Trust to attract and retain staff of the calibre required to deliver the Trust's objectives.

The Trust has two roles, the Chief Executive and the Medical Director, where the remuneration is in excess of £150,000. The salary for the Medical Director includes remuneration for clinical responsibilities. The Nominations and Remuneration Committee utilised national benchmarking information at the appointment stage of the process and agreed that in each case the individual circumstances warranted setting a level of remuneration that was in excess of the guidance.

Note re audit:

Please note that elements of the Remuneration Report are subject to audit. Specifically these are the salary and pension entitlements of senior managers, details of amounts payable to third parties for the services of a director (if made) and the median remuneration of the Trust's staff and the ratio between this and the mid-point of the banded remuneration of the highest-paid director.

Directors' salary entitlements 2022/23

Guidance requires that when producing its Annual Report, the Trust publishes information about the salaries and allowances for members of the Board compared to the information contained in its last Annual Report.

In compliance with Article 21 of the General Data Protection Regulation (GDPR) each member of the Board, detailed in the tables below, have given their consent for their information to be included.

No performance-related pay or bonuses have been paid to Directors during the last financial year.

Employment contracts

All Executive Directors have employment contracts. Contracts are usually awarded on a permanent basis, unless the post is for a fixed period of time. Executive Directors (including the Chief Executive) have a six-month notice period within their contracts of employment (see Table 5a).

Table 5a Executive Directors' contractual data

Name	Title	Contract Start Date	Notice Period
Liz Bishop	Chief Executive	26th November 2018	6 months
Sheen Khanduri	Medical Director	1st December 2017	6 months
Joan Spencer	Chief Operating Officer	1st December 2020	6 months
James Thomson	Director of Finance	1st February 2019	6 months
Jayne Shaw	Director of Workforce and Organisational Development	10th December 2018	6 months
Julie Gray	Chief Nurse	1st October 2021	6 months

Remuneration for the Chair and Non-Executive Directors

The remuneration and terms of service for the Chairman and the Non-Executive Directors are set by the Council of Governors in line with statute and the Trust's Constitution, and implemented locally by the Trust.

The Nomination and Remuneration Committee of the Council of Governors reviewed the remuneration of the Chairman and Non-Executive Directors in March 2023 assisted by updated guidance published by NHS England / Improvement in November 2019. It was agreed that no amendments would be made to the remuneration of the Chair and Non-Executive Directors but that a formal review of Chair and Non-Executive Director remuneration would be undertaken following publication of an updated remuneration framework.

Table 5d and 5e show the payments to Non-Executive Directors during 2022/23. No performance-related pay has been paid to Non-Executive Directors in the last financial year.

Table 5b Executive Directors' salaries (April 2022 to March 2023)

Name and title	(a) Salary (bands of £5,000)	(b) Expense payments (taxable) to nearest £100	(c) Performance pay and bonuses (bands of £5,000)	(d) Long term performance pay and bonuses (bands of £5,000)	(e) All pension-related benefits (bands of £2,500)	(f) TOTAL (a to e) (bands of £5,000)
	£'000	£	£'000	£'000	£'000	£'000
E Bishop – Chief Executive	195-200	0	0	0	265-267.5	460-465
S Khanduri – Medical Director	195-200	0	0	0	37.5-40	235-240
J Spencer – Director of Operations & Performance	120-125	0	0	0	80-82.5	200-205
J Thomson – Director of Finance	135-140	0	0	0	105-107.5	240-245
J Gray – Chief Nurse	115-120	0	0	0	47.5-50	160-165
J Shaw – Director of Workforce & OD	120-125	0	0	0	nil	120-125

Notes 1. Figures in Column (e) for E Bishop, J Spencer and J Thomson relate to pension contributions following a backdated pay award for 2021/22 made in April 2022 and a 2022/23 pay award paid in year. This follows a decision made by the Remuneration Committee in February 2022. **2.** 81% of S Khanduri's salary is for her role as a Consultant and 19% relates to her work as a Director.

Table 5c Executive Director salaries (April 2021 to March 2022)

Name and title	(a) Salary (bands of £5,000)	(b) Expense payments (taxable) to nearest £100	(c) Performance pay and bonuses (bands of £5,000)	(d) Long term performance pay and bonuses (bands of £5,000)	(e) All pension-related benefits (bands of £2,500)	(f) TOTAL (a to e) (bands of £5,000)
	£'000	£	£'000	£'000	£'000	£'000
E Bishop - Chief Executive	190 - 195	0	0	0	35 - 37.5	225 - 230
S Khanduri - Medical Director	190 - 195	0	0	0	42.5 - 45	235 - 240
J Spencer - Director of Operations & Performance	115 - 120	0	0	0	27.5 - 30	145 - 150
J Thomson - Director of Finance	135 - 140	0	0	0	27.5 - 30	160 - 165
J Gray - Chief Nurse	55 - 60	0	0	0	57.5 - 60	115 - 120
J Shaw - Director of Workforce and OD	110 - 115	0	0	0	0	110 - 115

Notes

1. In addition to her Chief Operating Officer role, Joan Spencer was also Acting Chief Nurse between 1st February 2021 and 30th September 2021.
2. Julie Gray commenced in post as Chief Nurse on 1st October 2021: the full-year amount would have been in the range £110-115k.

Table 5d Chair and Non-Executive Director remuneration April 2022 to March 2023

Name and title	(a) Salary (bands of £5,000)	(b) Non-cash benefits including taxable expenses to nearest £100	(c) Performance pay and bonuses (bands of £5,000)	(d) All pension-related benefits (bands of £2,500)	(e) TOTAL (a to d) (bands of £5,000)
	£'000	£'s	£'000	£'000	£'000
K Doran - Chair	40 - 45	0	0	0	40 - 45
M Tattersall - Non-Executive Director	15 - 20	0	0	0	15 - 20
D Abrahamson - Non-Executive Director	10 - 15	0	0	0	10 - 15
G Broadhead - Non-Executive Director	10 - 15	0	0	0	10 - 15
T Jones - Non-Executive Director	10 - 15	0	0	0	10 - 15
A Yagnik - Non-Executive Director	15 - 20	0	0	0	15 - 20
A Rothery - Non-Executive Director	10 - 15	0	0	0	10 - 15

Notes 1. M Tattersall receives an additional amount in respect of his Audit Committee Chair and Deputy Chair duties.

Table 5e Chair and Non-Executive Director Remuneration April 2021 to March 2022

Name and title	(a) Salary (bands of £5,000)	(b) Non-cash benefits including taxable expenses to nearest £100	(c) Performance pay and bonuses (bands of £5,000)	(d) All pension-related benefits (bands of £2,500)	(e) TOTAL (a to d) (bands of £5,000)
	£'000	£'s	£'000	£'000	£'000
K Doran - Chair	40 - 45	0	0	0	40 - 45
M Tattersall - Non-Executive Director	15 - 20	0	0	0	15 - 20
D Abrahamson - Non-Executive Director	15 - 20	0	0	0	15 - 20
G Broadhead - Non-Executive Director	10 - 15	0	0	0	10 - 15
T Jones - Non-Executive Director	10 - 15	0	0	0	10 - 15
A Yagnik - Non-Executive Director	10 - 15	0	0	0	10 - 15
A Rothery - Non-Executive Director	10 - 15	0	0	0	10 - 15

Pension Benefits

The Chair and Non-Executive Directors do not receive pensionable remuneration. As such, there are no entries in respect of pensions for the Chair and Non-Executive Directors.

Tables 5f and 5g shows the pension benefits received by the Executive Directors.

Table 5f Executive Directors pension benefits April 2022 to March 2023

Name and title	(a) Real increase in pension at pension age (bands of £2,500)	(b) Real increase in pension lump sum at pension age (bands of £2,500)	(c) Total accrued pension at pension age at 31 March 2022 (bands of £5,000)	(d) Lump sum at pension age related to accrued pension at 31 March 2022 (bands of £5,000)	(e) Cash Equivalent Transfer Value at 31 March 2021	(f) Real increase in Cash Equivalent Transfer Value	(g) Cash Equivalent Transfer Value at 31 March 2022	(h) Employees contribution to stakeholder pension
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
E Bishop - Chief Executive	12.5 - 15	28.5 - 30	85 - 90	190 - 195	1,511	292	1,882	0
S Khanduri - Medical Director	2.5 - 5	0 - 2.5	40 - 45	75 - 80	659	33	730	0
J Spencer - Director of Operations & Performance	2.5 - 5	5 - 7.5	55 - 60	130 - 135	1,029	86	1,166	0
J Thomson - Director of Finance	5 - 7.5	7.5 - 10	40 - 45	70 - 75	552	81	672	0
J Gray - Chief Nurse	2.5 - 5	0 - 2.5	45 - 50	95 - 100	778	46	864	0

Note 1. J Shaw chose not to be covered by the pension arrangements during the reporting year. **2.** CETV Figures are calculated using the guidance on discount rates for calculating unfunded public service pension contribution rates that was extant at 31st March 2023. HM Treasury published updated guidance on 27th April 2023; this guidance will be used in the calculation of 2023/24 CETV figures

Table 5g Executive Directors pension benefits April 2021 to March 2022

Name and title	(a) Real increase in pension at pension age (bands of £2,500)	(b) Real increase in pension lump sum at pension age (bands of £2,500)	(c) Total accrued pension at pension age at 31 March 2022 (bands of £5,000)	(d) Lump sum at pension age related to accrued pension at 31 March 2022 (bands of £5,000)	(e) Cash Equivalent Transfer Value at 31 March 2021	(f) Real increase in Cash Equivalent Transfer Value	(g) Cash Equivalent Transfer Value at 31 March 2022	(h) Employees contribution to stakeholder pension
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
E Bishop - Chief Executive	2.5 - 5	0	70 - 75	1,430	1,511	50	1,511	0
S Khanduri - Medical Director	2.5 - 5	0 - 2.5	40 - 45	603	659	35	659	0
J Spencer - Director of Operations & Performance	0 - 2.5	0 - 2.5	50 - 55	972	1,029	36	1,029	0
J Thomson - Director of Finance	0 - 2.5	0	25 - 40	512	552	20	552	0
J Gray - Chief Nurse	2.5 - 5	2.5 - 5	40 - 45	707	778	16	778	0

Note 1. J Shaw chose not to be covered by the pension arrangements during the reporting year.

5.3.2 Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's (or other allowable beneficiary's) pension payable from the scheme. CETVs are calculated in accordance with SI2008 no. 1050 Occupational Pension Schemes (Transfer values) Regulations 2008.

Real increase in CETV

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation contributions paid by the employee.

The benefits and related CETVs do not allow for a potential adjustment arising from the McCloud judgement.

5.3.3 Pay Median – Fair pay disclosure

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

The banded remuneration of the highest-paid director in the organisation in the financial year 2022/23 was £195-200k (2021-22, £190-195k). This is a change between years of 3%.

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 2022/23 was from £17,833 to £302,097 (2021/22 £16,333 to £239,200). The percentage change in average employee remuneration (based on total for all employees on an annualised basis divided by full time equivalent number of employees) between years is 12%.

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.

Table 5h Fair pay multiples 2022/23

2022/23	25th percentile	Median	75th percentile
Salary component of pay	£28,058	£37,409	£49,975
Total pay and benefits excluding pension benefits	£28,058	£37,409	£49,975
Pay and benefits excluding pension: pay ratio for highest paid director	7.07	5.30	3.97

Table 5i Fair pay multiples 2021/22

2021/22	25th percentile	Median	75th percentile
Salary component of pay	£23,200	£32,923	£45,839
Total pay and benefits excluding pension benefits	£23,200	£32,923	£45,839
Pay and benefits excluding pension: pay ratio for highest paid director	8.30	5.85	4.20

The above disclosure includes all staff employed by the Trust on a permanent, agency or interim worker basis.

The calculation of higher-paid Director Remuneration includes the cash value of any benefits in kind.

There are five Consultants employed by the Trust whose full-time equivalent salary exceeds the highest-paid Director. All are paid additional reporting fees remuneration.

5.34 Expenses paid to Directors and Governors

In line with section 156(1) of the Health and Social Care Act 2012 table 5j shows the expenses paid to Directors and Governors during the year.

Table 5j Director and Governor Expenses 2021-23

Directors	2021/22	2022/23
Total Number of Directors in office	15	15
Number of Directors receiving expenses	5	4
Aggregate sum of expenses paid to Directors	£1,224	£641.47
Governors	**2021/22**	**2022/23**
Total number of Governors in office	33	31
Number of Governors receiving expenses	0	4
Aggregate sum of expenses paid to Directors	0	£575.22

The Trust maintains an up to date policy on governor expenses. Due to restrictions because of COVID-19 in 2021/22 Council of Governor meetings were held online and moved to a hybrid approach in 2022/23, hence the increase in expenses paid.

5.3.5 Staff exit packages

Table 5k Staff exit packages

	Number of compulsory redundancies	Cost of compulsory redundancies £000's
£0-£50,000	0	0
£50,000-£100,000	0	0
Total	0	0

5.3.6 Expenditure on consultancy

Expenditure on consultancy is detailed in the Annual Accounts under Note 4.1: Operating expenses. The Trust procured consultancy services worth £1,347k in 22/23, an increase of £460k since the previous year (£887k in 21/22).

This includes expenditure of £657k for the Cancer Alliance and £613k for Cheshire and Merseyside Diagnostic Programme. Both of these are hosted arrangements within Trust accounts, and netted off against separated income streams.

The remaining £56k consultancy costs were related to Environmental and Sustainability (£40k), Governance, Risk and Compliance (£16k). A further £10k were related to IT consultancy for Networking and Digital innovation.

5.3.7 Off-payroll engagements

Following the Review of the tax arrangements of public sector appointees published by the Chief Secretary to the Treasury in 2012, public sector bodies are required to report arrangements whereby individuals are paid through their own companies (and so are responsible for their own tax and National Insurance arrangements, not being classed as employees).

Table 5l below shows, all off-payroll engagements as of 31st March 2023 for more than £245 per day and that last longer than six months.

Table 5l Highly-paid off-payroll worker engagements as at 31st March 2023 earning £245 per day or greater

Number of existing engagements as of 31st March 2023	1
Of which ...	0
Number that have existed for less than 1 year	0
Number that have existed for between one and two years at the time of reporting	0
Number that have existed for between two and three years at the time of reports	1
Number that have existed for between three and four years at the time of reporting	0
Number that have existed for four or more years at the time of reporting	0

Table 5m All highly-paid off-payroll workers engaged at any point during the year ended 31st March 2023 earning £245 per day or greater

Number of off-payroll workers engaged during the year ended 31st March 2023	1
Of which ...	
Number of assessed as within the scope of IR35	0
Number assessed as not within the scope of IR35	1
Number of engagements reassessed for consistency / assurance purposes during the year	0
Of which: number of engagements that saw a change to IR35 status following a review	0
Number of engagements where the status was disputed under provisions in the off-payroll legislation	0
Of which: number of engagements that saw a change to IR35 status following review	0

Table 5n Off-payroll engagements of Board members and/or senior officials with significant financial responsibility between 1st April 2022 and 31st March 2023

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

5.3.8 Staff costs

Staff costs

	Group			
			2022/23	2021/22
	Permanent	Other	Total	Total
	£000	£000	£000	£000
Salaries and wages	72,657	512	73,169	61,185
Social security costs	7,643	-	7,643	5,955
Apprenticeship levy	324	-	324	267
Employer's contributions to NHS pension scheme	12,022	40	12,062	10,517
Pension cost - other	71	-	71	57
Temporary staff	-	3,831	3,831	2,323
Total gross staff costs	92,717	4,382	97,099	80,304
Recoveries in respect of seconded staff	-	-	-	-
Total staff costs	92,717	4,382	97,099	80,304
Of which				
Costs capitalised as part of assets	130	-	130	166

Average number of employees (WTE basis)

Group

			2022/23	2021/22
	Permanent Number	Other Number	Total Number	Total Number
Medical and dental	135	3	138	116
Ambulance Staff	-	-	-	-
Administration and estates	260	3	263	527
Healthcare assistants and other support staff	472	15	487	193
Nursing, midwifery and health visiting staff	385	15	400	345
Nursing, midwifery and health visiting learners	-	-	-	-
Scientific, therapeutic and technical staff	261	4	265	256
Healthcare science staff	86	4	91	39
Social care staff	-	-	-	-
Other	7	-	7	-
Total average numbers	1,607	44	1,651	1,476
Of which:				
Number of employees (WTE) engaged on capital projects	1	-	1	2
The Increase in average staff number between 2021/2022 includes the following:				
Aintee Haemato-oncololgy service transfer	49 wte's			
Trust hosted service including subsidiaries	32 wte's			

5.4 Governors' report

The Council of Governors has a number of statutory responsibilities that are set out within the Trust's Constitution in addition to advising the Trust on how best to meet the needs of patients and the wider community.

