NHS
Blood and Transplant

Annual Report and Accounts 2023-24

HC 23
SG/2024/137

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Introduction from the Chair

NHS Blood and Transplant (NHSBT) plays a unique role within the NHS. We collect and supply a wide range of blood products, stem cells and a range of diagnostic and therapeutic services across England, and our organ and tissue services reach across the UK. We are, on the whole, self-funding with around three quarters of our income coming from the sale of products and services to the NHS. The remainder is provided through the Department of Health and Social Care and the devolved governments.

The past year has marked a number of important milestones for us.

For the first time in more than 20 years, we now have the go ahead for **plasma medicines to be made from UK plasma**. The NHS currently relies on imports of these lifesaving medicines – and the global availability of these medicines is challenging. By taking donations and recovering plasma here, we will bolster the supply chain and improve the self-sufficiency of the UK in producing our own treatments.

Overall, our plasma donor base increased from 6,000 to 8,500 people over this year, with more than 5,500 new donors giving their plasma. This means we've doubled the amount of plasma gathered directly from our plasma donors, and we have also been collecting plasma from whole blood donations. Plasma makes up 55 per cent of our blood and previously this had to be discarded. Now every bit of it will go towards making life enhancing and lifesaving medicine.

After seven years of gathering evidence and hearing the shocking stories of so many families, **the Infected Blood Inquiry's final report** was published. I would like to thank Sir Brian Langstaff for his thorough, sensitive report, and all the families who came forward to share their experiences and stories. We are deeply sorry for any part the blood services of the past played in their pain and suffering and we are fully committed to taking forward the recommendations in the report. NHSBT is a very different organisation to the blood services in the 1970s, 80s and 90s. Patient and donor safety is at the heart of everything we do. We work closely with the other UK blood services and blood services around the world, and systems and processes today mean we are able to quickly react to emerging issues. We will now work with our partners to consider and take forward the recommendations.

We have continued to make use of new technological advancements for organ donation and transplantation which mean we are able to make better use of the organs that are available to us, and over the past year we have seen an amazing 70,000 people join the NHS Organ Donor Register. There are now nearly 30 million people signed up but, with only one per cent of the population dying in circumstances that mean their organs can be donated, every single sign up is important. In recent years we, in common with many other countries, have seen a reduction in consent rates for organ donation so it's more important than ever for people to register a decision so families, if asked at this most difficult and painful time to give their consent, know that their loved one wanted to donate their organs. We continue to work hard to reach more people through essential partnerships and

this year we agreed a fantastic partnership with the Home Office to invite people to join the register when they re-apply for their passport. In the year ahead we will celebrate the **30th anniversary of the NHS Organ Donor Register** which will give us more opportunities.

And finally, arguably our most important duty as an organisation is to maintain the safe and reliable supply of blood for the NHS. As the blood shortages experienced in the summer of 2024 demonstrate, it is paramount that we continue to strengthen our existing donor base and encourage a new generation of donors to do something amazing and give blood. The work we are doing to increase blood collection capacity and future proof our blood supply chain will continue throughout 2024-25 and beyond.

Our Board and our colleagues work tirelessly to provide the best service we possibly can, and I would like to thank them for their contribution to improving and saving lives. Equally important, we couldn't be the organisation we are today without our donors. We rely on the altruism of millions of donors to donate their blood, plasma, platelets, stem cells, organs and tissues.

On behalf of NHSBT and of every patient who has benefitted, thank you to everyone who donates.

Peter Wyman
Chair

Chief Executive's review

NHSBT is an amazing organisation with talented people whose purpose is to save and improve lives every day, and we do this by living our values – Caring, Expert, Quality.

Our focus is on continuing to create a great place to work where everyone thrives, delivering excellent services, translating our exciting innovations to better serve our patients and donors, and playing our part in reducing health inequalities.

We will do this by:

- meeting the targets we set ourselves and delivering changes at pace to improve patient and donor care, giving us the resilience to withstand the unexpected
- translating cutting edge innovations in all areas of NHSBT to create new products that save and improve the lives of patients, donors and our people
- delivering a plan that brings together the action and initiatives that really matter to our colleagues and means people will join, stay and thrive

It promises to be a very exciting year ahead, building on what was achieved during 2023-24. For example, in August 2024, we started sending the **250,000 litres of plasma** we have been collecting over the past three years in our three plasma donor centres and from our whole blood collections to be made into plasma medicines. Seventeen thousand people rely on plasma medicines, and this is the first time in over twenty years we have been able to make UK plasma medicines from UK plasma – so it's a big moment. The first UK patient will receive the medicine in early 2025.

Over the next 12 to 18 months, we will be increasing staff numbers to support **resilience in our donor centres** and mobile teams and plan to have an average of 50,000 appointments per week. That will mean we can grow the donor base and build greater resilience in our blood supply - the importance of which is underlined by the critical blood shortages we have experienced this summer.

We're bringing in **changes for donors** too. From September 2024 we'll be able to tailor personal communications to them, improving their experience and making it easier for us to invite donors with specific blood types to give blood when we need them.

During 2023-24, we carried out some fantastic, world-leading work with partners to innovate and make sure the precious **organs** that are donated have the best chance of success for the patients who need them. We're facing big challenges in availability and consent, but this has been offset partially by innovative improvements in the way we use and look after the organs we are given. For every 100 deceased donors, seven more patients were transplanted in the past year compared to the previous year. We want to continue this upward trajectory.

Similarly, the science and healthcare landscape is changing rapidly and we will be placing even more emphasis on growing **Cell Apheresis and Gene Therapies**. There is clinical demand for better-matched blood components to reduce transfusion complications and our cutting-edge genomics programme will continue working closely with NHS England to deliver our commitment to genotype all sickle cell and thalassaemia patients. Our **research and development projects** are pressing ahead with a trial of the use of whole blood in frontline trauma, the manufacture of a freeze-dried plasma product for the Ministry of Defence to save lives on the battlefield, and work to develop universal platelet and plasma products into production.

We will also continue our commitment to **reducing health inequalities**, those unfair and avoidable differences in treatment and health outcomes that see some people wait longer for life-saving treatments, or in some cases miss out on them all together. One way we are doing this is by redoubling our efforts to attract the next generation of donors, especially those with the rarest blood and tissue types, and those who are under-represented in our existing donor base, along with improving the inclusivity of our donation experience.

Another major piece of work for us this year is taking forward the very important recommendations in the **Infected Blood Inquiry's final report**. Our Chief Nurse will lead the implementation and work with the Government, NHS England and other partners to ensure we learn from the findings. We have one of the safest blood services in the world, but we will never be complacent and will never stop learning and improving.

Of course, our people are our most important asset. Earlier this year we launched a **People Plan** which set out our aspirations to support colleagues to join, stay, and thrive in their NHSBT careers. We continue to create a fully inclusive culture for everyone, and we are making physical improvements to many of our workspaces through the improvements and renovations at some of our manufacturing plants, plus **opening new donor centres** in Brixton, Brighton and Stratford.

This year we refreshed our organisational strategy to give everyone clear direction. I am really excited about the year ahead as we turn our commitments from our strategy into reality so that we can save and improve even more lives.

Dr Jo Farrar CB OBE
Chief Executive and Accounting Officer

Section 1
Our work

Who we are and what we do

NHS Blood and Transplant formed in 2005 by bringing together the National Blood Service and UK Transplant. We employ over 6,400 people across the UK, with total income and revenue funding of over £578 million.

First and foremost we are a healthcare organisation within the NHS and have front-line services providing care for donors and patients. NHSBT plays a unique role in the NHS – we produce life-saving and life-improving products and treatments from donated blood, organs, tissues and stem cells, and provide a range of related diagnostic and therapeutic services.

Thanks to the NHSBT team, which includes expert manufacturing and logistics capability, we provide a lifeline for patients who rely on us to deliver every day across the length and breadth of the UK. We are trusted nationally for our commitment to quality, safety and reliability, and respected internationally for our productivity, research and development.

At the heart of everything we do are our donors themselves, without whom these services would not be possible. Our teams care for the many thousands of blood, plasma and stem cell donors who turn up every day to make these valuable contributions. We also depend upon the extraordinary actions of families who, in the depth of grief, consent to organ or tissue donations from their loved ones to help those in greatest need.

Our values

- **caring** about our donors, their families, our staff and the patients we serve
- **being expert** in meeting the needs of our customers and partners
- **providing quality** products, services and experiences for donors, staff and patients

Where we operate

28 blood and plasma donor centres and **50** mobile teams

3 plasma donor centres

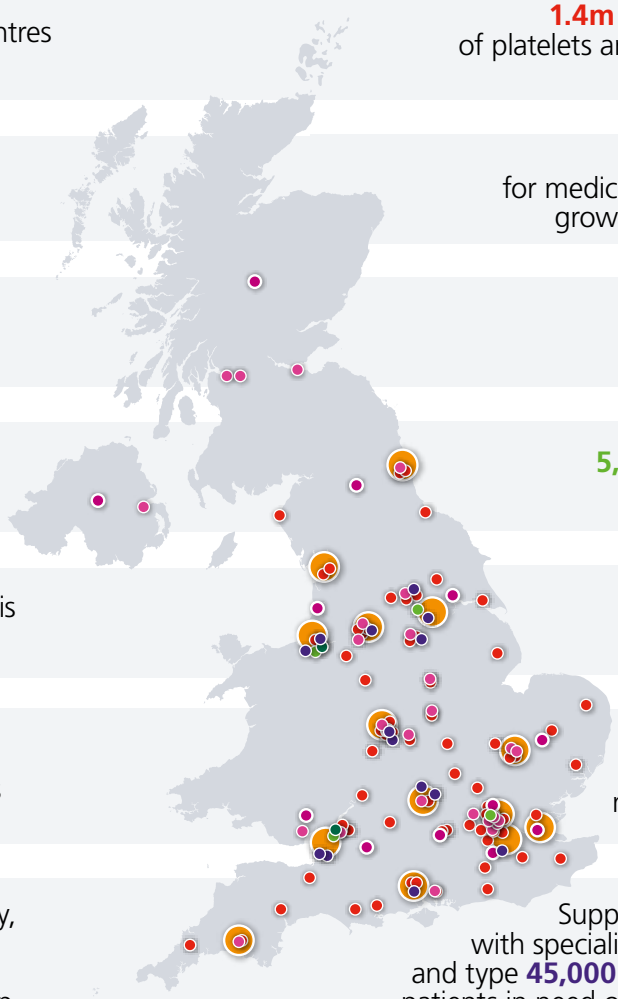
12 regional organ donation teams

2 world-class tissue banks and **4** regional donation teams

8 regional Therapeutic Apheresis Service (TAS) units

7 specialist laboratories for cellular and molecular therapies

7 Red Cell Immunohaematology, and **6** Histocompatibility and Immunogenetics laboratories, and **1** International Blood Group Reference Laboratory



What we deliver annually

1.4m units of red cells, **256,000** units of platelets and **217,000** plasma components for transfusion to **260** hospitals

Over **180,000** litres of plasma for medicines will be collected in 2024-25 growing to **240,000** litres in 2025-26

5,000 life-saving organs to **29** UK Transplant Centres

5,500 human tissue products and **3,700** corneas for transplant

12,000 apheresis procedures to around **2,500** patients

Over **1,800** life-saving stem cell transplants and GMP manufacturing for **5** clinical trials

Support more than **150,000** patients with specialist diagnostics and clinical advice and type **45,000** donors to support matching for patients in need of a transfusion, organ transplant or stem cell transplant

Our strategy

Our work is guided by our corporate strategy (https://www.nhsbt.nhs.uk/who-we-are/performance-and-strategy/our-strategy/), which consists of five strategic priorities. It sets out what we will do to achieve each of these priorities and how we will know when we have succeeded.

This annual report is built around those five priorities and describes what we have achieved, what challenges we have faced, and how we have performed against the objectives we set for 2023-24.

Grow and diversify our donor base

to meet clinical demand and reduce health inequalities

Modernise our operations

to improve safety, resilience and efficiency

Collaborate with partners

to develop and scale new services for the NHS

Drive innovation

to improve patient outcomes

Invest in people and culture

to ensure a high performing, inclusive organisation

Section 2
Our performance

NHSBT staff celebrate the 75th anniversary of the NHS outside a donor centre in Manchester.

Strategic priority 1

Growing and diversifying our donor base

Every year, thousands of people across the country do something extraordinary – by donating their blood, plasma, organs, tissue and stem cells to help others in need. The ambitious targets we set ourselves reflect the vital role these donations play in saving lives, supporting advances in medical research, and tackling health inequalities.

Building on the progress made in 2022-23, NHSBT has continued to focus on encouraging more people from Black heritage to give blood, as they are more likely to have the Ro type needed to treat patients with sickle cell disorder, the country's fastest growing genetic blood disorder.

This has been supported by wider campaigns encouraging us all to donate, as well as targeted activity encouraging existing donors from high-priority blood groups to give blood more regularly. Given the ongoing challenges we face in maintaining the strength and resilience of our blood supply, it is also important that we get people from a wide range of age groups to donate, including more young people, so that we have a healthy pipeline of donors for the future.

Alongside this, we have been working to increase the number of people actively opting in on the NHS Organ Donor Register, which is crucial for increasing the number of families who give us consent to proceed after a loved one's death. Activity in 2023-24 included our first ever campaign to encourage paediatric donation – beginning a sensitive but necessary conversation about the need to increase organ availability for children on transplant waiting lists.

We are continuing our work to increase the number of UK stem cell donors and build a new plasma donor base to support the domestic supply of plasma-based products for medicine.

Meanwhile, our investments in new or upgraded donor centres and the improvements we have made to how people register and book appointments online show our commitment to improve the donor experience and help people give in a way that works for them.

Key highlights for 2023-24: at a glance

2,500
more people donated plasma than the previous year

New
home testing kits distributed to improve recruitment of stem cell donors

The 900th cord blood
unit issued by the NHS Cord Blood Bank in May 2023

600+
more people from Black heritage backgrounds gave blood than the previous year

900
more people donated platelets than the previous year

10,500
increase in the number of registered stem cell donors on the British Bone Marrow Registry Fit panel

New
expanded and refurbished facilities in our three plasma donor centres

New
upgrades to Give Blood app and website to provide additional functionality for donors

New
organ donation partnerships with Passport Office and Specsavers developed

New
launch of our first ever organ donor campaign aimed at children

How we have performed: detailed analysis

Expanding our blood donor base

Key measure	2023-24	2022-23	Year-on-year trend	2023-24 target	Performance
Total size of the active whole blood donor base	779.4k	799.0k	-2.5%	805.0k	Falling and below target
The proportion of people from Black heritage within the active donor base	2.5%	2.4%	+0.2 % points	3.1%	Improving but below target
The number of active donors with Ro blood	26.3k	26.2k	+0.4%	32.2k	Improving but below target
The number of active donors with O negative blood type	108.3k	111.9k	-3.2%	124.4k	Falling and below target

Note: The term 'active donor base' refers to the number of people who have successfully donated blood in the last 12 months

2023-24 was a challenging year for growing our blood donor base, with overall donor numbers falling by 2.5 per cent compared to 2022-23. This was largely due to capacity issues faced by our blood collection teams, which we are continuing to address through our **Future Proofing Blood programme** (see p. 29).

Although we have made some progress in this area, high rates of staff sickness and problems in recruiting enough people to work in our donor centres have meant that we have not always been able to provide enough appointments for those who want to give blood. Regrettably, in some parts of the country, we have also been forced to cancel some appointments at short notice due to lack of staff.

Because of this, our marketing and recruitment activity pivoted during 2023-24 away from mass media campaigns towards attracting donors from high-priority blood groups, particularly those from Black heritage backgrounds. We also put a greater emphasis on encouraging existing donors to give blood more frequently during the year. As a result, we saw **the average frequency of donation** across the whole active donor base rise to 1.84 donations per year, helping to bolster available supply.

It has been particularly important that donors with O negative blood – the crucial 'universal' blood type used in emergencies or when a patient's blood type is not known – came forward. They donated a record 1.95 times per year, helping to temper the impact of the reductions in the size of our O negative donor base.

We are hugely grateful to the thousands who have responded to our calls over the last year. But as the recent critical shortages in blood supply demonstrate, there is an urgent and ongoing need to strengthen our donor base by expanding our collection capacity and encouraging new donors to come forward from different age groups and demographics.

Ruby's story

> ***Mitochondria power our organs and Ruby's batteries are missing a huge part. We are very lucky she is still alive as a lot of babies don't make their first birthday. The generous donations of blood are central to this. The transfusions give her strength to play with her sisters and brother and buy us more time with her.***
>
> ***Ruby's mum, Nikki***

For over a year, Ruby has relied on regular transfusions of O negative blood to treat a rare mitochondrial disease called Pearson's Syndrome. Increasing the number of O negative donors remains an important priority for NHSBT.

During 2023-24, we launched our new 'Giving Type' campaign[1], fronted by actor and comedian Michael Dapaah, which calls on the nation's giving types to start giving blood or plasma. We also embarked on our first product placement partnership with Dalgety Teas[2] which saw us feature a 'Give Blood' message and QR code on the outer packaging of all their teas in an effort to reach potential new donors of Black heritage.

These activities have helped us secure a small increase in the number of people from Black heritage choosing to give blood – in all, we saw a net increase of just over 600 in the active donor base coming from these ethnic backgrounds. This builds on the progress made in 2022-23 when the number of donors of Black heritage increased by 10 per cent.

Although this growth has not been reflected in any significant year-on-year rise in the number of Ro donors for 2023-24, we have maintained the levels seen during 2022-23 when we saw a five per cent increase in donors from this unique blood group. We expect the opening of a new donor centre in Brixton (see p. 29) and our ongoing work with grassroots community groups will further boost the number of people from Black heritage backgrounds who give blood in the years ahead.

[1] https://www.blood.co.uk/news-and-campaigns/the-donor/latest-stories/are-you-the-givingtype/

[2] https://www.blood.co.uk/news-and-campaigns/news-and-statements/dalgety-teas-to-support-the-nhs-to-reach-100-000-potential-new-blood-donors-of-black-heritage/

Scaling up plasma donation for use in medicines

Key measure	2023-24	2022-23	Year-on-year trend	2023-24 target	Performance
Total size of plasma donor base	8.0k	6.5k	+23%	10.0k	Improving but below target
Volume of plasma collected from donation (source plasma)	16.6 kilolitres	8.3 kilolitres	+100%	16.5 kilolitres	Above target

Plasma plays an important role in the development of new treatments for cancer and other diseases. Making the UK less reliant on imported plasma for medicine has been an important priority for the Government and NHSBT since restrictions on the use of UK plasma for medicines were lifted in 2021.

During 2023-24, we have continued to make progress in building up our plasma stocks, both through direct donation at one of our specialist plasma donor centres and by extracting more plasma from whole blood donations during processing.

Through targeted marketing campaigns and other recruitment activity, we have been able to increase our active plasma donor base to 8,000 people this year, with more than 5,500 new donors giving their plasma for the first time. As a result, the amount of plasma collected 'at source' – that is, gathered directly from a plasma donor – has doubled over the last 12 months.

Along with the expansion of processing and storage facilities to recover, freeze and store plasma extracted from whole blood donations (see p. 38), this has meant that we were able to **exceed our targets for the volume of plasma for medicine collected in 2023-24**.

To support this, all three specialist donor centres in England for plasma collection were **expanded and refurbished** during 2023-24 to improve the donor experience and provide additional collection capacity. NHSBT will make additional upgrades to these facilities in 2024-25 so that we can further increase the number of available appointments.

Why is increasing plasma donation important?

Plasma makes up around 55 per cent of your blood. It is rich in antibodies, which can be manufactured into immunoglobulin medicines which can help people with immune system disorders and other conditions, and a protein known as albumin which is used to make medicines to help treat liver disease, kidney failure, sepsis and major burns.

The NHS has relied on imported plasma medicines as a variant Creutzfeldt–Jakob disease (vCJD) safety measure for more than 20 years. However, in 2021 the Government lifted the ban on using UK plasma for developing into immunoglobulin[1], following a comprehensive safety review by independent experts. In 2023, leading scientists also confirmed that albumin could be safely derived from UK plasma[2], allowing a similar ban to be lifted.

Since then, NHSBT has been working with partners to build up our domestic supply of plasma to create new medicines. We have done this in two ways: firstly, by encouraging more people to make plasma donations at our three specialist centres in Birmingham, Twickenham and Reading, which is known as **source plasma collection;** and secondly, by improving our ability to extract plasma taken from whole blood donations that is not otherwise required for transfusion. This is called **recovered plasma**. Unlike whole blood donation, a person's blood type is not a key factor for plasma donation, although where a potential donor has a priority blood type (such as O negative), they may be encouraged to donate whole blood.

[1] https://www.gov.uk/government/news/ban-lifted-to-allow-uk-blood-plasma-to-be-used-for-life-saving-treatments

[2] https://www.gov.uk/government/news/ban-lifted-on-use-of-uk-plasma-to-manufacture-life-saving-albumin-treatments

Growing our organ donor register

Key measure	2023-24	2022-23	Year-on-year trend	2023-24 target	Performance
The number of people opting in to organ donor register during 2023-24 (UK)	706.3k	822.0k	-14.1%	850.0k	Below target
The number of people opting in to organ donor register (England and Wales only)	641.6k	737.3k	-12.9%	750.0k	Below target

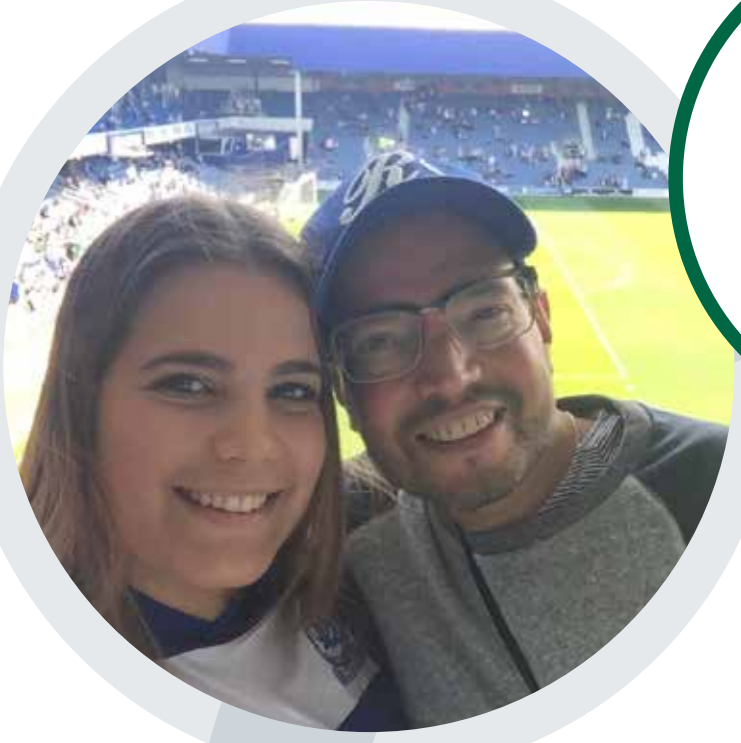
2023-24 was a transitional year in our efforts to encourage more people to opt in to the organ register. It saw the end of our partnership with a high street pharmacy chain and a reduction in the number of registrations achieved via driving licence applications. Both factors contributed to a 14.1 per cent year-on-year fall in the number of new registrations across the UK.

In all, just over 700,000 more people joined the register this year, contributing to a total of around 30 million people in the UK who have actively signalled their desire to donate their organs. This remains crucial as we know the chances of securing a family's consent to proceed increase significantly if their loved one has actively opted in.

During 2023-24, our campaigning work publicly highlighted the **role of paediatric donation** for the first time, which led to more than 5,000 children being added to the NHS Organ Donor Register between September and December 2023. We plan to repeat this campaign next year to continue building much-needed awareness in this area.

Meanwhile, **new partnerships with the Passport Office and Specsavers** will also help us increase awareness and registrations throughout 2024-25 – for example, since a link to the NHS Organ Donor Register website was added to all passport renewal emails from mid-March 2024, we saw nearly 4,000 registrations in just a single month.

Yuri's story



Knowing that I got my daughter to this stage means the world.

Yuri, an organ donation recipient

Londoner Yuri needed to be attached to an oxygen tank 24 hours a day after a series of infections had caused damage to his lungs. Following his transplant operation, he is now able to do much more than he could before – including watching his football team Queens Park Rangers. Without a lung transplant Yuri would not have lived to see his daughter (pictured with him) grow up.

Recruiting new stem cell donors

Key measure	2023-24	2022-23	Year-on-year trend	2023-24 target	Performance
The number of registered stem cell fit panel donors (BBMR Registry)	112.8k	102.3k	+10.2%	124.0k	Improving but below target
The proportion of registered donors from ethnic minority backgrounds	23%	24%	-1.0 % points	20%	Above target
NHSBT's share of stem cell provision to UK patients	6%	6%	No change	9%	Stable and below target

The number of registered stem cell donors on the British Bone Marrow Registry (BBMR) Fit panel **grew by 10,500 in 2023-24**, with approximately 20,000 new donors recruited during the year. Around 23 per cent of the 112,800 donors now registered on the panel came from a minority ethnic background, which is significantly above the 20 per cent target we set ourselves for this year.

However, despite this net increase, lower than expected recruitment volumes meant that we ended the year nine per cent below the overall target for stem cell donors. This was largely due to the pressure on blood collection teams to prioritise actions to maintain blood stocks, which meant that less time and resource could be devoted to recruiting blood donors to join the BBMR.

During 2023-24, the BBMR successfully **matched 181 donors to patients requiring transplant**, an increase of 12.4 per cent compared to the previous year, yet below our plan of 196. Meanwhile, the amount of cord blood collected from donors remained on target for the year, with 116 high quality units added to our cord blood bank[1] over the last 12 months. A total of 37 units from the bank were successfully issued to patients. This is an increase on the 31 units issued in 2022-23 but below the target of 50 units set for this year.

To encourage further growth, NHSBT has now established **a new recruitment process which involves sending home sampling kits to potential stem cell donors**, allowing them to collect cell samples for testing via a simple cheek swab known as a buccal swab. The new process resulted in 6,600 new recruits over the last 12 months – around 32 per cent of the total number recruited in 2023-24.

[1] https://www.nhsbt.nhs.uk/cord-blood-bank/

We have also recently **extended our recruitment efforts to target Caucasian females under 30** with home sampling kits – more than 1,000 donors were successfully recruited during the last two months of the financial year as a result. Since 2016 we had excluded white females from our stem cell donor recruitment, to address demographic imbalances and meet the higher clinical demand for young males. However, with a shift in clinical demand towards younger donors regardless of gender, and an increased annual recruitment target of 30,000, we have now expanded our criteria. Meanwhile, event assistants are currently being trained to run dedicated stem cell donor recruitment activities within blood donation sessions as part of a new pilot involving three northern blood donation centres during 2024-25.

Despite these activities, **NHSBT's overall share of the total stem cell donors provided to UK patients ended the year at six per cent** against a target of nine per cent. This reflects a wider issue in securing enough UK-based stem cell donors for UK patients. Overall, the number of stem cell donors supplied to UK patients from all UK Aligned Registry sources – which includes the Antony Nolan Trust, DKMS and the Welsh Blood Service as well as NHSBT – made up 28 per cent of the total against a target of 35 per cent.

While there are reciprocal arrangements in place to help us source and match stem cells for UK patients from donors in other parts of the world, the process is more expensive and complex than using UK donors. As a result, improving the domestic supply of stem cells remains an important priority, and we are working with our partners in the UK Stem Cell Strategic Forum and across the UK Aligned Registry to address the challenges preventing more people from donating.

What is the BBMR Fit panel?

Stem cell transplantation plays a vital role in treating certain blood and metabolic conditions, including leukaemia, lymphoma and sickle cell anaemia. However, it can be difficult to match potential donors with the people who need transplants, as the donated stem cells need to carry a special genetic marker, known as a human leukocyte antigen (HLA), that is identical or very similar to the person receiving the transplant.

The BBMR Fit panel forms part of a global network matching compatible donors with patients in need of stem cell transplants. Our recruitment efforts target potential donor groups known to provide the best outcome for patients and that have a diverse range of HLA types. We have largely focused on men from all ethnic groups, aged between 17 and 40, and women of the same age range who are of Black, Asian or mixed heritage.

Darren's story

I want to carry on as long as I can. You don't realise what you will get in later life. The treatment means everything.

Darren, a recipient of life-saving stem cell treatment

Darren has been receiving treatment for myeloma using stem cells stored at the NHSBT centre in Barnsley that he himself helped to construct. Working as an engineer on the project, Darren was responsible for overseeing the erection of the steel frame when the centre was built in 2018.

Improving the donor experience

Key measure	2023-24	2022-23	Year-on-year trend	2023-24 target	Performance
% of donors scoring 9 or 10 out of 10 for overall satisfaction	82.7%	79.3%	+3.3 % points	81.0%	Above target

We continue to invest in the donor experience, resulting in our Net Promoter Score remaining high and stable despite the difficulties with appointment capacity.

This year we have launched a **new integrated onboarding platform**, which improves our donors' digital experience by upgrading how our Give Blood website and app work. It means new donors can specify what types of blood product they would like to give when they register and receive tailored options, including an invitation to donate plasma if they live near one of our specialist donor centres. It also simplifies the process for booking an appointment, resulting in both productivity benefits and a better experience for donors. As a result of these improvements, we are now seeing a higher proportion of new donors booking their first appointment immediately after registering online.

We have also **refurbished all three of our plasma donor centres** to offer a welcoming and modern environment for donors and staff, and we continue to explore new ways of encouraging new donors, including through introducing home sampling kits for prospective stem cell donors.

Finally, we are pleased to have been able to expand our **Community Grants Programme** to support over 50 organisations across England and Wales with a share of £685,000 of funding. The programme, previously known as the Community Investment Scheme, is managed by NHS Blood and Transplant and helps to fund community, faith, or belief organisations to deliver projects that encourage more Black and Asian people to become donors.

Strategic priority 2

Modernising our operations

Every year, our dedicated teams collect and process more than 1.4 million units of blood and deliver more than 5,000 life-saving organs to the UK's specialist transplant centres – together providing a lifeline to many thousands of families in need. As we look forward, modernising how we work will be the key to delivering better care for more people in future by improving the safety, quality and efficiency of what we do.

Within Blood Supply, a key area of focus has been strengthening our blood and platelet supply chain to ensure we can meet demand. This is an ongoing priority for NHSBT, helping us to address the critical supply challenges experienced in recent years – which culminated in the first ever Amber Alerts being issued in autumn 2022 and summer 2024 following unprecedented blood shortages.

Through our Future Proofing Blood programme, we have been taking steps to increase the number of blood collection appointments we can offer, support our workforce, and strengthen our ability to withstand future shocks to our blood supply. This crucial work will continue in 2024-25.

It is also paramount that all donated blood products are subject to accurate, timely and effective testing. During 2023-24, we have invested in new equipment and infrastructure across our laboratories through the Testing Development Programme.

As well as upgrading equipment used in the routine screening of whole blood donations, this has also involved developing new testing facilities to support the safe processing of plasma for medicine.