The Council of Governors had met virtually during the COVID-19 pandemic and we were pleased that we were able to recommence 'in person' meetings from July 2022, with Governors having the option to attend virtually if preferred. This hybrid approach to meetings continued successfully throughout the year with a steady increase in the proportion of in-person attendees.

This year the Council continued to carry out their statutory duties:

- Holding the Non-Executive Directors to account – following presentations at Council of Governors meetings led by the Non-Executive Director Chairs of Board Committees
- Participation in the appraisal process of the Chair and Non-Executive Directors
- Approving the re-appointment of Non-Executive Directors, Elkan Abrahamson and Terry Jones for second three-year terms
- Reviewing outcomes of an assessment against an addendum to the Governor guide on statutory duties relating to system working and collaboration
- Approving amendments to the Trust's Constitution in January 2023

Governors and Trust members were presented with the Annual Report and Accounts at a hybrid Annual Members Meeting held on 26th October 2022. A link to a digital recording of the meeting was subsequently provided on the Trust website enabling members and the public to view the meeting at their convenience.

All elected Governors hold a three-year term of office and can serve a maximum of three terms. Council of Governor Elections took place between May and July 2022 for the following seats:

- Public – Cheshire West and Chester
- Public – Sefton
- Public – Liverpool
- Public – St Helens and Knowsley
- Public – Warrington
- Staff – Non-Clinical
- Staff – Doctor
- Staff – Other Clinical

Results of the elections were declared in August 2022, with the successful candidates commencing their terms of office from the date of the Annual Members Meeting. The elections were administered by Civica Election Services, in accordance with the model election rules within the Trust's Constitution. Despite a successful outcome to the elections, which helped to strengthen our Governing body, developments during the year meant that we had vacancies in the following constituencies as at 31st March 2023:

- Public – Warrington and Halton
- Public – Liverpool
- Public – St Helens and Knowsley
- Public – Wirral and the Rest of England
- Staff – Non-clinical
- Staff – Volunteers and Service Providers

We plan to fill any vacant positions in the 2023/24 Governor elections which are scheduled to take place May – July 2023.

5.4.1 Composition of the Council of Governors and attendance

The Council of Governors consists of the Chair of the Trust and 29 elected and nominated Governors. The following table illustrates the full composition of our Council of Governors, as at 31st March 2023.

Table 5o Composition of the Council of Governors 2022/23

Elected Governors (Public)	Constituency	Term Served	Attendance at Governor Meetings
Caroline Pelham-Lane	Cheshire West & Chester	2022 – Ongoing	2/2
Sonia Holdsworth	Cheshire West & Chester	2021 – Ongoing	1/3
Patricia Higgins	Cheshire West & Chester	2019 – 2022	1/1
Keith Lewis	Liverpool	2019 – Ongoing	3/3
John Roberts	Liverpool	2021 – Ongoing	3/3
Jackie McCreaney	Liverpool	2019 – 2022	0/1
Miles Mandelson	St Helens & Knowsley	2022 – Ongoing	2/2
Patricia Gillis	St Helens & Knowsley	2019 – 2022	0/1
Hussein Rahil	St Helens & Knowsley	2022 – 2022	1/2
Jane Wilkinson – Lead Governor	Wales	2015 – Ongoing	2/3
Glenys Crisp	Warrington & Halton	2019 – Ongoing	3/3
John Field	Wirral and rest of England	2014 – Ongoing	2/3
Andrew Waller	Wirral and rest of England	2018 – Ongoing	3/3
Jonathan Heseltine	Wirral and rest of England	2021 – 2022	1/2
Anne-Marie Olsson	Sefton	2019 – Ongoing	2/3
Vincent Olsson	Sefton	2022 – Ongoing	1/3

Elected Governors (Staff)	Constituency	Appointed	Attendance at Governor Meetings
Laura Jane Brown	Nurse	2018 – Ongoing	3/3
Myfanwy Borland	Other Clinical	2019 – Ongoing	2/3
Linzi Hickson	Radiographer	2022 – Ongoing	2/2
Abhishek Mahajan	Doctor	2022 – Ongoing	1/2
Carol Nelson	Volunteers, service providers, contracted staff	2022- 2022	0/2

Nominated Governors	Organisation	Term Served	Attendance at Governor Meetings
Andrew Bibby	NHS England – Cheshire and Merseyside sub-regional team	2015 – 2022	0/1
Yvonne Nolan	Metropolitan Borough of Wirral	2020 – Ongoing	1/3
David Gawne	Isle of Man	2022 – Ongoing	1/1
Mahmoud Elfar	Liverpool University Hospitals NHS FT	2022 – Ongoing	1/3
Andrew Schache	University of Liverpool	2022 – Ongoing	0/3
Nancy Whittaker	Macmillan Cancer Services	2022 – Ongoing	1/3
Sam Cross	Cancer Alliance	2022 – Ongoing	1/3
Paul Brant	Liverpool City Council	2022 – 2022	0/1
Nick Small	Liverpool City Council	2022 – Ongoing	0/2

5.4.2 Governor training and development

The Trust held a bespoke Development Day for both new and existing Governors in November 2022, with content based on induction topics for new Governors and outcomes of a Governor Self-assessment process. The training was facilitated by NHS Providers and covered the following topics:

- Introduction to the NHS
- Governance and the Role of Governors
- Effective Questioning and Challenge
- Member and Public Engagement
- Quality Matters

Governors were also provided with the opportunity to attend a Core Skills Workshop which was facilitated by NHS Providers. Outcomes of the Governor Self-assessment process also informed updates to our Governor Handbook which contains key information to help Governors in their role.

In February 2023, the Trust commenced work with our colleagues from local trusts, including Liverpool Women's NHS Foundation Trust and The Walton Centre NHS Foundation Trust, to identify collaborative approaches for both the delivery of Governor development activities and engagement with members and the wider public. We expect this collaborative work to be a key area of focus during 2023/24.

5.4.3 Strengthening the links between the Governors and the Board

The Board has continued to develop a strong working relationship with the Governors by working collaboratively in an open and transparent way. Governors and Non-Executive Directors jointly participate in monthly Walk-Rounds which take place at each of the three Clatterbridge sites and provide the opportunity for direct engagement with patients and staff. Outcomes of the Walk-Rounds are reported to both the Board of Directors and the Patient Experience and Inclusion Committee (which includes Governor members). The reports detail what patients and staff feel that the Trust does well together with details of any areas where improvements could be made. The process provides assurance that the Trust is actively seeking feedback on the services it provides.

The Lead Governor attends all Board meetings and provides a summary to Governors on the key matters discussed following each meeting. This summary is also included in a monthly bulletin that Governors receive from the Trust. The Governor bulletin contains key information on Trust developments including monthly Chief Executive updates, headlines from the Staff Team Brief and key dates and events for Governors.

5.4.4 Membership

The Trust is accountable to the population it serves and members of the public can be members of the Trust. The Trust's Constitution includes the eligibility requirements for staff and identifies the boundaries for public membership.

Activities of the Trust's Membership Committee had been suspended during the COVID-19 pandemic but recommenced from December 2021 with the first meeting of a refreshed Membership Engagement & Communications Committee, which is a sub-committee of the Council of Governors, being held in February 2022. The Committee immediately commenced work on a review of the Trust's Membership Strategy and a three-year Membership Engagement and Communications Strategy was subsequently approved by the Council of Governors in July 2022. The aim of the strategy is to enhance organisational membership in terms of both quantity and quality and progress will be monitored through performance against annual objectives.

The following tables detail membership numbers as at 31st March 2023:

Table 5p Breakdown of Membership by Constituency March 2023

Public Constituency	Number of Members
Cheshire West and Chester	412
Liverpool	1,134
Sefton	988
St Helens & Knowsley	540
Wales	177
Warrington & Halton	379
Wirral & rest of England	1,229
Total	4,859

Staff Constituency	Number of Members:
Non-Clinical	608
Other Clinical	632
Doctors	102
Nurses	440
Volunteers and Service Providers	47
Total	1,829

5.5 The NHS Foundation Trust Code of Governance

The Clatterbridge Cancer Centre NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a comply or explain basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012.

The Trust has in place established corporate governance policies and procedures that reflect the principles of the NHS Foundation Trust Code of Governance as described below.

- The Trust has an approved Constitution in place that describes those matters reserved for the Board of Directors in addition to clearly describing the roles and responsibilities of the Council of Governors. The Constitution was formally reviewed by the Board and Council in January 2023
- The Trust has in place approved Standing Financial Instructions, Standing Orders, Scheme of Reservation and Delegation, Terms of Reference for Board Committees and associated committees
- The Trust has an agreed process to manage the recruitment of Non-Executive Directors
- Annual Fit and Proper Declarations and associated checks to ensure compliance with the relevant Regulations
- Publicly available register of interests and register of gifts and hospitality
- Robust arrangements relating to the Audit Committee function
- Robust appraisal process approved by the Council of Governors for the Chair and Non-Executive Directors
- Established Nominations and Remuneration Committees for Executive Director and Non-Executive Director appointments
- Attendance records are maintained for Board, Committees of the Board and the Council of Governors
- The Chair has regular private meetings with the Lead Governor.
- The Council of Governors has in place a sub-group structure.
- Governors attend the Trust's Patient Experience, Engagement, Inclusion and Involvement Group

The Trust's compliance with the provisions of the NHS Foundation Trust Code of Governance during 2022/23 was reviewed by the Audit Committee at a meeting held on 19th April 2023.

5.6 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:

a. Objective and measurable eligibility criteria based on performance against the six oversight themes using the relevant oversight metrics (the themes are: quality of care, access and outcomes, people, preventing ill health and reducing inequalities, leadership and capability, finance and use of resources, local strategic priorities)

b. Additional considerations focused on the assessment of system leadership and behaviours, and improvement capability and capacity

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

The Trust is currently placed in segment 2 by NHS England. This segmentation information is the Trust's position as at 31st March 2023. Current segmentation information for NHS trusts and foundation trusts is published on the NHS England website: https://www.england.nhs.uk/publication/nhs-system-oversight-framework-segmentation/.

The Trust is not subject to any undertakings issued by NHS England in relation to its licence.

6 Annual governance statement

6.1 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.

6.2 The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of The Clatterbridge Cancer Centre NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Clatterbridge Cancer Centre NHS Foundation Trust for the year ended 31st March 2023 and up to the date of approval of the Annual Report and Accounts.

6.3 Capacity to handle risk

The Chief Executive has responsibility for the oversight of risk management across all clinical, financial and organisational activities. Senior leadership is delegated through the Executive Directors and operationally through Divisions, Departments and Committee structures.

6.3.1 Leadership

The capacity of the Trust to handle risk is achieved through delegated responsibilities in place as defined in the Scheme of Reservation and Delegation of Powers and the Risk Management Strategy, both documents being approved by the Board of Directors. The Risk Management Framework outlines the Trust's approach to risk, accountability arrangements and the risk management process including identification, analysis, evaluation and approval of the risk appetite.

All members of the Executive Team and managers are responsible for ensuring that within their designated area(s) and scope of responsibility:

- there are appropriate and effective risk management processes in place and that all staff are made aware of the risks within their work environment and of their personal responsibilities;

- there are effective systems in place for the identification, control, monitoring and review of risks and that risks are evaluated using the Trust framework for the grading of risks and that the appropriate level of management action is initiated and completed appropriately;

- they, and all their staff, receive the necessary information, instruction and training to enable them to work safely and comply with appropriate Trust procedures, including incident reporting, risk assessments, fire arrangements and all health and safety procedures;

- staff are identified and released to attend mandatory training and other appropriate training, adequate attendance records are kept and non-attendance is monitored and followed up;

- staff know and understand their responsibilities and duties under the Trust health and safety policy and have appropriate arrangements to ensure that these are met.

In 2022/23 the Executive Team undertook a review of the existing Committee structure and retired the previously established Risk Committee and Integrated Governance Committee. A new Risk and Quality Governance Committee was established, chaired by the Chief Executive, with underpinning Sub-Committees dedicated to Patient Safety, Patient Experience and Clinical Effectiveness. This has further strengthened the management of organisational risks, quality and culture of proactive risk management. In December 2022 the Deputy Chief Nurse commenced in post to further strengthen the leadership of the clinical governance agenda.

During Quarter 4 2022/23 a Risk Management Strategy 2023 – 2026 was developed in collaboration with a cross-section of staff via questionnaires and workshops. This next generation strategy describes key measurable objectives to be achieved over the next three years.

Managers at all levels of the organisation continue to manage risks relevant to their areas. Oversight of locally managed risk occurs via the Divisional Boards with significant risks, i.e. those with a residual risk score of 15 or above, being reported to the Risk and Quality Governance Committee where mitigations and ongoing actions are discussed and monitored. The Non-Executive Director-led Quality Committee provides an additional level of scrutiny, check and challenge. While there is devolved divisional accountability for the continuous management of risk, the standards, processes and ongoing development of the function is led centrally by the corporate quality and standards division, the Associate Director of Clinical Governance and Patient Safety, and the dedicated Divisional Governance Managers.

The Trust has two wholly-owned subsidiary companies, each with their own Board of Directors, who ensure effective management of the Company risks and regulatory compliance. These processes dovetail into the organisational processes with any significant operational or patient safety risks reporting via the Risk and Quality Governance Committee.

During 2022/23 the Trust continued to effectively manage the risks associated with ongoing management of the COVID-19 pandemic as the severity of the pandemic situation receded. These activities, as with all risks, are underpinned by extensive business continuity plans that are reviewed, and updated where necessary, on an annual basis.

In common with many NHS organisations, the Trust has used the Datix risk management system for a number of years and three years ago an investment was made in Datix IQ, an enhanced system utilising cloud-based technology. Embedding the functionality of this system to maximum benefit has proved to be challenging as changes in personnel resulted in limited availability of in-house subject matter expertise. However, there has been a clear focus on optimisation of the system during 2022/23 and this focus will continue in 2023/24.

6.3.2 Learning and training

To ensure that the Trust's approach to risk management is successfully implemented and maintained, staff of all levels, are appropriately trained in key elements of risk management. All staff are required to regularly update their knowledge and skills and maintain their personal awareness of their responsibilities for risk management via an ongoing training programme which includes adverse incidents, Health and Safety, Fire Safety, Infection Prevention and Control, Safeguarding Children and Vulnerable Adults, Information Governance, Moving and Handling, Conflict Resolution, Complaints Handing, Care, Suicide Prevention, Fraud Awareness, and Equality and Inclusion. This training is mandatory for all staff and is identified via a training needs analysis that is reflected in the Trust's Induction and Mandatory Training Policy.

All new employees of the Trust are required to attend a corporate induction programme that covers key aspects of risk management. In addition, to ensure a consistent approach to root cause analysis and investigation, focused training sessions are provided to relevant members of staff.

Emergency resilience training is also delivered to all senior managers who undertake on-call duties and table-top exercises are conducted to test robustness of the Trust's Major Incident Plan.

Compliance with mandatory training is reported to the Board of Directors, in addition to the People Committee, on a quarterly basis and monthly management reports to inform managers of staff who require updated training are sent to all Divisional and Departmental Managers.

To further encourage a positive safety culture and to ensure learning, the Trust has a weekly Executive Review Group led by the Chief Nurse and Medical Director. The Deputy Chief Nurse, members of the clinical governance and complaints teams attend along with managers from the Divisions to review and discuss themes and actions from complaints, incidents and claims. The learning is cascaded via the Divisional Management Group meetings through to ward meetings. In addition lessons learned within specific Divisions are discussed via the Performance Review Group meetings and from here reported and shared to the Trust Executive Group.

6.4 The risk and control framework

The Risk Management Framework continues to manage and control all identified risks including clinical, non-clinical and financial. This has been achieved through the established organisational framework which promotes early identification of risks, the coordination of risk management activity, the provision of a safe environment for patients and staff in addition to the effective use of financial resources. This ensures that all staff are aware of their roles and responsibilities and outlines the structures through which risk is assessed, controlled and managed reflective of the Trust's Risk Appetite:

Risk Appetite Statement 2022/23

The Clatterbridge Cancer Centre NHS Foundation Trust recognises that its long-term sustainability depends upon the delivery of Strategic Priorities and ambitions in addition to its relationships with service users, staff, public, regulators and strategic partners. As such, The Clatterbridge Cancer Centre NHS Foundation Trust will not accept risks that materially provide a negative impact on patient safety.

In contrast, The Clatterbridge Cancer Centre NHS Foundation Trust has a greater appetite to take considered risks in terms of their impact on organisational issues. The Trust has a greater appetite to pursue partnerships, commercial gain and clinical innovation in terms of its willingness to take opportunities where positive gains can be anticipated, within the constraints of the regulatory environment; this includes the development of our subsidiary companies. In addition, in pursuit of its Strategic Priorities, The Clatterbridge Cancer Centre NHS Foundation Trust is willing to accept, in some limited circumstances, risks that may result in some limited financial loss or exposure.

Each of the Board Committees reviews a risk register that is aligned to the remit of the Committee to ensure that risks receive scrutiny and are managed appropriately.

The long-term sustainability of the Trust depends on the delivery of the Strategic Objectives with principal operational risks being identified and managed via Divisional quality and safety meetings and governance arrangements that incorporate reporting to the Board Committees and the Board.

Risks are identified through a variety of sources including formal risk assessment, the assurance framework, daily incident reporting, audit data, litigation, and patient, carer and public feedback. To ensure consistency, risks are identified using a standardised approach. Identified risks are assessed using the risk management grading matrix of consequences and likelihood, producing a risk score that enables prioritisation within the risk register. Risks scored 15 and above are reviewed by the Risk and Quality Governance Committee and are further considered by relevant Board-level Committees i.e. People Committee, Performance Committee and Quality Committee.

Throughout the reporting period, risks were discussed and escalated appropriately from a number of groups including:

- Trust Executive Group
- Divisional Management Groups
- Performance Review Groups
- Health and Safety Sub-committee
- Infection Control Sub-committee
- Mortality Committee
- Drugs and Therapeutics Sub-committee
- Digital Programme Board
- Information Governance Board
- Safeguarding Group
- Safety Huddle meetings

Risk management is embedded within the organisation as is reflected in evidence of appropriate escalation of risk at all levels.

Patient deaths are reviewed using the national Structured Judgement Review Tool which allows for the identification of any risks following deaths. Learning from mortality reviews is shared with the Quality Committee and the Board of Directors. In addition, the Trust publishes a Mortality Dashboard on its website on a quarterly basis.

Through the Trust's processes, a Never Event relating to unintentional connection of a patient requiring oxygen to an air flowmeter was identified in February 2023 and was reported to commissioners and the Care Quality Commission. An investigation classified this as a low level of patient harm and this has been subject to a full review to ensure that any recommendations are actioned and that lessons learned are communicated via the internal governance arrangements.

The Trust's Quality Account identifies the quality priorities for 2022/23 and progress against these has been reported via a number of reports to the Quality Committee. During 2022 work commenced to inform the development of the Trust's Quality Strategy and this will build on the quality improvement work previously undertaken.

The Trust has a number of mechanisms in place to ensure it has the appropriate capacity and capability to deliver its strategy. During 2022 the Trust introduced a People Committee to provide oversight of workforce related risks and assurances on behalf of the Board. Further information can be found in section 4 of this report. Through the agenda of the Performance Committee the Trust reviews the effectiveness of the controls in place in relation to the development and maintenance of the Trust's estate and updates are also reported to the Trust Board.

The Board Assurance Framework (BAF) is a working document that brings together in one location all of the relevant information on the principal risks to achievement of the Trust's strategic objectives. The BAF is reviewed monthly by the Risk and Quality Governance Committee and at least quarterly by the Board of Directors. In addition, risks detailed in the BAF are aligned to relevant Board Committees and are reviewed at each Committee meeting. The principal risks included in the BAF during 2022/23 related to the following:

- The ability of quality governance systems to drive improvements in patient safety, experience and the effectiveness of care
- The ability to maintain quality of care if demand exceeds resources
- The ability to achieve income levels and activity levels
- The ability for corporate and clinical governance arrangements to provide comprehensive Board oversight and assurance
- The ability to drive environmental sustainability
- The ability to achieve sufficient strategic influence within the ICS to maximise collaboration around cancer prevention, early diagnosis, care and treatment
- The ability to further extend the breadth and depth of research capability
- The ability to adequately resource research with both expertise and sponsorship
- The leadership capacity and capability to drive the changes required to achieve our strategic ambitions
- The ability to attract and develop a diverse and highly-skilled workforce
- The ability to maintain the health and wellbeing of staff
- The ability to adopt digitisation across the Trust
- The ability to avoid a major security breach arising from increasing digitisation and cyber threats
- The ability to ensure adequate governance of the Trust's Subsidiary Companies and Joint Venture

During 2022/23 the Trust has continued to manage the risk around Industrial Action and the need to continue to deliver essential services. During periods of Industrial Action the Trust has enacted its business continuity arrangements and has held daily meetings to ensure that appropriate measures were in place to provide continuity of care. This will continue to be an area of focus in 2023/24. Further information can be found on page 24 of this report.

The Trust Five-Year Strategic Plan as detailed at section 2.2 of the Annual Report continues to be implemented and underpins the Board Assurance Framework (BAF) content. As the Integrated Care System (ICS) develops further in 2023/24, it is essential to continue to enhance controls and governance arrangements in response to any changes. The Trust Board will continue to monitor risks associated with system developments and the Trust's response to the wider system working.

Public stakeholders' involvement in managing risks

The Trust continually seeks to improve its risk management arrangements and Board Assurance Framework and further develop mitigations in order to assess and manage the potential risks that threaten the achievement of the Trust's strategic objectives.

The Trust works with a multitude of partners including Commissioners, local Councils (including social care and education), the voluntary sector, NHS England and the Trust's regulators. The Executive Team and senior managers work closely with the above partners, to provide an integrated service to our public and stakeholders.

The Trust continues to participate in the Cheshire and Merseyside Health and Care Partnership and the Cheshire and Merseyside Acute and Specialist Provider Collaborative (CMAST). In September 2022 the Trust Board approved the Joint Working Agreement and Committee in Common Terms of Reference which formalised the governance arrangements to enable CMAST to operate effectively. The Board also receives regular reports regarding the work of the Cheshire and Merseyside Cancer Alliance.

The Trust recognises that risk management is a two-way process between healthcare providers across the health economy. Issues raised through the Trust's risk management processes that impact on partner organisations would be discussed in the appropriate forum, so that actions can be agreed. Further information on partnership working can be found at page 18 of this report.

The key ways in which public stakeholders are involved in managing risks which impact on them include

- the Council of Governors at quarterly meetings take the opportunity to hold the Board of Directors to account on its performance, including quality
- the Trust's involvement with Commissioners, and consultation as required with the Overview and Scrutiny Committees and Healthwatch
- consultation with key stakeholders regarding key change programmes, and service developments
- involvement of patients and governors in Patient-led assessments of the Care Environment (PLACE) visits

Where the Trust uses shared services to deliver key functions on behalf of the Trust such as payroll, regular contract meetings are in place to enable the Trust to monitor performance. Independent assurances are provided through an annual external review. The national independent audit on the NHS Electronic Staff Record Programme for the period 1st April 2022 to 31st March 2023 has received a qualified opinion. The Trust is satisfied that there are compensating controls at the Trust that are sufficient to mitigate the control deficiencies with the third party and is furthermore assured by the additional procedures performed and conclusion reached by external audit.

In addition, to the above arrangements the Trust has a Major Incident Plan in place which ensures involvement in system-wide emergency planning and business continuity arrangements, including the Local Resilience Forum and the Local Health Resilience Partnership.

6.5 Compliance with the NHS Foundation Trust Licence Condition F4 (FT Governance)

The Trust monitors compliance with the Provider Licence through a range of mechanisms, including the Integrated Performance Report, reports to the Quality Committee and a range of reports to various parts of the Trust's governance mechanisms.

This Annual Governance Statement provides an outline of the various structures and mechanisms that the Trust has in place to maintain a sound system of governance and internal control, amongst other things, to meet the requirement of the Foundation Trust Licence Condition 4 (FT Governance) and the Board reviews a full assessment of compliance on an annual basis.

6.6 Compliance with developing workforce safeguards

The Board receives assurance that the processes relating to safe, sustainable and effective staffing are in place within the Trust and compliant with the 'Developing Workforce Safeguards'. Staff establishments are reviewed annually during the budget-setting cycle and the Quality Committee and Trust Board receive a Safer Staffing Report every six months. In addition, the Quality Committee receives a monthly nursing dashboard which comprises data relating to the nursing workforce

6.7 Care Quality Commission compliance

The Foundation Trust is fully compliant with the registration requirements of the Care Quality Commission and its current registration status is unconditional. The Trust last received a full inspection of its services in 2019.

In August 2022 the Care Quality Commission undertook an unannounced inspection of the Clatterbridge Private Clinic. This was followed by a second planned visit on 23rd August 2022 in order to assess the views of patients. The visit was part of the CQC's programme of routine inspections focused on independent sector (IS) services. No areas for improvement were identified and the inspectors noted the quality of the environment and the positive impact this has on patient experience. They also noted the knowledge and expertise of the leadership team.

Register of Interests

The Clatterbridge Cancer Centre NHS 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 12 months as required by the 'Managing Conflicts of Interest in the NHS' guidance. This can be found here: https://www.clatterbridgecc.nhs.uk/about-centre/corporate-matters/public-documents.

NHS Pensions Scheme

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

Equality, Diversity and Inclusion

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with. More information can be found at section 4.65 of this report.

Climate change

The Foundation Trust has undertaken risk assessments and has plans in place which take account of the 'Delivering a Net Zero Health Service' report under the Greener NHS programme. The Trust ensures that its obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with and this is reported via the Performance Committee.

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

The Trust has processes in place to ensure that resources are used economically, efficiently and effectively. Through the annual planning cycle, detailed plans are submitted which reflect operational and service requirements, including the achievement of financial targets. Monthly Performance Reviews were carried out with each of the Divisions with any issues that require escalation being referred to the Performance Committee and/or the Trust Board.

The Integrated Performance Report has been further refined during the last financial year to enable clear reporting on performance against key performance indicators, ensuring that the Board and Committees have clear visibility on the overall performance of the Trust.

The Performance Committee reviews a report on financial performance at each meeting, which includes details of progress on delivery of the Trust's annual efficiency programme, and a monthly financial report is also reviewed by the Trust Board. The Audit Committee receives reports on a quarterly basis relating to losses, special payments, compensations, bad debt, tender waivers and any contingent liabilities. The reporting arrangements in place provide assurance to the Board that financial management is carried out in line with the Trust's Standing Financial Instructions.

Further assurance on economy, efficiency and effectiveness was provided through positive outcomes of an Internal Audit review of the Trust's assessment against the HFMA Improving NHS Financial Sustainability Checklist, which were reported to the Audit Committee and Board of Directors in January 2023.

6.9 Information governance

The Trust has in place robust and effective systems to identify, manage and control any information risks. The Information Governance Board, chaired by the Director of Finance as the Senior Information Risk Owner, has a reporting line via the Data Security and Protection Toolkit to the Audit Committee. Any information governance and security risks are managed as part of the Trust's risk assessment process and reported via the Risk and Quality Committee. In addition the Audit Committee receives regular updates regarding cybersecurity. The Trust has achieved Cyber Essentials Plus accreditation in relation to the effectiveness of the controls in place regarding information security.

During 2022/23, the Trust reported two incidents to the Information Commissioner's Office (ICO) relating to unauthorised disclosure of personal information, together with details of the remedial action taken by the Trust. Neither incident required further action from the ICO.

6.10 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 Clatterbridge Cancer Centre NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on performance information available to me. My review is also informed by comments made by the External Auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee and the Quality Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Board of Directors met on a monthly basis throughout 2022/23 with the exception of August and December 2022. The Board continued to receive reports on operational, quality, workforce, research & innovation and financial performance through the Integrated Performance Report. This report facilitates performance monitoring in respect of key national priorities, regulatory and locally determined indicators.

The Audit Committee has provided the Board with an independent and objective review of corporate governance arrangements and financial control within the Trust via the Chair's report to Board. The Board strengthened its Assurance Committee arrangements in 2022/23 with the establishment of a People Committee in June 2022. The work of the Assurance Committees, i.e. People Committee, Performance Committee and Quality Committee, is described in section 5.2 of the Annual Report and the Board receives Chairs' reports from all Committees of the Board including specifically commissioned reports on any areas of concern in circumstances where additional assurance may be required.

My review is also informed by the reviews undertaken by the Internal Audit function with the resulting reports being shared with the Audit Committee. During the last financial year, the Audit Committee received a total of 11 reports relating to mandated, risk-based and advisory reviews and two reviews without an assurance rating. The outcomes of these reviews were as follows:

0 high assurance opinions:	n/a	3 limited assurance opinions:	Critical Applications Quality Spot Checks Managing Conflicts of Interest
	Data Security and Protection Toolkit (2021/22) – Assessment of Self-Assessment Recruitment and Retention Cancer Waiting Times Staff Appraisal and Mandatory Training Data Quality Health Procurement Liverpool (HPL) Procurement review Governance review – subsidiary and joint venture	0 no assurance opinions:	n/a
1 moderate assurance opinions:	Data Security and Protection Toolkit (2021/22) – Assessment against national data guarding standards and joint venture	2 reviews without an assurance rating	HFMA Improving NHS Financial Sustainability Checklist review Assurance Framework Opinion

In addition to the above, my review has been informed by the Head of Internal Audit Opinion, which has contributed to this Annual Governance Statement. The Head of Internal Audit is required to provide an overall annual opinion statement – based upon, and limited to, the work undertaken – on the overall adequacy and effectiveness of the Trust's control and governance processes. The Trust has received a statement from the Head of Internal Audit based upon the work undertaken during 2022/23 and the overall opinion provides **"Substantial Assurance"** that there is a good system of internal control designed to meet the organisation's objectives, and that controls are generally being applied consistently.

The outcome of an external Well Led Review, undertaken by the Good Governance Institute and reported to the Board of Directors in April 2022, together with the positive progress made against the resulting action plan during 2022/23 has also provided me with assurance on the Trust's internal control arrangements.

6.11 Conclusion

I am required to consider whether there are any significant internal control issues identified for the organisation. The systems described throughout the Annual Governance Statement, in addition to the reviews undertaken by Internal Audit, lead me to conclude that no significant internal control issues have been identified.

Dr L Bishop
Chief Executive
28th June 2023

7 Statement of Accounting Officer's responsibilities

Statement of the Chief Executive's responsibilities as the Accounting Officer of The Clatterbridge Cancer Centre 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 The Clatterbridge Cancer Centre 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 The Clatterbridge Cancer Centre 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's 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.*

Dr L Bishop
Chief Executive
28th June 2023

Erratum

Please note Section 2.4.2 (Clatterbridge Cancer Charity) relates to 2021/22, not 2022/23. We apologise for this editing error. The entry for 2022/23 should read:

Clatterbridge Cancer Charity is administered by the Trust and its key objective is to focus on supporting us in providing healthcare to the public who use our services. The Charity achieved its income target for 2022/23 and set four key priorities through which it can support our work:

- Funding life-saving research, shaping cancer care for generations to come.
- Enhancing the patient environment, supporting recovery and wellbeing.
- Investing in leading technology, driving better outcomes for people with cancer.
- Enabling innovations in care, for every patient every day.

We remain incredibly grateful to all our supporters who help by giving their time, money or services to the Charity year on year.

In 2022/23, the Charity provided funding to the Trust to support a number of activities, including:

- £118k for the Arts in Health programme for patients' wellbeing
- £150k to support the Biomedical Research Centre
- £150k innovation fund
- £81k for the terraces at CCC-Liverpool
- £77k to support the CCC-Aintree hub for treatment at home (Clatterbridge in the Community)
- £50k staff wellbeing fund

The Charity continues to support our research agenda by providing funds that enable our clinicians to support clinical trials. Once again, it also funded an innovation fund funding specific projects initiated by staff and that will enhance patient or staff experience through our Scheme.

8 Statement of Directors' responsibilities in respect of the accounts

The Directors are required under the National Health Service Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of HM Treasury, directs that these accounts give a true and fair view of the state of affairs of the Trust and of the income and expenditure, other items of comprehensive income and cash flows for the year. In preparing those accounts, the Directors are required to:

- Apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury
- Make judgements and estimates which are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts, and
- Prepare the financial statements on a going concern basis and disclose any material uncertainties over going concern

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and to enable them to ensure that the accounts comply with the requirements outlined in the above mentioned direction of the Secretary of State. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the accounts.

The Directors 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 trust's performance, business model and strategy.

By Order of the Board

Dr L Bishop
Chief Executive
28th June 2023

James Thomson
Director of Finance
28th June 2023

9. Group Annual Accounts for the 12 months ended 31st March 2023

Contents

Foreword to the accounts

The Clatterbridge Cancer Centre NHS Foundation Trust

These accounts, for the year ended 31st March 2023, have been prepared by The Clatterbridge Cancer Centre NHS Foundation Trust in accordance with paragraphs 24 and 25 of Schedule 7 within the National Health Service Act 2006.