And finally, throughout our entire operations, we are making better use of data and digital technologies to guide decision-making, reduce safety risks and improve the way we work with the NHS and other partners.

Key highlights for 2023-24: at a glance

New
donor centre established in Brixton, initially operating as a mobile team

New
upgraded blood testing equipment introduced across multiple sites

New
purpose-built laboratory for testing plasma for medicine

2.4%
fall in staff turnover within blood donation teams

New
creation of new NHSBT data platform to improve access to data within the organisation

New
key digital transformation projects completed to improve information sharing with partners

How we have performed: detailed analysis

Future-proofing our blood services

Key measure	2023-24	2022-23	Year-on-year trend	2023-24 target	Performance
Meet customer requirements for product on time and in full including Ro	96.9%	96.2%	+0.7% pts	97.4%	Improving but below target
% of hospitals scoring 9 or 10 out of 10 for overall satisfaction	76.0%	76.0.%	0.0%	n/a	n/a

Although our Blood Supply teams continue to deliver a high quality and highly valued service to the NHS, our ability to maintain an adequate supply of blood continues to be affected by workforce shortages, industrial action, and fluctuations in the supply of and demand for specific blood products.

During 2023-24, the overall amount of red blood cell stock we held remained at a satisfactory level throughout the year, but the supply of specific blood types, particularly B negative and O negative dipped at points, although we were still able to meet demand during the year.

We have also faced some issues with A negative platelet supply at certain points, with some hospitals being asked to accept substitute products or adapt their ordering patterns to help us increase our stocks. While no patients have gone without the platelets they needed, this underlines the importance of our efforts to improve the resilience of our blood supply chain

How are blood stocks managed?

NHSBT is responsible for supplying NHS hospitals with the blood and platelets they need for a range of medical treatments, surgical procedures and emergency care. It must ensure that there is a safe and resilient supply at all times, which includes having a sufficient 'buffer' in place so that enough blood is available in the case of spikes in demand or reductions in the amount donated.

What this means in practice is that NHSBT always aims to maintain an 'optimum' stock of around six days of red blood cells and around one and a half days' supply of platelets. If our stock levels dip below this, patients will still get the blood that they need, but the strength and resilience of our overall blood supply in the event of any external shocks may be affected.

When faced with sustained or critical shortages of supply – or during periods of increased demand, such as a major incident – NHSBT may issue alerts advising hospitals to take steps to preserve their own stocks and/or reduce the quantities of blood they order. It may also put out an urgent call for the public to donate so that it can increase the available supply. This happened most recently in July 2024, when NHSBT issued an Amber Alert asking hospitals to restrict the use of O type blood to essential cases. The shortage was caused by a surge in demand for these blood types after a cyber attack disrupted blood testing services in a number of hospitals in London, coupled with a fall in blood collection volumes across the country during the summer months.

In response, NHSBT has continued to develop its **Future Proofing Blood programme**. Our work this year has focused on building additional collection capacity by creating new donor centres, investing in workforce resilience and flexibility, and developing measures to improve how and when we collect platelets to ensure we can maintain an even supply of these products throughout the week, given their shorter shelf-life.

Among the key developments, **a new donor team has now been established in Brixton**, initially operating as a mobile collection team before it moves to its permanent base later this year. Since it began operating in mid-January 2024, the new unit has provided over 1,600 appointments in less than three months via mobile collection. When the new donor centre itself opens, it will be able to offer a total of 55,000 extra appointments each year, which should play an important role in encouraging more donations from Ro donors and Black and minority ethnic groups. We also expect to reopen the Southampton donor centre at a new site in autumn 2024 after its old premises was forced to close. Investing in new, relocated or expanded facilities remains a key way of increasing available appointments to give blood, and we hope to identify further opportunities to improve our donor centres during 2024-25.

It is equally important that we have enough staff available to run blood collection sessions for donors, which has been challenging in recent years due to high levels of turnover and staff sickness. During 2023-24, we have seen an improvement in staff retention, with a **2.4 percentage point reduction** in staff turnover across our blood collection teams (see p. 52). Combined with successful recruitment activity, this has resulted in a 33 per cent reduction in the number of critically affected teams (from 15 to nine), helping us to consistently deploy 49,000 appointments per week since the start of the financial year.

Overall, this has contributed to **a net increase of more than 900 units of capacity per week** across the country, which supports our plans to increase collection capacity over time to meet projected demand forecasts. However, we know that some collection teams continue to experience significant problems with recruitment and retention, and we will be putting in place further measures to help them next year.

We are also in the process of developing **a new staffing operating model** for blood supply, which will improve the way we support and deploy our teams to increase appointment and collection capacity without detrimentally impacting on staff experience. During 2023-24, this work has included piloting new handling equipment to reduce workplace injuries and making improvements to donor layout to reduce waiting times and improve staff and donor experience. We plan to build on this in 2024-25.

Updating our blood testing and facilities

All donated blood is tested shortly after collection to determine the blood group, screen for antibodies in plasma, and check for the presence of harmful infections, including Hepatitis B, C and E, and HIV. These processes are critical for maintaining the safety and quality of blood given to patients and follow the latest clinical guidelines and regulations set by independent scientific committees.

Through the **Testing Development Programme**, NHSBT has been working with suppliers over recent years to update our blood testing equipment and services for this routine screening. In 2023-24, this included upgrades to our platelet testing and blood typing equipment across multiple sites. While this has not changed the type of testing carried out, it does mean we are now using technology that is faster and more efficient than before.

This year, we have also put in place additional testing facilities to support our plasma for medicine capabilities. These help us meet specific clinical safety requirements relating to plasma for fractionation. **Advanced testing for hepatitis A and Parvovirus B19 (HAV-B19)** is now being carried out in a new purpose-built laboratory at our site in Manchester.

The new HAV-B19 testing laboratory in Manchester is part of a series of investments NHSBT is making to improve blood testing capabilities.

Transforming our digital and data services

Key measure	2023-24	2022-23	Year-on-year trend	2023-24 target	Performance
Critical infrastructure availability	99.93%	99.96%	-0.03 % points	99.95%	Small fall, and below target
Key hospital system availability	99.92%	100.00%	-0.08 % points	99.45%	Small fall, but above target
Key public systems availability	99.99%	99.99%	No change	99.83%	Stable and above target

2023-24 saw considerable progress in improving our digital capabilities across the organisation. This includes important work in migrating key business services to cloud technology to provide more flexibility and capacity for the future, as well as the introduction of a range of new technologies to help us work safer and smarter.

One of our flagship projects has been the development of a new **NHSBT data platform**, which is now supplying directorates with robust data and insights to shape planning and decision-making. With the platform's foundations now established, our current focus is on integrating further datasets from more internal and external sources.

As part of our **Transfusion 2024 programme**, we have secured approval and funding to begin developing a way of automating how we transfer hospital blood data into the new platform to allow us to share information with our customers. This should improve management of the whole supply chain by making it easier for hospitals to manage stocks and reduce wastage of component products.

Another significant development has been the successful **roll out of electronic requesting and reporting of fetal Rhesus D (RhD) test results** directly into hospital Laboratory Information Management Systems (LIMS) across eight hospitals. Fetal RhD screening is requested approximately 55,000 times per year and is used to predict the RhD status of the baby from the mother's blood sample so that clinicians can decide whether anti-D prophylaxis injection is necessary. We hope to extend this capability to other hospitals and LIMS suppliers in 2024-25 and are looking at whether other processes could be made paperless too.

Similarly, we have completed a pilot of **remote interpretation of test results by our Red Cell Immunohaematology laboratories**, with eight hospitals across the Path Links Pathology Network and East and South East London Pathology Partnership taking part. The pilot included the testing of a new algorithm that helps hospital laboratories decide which samples to refer to NHSBT laboratories for further analysis.

We also started to make NHSBT data available on the **National Haemoglobinopathy Register**. The first phase involved making NHSBT red cell antibody data available for NHS transfusion laboratories from 12 March 2024. Having this single view of data is a significant improvement in safety for this patient group who require multiple transfusions and may require complex cross-matching of blood components.

And finally, as part of improvements to our **Organ and Tissue Donation and Transplant services**, we have put in place a new automated way of transferring the results of testing carried out for organ donation, which should again improve safety by reducing the risk of human error resulting from the manual entry of results.

Strategic priority 3

Collaborating with our partners

We are proud to work with our partners across the NHS and life sciences to develop and scale new services for patients. These exciting collaborations help us push at the boundaries of medical science, extending the promise of new treatments and better outcomes for a wide range of conditions.

During 2023-24, we supported the development of a range of advanced therapies, which could open up new ways of treating cancer and other diseases for the future. Our cellular and molecular therapy laboratories have contributed to several research programmes of global significance, including a pioneering study looking at the potential for improving kidney function through cellular therapy.

Our highly respected Therapeutic Apheresis Service, has carried out nearly a thousand more procedures this year and supported important developments in care, including the use of ultrasound guided cannulation and a new project providing 24/7 transfusions for sickle cell patients in north-west England.

We are also pressing ahead with a new three-year strategy for our Tissue and Eye Service, with a focus on improving access to cornea transplants in view of the long waiting times many patients are experiencing. Similarly, we are looking at how we can strengthen the supply of other human tissues, including heart valves where we also face critical shortages.

Having opened in 2023, it was disappointing that the work of the new Clinical Biotechnology Centre (CBC) in Bristol was affected due to an issue with the facility which halted plasmid manufacturing operations for a large part of the year - though all affected facilities have now been restored. Unfortunately, the shutdown significantly impaired the centre's performance for 2023-24, but we are looking forward to a productive and exciting programme of work in 2024-25 now the CBC has returned to full working order.

And finally, we are pleased to report that our plans to scale up the domestic supply of plasma-derived products is progressing well. We remain on track to see the first doses of immunoglobulin medicines produced from UK-sourced plasma arrive for NHS patients in early 2025.

Key highlights for 2023-24: at a glance

17%
increase in the number of patients supported by NHSBT's Therapeutic Apheresis Service

New
ultrasound guided cannulation introduced to improve patient experience

New
launch of Organ and Tissue Donation, Retrieval and Transplantation Academy to support research, training and education

1,787
stem cell transplants supported by our laboratories during 2023-24

97%
of Therapeutic Apheresis Service users have given it the highest ratings for overall satisfaction

New
award of first ever plasma fractionation contract to enable immunoglobin and albumin manufacture from UK sourced plasma

New
collaboration with Venice Eye Bank to secure more corneas for UK patients

New
contribution to groundbreaking trial of new cellular therapy for kidney disease

New
partnership with Oxford University Hospitals to provide access to CAR-T cancer therapy

New
pioneering project to provide 24/7 red cell transfusion service for sickle cell patients in the North West

279
more corneas issued by NHSBT for transplantation than in 2022-23

84.8%
growth in volumes of sourced and recovered plasma collected compared to 2022-23

1,300
corneas were provided for patients waiting for 52 weeks for treatment

How we have performed: detailed analysis

Expanding our Therapeutic Apheresis Service (TAS)

Key measure	2023-24	2022-23	Year-on-year trend	2023-24 target	Performance
The number of therapeutic apheresis procedures carried out	12,121	11,148	+8.7%	11,942	Above target
The proportion of TAS service users rating 9 or 10 for overall satisfaction	97%	92%	+5 % points	90%	Above target

Therapeutic apheresis[1] is a non-surgical procedure that removes harmful, disease-forming proteins, chemicals or cells from a patients' blood. It is an important treatment for certain diseases, including a range of serious blood, neurological and kidney disorders.

During 2023-24, our Therapeutic Apheresis Service (TAS) activity was ahead of plan, **treating 17 per cent more patients than last year** and performing over 12,000 procedures in total – an increase of 8.7 per cent compared to 2022-23. Ninety-seven per cent of patients, donors, family, friends and visitors rated TAS a 9 or 10 for overall satisfaction, which represents a five-percentage point improvement on the previous year.

The service has also supported a number of innovations in patient care. For example, it has helped to develop new ways of providing critical red-cell exchange treatments under the MedTech Funding initiative. This includes supporting a pioneering project with Manchester University NHS Foundation Trust[2] to **provide emergency red cell transfusions 24 hours a day to people with sickle cell**.

This year, we also introduced a new technique called **ultrasound guided cannulation**, which uses ultrasound technology to guide access to a patient's vein, rather than having an invasive central line inserted. All TAS units now have nurses trained in this procedure and patient feedback has been very positive.

Supporting the Transfusion 2024 programme

NHSBT continues to support the Transfusion 2024 programme, which aims to improve patient outcomes by delivering improvements in digital infrastructure, data and professional training to support NHS transfusion units.

The programme sets out the key priorities for clinical and laboratory transfusion practice, and involves NHSBT working closely with hospital teams, Royal Colleges, professional bodies, regulators, healthcare providers and patients to support and enable safer care.

As well as delivering a series of projects to digitise transfusion pathways (as described in the **Modernising our Operations** section, see p. 30), NHSBT has developed an **education and training improvement plan** looking at how to improve undergraduate training and support professional development.

Working with our Transfusion 2024 partners, we have also begun to establish a new **hospital transfusion research network** to tackle variations in the way hospitals access research trials, which should help to reduce health inequalities and accelerate research timelines.

[1] https://www.nhsbt.nhs.uk/what-we-do/diagnostic-and-therapeutic-services/therapeutic-apheresis/therapeutic-apheresis-treatments/

[2] https://mft.nhs.uk/2024/03/05/countrys-first-specialist-unit-launches-in-manchester-to-support-patients-with-sickle-cell-disease/

> ***Being able to do the red cell exchange in four hours through USG cannulation is life changing. I am left with no scars or bleeding, and I can get back to my child quickly, who is totally dependent on me.***
>
> ***A sickle cell patient in Leeds who benefited from new ultrasound guided cannulation technology***

Improving access to cellular and gene therapies

Key measure	2023-24	2022-23	Year-on-year trend	2023-24 target	Performance
The number of stem cell transplants supported by CMT	1,787	1,849	-3.3%	1,853	Below target

Cellular and gene therapy is based on the idea that the transfer of living cells, genetic material or a combination of the two can be used to cure or treat a wide range of acquired and inherited diseases. These techniques can be used to treat illnesses such as leukaemia, haemophilia, autoimmune disorders, cancer, HIV, melanoma, and cystic fibrosis.

Across our **Cellular and Molecular Therapies (CMT) operations**, overall service activity was below plan, supporting 1,787 stem cell transplants compared with 1,849 last year.

However, CMT continued to make important contributions to advanced medical research and treatment programmes. During 2023-24, we have supported the RESTORE clinical trial[1] (see p. 46), while our laboratory in Liverpool has been one of three centres in Europe manufacturing new ORBCEL-M cell therapy products as part of the 'NEPHSTROM' multicentre clinical trial[2], an exciting project which could mean patients with progressive kidney disease avoid the need for a transplant in the future.

Both our CMT and Therapeutic Apheresis Service (TAS) facilities in Oxford also began supporting a new CAR-T service[3] delivered in partnership with Oxford University Hospitals (OUH), marking another important landmark in extending patient access to this ground-breaking cancer treatment. It means that six out of our eight TAS units and all five of our stem cell laboratories are now supporting the provision of CAR-T therapies in collaboration with their respective NHS trusts.

For example, in Oxford a patient's T-cells are collected by the specialist NHSBT TAS unit based within the John Radcliffe Hospital before being genetically engineered to fight the cancer and then stored at NHSBT's CMT laboratory at ultra-low temperature until ready for infusion by the OUH team.

[1] https://www.nhsbt.nhs.uk/clinical-trials-unit/current-trials-and-studies/restore/

[2] https://nephstrom.eu/the-project/the-clinical-trial/

[3] https://www.england.nhs.uk/cancer/cdf/car-t-therapy/

Key measure	2023-24	2022-23	Year-on-year trend	2023-24 target	Performance
Total income generated across all Cell, Apheresis and Gene Therapy (CAGT) services	£38.6m	£36.0m	+7.1%	£42.0m	Improving but below target
Total income generated by the Clinical Biotechnology Centre (CBC)	£1.9m	£3.6m	-47.2%	£5.0m	Falling and below target
Total income generated by Advanced Cellular Therapies (ACT)	£1.0m	£0.5m	+100%	£2.3m	Improving but below target

In March 2023, NHSBT opened its state-of-the-art **Clinical Biotechnology Centre (CBC)** in Filton, north Bristol. The £10 million project provides new capacity for advanced cell and gene therapy work, which should contribute greatly to the UK's ability to develop and manufacture new gene and cell therapies.

Unfortunately, during 2023-24 there was an issue within the new facility which temporarily closed plasmid manufacture in the first four months of the year. Plasmid manufacturing resumed later in the year and is now back up and running as normal.

Despite this, work continued at the CBC on the grants awarded by the Medical Research Council and associated charities to support the development and manufacture of viral vectors for the UK's gene therapy sector. The products manufactured by CBC are now being used to make gene therapy medicines that can treat a range of diseases from cancer to inherited genetic disorders such as sickle cell disorder and cystic fibrosis.

With its state-of-the-art facilities, the Clinical Biotechnology Centre represents a £10 million investment in the UK's regenerative medicine capabilities.

Unfortunately, the shutdown did have a serious impact on production capacity, with a number of plasmid manufacturing slots being lost. This had a knock-on effect on CBC income for the year, with the centre generating just £1.9m - which was £3.1m below plan and £1.7m down on the previous year. However, a strong pipeline of prospects is in place for 2024-25, with income forecast to bounce back and grow to approximately £5.4m next year.

Overall, our combined **Cell, Apheresis and Gene Therapies services** generated income of £38.6m, up 7.1 per cent on previous year, but still below plan. Advanced Cell Therapies (ACT) income grew during 2023-24 to £1.0m (from £0.5m last year) but ended the year behind expected target of £2.3m due to the cancellation of a CAR-T clinical trial in the UK where CMT was due to be the manufacturer.

Finally, across all CAGT services, we received zero 'major or critical' regulatory non-compliances in 2023-24 and obtained a Medicines and Healthcare products Regulatory Agency (MHRA) licence, which allows us to manufacture advanced cell therapies for clinical trials at our Barnsley site.

About the Clinical Biotechnology Centre

The Clinical Biotechnology Centre moved into its new, state-of-the-art facilities in Filton during 2023, but has been manufacturing high quality genetic materials for over 20 years. Its work focuses on the smaller-scale, bespoke production of plasmids and viral vectors to support early phase clinical trials and pre-clinical work for cell and gene therapies, providing a route to eventual commercial scale production.

The centre is one of three LifeArc-funded Innovation Hubs for Gene Therapies (IHfGT), which enable academic researchers to take forward novel gene therapy research into clinical trials by providing good manufacturing practice (GMP) grade viral vectors for clinical trials materials, as well as essential translational support and regulatory advice.

Scaling up our plasma facilities

Key measure	2023-24	2022-23	Year-on-year trend	2023-24 target	Performance
Total volume of plasma for medicine collected (source and extracted from whole blood)	161.1 kilolitres	87.2 kilolitres	+84.7%	157.7 kilolitres	Above target
Volume of plasma for medicine extracted from whole blood	144.5 kilolitres	89.5 kilolitres	+61.5%	141.2 kilolitres	Above target
Volume of plasma for diagnostics extracted from whole blood	115.8 kilolitres	141.0 kilolitres	-17.8%	106.8 kilolitres	Above target

Plasma-derived medicines are used to treat patients with compromised immune systems. In the UK, thousands of patients rely on these treatments, but until recently we have been reliant on using imported plasma for producing these medicines due to variant Creutzfeldt-Jakob disease (vCJD) safety restrictions introduced in 1998.

Following the lifting of these restrictions in 2021, NHSBT has made good progress in building up its plasma capabilities, allowing us **to begin shipping plasma in the summer of 2024** for fractionation into immunoglobulin and albumin products.

Having completed a procurement exercise, NHS England awarded a fractionation contract in 2023, and we have since been working with the supplier to develop detailed plans for production. This means we should see the first domestically-sourced immunoglobulin and albumin medicines become available for NHS patients from early 2025.

During 2023-24, our manufacturing operations have also been transformed to allow us to extract more plasma from whole blood donations to the specification required for fractionation. We are doing so gradually by increasing the volume of plasma recovered in stages as we ramp up to full capacity. As discussed earlier (p. 29), this transformation process has also involved creating new testing capabilities, with **a new HAV-B19 laboratory** built at pace in Manchester to support the testing of plasma for medicines.

As a result of this work, we have been able to **exceed the plasma for medicines target** for the year, allowing us to meet the target of building a 250 kilolitre launch stock of plasma by summer 2024. The amount of plasma for use in diagnostic tests is also reducing in line with our plan as more activity is directed towards producing plasma for medicine.

Turning plasma into life-saving medicine: how it works

Human plasma contains many essential proteins that the body needs, that cannot be replicated by man-made medicines. We collect plasma either by extracting it from a whole blood following a donation, or via a source plasma donation.

In source plasma donation, we use a process called **apheresis** to remove the plasma from the blood. This uses a centrifuge machine which draws blood from a person's body and spins it to separate its elements. The machine then collects the plasma in a pouch, and returns the remaining blood cells and platelets to the donor.

The plasma is then frozen and shipped to a **fractionator** to be made into medicines. Fractionation is the name given for the method used to separate and purify each of the important proteins in plasma so they can be made into medicines.

Extending access to tissue and eye services

Key measure	2023-24	2022-23	Year-on-year trend	2023-24 target	Performance
Total income generated by Tissue and Eye Services (TES)	£19.9m	£16.8m	+18.5%	£20.5m	Increasing, but below target
Total income generated by ocular services	£6.56m	£5.37m	+22.2%	£6.41m	Above target

During 2023-24, our Tissue and Eye Service launched a new three-year strategy to increase levels of **ocular and heart valve donation**, where the NHS faces a considerable shortage of supply, and to modernise and improve the resilience of the wider supply chain.

We have now begun a project involving up to 10 NHS hospital trusts that looks at how we can increase levels of ocular donation to meet the growing demand for corneas. This year, we successfully secured 198 more cornea donors compared to the previous year, ensuring 279 more corneas were issued for transplant.

Alongside this, we have worked with NHS England on a renewed drive to target patients experiencing the longest wait for cornea transplants. This has successfully delivered 1,300 corneas for patients waiting more than 52 weeks.

To enable more corneas to be issued for transplant, we have also set up a **new collaboration with Venice Eye Bank** to import corneas for UK patients. Over the last 12 months, this has resulted in more than 100 corneas being supplied for transplant. We are currently discussing similar arrangements with an eye bank in Barcelona.

Despite meeting our performance targets in this area, we are aware that there is a lot more to do to overcome barriers to cornea donation – for example, a significant proportion of those who have registered as organ donors currently choose to opt out of ocular donation. We hope **a new partnership with Specsavers** will help raise public awareness of the importance of ocular donation during 2024-25.

Chris's story

> ***I can see today because of someone else's generous donation of corneas. I've always been open to donating my organs, but it wasn't until I needed cornea transplants that I realised corneas could be donated to help people like me. After this realisation, I made sure my family also signed up for cornea donation.***
>
> ***Chris, a transplant recipient, on the importance of cornea donation***

Chris received cornea transplants in both eyes after being diagnosed with keratoconus, a condition which causes the cornea to thin and bulge.

We are also concerned that **general tissue donations**, including the supply of heart valves, have been lower than expected in 2023-24 and have put in place a new set of measures to address this – these include looking at new opportunities to increase donations from organ donors.

Overall income generated by Tissue and Eye Service (TES) activity grew by just under 18.5 per cent in 2023-24, mainly due to a large increase in the number of serum eyedrop products supplied.

Serum eyedrops are derived from blood and are used a treatment of last resort for patients with severe dry eye syndrome. TES issued 946 (or just over 23 per cent) more batches of this product compared to 2022-23, supporting 475 more patients.

The launch of the Organ and Tissue Donation, Retrieval and Transplantation Academy

A final important collaboration is the new **Organ and Tissue Donation, Retrieval and Transplantation Academy**, which has been set up to offer more specialist training and support, and build deeper relationships across the full span of professionals involved in organ and tissue transplants.

Established in partnership with Northumbria University, the academy will be responsible for developing new collaborative research projects involving academics, NHSBT teams and non-academic partners, as well as delivering accredited education and training opportunities for healthcare professionals in the future.

Strategic priority 4

Driving innovation

Whether in supporting pioneering trials of new blood products and services, applying genomic technologies to improve donor-matching, or helping to improve the chances of securing organ transplants for patients on waiting lists, our work contributes to a range of leading-edge treatments and research.

During 2023-24, we further developed and expanded our genomics programme, with a focus on developing more sophisticated genotyping technologies for matching blood components for transfusion patients and investing in new long-read sequencing technologies to improve tissue typing for patients needing stem cells or solid organ transplants.

We are now starting to see these innovations translate into direct improvements in care – most notably in the ground-breaking work we are now doing with NHS England to routinely offer blood genotyping tests to enable better matching of the blood used for transfusion for all sickle cell and thalassaemia patients across England: a global-first achievement.

Our teams are also involved in testing new ways of supplying blood products in different scenarios. This includes a pioneering project with the Ministry of Defence to develop dried plasma products for faster use in war zones, and a new initiative with air ambulance services looking at how we administer blood transfusions for trauma patients.

In organ donation and transplantation, the greater use of perfusion technologies is helping to improve organ quality and viability across a wider range of people. This is allowing us to increase transplant activity despite reductions in the number of people dying in circumstances that are most conducive to organ donation.

Finally, we are determined to maintain our position at the cutting edge of transfusion and transplantation medicine, as reflected in the investment we are making to support potentially revolutionary breakthroughs in the development of universal blood components and the manufacture of red blood cells from stem cells.

Key highlights for 2023-24: at a glance

New

partnership with NHS England to roll out DNA blood matching test for sickle cell and thalassaemia

75,600

STRIDE donors have been successfully genotyped to improve transfusion outcomes

566

patients recruited to new pilot with air ambulance services looking to blood use in trauma cases

New

online bereavement support package launched for organ donor families

£1.6m

investment in research and development programme via blood donation appointments

53,900

people recruited to Our Future Health national research programme via blood donation appointments

New

activity to develop and manufacture freeze-dried plasma products for the Ministry of Defence

New

digital technologies introduced to improve safety and efficiency of organ matching

How we performed: detailed analysis

Supporting advances in genomic technologies

Genomics is playing a crucial role in improving the way we find and match the right blood for patients requiring transfusions. We know that up to a fifth of people (17 per cent) have side effects after transfusion because of poorly matched blood. As well as being extremely debilitating and unpleasant for patients, these can also lead to transfusion reactions and make it difficult to find enough blood for future transfusions.

As a contributor to the Blood Transfusion Genomics Consortium, we have been supporting the development of a **new DNA test for typing red cell blood groups** for some time. Our Colindale laboratory has now genotyped over 9,000 samples to support the validation process ahead of securing regulatory accreditation. We have also completed the genotyping of 75,600 donors recruited to the Strategies to Improve Donor Experiences (STRIDES) clinical trial using this method.

This year, we started to see this important work translate into direct improvements in patient care, through a new NHS England-approved programme **to give sickle cell and thalassaemia patients** access to this new genetic test. Launched in April 2023, this initiative is a world-first for the NHS, allowing everyone in England with sickle cell, thalassaemia, and transfusion-dependent rare anaemias to have their extended blood groups genotyped for better matching of the blood used for transfusion.

Through our involvement with the **HAEM-MATCH Consortium**, we are also supporting research that looks at the role of extended matching in transfusion to improve outcomes for patients with sickle cell disorder, with a proof of concept being planned in 2024-25 that uses new algorithms to allocate genotyped blood in a way that offers the best possible match for the patient.

Alongside this, NHSBT has partnered with the **Our Future Health programme**, which launched in the summer of 2023 and is expected to become the UK's biggest ever research project. So far we have recruited 53,900 blood donors into the programme by inviting them to give a sample when they give blood, and our ambition is to get at least 100,000 donors to take part. In return, NHSBT will get future access to the donor's blood, platelet and tissue type genetic data, which will again improve our ability to achieve better matches for patients requiring transfusion or transplantation.

Dean's story

> ***Since starting red cell exchange blood transfusions, it feels like a temporary cure as my sickled cells are replaced with normal red blood cells. I want to thank all of the donors who give blood and also to encourage more people from the Black community to give blood as they are so important in saving the lives of people with sickle cell.***
>
> ***Dean reflecting on the value of blood transfusion for sickle cell treatment***

Father-of-three Dean, from Huddersfield needs regular blood transfusions for sickle cell, but has developed antibodies after struggling to find matching blood. Blood group genotyping could mean better matched transfusions with more suitable blood being found.

Improving the blood component supply chain

During 2023-24, NHSBT has also been looking at how it can transform the way blood components are supplied and used in different contexts so that we can improve the way patients are treated in future.

For example, **the Study of Whole Blood in Frontline Trauma** (SWiFT) looks at the clinical and cost-effectiveness of providing whole blood transfusions against standard care in cases of traumatic haemorrhage. A total of 10 trial sites at air ambulance centres were open by the end of 2023-24, and 566 participants had been recruited (67% of target), with recruitment projected to end by January 2025.

We are also making important progress on a £5m project to develop **a dried plasma product** for the Ministry of Defence's Blood Far Forward programme, which aims to deliver blood and plasma within 30 minutes of injury to soldiers in active war zones. Plasma plays a key role in military medicine as it contains clotting factors that can reduce severe bleeding. It is also used to restore blood volumes, maintain blood pressure and improve circulation, thereby allowing the patient to be stabilised. Dried plasma provides a potentially life-saving alternative to frozen plasma in time-sensitive cases because frozen plasma must be thawed before use.

During 2023-24, we have selected the equipment supplier and completed the building a new facility to house the equipment. Our supplier has now started to dry plasma units for a preliminary laboratory study ahead of a clinical trial.

Looking to the future, NHSBT is investing in two projects that could transform the blood supply chain over the long term. Firstly, we have committed to invest a further £1.6m between 2023 and 2026 to support research and development work on **universal plasma and universal platelets** ahead of a formal clinical trial in the future. The project team have agreed heads of terms with two potential technology partners and are making progress in establishing the project team and project work packages ahead of work commencing in 2024-25.

And secondly, we are also continuing to work with the Clinical Trials Unit at Addenbrookes Hospital in Cambridge on RESTORE, **the first clinical trial involving the in-person use of red cells manufactured from stem cells**. A total of 15 doses of manufactured red cells have been given to six participants so far, although the project was delayed during 2023-24 as an external service provider was required to close to complete MHRA-mandated works.

The trial is the first step towards making laboratory-grown red blood cells available as a future clinical product. If proven safe and effective, manufactured blood cells could in time revolutionise treatments for people with blood disorders such as sickle cell and rare blood types where it can be difficult to find well-matched donated blood.

> ***Developing a sovereign capability for dried plasma will save the lives of injured service personnel on operations, whilst securing our own national supply chain for what is a critical product in high international demand.***
>
> ***Major General Tim Hodgetts, Surgeon General and Master General of the Army Medical Services.***

Partnering with the Ministry of Defence, NHSBT is working on a pioneering dried plasma product which could save many lives on the battlefield.

Harnessing technology in organ donation and transplantation

Key measure	2023-24	2022-23	Year-on-year trend	2023-24 target	Performance
Total number of organ transplants carried out (living and deceased)	4,672	4,563	+0.68%	4,750	Improving but below target
The number of organ transplants carried out from deceased donors	3,734	3,598	+3.86%	3,815	Improving but below target
The number of ethnic minority recipients of organ transplants	25%	25%	No change	27%	Stable but below target
Overall organ donation consent rate	61%	61%	No change	66%	Stable but below target

The use of new technology is also transforming organ donation and transplantation, particularly by improving the way organs are preserved and therefore increasing the number of potentially viable donors we can call upon.

In 2023-24, this has helped us increase the overall level of transplant activity. We saw a **year-on-year increase of 5.6% in the number of deceased organ donors**, supporting over 3,700 transplants – which means we have now recovered to 96 per cent of pre-pandemic levels.

For most of the year, our deceased donor transplant activity performed above target, but there were fewer deceased donors than planned in the early part of 2024 which meant that we ended the year 81 transplants short of what we set to achieve.

Harry's story

Our beautiful boy was always full of love, life and kindness. We are filled with immense pride when we think about the gifts Harry has given. I hope the recipients are now able to live life to the fullest as Harry did every day while he was with us.

Lee, Maria and Jess
Harry's Dad, Mum and sister

Harry was 11 years old when he died in a tragic accident the week before Christmas. His liver, kidneys and pancreas were subsequently donated to save five others.

This is a notable achievement in what remains a difficult environment for organ transplantation. There have been some major structural changes in the size and nature of the eligible donor pool seen since the pandemic – specifically, a marked reduction in the number of people dying in circumstances conducive to organ donation.

While the reasons for this shrinkage are unclear, we know there has been a sharp decrease in neurological testing for brain death in intensive care units, contributing to a decline in the number of **deceased donations after brainstem death (DBD)** – which is historically where the majority of transplant organs have come from. During 2023-24, the number of DBD donors fell to 771, compared to 946 before the pandemic. Although we have made good progress in gaining consent from DBDs – the rate has risen to 70 per cent in 2023-24 – this has not been enough to fully offset the decline in numbers.

To make up for this, NHSBT has increased its focus on retrieving more organs from **donations after circulatory death (DCD)**. This is where new technologies, such as DCD Hearts and Abdominal Normothermic Regional Perfusion, are making a big difference. Perfusion technology (see p. 49) allows us to preserve organs for longer as well as increasing the range of donors we can source viable organs from.

As a result, we have seen the number of DCDs increase by 12 per cent this year compared to 2022-23 and by 17 per cent compared 2019-20. Although we still have 16 per cent fewer eligible deceased donors than before the pandemic, this has helped **increase the total eligible donor pool by two per cent last year**.

The change has, however, brought greater challenges in securing family consent to proceed with donation, which remained static overall despite the improvements in DBD consent. Improving the consent rates for DCDs, which often happen in traumatic circumstances and can carry considerable ethical and cultural sensitivities, is something we will be looking at further in 2024-25.

Living donors, meanwhile, continue to make an extraordinary contribution to organ transplantation. This year, 938 people came forward to give one of their organs, slightly exceeding the target (935) we set ourselves. NHSBT has supported this through the development of our **new LivingPath digital system**, which will replace the manual and paper-based processes that have previously been used in matching living organs to recipients.

This system forms part of a wider programme of work to fully digitise the transplantation pathway – which also included the launch of **TransplantPath**, a new website for viewing organ donor information when considering an organ offer in the UK. We hope these developments will support the process of matching organs so that we can increase organ utilisation rates, reduce risk and improve efficiency for everyone involved.

And finally, we are acutely aware of our responsibility to support the welfare and aftercare of families who make so many of these organ donations possible. This year, we worked with the Sue Ryder charity to establish a new **bereavement support package**, available online to all donor families. As part of NHSBT's wider donor family care service, we hope this resource will support relatives through the difficult times after their bereavement.

How does perfusion work?

Perfusion technology involves restoring the circulation to key organs following death to help maintain their quality and suitability for transplantation. It typically involves pumping the patient's own blood through selected organs using a perfusion machine. These organs are perfused in the body for up to two hours and supplied with blood and oxygen to allow for a controlled donation and recovery from any period of warm ischemia during the dying process, which can be damaging to organs.

Perfusion case study 1

A 44-year-old man was admitted to hospital with chronic liver failure which had affected other organs. A decision was made that further medical treatment would not be of benefit to him. He was referred to the regional organ donation team for an assessment where it was agreed that only his heart was suitable for donation. The option of donation was then discussed with his family who agreed to proceed with donation. Following death, the viability of the man's heart was maintained through perfusion, which meant it could then be successfully transplanted to a patient on the national transplant waiting list.

Perfusion case study 2

A 72-year-old lady was admitted to hospital with a brain haemorrhage. The injury was assessed to be not survivable, and the decision was made to withdraw treatment and a referral was made to the regional organ donation team. Traditionally, the organs of a patient of this age may have been considered unsuitable, given other factors in the patient's medical history. However, in this case, the use of normothermic regional perfusion enabled her liver and kidneys to benefit three recipients on the national waiting list.

Perfusion and other preservation technologies are helping to improve the number and quality of organs available for transplantation.

Strategic priority 5

Investing in our people and culture

Our ambition is to make NHSBT a great place to work, by creating an environment in which staff feel supported and empowered to deliver their best and want to grow their career. That means investing in our people's personal development, protecting their health and wellbeing, and encouraging diversity and inclusion through a culture of dignity and respect.

This year, we are pleased to have made further progress in reducing our gender pay gap, improving the diversity of our management and leadership teams and increasing the number of our staff declaring their sexual orientation or any disabilities – though we know that there is a lot more to do across all these areas.

During 2023-24, we have also started delivering our new Forward Together people and culture programme, which includes further action on developing an anti-racism framework, driving more inclusive recruitment and retention, and raising awareness of intentional inclusion and anti-racism across our workforce.

In addition, our teams have taken important steps forward in reducing overall vacancy rates, retaining our talent, and tackling the high levels of staff turnover and sickness absence in parts of our organisation – it is particularly crucial we do everything we can to strengthen the available workforce capacity for blood and plasma collection, which is why we are working closely with staff to deliver a new workforce operating model for 2024-25.

Finally, NHSBT's commitment to supporting and developing our people into the future is embodied in a new People Plan launched at the end of 2023-24, which sets the direction for our investment in our people and culture over the next three years. Outcomes, objectives and key actions are captured under four pillars: Foundations for Success, Join, Stay and Thrive.

Key highlights for 2023-24: at a glance

3.1 percentage points
fall in overall staff turnover across the organisation

New
resource allocated to our Freedom to Speak Up programme to encourage staff to report concerns

88.0%
of all vacancies filled at the first attempt

4,000+
members of staff took part in non-mandatory training opportunities

1.0% point
rise in ethnic minority representation in senior management positions

New
applicant tracking system to improve effectiveness of recruitment processes

2.4 percentage points
fall in staff turnover within blood donation teams

16.5%
fall in incident harm rates per 1,000 staff members

New
revalidated status as a Disability Confident Level 2 employer

New
additional expertise to support Blood Supply teams in resolving local HR issues

How we have performed: detailed analysis

Recruiting and retaining our people

Key measure	2023-24	2022-23	Year-on-year trend	2023-24 target	Performance
Overall vacancy fill rate	88.0%	86.7%	+1.3 % points	88.0%	On target
Staff turnover/ attrition – NHSBT as a whole	14.0%	17.1%	-3.1 % points	15.0%	Better than target
Staff turnover/ attrition – blood donation teams	20.2%	22.6%	-2.4 % points	21.0%	Better than target

During 2023-24, we have made some important changes in how we approach recruitment to help us make in-roads on reducing vacancy rates across the organisation. This has involved restructuring the NHSBT recruitment team and putting in place HR and recruitment specialists to work with directorates on their recruitment approaches.

Putting in place **additional expertise to support our Blood Supply division** has helped to unblock barriers to recruiting new staff, thereby reducing the number of candidates lost due to problems with application processes. We have also implemented a new applicant tracking system which has provided a more streamlined and reliable way of managing the recruitment process, resulting in less time spent on administration.

There has also been progress in **reducing staff turnover** across NHSBT, which has fallen 3.1 percentage points compared to 2022-23. This has included extensive work with blood donation teams in particular (see box out), resulting in a 2.4 percentage point fall across this part of our workforce.

Improving staff retention in blood donation teams

It is crucial we have enough people available to run our blood donation sessions, and in recent years, high staff turnover has been a problem, with thousands of donor appointments being cancelled due to lack of staff.

As a result, during 2023-24, we put in place a set of targeted measures to improve working conditions and encourage more people to stay with us.

These included:

- better induction arrangements, including the opportunity to visit sessions and learn about the processes involved before new staff start work
- more career opportunities, including the introduction of a new career development pathway to help staff see how they could progress in their roles
- improvements in staff engagement, including Chat Live where colleagues hear directly from NHSBT leaders and can ask them questions

The measures have contributed to a significant fall in turnover across blood donation teams – from a peak of nearly 30 per cent just after the pandemic, to 20.2 per cent as of the end of March 2024.

However, we are determined to do even more to support and retain our excellent staff and hope to make further progress through the development of a new staff operating model next year.

Championing diversity and inclusion

Key measure	2023-24	2022-23	Year-on-year trend	2023-24 target	Performance
Ethnic minority representation at Band 8a and above	14.9%	14.1%	+0.8% points	15.0%	Improving, and just below target
Disability declaration rate	33.8%	27.3%	+6.5% points	27.0%	Above target
Sexual orientation declaration rate	75.7%	72.4%	+3.3% points	80.0%	Improving, but below target

We are proud of our commitment to diversity and inclusion, which over the last two years has seen NHSBT win an LGBTQ+ Inclusive Employer Gold award and a place in the top 100 in Stonewall's Workplace Equality Index. This year, we revalidated our status as a Disability Confident Level 2 Employer and have made important progress in improving the proportion of **people from ethnic minority backgrounds** in senior management positions, with nearly one in seven positions at Band 8a and above now held by a member of staff from a minority ethnic background.

Since the Count Me In campaign was launched in December 2022, we have also seen a 5.3 per cent increase in the number of colleagues **sharing their personal equality information** on our MyESR staff portal, helping us grow the proportion of staff declaring their sexual orientation and any disabilities. Meanwhile, our **gender pay gap** has fallen to 5.0 per cent in 2023-24, which compares favourably to many other public sector organisations, and is well below the national average of 15.4 per cent, though we would like to see it fall further in future years.

Supporting the health and wellbeing of our staff

Key measure	2023-24	2022-23	Year-on-year trend	2023-24 target	Performance
NHSBT sickness absence rate	4.8%	5.1%	-0.3 % points	4.0%	Improving but worse than target
Incident harm rates per 1,000 staff members	7.6	9.1	-16.5%	8.3	Improving and better than target

2023-24 was the first year of our new **five-year health, safety and wellbeing strategy for staff**, known as Promote, Protect, Prevent.

Overall, we saw a **reduction in the number of harm incidents** this year, which fell to 7.6 incidents per 1,000 members of staff, compared to 9.1 in 2022-23. This is partly due to the steady progress we have made in reducing accidents in Blood Supply, following targeted efforts concentrated on tackling the causes of accidents in area teams. We want to build on this during 2024-25 using the same 'test-and-learn' approach – finding examples of good practice and scaling them up where appropriate across the organisation.

Sickness absence rates have also reduced slightly from last year but remained above the targets we set ourselves. There is, however, a big disparity in the rate of sickness across different part of NHSBT, with absence running at around three per cent for our Clinical Services teams and around six per cent in Manufacturing and Logistics. We are continuing to analyse the data and work with our people to understand these differences and consider what else we can do to address them.

Helping our people to thrive

We continue to invest in pastoral support, training and other career development opportunities for people at all levels across our organisation. This includes personal skills development, in-depth career conversations, and structured management and leadership training.

NHSBT is currently supporting a total of 135 **apprenticeships**, spanning from level 2 to level 7, across 51 different programmes. We have also put in place a series of initiatives to build confidence and capabilities of middle managers as part of our **Leadership and Management Plan**. Next year, new training programmes will be introduced to help managers to support colleagues with their mental health.

And finally, during 2023-24 we have also invested more resource into our **Freedom to Speak Up (FTSU)** provision, increasing the capacity of our FTSU Guardians, and raising the number of FTSU Champions from five to 44. We hope this will improve the visibility and diversity of the programme and give more staff the confidence to come forward if they have concerns.

Our sustainability

We emitted 10,700 tCO_2e (tonnes of carbon dioxide equivalent) of Scope 1 (direct) emissions and Scope 2 (indirect) emissions in 2023-24 (2022-23: 11,101 tCO_2e). When Scope 3 (value chain) emissions are added, this brings the estimated total emissions to 13,760 tCO_2e (2022-23: 14,174 tCO_2e). This estimate of Scope 3 does not include all supply chain emissions*.

Emissions data April 2023 to March 2024

Emissions source	Carbon (tCO_2e) 2023-24	Carbon (tCO_2e) 2022-23
Natural gas	2,972	3,008
CO_2**	18	445
Gas oil	103	162
Diesel	2,550	2,505
Fugitive refrigerant gases***	389	44
Total Scope 1	**6,032**	**6,164**
UK national grid electricity	4,668	4,937
Total Scope 1 & 2	**10,700**	**11,101**
Transport	767	792
Transmission, distribution and generation loss	1,654	1,740
Flights	84	74
Regular taxi, motor bike and bus	15	15
National rail	180	117
Waste	67	62
Electric vehicles	12	5
Commuting	39	29
Working from home	239	239
Water	3	n/a
Total Scope 3*	**3,060**	**3,073**
Total Scope 1, 2 & 3	**13,760**	**14,174**
Less self-generated renewables	(73)	(78)

* Note our Scope 3 above does not include all supply chain emissions. Using the Defra EEIO dataset, the Axiom platform and our supply chain spend, an external specialist estimated in 2021-22 that our total Scope 3 emissions were 58,056 tCO_2e. We are currently in the process of re-assessing that estimate, and the Commercial team is now working to a strategy for increasing the collection of Scope 3 data in future.

** The previous calculation method for bottled CO_2 assumed this equated to 100% CO_2. An improved methodology now calculates the percentage of CO_2 within the bottle mix, to give the a more accurate CO_2 figure.

*** The increase in the figure for fugitive refrigerant gases between 2022-23 and 2023-24 is due to improved reporting methodologies.

Scope 1 direct emissions are those from activities owned or controlled by the organisation.

Scope 2 energy indirect emissions are those released into the atmosphere that are associated with the consumption of purchased electricity. These are a consequence of the organisation's energy use but occur at sources we do not own or control.

Scope 3 other indirect emissions are a consequence of the organisation's actions that occur at sources that we do not own or control and which are not classed as Scope 2 emissions.

We are now in the process of closing the 2015-25 Sustainability Strategy, having completed its goals with the final step of embedding a new target of Carbon Net Zero by 2040 into the corporate risk register. Reporting in line with Greenhouse Gas (GHG) protocols includes the main impacts on the environment for NHSBT such as energy, waste and travel. This year we have published a life-cycle assessment of blood products[1], have begun reviewing the first proposal for electrification of the fleet and the development of the infrastructure to support charging, and continued governance activity through maintaining the ISO14001 and ISO22301 certified management systems.

[1] https://onlinelibrary.wiley.com/doi/10.1111/trf.17786

Task force on climate-related financial disclosures (TCFD) compliance statement

NHSBT has reported on climate-related financial disclosures consistent with the HM Treasury (HMT) TCFD-aligned application guidance, which interprets and adapts the framework for the UK public sector. NHSBT has complied with the TCFD recommendations, and recommended disclosures for:

- governance (all recommended disclosures)
- metrics and targets (disclosure (b))

This is in line with HMT's TCFD-aligned disclosure implementation timetable. NHSBT plans to make disclosures for Strategy, Risk Management, and Metrics and Targets disclosures (a) and (c) in future reporting periods, in line with the central government implementation timetable.

TCFD disclosures

Voluntary compliance

NHSBT is classified as a public corporation and is not consolidated into the Department of Health and Social Care's Group Accounts. As a consequence, compliance with the TCFD requirements is optional, although NHSBT has chosen to voluntarily comply.

Board oversight of climate-related issues

Our Board committee structure is shown on page 84.

The Board receives updates on compliance with NHSBT's Net Zero Sustainability Strategy. Board oversight covers all aspects of delivering the strategy:

- key changes
- activity in key areas of the organisation
- compliance
- progress on meeting the objectives of our Net Zero Sustainability Strategy
- environmental performance targets
- adequacy of resources
- communication from interested parties
- opportunities for continual improvement

The reporting process is built around, and forms part of, our ISO14001:2015 certification, and the risk elements are also covered within the organisation's risk management processes.

Climate and other environmental considerations are considered as part of decision making. However, work is underway to formalise this process and bring it together under a detailed Net Zero Strategy that is owned by the Board.

Management's role in assessing and managing climate-related issues

NHSBT operates with delegated line management responsibility for managing risks (including climate change risks). This is expressed in the documented management and standard operating processes. However, the need to update job descriptions with specific responsibilities for carbon and environmental management will form part of the ongoing work to develop an overarching Net Zero Strategy.

All employees are made aware of their responsibilities for carbon and environmental management, through online training. Those employees whose actions can have a significant effect on risk and performance are provided with further role and task specific training.

The strategy is owned and led by the Board, with the Chief Financial Officer as lead sustainability champion. The Board receives updates on progress, and tracks performance against the net zero key-performance indicator. Operational progress reports are fed into the Finance directorate senior management team, by the Estates and Facilities senior management team, on a monthly basis.

The responsible officer is the Head of Estates Transformation and Sustainability, who is responsible for developing and deploying the strategy, as well as the monitoring and reporting process. This work currently includes the development of the new Net Zero Strategy.

Metrics and targets

Our emissions data for 2023-24, together with comparative figures for 2022-23, is set out on page 56. This covers our Scope 1 and Scope 2 emissions, and an estimate of Scope 3 emissions. Our calculation methodology for Scope 1 and Scope 2 follows the Greenhouse Gas (GHG) protocol and the basis for our Scope 3 estimates is set out under the emissions data table.

Our emissions reporting is audited by our external ISO14001:2015 certification body.


100% electric

Our finances

Overall financial performance

The total income received by NHSBT in 2023-24 was £578.6m (£561.0m in 2022-23). Around 70 per cent of our income is provided through sales of products and services to the NHS, with the remainder provided as programme funding from the Department of Health and Social Care (DHSC) and the devolved governments. The increase in income in 2023-24 of £17.6m was due to a higher level of fees and charges being recovered through prices from the sale of Blood and Specialist Services to cover inflationary pressures.

In line with the HM Treasury Financial Reporting Manual, we publish our primary accounting statements on a Net Expenditure basis. This requires that the programme funding received by NHSBT, mostly in support of organ donation, transplantation and stem cells, is included in reserves, rather than in the Statement of Comprehensive Net Expenditure (SoCNE).

The Board and management of NHSBT, however, manage the financial performance of NHSBT on an Income and Expenditure basis, with programme funding reported as income. Note 2 of the financial statements provides the financial results on an Income and Expenditure basis, consistent with the format of our management accounts, and reconciles this to the Net Expenditure basis shown in the SoCNE.

Consistent with the total income of £578.6m received in 2023-24 (2022-23: £561.0m), on a total Income and Expenditure basis, NHSBT reported a surplus of £0.7m (2022-23: surplus of £10.4m). This compares to a planned budgeted deficit of £18.0m. It is common for NHSBT to plan for an Income and Expenditure deficit as a result of using cash reserves to fund some of its planned transformation projects.

The underlying improved financial outcome in 2023-24 versus our planning expectations was driven primarily by:

- higher sales of Plasma for Diagnostics, and funding from NHS England for Plasma for Medicines following the commencement of the Plasma Supply Agreement, which was signed with NHS England during the year
- lower spending than planned for transformation projects and estate costs relating to utility charges
- the above absorbed additional costs in Blood Supply, due to the need for additional spending on temporary labour, overtime and marketing costs in order to maintain blood stock levels

The full quinquennial revaluation of our properties as at 31 March 2024 identified some issues with the desktop valuation previously undertaken at 31 March 2023. This necessitated a prior period adjustment, to restate the 2022-23 figures. This restatement is reflected throughout the prior year comparator figures in this report and the financial statements, and further details are provided under Note 24 on page 146.

Financial performance by segment compared to 2022-23

The overall income for Blood Components (including transport charges) was £322.3m in the year. This was 3.8 per cent higher than 2022-23 (£310.4m) due to an underlying average price per unit increase of four per cent. The increase in other support costs reflects the impact of higher inflation.

The direct cost of Organ Donation and Transplantation (ODT) is funded by DHSC and the three devolved UK governments. Indirect overheads are not funded, however. As such, ODT is effectively subsidised by revenue generated by other parts of NHSBT (£10m). ODT funding overall has increased by £1.9m, which includes non-recurring funding for the DCD Hearts project (£3.6m) and an increase in recurring funding from Scotland and Wales devolved administrations of £0.8m. Although the number of organ donations and transplants was higher than 2022-23, they remain six per cent below pre-pandemic levels.

Sales income in Tissue and Eye Services (TES) was £3.1m higher than 2022-23 at £19.4m (2022-23: £16.3m), off-set by higher variable and direct costs (which increased by £1.7m compared to the previous year), finishing the year with a small overall deficit of £0.1m. This was an improvement on the previous year's deficit (£1.8m), with plans to achieve a cash break even position for 2024-25.

Demand in Clinical Services (Pathology, Stem Cells and Therapeutic Apheresis) increased overall by 4.9 per cent compared to the previous year. Total income (including programme funding from DHSC in support of the NHS Cord Blood Bank and the British Bone Marrow Registry) grew to £87.3m in 2023-24, 9.8% higher than the £79.5m seen in 2022-23.

Following the signing of the Plasma Supply Agreement with NHS England during the year, the reported revenue for Plasma has increased by £17.6m in year. This was due to a combination of recognising the DHSC funding which had been previously been deferred from 2022-23, and increased sales volumes of plasma for diagnostics. A significant proportion of this will be carried forward as cash reserves into the following financial year to support operational collection costs in the first quarter and planned transformation activities.

Capital expenditure

DHSC provided a total of £15.5m funding for capital expenditure in 2023-24 (2022-23: £10.5m). During the year our actual capital expenditure (excluding right of use assets) was slightly lower at £15.1m. Of this, £4.4m was spent on the continuation of the Blood Technology Modernisation Project, which is rewriting the underlying code of the Pulse blood management system, to preserve its long-term future and resilience. Other capital expenditure included various IT projects that support the organisation's strategy to modernise core technology (£2.5m), expenditure relating to our estate of (£2.8m), and £5.4m spent on a range of critical business equipment across Blood Supply and Clinical Services laboratories including irradiators, platelet incubators, centrifuges, controlled rate freezers and flow cytometers.

Net assets

Net assets decreased to £287.6m at 31 March 2024 from £288.9m at 31 March 2023. The key movements were:

- non-current assets increased from £251.0m to £253.7m due to a combination of the impact of the quinquennial full revaluation of our property assets, indexation and asset additions
- trade and other receivables reduced slightly by £4.9m, from £75.4m to £70.5m. Trade and other payables reduced sharply by £26.9m, from £75.5m in March 2023 to £48.6m in March 2024, due to large volumes of payments at the year end, resulting in the lower closing cash balance as reported below
- other financial liabilities (current and non-current) increased by £1.5m from £29.7m to £31.2m, mainly due to the recognition of new lease liabilities arising from lease reviews and renewals, and a small number of new leases, in line with the requirements of the IFRS 16 accounting standard
- cash sharply decreased by £26.3m from £50.7m at the end of March 2023 to £24.4m at the end of March 2024, broadly matching the reduction in trade and other payables

Note 19 of the financial statements describes NHSBT's contingent liabilities. There are no other significant contingent liabilities to report, as at 31 March 2024.

NHSBT is the corporate trustee for the NHS Blood and Transplant Trust Fund. The total net assets of the trust fund at 31 March 2024 were £170k (compared to £118k at 31 March 2023). The Trust Fund accounts are published on the NHSBT and Charity Commission websites. Although the Trust Fund assets are controlled by NHSBT, consolidated accounts are not produced as the Trust Fund is not financially material to NHSBT.

The Trust fund accounts can be found here:

https://register-of-charities.charitycommission.gov.uk/charity-search/-/charity-details/3082011

https://www.nhsbt.nhs.uk/who-we-are/transparency/accounts/trust-fund-accounts/

Going concern

We operate a rolling five-year financial planning process which is regularly refreshed to reflect assumptions about product demand, funding from the four UK Health Departments, operating costs, and the projected costs and benefits of our investment programme. We use this process to adjust prices for blood and specialist services and provide our Board with assurance that we can generate adequate income and cash resources, to meet our expected costs over the coming five-year period.

We have refreshed our planning and pricing models, and in agreement with DHSC and NHS England, we have revised our prices for blood and specialist services in 2024-25. Along with funding from DHSC and the devolved governments for organ donation, transplantation and stem cells, we have a funding envelope which is sufficient to meet our operational plans in 2024-25.

Looking beyond 2024-25, we continue to expect that sufficient funding will be available to meet NHSBT objectives and operating requirements. We are not aware of any pending changes to NHSBT functions but also take into consideration the HM Treasury Financial Reporting Manual assumption that services would continue to be provided. Taking this into account, we continue to adopt the going concern basis in the preparation of these financial statements.

Our principal risks

Principal risks are risks that could significantly affect the achievement or performance of NHSBT's corporate responsibilities and / or the effective delivery of strategic priorities. The score of principal risks is influenced by contributory risks, which are managed by the responsible business area.

The ten principal risks, aligned to the corporate strategy, are owned and overseen by a named director. The principal risks are reviewed and challenged by the Risk Management Committee, and are also the subject of 'deep dives' presented at the Audit, Risk and Governance Committee.

The Board monitors the status of each principal risk through the Board Assurance Framework and monthly performance reporting, and also monitors the delivery of improvement actions designed to manage, control and reduce the risks.

Principal risks are monitored and managed in line with NHSBT's agreed risk appetite. The table below summarises the risks as at 31 March 2024 and illustrates the status in line with the appetite level.

Ref	Title	Residual Score	Change during the year	Impact Area	Risk Appetite
P-01	Donor and patient safety	12	↓	Donor and patient safety	Judgement Zone
Linked with the strategic priority 'Modernise our operations'					
P-02	Service disruption	20	↔	Service disruption	Risk Limit
Linked with the strategic priority 'Modernise our operations'					
P-03	Loss of critical ICT	15	**New Risk**	Service disruption	Risk Limit
Linked with the strategic priority 'Modernise our operations'					
P-04	Donor numbers and diversity	9	↓	Service disruption	Judgement Zone
Linked with the strategic priorities 'Grow and diversify our donor base', 'Modernise our operations' and 'Collaborate with partners'					
P-05	Finance	16	↑	Financial	Judgement Zone
Linked with each of the strategic priorities					
P-06	Clinical outcomes and health inequalities	12	**New Risk**	Innovation and development	Tolerance Zone
Linked with the strategic priority 'Drive innovation'					
P-07	Staff capacity, capability, recruitment and retention	12	↓	People	Tolerance Zone
Linked with the strategic priority 'Invest in people and culture'					
P-08	Managers and leaders' skills and capability	12	↓	People	Tolerance Zone
Linked with the strategic priority 'Invest in people and culture'					
P-09	Regulatory compliance (primary regulators)	8	↓	Legal, regulatory and compliance	Optimal
Linked with the strategic priorities 'Modernise our operations', 'Drive innovation' and 'Collaborate with partners'					
P-10	Change programme scale and pace	12	↓	Innovation and development	Tolerance Zone
Linked with each of the strategic priorities					

Risks at the 'risk limit' included **P-02 Service Disruption**. The score for this risk was driven by the identification of Reinforced Autoclaved Aerated Concrete (RAAC) in the structure of the roof of one of our centres in April 2023. Staff were evacuated from the centre, with work reprovisioned to other centres. Equipment has been moved, and areas that still need to be used for activity have been propped and boarded, with certification from a structural engineer. The residual risk relates to the potential impact on the rest of the building and the services that operate from it, should the roof fail. Work is underway adding additional support for the roof, which reduces the risk, and a project team is taking action on short, medium and long-term plans for the site.

The other risk at the risk limit is **P-03 Loss of Critical ICT**. This risk is recorded at this level due to the critical requirement of the security of our systems. There has been considerable activity on system security, with plans to reduce the risk further.

I hereby sign the Performance Report from pages 14 to 63.

Dr Jo Farrar CB OBE **4 September 2024**
Chief Executive and Accounting Officer

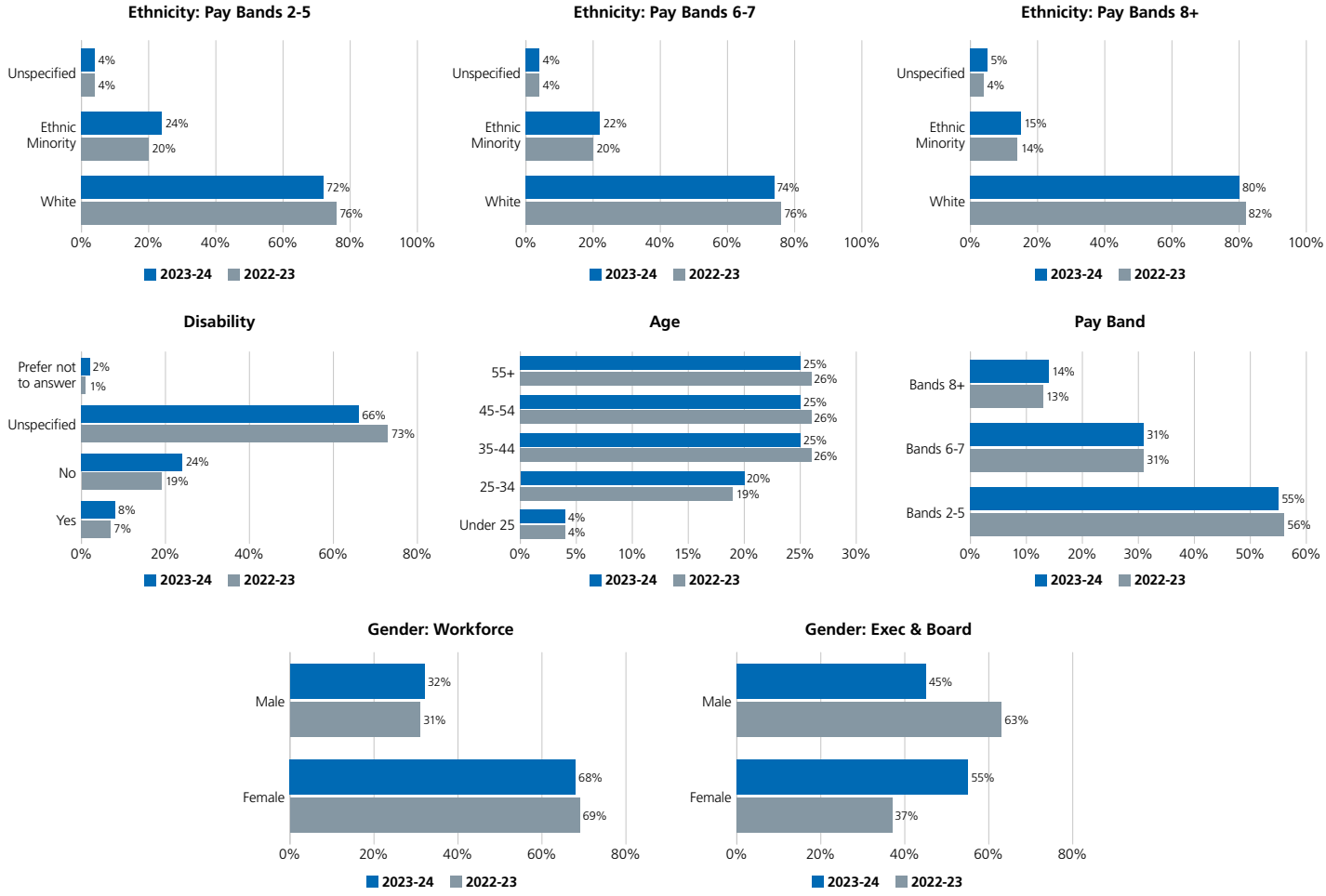
Section 3
Accountability report – remuneration and staff

Our people

Every day our people work tirelessly at the heart of the NHS, showing dedication and a determination to make a difference.