Dr L Bishop
Chief Executive
28th June 2023

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF THE CLATTERBRIDGE CANCER CENTRE NHS FOUNDATION TRUST

Opinion

We have audited the financial statements of The Clatterbridge Cancer Centre NHS Foundation Trust for the year ended 31 March 2023 which comprise Foundation Trust and Group Statement of Comprehensive Income, the Foundation Trust and Group Statement of Financial Position, the Foundation Trust and Group Statement of Changes in Taxpayers' Equity, the Foundation Trust and Group Statement of Cash Flows, the Foundation Trust and Group Statement of changes in equity and the related notes 1 to 28, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted International Financial Reporting Standards as interpreted and adapted by the 2022/23 HM Treasury's Financial Reporting Manual (the 2022/23 FReM) as contained in the Department of Health and Social Care Group Accounting Manual 2022 to 2023 and the Accounts Direction issued by NHS England with the approval of the Secretary of State as relevant to the National Health Service in England.

In our opinion the financial statements:

- give a true and fair view of the financial position of The Clatterbridge Cancer Centre NHS Foundation Trust and of the Group as at 31 March 2023 and of Foundation Trust's and Group's income and expenditure for the year then ended;
- have been properly prepared in accordance with the Department of Health and Social Care Group Accounting Manual 2022 to 2023; and
- have been properly prepared in accordance with the National Health Service Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Foundation Trust and the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the Comptroller and Auditor General's AGN01 and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 or Foundation Trust's ability to continue as a going concern for a period of 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. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Foundation Trust's and the Group's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Accounting Officer is responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Code of Audit Practice

In our opinion:

- other information published together with the audited financial statements is consistent with the financial statements; and

- the parts of the Remuneration Report and Staff Report identified as subject to audit have been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2022/23.

Matters on which we are required to report by exception

The Code of Audit Practice requires us to report to you if:

- We issue a report in the public interest under schedule 10(3) of the National Health Service Act 2006;
- We refer the matter to the regulator under schedule 10(6) of the National Health Service Act 2006 because we have reason to believe that the Foundation Trust, or a director or officer of the Foundation Trust, is about to make, or has made, a decision involving unlawful expenditure, or is about to take, or has taken, unlawful action likely to cause a loss or deficiency;
- We are not satisfied that the Foundation Trust has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources;
- We have been unable to satisfy ourselves that the Annual Governance Statement, and other information published with the financial statements meets the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2022/23 and is not misleading or inconsistent with other information forthcoming from the audit; or
- We have been unable to satisfy ourselves that proper practices have been observed in the compilation of the financial statements.

We have nothing to report in respect of these matters.

Responsibilities of the Accounting Officer

As explained more fully in the 'Statement of the chief executive's responsibilities as the accounting officer of The Clatterbridge Cancer Centre NHS Foundation Trust' set out on page 46 the chief executive is the accounting officer of The Clatterbridge Cancer Centre NHS Foundation Trust. The accounting officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the accounting officer is responsible for assessing the group and the Foundation Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council of Governors intend to cease operations of the group or the Foundation Trust, or have no realistic alternative but to do so.

As explained in the Governance Statement, the accounting officer is responsible for the arrangements to secure economy, efficiency and effectiveness in the use of the group and Foundation Trust's resources.

Auditor's responsibility for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Trust and determined that the most significant are the National Health Service Act 2006, the Health and Social Care Act 2012 and the Health and Care Act 2022, as well as relevant employment laws of the United Kingdom. In addition, the Foundation Trust has to comply with laws and regulations in the areas of anti-bribery and corruption, data protection and health & safety.

- We understood how The Clatterbridge Cancer Centre NHS Foundation Trust is complying with those frameworks by understanding the incentive, opportunities and motives for non-compliance, including inquiring of management, head of internal audit and those charged with governance and obtaining and reviewing documentation relating to the procedures in place to identify, evaluate and comply with laws and regulations, and whether they are aware of instances of non-compliance. We corroborated this through our review of the Foundation Trust's board minutes, through enquiry of employees to verify Foundation Trust policies, and through the inspection of employee handbooks and other information. Based on this understanding we designed our audit

procedures to identify non-compliance with such laws and regulations. Our procedures had a focus on compliance with the accounting framework through obtaining sufficient audit evidence in line with the level of risk identified and with relevant legislation.

- We assessed the susceptibility of the Foundation Trust's financial statements to material misstatement, including how fraud might occur by understanding the potential incentives and pressures for management to manipulate the financial statements, and performed procedures to understand the areas in which this would most likely arise. Based on our risk assessment procedures, we identified manipulation of reported financial performance (through improper recognition of revenue), inappropriate capitalisation of revenue expenditure and management override of controls to be our fraud risks.

- To address our fraud risk around the manipulation of reported financial performance through improper recognition of revenue, we reviewed the Foundation Trust's manual year end income accruals, challenging assumptions and corroborating the income to appropriate evidence.

- To address our fraud risk of inappropriate capitalisation of revenue expenditure we tested the Trust's capitalised expenditure to ensure the capitalisation criteria were properly met and the expenditure was genuine.

- To address the presumed fraud risk of management override of controls, we implemented a journal entry testing strategy, assessed accounting estimates for evidence of management bias and evaluated the business rationale for significant unusual transactions. This included testing specific journal entries identified by applying risk criteria to the entire population of journals. For each journal selected, we tested specific transactions back to source documentation to confirm that the journals were authorised and accounted for appropriately.

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

Scope of the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We have undertaken our review in accordance with the Code of Audit Practice 2020, having regard to the guidance on the specified reporting criteria issued by the Comptroller and Auditor General in January 2023, as to whether the Foundation Trust had proper arrangements for financial sustainability, governance and improving economy, efficiency and effectiveness. The Comptroller and Auditor General determined these criteria as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Foundation Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2023.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether, in all significant respects, the Foundation Trust had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

We are required under schedule 10(1)(d) of the National Health Service Act 2006 to be satisfied that the Foundation Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. Under the Code of Audit Practice, we are required to report to you if the Foundation Trust has not made proper arrangement for securing economy, efficiency and effectiveness in the use of resources.

We are not required to consider, nor have we considered, whether all aspects of the Foundation Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate until we have issued our Auditor's Annual Report for the year ended 31 March 2023. We have completed our work on the value for money arrangements and will report the outcome of our work in our commentary on those arrangements within the Auditor's Annual Report.

Until we have completed these procedures, we are unable to certify that we have completed the audit of the accounts in accordance with the requirements of the Chapter 5 of Part 2 of the National Health Service Act 2006 and the Code of Audit Practice issued by the National Audit Office on behalf of the Comptroller and Auditor General.

Use of our report

This report is made solely to the Council of Governors of The Clatterbridge Cancer Centre NHS Foundation Trust in accordance with Schedule 10 of the National Health Service Act 2006 and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors, for our audit work, for this report, or for the opinions we have formed.

Hassan Rohimun (Key Audit Partner)
Ernst & Young LLP (Local auditor)
Manchester
29 June 2023

Consolidated Statement of Comprehensive Income

		Group		Trust	
		2022/23	2021/22	2022/23	2021/22
	Note	£000	£000	£000	£000
Operating income from patient care activities	3.1	**240,170**	216,038	**240,170**	216,038
Other operating income	3.3	**29,067**	31,837	**28,838**	30,378
Operating expenses	4.1	**(257,198)**	(236,219)	**(259,490)**	(237,848)
Operating surplus/(deficit) from continuing operations		**12,039**	**11,656**	**9,518**	**8,568**
Finance income	5.1	**1,556**	62	**6,095**	4,767
Finance expenses	5.2	**(651)**	(578)	**(5,215)**	(5,267)
PDC dividends payable		**(4,438)**	(4,076)	**(4,438)**	(4,076)
Net finance costs		**(3,533)**	**(4,592)**	**(3,558)**	**(4,575)**
Other gains / (losses)		**9**	(209)	**9**	(209)
Share of profit / (losses) of associates / joint arrangements	10	**1,076**	1,497	**1,076**	1,497
Corporation tax expense		**(284)**	(208)	**0**	0
Surplus / (deficit) for the year		**9,307**	**8,144**	**7,045**	**5,281**
Other comprehensive income					
Impairments	4.2	**(362)**	(30)	**(362)**	(30)
Revaluations	8.1	**2,996**	2,005	**2,996**	2,005
Other reserve movements		**3**	3	**3**	3
Fair value gains/(losses) on financial assets mandated at fair value through OCI		**(85)**	49	**0**	49
Total comprehensive income / (expense) for the period		**2,553**	**2,027**	**2,638**	**2,027**
TOTAL		**11,860**	**10,171**	**9,682**	**7,308**

Statements of Financial Position

	Note	Group 31st March 2023 £000	Group 31st March 2022 £000	Trust 31st March 2023 £000	Trust 31st March 2022 £000
Non-current assets					
Intangible assets	7	6,741	3,214	6,741	3,214
Property, plant and equipment	8	201,605	184,599	201,605	184,599
Right of use assets	9	11,177	0	11,149	0
Investments in associates and joint ventures	10	1,304	977	1,304	977
Other investments / financial assets	12.3	1,328	1,413	114,277	117,885
Trade and other receivables	12.1	448	449	2,353	2,349
Total non-current assets		**222,603**	**190,652**	**337,429**	**309,025**
Current assets					
Inventories	11	4,175	5,640	1,714	3,504
Trade and other receivables	12.1	18,989	11,784	20,432	11,605
Other investments / financial assets	12.3	0	0	3,608	3,433
Cash and cash equivalents	19	73,591	82,815	61,246	76,701
Total current assets		**96,754**	**100,238**	**86,999**	**95,242**
Current liabilities					
Trade and other payables	13	(32,986)	(38,491)	(29,917)	(38,924)
Borrowings	15	(2,233)	(1,908)	(2,216)	(1,908)
Provisions	16	(2,533)	(5,303)	(1,805)	(3,915)
Other liabilities	14	(13,531)	(15,669)	(17,146)	(19,053)
Total current liabilities		**(51,283)**	**(61,371)**	**(51,084)**	**(63,800)**
Total assets less current liabilities		**268,074**	**229,520**	**373,344**	**340,467**
Non-current liabilities					
Trade and other payables	13	(2,189)	(1,880)	(2,189)	(1,760)
Borrowings	15	(40,714)	(32,090)	(40,714)	(32,090)
Provisions	16	(273)	(197)	(273)	(197)
Other liabilities	14	(1,110)	0	(117,715)	(120,219)
Total non-current liabilities		**(44,286)**	**(34,166)**	**(160,891)**	**(154,266)**
Total assets employed		**223,788**	**195,354**	**212,453**	**186,201**
Financed by					
Public dividend capital		88,793	72,219	88,793	72,219
Revaluation reserve		7,374	4,559	7,374	4,559
Income and expenditure reserve		116,289	109,424	116,286	109,424
Financed by others' equities:					
Pharmacy subsidiary reserves		4,301	3,712	0	0
Propcare subsidiary reserves		2,226	2,058	0	0
Charitable fund reserves		4,805	3,383	0	0
Total taxpayers' equity		**223,788**	**195,354**	**212,453**	**186,201**

The notes on pages 107 to 151 form part of these accounts.

The financial statements on pages 102 to 106 and accompanying notes were approved by the Board on 28th June 2023 and were signed and authorised for issue on its behalf by the Chief Executive.

Dr L Bishop
Chief Executive
29th June 2023

Consolidated Statement of Changes in Equity for the year ended 31st March 2023

Group	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Pharmacy subsidiary reserves £000	Propcare subsidiary reserves £000	Charitable fund reserves £000	Total £000
Taxpayers' and others' equity at 1st April 2022 brought forward	**72,220**	**4,559**	**109,424**	**3,712**	**2,058**	**3,383**	**195,354**
Surplus/(deficit) for the year	0	0	3,191	589	168	5,359	**9,307**
Transfer from revaluation reserve to income and expenditure reserve for impairments arising from consumption of economic benefits	0	(137)	137	0	0	0	**0**
Other transfers between reserves	0	(177)	177	0	0	0	**0**
Impairments	0	(362)	0	0	0	0	**(362)**
Revaluations	0	2,996	0	0	0	0	**2,996**
Fair value gains/(losses) on financial assets mandated at fair value through OCI	0	0	0	0	0	(85)	**(85)**
Public dividend capital received	16,574	0	0	0	0	0	**16,574**
Other reserve movements	0	494	3,362	0	0	(3,853)	**3**
Taxpayers' and others' equity at 31st March 2023	**88,793**	**7,374**	**116,290**	**4,301**	**2,226**	**4,805**	**223,788**

Consolidated Statement of Changes in Equity for the year ended 31st March 2022

Group	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Pharmacy subsidiary reserves £000	Propcare subsidiary reserves £000	Charitable fund reserves £000	Total £000
Taxpayers' and others' equity at 1st April 2021 brought forward	**67,375**	**2,700**	**104,023**	**2,977**	**1,907**	**1,357**	**180,338**
Surplus/(deficit) for the year	0	0	4,102	735	151	3,156	**8,144**
Other transfers between reserves	0	(116)	116	0	0	0	**0**
Impairments	0	(30)	0	0	0	0	**(30)**
Revaluations	0	2,005	0	0	0	0	**2,005**
Fair value gains/(losses) on financial assets mandated at fair value through OCI	0	0	0	0	0	49	**49**
Public dividend capital received	4,845	0	0	0	0	0	**4,845**
Other reserve movements	0	0	1,183	0	0	(1,180)	**3**
Taxpayers' and others' equity at 31st March 2022	**72,220**	**4,559**	**109,424**	**3,712**	**2,058**	**3,383**	**195,354**

Information on reserves

Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. Additional PDC may also be issued to trusts by the Department of Health and Social Care. A charge, reflecting the cost of capital utilised by the Trust, is payable to the Department of Health as the public dividend capital dividend.

Revaluation reserve

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are recognised in operating income. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

Income and expenditure reserve

The balance of this reserve is the accumulated surpluses and deficits of the Trust.

Charitable funds reserve

This reserve comprises the ringfenced funds held by the NHS charitable funds consolidated within these financial statements. These reserves are classified as restricted or unrestricted as follows: Restricted £489k (2021/22 £222k); Unrestricted £4,316k (2021/22 £3,161k).

Statements of Cash Flows

	Note	Group 2022/23 £000	Group 2021/22 £000	Trust 2022/23 £000	Trust 2021/22 £000
Cash flows from operating activities					
Operating surplus / (deficit)	SOCI	12,039	11,656	9,518	8,568
Non-cash income and expense:					
Depreciation and amortisation	7&8	10,932	10,159	10,923	10,159
Net impairments	4.2	(5,215)	(5,699)	(5,215)	(5,699)
Income recognised in respect of capital donations		(76)	(282)	(76)	(282)
(Increase) / decrease in receivables and other assets	12.1	(7,208)	(3,687)	(5,295)	2,180
(Increase) / decrease in inventories	11	1,465	(1,439)	1,791	(1,490)
Increase / (decrease) in payables and other liabilities	13	(5,108)	15,399	(11,994)	13,752
Increase / (decrease) in provisions	16	(2,693)	2,074	(2,034)	1,758
Movements in charitable fund working capital		(1)	(67)	0	0
Tax (paid) / received		(290)	(182)	0	0
Other movements in operating cash flows		(6)	0	(3)	0
Net cash flows from / (used in) operating activities		**3,839**	**27,931**	**(2,385)**	**28,944**
Cash flows from investing activities					
Interest received	5.1	1,524	29	6,095	4,768
Purchase of intangible assets	7	(1,899)	(2,157)	(1,899)	(2,157)
Sales of intangible assets	7	0	0	0	0
Purchase of PPE and investment property	8	(23,073)	(6,158)	(23,073)	(3,535)
Sales of PPE and investment property	8	9	0	9	0
Initial direct costs or up front payments in respect of new right of use assets (lessee)	9	(30)	0	(12)	0
Receipt of cash donations to purchase assets	8	76	282	76	282
Net cash flows from charitable fund investing activities		32	32	0	0
Proceeds from sales / settlement of financial assets/investments	10	750	700	750	700
Net cash flows from / (used in) investing activities		**(22,611)**	**(7,270)**	**(18,054)**	**58**
Cash flows from financing activities					
Public dividend capital received		16,574	4,845	16,574	4,845
Movement on loans from DHSC		(1,730)	(1,730)	(1,730)	(1,730)
Capital element of lease liability repayments		(202)	0	(202)	0
Interest on loans		(558)	(591)	(5,122)	(5,280)
Interest paid on lease liability repayments		(102)	0	(102)	0
PDC dividend (paid) / refunded		(4,433)	(3,902)	(4,433)	(3,902)
Net cash flows from / (used in) financing activities		**9,549**	**(1,378)**	**4,985**	**(6,067)**
Increase / (decrease) in cash and cash equivalents		**(9,224)**	**19,282**	**(15,454)**	**22,936**
Cash and cash equivalents at 1st April - brought forward		**82,815**	**63,533**	**76,701**	**53,765**
Cash and cash equivalents at 31st March	19	**73,591**	**82,815**	**61,246**	**76,701**

1. Accounting policies and other information

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 22/23 issued by the Department of Health. 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 accounts.