We are proud of our people. We want to attract the best talent, nurture, develop, engage and motivate them so they can continue to save and improve more lives. In this section we describe what we do to achieve that.

The composition of our workforce



Staff turnover

In the last two years we have seen our staff turnover reduce annually. In March 2023 we reported our annual turnover at 15.4%, and at the end of March 2024 it was 13.0%. We have continued to review the annual turnover in our Blood Donation teams, and have commenced work on the Staff Operating Model. Annual turnover in the Blood Donation teams has reduced from the 22.6% reported at the end of March 2023, to 20.2% at the end of March 2024.

Staff numbers and costs

The table below shows a breakdown of staff numbers and costs, distinguishing between staff permanently employed and other staff engaged on the objectives of NHSBT, such as agency staff. This information is also disclosed in Note 4 of the financial statements.

This is subject to audit.

	Permanent	Other	Total 2023-24	Total 2022-23
	£000	£000	£000	£000
Salaries and wages*	225,099	19,822	**244,921**	236,598
Social security costs**	24,188	2,026	**26,214**	24,661
Employer pension contributions***	40,123	2,398	**42,521**	38,836
Total	**289,410**	**24,246**	**313,656**	**300,095**

* Includes temporary staff (including agency) £19.8m (2022-23: £25.7m) and termination benefits £0.2m (2022-23: £0.5m), and is net of recoveries in respect of outward secondments £0.1m (2022-23: £1.2m).
** Includes apprenticeship levy £1.2m (2022-23: £1.0m).
*** Includes contributions to NHS Pensions £42.37m (2022-23: £38.74m, restated from £38.8m to correct previous error) and to NEST £0.09m (2022-23: £0.09m, restated from £0.9m to correct previous decimal place error).

On 1 April 2019, the employer contribution rate for the NHS Pension Scheme increased by 6.3%. The additional cost of £12.9m in 2023-24 (2022-23: £11.8m) was paid by NHSBT and matched by funding from the Department of Health and Social Care. As a result of the completion of the actuarial valuation of the NHS Pension Scheme as at 31 March 2020, the employer contribution rate will rise by 3.1% to 23.7% from April 2024.

In addition, staff costs of £1.1m (2022-23: £1.1m) were capitalised as directly attributable to the development of the new Pulse system (intangible asset) under the 'Blood Technology Modernisation' project (£0.5m NHSBT staff and £0.6m agency).

	Permanent	Other	Total
Whole Time Equivalents	**Number**	**Number**	**Number**
Period Ended 31 March 2024	**5,020**	**648**	**5,668**
Period Ended 31 March 2023	4,891	490	5,381
Of which: Number of whole-time equivalent (WTE) employees engaged on capital projects:	**15**	**1**	**16**

The note above shows average number of whole-time equivalent staff.

Pay multiples

This is subject to audit.

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director in their organisation and the median remuneration of their workforce, for both total pay and benefits, and separately for the salary component of total pay and benefits.

The banded remuneration of the highest paid director in 2023-24 is shown in the table below, together with the remuneration ratios compared to the midpoint of the banded remuneration of the highest paid director's pay. This shows the total pay and benefits pay multiple is 6.6 compared to 6.2 last year. The lower multiple in 2022-23 is due to the impact of the non-consolidated backdated pay award in that year. The pay multiple for the salary component only of total pay and benefits in 2023-24 is 6.6, which remains the same as last year.

	2023-24	2022-23
Highest director banded remuneration	**£235k to £240k**	£225k to £230k
Lowest banded remuneration	**£0k to 5k**	£0k to £5k
25th percentile remuneration (total pay and benefits)	**£27,793**	£28,475
25th percentile remuneration (salary component of total pay and benefits)	**£27,793**	£26,748
50th percentile (median) remuneration (total pay and benefits)	**£35,964**	£36,550
50th percentile (median) remuneration (salary component of total pay and benefits)	**£35,964**	£34,672
75th percentile remuneration (total pay and benefits)	**£50,056**	£51,183
75th percentile remuneration (salary component of total pay and benefits)	**£50,056**	£48,969
Remuneration ratio (total pay and benefits)	**6.6**	6.2
Remuneration ratio (salary component of total pay and benefits)	**6.6**	6.6

Year	25th percentile pay ratio	50th percentile (median) pay ratio	75th percentile pay ratio
2023-24 total pay and benefits	8.5:1	6.6:1	4.7:1
2023-24 salary component of total pay and benefits	8.5:1	6.6:1	4.7:1
2022-23 total pay and benefits	8.0:1	6.2:1	4.4:1
2022-23 salary component of total pay and benefits	8.5:1	6.6:1	4.6:1

Highest Director	2023-24	2022-23	% change from prior year
Salary and allowances	£235k to £230k	£225k to £230k	4.4%
Performance pay and bonuses	-	-	-
For employees of the entity taken as a whole, the average percentage changes from the previous financial year of:			
Salary and allowances	£40,896	£39,196	4%
Performance pay and bonuses	£8	£1,939	-100%*

In 2023-24, no employees (2022-23: nil) received remuneration in excess of the highest paid director.

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

*The reduction in 2023-24 is due to the backdated non-consolidated pay award in 2022-23 which, since it was not consolidated, was reported as performance pay and bonuses.

Sickness absence data

Sickness absence data is reported on a calendar year basis in line with national reporting requirements.

During the period January 2023 to December 2023 the total number of whole-time equivalent days lost to sickness absence was 63,479 days (2022: 66,237 days). This equates to an average of 11.6 days per whole-time equivalent (2022: 12.9 days) and a sickness absence rate of 5.2% (2022: 5.7%).

Our pension schemes

Most of our employees are members of the NHS Pension Scheme, which is an unfunded, defined benefit scheme. We are not able to identify the share of the liabilities related to our organisation and so the scheme is accounted for as a defined contribution scheme. See Accounting Policy 1.20, on page 124.

Exit packages

This is subject to audit.

During 2023-24 there were 10 payments for departures from NHSBT that included three compulsory redundancies, and seven other departures including pay in lieu of notice, special, special severance payments and an employment tribunal judgement. The sum of £0.6m has been paid out in 2023-24 in respect of these exit packages (2022-23: 14 exit packages and payments of £0.9m).

There is currently a £127k provision held for exit packages costs (2022-23 £279k).

The total charge (including accruals) of £0.2m for exit packages was expensed over the period 2023-24, and it is adjusted for opening and closing accruals which are included within salaries and wages in Note 4 of the financial statements (2022-23: £0.5m). The actual exit packages payment during 2023-24 amounts to £0.6m.

The former Chief Executive Officer, Ms B Bassis, left on 9 August 2022. In accordance with the judgement from an employment tribunal, a payment of £96.4k was made to the former Chief Executive Officer in December 2023, and is reported in the table below.

The table below discloses the number and value by cost band of exit packages paid during 2023-24.

Exit Package cost band	Number of compulsory redundancies	Cost of compulsory redundancies (£000s)	Number of other departures agreed	Cost of other departures agreed (£000s)	Total number of exit packages	Total cost of exit packages (£000s)	Number of departures where special payments made	Cost of special payment included in exit package
Less than £10,000	-	-	2	7	2	7	1	2
£10,001 – £25,000	-	-	2	28	2	28	1	15
£25,001 – £50,000	-	-	2	75	2	75	2	75
£50,001 – £100,000	-	-	1	96	1	96	-	-
£100,001 – £150,000	3	369	-	-	3	369	-	-
Totals for 2023-24	**3**	**369**	**7**	**206**	**10**	**575**	**4**	**92**
Totals for 2022-23	**8**	**263**	**6**	**670**	**14**	**933**	**-**	**-**

Redundancies, pay in lieu of notice and other departure costs have been paid in accordance with contractual terms and conditions, the national NHS redundancy terms and conditions, and within the provisions of the NHS Pension Scheme where appropriate. Exit costs in this table are disclosed in full in the year of departure on a cash basis. Ill-health retirement costs are met by the NHS Pension Scheme and are not included in the table.

Ill-health retirement

Ten individuals retired early on ill-health grounds in the year generating additional pension liabilities of £1,060,126 (2022-23: three individuals, £349,794). These costs are met by the NHS Pension Scheme.

The People Committee and senior manager rewards

The membership and purpose of the Committee is shown on page 87. The Chief Executive and Chief People Officer also attend but excuse themselves when their remuneration is being discussed.

In deciding the remuneration of the Chief Executive and Executive Directors, the committee follows all relevant Department of Health and Social Care (DHSC) guidance, the nationally negotiated changes to medical and dental pay, and the DHSC Pay Framework for Executive and Senior Managers (ESM) in Arm's Length Bodies, and any cost-of-living pay increases or changes to remuneration are paid in line with DHSC Remuneration Committee recommendations and the appropriate guidance. Remuneration for the Chair and Non-Executive Board Members is set by the Secretary of State for Health.

All senior managers are appraised annually, and their performance is assessed against personal and corporate objectives. The element of remuneration based on performance for relevant senior staff is as defined by the DHSC Pay Framework for ESM colleagues, as well as any associated guidance issued by DHSC.

Senior management contract information

Contract details for those in senior positions with responsibility for directing or controlling major activities in NHSBT. The start date is the date of commencement of continuous NHS service for pension purposes.

Jo Farrar, Chief Executive Officer. Appointed 1 June 2023. On secondment from the Ministry of Justice. Full-time post with three months' notice period by NHSBT.

Wendy Clark, Deputy Chief Executive. NHS start date 10 September 2018, NHSBT start date and appointed to the role of Chief Strategy, Digital and Information Officer 6 January 2020. Served as Interim Chief Executive Officer from 9 August 2022 until 31 May 2023, appointed to the role of Deputy Chief Executive from 1 June 2023. Permanent full-time post with 12 weeks' notice of termination by the employee, and 12 weeks' notice period by NHSBT.

Dr Gail Miflin, Chief Medical Officer and Director of Clinical Services. NHS start date 1 August 1991, NHSBT start date 1 June 2010 and appointed to the role 1 June 2016. Permanent full-time post with three months' notice by the employee, and three months' notice period by NHSBT.

Anthony Clarkson, Director of Organ and Tissue Donation and Transplantation. NHS start date 16 September 1991, NHSBT start date 1 September 1997 and appointed to the role 11 February 2019, having previously covered the role on an interim basis from 30 July 2018. Full time permanent appointment with three months' notice of termination by the employee, and six months' notice period by NHSBT.

Gerard Gogarty, Director of Plasma for Medicines. NHS and NHSBT start date 1 December 1998. Appointed to the Executive Team 1 March 2022. Permanent full-time post with six months' notice by the employee, and six months' notice period by NHSBT.

Deborah McKenzie, Chief People Officer. Appointed 1 September 2021. On secondment from the UK Health Security Agency. Full-time post with three months' notice of termination by the employee, and three months' notice period by NHSBT.

Helen Gillan, Director of Quality. NHS and NHSBT start date 30 June 2003. Appointed to the Executive Team 28 February 2022. Permanent full-time post with six months' notice by the employee, and six months' notice period by NHSBT.

Rebecca Tinker, Chief Digital Information Officer. NHS and NHSBT start date 7 September 2020. Appointed as Interim Chief Digital Information Officer on 15 August 2022, and Chief Digital Information Officer from 7 December 2023. Permanent full-time contract with six months' notice of termination by the employee, and eight weeks' notice period by NHSBT for the first six months in the role, and six months' notice by NHSBT thereafter.

Paul O'Brien, Director of Blood Supply. NHS and NHSBT start date 25 July 2022. Appointed as Interim Director of Blood Supply from 25 July 2022, and Director of Blood Supply from 10 July 2023. Permanent full-time contract with six months' notice of termination by the employee, and six months' notice period by NHSBT.

Carl Vincent, Chief Financial Officer. NHS start date 1 October 1996, NHSBT start date 10 October 2022. Permanent full-time contract with six months' notice of termination by the employee, and six months' notice period by NHSBT.

Denise Thiruchelvam, Chief Nursing Officer. NHS start date and NHSBT start date 6 October 2023. Permanent full-time contract with six months' notice of termination by the employee, and six months' notice period by NHSBT.

Mark Chambers, Deputy Director of Donor Experience. NHS start date and NHSBT start date 6 June 2022, and appointed to the role 1 July 2023. Permanent full-time contract with 12 weeks' notice of termination by the employee, and 12 weeks' notice period by NHSBT.

David Rose, Director of Donor Experience and Communications. NHS and NHSBT start date 20 May 2020, appointed to the role 20 May 2020. Permanent full-time post with six months' notice of termination by the employee, and six months' notice period by NHSBT. Left NHSBT on 30 July 2023.

Officers appointed during the year 2023-24:

Jo Farrar, appointed Chief Executive 1 June 2023.

Wendy Clark, appointed Deputy Chief Executive 1 June 2023.

Mark Chambers, appointed Deputy Director of Donor Experience 1 July 2023

Paul O'Brien, appointed Director of Blood Supply 10 July 2023.

Denise Thiruchelvam, appointed Chief Nursing Officer 6 October 2023.

Rebecca Tinker, appointed Chief Digital Information Officer 7 December 2023.

Leavers in the year:

David Rose, Director of Donor Experience and Communications. Left on 30 July 2023.

The remuneration and pension benefits of the most senior officials of NHSBT are shown in the tables on pages 70 to 72. The tables are subject to audit.

Remuneration and pension entitlement of senior managers

Remuneration

	Year to 31 March 2024					Year to 31 March 2023				
Name and title	Salary (in £5k bands) £000	Performance pay and bonuses (in £5k bands) £000	Non-cash benefits (to nearest) £00	All pension related benefits (to nearest) £000	Total (in £5k bands) £000	Salary (in £5k bands) £000	Performance pay and bonuses (in £5k bands) £000	Non-cash benefits (to nearest) £00	All pension related benefits (to nearest) £000	Total (in £5k bands) £000
Dr J Farrar (Chief Executive Officer)[1]	150-155	-	-	22	170-175	-	-	-	-	-
Mr P Wyman (Chair)	60-65	-	-	-	60-65	60-65	-	-	-	60-65
Mr P White (NED)	10-15	-	-	-	10-15	10-15	-	-	-	10-15
Prof C Craddock (NED)	5-10	-	-	-	5-10	5-10	-	-	-	5-10
Prof D Kelly (NED)[2]	0-5	-	-	-	0-5	5-10	-	-	-	5-10
Mr P Huggon (NED)[3]	5-10	-	4	-	5-10	5-10	-	-	-	5-10
Ms R Jones (NED)[4]	5-10	-	-	-	5-10	-	-	-	-	-
Ms C Serfass (NED)[5]	5-10	-	-	-	5-10	-	-	-	-	-
Prof L Marson (NED)[6]	0-5	-	-	-	0-5	-	-	-	-	-
Ms P McIntyre (NED)[7]	0-5	-	-	-	0-5	-	-	-	-	-
Mr I Murphy (NED)[8]	0-5	-	-	-	0-5	-	-	-	-	-
Ms W Clark (Deputy Chief Executive Officer)[9]	165-170	5-10	2	43	215-220	160-165	5-10	1	40	210-215
Mr A Clarkson (Director of Organ and Tissue Donation and Transplantation)	150-155	-	8	-	150-155	140-145	5-10	21	37	185-190
Mr C Vincent (Chief Financial Officer)[10]	150-155	-	5	42	195-200	65-70	-	-	19	85-90
Dr Gail Miflin (Chief Medical Officer and Director of Clinical Services)	235-240	-	-	-	235-240	225-230	-	-	85	310-315
Ms D McKenzie (Chief People Officer)[11]	155-160	0-5	-	60	220-225	210-215	-	-	-	210-215
Mr P O'Brien (Director of Blood Supply)[12]	165-170	5-10	-	-	175-180	105-110	-	1	-	105-110
Mr G Gogarty (Plasma Director)	120-125	5-10	-	-	125-130	115-120	-	-	92	205-210
Ms H Gillan (Director of Quality)	120-125	-	2	-	120-125	110-115	-	1	97	205-210

	Year to 31 March 2024					Year to 31 March 2023				
Name and title	Salary (in £5k bands) £000	Performance pay and bonuses (in £5k bands) £000	Non-cash benefits (to nearest) £00	All pension related benefits (to nearest) £000	Total (in £5k bands) £000	Salary (in £5k bands) £000	Performance pay and bonuses (in £5k bands) £000	Non-cash benefits (to nearest) £00	All pension related benefits (to nearest) £000	Total (in £5k bands) £000
Ms R Tinker (Chief Digital Information Officer)[13]	125-130	-	-	31	155-160	70-75	-	-	14	85-90
Ms D Thiruchelvam (Chief Nursing Officer)[14]	60-65	-	-	-	60-65	-	-	-	-	-
Mr M Chambers (Deputy Director of Donor Experience)[15]	75-80	-	1	17	95-100	-	-	-	-	-
Mr D Rose (Director of Donor Experience and Communications)[16]	50-55	-	-	12	65-70	145-150	5-10	-	36	190-195
Ms B Bassis (Chief Executive)[17]	-	-	-	-	-	65-70	-	-	1	70-75
Mr C St John (NED)[18]	-	-	-	-	-	5-10	-	1	-	5-10
Ms H Fridell (NED)[19]	-	-	-	-	-	0-5	-	-	-	0-5
Ms J Lewis (NED)[20]	-	-	-	-	-	5-10	-	-	-	5-10
Mr R Bradburn (Director of Finance)[21]	-	-	-	-	-	90-95	-	31	16	110-115
Mr S Cornes (Director of Blood Supply)[22]	-	-	-	-	-	40-45	-	-	-	40-45
Ms J Kidd (General Counsel)[23]	-	-	-	-	-	75-80	-	1	5	80-85

Notes

NED = Non-Executive Director. Performance pay and bonuses relates to pay earned in the previous year. Non-cash benefits were in relation to the provision of cars and reimbursement of business mileage and are stated in round £100's not £1,000's.

1 Dr J Farrar - appointed Chief Executive Officer from 1 June 2023. Seconded from the Ministry of Justice (MoJ) and costs represent the payments made by the MoJ. Full year equivalent salary (£5k bands) is £175-£180k and full year employer's pension contributions are (£2.5k bands) £25-27.5k.

2 Prof D Kelly – left on 30 June 2023. Full year equivalent salary (£5k bands) £5-£10k.

3 Mr P Huggon – left on 29 February 2024. Full year equivalent salary (£5k bands) £5-£10k.

4 Ms R Jones – appointed on 1 May 2023. Full year equivalent salary (£5k bands) £5-£10k.

5 Ms C Serfass – appointed on 1 May 2023. Full year equivalent salary (£5k bands) £5-£10k.

6 Prof L Marson – appointed on 1 March 2024. Full year equivalent salary (£5k bands) £5-£10k.

7 Ms P McIntyre – appointed on 1 March 2024. Full year equivalent salary (£5k bands) £5-£10k.

8 Mr I Murphy – appointed on 1 March 2024. Full year equivalent salary (£5k bands) £5-£10k.

9 Ms W Clark – Interim Chief Executive to 31 May 2023, full year equivalent salary (£5k bands) £160-£165k; appointed Deputy Chief Executive from 1 June 2023, full year salary (£5k bands) £155-£160k.

10 Mr C Vincent – appointed Chief Financial Officer 10 October 2022. 2022-23 full year equivalent salary (£5k bands) £145k-£150k.

11 Ms D McKenzie – seconded from the UK Health Security Agency (UKHSA). 2023-24 figures are based on actual salary and benefits. 2022-23 figures represent the recharge from UKHSA, including employer's national insurance and pension contributions, but excluding VAT.

12 Mr P O'Brien – appointed Director of Blood Supply 10 July 2023, full year equivalent salary (£5k bands) £160-165k; Interim Director of Blood Supply from 25 July 2022 to 9 July 2023, 2022-23 full year equivalent salary (£5k bands) £160-£165k.

13 Ms R Tinker – appointed Chief Digital Information Officer 7 December 2023, full year equivalent salary (in £5k bands) £125-£130k; Interim Digital & Information Officer to 6 December 2023, full year equivalent salary (in £5k bands) £120-£125k.

14 Ms D Thiruchelvam – appointed Chief Nursing Officer 6 October 2023, full year equivalent salary (£5k bands) £125-£130k.

15 Mr M Chambers – appointed Deputy Director of Donor Experience 1 July 2023, full year equivalent salary (£5k bands) £100-£105k.

16 Mr D Rose – left 30 July 2023, full year equivalent salary (£5k bands) £145-£150k.

17 Ms B Bassis – left 9 August 2022, 2022-23 full year equivalent salary (£5k bands) £170-175k. In accordance with an Employment Tribunal judgement, a payment of £96.4k was made to the former CEO in December 2023; the payment is included within the exit packages costs in this report.

18 Mr C St John – left 31 March 2023, 2022-23 full year equivalent salary (£5k bands) £5k-£10k.

19 Ms H Fridell – left 29 July 2022, 2022-23 full year equivalent salary (£5k bands) £5k-£10k.

20 Ms J Lewis – left 31 January 2023, 2022-23 full year equivalent salary (£5k bands) £5k-£10k.

21 Mr R Bradburn – left 28 October 2022, 2022-23 full year equivalent salary (£5k bands) £145k-£150k.

22 Ms S Cornes – left 31 July 2022, 2022-23 full year equivalent salary (£5k bands) £125k-£130k.

23 Ms J Kidd – appointed General Counsel 5 September 2022, ceased role 31 March 2023, 2022-23 full year equivalent salary (£5k bands) £130k-£135k.

Pension Benefits

Name and title	Real increase/ (decrease) at pension age (in £2.5k bands) £000	Real increase in lump sum at pension age (in £2.5k bands) £000	Total accrued pension at pension age at 31 March 2024 (in £5k bands) £000	Lump sum at pension age related to accrued pension at 31 March 2024 (in £5k bands) £000	Cash Equivalent Transfer Value at 31 March 2024 £000	Cash Equivalent Transfer Value at 31 March 2023 £000	Real increase in Cash Equivalent Transfer Value £000
Wendy Clark (Deputy Chief Executive)[1]	2.5-5	-	15-20	-	270	173	57
Anthony Clarkson (Director of Organ and Tissue Donation and Transplantation)	-	32.5-35	60-65	170-175	1,415	1,092	192
Carl Vincent (Chief Financial Officer)	2.5-5	-	25-30	-	431	308	71
Dr Gail Miflin (Chief Medical Officer and Director of Clinical Services)	-	52.5-55	75-80	205-210	1,873	1,452	246
Deborah McKenzie (Chief People Officer)[2]	2.5-5	-	30-35	-	540	431	49
Gerry Gogarty (Director of Plasma for Medicines)[3]	0-2.5	-	40-45	105-110	80	54	3
Helen Gillan (Director of Quality)	-	30-32.5	40-45	115-120	1,007	739	178
Rebecca Tinker (Chief Digital Information Officer)[4]	0-2.5	-	5-10	-	87	42	24
Denise Thiruchelvam (Chief Nursing Officer)[5]	-	15-17.5	30-35	80-85	620	414	72
Mark Chambers (Deputy Director of Donor Experience)[6]	0-2.5	-	0-5	-	42	16	8
David Rose (Director of Donor Experience and Communications)[7]	0-2.5	-	10-15	-	141	77	12
Janet Kidd (General Counsel)[8]	-	-	-	-	-	18	-

Notes

1 Interim Chief Executive to 31 May 2023, Deputy Chief Executive from 1 June 2023.

2 Seconded from the UK Health Security Agency, and a member of the Civil Service Pension Scheme.

3 The Cash Equivalent Transfer Value reported is for the 2015 Scheme only. A Cash Equivalent Transfer Value is not available in respect of the legacy Scheme, as normal retirement age for that Scheme has been reached.

4 Interim Chief Digital Information Office to 6 December 2023, Chief Digital Information Officer from 7 December 2023.

5 Appointed Chief Nursing Officer 6 October 2023.

6 Appointed Deputy Director of Donor Experience 1 July 2023.

7 Left NHSBT on 30 July 2023.

8 Ceased role as General Counsel on 31 March 2023.

9 Dr Jo Farrar, Chief Executive Officer from 1 June 2023, is seconded from the Ministry of Justice, and is a member of the partnership pension scheme, and as such does not accrue benefits in the Civil Service Pension Scheme. The employer contributions to her partnership pension account, to the nearest £100, relating to the period from 1 June 2023 were £22,000 (full year equivalent: £26,100; 2022-23 full year: £25,600).

10 Paul O'Brien, Director of Blood Supply, is not a member of the NHS Pension Scheme.

Any members of the NHS Pension Schemes affected by the Public Service Pensions Remedy were reported in the 2015 scheme for the period between 1 April 2015 and 31 March 2022 in 2022-23, but are reported in the legacy scheme for the same period in 2023-24.

Pension table figures explained

The total accrued pension figures are the benefits of all years' membership of the scheme, not just service in a senior capacity.

The Cash Equivalent Transfer Value (CETV) is a cash value placed on the pension benefits, and is the amount available to transfer to an alternative plan if a member leaves the scheme. The value reflects contributions paid by the employee and employer, inflation, the scheme benefits, and any benefits transferred in from other schemes or additional years of pension purchased by the member.

CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries. CETV figures are calculated using the guidance on discount rates for calculating unfunded public service pension contribution rates that was extant at 31 March 2024.

The real increase in CETV is approximating the increase funded by the employer. The calculation of this figure removes the increase due to inflation and contributions paid by the employee.

Off-payroll engagements and their tax arrangements

HM Treasury requires all public sector bodies to publish information about the number of off-payroll engagements that are in place where individual costs exceed £245 per day.

Table 1: Off-payroll engagements as at 31 March 2024, for more than £245 per day	Number
Number of existing engagements earning £245 per day or greater as of 31 March 2024	**35**
Of which, the number that have existed:	
for less than one year at time of reporting	25
for between one and two years at time of reporting	5
for between two and three years at time of reporting	3
for between three and four years at time of reporting	2
for four or more years at time of reporting	-

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

Table 2: Off-payroll workers engaged at any point during the year ended 31 March 2024, earning £245 per day or greater	Number
Number of engagements earning £245 per day or greater, between 1 April 2023 and 31 March 2024	**25**
Of which, the number:	
not subject to off-payroll legislation	-
subject to off-payroll legislation and determined as in-scope of IR35	24
subject to off-payroll legislation and determined as out-of-scope of IR35	1
Number of engagements reassessed for compliance or assurance purposes during the year	-
Of which, the number of engagements that saw a change to IR35 status following review	-

Table 3: Off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2023 and 31 March 2024	Number
Number of off-payroll engagements of board members, and/or senior officials with significant financial responsibility, during the financial year	-
Total number of individuals on-payroll and off-payroll that have been deemed 'board members, and/or senior officials with significant financial responsibility' during the financial year	23

Our approach to diversity and inclusion in our workforce

Investing in our people and culture is a strategic priority to ensure that we are a high performing and inclusive organisation, and is a matter the Board keeps under constant review.

We firmly believe that diversity and inclusion makes us a stronger organisation. It improves the health and wellbeing of our staff, encourages better working relationships, provides fresh new perspectives on the challenges we face, and helps us improve the way we look after our donors and patients. We welcome the challenge of enabling colleagues from all backgrounds to develop and excel in their roles.

Our Equality Diversity and Inclusion (EDI) Council is responsible for overseeing our commitment to develop an intentionally inclusive and anti-racist culture and organisation, and monitors the NHSBT Equality Objectives. The Council makes recommendations to the Executive Team to fulfil the organisation's responsibilities, strategic EDI objectives, and statutory requirements. It provides oversight of equality diversity and inclusion initiatives and programmes, and is responsible for steering and monitoring progress so that we can generate improvements in employee morale and engagement. The EDI Council oversee the following EDI frameworks and regulations:

- Public Sector Equality Duty and Equality Objectives
- Equality Delivery System 2022
- Workforce Race Equality Standard
- Stonewall Workplace Equality Index
- Workforce Disability Equality Standard
- Gender Pay Gap reporting regulations

Our latest equality reports and information can be found on our website.

We launched our People and Culture Programme called Forward Together in 2023 to help us accelerate and deliver on our strategic priorities in this area. Forward Together was established with three initial workstreams covering the following:

- Workstream 1 – co-creation and implementation of an anti-racism framework
- Workstream 2 – carrying out a review of our systems, processes and policies, linked initially to inclusive recruitment and retention
- Workstream 3 – to raise the awareness of intentional inclusion and anti-racism across our workforce, developing our colleagues' knowledge and providing applicable strategies and techniques to embed anti-racist and intentionally inclusive behaviours in everyday practice

An additional fourth workstream was added to oversee our participation in the Workforce Integration Design Laboratory, part of the Greater London Authority initiative to improve access and inclusion to employment opportunities. As part of this initiative, we won a Project in Progress Award for our work on the re-design of the Black Asian and Minority Ethnic Recruitment Support Panel.

Disability confident employer

We are recognised as a disability confident employer by the government's Disability Confident Scheme. Applicants for job vacancies are encouraged to be open so we can meet their needs and provide an inclusive experience. We operate the guaranteed interview scheme for those who meet the minimum criteria. Adjustments are regularly made in recruitment, in induction training, and throughout employment as required, and we have published our organisational Workplace Adjustments Policy. Support is also provided by Access to Work and our occupational health provider. We aim to improve the numbers of colleagues self-identifying their disability status, ensure adjustment needs are met, and that there is monitoring of career development and progression. We use feedback from our staff survey to monitor and track progress of disabled colleagues' working experiences and engagement. We continue to monitor and measure ourselves against the NHS Workforce Disability Equality Standard.

Gender pay gap

Our latest gender pay gap report (2023)[1] is available on our website. NHSBT employed 5,735 'relevant' staff members (including 11 directors) of whom 3,922 were female (of which six were directors) and 1,813 were male (of which five were directors).