1.1.1 Accounting convention

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

1.1.2 Going concern

These accounts have been prepared on a going concern basis, in accordance with the definition as set out in section 4 of the DHSC GAM which outlines the interpretation of IAS1 'Presentation of Financial Statements' as "the anticipated continuation of the provision of a service in the future, as evidenced by the inclusion of financial provision for that service in published documents". The Directors have a reasonable expectation that this will continue to be the case.

The Directors of the Trust have considered whether there are any local or national policy decisions that are likely to affect the continued funding and provision of services by the Trust. The Trust is a member of the Cheshire and Merseyside Health and Care Partnership (an integrated care system (ICS) with effect from 1st July 2022).

The Trust has delivered a strong financial position in 2022/23 and follows reported surpluses in 2020/21 and 2021/22. The Trust's income position has been supported by payments based on historic contract values and additional sums based on additional elective activity. The funding methodology for 2023/24 will also include fixed and elective based variable payments through new contracting arrangements. The Trust is well placed to ensure that it delivers sufficient levels of patient care, such that it is able to fund its cost base.

For 2023/24, the Trust's average operational expenditure is £19.4m (pay and non-pay commitments less depreciation). Therefore, the Trust has sufficient cash at hand to provide for 3.4 months of costs, without receiving any additional cash income. The Trust's internal KPI for cash holdings has a threshold of 45 days liquidity. The Trust plans to continue to meet this target.

The Trust has a forecast cash balance of £62m at 30th June 2024 and has no concerns regarding the ability to service payments as and when they fall during 2023/24.

After making enquiries, the Board of Directors have a reasonable expectation that the Trust and Group have adequate resources to continue in operational existence for the foreseeable future. For this reason, the Trust and Group continues to adopt the going concern basis when preparing the accounts.

1.2 Critical judgements in applying accounting policies

The following are the judgements, apart from those involving estimations (see below), that management has made in the process of applying the trust accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

- **Clatterbridge PropCare Services Limited – VAT recovery and asset valuation**

Clatterbridge PropCare Services Limited as a wholly-owned subsidiary, provides a fully operated and managed healthcare facility under HMRC contracted-out services heading 45: "Operation of hospitals, healthcare establishments and healthcare facilities and the provision of any related services". The implication for the accounts is that the value of the revalued building brought into use during last year and the remaining asset under construction is calculated on the cost of construction excluding VAT.

- **Clatterbridge PropCare Services Limited – Accounting for the financial asset/liability**

Management has determined that Clatterbridge PropCare Services Limited is acting as principal in the provision of a service consisting of the design, construction, operation and management of a fully managed and operated healthcare facility to the Trust under a 25-year agreement. As a result, as at 31st March 2023, the Trust has measured the liability with Clatterbridge PropCare Services Limited in respect of construction costs for the new cancer centre as a concession arrangement. Accordingly, Clatterbridge PropCare Services Limited have recognised a financial asset in their individual financial statements.

1.2.1 Sources of estimation uncertainty

The following are assumptions about major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Clinical negligence costs
The NHS Litigation Authority (NHSLA) operates a risk-pooling scheme under which The Clatterbridge Cancer Centre NHS Foundation Trust pays an annual contribution to the NHSLA, which, in return, settles all clinical negligence claims.

Property valuation
The value and remaining useful lives of land and building assets are estimated by the Trust's professional valuers, Cushman & Wakefield PLC. Valuations are carried out annually and are performed in accordance with the Royal Institute of Chartered Surveyors' RICS Valuation – Professional Standards (the 'Red Book'), primarily on the basis of depreciated replacement cost on a modern equivalent asset (MEA) basis for specialised operational property and existing use value for non-specialised operational property, as described under 1.8 Property, plant and equipment.

Where assets are of low value and/or have short useful economic lives, such as operational equipment, they are carried at depreciated historical cost (cost less any accumulated depreciation) as this is not considered to be materially different from fair value. The lives of equipment assets are estimated using historical experience of similar equipment lives with reference to national guidance and consideration of the pace of technological change. Intangible software licences are depreciated over the shorter of the term of the licence and the useful economic life.

The Trust undertakes annual revaluations of estate assets to reduce estimation uncertainty relating to asset lives and depreciation so as to minimise risk of material adjustments. Valuation methods assess alterations made to Trust estate since the previous valuation, building areas, location, physical condition and functional obsolescence and assessment of the current cost of replacement referencing previous valuations and using building cost indices the BCIS "All In" Tender Price Index.

The total balance of intangible and tangible fixed assets as at 31st March 2023 is £219.52m (31st March 2022 £187.81m), of which £180.760m relates to property assets, including assets under construction.

The sites are valued as follows:

Wirral site is valued in the Accounts at £22.73m and, whilst operationally inseparable, the remaining lives of significant elements of the site have been assessed in the range of 15 to 37 years.

The Aintree site is valued in the Accounts at £17.82m and the remaining lives have been assessed in the range of 34 to 43 years.This includes the Right of Use land asset of £8.96m, held under a lease with remaining term of 111 years.

The Liverpool site is valued in the Accounts at £123.45m and the remaining lives have been assessed in the range of 43 to 52 years.

The newly acquired Paddington site is held in the accounts as an asset under construction as it is not an operational asset at 31st March 2023.

1.3 Consolidation

NHS Charitable Fund
The NHS Foundation Trust is the corporate trustee to the Clatterbridge Cancer Charity NHS charitable fund. The Trust has assessed its relationship to the charitable fund and determined it to be a subsidiary because the Trust is exposed to, or has rights to, variable returns and other benefits for itself, patients and staff from its involvement with the charitable fund and has the ability to affect those returns and other benefits through its power over the fund.

The charitable fund's statutory accounts are prepared to 31st March in accordance with the UK Charities Statement of Recommended Practice (SORP), which is based on UK Financial Reporting Standard (FRS)102. On consolidation, necessary adjustments are made to the charity's assets, liabilities and transactions to:

- recognise and measure them in accordance with the Trust's accounting policies and
- eliminate intra-group transactions, balances, gains and losses.

Other subsidiaries
The Group has two wholly-owned subsidiaries: The Clatterbridge Pharmacy Limited, which was established in 2013, and Clatterbridge PropCare Services Limited which was established in 2016. Both subsidiaries have been consolidated in the group financial statements.

Subsidiary entities are those over which the Trust is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The income, expenses, assets, liabilities, equity and reserves of subsidiaries are consolidated in full into the appropriate financial statement lines. The capital and reserves attributable to non-controlling interests are included as a separate item in the Statement of Financial Position.

Both subsidiaries' accounting policies are aligned with the Trust. They account under UK FRS 101 which is compliant with IFRS.

Associates
The Group has an associate, Clatterbridge Private Clinic LLP, which was established in 2013 with the healthcare company Mater Private and the Trust owns a 49% share.

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

1.4 Revenue from contracts with customers

Where income is derived from contracts with customers, it is accounted for under IFRS 15.

Revenue in respect of goods/services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust's entitlement to consideration for those goods or services is unconditional, a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received or receivable relates to a performance obligation that is to be satisfied in a future period, the income is deferred and recognised as a contract liability.

Revenue from NHS contracts
The main source of income for the Trust is contracts with commissioners for healthcare services. Funding envelopes are set at an Integrated Care System (ICS) level. The majority of the Trust's income is earned from NHS commissioners in the form of fixed payments to fund an agreed level of activity. In 2022/23 fixed payments are set at a level assuming the achievement of elective activity targets. These payments are accompanied by a variable element to adjust income for actual activity delivered on elective services and advice and guidance services. Where actual elective activity delivered differs from the agreed level set in the fixed payments, the variable element either increases or reduces the income earned by the Trust at a rate of 75% of the tariff price.

Elective recovery funding provides additional funding for the delivery of elective services. In 2022/23 elective recovery funding was included within the aligned payment and incentive contracts. In 2021/22 income earned by the system based on achievement of elective recovery targets was distributed between individual entities by local agreement and income earned from the fund was accounted for as variable consideration.

The Trust also receives income from commissioners under Commissioning for Quality and 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. In 2022/23 payment under these schemes is included in fixed payments from commissioners based on assumed achievement of criteria. Adjustments for actual performance are made through the variable element of the contract payments.

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 periodically over the course of the contract.

1.4.1 Revenue grants and other contributions to expenditure

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

Apprenticeship service income
The value of the benefit received when accessing funds from the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider from the Trust's Digital Apprenticeship Service (DAS) account held by the Department for Education, the corresponding notional expense is also recognised at the point of recognition for the benefit.

1.4.2 Other income

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

1.5 Expenditure on employee benefits

1.5.1 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.

1.5.2 Pension costs

NHS Pension Scheme
Past and present employees are covered by the provisions of the two NHS Pension Schemes. Both schemes are unfunded, defined benefit schemes that cover NHS employers, general practices and other bodies, allowed under the direction of Secretary of State, in England and Wales. The scheme is not designed in a way that would enable employers to identify their share of the underlying schemes assets and liabilities. Therefore, the schemes are accounted for as though they are defined contribution schemes.

Employer's pension cost contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the Trust commits itself to the retirement, regardless of the method of payment.

1.6 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.

1.7 Property, plant and equipment

1.7.1 Recognition

Property, plant and equipment is capitalised where:

- the cost of the item can be measured reliably and
- it is probable that future economic benefits will flow to, or service potential be provided to, the Trust
- it is expected to be used for more than one financial year
- the cost of the item can be measured reliably and
- 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, had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control.

Where a large asset – for example a building – includes a number of components with significantly different asset lives e.g. plant and equipment, then these components are treated as separate assets and depreciated over their own useful economic lives.

1.7.2 Measurement

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

All 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 frontline services or back office functions – are measured at their current value in existing use. Assets that were most recently held for their service potential but are surplus with no plan to bring them back into use are measured at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

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

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost on a modern equivalent asset basis.

Assets held at depreciated replacement cost have been valued on an alternative site basis where this would meet the location requirements of the services being provided.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, borrowing costs. Assets are revalued and depreciation commences when the assets are brought into use.

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

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.

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

Property, plant and equipment which have been reclassified as 'held for sale' ceases to be depreciated upon the reclassification. Assets in the course of construction are not depreciated until the asset is brought into use, in practical terms this is the first full quarter following this.

Revaluation gains and losses
Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating income.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Impairments

In accordance with the GAM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of:

(a) the impairment charged to operating expenses; and

(b) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

1.7.3 De-recognition

Assets intended for disposal are reclassified as 'held for sale' once all of the following criteria are met:

a) the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales

b) the sale must be highly probable i.e.:

- management are committed to a plan to sell the asset;
- an active programme has begun to find a buyer and complete the sale;
- the asset is being actively marketed at a reasonable price;
- the same is expected to be completed within 12 months of the data of classification as 'Held for Sale'; and
- the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

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 quality 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.

1.7.4 Donated, government grant and other grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items or property, plant and equipment.

This includes assets donated to the Trust by the Department of Health and Social Care as part of the response to the coronavirus pandemic. As defined in the GAM, the Trust applies the principle of donated asset accounting to assets that the Trust controls and is obtaining economic benefits from at the year end.

1.8 Intangible assets

1.8.1 Recognition

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

Internally generated intangible assets
Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised.
Expenditure on development is capitalised when it meets the requirements set out in IAS38.

Software
Software which is integral to the operation of hardware e.g. an operating system is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware (e.g. application software) is capitalised as an intangible asset.

1.8.2 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 under IFRS 13 if it does not meet the requirements of IAS 40 of IFRS 5.

Intangible assets held for sale are measured at the lower of their carrying amount or "fair value less costs to sell".

Amortisation
Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits.

1.8.3 Useful asset lives

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives is shown in the table below:

	Min Life(Years)	Max Life(Years)
Land	Infinite	Infinite
Buildings excluding dwellings	15	52
Plant & machinery	3	15
Furniture & Fittings	5	52
IT (Tangible)	3	10
IT (Intangible)	3	10

1.9 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the First In, First Out (FIFO) method.

In 2021/22 and 2022/23, the Trust received inventories including personal protective equipment from the Department of Health and Social Care at nil cost. In line with the GAM and applying the principles of the IFRS Conceptual Framework, the Trust has accounted for the receipt of these inventories at a deemed cost, reflecting the best available approximation of an imputed market value for the transaction based on the cost of acquisition by the Department.

1.10 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in three months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

1.11 Financial instruments and financial liabilities

1.11.1 Recognition

Financial assets and financial liabilities arise where the Trust is party to the contractual provisions of a financial instrument, and as a result has a legal right to receive or a legal obligation to pay cash or another financial instrument. The GAM expands the definition of a contract to include legislation and regulations which give rise to arrangements that in all other respects would be a financial instrument and do not give rise to transactions classified as a tax by ONS.

This includes the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements and are recognised when, and to the extent which, performance occurs, i.e. when receipt or delivery of the goods or services is made.

1.11.2 Classification and measurement

Financial assets and financial liabilities are initially measured at fair value plus or minus directly attributable transaction costs except where the asset or liability is not measured at fair value through income and expenditure. Fair value is taken as the transaction price or otherwise determined by reference to quoted market prices or valuation techniques.

Financial assets or financial liabilities in respect of assets acquired or disposed of through leasing arrangements are recognised and measured in accordance with the accounting policy for leases described below.

- Financial assets are classified as subsequently measured at amortised cost
- Financial liabilities are classified as subsequently measured at amortised cost

Financial assets and financial liabilities at amortised cost

Financial assets and financial liabilities at amortised cost are those held with the objective of collecting contractual cash flows and where cash flows are solely payments of principal and interest. This includes cash equivalents, contract and other receivables, trade and other payables, rights and obligations under lease arrangements and loans receivable and payable.

After initial recognition, these financial assets and financial liabilities are measured at amortised cost using the effective interest method less any impairment (for financial assets). The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Interest revenue or expense is calculated by applying the effective interest rate to the gross carrying amount of a financial asset or amortised cost of a financial liability and recognised in the Statement of Comprehensive Income as a financing income or expense. In the case of loans held from the Department of Health and Social Care, the effective interest rate is the nominal rate of interest charged on the loan.

Impairment of financial assets

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets or assets measured at fair value through other comprehensive income, the Trust recognises an allowance for expected credit losses.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

Expected losses are charged to operating expenditure within the Statement of Comprehensive Income and reduce the net carrying value of the financial asset in the Statement of Financial Position.

1.11.3 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.

Financial guarantees

Financial guarantees issued by the Trust on behalf of its subsidiaries are recognised as financial liabilities at the date the guarantee is issued. Liabilities arising from financial guarantee contracts are initially recognised at fair value and subsequently at the higher of the amount determined in accordance with the Group's provisions accounting policy (please refer to 1.13) and the amount initially recognised less cumulative amortisation.

The fair value of the financial guarantee is determined by way of calculating the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligation.

Where guarantees in relation to loans or other payables of subsidiaries or associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment in the financial statements of the Trust.

1.12 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.

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 0.95% applied to new leases commencing in 2022 and 3.51% to new leases commencing in 2023.

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.

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 re-measured for changes in assessments impacting the lease term, lease modifications or to reflect actual changes in lease payments. Such re-measurements are also reflected in the cost of the right of use asset. Where there is a change in the lease term or option to purchase the underlying asset, an updated discount rate is applied to the remaining lease payments.

The Trust as lessor

The Trust assesses each of its leases and classifies them as either a finance lease or an operating lease. Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

Where the Trust is an intermediate lessor, classification of the sublease is determined with reference to the right of use asset arising from the headlease.

Finance leases

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the Trust's net investment outstanding in respect of the leases.

Operating leases

Rental income from operating leases is recognised on a straight-line basis or another systematic basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Initial application of IFRS 16

IFRS 16 Leases, as adapted and interpreted for the public sector by HM Treasury, has been applied to these financial statements with an initial application date of 1st April 2022. IFRS 16 replaces IAS 17 Leases, IFRIC 4 Determining whether an arrangement contains a lease and other interpretations.

The standard has been applied using a modified retrospective approach with the cumulative impact recognised in the income and expenditure reserve on 1st April 2022. Upon initial application, the provisions of IFRS 16 have only been 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 have not been revisited.

The Trust as lessee

For continuing leases previously classified as operating leases, a lease liability was established on 1st April 2022 equal to the present value of future lease payments discounted at the Trust's incremental borrowing rate of 0.95%. A right of use asset was created equal to the lease liability and adjusted for prepaid and accrued lease payments and deferred lease incentives recognised in the statement of financial position immediately prior to initial application. Hindsight has been used in determining the lease term where lease arrangements contain options for extension or earlier termination.

No adjustments have been made on initial application in respect of leases with a remaining term of 12 months or less from 1st April 2022 or for leases where the underlying assets has a value below £5,000. No adjustments have been made in respect of leases previously classified as finance leases.

The Trust as lessor

Leases of owned assets where the Trust is lessor were unaffected by initial application of IFRS 16. For existing arrangements where the Trust is an intermediate lessor, classification of all continuing sublease arrangements has been reassessed with reference to the right of use asset.

2021/22 comparatives

Comparatives for leasing transactions in these accounts have not been restated on an IFRS 16 basis. Under IAS 17 the classification of leases as operating or finance leases still applicable to lessors under IFRS 16 also applied to lessees. In 2021/22 lease payments made by the Trust in respect of leases previously classified as operating leases were charged to expenditure on a straight line or other systematic basis.

1.13 Provisions

The Trust recognises a provision where is has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the discount rates published and mandated by HM Treasury.

Clinical negligence costs

NHS Resolution operates a risk-pooling scheme under which the Trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the Trust is disclosed at note 16 but is not recognised in the Trust's accounts.

Non-clinical risk pooling

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk-pooling schemes under which the Trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any 'excesses' payable in respect of particular claims, are charged to operating expenses when the liability arises.

1.14 Contingencies

Contingent assets are 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 17 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 17, 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.

1.15 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

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.

A charge, reflecting the cost of capital utilised by the Trust, is payable as a dividend payment on the public dividend capital received. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for:

- donated assets (including lottery funded assets)
- PDC dividend balance receivable or payable.

In accordance with the requirements laid down by the Department of Health (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the 'pre-audit' version of the annual accounts. The dividend thus calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

1.16 Value added tax

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

1.17 Corporation tax

The Clatterbridge Cancer Centre NHS Foundation Trust is a Service Body within the meaning of s519A ICTA 1988 and accordingly is exempt from taxation in respect of income and capital gains tax within categories covered by this. There is a power by the Treasury to disapply the exemption in relation to specified activities of a Foundation Trust (s519A (3) to (8) ICTA 1988). Accordingly, the Trust is potentially within the scope of corporation tax in respect of activities, which are not related to, or ancillary to, the provision of healthcare, and where the profits therefrom exceed £50,000 per annum. The Group's subsidiaries are subject to corporation tax. The consolidated accounts show the corporation tax expenses in the year.

1.18 Foreign exchange

The Foundation Trust's functional and presentational currency is sterling. Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the spot exchange rate on 31st March. Resulting exchange gains and losses for either of these are recognised in the foundation trust's Statement of Comprehensive Income in the period in which they arise.

1.19 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since The Clatterbridge Cancer Centre NHS Foundation Trust has no beneficial interest in them.

1.20 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had NHS trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

1.21 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.

1.22 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2022/23.

1.23 Accounting standards issued but not yet effective or adopted

HM Treasury, via the FReM, applies EU-adopted IFRS with adaptations and interpretations. DHSC group bodies must apply IFRS and adopted by HM Treasury in the FReM, except where additional departures and interpretations have been agreed by DHSC, as specified in DHSC GAM.

European Union (EU) adoption is always subsequent to the publication of IFRS by the IASB. Where a new standard or interpretation has been issued by the IASB, but has not yet been implemented, IAS 8 Accounting Policies, changes in Accounting Estimates and Errors requires disclosure in the accounts of this fact, and the known or reasonably-estimated impact that application will have in the period of initial applications.

Note 2. Operating segments

The business activities of the Group can be summarised as that of 'healthcare'. The chief operating decision maker for The Clatterbridge Cancer Centre NHS Foundation Trust is the Trust Board. Key decisions are agreed at monthly Board meetings and sub-committee meetings of the Board, following scrutiny of performance and resource allocation. The Trust Board review and make decisions on activity and performance of the Trust as a whole entity, not for its separate business activities.

The activities of the subsidiary companies – Clatterbridge Cancer Charity, The Clatterbridge Pharmacy Limited and Clatterbridge PropCare Services Limited – are not considered sufficiently material to require separate disclosure.

Clatterbridge Cancer Charity is a registered charity that supports cancer care in the NHS. The Board of the Trust are also the Corporate Trustee of the Charity.

The Clatterbridge Pharmacy Limited provides dispensing services and drug procurement to the Trust. The Trust is the sole shareholder of the company.

Clatterbridge PropCare Services Limited manages the Trust's property, estates and facilities on its behalf.

Note 3.1 Income from activities

Income from activities comprises:	Group/Trust 2022/23 £000	2021/22 £000
Acute services		
Income from commissioners under API contracts*	141,797	128,790
High cost drugs income from commissioners (excluding pass-through costs)	76,512	63,192
All services		
Private patient income	4,190	3,157
Elective recovery fund	4,819	18,414
Additional pension contribution central funding**	3,643	0
Agenda for change pay offer central funding	3,416	0
Other clinical income	5,792	2,485
Total income from activities	**240,170**	**216,038**

*Aligned payment and incentive contracts are the main form of contracting between NHS providers and their commissioners. More information can be found in the 2022/23 national tariff payments system documentation.
https://www.england.nhs.uk/publication/past-national-tariffs-documents-and-policies/

**The employer contribution rate for NHS pensions increased from 14.3% to 20.6% (excluding administration charge) from 1st April 2019. Since 2019/20, NHS providers have continued to pay over contributions at the former rate with the additional amount being paid over by NHS England on providers' behalf. The full cost and related funding have been recognised in these accounts.

Note 3.2 Income from patient care activities received from:

	Group/Trust 2022/23 £000	2021/22 £000
NHS England	204,967	179,948
Clinical commissioning groups	4,989	30,449
Integrated care boards	14,737	0
Other NHS providers	603	375
NHS other	7	0
Non-NHS: private patients	4,190	3,157
Non NHS: other	10,676	2,109
Total income from activities	**240,170**	**216,038**

Note 3.3 Other operating income

	Group						Trust					
	2022/23			2021/22			2022/23			2021/22		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Research and development	4,107	0	**4,107**	3,923	0	**3,923**	4,107	0	**4,107**	3,923	0	**3,923**
Education and training	3,331	151	**3,482**	2,800	148	**2,949**	3,331	151	**3,482**	2,949	0	**2,949**
Non-patient care services to other bodies	11,309	0	**11,309**	11,460	0	**11,460**	11,305	0	**11,305**	11,460	0	**11,460**
Receipt of capital grants and donations and peppercorn leases	0	76	**76**	0	282	**282**	0	76	**76**	0	282	**282**
Charitable and other contributions to expenditure	0	206	**206**	0	175	**175**	0	206	**206**	0	175	**175**
Charitable fund incoming resources	0	5,408	**5,408**	0	3,220	**3,220**	0	0	**0**	0	0	**0**
Additional pension contribution central funding*	0	0	**0**	0	3,176	**3,176**	0	0	**0**	0	3,176	**3,176**
Other income	4,480	0	**4,480**	6,651	0	**6,651**	9,662	0	**9,662**	8,412	0	**8,412**
Total other operating income	**23,226**	**5,841**	**29,067**	**24,835**	**7,002**	**31,837**	**28,405**	**433**	**28,838**	**26,744**	**3,634**	**30,378**

*The employer contribution rate for NHS pensions increased from 14.3% to 20.6% (excluding administration charge) from 1st April 2019. Since 2020/21, NHS providers have continued to pay over contributions at the former rate with the additional amount being paid over by NHS England on providers' behalf. The full cost and related funding have been recognised in these accounts.

Note 3.4 Adjusted financial performance – control total basis

	Group	
	2022/23	2021/22
	£000	£000
Surplus / (deficit) for the year from continuing operations	**9,307**	**8,144**
Remove Charity Surplus / Deficit	(1,507)	(1,977)
Group surplus / (deficit) excluding Charity	**7,801**	**6,167**
Remove impact of impairments charged to I&E	(5,215)	(5,699)
Remove impact of capital grants and donations	905	687
Adjusted financial performance surplus / deficit	**3,491**	**1,154**

Note 4.1 Operating expenses

	Group		Trust	
	2022/23	2021/22	2022/23	2021/22
	£000	£000	£000	£000
Purchase of healthcare from NHS and DHSC bodies	19,656	14,633	19,696	15,143
Purchase of healthcare from non-NHS and non-DHSC bodies	1,954	2,430	1,915	1,920
Staff and executive directors costs	96,969	80,139	95,175	78,578
Remuneration of non-executive directors	145	165	124	139
Supplies and services - clinical (excluding drugs costs)	6,190	6,530	6,003	6,573
Supplies and services - general	3,970	3,576	3,944	3,345
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	95,886	88,311	95,800	88,184
Consultancy costs	1,429	966	1,347	887
Establishment	1,674	2,019	1,643	1,973
Premises	14,094	11,176	19,170	16,180
Transport (including patient travel)	410	403	244	272
Depreciation on property, plant and equipment	10,128	9,425	10,119	9,425
Amortisation on intangible assets	804	734	804	734
Net impairments	(5,215)	(5,699)	(5,214)	(5,699)
Movement in credit loss allowance: contract receivables / contract assets	(98)	111	(98)	111
Increase/(decrease) in other provisions	(2,470)	3,270	(1,811)	2,929
Change in provisions discount rate(s)	(223)	0	(223)	0
Fees payable to the external auditor:				
audit services- statutory audit *	198	197	160	168
other auditor remuneration (external auditors only) **	14	0	0	0
Internal audit costs	109	130	100	107
Clinical negligence	572	495	572	495
Legal fees	201	413	192	154
Insurance	348	339	315	313
Research and development	352	645	352	645
Education and training	1,004	705	1,002	690
Expenditure on short term leases (current year only) ***	162	0	162	0
Operating leases expenditure (comparative only)***	0	652	0	585
Other NHS charitable fund resources expended	73	86	0	0
Other	8,864	14,368	7,997	14,000
Total	**257,198**	**236,219**	**259,490**	**237,848**

Other operating expenditure includes:

£3.4m relating to the National Cancer Fund which is hosted by the Trust

£0.6m Cheshire and Merseyside Cancer Alliance hosted by the Trust

* Group statutory audit fees includes £134K+ VAT for the Trust and £38K+ VAT for the audit of the Charity, PharmaC and PropCare.

** Other auditors remuneration includes amounts to compile subsidiary accounts and to support the subsidiaries move to reporting under FRS101

***Expenditure on short term leases - this is the value of leases held not acounted for under IFRS16 as the lease length is less than 12 months.

Note 4.2 Impairments

	Group and Trust	
	2022/23	2021/22
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Changes in market price	(7,720)	2
Other	2,505	(5,701)
Total net impairments charged to operating surplus / deficit	**(5,215)**	**(5,699)**
Impairments charged to the revaluation reserve	362	30
Total net impairments	**(4,853)**	**(5,669)**

The amount included in 'other' relates to reduction in values due to the change of use of some areas on the Wirral site.

Note 4.3 Staff costs

	Group		Trust	
	2022/23 Total £000	2021/22 Total £000	2022/23 Total £000	2021/22 Total £000
Salaries and wages	73,169	61,019	71,752	59,823
Social security costs	7,643	5,955	7,508	5,824
Apprenticeship levy	324	267	324	267
Employer's contributions to NHS pensions	8,418	7,341	8,374	7,299
Employee contributions paid by NHSE on the Trust's behalf	3,643	3,176	3,643	3,176
Pension cost - other	71	57	12	12
Temporary staff (including agency)	3,831	2,323	3,692	2,177
Total staff costs	**97,099**	**80,139**	**95,305**	**78,578**
Of which:				
Costs capitalised as part of assets	130	0	130	0

Note 4.4 Retirements due to ill health

During 2022/23 there were no early retirements from the Trust agreed on the grounds of ill-health (none in 2021/22).

Note 4.5 Pension Scheme

Past and present employees are covered by the provisions of the two 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 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 31st March 2023 is based on valuation data as 31st March 2022, updated to 31st March 2023 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 31st March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay.

The actuarial valuation as at 31st March 2020 is currently underway and will set the new employer contribution rate due to be implemented from April 2024.

Note 5.1 Finance income

Finance income represents interest received on assets and investments in the period.

	Group		Trust	
	2022/23	2021/22	2022/23	2021/22
	£000	£000	£000	£000
Interest on bank accounts	1,524	29	1,485	29
Interest on other investments / financial assets	0	0	4,610	4,738
NHS charitable fund investment income	32	32	0	0
Total finance income	**1,556**	**62**	**6,095**	**4,767**

Note 5.2 Finance Costs

Finance expenditure represents interest and other charges involved in the borrowing of money or asset financing.

	Group		Trust	
	2022/23	2021/22	2022/23	2021/22
	£000	£000	£000	£000
Interest expense:				
Interest on loans from the Department of Health and Social Care	548	583	548	583
Interest on other loans	0	0	4,564	4,689
Interest on lease obligations	102	0	102	0
Total interest expense	**651**	**583**	**5,215**	**5,272**
Unwinding of discount on provisions	0	(5)	0	(5)
Total finance costs	**651**	**578**	**5,215**	**5,267**

Note 5.3 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015 (Group)

No interest or compensation was paid under the Late Payment of Commercial Debts (Interest) Act 1998 during 2022/23 or 2021/22.

Note 6 Contractual commitments

The Group is committed to making payments under non-cancellable contracts, analysed by the period during which the payment is made:

	Group	
	2022/23	2021/22
Facilities management services:	£000	£000
not later than 1 year	**4,460**	**3,789**
after 1 year and not later than 5 years	**1,004**	**1,905**
Total	**5,464**	**5,694**

There are two facilities management contracts held under PropCare, related to services provided in the Liverpool hospital.