NHSBT's overall ratio of male to female employees is approximately 32:68, which is broadly in line with the ratio in the wider NHS. However, the ratio of male to female employees is 34:66 for the upper quartile of pay.

Our mean gender pay gap for ordinary pay has been reduced to 5.04%, which is significantly better than other public sector organisations, and well below the national average of 14.9% (Office of National Statistics, 2022[2]). This means that for every £1 we pay to men we pay 94.96p to women. Our median pay gap for ordinary pay has increased to 3.57% from 0.15% in 2022. In other words, for every £1 we pay to men we pay 96.43p to women.

[1] https://nhsbtdbe.blob.core.windows.net/umbraco-assets-corp/32760/31703-0548kc-gender-pay-gap-report-2023-v3.pdf

[2] https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/genderpaygapintheuk/2022

Engagement

Our engagement score remains above 7 (out of 10) at 7.1 in 2023. Of the 14 drivers included within our 2023 survey, we saw an improvement in 12 of these, with one staying the same compared to the benchmark of our 2022 survey.

We undertook our next annual survey in May 2024 using our Employee Experience Platform. Once the results have been analysed this will give us an updated benchmark, allowing us to track progress made on the priorities we identified in 2023. The platform we are using enables teams to use their scores to address the actions that they consider are most important for them, as well as providing an organisational picture for our Executive Team. Using this approach in 2023, we saw a reduction in actions from 240 in 2022 to 150 in 2023, and as organisational levels of maturity linked to action planning improved, these actions became much 'smarter'.

People development

We provide learning and development for all colleagues, including personal skills development, and management and leadership development.

Apprenticeships

Our apprenticeship programme is an important way of attracting and retaining talented staff. It provides a wide range of structured training opportunities that combine on-the-job learning with classroom instruction to help people develop professionally.

We offer a wide range of apprenticeships, from level 2 to level 7, and across 51 programmes.

Over the last 12 months:

- 135 people are active 'in-learning' (70 new starts over the last 12 months)
- 15 people are in a break in learning, due to personal circumstances
- 18 people withdrew, due to either leaving the organisation or personal reasons

The apprenticeship levy carry-over into 2024-25 is £2.4m.

Scientific and clinical training

We rely on a broad range of specialists with expertise across different scientific and clinical disciplines. In line with the People Plan, we help scientists in the organisation to 'join, stay and thrive'.

The training and support we provide for scientists within NHSBT and across the wider NHS enables us to continue to develop our workforce and the wider transfusion and transplantation community, creating scientists and leaders for the future.

During the year our Higher Specialist Scientist Trainees (HSST) Programme had 17 trainees (2022-23: 15) across four disciplines (H&I, transfusion, bioinformatics and virology) and three trainees (2022-23: two) qualified becoming Consultant Clinical Scientists. We support a number of Clinical Fellows and actively support training of HSSTs and other colleagues hosted within the wider NHS.

We actively supported 122 other NHSBT learners through a selection of professional qualifications to achieve progress towards Biomedical Science Registration.

In addition, we supported many internal and external delegates in our scientific and transfusion medicine and pathology courses, in our role as one of the key providers of specialist transfusion training to the NHS.

- 450 delegates completed our science courses (compared to 581 in 2022)
- five-day Essential Transfusion Medicine, 98 delegates (2022-23: 101 delegates), now blended with mixture of training packages and virtual classrooms, all accessed remotely
- fifteen-day Intermediate Transfusion Medicine, 83 delegates (2022-23: 91 delegates), now blended with days online (small number of packages with more in development and remote delivery) and two days face-to-face practical
- five-day Practical Introduction to Transfusion Science, 194 delegates (2022-23: 179 delegates), now blended, three days accessed remotely, two days in practical face-to-face
- five-day RCPath Pre-Exam Revision, 153 delegates (2022-23: 117 delegates), delivered fully online
- five-day Specialist Transfusion Science Practice, 113 delegates (2022-23: 80 delegates), blended delivery, four days accessed remotely, one day practical face-to-face
- one-day Advanced Transfusion Masterclass, 143 delegates (2022-23: 13 delegates)

We also operate an MSc in Applied Transfusion and Transplantation Science in partnership with the University of the West of England. We currently have 80 students across three cohorts studying towards this award. We received 92% overall student satisfaction in the National Professional Taught Experience Survey which is a huge achievement.

During 2023-24, we have supported operational laboratories within NHSBT with the successful development and delivery of cohort training of newly recruited Biomedical Scientists for the national network of Red Cell Immunohaematology laboratories. We assisted with the training of 28 scientists across three cohorts with excellent feedback from the cohorts involved.

It is also important we continue to raise the profile of NHSBT as an attractive place to work - and demonstrate that transfusion and transplantation, in particular, are exciting areas in which to build a career. One of the ways we are doing this is by increasing our outreach work. We have supported 20 Biomedical Science placement students on an 11-month placement (11 in the 2021-22 academic year and nine in 2023-24), held 15 days of school age work experience placements for 13 different students at four different NHSBT centres, held school visits in Healthcare Science week, and ran 51 face-to-face tours (mainly at Filton).

We have launched our virtual reality (VR) blood grouping software on the Meta apps store to considerable interest from the transfusion community. We have continued to develop a combined VR package on blood identification and crossmatch. This is helping to increase the range of learning products available to staff and course participants, and raise the profile of transfusion science with college and school age students. The Institute for Biomedical Science recently awarded NHSBT a £50,000 grant to progress the development of VR modules in transfusion as we lead the way within pathology in this immersive training tool. In addition, we have continued to create and maintained a catalogue of new online modules to complement our courses.

Leadership development

We have continued regular conferences for senior leaders, to build our leadership community. These conferences, which are now delivered face-to-face, providing an opportunity for the group to consider key organisational challenges and develop as a leadership group.

In recognition of the pressures that senior leaders face, our coaching faculty continue to provide coaching support for this group, and we are currently evaluating the pilot of an online learning and collaboration tool for this community.

Middle manager leadership and management development

Throughout 2023-24 we continued to deliver a blended approach to developing all leaders and managers, both current and aspiring. This approach delivers a recognised standard for leadership and management skills and behaviours. During 2023-24, 1,069 managers from across NHSBT completed one or more of these programmes.

To help our managers to deliver increasingly complex operational roles, we have continued to develop the online Leadership and Management Toolkit as a single point of access for key management knowledge and information, and this has been accessed over 8,000 times throughout the year. In addition, our Viva Engage online community for Leadership and Management is steadily growing now having 157 members.

In September 2022, we developed a transformation strategy that recognises that managers and leaders face an extraordinary challenge to rebuild an organisation that has been impacted by the pandemic, regulatory criticism and the distrust of significant colleague groups. We are now putting in place new products and services to help managers to thrive and create high performing and inclusive teams in a complex and challenging environment.

Our Leadership and Management Plan continues to improve the engagement, confidence and capability of middle managers across NHSBT through the following initiatives:

- 56 aspiring and new managers engaged in the Edward Jenner management development programme
- 187 middle managers engaged in our Manager 101 and Art of Management programmes
- 411 leaders and managers engaged in our Open House for Leaders programme
- 400 leadership and management activities were accessed via the NHS Elect platform
- all new managers attended a manager induction within 8 weeks of joining NHSBT
- all members of our Executive Team and Board completed EDI training as part of our developing senior leaders programme

Talent management and succession planning

Much of the focus during 2023-24 was on understanding organisational needs, and completing the necessary planning to identify projects and activities to action in 2024-25. We have identified three key areas of focus for the coming year:

1. **Performance Management** – we have begun discovery work looking at the current process and issues, and will make recommendations in 2024-25.
2. **Career Conversations** – we have brought together existing resources, and created new ones, to support effective career conversations. These will be piloted in early 2024-25.
3. **Succession Planning** – we developed a minimum viable product to support succession planning conversations for senior and business critical roles. This will be tested and further developed throughout 2024-25.

Trade Union relationships

NHSBT has a robust Partnership Framework with trade union colleagues underpinning a productive and effective approach to partnership working. Our Directors and the Chief Executive meet with our lead representatives and full-time officers on a quarterly basis, and the Executive Team meets with them annually to share plans for the year ahead. This demonstrates our open and transparent approach and allows for earlier discussion and insight against our organisational strategic priorities.

NHSBT enables 105 (84.15 whole time equivalent) trade union representatives to carry out national consultation/partnership working duties. These representatives collectively spent 15,424 hours on these duties this year, reflecting the scale of change consultation within NHSBT and the geographic spread of employees. Please see below for details of union officials:

Relevant Union Officials	
No. of employees who were relevant union officials during the relevant period	**Full time equivalent employee number**
105	84.15

Percentage of time spent on facility time	
Percentage of time	**Number of employees**
0%	14
1-50%	82
51-99%	2
100%	7

Percentage of pay bill spent on facility time	
Description	**£000**
Total of cost facility time	384
Total pay bill	300,607
Percentage of the total pay bill spent on facility time	0.13%

Paid Trade Union activities	
Time spent on trade union activities as a percentage of the total paid facility time hours	24%

Health, safety and wellbeing

This year we started implementing our new five-year strategy to promote health, safety and wellbeing, prevent harm and protect our people. We have exceeded our accident reduction target in the first year (see p. 98), by focusing on finding examples of good working and implementing them elsewhere through the introduction of a safety programme. This coming year we will work with operational areas to deliver more of what works, to reduce incidents further. Therefore, we will concentrate on visible leadership, engagement of teams in their health, safety and wellbeing, and updating skills.

On wellbeing, we continued with the success of wellbeing roadshows, our employee assistance programme, and enhanced psychological support to help individuals. Next year we will deliver new training to help managers and those with pastoral care roles to support colleagues with their mental health.

Section 4
Accountability report – corporate governance

The Directors' Report

Our Board

The Board provides leadership and sets the tone for the organisation. As a unitary board, the non-executive directors share responsibility with the executive directors for ensuring that resources are in place to meet the objectives set. Our Board brings a diversity of skill, experience, and approach, which underpins our decision-making.

Board Members serving during the period 1 April 2023 to 31 March 2024:

Our Non-Executive Directors

Peter Wyman

Peter brings a wide breadth of skills and experience to the board having held a range of senior posts in the private, public, and voluntary sectors. He was a partner at PricewaterhouseCoopers LLP until 2010, and President of the Institute of Chartered Accountants in England and Wales from 2002 to 2003. In the health sector, he served as Chair of Yeovil District Hospital NHS Foundation Trust from 2011 to 2016, and as Chair of the Care Quality Commission (CQC) from 2016 to 2022 before joining NHSBT. He was awarded a CBE in 2006 for services to the accountancy profession.

Piers White

Piers has held a number of executive roles in financial services, including with Barclays UK and Flemings. He was awarded an MBE for public service in 2009. Piers brings over 20 years' experience as a non-executive director and Chair of a variety of public purpose organisations.

Charles Craddock

Charles is Professor of Haemato-oncology at the University of Birmingham, and Director of the Blood and Marrow Transplant Programme at University Hospitals Birmingham. As well as extensive research interests, he has significant Board experience, including with the UK Stem Cell Strategic Oversight Committee and Anthony Nolan. He was awarded a CBE for services to medicine and medical research in 2016.

Rachel Jones (from 1 May 2023)
Rachel brings an extensive breadth of executive and board level experience in strategy, digital, transformation, and data and technology, taking a long term, commercial and health equality view. Previously an IBM and Deloitte management consultant, she has shaped and led global teams of scale in financial services, sporting events, academia, and retail. Rachel is also a non-executive director with the Northern Care Alliance Foundation Trust.

Caroline Serfass (from 1 May 2023)
Caroline brings significant business, technology and transformational leadership experience gained across a range of industries including pharmaceutical, medical devices, consumer electronics and IT services. She has been a non-executive board member at NNIT since 2018.

Professor Lorna Marson (from 1 March 2024)
Lorna is Professor of Transplantation and Dean of Clinical Medicine at the University of Edinburgh. She is an Honorary Consultant transplant surgeon, at the Royal Infirmary of Edinburgh, and continues to contribute clinically to the renal transplant programme. She is past-President of the British Transplantation Society, and was Associate Medical Director, Research and Development, Organ and Tissue Donation and Transplant, until she took up post as a non-executive director of NHSBT in March 2024. She has recently been made a Fellow of the Royal Society of Edinburgh.

Penny McIntyre (from 1 March 2024)
Penny is currently Global Director of HR for Heriot Watt University, and her previous roles include HR Director for Fibre Network Delivery at Openreach, and HR Director of Infrastructure Projects at Network Rail.

Ian Murphy (from 1 March 2024)
Ian is Commercial Director at IBC Buying Group and previous roles have included Trading Director at Travis Perkins and Chief Financial Officer at Copart and Jessops.

Our Associate Non-Executive Directors

Associate Non-Executive Directors are appointed by the Board, and the role can be on a voluntary or a remunerated basis. They sit on the Board, and Board committees, but are not legal directors and do not have voting rights. Their role helps in achieve a balance of board level skills, bringing additional expertise and diversity.

Bella Vuillermoz (from 3 July 2023, to 2 July 2024)
Bella is an experienced senior leader with 25 years' experience, having worked at two FTSE100 companies, Marks & Spencer and Sky, as well as in City consultancy. She brings broad business experience, having led strategy, communications, sustainability, diversity and inclusion, commercial and operational areas.

Stephanie Itimi (from 6 June 2023)
Stephanie has a wealth of experience in cybersecurity, and has worked with the BBC World Service, the Home Office, and many other national and international organisations. She is the founder of Seidea, a community interest company addressing underrepresentation of women from ethnic minority backgrounds in cybersecurity.

Nicola Yates (from 25 July 2023)
Nicola is an experienced leader, mentor and coach, with a proven successful track record of ambitious and visionary leadership. Nicola received an OBE for services to Women in Business and Workplace Equality. She is the Senior Vice President Mid-size and Cluster Markets – Europe at GSK.

Our Executive Directors

(* denotes voting member of the Board)

Dr Jo Farrar*
Chief Executive Officer (from 1 June 2023)
Jo is an experienced public servant and chief executive whose early career was spent in the Home Office, undertaking work around public service reform. In 2019 she was promoted to Chief Executive HM Prison and Probation Service, responsible for delivering prison, probation and youth custody services in England and Wales, before becoming the Second Permanent Secretary at the Ministry of Justice in March 2021.

Wendy Clark*
Interim Chief Executive Officer (to 31 May 2023)
Deputy Chief Executive Officer (from 1 June 2023)
Wendy is an experienced strategy, transformation and technology leader who has worked across the private and public sectors and multiple industries. Wendy joined NHSBT from NHS Digital where she was the Executive Director of Product Development, and before that held Executive Director roles in National Security. The initial part of Wendy's career was in the private sector leading technology change for organisations such as BP, Thomson Reuters and Astra Zeneca. Wendy has experience working as a trustee in the charity sector, including as Chair of the Board of Trustees at Breast Cancer UK.

Carl Vincent*
Chief Financial Officer
Carl joined our organisation in October 2022 from NHS Digital, where he was Chief Financial Officer from 2013 to 2022, leading their finance and estates functions. Before that Carl worked at the Department of Health and Social Care (DHSC) for 17 years, where he worked as an economic adviser before training as a Chartered Global Management Accountant and transitioning to finance and commercial roles. Prior to his career at the DHSC, Carl studied for an MSc in Health Economics, and before becoming a student he trained and worked as a Registered General Nurse.

Deborah McKenzie*
Chief People Officer
Deborah joined us from Public Health England where she was Chief People Officer. She has experience developing and implementing leadership programmes for the Department of Health. As an associate partner with Accenture, she led a number of large-scale change programmes. Deb was also Senior Responsible Officer for the Public Health Reform consultation, leading a transfer of 11,500 colleagues to the new UK Health Security Agency.

Dr. Gail Miflin*
Chief Medical Officer and Director of Clinical Services
Gail is a Haematology Consultant and NHSBT's Chief Medical Officer. She previously worked at the Royal Free Hospital and University College London Hospitals for ten years, specialising in treating people with sickle cell disorder and thalassaemia. In NHSBT she also leads the pathology team who are looking at how best to provide genotyped blood for people with haemoglobinopathies, to reduce the complication of alloimmunisation. She leads NHSBT's cellular, apheresis and gene therapy services and is sponsor, on behalf of the Department of Health and Social Care, for the UK Stem Cell Strategic Forum.

Anthony Clarkson*
Director of Organ and Tissue Donation and Transplantation
A Registered Nurse with over 30 years' NHS experience, Anthony is a transformational leader who has held a number of roles across the organisation, including leading the creation of NHSBT as the UK's Organ Donation Organisation. In 2018 Anthony was awarded Health Service Journal Clinical Leader of the Year, and he was made a Fellow of the Royal College of Nursing in 2020.

Denise Thiruchelvam
Chief Nursing Officer (from 6 October 2023)
Denise has extensive experience in the fields of nursing, quality, risk, safeguarding and public health. Since 2019 she has been Chief Nurse, Director of Quality, and Director of Infection Prevention and Control for CSH Surrey (a social enterprise), as well as being Executive Lead for Quality and Assurance for North West Surrey Alliance for the past two years. Prior to this, she worked nationally with the England Chief Nursing Officer team and public health within NHS commissioning and the local authorities.

Helen Gillan
Director of Quality
Helen is an experienced leader within NHSBT, and was General Manager of Tissue and Eye Services for 12 years. She has a track record of delivering innovation and modernising services. She was previously an auditor for the British Standards Institute, assessing quality management systems across both the public and private sector.

Gerry Gogarty
Director of Plasma for Medicines
Experienced in transformation, strategy and operations, Gerry has held a number of leadership roles across manufacturing, collection, business transformation and marketing. Prior to joining NHSBT, Gerry led the commercialisation of several local government functions.

Paul O'Brien
Interim Director of Blood Supply (to 9 July 2023)
Director of Blood Supply (from 10 July 2023)
Paul joined us after a long career with Procter & Gamble in a variety of manufacturing and quality roles. He has worked in multiple countries across the globe, where he has developed a wealth of supply chain and leadership experience.

Rebecca Tinker
Interim Chief Digital and Information Officer (to 6 December 2023)
Chief Digital and Information Officer (from 7 December 2023)
Rebecca joined as a director in 2020, having previously spent her career working in strategy and transformation leadership roles for global brands in retail and leisure industries specialising in digital and commercial change.

Mark Chambers
Deputy Director of Donor Experience (from 1 July 2023)
Mark has been a director in government bodies and government-funded organisations, and successfully ran his own marketing agency. He has delivered high profile, multi-million pound campaigns, is a Chartered Marketer, a Fellow of the Chartered Institute of Marketing, and holds a master's in marketing. Mark is also a non-executive director for a leisure company and has held a similar role for a charity.

Directors leaving in the year

David Rose, Director of Donor Experience and Communications, served on the Board until 30 July 2023.
Professor Deirdre Kelly, non-executive director, served on the Board until 1 July 2023.
Phil Huggon, non-executive director, served on the Board until 1 March 2024.

Details of the remuneration of senior managers of NHSBT can be found in the Remuneration and Staff Report at pages 64 to 77.
A full register of interests, updated each year, is available from the NHSBT website here:
http://www.nhsbt.nhs.uk/who-we-are/transparency/accounts/board-expenses-and-interests/

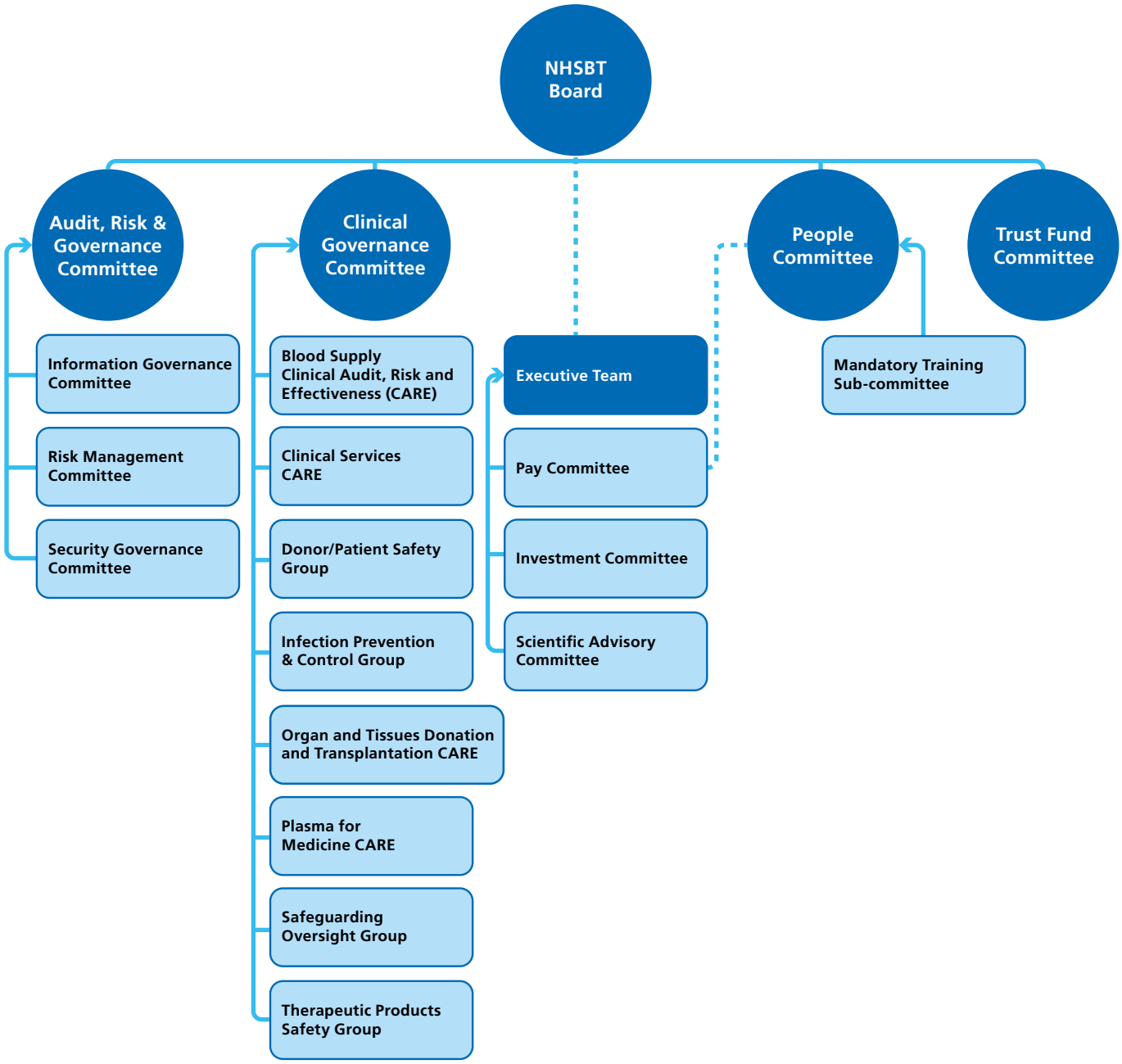
Our governance structure

The Board oversees the strategic direction and the delivery of objectives, and ensures that the core purpose and values of the organisation are upheld. It provides leadership and sets the tone for the organisation. As a unitary board, the non-executive directors share responsibility with the executive directors for ensuring that resources are in place to meet the objectives set.

The Board is supported by four assurance committees to discharge its duties effectively, and each Committee is chaired by a non-executive director with relevant experience and qualification.

The governance structure is shown below:

Board Committee Structure



The Board

Chair: Peter Wyman

The Board is led by a Non-Executive Chair, and is composed of seven other Non-Executive Directors (NEDs), six voting Executive Directors, six non-voting Executive Directors, and three non-voting Associate NEDs.

The Board developed a skills matrix to determine the composition of the Board and the experiences required for leading the organisation. This is to ensure that the Board is balanced and has the skills needed to meet the objectives of NHSBT. The NEDs are appointed by DHSC, and currently our NEDs have a wide range of experience including transplantation, human resources, governance, strategy, finance, and technology. All directors have declared their interests at public meetings of the Board. The Register of Interests is available on the NHSBT website (https://www.nhsbt.nhs.uk/who-we-are/our-board/). The Board reviews its performance and effectiveness annually by way of self-assessment against best practice criteria. An external review is undertaken every three years. The Board met six times in the past year and the NEDS also meet regularly without the Executive Directors present.

Attendance was as follows:

Name	Title	Total attended /Total possible
Peter Wyman	Chair	6/6
Caroline Serfass	Non-Executive Director	4/6
Professor Charles Craddock	Non-Executive Director	4/6
Professor Deirdre Kelly (to 30 June 2023)	Non-Executive Director	1/1
Phil Huggon (to 29 February 2024)	Non-Executive Director	4/5
Piers White	Non-Executive Director	6/6
Rachel Jones	Non-Executive Director	6/6
Ian Murphy (from 1 March 2024)	Non-Executive Director	1/1
Professor Lorna Marson (from 1 March 2024)	Non-Executive Director	1/1
Penny McIntyre (from 1 March 2024)	Non-Executive Director	1/1
Stephanie Itimi (from 6 June 2023)	Associate Non-Executive Director	6/6
Bella Vuillermoz (from 3 July 2023)	Associate Non-Executive Director	5/5
Nicola Yates (from 25 July 2023)	Associate Non-Executive Director	4/5
Dr. Jo Farrar (from 1 June 2023)	Chief Executive Officer	5/6
Wendy Clark	Deputy Chief Executive Officer	6/6
Anthony Clarkson	Director of Organ and Tissue Donation and Transplantation	6/6
Carl Vincent	Chief Financial Officer	6/6
Deborah McKenzie	Chief People Officer	4/6
Dr. Gail Miflin	Chief Medical Officer and Director of Clinical Services	5/6
Denise Thiruchelvam (from 6 October 2023)	Chief Nursing Officer	3/3
David Rose (to 30 June 2023)	Director of Donor Experience and Communications	2/2
Gerry Gogarty	Director of Plasma for Medicines	6/6
Helen Gillan	Director of Quality	5/6
Paul O'Brien	Director of Blood Supply	5/6
Rebecca Tinker	Chief Digital and Information Officer	5/6
Mark Chambers (from 1 July 2023)	Deputy Director of Donor Experience	3/4

Audit, Risk and Governance Committee

Chair: Piers White

The purpose of the Committee is to support the Board and Accounting Officer by reviewing assurances on governance, risk management and the control environment, to ensure that they are comprehensive and reliable. The Committee is responsible for providing assurance of an effective system of corporate governance, risk management and internal control, across the whole of the organisation's activities. This Committee is comprised of independent Non-Executive Directors. Additionally, an independent Non-Executive Member was appointed in November 2022.

Executive Directors attend meetings of the Committee at the request of the Committee chair. The Chief Financial Officer is the Lead Executive, and the Chief Executive Officer, Chief Nursing Officer, Chief Digital Information Officer and Director of Quality regularly attend meetings. Other Executive Directors and management staff are invited to attend meetings, to present on specific areas of risk or operation that are within their area of responsibility. Representatives from the internal and external audit attend each meeting. The Local Counter Fraud Specialist also attends the meeting to present the annual plan, quarterly updates, and the annual report on counter fraud.

The Committee met seven times in the year and the attendance was as follows:

Member	Title	Total Attended /Total Possible
Piers White	Non-Executive Director	7/7
Rachel Jones	Non-Executive Director	6/6
Ian Murphy (joined 26 March 2024)	Non-Executive Director	0/0
Nicola Yates	Non-Executive Director	3/4
Niamh McKenna	Independent Non-Executive Member	6/7
Peter Wyman (ex-officio attendee)	Chair NHSBT	1/1
Professor Deirdre Kelly	Non-Executive Director	0/2

Significant issues considered by the Committee during the year related to:

- a review of the Board Assurance Framework to provide a clearer overview of the strategic risks facing the organisation, any gaps in controls or assurance and the actions being taken to manage these risks or any gaps in controls or assurance
- reviews of key governance, finance, and risk management policies
- annual report and accounts for 2022-23 and the report of the external auditor
- the going concern assumption was examined and recommended for approval
- internal audit annual plan, reports and follow up reports on recommendations, and the internal auditors annual audit opinion
- external audit plan, regular updates on progress, review of the external auditors report and approval of external audit fees
- updates from the local counter fraud specialist
- progress in complying with Government Functional Standards and assurance mapping
- business continuity and disaster recovery
- the Data Security and Protection Toolkit Plan
- indemnity cover and financial risk across NHSBT areas of operation
- review of the Committee's effectiveness and self-assessment of the Committee's work against its delegated responsibilities, with improvement actions as appropriate

Clinical Governance Committee

Chair: Professor Charles Craddock

The purpose of the Committee is to provide assurance to the Board that there is a robust framework for the management of all critical clinical systems and processes. This is a framework through which NHSBT is accountable for continuously improving the quality of services and safeguarding high standards of care by creating an environment in which excellence in care will flourish.

The Committee met six times in the year and attendance was as follows:

Name	Title	Total Attended /Total Possible
Professor Charles Craddock	Non-Executive Director	6/6
Professor Lorna Marson	Non-Executive Director	0/0
Denise Thiruchelvam	Chief Nursing Officer	3/3
Gerry Gogarty	Director of Plasma for Medicine	0/6
Anthony Clarkson	Director of Organ and Tissue Donation and Transplant	4/6
Paul O'Brien	Director of Blood Supply	1/6
Helen Gillan	Director of Quality	5/6
Dr. Gail Miflin	Chief Medical Officer & Director of Clinical Services	6/6

Significant issues considered by the Committee during the year related to:

- the implementation of Patient Safety Incident Response Framework (PSIRF)
- The review of Serious Incidents and learning
- review of manual processes and prioritisation of clinical records to curb data privacy incidents
- approval of the Clinical Audit plan and follow up reports on recommendations
- Serious Incidents annual deep dive
- review of the Committee's effectiveness and self-assessment of the Committee's work against its delegated responsibilities, with improvement actions as appropriate

People Committee

Chair: Caroline Serfass
(chaired by Peter Wyman until September 2023)

The purpose of the Committee is to support the Board to discharge its regulatory duties in respect of employee relations matters, to provide assurance on the Board composition and organisational climate, and to approve recommendations for external recognition. The Committee fulfils the role of the Remuneration and Terms of Service Committee described in the Code of Conduct and Code of Accountability in the NHS 2004.

The Committee met four times during the year, and attendance was as follows:

Names	Title	Total Attended /Total Possible
Peter Wyman	Chair NHSBT	3/4
Caroline Serfass	Non-Executive Director	3/4
Stephanie Itimi	Associate Non-Executive Director	3/3
Bella Vuillermoz	Associate Non-Executive Director	3/3
Phil Huggon	Non-Executive Director	1/4

Significant issues considered by the Committee during the year related to:

- review of the Fit and Proper Persons Regulations (FPPR) Policy
- Forward Together plan and programme
- review of the Freedom To Speak Up (FTSU) Policy
- development of a People Plan
- review of the Committee's effectiveness and self-assessment of the Committee's work against its delegated responsibilities, with improvement actions as appropriate

Trust Fund Committee

Chair: Phil Huggon (to February 2024)
(chaired by Peter Wyman to 25 March 2024,
Penny McIntyre appointed as chair from 26 March)

The Committee has responsibility for the management of funds held on trust by NHSBT, keeping the Board advised of its deliberations and actions and making recommendations to the Board on policy matters and where it has no delegated executive powers.