In addition the Group has a 25-year consession agreement between the Trust and PropCare for the operation of the Liverpool hospital. Under this arrangement the Trust pays a unitary charge payment to PropCare. This unitary charge consists of FM service costs, lifecycling costs and capital and interest lease payments. The total future payments between the Trust and PropCare are detailed below:

Total future commitments under these concession arrangements are as follows:

	Group	
	2022/23	2021/22
	£000	£000
Total future concession Trust expenditure / PropCare income	**413,064**	**427,760**
- not later than one year;	14,905	14,696
- later than one year and not later than five years;	61,927	60,918
- later than five years.	336,232	352,145

The lease element of the concession liability is accounted for as follows:

	Group	
	2022/23	2021/22
	£000	£000
Gross finance lease obligations of which are due	**176,062**	**184,065**
- not later than one year;	8,003	8,003
- later than one year and not later than five years;	32,011	32,011
- later than five years.	136,048	144,051
Finance charges allocated to future periods	(56,860)	(61,424)
Net finance lease obligations of which are due	**119,202**	**122,642**
- not later than one year;	3,569	3,439
- later than one year and not later than five years;	15,680	15,108
- later than five years.	99,954	104,094

Note 7.1 Intangible assets – 2022/23

Group and Trust	Software licences	Intangible assets under construction	Total
	£000	£000	£000
Valuation / gross cost at 1st April 2022 – brought forward	**3,788**	**870**	**4,658**
Additions	2,763	1,568	**4,331**
Reclassifications	847	(847)	**0**
Valuation / gross cost at 31st March 2023	**7,397**	**1,591**	**8,989**
Amortisation at 1st April 2022 – brought forward	**1,443**	**0**	**1,443**
Provided during the year	804	0	**804**
Amortisation at 31st March 2023	**2,247**	**0**	**2,247**
Net book value at 31st March 2023	**5,150**	**1,591**	**6,741**
Net book value at 1st April 2022	**2,344**	**870**	**3,214**

Note 7.2 Intangible assets – 2021/22

Group and Trust	Software licences	Intangible assets under construction	Total
	£000	£000	£000
Valuation / gross cost at 1st April 2021	**3,028**	**303**	**3,331**
Additions	1,288	869	**2,157**
Reclassifications	(528)	(302)	**(830)**
Valuation / gross cost at 31st March 2022	**3,788**	**870**	**4,658**
Amortisation at 1st April 2021	**842**	**0**	**842**
Provided during the year	734	0	**734**
Reclassifications	(133)	0	**(133)**
Amortisation at 31st March 2022	**1,443**	**0**	**1,443**
Net book value at 31st March 2022	**2,344**	**870**	**3,214**
Net book value at 1st April 2021	**2,185**	**303**	**2,488**

Note 8.1 Property, plant and equipment – 2022/23

Group and Trust	Land £000	Buildings excluding dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation/gross cost at 1st April 2022 – brought forward	**439**	**145,863**	**9,873**	**33,195**	**25**	**17,271**	**664**	**207,329**
Additions	0	375	17,720	467	0	421	(2)	**18,980**
Impairments	0	(3,101)	0	0	0	0	0	**(3,101)**
Reversals of impairments	0	5,664	0	0	0	0	0	**5,664**
Revaluations	0	2,051	0	0	0	0	0	**2,051**
Reclassifications	0	0	(4,866)	4,684	0	182	0	**(0)**
Disposals / derecognition	0	0	0	(1,975)	(25)	(765)	(166)	**(2,931)**
Valuation/gross cost at 31st March 2023	**439**	**150,853**	**22,726**	**36,370**	**0**	**17,109**	**496**	**227,993**
Accumulated depreciation at 1st April 2022 – brought forward	**0**	**0**	**0**	**14,248**	**25**	**8,261**	**196**	**22,730**
Provided during the year	0	3,235	0	3,723	0	2,790	77	**9,824**
Impairments	0	(234)	0	0	0	0	0	**(234)**
Reversals of impairments	0	(2,056)	0	0	0	0	0	**(2,056)**
Revaluations	0	(946)	0	0	0	0	0	**(946)**
Disposals / derecognition	0	0	0	(1,975)	(25)	(765)	(166)	**(2,931)**
Accumulated depreciation at 31st March 2023	**0**	**(0)**	**0**	**15,995**	**0**	**10,286**	**107**	**26,387**
Net book value at 31st March 2023	**439**	**150,853**	**22,726**	**20,375**	**(0)**	**6,824**	**389**	**201,605**
Net book value at 1st April 2022	**439**	**145,863**	**9,873**	**18,947**	**(0)**	**9,010**	**468**	**184,599**

Note 8.2 Property, plant and equipment – 2021/22

Group and Trust	Land £000	Buildings excluding dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation / gross cost at 1st April 2021	**439**	**140,629**	**4,064**	**38,626**	**25**	**16,949**	**339**	**201,070**
Additions purchased	0	276	7,023	629	0	402	69	**8,399**
Additions donated	0	208	0	74	0	0	0	**282**
Impairments	0	(83)	0	0	0	0	0	**(83)**
Reversals of impairments	0	3,698	0	0	0	0	0	**3,698**
Revaluations	0	1,010	0	0	0	0	0	**1,010**
Reclassifications	0	125	(1,214)	997	0	661	261	**830**
Disposals / derecognition	0	0	0	(7,131)	0	(741)	(5)	**(7,877)**
Valuation/gross cost at 31st March 2022	**439**	**145,863**	**9,873**	**33,195**	**25**	**17,271**	**664**	**207,329**
Accumulated depreciation at 1st April 2021	**0**	**0**	**0**	**17,570**	**25**	**6,155**	**139**	**23,889**
Provided during the year	0	3,049	0	3,558	0	2,756	62	**9,425**
Impairments	0	(51)	0	0	0	0	0	**(51)**
Reversals of impairments	0	(2,003)	0	0	0	0	0	**(2,003)**
Revaluations	0	(995)	0	0	0	0	0	**(995)**
Reclassifications	0	0	0	67	0	66	0	**133**
Disposals / derecognition	0	0	0	(6,947)	0	(716)	(5)	**(7,668)**
Accumulated depreciation at 31st March 2022	**0**	**0**	**0**	**14,248**	**25**	**8,261**	**196**	**22,730**
Net book value at 31st March 2022	**439**	**145,863**	**9,873**	**18,948**	**(0)**	**9,010**	**468**	**184,599**
Net book value at 1st April 2021	**439**	**140,629**	**4,064**	**21,056**	**(0)**	**10,794**	**200**	**177,181**

Note 8.3 Property, plant and equipment financing – 31st March 2023

Group	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	439	145,822	22,726	14,158	6,824	389	**190,357**
Owned - donated/granted	0	5,031	0	6,217	0	0	**11,248**
NBV total at 31st March 2023	**439**	**150,853**	**22,726**	**20,375**	**6,824**	**389**	**201,605**

Note 8.4 Property, plant and equipment financing – 31st March 2022

Group	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	439	141,121	9,873	11,902	9,010	468	**172,812**
Owned - donated/granted	0	4,742	0	7,045	0	0	**11,787**
NBV total at 31st March 2022	**439**	**145,863**	**9,873**	**18,947**	**9,010**	**468**	**184,599**

Note 8.5 Property valuations

An interim valuation of all the FT's property has been undertaken in 2022/23 by a professional valuer, Cushman & Wakefield, on the Modern Equivalent Asset basis. Further details of the valuation approach are included under note 1.7 (Accounting policies).

The valuation exercise was carried out in March 2023 with a valuation date of 31st March 2023. In applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standards 2020 ('Red Book'), the valuer has stated that there is no 'material valuation uncertainty' in the 2022/23 valuation report. The values in the report have been used to inform the measurement of property assets at valuation in these financial statements.

Note 9.1 Right of use assets – 2022/23

Group	Property (land and buildings) £000	Transport equipment £000	Total £000	Of which: leased from DHSC group bodies £000
IFRS 16 implementation – adjustments for existing operating leases / subleases	10,779	73	**10,851**	9,044
Additions	580	49	**629**	0
Valuation/gross cost at 31st March 2023	**11,359**	**122**	**11,481**	**9,044**
Amortisation provided during the year	277	27	**304**	81
Accumulated depreciation at 31st March 2023	**277**	**27**	**304**	**81**
Net book value at 31st March 2023	**11,082**	**95**	**11,177**	**8,964**

Net book value of right of use assets leased from other NHS providers	8,964
Net book value of right of use assets leased from other DHSC group bodies	0

Included in the above is a small value lease held by PropCare of £28k which is recorded as an IFRS16 lease by the Group but as revenue by the Trust as it forms part of the unitary charge payment by the Trust to PropCare.

Note 9.2 Reconciliation of the carrying value of lease liabilities

Lease liabilities are included within borrowings in the statement of financial position. A breakdown of borrowings is disclosed in note 15.

	Group 2022/23 £000
Carrying value at 31st March 2022	
IFRS 16 implementation – adjustments for existing operating leases	10,835
Lease additions	55
Interest charge arising in year	102
Lease payments (cash outflows)	(304)
Carrying value at 31st March 2023	**10,688**

Lease payments for short-term leases are recognised in operating expenditure.

Note 9.3 Maturity analysis of future lease payments at 31st March 2023

	Group	
	Total	Of which leased from DHSC group bodies:
	31st March 2023 £000	31st March 2023 £000
Undiscounted future lease payments payable in:		
- not later than one year;	334	131
- later than one year and not later than five years;	1,378	523
- later than five years.	14,603	13,903
Total gross future lease payments	**16,315**	**14,556**
Finance charges allocated to future periods	(5,627)	(5,558)
Net lease liabilities at 31st March 2023	**10,688**	**8,999**
Of which:		
- Current	334	131
- Non-Current	10,354	8,868

Note 9.4 Commitments in respect of operating leases at 31st March 2022 (IAS 17 basis)

This note discloses costs incurred in 2021/22 and commitments as at 31st March 2022 for leases the Trust previously determined to be operating leases under IAS 17.

	Group
	2021/22 £000
Operating lease expense	
Minimum lease payments	652
Total	**652**

	31st March 2022 £000
Future minimum lease payments due:	
- not later than one year;	305
- later than one year and not later than five years;	1,039
- later than five years.	13,703
Total	**15,048**

Note 9.5 Initial application of IFRS 16 on 1st April 2022

IFRS 16 as adapted and interpreted for the public sector by HM Treasury has been applied to leases in these financial statements with an initial application date of 1st April 2022.

The standard has been applied using a modified retrospective approach without the restatement of comparatives. Practical expedients applied by the Trust on initial application are detailed in the leases accounting policy in note 1.
Specialised buildings - depreciated replacement cost on a modern equivalent asset basis.

Lease liabilities created for existing operating leases on 1st April 2022 were discounted using the weighted average incremental borrowing rate determined by HM Treasury as 0.95%.

Reconciliation of operating lease commitments as at 31st March 2022 to lease liabilities under IFRS 16 as at 1st April 2022

	Group 1st April 2022 £000
Operating lease commitments under IAS 17 at 31st March 2022	**15,048**
Impact of discounting at the incremental borrowing rate of 0.95%	**(5,476)**
IAS 17 operating lease commitment discounted at incremental borrowing rate	**9,572**
Other adjustments:	
* Differences in the assessment of the lease term	1,117
Rent increases/(decreases) reflected in the lease liability, not previously reflected in the IAS 17 commitment	213
Other adjustments	(66)
Total lease liabilities under IFRS 16 as at 1st April 2022	**10,835**

* The lease term for The Spine building has amended in year from a 5-year lease to a 10-year lease on the assumption that the lease will continue past the lease break.

Note 10 Investments in an associate

	Group and Trust	
	2022/23 £000	2021/22 £000
Carrying value at 1st April 2022 – brought forward	**977**	**181**
Adjustment for previous years value	0	620
Carrying value at 1st April – restated	**977**	**800**
Share of profit / (loss)	1,076	877
Disbursements / dividends received	(750)	(700)
Carrying value at 31st March 2023	**1,304**	**977**

The Trust holds a 49% share in The Clatterbridge Private Clinic LLP which provides a service to private patients

Note 10.1 Investments in subsidiaries

The Trust also holds 100% ownership in its two subsidiaries, Clatterbridge PropCare Services Limited and Clatterbridge Pharmacy Limited. The Trust made an initial investment of £100 in Clatterbridge PropCare Services Limited and £1 in Clatterbridge Pharmacy Limited.

Note 11 Inventories

	Group		Trust	
	31st March 2023 £000	31st March 2022 £000	31st March 2023 £000	31st March 2022 £000
Drugs	4,175	5,640	1,714	3,504
Total inventories	**4,175**	**5,640**	**1,714**	**3,504**

Drug costs recognised in expenses for the year were £95,886k (2021/22 £88,311k).

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 2022/23 the Trust received £156k of items purchased by DHSC (2021/22: £169k).

These inventories were recognised as additions to inventory at deemed cost with the corresponding benefit recognised in income. The utilisation of these items is included in the expenses disclosed above.

Note 12.1 Trade and other receivables

	Group		Trust	
	31st March 2023 £000	31st March 2022 £000	31st March 2023 £000	31st March 2022 £000
Current				
Revenue contract receivables invoiced	7,172	4,176	8,124	4,415
Revenue contract receivables not yet invoiced	6,108	3,145	6,603	3,221
Allowance for impaired contract receivables / assets	(80)	(180)	(80)	(180)
Prepayments (non-PFI)	2,640	1,258	2,621	1,224
PDC dividend receivable	119	124	119	124
VAT receivable	2,717	3,179	2,240	2,801
Other receivables	230	0	805	0
NHS charitable funds receivables	83	82	0	0
Total current receivables	**18,989**	**11,784**	**20,432**	**11,605**
Non-current				
Prepayments (non-PFI)	230	449	235	2,349
Other receivables	218	0	2,118	0
Total non-current receivables	**448**	**449**	**2,353**	**2,349**
Of which receivable from NHS and DHSC group bodies:				
Current	9,069	4,526	9,064	4,526
Non-current	218	0	218	0

Note 12.2 Allowances for credit losses

	Group and Trust	
	2022/23	2021/22
	£000	£000
Allowances as at 1st April 2022 – brought forward	**180**	**78**
New allowances arising	64	180
Reversals of allowances	(162)	(69)
Utilisation of allowances (write-offs)	(2)	(9)
Allowances as at 31st March 2023	**80**	**180**

Note 12.3 Other assets

	Group		Trust	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
Current	**£000**	**£000**	**£000**	**£000**
PropCare asset	0	0	3,608	3,433
Total other current assets	**0**	**0**	**3,608**	**3,433**
Non-current				
Charity investments	**1,328**	1,413		
PropCare asset	**0**	0	114,277	117,885
Total other non-current assets	**1,328**	**1,413**	**114,277**	**117,885**

The PropCare asset is offset by the loan liability of £119,203k, which is shown in Note 14.

Note 13 Trade and other payables

	Group		Trust	
	31st March 2023 £000	31st March 2022 £000	31st March 2023 £000	31st March 2022 £000
Current				
Trade payables	4,568	14,697	2,443	14,714
Revenue accruals	14,826	13,667	14,297	14,443
Capital payables and accruals	5,922	6,918	5,922	6,918
Receipts in advance and payments on account	249	56	249	56
Social security costs	1,054	882	1,034	866
Other taxes payable	1,045	770	1,027	750
Pension contributions payable	1,264	0	1,262	0
Other payables	4,047	1,490	3,683	1,178
NHS charitable funds: trade and other payables	11	11	0	0
Total current trade and other payables	**32,986**	**38,491**	**29,917**	**38,924**
Non-current				
Capital payables	0	120	0	0
Receipts in advance and payments on account	2,189	1,760	2,189	1,760
Total non-current trade and other payables	**2,189**	**1,880**	**2,189**	**1,760**
Of which payables from NHS and DHSC group bodies:				
Current	7,859	13,190	4,431	13,190
Non-current	0	0	0	0

Note 14 Other liabilities

	Group		Trust	
	31st March 2023 £000	31st March 2022 £000	31st March 2023 £000	31st March 2022 £000
Current				
Deferred income	13,531	15,669	13,577	15,715
Propcare liability	0	0	3,569	3,338
Total other current liabilities	**13,531**	**15,669**	**17,146**	**19,053**
Non-current				
Deferred income	1,110	0	2,082	1,018
Propcare liability	0	0	115,633	119,202
Total other non-current liabilities	**1,110**	**0**	**117,715**	**120,219**

Included within deferred income are specific allocations relating to hosted services, research and development and post graduate medical education. Funding is received annually for these services. Deferred income brought forward from the previous year is utilised in year and the annual incomes received for the services are deferred if not required during the current year.

The PropCare liability is offset by the loan receivable of £117,885k, which is shown in Note 12.3. Within the non-current deferred income of £2,082K, there is £972k which relates to an arrangement fee with PropCare. Both entries are eliminated on consolidation.

Loan commitments

As at 31st March 2023, Clatterbridge PropCare Services Limited has drawn down £124 million in loans from the Trust. The receipt of loans from the Trust is intended to cover both the capital cost of the new cancer centre and the refurbishment of the existing estate. Clatterbridge PropCare Services Limited is responsible for repaying the loans plus a fixed rate of interest from the income received via the unitary charge under the 25-year agreement. Repayment commenced when the new hospital was completed in July 2020.

The Trust measures the loan commitments in accordance with IFRS 9. As at 31st March 2023, management does not believe that the loan commitment is onerous as Clatterbridge PropCare Services Limited's credit risk is low and therefore the probability of a default event is remote. Therefore, the Trust does not expect any credit losses arising from the loan commitment it has made to Clatterbridge PropCare Services Limited. Accordingly, the Trust has not recognised a provision in its accounts as at 31st March 2023.

Note 15 Borrowings

	Group	
	31st March 2023 £000	31st March 2022 £000
Current		
Loans from DHSC	1,899	1,908
Lease liabilities*	334	0
Total current borrowings	**2,233**	**1,908**
Non-current		
Loans from DHSC	30,360	32,090
Lease liabilities*	10,354	0
Total non-current borrowings	**40,714**	**32,090**
Total borrowings	**42,947**	**33,998**

* Lease liabilities relate to IFRS16 leases

In March 2010, the Trust took out a loan of £5 million from the Department of Health Foundation Trust Financing Facility for the specific purpose of funding expenditure on the new radiotherapy treatment centre at Aintree which became operational in February 2011. The loan was for a period of 20 years, with a 4.45% interest rate.