The Committee met three times during the year, and attendance was as follows:

Members	Title	Total Attended / Total Possible
Rachel Jones	Non-Executive Director	3/3
Phil Huggon	Non-Executive Director	2/2
Carl Vincent	Chief Financial Officer	3/3
Deborah McKenzie	Chief People Officer	0/3
Peter Wyman	Chair NHSBT	1/1

Significant issues considered by the Committee during the year related to:

- 2022-23 Annual Report and Accounts
- 2023-24 Annual Budget
- quarterly Finance updates
- grants status update
- review of Reserves Policy, Procedures and Guidelines
- review of the Trust Fund Scheme of Delegation
- proposals to grow the Trust Fund
- review of the Committee's effectiveness and self-assessment of the Committee's work against its delegated responsibilities, with improvement actions as appropriate

Statement of Accounting Officer's Responsibility

Under section 29A of the National Health Service Act 2006, the Secretary of State for Health and Social Care has directed NHS Blood and Transplant to prepare a statement of accounts for each financial year in the form and on the basis set out in the Accounts Direction. The accounts must give a true and fair view of the state of affairs as at the end of the financial year, and the expenditure and income, total recognised gains and losses, and cash flows during the year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and, in particular, to:

- observe the Accounts Direction issued by the Secretary of State for Health and Social Care, 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 Government Financial Reporting Manual, have been followed and disclose and explain any material departures in the financial statements
- prepare the accounts on a going concern basis, unless it is inappropriate to do so; and
- confirm that the Annual Report and Accounts as a whole are fair, balanced and understandable, and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable

The Principal Accounting Officer of DHSC has designated the Chief Executive as Accounting Officer of NHS Blood and Transplant. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding NHS Blood and Transplant's assets, are set out in Managing Public Money published by HM Treasury.

As the Accounting Officer, 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 NHS Blood and Transplant's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.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Section 5
Accountability report – governance statement

Board and Accounting Officer Scope of Responsibility

The NHSBT Board must have appropriate governance arrangements in place to confirm that NHSBT is operating in accordance with the law and applicable regulations, and that risks to the delivery of strategic objectives are managed. The Accounting Officer is responsible for maintaining a system of internal control to deliver the agreed aims and objectives. The Accounting Officer is personally responsible for safeguarding public funds and NHSBT's assets.

NHSBT's Accountabilities to the Department of Health and Social Care and the Devolved Governments

We are a Special Health Authority in England and Wales that was established by Statutory Instrument in 2005. Our statutory duties are described in our Directions that are published by the Secretary of State for Health and Social Care and the National Assembly for Wales. Our relationship with the Department of Health and Social Care (DHSC) and our accountabilities to them are described in a 'Framework Agreement'. Our Directions and the Framework Agreement are published on our website here: https://www.nhsbt.nhs.uk/who-we-are/transparency/policies-and-regulations/.

Our accountabilities to the Welsh Government, and to the Scottish and Northern Irish Health Departments, relating to organ donation and transplantation, are set out in Board arrangements and income generation agreements.

Duties of the Secretary of State for Health and Social Care

We must comply with the duties of the Secretary of State in the Health and Social Care Act 2012. These include the duty for improvement in quality of services, which we address across all of our governance structures; duties towards research, education and training, all of which NHSBT undertakes for the betterment of our expert workforce and the services we are able to provide now and in the future for patients and service users; and the duty as to the NHS constitution.

Another key duty of the Secretary of State is 'to reduce inequalities between the people of England with respect to the benefits that may be obtained by them from the health service' when providing our products and services. During 2023-24, our efforts included ongoing work to attract more donors with the rarest blood and tissue types as well as those from groups currently under-represented in our existing donor base. In 2024 we will publish a new health inequalities strategy that outlines NHSBT's commitment to addressing unfair and avoidable differences in treatment and health outcomes across services. Specifically, we will focus on four key clinical areas: the reduction in antibody formation in multi-transfused patients through increased collection of Ro blood from Black and minority ethnic donors; the reduction in waiting times for groups who wait demonstrably longer for organs, in particular Black, Asian and younger patients; increasing the availability of red blood cell exchange through commissioned therapeutic apheresis services; and reducing the access gap to optimally-matched unrelated donor stem cells for Black and minority ethnic patients.

The governance framework

Our governance structures and assurance processes have been reviewed by the Audit, Risk and Governance Committee (ARGC). The Framework gives assurance of the delivery of NHSBT's statutory and strategic objectives and the effectiveness of its internal controls and risk management processes. The framework was reviewed against best practice guidance (including 'Corporate Governance in Central Government Departments'). The key assurance strands are described further below.

Board arrangements

Information on our Board and its Committees is set out from page 84.

The Board Assurance Framework

The 'Board Assurance Framework' (BAF) is used to refer to the document that brings together relevant information regarding the principal risks which influence the achievement of the Board's strategic priorities.

The BAF allows the Board to:

- maintain visibility and awareness of the principal risks faced by the organisation which could influence the delivery of strategic objectives
- understand the extent of the risk exposure (residual score) and the activity being undertaken to effectively manage the risks within the risk appetite levels agreed by the Board
- gain assurance that there are effective controls in place to manage the risk(s), including their appropriateness and effectiveness
- understand that in situations where weaknesses in controls exist, there are remedial actions in place to address these

Responsibility for the production and maintenance of the BAF is held by the Corporate Risk Team.

Further details of our principal risks, and our assessment of their status, can be found in the **Our principal risks** section on page 62.

Board effectiveness review

In line with corporate governance best practice, the Board have determined that externally facilitated reviews of its effectiveness, and the effectiveness of its committees, will be undertaken every three years, with internal reviews undertaken in the two intervening years.

Campbell Tickell were engaged in 2021 to undertake an external review, which led to improvements being made to the governance of the Board and its Audit, Risk and Governance Committee. The next externally facilitated effectiveness review is planned for the end of 2024.

An internal board effectiveness review was undertaken in December 2022. The Board considered the report of the findings of the review at a Board seminar in March 2023. A further board and board committee effectiveness review was undertaken in the first calendar quarter of 2024. The findings are being considered by the Board and its committees, and actions determined to be beneficial in achieving continuous improvement of the Board's effectiveness are being agreed and will be tracked to ensure completion.

Strategic management and reporting

The Board approves the business plan and strategies across the organisation, which include the objectives and targets we aim to achieve. Our Executive Team receive a monthly performance report, which is received by Board on alternate months, coinciding with its meeting calendar (papers for which are published on our website here: https://www.nhsbt.nhs.uk/who-we-are/transparency/board-meetings-and-papers/). The content of this report is reviewed periodically to ensure that it provides sufficient information and assurance to the Board.

Delegations

NHSBT continued to operate on financial delegations issued by our sponsor department, the DHSC, during 2021-22, with further clarifications and an update of certain categories effective from 24 July 2023. NHSBT is designated as a Public Corporation by the Office for National Statistics and, unless otherwise covered by the delegations issued to us by DHSC, the spend control requirements relevant to Public Corporations are applicable.

Clinical governance

The Chief Nursing Officer is the responsible director for clinical governance.

During 2023-24 the clinical governance structures have been undergoing transformation activity in preparation for the implementation of the Patient Safety Incident Response Framework.

The Clinical Governance Committee (CGC), which is chaired by Non-Executive Director Professor Charles Craddock, has overseen the transformation planning which has culminated in the development of an organisation Policy for Patient and Donor Safety Incident Management and an associated response plan.

The CGC, as a sub-committee of the NHSBT Board, oversees all matters relating to clinical governance. The committee meets bi-monthly, and reviews reports and updates from directorate Clinical Audit, Risk and Effectiveness (CARE) groups embedded within four clinical operational directorates (Clinical Services, Blood Supply, Plasma for Medicine and Organ and Tissue Donation and Transplantation), seeking assurances and providing recommendations proportionately as required.

Clinical governance activity includes:

- reviewing of Corporate and Directorates' clinical risks, actions and mitigations
- reviewing of Never Events, Serious Incidents and other incidents involving patients, donors, and staff, ensuring that investigations are appropriate, proportionate and learning is shared
- reviewing of clinical audit policy, plans, reports and actions
- reviewing of clinical workforce data including training compliance
- ensuring compliance with national guidance and standards
- reviewing data collection and reporting on infectious diseases in collaboration with the UK Health Security Agency (UKHSA)
- reviewing data collection and reporting on transfusion complications
- reviewing data collection and monitoring of organ data to ensure equity of access, optimise the use of organs and monitor the outcomes of transplantation
- working with other health professionals, DHSC and specialist advisory groups to oversee organ allocation policy
- working with other health professionals, DHSC and specialist advisory groups (including Joint Professional Advisory Committee, which oversees guidelines for all four UK Blood Services) to set policy for blood, stem cells and tissues

Never Events and Serious Incidents

A Never Event is defined by NHS England as a 'serious, largely preventable, patient safety incident that should not occur if the available preventable measures have been implemented by the healthcare provider'.

Serious Incidents (SIs) are defined as adverse events, where the consequences to patients, donors, families and carers, staff, visitors, or other organisations are very significant, or the potential for learning is so great, that a heightened level of response is justified and warrants the use of additional resources.

During 2023-24, there were no Never Events reported, but there were six Serious Incidents (compared to one Never Event and four Serious Incidents in 2022-23). The Serious Incidents were as follows:

In April 2023, following a blood donation, a donor was hospitalised with B12 deficiency and severe anaemia. Investigations highlighted two potential factors: the possible presence of an undetected infection affecting the blood's interaction with copper sulphate solution during testing, and the potential impact of inadvertent tube movement by a nurse during haemoglobin screening, though its effect on test results remains uncertain. This raised questions about the suitability of using copper sulphate for haemoglobin estimation before blood donation. A working group was formed to review and recommend protocols for future haemoglobin testing during blood donation sessions.

In May 2023, during a blood donation session, a donor experienced anaphylactic shock due to an unknown allergy to chlorhexidine, despite carrying an EpiPen for a known celery allergy. Although correct procedures were followed by NHSBT staff, the incident prompted a review to enhance management of allergic reactions during blood donation.

In June 2023, a sickle patient encountered an air embolism during a red cell exchange procedure, due to an error in setting up the apheresis machine. Although the patient experienced shortness of breath and chest pain, they ultimately recovered. Key causal factors included lack of standardised training and an alerting system for air within the blood coil warmer attachment. Training has been standardised and discussions have taken place with MHRA and the manufacturer. A Field Safety Notice has been issued worldwide by the manufacturer.

In September 2023, a faulty malaria antibody screening machine potentially led to inaccurate malaria test results. Retesting of 20 samples revealed three donations with inconclusive results inadvertently issued to hospitals as negative. No adverse effects on patients were reported. Key actions involve reviewing and improving processes related to machine maintenance, staff training, and quality assurance measures.

Also in September 2023, a patient experienced a severe haemolytic transfusion reaction due to receiving incompatible blood units. The incident arose from a verbal instruction to use antigen-negative units, which was only documented on paper and not entered into the laboratory information management system (Hematos). Actions were taken to ensure future verbal instructions from consultants are promptly recorded in Hematos by designated personnel, and to ensure accurate storage of all relevant patient information.

In March 2024, the British Bone Marrow Registry (BBMR) arranged a stem cell donation for an international patient. Unfortunately, a miscommunication resulted in the patient undergoing transplant preparation prematurely, increasing the risk of infection. An ongoing investigation has been initiated, alongside the development of an action plan to rectify these issues and prevent recurrence in the future.

Approach to Never Events and Incidents Management

We embrace our responsibilities for the effective management and learning from Never Events and Serious Incidents. All members of staff including agency workers and contractors are required to report all incidents when they occur. There are accessible policies, processes and systems to support the prompt reporting and investigation of incidents, risks, and other concerns. Furthermore, the Freedom to Speak Up service is also available to promote an open, trusting culture in NHSBT, and is another safe and confidential route to let the organisation know when something is not right.

All incidents are formally investigated. Each incident is also reviewed at directorate level and within CARE groups, to ensure organisational improvements and that learning is shared. Assurance from deep dives is provided through the CARE groups and reported to Clinical Governance Committee (CGC).

The Duty of Candour legislation sets out some specific requirements providers must follow when things go wrong with care and treatment, including informing people about the incident, providing reasonable support, providing truthful information and an apology when things go wrong. We are committed to our Duty of Candour and maintaining honesty and transparency when things go wrong in line with a Just Culture.

The Patient Safety Incident Response Framework (PSIRF) is a new framework developed by NHS England, which replaces the current Serious Incident (SI) Framework. It has a much broader scope than the SI Framework and sets out the NHS approach to developing and maintaining effective systems and processes for responding to patient/donor safety incidents, with a focus on learning and improvement. NHSBT has finalised its PSIRF policy and plan and is currently in the implementation phase of the framework.

Approach to clinical audits

Our clinical approach is supported by a strategy and an annual schedule of audits. Clinical audit findings and recommendations are reported through the Directorate CARE groups with oversight from the Clinical Governance Committee (CGC) bi-monthly.

During 2023-24 ten clinical audits were completed. Risk assessment of clinical audit outcomes is similar to that used by the NHSBT internal audit function, and highlights the level of assurance provided by the findings of each clinical audit. The four potential assurance ratings are substantial, moderate, limited and unsatisfactory. Where relevant, the risk assessment is also linked to risks included in the NHSBT Risk Register.

Three clinical audits were rated as giving substantial assurance (2022-23: two audits), indicating that no issues were found, these were the Substitutions in Orders of Rare Red Cell Units audit, the re-audit of Follow-Up of Pre-Cut DSAEK Grafts from Filton Eye Bank, and the audit of the Ultrasound Guided Cannulation Technique within Therapeutic Apheresis Services.

Seven clinical audits were rated as giving moderate assurance (2022-23: five audits), indicating a small number of low impact issues had occurred. These were: the audit of Haemovigilance Reporting in Red Cell Immunohaematology, the re-audit of The Appropriateness and Accuracy of RCI Antenatal Reporting, the re-audit of The National Frozen Blood Bank, the Plasma for Medicines (PfM) Healthcare Assistant (HCA) Extended Acceptance Criteria Audit, the audit of the Management of Cord Blood Units (CBU) Full Blood Count (FBC) Parameters, the audit of Communication of New Clinical Information During Organ and Tissue Donation, and the Donor Carer Extended Acceptance Criteria Audit. All actions that arose from these audits have either been closed, or are ongoing and being monitored through the NHSBT Quality Management System.

None of the clinical audits were risk assessed as ‘limited’ (2022-23: one audit), which would highlight either issues of low impact potentially occurring frequently, or more significant issues occurring infrequently. Similarly, no clinical audits were rated as giving ‘unsatisfactory’ assurance (2022-23: none), which would indicate a high risk to patient or donor safety.

Infected Blood Inquiry

The Infected Blood Inquiry (IBI) is an independent public statutory Inquiry established to examine the circumstances in which men, women and children treated by national health services in the United Kingdom were given infected blood and infected blood products, in particular in the 1970s and 1980s. NHSBT is a Core Participant in the IBI, and committed at the outset to do all it could to assist the IBI in its search for truth and justice for all, with frankness and transparency. It has been moving and humbling to hear and read the evidence of the Infected and Affected. Throughout 2023-2024 NHSBT continued to assist the IBI with the review of documents and providing responses to formal requests from the IBI. The final report was published on 20 May 2024.

NHSBT has established an implementation group to review and implement, or assist in implementing, the recommendations made by the IBI in the final report.

We have heard, and continue to recognise the hurt, pain and suffering of the Infected and Affected. We have apologised unreservedly for any respect in which it is found that the blood services of the past, or the blood they supplied, was the cause of suffering to any person.

Product safety, regulation and quality assurance

Our products and services must comply with various regulations and legislation, which include the Blood Safety and Quality Regulations 2005, The Quality and Safety of Organs intended for Transplantation Regulations 2012, the Human Tissue Act 2004, the Human Tissue (Quality and Safety for Human Application) Regulations 2007, and the Health and Social Care Act 2012.

We also follow the Guidelines for Blood Transfusion in the UK, and safety advice from the advisory committee for the Safety of Blood, Tissues and Organs (SaBTO).

We are regulated and inspected by several regulatory bodies including the Medicines and Healthcare products Regulatory Agency (MHRA), the Human Tissue Authority (HTA), and the Care Quality Commission (CQC).

We also work to a number of professional standards and accreditations, including ISO15189 Medical Laboratories: the requirements for quality and competence are an international standard that specifies the quality management system requirements particular to medical laboratories. We are inspected regularly by several accreditation bodies such as United Kingdom Accreditation Service (UKAS), the British Standards Institution (bsi) and the Joint Accreditation Committee (JACIE).

NHSBT's reagent products must be CE/UKCA marked as medical devices, denoting they have been made to appropriate standards.

Compliance with regulatory requirements through our quality management system

During 2023-24 there were 29 external regulatory and accreditation inspections of our facilities, services and systems across quality, business continuity and health and safety, by regulators such as the Medicines and Healthcare products Regulatory Agency (MHRA), the Human Tissue Authority (HTA), the Care Quality Commission (CQC), the European Federation for Immunogenetics (EFI), and accreditors for medical laboratories, occupational health and safety, business continuity, environment and Underwriters Laboratory. The overall assessment of these inspections demonstrated that NHSBT is a safe organisation, delivering quality products and services.

We assure ourselves and our regulators of staff, donor and patient safety by operating a single, comprehensive quality management system (QMS) with detailed process documents and compliance records held in an electronic system (Q-Pulse). The records ensure continued, demonstrable compliance with our regulatory requirements, licences, and accreditations. Our processes also ensure that staff are adequately trained and competent. We operate a proactive approach to safety and continuous improvement by implementing a robust process of self-inspection; and a risk-based quality system which provides assurance that controls are in place and risks are managed within the critical operational areas of NHSBT. Our audit process is subject to Government Internal Audit Agency review.

Self-inspections of NHSBT facilities are programmed on a two-yearly cycle, cover all regulated activities at our licenced sites and include:

- **internal quality audits**, undertaken by a team of approved auditors independent of the site or activity being inspected. They provide assurance on effective closure of external inspection findings and identify areas for regulatory and quality improvement
- **risk-based audits** are focussed on critical processes and their improvement. The audits are agreed with directorate leadership teams based on quality incidents, audit findings and directorate risks
- **ad-hoc audits** are commissioned by senior managers, often in response to adverse events, trends or changes to our operations

The NHSBT Director of Quality is an executive role that reports into the Deputy Chief Executive, and delivers assurance to the Board, Audit, Risk and Governance Committee (ARGC), Clinical Governance Committee, and the Executive Team through:

- a quarterly Management Quality Review (MQR) Report to the Executive Team and ARGC
- a semi-annual Quality Performance Review to the Chief Executive's office
- an annual summary MQR Report to the Board
- monthly reporting of supporting key operational KPIs, designed to monitor that key processes remain in control, via the Performance Report

In the previous 12 months, the organisation has focussed on addressing the QMS activities that remain overdue within the system. Monthly executive performance review meetings have been introduced as the Chief Executive holds the team accountable for performance.

Risk management and assurance

Risk management is essential for improving and saving lives and ensuring that the organisation is able to deliver on its strategic priorities.

Our principal risks are shown on page 62. Each risk is linked to the strategic priority that it will most affect, and responsibility for each risk is owned by a member of the Executive Team. Each risk is also assigned an oversight committee that will be responsible for discussing and overseeing these risks on a regular basis, holding the relevant director to account and providing support if required.

An audit on NHSBT's response to the Government Functional Standards was within the internal audit programme in 2023-24. Actions responding to this audit are in progress. The Audit, Risk and Governance Committee approved the audit action plan, and has approved an ambition statement for each standard, which also describes any reason that the standard does not apply, or explains any alternative arrangements that are in place where the standard is not being followed. This is consistent with the 'comply or explain' direction in the Guide to Functional Standards published in May 2021 and available on the gov.uk website. There is an action plan for each Functional Standard, which is led by an Executive Lead and a senior management Subject Matter Expert. The action plans are part of a regular review at the Risk Management Committee and the Audit, Risk and Governance Committee.

Risk management and assurance is scrutinised by two key governance and oversight committees:

(1) **the Risk Management Committee (RMC)** approves the risk management process and the relevant documents that govern that process and oversee the organisation's response to risk

(2) **the Audit, Risk and Governance Committee (ARGC)** which seeks assurance on behalf of the Board that the risk management system is functional and effective. The Board retains the responsibility for approving the organisation's Risk Policy and Risk Appetite statements and has regular reviews of the Board Assurance Framework

In addition, we have a Risk Leads Forum, a sub-group of the Risk Management Committee, which reviews and challenges risk assessments and informs the RMC.

There are terms of reference for the Risk Management Committee, and a policies and procedures guide for its work.

Business continuity

We are the sole supplier for many products and services to the healthcare sector in England for blood, and across the UK for organs. These products and services are critical to the wider health community and patient treatment.

During the 2023-24 year the Critical Incident Process was stood up on nine occasions, with numerous other potential incidents resolved before a Critical Incident was required. The major business continuity incident this year was the short notice closure of part of the Southampton Centre, which was due to Reinforced Autoclaved Aerated Concrete (RAAC) being found in the roof. The centre was closed in mid-April 2023, and the main areas impacted were the Hospital Services and Stem Cells departments. Hospital Services were able to supply hospitals from several other sites: Filton, Plymouth, Oxford, Tooting and Birmingham. Most stem cell units were moved to a contingency location; however, this took significantly longer. All impacted areas have been closed, and a project has been set up to establish how the Southampton site will work in the future.

The external audit of NHSBT's Business Continuity Management System (ISO22301) resulted in four major non-conformities. Firstly, one was raised against the Southampton Roof response, as the response did not meet a requirement in the standard. Secondly, supplier audits require a more focussed business continuity interrogation to ensure their resilience. Thirdly, internal audit, undertaken by Quality Assurance should have had a more thorough business continuity aspect, which has been overlooked. Fourthly, non-conformities identified in a previous audit had not been closed in a timely manner.

A re-audit was undertaken in mid-January, and a corrective action plan was put in place for each of these non-conformities and accepted by the auditors, so that no major non-conformities remained open.

Data Security, Privacy, and Records Management

The Data Security, Privacy and Records Management team's role is to make sure NHSBT is the safest place for our data. 2023-24 was a busy year for the team, with demand remaining consistently high, and levels of Data Processing Impact Assessments, Freedom of Information Requests and Data Subject Access Requests above levels in previous years.

During the year the team assured 61 Data Processing Impact Assessments, which review the data risks involved in the development of our systems and processes, fulfilled 204 Freedom of Information Requests (FOIs) and 441 Data Subject Access Requests (DSARs), responding to 69% of FOIs and 84% of DSARs within the target response times.

Our Information and Cyber Security teams have continued their work to augment and strengthen our security practices. As part of an initiative to review access to our systems, the team identified and removed over 1,000 user accounts. Two large simulated phishing campaigns were run during the year, and these resulted in an average of 10% of users being caught by the exercises. As we look ahead to 2024-25, we will be developing ways to support staff in reducing these rates.

Twelve cyber incidents were reported to NHS England as per the 'Respond to a Cyber Alert' service during the period. There were eight high severity alerts issued by NHS England, 86% were responded to in a compliant and timely manner.

We have recorded 247 data security incidents during the year, a 20% increase on the previous year (2022-23: 205). The most common incident type continues to involve the loss of paper documents, in particular Donor Safety Check forms (DSCs), nearly all of which have been subsequently recovered. We have worked closely with the Blood Directorate and our colleagues in our Donor Centres to review the DSC process and highlight areas for process improvement to reduce data loss incidents. We continue to review all incidents and subsequent trends to identify lessons learned, and share these with the teams responsible, and across wider NHSBT operations nationally, to help avoid recurrence.

There have not been any incidents requiring notification to the Information Commissioners Office during 2023-24 (2022-23: two incidents).

Whistleblowing policy and Freedom to Speak Up Guardian

We have increased our Freedom to Speak Up (FTSU) Guardian provision from one whole time equivalent post, which was previously held by one Guardian, to two whole time equivalent posts, which are now filled by three Guardians working a total of 75 hours per week. All Guardians were appointed through a competitive recruitment process. In addition, the number of Freedom to Speak Up Champions – providing awareness raising, information about how to raise concerns and signposting – has increased from five to 44, bringing much greater diversity and capacity to the service.

During the year, 121 concerns were raised through FTSU and shared with the appropriate managers and leaders for action and resolution. The data shows that the most common concerns are about inappropriate attitudes and behaviours, and bullying and harassment. NHSBT now has a small team of Resolution Specialists providing resolution support to those in conflict, and Guardians now signpost staff to this service where appropriate. Twelve concerns were raised about potential risks to patient or donor safety, of which six related to the same issue. All concerns were appropriately investigated by a senior manager and actions have been taken where necessary. No serious risks or actual harm to patients or donors were identified.

We know from serious incidents across NHS services that we must be willing to 'think the unthinkable and believe the unbelievable'. For the safety of our patients, donors and staff, we must all adopt an approach of professional curiosity when hearing about concerns or noticing something wrong. Drawing on learning from the Lucy Letby case in August 2023, the following steps have been taken at NHSBT:

- our Speak Up/Whistleblowing Policy has been reviewed in line with the NHS England requirement to adopt the National FTSU Template Policy. As a local amendment, a section on whistleblowing has been included providing clear instruction to staff who believe that serious wrongdoing or patient/donor harm is being committed
- National Guardian's Office training was made mandatory for all staff from October 2023 and completion is currently at around 89%
- the FTSU Annual Report is submitted to the Board once a year, with an interim report submitted to the People Committee six months later
- all Guardians are undertaking the new Patient Safety Incident Response Framework (PSIRF) training, and links between FTSU and patient safety leads and services have been strengthened
- in future, the four Speak Up-related questions from the national NHS Staff Survey will be included in NHSBT's Our Voice staff survey, for measuring progress and benchmarking with other NHS organisations
- the Guardians commissioned the NHSBT Service Design Team to provide a discovery research report. The research involved a wide range of stakeholders and service users and has provided key insights into how our FTSU service can be further improved. One of the recommendations was to procure a web-based platform providing easy access to FTSU services and an efficient case management system for tracking responses and outcomes to concerns. This, along with other recommendations, will be implemented during 2024-25

Counter Fraud policy

During the year the Anti-Fraud, Bribery and Corruption policy was comprehensively refreshed. It sets out clear roles and responsibilities, explains how staff must conduct business and report suspected fraud, and details how cases will be investigated.

Our Counter Fraud Strategy, which was approved by the Audit, Risk and Governance Committee (ARGC) during the year, covers the period 2023-26. Within this we have an annually refreshed fraud risk assessment and an annual workplan. During the year we continued to make good progress towards achieving full compliance with the GovS 013: Counter Fraud functional standard, in line with our strategy and workplan. We report on our plans and ongoing work at each ARGC meeting.

We have continued to build awareness of fraud, bribery and corruption risks across the organisation, including running a comprehensive programme of events during International Fraud Awareness Week.

During 2023-24:

- two cases brought forward from the previous year were closed
- two new cases were opened, investigated and concluded during the year
- three new cases were opened and were ongoing at the end of the financial year

Our supply chain ethics and sustainability

We are committed to upholding human rights, anti-corruption, anti-slavery and anti-bribery policies within the NHSBT Commercial lifecycle and our supply chain. We expect suppliers to comply with a code of conduct and our Modern Slavery Policy (Supply Chain). As part of the tendering process suppliers demonstrate how they meet these expectations. Grievance procedures are set out within terms and conditions for workers to raise concerns.

NHSBT is working towards a sustainable supply chain for all significant goods and services purchased, and uses the certification process of ISO14001 and the assessment process of ISO20400 to drive continuous improvement within this area. As part of the tendering process suppliers demonstrate how they deliver sustainability benefits to NHSBT. We apply sustainability performance indicators relevant to contracts, including ones for reducing CO2 and reducing waste. Contract reviews are carried out on an ongoing basis across the supplier base to ensure performance of the contract against these indicators.

Health and safety

Health Safety and Wellbeing is covered in our Accountability report on page 77.

The table below shows the health and safety incidents, by directorate as an incidence rate per 1,000 employees:

	Blood Supply	Plasma	Clinical Services	Organ and Tissue Donation and Transplant	Group Services	Donor Experience	Total
April	45	1	3	2	1	1	53
May	51	1	3	3	1	0	59
June	54	1	10	1	2	0	68
July	50	0	4	4	1	0	59
August	54	2	6	2	3	0	67
September	45	2	2	1	2	0	52
October	50	1	3	2	2	0	58
November	55	1	6	3	1	1	67
December	41	0	2	3	0	0	46
January	41	2	5	6	0	0	54
February	30	0	5	2	1	0	38
March	35	1	3	6	1	0	46
2023-24 Incidence Rate	**12.6**	**10.3**	**3.2**	**4.5**	**1.4**	**0.7**	**8**
2023-24 Target	**12.5**	**33.6**	**3.3**	**5.2**	**0.9**	**0.6**	**8.3**
2022-23 Incidence Rate	14.1	11.4	3.5	4.2	1.9	1.6	9.1

Definitions of the activities of the directorates shown in the table above can be found in Note 2 Operating Segments on page 126.

We are pleased to see a continued reduction in harm incidents, with a fall in harm incidents better than the targeted 7.5% decrease from the previous year. The reduction has been achieved by attention to health, safety and wellbeing throughout the year, in line with our Promote, Prevent and Protect strategy.

Control weaknesses identified during Internal Audit reviews

Our internal audit service is provided by Government Internal Audit.

Definition of the assurance opinions:

Rating	Definition
Substantial	In the auditors' opinion, the framework of governance, risk management and control is adequate and effective.
Moderate	In the auditors' opinion, some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.
Limited	In the auditors' opinion, there are significant weaknesses in the framework of governance, risk management and control such that it could be or could become inadequate and ineffective.
Unsatisfactory	In the auditors' opinion, there are fundamental weaknesses in the framework of governance, risk management and control such that it is inadequate and ineffective or is likely to fail.

The 2023-24 audit programme agreed by ARGC covered 15 work areas, comprising 13 assurance engagements and two advisory reviews. During the year the plan was reviewed, and one review was removed from the initial plan, which was deferred to the 2024-25 programme. Of the 15 activities, 14 have been completed and reported on in the period. Of those that had been reported and were not advisory:

- two received a 'substantial' assurance opinion (2022-23: 0)
- five received a 'moderate' assurance opinion (2022-23: 8)
- four received a 'limited' assurance opinion (2022-23: 8)
- one received an 'unsatisfactory' assurance opinion (2022-23: 0)
- at the close of the financial year, one of the planned audits had not received a final report

The limited and unsatisfactory assurance reports were:

1. Data Protection Security Toolkit (DPST) – Unsatisfactory

The review noted that several standards within the toolkit were rated 'Unsatisfactory' and that the confidence in NHSBT's self-assessment was low. It was noted that NHSBT had been reclassified as a Category 1 organisation, meaning that controls are now tested to a higher standard than in previous years. There was evidence of implementing controls required to reflect the new classification for NHSBT.

2. Functional Standards – Limited

The review noted that NHSBT had not developed an effective plan for the management and implementation of functional standards. The applicability of the standards at a level that is proportionate to business needs and priorities had not been determined and an effective governance and reporting structure had not been established to support compliance.

3. Equality, Diversity and Inclusion – Limited

The review noted that whilst there was a broadly adequate framework in place for managing equality, diversity and inclusion in the organisation, the execution and effectiveness of the arrangements require strengthening to drive the change required by the organisation.

4. Clinical Audit Process – Limited

The review noted that there were significant improvements required with the operation of the controls in the clinical audit process, the retention of audit trails and with regard to the quality of reporting to allow for effective governance and oversight given to clinical audit.

5. Corporate Governance – Limited

The review noted that overall, many of the expected elements of a governance framework were in place but there are some gaps and significant improvements required to ensure effectiveness. Steps are being taken to address known issues, but work is required to ensure that decisions are considered and challenged, and that the organisation is in compliance with the Corporate Governance Code of Good Practice and Managing Public Money.

Internal Audit – opinion of the Head of Internal Audit

In 2023-24, our Internal Audit service was provided by the Government Internal Audit Agency (GIAA). GIAA have provided assurance over NHSBT's core business activities, with individual reviews performed across operational, financial and other risk areas, all informed by the organisation's risk assessment and their independent view on NHSBT's risk profile.

The internal audit opinion noted that the senior management team had taken positive steps towards addressing points raised in the 2022-23 opinion, and have adopted a programme management approach in 2024-25 to help with strengthening the organisation's risk control and governance arrangements.

The Head of Internal Audit confirmed in the opinion that in accordance with the requirements of the UK Public Sector Internal Audit Standards, they are required to provide the Accounting Officer and Audit, Risk and Governance Committee with their annual opinion of the overall adequacy and effectiveness of the organisation's risk management, control and governance processes.

The Head of Internal Audit concluded that: 'My overall opinion is that I can give Limited assurance that NHS Blood and Transplant has had adequate and effective systems of control, governance and risk management in place for the whole of the reporting year 2023-24. This opinion is consistent with the rating given in 2022-23, but in the last quarter of the year implementation of plans to see through a programme of work focused on areas for improvement previously identified puts the organisation on a positive direction of travel towards a more robust internal control framework.'

Operational challenges

Operational challenges we have managed during the year include:

1. Staff turnover in blood collection teams

Our blood collection capacity relies upon having enough nurses and other staff available to run donor sessions safely and effectively. In recent years, high levels of staff turnover within these teams have led to a significant number of appointments being cancelled due to lack of staff, which has impaired our ability to collect enough blood and made it more difficult to retain donors.

In response, we have put in place several measures to boost staff retention and improve recruitment processes, including:

- additional recruitment expertise and support
- a new, streamlined applicant tracking system
- better induction arrangements
- more career opportunities, and a new career development pathway
- improvements in staff engagement

As a result, we have seen staff turnover fall from nearly 30 per cent just after the pandemic, to 20.2 per cent as of the end of March 2024, and this has resulted in a 33 per cent reduction in the number of critically affected teams (from 15 to nine), and a net increase of more than 900 units of capacity per week across the country.

We will continue this work in 2024-25 as we develop a new staff operating model for our Blood Supply division.

2. Risks at the risk limit

Principal risks are risks that could significantly affect the achievement or performance of NHSBT's corporate responsibilities or the effective delivery of strategic priorities. The score of principal risks is influenced by contributory risks, which are managed by the responsible business area. Principal risks are monitored and managed in line with NHSBT's agreed risk appetite. During the year there have been two risks at the 'risk limit', and there are ongoing actions to address these.

P-02 Service Disruption. This relates to the identification of Reinforced Autoclaved Aerated Concrete (RAAC) in the structure of the roof of one of our centres in April 2023. Staff have been moved from the affected areas, with some work reprovisioned to other centres. Equipment has been moved, and areas that still need to be used for activity have been propped and boarded, with certification from a structural engineer. The residual risk relates to the potential impact on the rest of the building and the services that operate from it, should the roof fail. Work is underway adding additional support for the roof, which reduces the risk, and a project team is taking action on short, medium and long-term plans for the site.

P-03 Loss of Critical ICT. This risk is recorded at this level due to the critical requirement of the security of our systems, and the need to protect the data we hold and our operational capabilities. There has been considerable activity on system security during the year, with on-going plans to reduce the risk further.

3. Clinical Biotechnology Centre

There was an issue within our Clinical Biotechnology Centre (CBC) which temporarily closed plasmid manufacture in the first four months of the year. Plasmid manufacturing resumed later in the year and is now back up and running as normal.

The loss of production capacity impacted CBC income for the year, with the centre generating £1.9m – which was £3.1m below plan and £1.7m down on the previous year.

A detailed action plan, and changes to process and procedures, have been put in place to prevent further issues. As a result, there has been no recurrence of the issue. CBC is fully compliant with Good Manufacturing Practice (GMP) standards. Manufacturing orders have since recovered well and CBC revenues are expected to grow steadily against plan during 2024-25.

Review of effectiveness

As the Accounting Officer I place reliance on the internal system of control. These include, but weren't limited to:

- oversight by the Board and its committees including the Audit Risk, and Governance Committee;
- the work and opinions provided by GIAA our internal auditors;
- clinical assurance provided by our CARE committees and clinical auditing process;
- quality assurance provided by our internal quality team and external regulators;
- senior managers within the organisation, who had responsibility for the development and maintenance of the system of internal control; and
- regular reporting to the Executive Team on performance and risk management, including regular monitoring of audit actions

The GIAA can only provide us with limited assurance for the areas covered by the reviews they completed during the year. We continue to address the recommendations from their reviews, and as set out above I can rely on several other sources of assurance around our controls, including the ARGC's work during the year reviewing the effectiveness of risk management systems, deep dives into strategic risks and review of the Board Assurance Framework. Additionally, the work of other Board committees, inspections by our external regulators and clinical audits, self-inspections and internal quality audits of our regulated activities, and regular reporting on delivery and financial matters to the Executive Team provide a wide range of alternative sources of assurance. I am accordingly aware of any significant issues that have been raised.

Section 6
Accountability report – parliamentary accountability

Basis for accounts preparation

The financial statements for the year ended 31 March 2024 have been prepared as directed by the Secretary of State for Health and Social Care in accordance with section 29A of the National Health Service Act 2006, and in a format as instructed by the Department of Health and Social Care with the approval of HM Treasury.

External audit

The Comptroller and Auditor General (C&AG) is appointed by statute to audit NHSBT and report to Parliament on the truth and fairness of the annual financial statements, and on the regularity of income and expenditure. The cost of audit work performed was £129,000 (2022-23: £106,000). There were no payments to the C&AG for non-audit work during 2023-24 or 2022-23.

Regularity of expenditure: losses and special payments

This is subject to audit.

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 each individual case is handled.

Losses and special payments are charged to the relevant functional headings, including losses which would have been made good through insurance cover had NHSBT not been bearing its own risk (with insurance premiums then being included as normal revenue expenditure).

Losses Statement	31 March 2024		31 March 2023	
	No. Cases	£000	No. Cases	£000
Losses of pay, allowance and superannuation benefits	18	12	56	8
Losses of accountable stores	83	362	74	597
Claims waived or abandoned	13	8	23	-
Fruitless payments and constructive losses	1	4	-	-
Total	**115**	**386**	**153**	**605**

Special Payments	31 March 2024		31 March 2023	
	No. Cases	£000	No. Cases	£000
Compensation payments	5	3	6	31
Ex gratia payments	10	79	10	139
Total	**15**	**82**	**16**	**170**

Expenditure on consultancy

Consultancy expenditure during 2023-24 was £775k (2022-23: £nil). As required, this disclosure uses the definition of consultancy set out in the HM Treasury Financial Reporting Manual, and therefore excludes professional services and contingent labour.

Remote contingent liabilities

This is subject to audit.

There are no known material remote contingent liabilities. For disclosable contingent liabilities see Note 19 in the financial statements.

Notation of gifts

This is subject to audit.

NHS Blood and Transplant made no political or charitable donations or gifts during the current financial year, or previous financial periods.

Fees and charges

This is subject to audit.

We have a statutory duty to set prices to breakeven year-on-year. Accumulated cash balances have arisen from prior year surpluses which will in the main be used to fund essential IT and estate investments. Most of our income is from prices set to recover our costs. We set the prices of our products annually with the National Commissioning Group, on behalf of the NHS. Prices are national, and were set using forecast sales volumes for the year, to underpin a fixed capacity plus variable cost. Prices include the full cost of providing products and services to the NHS (including a return on the cost of capital employed), after any other elements of funding have been taken into account. The blood price for 2023-24 was mainly funded through prices charged to Trusts, with an element of funding provided by NHS England and the Department of Health and Social Care, which in aggregate equated to the full cost of the service. Note 2 of the financial statements shows the contribution per business unit and is subject to audit.

I hereby sign the Accountability Report (including the Governance Statement) from pages 64 to 104.

Dr Jo Farrar CB OBE **4 September 2024**
Chief Executive and Accounting Officer


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Section 7
Accountability report – audit certificate and report

The certificate and report of the Comptroller and Auditor General to the Houses of Parliament

Opinion on financial statements

I certify that I have audited the financial statements of NHS Blood and Transplant for the year ended 31 March 2024 under the National Health Service Act 2006. The financial statements comprise NHS Blood and Transplant's:

- Statement of Financial Position as at 31 March 2024;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted International Accounting Standards.

In my opinion, the financial statements:

- give a true and fair view of the state of NHS Blood and Transplant's affairs as at 31 March 2024 and its net operating expenditure for the year then ended; and
- have been properly prepared in accordance with the National Health Service Act 2006 and Secretary of State directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and *Practice Note 10 Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2022).* My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2019.* I am independent of NHS Blood and Transplant in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that NHS Blood and Transplant's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

The going concern basis of accounting for NHS Blood and Transplant is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

Other Information

The other information comprises information included in the Annual Report, but does not include the financial statements and my auditor's certificate and report thereon. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the National Health Service Act 2006.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions made under the National Health Service Act 2006; and
- the information given in the Our Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of NHS Blood and Transplant and its environment obtained in the course of the audit, I have not identified material misstatements in Our Performance and Accountability Reports.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept by NHS Blood and Transplant or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- providing the Comptroller and Auditor General with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the Comptroller and Auditor General with additional information and explanations needed for his audit;
- providing the Comptroller and Auditor General with unrestricted access to persons within NHS Blood and Transplant from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view in accordance with Secretary of State directions issued under the National Health Service Act 2006;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with Secretary of State directions directions issued under the National Health Service Act 2006; and
- assessing NHS Blood and Transplant's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by NHS Blood and Transplant will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the National Health Service Act 2006.

My 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 a certificate that includes my 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.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of NHS Blood and Transplant's accounting policies;
- inquired of management, NHS Blood and Transplant's and those charged with governance, including obtaining and reviewing supporting documentation relating to NHS Blood and Transplant's policies and procedures on:
  - identifying, evaluating and complying with laws and regulations;
  - detecting and responding to the risks of fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including NHS Blood and Transplant's controls relating to NHS Blood and Transplant's compliance with the National Health Services Act 2006 and Managing Public Money;
- inquired of management, NHS Blood and Transplant's Head of Internal Audit and those charged with governance whether:
  - they were aware of any instances of non-compliance with laws and regulations;
  - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud

As a result of these procedures, I considered the opportunities and incentives that may exist within NHS Blood and Transplant for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, bias in management estimates and the valuation of property, plant and equipment. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of NHS Blood and Transplant's framework of authority and other legal and regulatory frameworks in which NHS Blood and Transplant operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of NHS Blood and Transplant. The key laws and regulations I considered in this context included the National Health Services Act 2006, Managing Public Money, employment law, pensions legislation and tax legislation.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management and the Audit, Risk and Governance Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports; and
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies **Date: 5 September 2024**
Comptroller and Auditor General

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP


NHS
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Section 8
Our finances

Financial statements

Statement of Comprehensive Net Expenditure for the year ended 31 March 2024

	Note	2023-24 £000	*(Restated)*[1] 2022-23 £000
Gross Income			
Income from sale of goods and services	2 & 3	415,989	394,469
Other operating income	2 & 3	49,223	41,325
		465,212	**435,794**
Expenditure			
Staff costs	4	(313,656)	(300,095)
Operating expenses	5.1	(226,593)	(208,547)
Depreciation and amortisation	5.2	(18,165)	(19,054)
Other operating expenditure	6	(33,048)	(36,552)
		(591,462)	**(564,248)**
Net operating expenditure before interest		**(126,250)**	**(128,454)**
Finance expense		(1,369)	(1,106)
Net operating expenditure after interest	2	**(127,619)**	**(129,560)**
Other comprehensive net expenditure Items which will not be reclassified to net operating costs:			
Net gain/(loss) on revaluation of property, plant and equipment	9	(4,021)	(6,567)
Net gain/(loss) on revaluation of right of use assets	10	1,347	(1,893)
Total comprehensive net expenditure		**(130,293)**	**(138,020)**

1. figures have been restated to reflect the impact of amended valuations for two properties. Further details can be found in Note 24 on p. 146, and also in Notes 6, 9 and 10.

Notes 1 to 24 form part of these accounts.

All income and expenditure is derived from continuing operations.

Statement of Financial Position as at 31 March 2024

	Note	31 March 2024 £000	*(Restated)*[1] 31 March 2023 £000
Non-current assets			
Property, plant and equipment	9	170,284	171,994
Right of use assets	10	69,242	67,626
Intangible assets	11	13,626	10,954
Financial assets	13	504	437
Total non-current assets		**253,656**	**251,011**
Current assets			
Inventories	12	20,127	18,331
Trade and other receivables	13	70,474	75,387
Cash and cash equivalents	14	24,441	50,685
Total current assets		**115,042**	**144,403**
Current liabilities			
Trade and other payables	15	(48,585)	(75,485)
Provisions for liabilities and charges	16	(1,058)	(995)
Obligations under leases	17	(5,442)	(5,407)
Total current liabilities		**(55,085)**	**(81,887)**
Total assets less current liabilities		**313,613**	**313,527**
Non-current liabilities			
Provisions for liabilities and charges	16	(313)	(304)
Obligations under leases	17	(25,777)	(24,332)
Total non-current liabilities		**(26,090)**	**(24,636)**
Total assets employed		**287,523**	**288,891**
Financed by			
General Fund		209,529	204,316
Revaluation Reserve		77,994	84,575
Total taxpayers' equity		**287,523**	**288,891**

1. figures have been restated to reflect the impact of amended valuations for two properties. Further details can be found in Note 24 on p. 146.

Notes 1 to 24 form part of these accounts.

The financial statements on pages 113 to 146 were recommended by the Audit Risk and Governance Committee on 2 September 2024 and approved by the Board in accordance with powers within the NHSBT Standing Orders, and are signed by the Accounting Officer, Dr Jo Farrar as Chief Executive.

Dr Jo Farrar CB OBE
Chief Executive and Accounting Officer

4 September 2024

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

	Note	General Fund £000	Revaluation Reserve £000	Total Reserves £000
Balance at 1 April 2023		204,316	84,575	**288,891**
Changes in taxpayers' equity for 2023-24				
Net expenditure for the financial period		(127,619)	-	**(127,619)**
Net loss on revaluation of property, plant and equipment	9	-	(4,021)	**(4,021)**
Net gain on revaluation of right of use assets	10	-	1,347	**1,347**
Transfer between reserves		3,907	(3,907)	**-**
Total recognised income and expense for 2023-24		**(123,712)**	**(6,581)**	**(130,293)**
Revenue Grant from DHSC		113,425	-	**113,425**
Capital Grant from DHSC		15,500	-	**15,500**
Balance at 31 March 2024		**209,529**	**77,994**	**287,523**

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2023

	Note	*(Restated)*[1] General Fund £000	*(Restated)*[1] Revaluation Reserve £000	*(Restated)*[1] Total Reserves £000
Balance at 1 April 2022		194,779	96,379	**291,158**
Changes in taxpayers' equity for 2022-23				
Net expenditure for the financial period		(129,560)	-	**(129,560)**
Net loss on revaluation of property, plant and equipment	9	-	(6,567)	**(6,567)**
Net loss on revaluation of right of use assets	10	-	(1,893)	**(1,893)**
Transfer between reserves		3,344	(3,344)	**-**
Total recognised income and expense for 2022-23		**(126,216)**	**(11,804)**	**(138,020)**
Revenue Grant from DHSC		125,253	-	**125,253**
Capital Grant from DHSC		10,500	-	**10,500**
Balance at 31 March 2023		**204,316**	**84,575**	**288,891**

1. figures have been restated to reflect the impact of amended valuations for two properties. Further details can be found in Note 24 on p. 146.

Information on reserves

General Fund

The General Fund represents the net assets invested in NHSBT (stated at historical cost less accumulated depreciation at that date), the surplus or deficit generated from activities and grant-in-aid funding provided.

Revaluation Reserve

The Revaluation Reserve represents increases in asset values arising from revaluations, 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.

Statement of cash flows for the year ended 31 March 2024

	Note	2023-24 £000	*(Restated)*[1] 2022-23 £000
Cash flows from operating activities			
Net operating costs before interest		(126,250)	(128,454)
Adjustments for non-cash transactions	18	18,429	24,731
(Increase)/decrease in trade and other receivables	13	4,846	(32,267)
(Increase)/decrease in inventories	12	(1,796)	(1,055)
Increase in trade and other payables	15	(26,637)	4,022
Decrease in capital accruals	15	(263)	389
Provisions utilised	16	(520)	(160)
Net cash (used in) operating activities		**(132,191)**	**(132,794)**
Cash flows from investing activities			
Purchase of plant, property and equipment		(10,695)	(6,213)
Purchase of intangible assets		(4,456)	(4,934)
Net cash (used in) investing activities		**(15,151)**	**(11,147)**
Cash flows from financing activities			
Grant from Department of Health and Social Care		128,925	135,753
Capital element paid in respect of lease obligations		(6,675)	(4,667)
Interest paid in respect of lease obligations		(1,152)	(1,136)
Net cash generated from financing activities		**121,098**	**129,950**
(Decrease)/increase in cash and cash equivalents		(26,244)	(13,991)
Cash and cash equivalents at 1 April		50,685	64,676
Cash and cash equivalents at 31 March	14	**24,441**	**50,685**

1. figures have been restated to reflect the impact of amended valuations for two properties (see Note 24 on p. 146 for further details), and to no longer show the acquisition of right of use assets as a separate row.

Notes to the accounts

Note 1 Accounting policies and other information

1.1 Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adapted and interpreted by the 2023-24 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM comply with IFRS to the extent that they are meaningful and appropriate to the public sector context as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the FReM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the NHSBT for the purpose of giving a true and fair view has been selected. The particular policies adopted follow. These have been applied consistently in dealing with items considered material in relation to the accounts.

1.1.1 Accounting convention

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

1.1.2 Going concern

The organisation's annual report and accounts have been prepared on a going concern basis. NHSBT is financed by grant-in-aid and draws its funding from the Department of Health and Social Care (DHSC). Parliament has demonstrated its commitment to fund DHSC for the foreseeable future, and DHSC has demonstrated its commitment to the funding of NHSBT.

1.2 Critical judgements and key sources of estimation uncertainty

In the application of NHSBT's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. The estimates and underlying assumptions are continually reviewed.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; or in the period of the revision and future periods if the revision affects both current and future periods.

1.2.1 Critical judgements in applying accounting policies

The following are the judgements, apart from those involving estimations (see 1.2.2), that management has made in the process of applying NHSBT's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Charities consolidation

Management consider NHS Blood and Transplant Trust Fund, of which NHSBT is the corporate trustee, to have an immaterial impact on the group results. Therefore, these accounts do not include a consolidated position under the requirements of IFRS 10.

1.2.2 Sources of estimation uncertainty

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

- use of depreciated replacement cost to value land and buildings (see accounting policy note 1.11)

1.3 Subsidiaries, associates and joint arrangements

1.3.1 Subsidiaries

Entities over which NHSBT has the power to exercise control are classified as subsidiaries and are consolidated. NHSBT has control when it has the ability to affect the variable returns from the other entity through its power to direct relevant activities. The income, expenses, assets, liabilities, equity and reserves of the subsidiary 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. Appropriate adjustments are made on consolidation where the subsidiary's accounting policies are not aligned with NHSBT, or where the subsidiary's accounting date is not coterminous.

Subsidiaries that are classified as 'held for sale' are measured at the lower of their carrying amount or 'fair value less costs to sell'.

NHSBT has no subsidiaries to report at 31 March 2024.

1.3.2 Associates

Entities over which NHSBT has the power to exercise significant influence so as to obtain economic or other benefits are classified as associates and are recognised using the equity method. The investment is recognised initially at cost and is adjusted subsequently to reflect NHSBT's share of the associate's profit or loss and other gains or losses. It is also reduced when any distribution is received by NHSBT from the associate.

Associates that are classified as 'held for sale' are measured at the lower of their carrying amount or 'fair value less costs to sell'.

NHSBT has no associates to report at 31 March 2024.

1.3.3 Joint arrangements

Arrangements over which NHSBT has joint control with one or more other entities are classified as joint arrangements. Joint control is the contractually agreed sharing of control of an arrangement. A joint arrangement is either a joint operation or a joint venture.

A joint operation exists where the parties that have joint control have rights to the assets and obligations for the liabilities relating to the arrangement. Where NHSBT is a joint operator, it recognises its share of assets, liabilities, income and expenses in its own accounts.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint ventures are recognised as an investment and accounted for using the equity method.

NHSBT has no joint arrangements to report at 31 March 2024.

1.4 Operating segments

Income and expenditure are analysed in the Note 2 Operating Segments, and are reported in line with management information used within NHSBT.

1.5 Revenue from contracts with customers

Income is recognised to the extent that it is probable that the economic benefits will flow to NHSBT, and the income can be reliably measured.

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

Revenue in respect of goods and services provided is recognised when (or as) performance obligations are satisfied by transferring the promised goods or services to the customer, and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, NHSBT invoices for all income relating to performance obligations satisfied in that year. Where NHSBT'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.

1.5.1 Revenue from NHS contracts

The main source of income for NHSBT is contracts with NHS Trusts primarily for the supply of blood and components, and diagnostic and therapeutic services. Products and services are normally accrued in month and billed in the month following delivery, with the exception of blood and components, where customers are normally billed a monthly fixed contract value and variable price based on activity monthly in arrears. In 2023-24 fixed contracts values were not adjusted for actual demand variations.

The customer in these contracts is the Trust, and the customer benefits as products/services are provided. These are essentially separate performance obligations that are substantially the same and have a similar pattern of transfer. At the year end, NHSBT invoices for all income relating to activity delivered in that year. Revenue is recognised to the extent that collection of consideration is probable.

1.5.2 Revenue from project contracts

NHSBT receives income from contracts for projects. For example, research and development, and clinical trials. The customers are mainly universities and commercial entities. Where project 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 NHSBT's interim performance does not create an asset with alternative use for NHSBT, and NHSBT 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 NHSBT recognises revenue each year over the course of the contract.

1.6 Other income, funding and grants

1.6.1 Revenue grants and other contributions to expenditure

Government grants are grants from government bodies other than income from NHS Trusts for the provision of services. NHSBT receives programme funding from DHSC for the provision of organ donation services. Such grants are taken directly to the General Fund and not counted as income. They are shown in Note 2 to these accounts.

1.6.2 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 where NHSBT is permitted to retain the proceeds.

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, the corresponding notional expense is also recognised at the point of recognition for the benefit.

1.7 Other expenses

Other operating expenses are recognised when, and to the extent that, the goods or services have been received. They are measured at the fair value of the consideration payable.

1.8 Grants payable

Where grant funding is not intended to be directly related to activity undertaken by a grant recipient in a specific period, NHSBT recognises the expenditure in the period in which the grant is paid. All other grants are accounted for on an accrual basis.

1.9 Value added tax

Most of the activities of NHSBT are outside the scope of value added tax (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 non-current assets, except right of use assets acquired under a lease, where the irrecoverable VAT is not included in the value of the non-current asset, but is expensed at the point at which it falls due in line with IFRIC 21. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.10 Capital charges

An annual charge, reflecting the cost of capital utilised by NHSBT, is payable to DHSC. The charge is calculated at the real rate set by the Secretary of State with the consent of HM Treasury (currently 3.5%) on the average relevant net assets of NHSBT. Relevant net assets are calculated as the value of all assets less all liabilities, except for:

- donated assets
- average daily cash balances held with the Government Banking Service (GBS) and National Loans Fund deposits (excluding cash balances held in GBS accounts that relate to a short-term working capital facility)

The average relevant net assets are calculated as a simple average of opening and closing relevant net assets.
In accordance with the requirements laid down by DHSC, the dividend for the year is calculated on the actual average relevant net assets as set out in the 'pre-audit' version of the financial statements. The dividend thus calculated is not revised should any adjustment to net assets occur as a result of the audit of the financial statements.

The notional charges are taken directly to the General Fund and shown in Note 2. Cash payment to DHSC in respect of the previous financial year is included in operating expenses.

1.11 Property, plant and equipment

Note 1.11.1 Recognition

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes
- it is probable that future economic benefits will flow to, or service potential be provided to, NHSBT
- it is expected to be used for more than one financial year
- the cost of the item can be measured reliably
- the item has a cost of at least £5,000, or
- collectively, a number of items have a cost of at least £5,000 and individually cost of more than £250, where the assets are functionally interdependent, have broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control
- form part of the initial setting-up cost of a new building, irrespective of their individual or collective cost. Where a large asset, for example a building, includes a number of components with significantly different asset lives, e.g. plant and equipment, then these components are treated as separate assets and depreciated over their own useful lives

1.11.2 Measurement

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

Assets that are held for their service potential and are in use are measured at their current value in existing use.

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

Properties in the course of construction are carried at cost, less any impairment loss. Assets under construction costs are accumulated until the asset is completed and ready to be brought into service when the asset is transferred to the relevant asset class and depreciation commences. Costs include professional fees but not borrowing costs, which are recognised as an expense immediately, as allowed by IAS 23 for assets held at fair value.

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 economic lives or low values or both, as this is not considered to be materially different from current value in existing use.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset, and thereafter to expenditure. Gains and losses recognised in the revaluation reserve are reported as other comprehensive net expenditure in the Statement of Comprehensive Net Expenditure.

Land and buildings are professionally revalued in accordance with IAS 16 every five years. Professional valuers undertake a desktop valuation for each of the interim years, except for where cumulative additions since the last full valuation are greater than £2m and represent a greater than 20% increase in the net book value, in which case a full on-site valuation is carried out. The change in valuations is reflected in the accounts. A full valuation of NHSBT land and buildings was carried out in March 2024, and the value of property plant and equipment in this report are based on this valuation.

The revaluation of NHSBT's land and buildings assets includes measurement approaches used to arrive at the current value of in use assets. These approaches are for:

- non-specialist operational assets – Existing Use Value (EUV)
- specialist operational assets – Depreciated Replacement Cost (DRC). This is the current cost of replacing an asset with its modern equivalent asset less deductions for physical deterioration and all relevant forms of obsolescence and optimisation

Equipment assets are indexed annually in accordance with appropriate ONS indices. The carrying value of existing assets at that date will be written off over their remaining useful lives. New fixtures and equipment are carried at depreciated historic cost, as this is not considered to be materially different from fair value.

1.11.3 Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any existing carrying value of the item replaced is written-out and charged to operating expenses.

1.11.4 Derecognition

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

- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales
- 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 sale is expected to be completed within 12 months of the date of classification as 'held for sale' and
  - the actions needed to complete the plan indicate it is unlikely that the plan will be abandoned, 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 qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's useful life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

1.12 Intangible Assets

1.12.1 Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of NHSBT'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 NHSBT and where the cost of the asset can be measured reliably.

Intangible assets are capitalised when they have a cost of at least £5,000. Intangible assets acquired externally are initially recognised at cost.

Following initial recognition at historic cost, intangible assets are carried at amortised cost as a proxy for fair value.

Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the criteria for recognition are initially met. Where no internally generated intangible asset can be recognised, the expenditure is charged to the Statement of Comprehensive Net Expenditure in the period in which it is incurred.

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

1.12.2 Measurement

Intangible assets acquired 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.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the criteria for recognition are initially met. Where no internally generated intangible asset can be recognised, the expenditure is charged to the Statement of Comprehensive Net Expenditure in the period in which it is incurred.

Following initial recognition at historic cost, intangible assets are carried at amortised cost as a proxy for fair value.

Revaluations and impairments are treated in the same manner as for property, plant and equipment.

1.13 Depreciation, amortisation and impairments

1.13.1 Depreciation

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

Property, plant and equipment which has been reclassified as 'held for sale' ceases to be depreciated upon the reclassification. Assets in the course of construction are not depreciated.

Assets held under finance leases are depreciated over the shorter of the lease term and the estimated useful life, unless NHSBT expects to acquire the asset at the end of the lease term, in which case the asset is depreciated in the same manner as for owned assets.

Depreciation is charged on a straight line basis over the estimated useful life of the asset as follows:

Freehold buildings	Up to 109 years
Plant and machinery	3 to 20 years
Information technology	3 to 27 years
Transport	10 years

The estimated useful lives of assets, and residual values, are reviewed each year end, with the effect of any changes recognised on a prospective basis.

1.13.2 Impairments

At each financial year end, NHSBT checks whether there is any indication that its non-current assets have suffered an impairment loss. If there is indication of an impairment, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount.

In accordance with FReM, impairments that arise from a clear consumption of economic benefits or of the service potential of the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the general reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

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

1.13.3 Amortisation

Intangible assets are amortised, on a straight-line basis, over the estimated lives of the assets. Lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown below:

Software licences	3 to 26 years
Internally generated software	3 to 26 years

The estimated useful lives of assets, and residual values, are reviewed each year end, with the effect of any changes recognised on a prospective basis.

1.14 Donated assets

Donated non-current assets are capitalised at current value in existing use, if they will be held for their service potential, or otherwise at fair value on receipt, with a matching credit to income. They are valued, depreciated and impaired in the same way as for purchased assets. Gains and losses on revaluations, impairments and sales are treated in the same way as for purchased assets. Deferred income is recognised only where conditions attached to the donation preclude immediate recognition of the gain.

1.15 Government grant funded assets

Government grant funded assets are capitalised at current value in existing use, if they will be held for their service potential, or otherwise at fair value on receipt, with a matching credit to income. Deferred income is recognised only where conditions attached to the grant preclude immediate recognition of the gain.

1.16 Leases

1.16.1 Transition from IAS 17 and IFRIC 4 to IFRS 16

In accordance with the FReM, NHSBT adopted IFRS 16 on 1 April 2022. Previously, under IAS 17 and IFRIC 4, each lease contract was recognised either as a finance lease or an operating lease, with the appropriate accounting treatment dependent on the recognised category of lease.