In November 2019, the Trust took out 2 loans totalling £37m loan from the Department of Health to contribute towards expenditure for the new build hospital in Liverpool. Both loans were for a period of 25 years with a 1.5% interest rate

Note 16.1 Provisions for liabilities and charges – Group

Group	Legal claims	Pension Injury Benefit	2019/20 Clinicians Pension Scheme	Elective recovery	Donation to Charity (R&I Strategy)	Stranded costs*	Other	Total
	£000	£000	£000	£000	£000	£000	£000	£000
At 1st April 2022	**154**	**89**	**0**	**1,089**	**2,000**	**1,134**	**1,033**	**5,500**
Change in the discount rate	0	(31)	(192)	0	0	0	0	**(223)**
Arising during the year	52	3	406	0	500	0	995	**1,956**
Utilised during the year	(10)	(2)	(0)	0	(2,000)	0	(81)	**(2,093)**
Reversed unused	0	0	0	(1,089)	0	(1,134)	(115)	**(2,338)**
Unwinding of discount	0	0	4	0	0	0	0	**4**
At 31st March 2023	**197**	**59**	**218**	**0**	**500**	**0**	**1,832**	**2,806**
Expected timing of cash flows:								
- not later than one year;	197	3	0	0	500	0	1,832	**2,533**
- later than one year and not later than five years;	0	10	15	0	0	0	0	**25**
- later than five years.	0	45	203	0	0	0	0	**248**
Total	**197**	**59**	**218**	**0**	**500**	**0**	**1,832**	**2,806**

The R&I Strategy provision relates to future obligated costs in line with the Trust's agreed strategy.

Legal claims consist of amounts due as a result of claims managed through NHS Resolution and the national pay claim for rebanding Band 2 Healthcare assistants to Band 3.

The Trust is a member of the NHS Resolution clinical negligence scheme. All clinical negligence claims are therefore recognised in the accounts of NHS Resolution, consequently the Trust will have no provision for such claims. NHS Resolution is carrying provisions as at 31st March 2023 in relation to ELS of £nil (2021/22 £nil) and in relation to CNST of £742k (2021/22 £809k).

The closing balance for Stranded costs as at 31st March 2022 was £1,401k. This included £267k of Lifecycle costs, which should have been classified as 'Other'. The brought forward balance has been amended as at 1st April 2022 and £267k moved to 'Other'.

Note 16.2 Provisions for liabilities and charges – Trust

Trust	Legal claims	Pension injury benefit	19/20 Clinicians pension scheme	Elective recovery	Donation to Charity (R&I Strategy)	Stranded costs	Other	Total
	£000	£000	£000	£000	£000	£000	£000	£000
At 1st April 2022	**154**	**89**	**0**	**1,089**	**2,000**	**364**	**415**	**4,112**
Change in the discount rate	0	(31)	(192)	0	0	0	0	**(223)**
Arising during the year	52	3	406	0	500	0	805	**1,766**
Utilised during the year	(10)	(2)	(0)	0	(2,000)	0	0	**(2,012)**
Reversed unused	0	0	0	(1,089)	0	(364)	(115)	**(1,568)**
Unwinding of discount	0	0	4	0	0	0	0	**4**
At 31st March 2023	**197**	**59**	**218**	**0**	**500**	**(0)**	**1,105**	**2,079**
Expected timing of cash flows:								
- not later than one year;	197	3	0	0	500	0	1,105	**1,805**
- later than one year and not later than five years;	0	10	15	0	0	0	0	**25**
- later than five years.	0	45	203	0	0	0	0	**248**
Total	**197**	**59**	**218**	**0**	**500**	**0**	**1,105**	**2,079**

Note 17 Contingent assets and liabilities

	Group		Trust	
	31st March 2023 £000	31st March 2022 £000	31st March 2023 £000	31st March 2022 £000
Value of contingent liabilities				
NHS Resolution legal claims	9	4	9	4
Net value of contingent liabilities	**9**	**4**	**9**	**4**

In addition to the above the Group is in legal dispute with HMRC regarding the VAT treatment for the supply of drugs to homecare patients. This was raised by HMRC in July 2021. Given the timing of the process it is difficult to quantify the amount in dispute; however, this is estimated to be circa £4m.

Note 18 Contractual capital commitments

	Group		Trust	
	31st March 2023 £000	31st March 2022 £000	31st March 2023 £000	31st March 2022 £000
Property, plant and equipment	105	54	105	54
Total	**105**	**54**	**105**	**54**

Note 19 Cash & cash equivalents

	Group		Trust	
	2022/23 £000	2021/22 £000	2022/23 £000	2021/22 £000
At 1st April 2022	**82,815**	**63,533**	**76,701**	**53,765**
Net change in year	(9,224)	19,282	(15,455)	22,936
At 31st March 2023	**73,591**	**82,815**	**61,246**	**76,701**
Split as:				
Cash at commercial banks and in hand	12,348	6,118	3	3
Cash with the Government Banking Service	61,243	76,697	61,242	76,697
	73,591	**82,815**	**61,246**	**76,701**

Note 20 Reconciliation of liabilities arising from financing activities (Group)

Group – 2022/23	Loans from DHSC	Lease liabilities	Total
	£000	£000	£000
Carrying value at 1st April 2022	**33,998**	**0**	**33,998**
Cash movements:			
Financing cash flows – payments and receipts of principal	(1,730)	(202)	**(1,932)**
Financing cash flows – payments of interest	(558)	(102)	**(660)**
Non-cash movements:			
IFRS 16 implementation - adjustments for existing operating leases / subleases	0	10,835	**10,835**
Additions	0	55	**55**
Application of effective interest rate	548	102	**651**
Carrying value at 31st March 2023	**32,259**	**10,688**	**42,947**

Group – 2021/22	Loans from DHSC	Finance leases	Total
	£000	£000	£000
Carrying value at 1st April 2021	**35,736**	**0**	**35,736**
Cash movements:			
Financing cash flows – payments and receipts of principal	(1,730)	0	**(1,730)**
Financing cash flows – payments of interest	(591)	0	**(591)**
Non-cash movements:			
Application of effective interest rate	583	0	**583**
Carrying value at 31st March 2022	**33,998**	**0**	**33,998**

Note 20.1 Carrying values of financial assets – Group

Carrying values of financial assets as at 31st March 2023	Held at amortised cost	Held at fair value through OCI	Total book value
	£000	£000	£000
Trade and other receivables excluding non financial assets	13,200	0	**13,200**
Other investments / financial assets	1,304	0	**1,304**
Cash and cash equivalents	70,033	0	**70,033**
Consolidated NHS Charitable fund financial assets	3,640	1,328	**4,968**
Total at 31st March 2023	**88,177**	**1,328**	**89,505**

Carrying values of financial assets as at 31st March 2022	Held at amortised cost	Held at fair value through OCI	Total book value
	£000	£000	£000
Trade and other receivables excluding non financial assets	7,141	0	**7,141**
Other investments / financial assets	977	0	**977**
Cash and cash equivalents	80,726	0	**80,726**
Consolidated NHS Charitable fund financial assets	2,171	1,413	**3,584**
Total at 31st March 2022	**91,015**	**1,413**	**92,428**

Note 20.2 Carrying values of financial assets – Trust

Carrying values of financial assets as at 31st March 2023	Held at amortised cost	Held at fair value through OCI	Total book value
	£000	£000	£000
Trade and other receivables excluding non financial assets	14,647	0	**14,647**
Other investments / financial assets	1,304	0	**1,304**
Cash and cash equivalents	61,246	0	**61,246**
Total at 31st March 2023	**77,197**	**0**	**77,197**

Carrying values of financial assets as at 31st March 2022	Held at amortised cost	Held at fair value through OCI	Total book value
	£000	£000	£000
Trade and other receivables excluding non financial assets	7,456	0	**7,456**
Other investments / financial assets	977	0	**977**
Cash and cash equivalents	76,701	0	**76,701**
Total at 31st March 2022	**85,134**	**0**	**85,134**

Note 21.1 Carrying values of financial liabilities – Group

Carrying values of financial liabilities as at 31st March 2023	Held at amortised cost £000	Total book value £000
Loans from the Department of Health and Social Care	32,259	**32,259**
Obligations under leases	10,688	**10,688**
Trade and other payables excluding non financial liabilities	29,363	**29,363**
Consolidated NHS charitable fund financial liabilities	11	**11**
Total at 31st March 2023	**72,322**	**72,322**

Carrying values of financial liabilities as at 31st March 2022	Held at amortised cost £000	Total book value £000
Loans from the Department of Health and Social Care	33,998	**33,998**
Trade and other payables excluding non financial liabilities	36,575	**36,575**
Consolidated NHS charitable fund financial liabilities	11	**11**
Total at 31st March 2022	**70,584**	**70,584**

Note 21.2 Carrying values of financial liabilities – Trust

Carrying values of financial liabilities as at 31st March 2023	Held at amortised cost £000	Total book value £000
Loans from the Department of Health and Social Care	32,259	**32,259**
Obligations under leases	10,670	**10,670**
Trade and other payables excluding non financial liabilities	26,346	**26,346**
Total at 31st March 2023	**69,275**	**69,275**

Carrying values of financial liabilities as at 31st March 2022	Held at amortised cost £000	Total book value £000
Loans from the Department of Health and Social Care	33,998	**33,998**
Trade and other payables excluding non financial liabilities	37,252	**37,252**
Total at 31st March 2022	**71,250**	**71,250**

Note 22 Fair values

Set out below is a comparison, by category, of book values and fair values of the Group's non-current financial assets and liabilities. Fair values have been calculated using the Treasury discount rate of 1.9% over the repayment period of the loan.

There has been no impairment of financial assets, other than bad debt expense shown in note 24.

	Group				Trust			
	31st March 2023		31st March 2022		**31st March 2023**		31st March 2022	
	Book value	**Fair value**	Book value	Fair value	**Book value**	**Fair value**	Book value	Fair value
	£000	**£000**	£000	£000	**£000**	**£000**	£000	£000
Financial assets								
Charity investments	**1,328**	**1,328**	1,413	1,413	**0**	**0**	0	0
Other financial assets	**0**	**0**	0	0	**114,278**	**89,608**	117,885	94,737
	1,328	**1,328**	**1,413**	**1,413**	**114,278**	**89,608**	**117,885**	**94,737**

	Group				Trust			
	31st March 2023		31st March 2022		**31st March 2023**		31st March 2022	
	Book value	**Fair value**	Book value	Fair value	**Book value**	**Fair value**	Book value	Fair value
	£000	**£000**	£000	£000	**£000**	**£000**	£000	£000
Financial liabilities								
DHSC loans	**30,360**	**30,360**	32,090	32,090	**30,360**	**30,360**	32,090	32,090
Other liabilities	**0**	**0**	0	0	**115,633**	**90,519**	119,202	95,544
	30,360	**30,360**	**32,090**	**32,090**	**145,993**	**120,879**	**151,292**	**127,634**

Note 23 Financial instruments

IFRS 7, IAS 32 and IFRS 9, Accounting for Derivatives and Other Financial Instruments, requires disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. The Clatterbridge Cancer Centre NHS Foundation Trust actively seeks to minimise its financial risks. In line with this policy, the Trust neither buys nor sells financial instruments. Financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

As allowed by IFRS 7, IAS 32 and IFRS 9, debtors and creditors that are due to mature or become payable within 12 months from the balance sheet date have been omitted from all disclosures other than the currency profile.

Liquidity risk

The Trust presently finances most of its capital expenditure from internally generated funds. In 2009/10 the Trust borrowed £5 million from the Department of Health and Social Care Financing Facility specifically to finance part of the construction of the new Radiotherapy Centre at Aintree. In 2018/19 the Trust borrowed a further £37 million from the Department of Health and Social Care Financing facility to part-fund the new build in Liverpool.

There have not been any material changes to the Trust or Group risk on the previous year.

Market risk

This is not applicable to the Trust or Group.

Interest rate risk

The only asset or liability subject to fluctuation of interest rates are cash holdings at the Government banking service and at a UK high street bank. The loans from the Department of Health and Social Care Financing Facility have been taken on a fixed-rate basis to avoid any risk from interest rate fluctuations. The Trust is not, therefore, exposed to significant interest rate risk.

Foreign currency risk

The Trust has negligible foreign currency income, expenditure, assets or liabilities.

Credit risk

The Trust has considered credit risk under IFRS 7, and concluded that there is a remote level of risk from non-payment of the loan to PropCare. PropCare has a 25-year concession agreement with the Trust which guarantees the unitary payment is sufficient to meet its obligations.

Note 24 Losses and special payments

	2022/23		2021/22	
Group and Trust	**Total number of cases**	**Total value of cases**	**Total number of cases**	**Total value of cases**
	Number	**£000**	**Number**	**£000**
Losses				
Bad debts and claims abandoned	9	2	11	5
Total losses	**9**	**2**	**11**	**5**
Special payments				
Ex-gratia payments	0	0	1	3
Overtime corrective payments (nationally funded)	1	9	1	90
Total special payments	**1**	**9**	**2**	**93**
Total losses and special payments	**10**	**11**	**13**	**98**

Note 25 Auditor's liability

The auditor's liability for losses in connection with the external audit is limited to £2,000,000.

Note 26 Third party assets

The Trust did not hold any money on behalf of patients in either 2022/23 or 2021/22.

Cash and cash equivalents in the Group are available for use with the exception of any cash and cash equivalents ringfenced in the charity accounts as restricted funds.

Note 27 Events after the reporting period

There are no events after the reporting period.

Note 28 Related party transactions

The Clatterbridge Cancer Centre NHS Foundation Trust is a public interest body authorised by NHS Improvement, the independent regulator for NHS Foundation Trusts. It is part of a Group along with the Clatterbridge Cancer Charity, the Clatterbridge Pharmacy Limited, and Clatterbridge PropCare Services Limited. The FT has transactions with each of its subsidiary companies.

During the year none of the Board Members or members of the key management staff, or parties related to them, have undertaken any material transactions with the Group.

The Register of Interests for the Board of Governors for 2022/23 has been compiled in accordance with the requirements of the Constitution of The Clatterbridge Cancer Centre NHS Foundation Trust.

In 2012/13, Liverpool Health Partners Ltd, a company limited by guarantee, was set up between the University of Liverpool, Aintree University Hospital NHS FT, Alder Hey Children's NHS FT, The Clatterbridge Cancer Centre NHS FT, Royal Liverpool and Broadgreen University Hospitals NHS Trust, Liverpool Women's NHS FT, The Walton Centre NHS FT, Liverpool Heart and Chest NHS FT and Liverpool School of Tropical Medicine. The objects of the company are to advance education, health, learning and research by facilitating world class research among the partners. Each organisation has a single share in the company and the Chief Executives are ex-officio directors of the company.

The Department of Health and Social Care is the parent department of The Clatterbridge Cancer Centre NHS Foundation Trust. The main entities within the public sector with which the body has had dealings are NHS England, Cheshire and Merseyside Integrated Care Board, Foundation Trusts, NHS Trusts, NHS Resolution and Health Education England. Other bodies within the WGA boundary include Local Authorities, HM Revenue & Customs and NHS Pension Agency.

Related party transactions:

	Group			
	2022/23		2021/22	
	Revenue	**Expenditure**	Revenue	Expenditure
	£000	**£000**	£000	£000
Non-consolidated associates (Private Patient JV)	**4,250**	**30**	3,469	102
Total transactions with related parties	**4,250**	**30**	**3,469**	**102**

	Group			
	31st March 2023		**31st March 2022**	
	Receivables	**Payables**	Receivables	Payables
	£000	**£000**	£000	£000
Non-consolidated associates (Private Patient JV)	**2,584**	**16**	977	59
Total balances with related parties	**2,584**	**16**	**977**	**59**

Clatterbridge PropCare Services Limited (PropCare) is a wholly-owned subsidiary of the Trust. PropCare will provide a fully managed suite of healthcare facilities, including the new cancer centre in Liverpool, for use by the Trust in return for a unitary charge payment. PropCare provides value to the Trust through its specific estates focus and through its ability to manage construction and operational risk for the Trust, enabling the Trust Board to focus on clinical matters. Whilst ownership of the buildings and fixed equipment will remain with the Trust, PropCare occupies the sites in order to construct and operate the facilities under a non-exclusive licence. PropCare is funded by loans and share capital from the Trust, which are intended to cover the capital cost of the new cancer centre and refurbishment of the existing facilities. PropCare will be responsible for repaying the loans from the income received via the unitary charge as well as distributing returns to the Trust through dividends. The Trust has provided a financial guarantee to Laing O'Rourke on behalf of PropCare in relation to the construction contract for the new cancer centre.

The Clatterbridge Pharmacy Limited (CPL) is a wholly-owned subsidiary of the Trust. CPL is registered as a pharmacy with the General Pharmaceutical Council and offers a range of over-the-counter medicines as well as other healthcare products. In addition to these traditional pharmacy services, CPL provides specialist cancer dispensing services to help patients manage their healthcare and medicines in one place. CPL provides value to the Trust by delivering a more personalised and efficient experience for our patients. The main related party transactions between the Trust and CPL relate to the purchase and sale of drug consumables.

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The Clatterbridge Cancer Centre
NHS Foundation Trust

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