On 1 April 2022, most lease contracts were recognised on the Statement of Financial Position as right-of-use assets and lease liabilities. For leases previously classified as operating leases, the lease cost changed from an in-period operating lease expense, to recognition of depreciation of the right-of-use asset and an interest expense on the lease liability.

The transition to IFRS 16 was been completed in accordance with paragraph C5(b) of the standard, applying IFRS 16 requirements retrospectively and recognising the cumulative effects at the date of initial application.

In the transition to IFRS 16 a number of elections and practical expedients offered in the standard were employed, as follows:

- NHSBT applied the practical expedient offered in paragraph C3 of the standard to apply IFRS 16 to only contracts or arrangements previously identified as containing a lease under the previous leasing standards IAS 17 and IFRIC 4, and not to those that were identified as not containing a lease under previous leasing standards
- NHSBT measured the right-of-use assets for leases previously classified as operating leases per IFRS 16 C8(b)(ii), at an amount equal to the lease liability adjusted for accrued or prepaid lease payments. A lease liability was recognised equal to the present value of the remaining lease payments discounted using an incremental borrowing rate. The discount rate applied at the transition date was based on the HM Treasury incremental borrowing rate of 0.95%
- no adjustments were made for operating leases in which the underlying asset was of low value per paragraph C9(a) of the standard, low value for NHSBT being below £5,000
- the transitional provisions were not been applied to operating leases whose term ends within 12 months of the date of initial application, in accordance with paragraph C10(c) of the standard. Hindsight was used to determine the lease term when contracts or arrangements contain options to extend or terminate the lease in accordance with paragraph C10(e) of the standard

Due to transitional provisions employed, the requirements for identifying a lease within paragraphs 9 to 11 of IFRS 16 were not employed for leases in existence at the initial date of application. Leases entered into on or after the 1 April 2022 were assessed under the requirements of IFRS 16.

1.16.2 Elections and expedients

Following transition, NHSBT has used the following elections and expedients in applying IFRS 16:

- the measurement requirements under IFRS 16 are not applied to leases with a term of 12 months or less under paragraphs 6 – 8 of the standard
- the measurement requirements under IFRS 16 are not applied to leases where the underlying asset is of a low value, which for NHSBT is considered to be those assets of a value of less than £5,000, excluding any irrecoverable VAT, under paragraph 5(b) of the standard
- in alignment with other DHSC bodies, NHSBT does not apply IFRS 16 to intangible assets, but will apply the treatment described in accounting policy 1.12

HM Treasury has adapted the public sector approach to IFRS 16 which impacts on the identification and measurement of leasing arrangements that will be accounted for under IFRS 16. NHSBT is required to apply IFRS 16 to lease like arrangements entered into with other public sector entities that are in substance akin to an enforceable contract, that in their formal legal form may not be enforceable. NHSBT is required to apply IFRS 16 to lease like arrangements entered into in which consideration exchanged is nil or nominal, therefore significantly below market value. These arrangements are described as peppercorn leases. Such arrangements are required to meet the definition of a lease in every other respect prior to inclusion in the scope of IFRS 16. The accounting for peppercorn arrangements aligns to that identified for donated assets. Peppercorn leases are different in substance to arrangements in which consideration is below market value but not significantly below market value.

1.16.3 NHSBT as lessee

At the commencement date of a leasing arrangement the lessee recognises a right-of-use asset and corresponding lease liability. Subsequently, property, plant and equipment held under finance leases are revalued as described in accounting policy 1.11.2, except where the frequency of rent reviews serve as a suitable proxy for ensuring that the cost of the lease reflects market value.

NHSBT considers that the cost model (measurement of the value of right-of-use assets by reference to the lease liability) is a reasonable proxy for fair value for non-property leases, due to their short lease terms, and for property leases of less than 15 years which have rent reviews at regular intervals of three to five years. Such regular rent reviews ensure that the

lease, and the associated right-of-use assets, reflect market conditions. Additionally, right-of-use assets generally have shorter lives and lower values than the associated underlying assets and, as set out in the HM Treasury Financial Reporting Manual, cost is an acceptable proxy for assets with shorter economic lives or lower values.

Right-of-use assets are depreciated on a straight-line basis from the date of transition, or the lease commencement date if later, to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Lease payments are apportioned between finance charges and repayment of the principal. Finance charges are recognised in the Statement of Comprehensive net expenditure.

Irrecoverable VAT is expensed in the period to which it relates and therefore is not included in the measurement of the lease liability and consequently not included in the value of the right-of-use asset.

Lease payments are recognised as an expense on a straight-line or another systematic basis over the lease term, where the lease term is in substance 12 months or less, or where the lease contains a low value underlying asset.

Where a lease is for land and buildings, the land and building components are separated and individually assessed.

Disclosures regarding right-of-use assets and lease liabilities, and other required disclosures, can be found in Note 10 and Note 17.

1.17 Inventories

Inventories are valued as follows:

- raw materials and work in progress are valued on a weighted average cost basis
- blood products are valued at the lower of cost, on a full cost recovery basis, or net realisable value, which represents the expected future selling price

The carrying values of inventories are considered a proxy for fair value less costs to sell.

At 31 March 2024 a very small number of units remained for the Convalescent Plasma Programme, which are may be used for clinical trials in future, but for which there are currently no specific plans, and these are therefore held at nil value. Plasma for Diagnostics is held at cost. Plasma for Medicines continues to be held at nil value, which represent the net realisable value of the stock currently held.

1.18 Cash and Cash Equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 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 NHSBT's cash management. Cash, bank and overdraft balances are recorded at current values.

1.19 Foreign exchange

NHSBT's functional currency and presentational currency is pounds sterling, and figures are presented in thousands of pounds unless expressly stated otherwise. Transactions denominated in a foreign currency are translated into sterling at the spot exchange rate on the date of each transaction.

Exchange gains and losses on monetary items (arising on settlement of the transaction or on retranslation at the Statement of Financial Position date) are recognised in the Statement of Comprehensive Net Expenditure in the period in which they arise.

1.20 Expenditure on employee benefits

1.20.1 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 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.

1.20.2 NHS Pension Scheme

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practitioners and other bodies, allowed under the direction of Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable employers to identify their share of the underlying assets and liabilities. Therefore, the scheme is accounted for as though it were a defined contribution scheme.

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 operating expenses at the time NHSBT commits itself to the retirement, regardless of the method of payment.

The scheme is subject to a full actuarial valuation every four years and an accounting valuation every year.

1.20.3 National Employment Savings Trust (NEST) Pension Scheme

NHSBT provides certain employees, who are not enrolled into the NHS Pension Scheme, with a pension from the defined contributions scheme which is managed by the National Employment Savings Trust (NEST). The cost to NHSBT is taken as equal to the contributions payable to the scheme for the accounting period.

1.21 Provisions

Provisions are recognised when NHSBT has a present legal or constructive obligation as a result of a past event, it is probable that NHSBT will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using HM Treasury's discount rates.

Early retirement provisions are discounted using HM Treasury's pension discount rate of 2.45% (2022-23: 1.70%) in real terms.

All general provisions are subject to four separate discount rates according to the expected timing of cashflows from the Statement of Financial Position date:

A nominal short-term rate of 4.26% (2022-23: 3.27%) for inflation adjusted expected cash flows up to and including 5 years from Statement of Financial Position date.

A nominal medium-term rate of 4.03% (2022-23: 3.20%) for inflation adjusted expected cash flows over 5 years up to and including 10 years from the Statement of Financial Position date.

A nominal long-term rate of 4.72% (2022-23: 3.51%) for inflation adjusted expected cash flows over 10 years and up to and including 40 years from the Statement of Financial Position date.

A nominal very long-term rate of 4.40% (2022-23: 3.00%) for inflation adjusted expected cash flows exceeding 40 years from the Statement of Financial Position date.

1.21.1 Clinical Risk Pooling

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

1.21.2 Non-clinical Risk Pooling

NHSBT also participates in NHS Resolution's Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which NHSBT 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 as and when they become due.

1.22 Financial Instruments

NHSBT only has non-current financial assets (prepayments and accrued income), current payables and receivables. There are no other financial instruments held in scope of IFRS 9. We do not carry out any hedge accounting transactions.

In accordance with IFRS 9 and FReM, NHSBT is required to recognise a loss allowance representing expected credit losses on trade receivables. NHSBT has applied the simplified approach, as required, and measured the loss allowance at an amount equal to lifetime expected credit losses. NHSBT only has financial assets at amortised cost, there are no other financial assets at fair value through profit and loss or through other comprehensive net expenditure.

1.23 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the entity's control, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation, or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the entity's control. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingent liabilities and contingent assets are disclosed at their present value.

1.24 Losses and Special Payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures. 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 NHSBT not been bearing its own risk (with insurance premiums then being included as normal revenue expenditure) see page 103.

1.25 Gifts

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

NHS Blood and Transplant made no political or charitable donations or gifts during the current financial year, or previous financial periods.

1.26 Accounting Standards that have been issued but have not yet been adopted

IAS 8 requires disclosure in respect of new accounting standards, amendments and interpretations that are, or will be, applicable after the accounting period.

These Standards are still subject to HM Treasury FReM adoption:

IFRS 14 Regulatory Deferral Accounts

Not UK-endorsed. Applies to first time adopters of IFRS after 1 January 2016, and therefore not applicable to NHSBT.

IFRS 17 Insurance Contracts

Application required for accounting periods beginning on or after 1 January 2023. Standard is not yet adopted by the FReM, and is expected to be adopted from April 2025. We have yet to assess the potential impact of this standard.

IFRS 18 Presentation and Disclosure in Financial Statements

Application required for accounting periods beginning on or after 1 January 2027. Standard is not yet adopted by the FReM.

Note 2 Operating segments – 2023-24

For the year 1 April 2023 to 31 March 2024	Total	Blood Components (inc. R&D)	Tissue and Eye Services	Organ Donation & Transplant	Pathology	Therapeutic Apheresis Services (TAS)	Cell, Apheresis and Gene Therapies (excl. TAS)	Plasma
	£000	£000	£000	£000	£000	£000	£000	£000
Revenue								
Provision of products and services	**415,989**	322,299	19,382	-	39,191	14,965	19,650	502
Income from Scottish Parliament	**7,232**	-	-	7,232	-	-	-	-
Income from National Assembly for Wales	**4,753**	-	-	4,753	-	-	-	-
Income from Northern Ireland Assembly	**2,703**	-	-	2,703	-	-	-	-
Other income	**34,535**	7,946	-	1,298	3,134	376	3,263	18,518
Programme funding from the DHSC	**113,425**	11,118	963	78,512	2,945	333	3,410	16,144
Total revenue	**578,637**	**341,363**	**20,345**	**94,498**	**45,270**	**15,674**	**26,323**	**35,164**
Expenditure								
Variable costs	**(67,033)**	(40,961)	(3,331)	(3,814)	(8,076)	(4,694)	(4,194)	(1,963)
Direct costs	**(286,142)**	(145,826)	(11,713)	(74,780)	(22,456)	(6,739)	(16,438)	(8,190)
Direct support costs	**(149,104)**	(114,347)	(3,442)	(10,362)	(8,254)	(1,435)	(8,270)	(2,994)
Movement in value of stocks	**(72)**	383	2	-	-	-	-	(457)
Other support costs	**(55,859)**	(33,664)	(1,978)	(10,228)	(3,866)	(1,221)	(2,938)	(1,964)
Total expenditure	**(558,210)**	**(334,415)**	**(20,462)**	**(99,184)**	**(42,652)**	**(14,089)**	**(31,840)**	**(15,568)**
Operating surplus/(deficit) for the financial period before transformation	**20,427**	6,948	(117)	(4,686)	2,618	1,585	(5,517)	19,596
Transformation costs	(19,756)	(6,395)	-	(6,600)	(941)	(394)	(686)	(4,740)
Operating surplus/(deficit) for the financial period	**671**	**553**	**(117)**	**(11,286)**	**1,677**	**1,191**	**(6,203)**	**14,856**
Add: notional cost of capital included in expenditure above	7,028							
Less: programme funding from DHSC	(113,425)							
Less: capital charges paid to the DHSC	(21,893)							
Net expenditure	**(127,619)**							

Note 2.1 Operating segments – 2022-23

For the year 1 April 2022 to 31 March 2023 *(Restated)*[1]	Total	Blood Components (inc. R&D)	Tissue and Eye Services	Organ Donation & Transplant	Pathology	Therapeutic Apheresis Services (TAS)	Cell, Apheresis and Gene Therapies (excl. TAS)	Plasma
	£000	£000	£000	£000	£000	£000	£000	£000
Revenue								
Provision of products and services	**394,469**	310,446	16,269	-	36,034	13,398	17,846	476
Income from Scottish Parliament	**6,823**	-	-	6,823	-	-	-	-
Income from National Assembly for Wales	**4,721**	-	-	4,721	-	-	-	-
Income from Northern Ireland Assembly	**2,178**	-	-	2,178	-	-	-	-
Other income	**27,603**	7,141	29	4,107	1,665	473	4,210	9,978
Programme funding from the DHSC	**125,254**	36,670	886	74,731	2,506	268	3,057	7,136
Total revenue	**561,048**	**354,257**	**17,184**	**92,560**	**40,205**	**14,139**	**25,113**	**17,590**
Expenditure								
Variable costs	**(59,722)**	(37,749)	(2,798)	(3,521)	(6,224)	(4,208)	(4,212)	(1,010)
Direct costs	**(275,866)**	(145,755)	(10,587)	(70,544)	(21,442)	(5,964)	(13,793)	(7,781)
Direct support costs[1]	**(152,985)**	(115,610)	(3,766)	(12,198)	(8,241)	(1,611)	(8,066)	(3,493)
Movement in value of stocks	**1,701**	1,078	(342)	-	-	-	-	965
Other support costs[1]	**(43,393)**	(26,170)	(1,497)	(7,973)	(3,147)	(1,040)	(2,286)	(1,280)
Total expenditure[1]	**(530,265)**	**(324,206)**	**(18,990)**	**(94,236)**	**(39,054)**	**(12,823)**	**(28,357)**	**(12,599)**
Operating surplus/(deficit) for the financial period before transformation[1]	**30,783**	30,051	(1,806)	(1,676)	1,151	1,316	(3,244)	4,991
Transformation costs	(20,337)	(7,929)	-	(6,900)	(871)	(364)	(636)	(3,637)
Operating surplus/(deficit) for the financial period	**10,446**	**22,122**	**(1,806)**	**(8,576)**	**280**	**952**	**(3,880)**	**1,354**
Add: notional cost of capital included in expenditure above	6,121							
Less: programme funding from DHSC	(125,253)							
Less: capital charges paid to the DHSC	(20,874)							
Net expenditure	**(129,560)**							

1. figures have been restated to reflect the impact of amended valuations for two properties. Further details can be found in Note 24 on p. 146.

We report our financial performance in operating units as follows:

Blood Components provides blood and blood components, primarily to NHS hospitals, and also includes research and development activity.

Organ and Tissue Donation and Transplantation includes:

Tissues and Eye Services retrieves and provides human tissue and eye products.

Organ Donation and Transplantation is primarily funded by DHSC, with contributions from the Devolved Health Administrations, to identify and refer potential organ donors and to increase actual donors so that more transplants are enabled.

Clinical Services includes:

Pathology which provides specialist diagnostic laboratory services (Red Cell Immunohaematology, and Histocompatibility and Immunogenetics), molecular diagnostics and reagents.

Therapeutic Apheresis Services which provide a range of therapeutic apheresis services (e.g. plasma exchange, photopheresis) direct to patients.

Cell, Apheresis and Gene Therapies which includes Cellular and Molecular Therapies, the British Bone Marrow Registry (BBMR) and the Cord Blood Bank (CBB).

All of the above aim to recover their costs through prices set annually via a national commissioning process, except Organ Donation, CBB and BBMR which are funded by DHSC and the other UK health authorities.

Plasma was funded through the remaining non-recurring DHSC programme funding for Plasma for Medicines, sales of Plasma for Diagnostics, and funding from NHS England as per the Plasma Supply Agreement.

Group Services expenditure, including Finance, People, ICT and Quality, is reported within 'Other support costs'. The costs of these services are allocated on the basis of activity in costing and pricing calculations.

In accordance with the Financial Reporting Manual issued by HM Treasury, the Statement of Comprehensive Net Expenditure does not include a charge for notional cost of capital. For the segmental reporting the notional cost of capital has been charged to the segments and then added back as part of the reconciliation to the Statement of Comprehensive Net Expenditure.

Note 3 Income

Income largely consists of revenue from contracts and service level agreements with customers, the majority of customers being NHS bodies. Contracts typically run for a period of one, two or three years. In all cases, income is accounted for in the year in which performance obligations within the contract are met, as outlined in note 1.3. In 2023-24 a fixed and variable pricing arrangement remained in place, which alleviated the requirement for rebates. NHSBT also receives income from non-contractual supplies: this includes income from training and royalties, as well as for ad-hoc supply of products or services. This income is likewise accounted for in the period in which the goods or services are provided.

Other revenue is largely grant in aid funding from DHSC and other UK health authorities, in line with funding agreements for the financial year.

The following tables break down income streams by their nature and source.

3.1 Income by nature

	2023-24 £000	2022-23 £000
Blood and components	330,245	317,587
Pathology	42,325	37,699
Tissues	19,382	16,298
Stem cells	22,913	22,056
Therapeutic apheresis services	15,341	17,829
Organ donation and transplantation	15,986	13,871
Plasma	19,020	10,454
Total income from activities per SoCNE	**465,212**	**435,794**

3.2 Income by source

	2023-24 £000	2022-23 £000
Department of Health and Social Care	17,273	13,405
NHS Trusts	128,663	133,096
NHS Foundation Trusts	263,050	238,044
NHS Clinical Commissioning Groups/Integrated Care Boards	50	114
Other Government bodies	20,791	19,002
Non-NHS	35,385	32,133
Total income from activities per SoCNE	**465,212**	**435,794**

£19.2m of the Other Government bodies income shown above is contractual income and grant funding from devolved administrations (2022-23: £18.4m).

3.3 Revenue Grant in Aid from DHSC

	2023-24 £000	2022-23 £000
Programme funding – organ donation and transplantation	76,114	70,633
Programme funding – organ donation deemed consent	-	2,041
Programme funding – pathology and stem cells	4,162	4,162
Programme funding – blood supply	3,640	-
Programme funding – plasma for medicine	16,138	6,807
Programme funding – corporate	12,871	41,110
Programme funding – tissue and eye services	500	500
Total revenue grant from DHSC per SoCTE	**113,425**	**125,253**

DHSC grant in aid is recorded directly as a change in taxpayers' equity.

Note 4 Staff costs

	2023-24 £000	2022-23 £000
Salaries and wages*	244,921	236,598
Social security costs**	26,214	24,661
Employer pension contributions***	42,521	38,836
Total	**313,656**	**300,095**

* Includes temporary staff (including agency) £19.8m (2022-23: £25.7m) and termination benefits £0.2m (2022-23: £0.5m), and is net of recoveries in respect of outward secondments £0.1m (2022-23: £1.2m).
** Includes the apprenticeship levy £1.2m (2022-23: £1.0m).
*** Includes contributions to NHS Pensions £42.4m (2022-23: £38.8m) and to NEST £0.9m (2022-23: £0.9m).

On 1 April 2019, the employer contribution rate for the NHS Pension Scheme increased by 6.3%. The additional cost £12.9m (2022-23: £11.8m) was paid by NHSBT and matched by programme funding from DHSC.

In addition, £1.1m (2022-23: £1.1m) of staff costs were capitalised as directly attributable to the development of the new Pulse system (an intangible asset) under the 'Blood Technology Modernisation' project (£0.5m NHSBT staff and £0.6m agency staff).

Note 4.1 Pension costs

NHS Pension Schemes

Past and present employees are covered by the provisions of the NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the HM Treasury Financial Reporting Manual (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 at 31 March 2024, is based on valuation data at 31 March 2023, updated to 31 March 2024 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the Statement by the Actuary, which forms part of the annual NHS Pension Scheme Annual Report and Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from 1 April 2024 to 23.7% of pensionable pay. The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.

Members can purchase additional service in the NHS Scheme and contribute to Money Purchase Additional Voluntary Contributions run by the scheme's approved providers or by other free standing additional voluntary contributions providers.

National Employment Savings Trust

Under the terms of the Pensions Act 2008 NHSBT is required to provide a pension scheme for employees not enrolled in the NHS Pension Schemes. Qualifying employees are enrolled in the National Employment Savings Trust (NEST) managed scheme.

NEST is a defined contribution scheme managed by a third-party organisation. It carries no possibility of actuarial gain or loss to NHSBT and there are no financial liabilities other than payment of the employers' contribution. The minimum combined contribution for 2023-24 is 8% of earnings of which the employer must pay 3%. Employer contributions are charged directly to the Statement of Comprehensive Net Expenditure and paid to NEST monthly. At 31 March 2024 there were 149 employees enrolled in the NEST scheme (31 March 2023: 201).

Note 5.1 Operating expenses

	2023-24 £000	2022-23 £000
Other staff related costs	12,975	11,971
Consumable supplies	76,730	68,847
Maintenance of buildings, plant and equipment	20,359	18,313
Rent and rates	10,444	10,752
Transport costs	24,038	21,121
External contractors	31,437	30,339
Purchase and lease of equipment and furniture	6,839	6,492
Utilities and telecommunications	16,587	13,577
Media advertising	2,466	2,662
Organ Donation Transplant Scheme payments	21,731	21,183
Professional fees *	2,858	3,184
External auditors' remuneration: audit fees **	129	106
Total	**226,593**	**208,547**

* Professional fees include legal and programme management costs

** No payment was made to the external auditors for non-audit work

Note 5.2 Depreciation and amortisation

	Note	2023-24 £000	2022-23 £000
Depreciation – property, plant and equipment	9	8,656	11,806
Depreciation – right of use assets	10	7,723	6,822
Amortisation	11	1,786	426
Total		**18,165**	**19,054**

* Professional fees include legal and programme management costs

** No payment was made to the external auditors for non-audit work

Note 6 Other operating expenditure

	Note	2023-24 £000	*(Restated)*[1] 2022-23 £000
Capital charges paid over as cash to DHSC		21,893	20,874
Capital non-cash: loss on disposal of fixed assets *	8	74	66
Capital non-cash: (Reversal of impairments)/impairments **		(346)	7,068
Miscellaneous ***		11,427	8,544
Total		**33,048**	**36,552**

1. figures have been restated to reflect the impact of amended valuations for two properties. Further details can be found in Note 24 on p. 146.

* Loss on disposal of fixed assets (£74k) relates to the book losses of plant and machinery (2022-23: £66k) due to the annual asset verification exercise.

** Impairments in 2022-23 relate to a reduction in the valuations for two properties (£6,487k), and issues relating to reinforced autoclaved aerated concrete at our Southampton site (£581k).

*** Includes £5.9m (2022-23: £5.2m) relating to IT software licence fees and £1.4m (2022-23: £1.3m) to insurance costs.

Note 7 Operating leases

This note discloses costs and commitments incurred in lease arrangements which did not meet the criteria to be recognised under IFRS 16 Leases.

Our operating lease commitments relate to properties, equipment and vehicles. The vehicle commitments are based on 306 staff lease cars (2022-23: 327). The property commitments are based on 4 properties (2022-23: 4).

NHSBT as lessee	2023-24 £000	2022-23 £000
Payments recognised as an expense		
Lease and rental payments *	4,926	4,733
Total future minimum lease payments payable		
Not later than one year	1,268	1,022
Later than one year and not later than five years	1,196	977
Later than five years	62	29
Total	**2,526**	**2,028**

* Lease and rental payments are included in Note 5 – Operating expenses, under rent and rates, purchase and lease of equipment, transport and other staff related costs.

Only those leases where the underlying assets have a value of £5k or less, or which have a term of 12 months or less, or those where substantially all the economic benefits of the assets will not be obtained by NHSBT over the period of the lease, are treated as operating leases.

Note 8 Other gains/(losses)

	2023-24 £000	2022-23 £000
Loss on disposal of non-current assets	(74)	(66)
Loss on disposal of plant and equipment	**(74)**	**(66)**

Losses recorded on plant and equipment relate to the movements outlined in Note 6.

Note 9 Property, plant and equipment – 2023-24

	Land	Buildings	Assets Under Construction	Plant & Machinery	Transport Equipment	Information Technology	Total
	£000	£000	£000	£000	£000	£000	£000
Valuation/cost at 1 April 2023	**16,046**	**127,944**	**-**	**63,630**	**10**	**20,215**	**227,845**
Additions purchased	-	954	1,802	5,425	-	2,514	10,695
Indexation	-	-	-	9,526	-		9,526
Other in year revaluations	(2,865)	(8,822)	-	-	-		(11,687)
Reversal of impairments	-	346	-	-	-		346
Disposals	-	-	-	(9,091)	-	(644)	(9,735)
Valuation/cost at 31 March 2024	**13,181**	**120,422**	**1,802**	**69,490**	**10**	**22,085**	**226,990**
Accumulated depreciation at 1 April 2023	**-**	**2,509**	**-**	**44,375**	**10**	**8,957**	**55,851**
Provided during the year	-	5,121	-	600	-	2,935	8,656
Indexation	-	-	-	6,659	-	-	6,659
Other in year revaluations	-	(4,799)	-	-	-	-	(4,799)
Disposals	-	-	-	(9,017)	-	(644)	(9,661)
Accumulated depreciation at 31 March 2024	**-**	**2,831**	**-**	**42,617**	**10**	**11,248**	**56,706**
Net book value at 1 April 2023	16,046	125,435	-	19,255	-	11,258	171,994
Net book value at 31 March 2024	**13,181**	**117,591**	**1,802**	**26,873**	**-**	**10,837**	**170,284**
Net book value at 31 March 2024 comprises:							
Owned assets	13,181	100,199	1,802	26,873	-	10,837	152,892
Subsequent expenditure on or relating to assets acquired under a Finance Lease	-	17,392	-	-	-	-	17,392
	13,181	**117,591**	**1,802**	**26,873**	**-**	**10,837**	**170,284**
Revaluation reserve	**3,080**	**43,331**	**-**	**2,622**	**-**	**-**	**49,033**

Note 9.1 Property, plant and equipment – 2022-23

	Land	*(Restated)*[1] Buildings	Assets Under Construction	Plant & Machinery	Transport Equipment	Information Technology	*(Restated)*[1] Total
	£000	£000	£000	£000	£000	£000	£000
Valuation/cost at 1 April 2022	**26,253**	**176,305**	**8,396**	**59,543**	**10**	**20,045**	**290,552**
Adoption of IFRS 16 – reclassification to Right of Use Assets	(10,107)	(39,689)					**(49,796)**
Restated balance at 1 April 2022	**16,146**	**136,616**	**8,396**	**59,543**	**10**	**20,045**	**240,756**
Additions purchased	-	119	-	5,603	-	102	**5,824**
Reclassification*	-	8,395	(8,396)	(68)	-	68	**(1)**
Indexation	-	-	-	560	-	-	**560**
Other in year revaluations	(100)	(11,114)	-	-	-	-	**(11,214)**
Impairments	-	(6,072)	-	-	-	-	**(6,072)**
Disposals	-	-	-	(2,008)	-	-	**(2,008)**
Valuation/cost at 31 March 2023	**16,046**	**127,944**	**-**	**63,630**	**10**	**20,215**	**227,845**
Accumulated depreciation at 1 April 2022	-	2,211	-	42,539	10	5,312	**50,072**
Provided during the year	-	4,792	-	3,371	-	3,643	**11,806**
Reclassification	-	-	-	(2)	-	2	**-**
Indexation	-	-	-	401	-	-	**401**
Other in year revaluations	-	(4,494)	-	-	-	-	**(4,494)**
Disposals	-	-	-	(1,934)	-	-	**(1,934)**
Accumulated depreciation at 31 March 2023	**-**	**2,509**	**-**	**44,375**	**10**	**8,957**	**55,851**
Net book value at 1 April 2022	26,252	174,094	8,396	17,004	-	14,733	**240,479**
Net book value at 31 March 2023	**16,046**	**125,435**	**-**	**19,255**	**-**	**11,258**	**171,994**
Net book value at 31 March 2023 comprises:							
Owned assets	16,046	125,435	-	19,255	-	11,258	**171,994**
	16,046	**125,435**	**-**	**19,255**	**-**	**11,258**	**171,994**
Revaluation reserve	**5,944**	**49,240**	**-**	**428**	**-**	**98**	**55,710**

* Reclassified to Note 11 Intangibles.

1. figures have been restated to reflect the impact of amended valuations for two properties. This has reduced the value of buildings by £19,378k. Further details can be found in Note 24 on p. 146.

Note 9.2 Revaluation of property, plant and equipment

NHSBT undertook the quinquennial full revaluation of land and buildings as at 31 March 2024. The valuation was performed by newly appointed independent RICS registered valuer Gerald Eve LLP.

Assets that are held for their service potential and are in use are measured subsequently at their current value in existing use. Assets that were most recently held for their service potential but are surplus are measured at fair value where there are no restrictions preventing access to the market at the reporting date.

Land and buildings used to provide NHSBT services or for administrative purposes are stated in the Statement of Financial Position at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses.

Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

- land and non-specialised buildings – existing use value (EUV)
- specialised buildings – depreciated replacement cost (DRC)

NHSBT properties are revalued at their 'Depreciated Replacement Cost'. This technique involves assessing all the costs of providing a modern equivalent asset using pricing at the valuation date. There are two exceptions, Gloucester Oak House and London West End which are valued at their Existing Use Value (EUV), as these are non-specialised assets where market-based evidence can be used for valuations.

The full revaluation resulted in an overall decrease in the value of land and buildings of £5.1m, with the majority of this being taken to the revaluation reserve, and £346k being credited to operating expenditure in respect of the reversal of previous impairments.

The full revaluation at 31 March 2024 identified some issues with the desktop valuation undertaken at 31 March 2023. This necessitated a prior period adjustment, to restate the 2022-23 figures, and further details are provided under Note 24 on page 146.

The carrying amount of land and buildings that would have been recognised had the assets been carried under the cost model is £111.7m for buildings including right of use assets, and £22.6m for land including right of use assets.

Note 10 Right of use assets – 2023-24

	Land	Buildings	Transport Equipment	Total
	£000	£000	£000	£000
Valuation/cost at 1 April 2023	10,325	57,368	5,245	**72,938**
Additions		7,422	1,371	**8,793**
Rent reviews	-	203	-	**203**
Other in year revaluations	762	(1,447)	-	**(685)**
Disposals		(986)	(19)	**(1,005)**
Valuation/cost at 31 March 2024	**11,087**	**62,560**	**6,597**	**80,244**
Accumulated depreciation at 1 April 2023	6	3,476	1,830	**5,312**
Provided during the year	90	5,877	1,756	**7,723**
Other in year revaluations	(86)	(1,947)	-	**(2,033)**
Disposals	-	-	-	**-**
Accumulated depreciation at 31 March 2024	**10**	**7,406**	**3,586**	**11,002**
Net book value at 1 April 2023	10,319	53,892	3,415	**67,626**
Net book value at 31 March 2024	**11,077**	**55,154**	**3,011**	**69,242**
Net book value at 31 March 2024 comprises:				
Finance leased assets	11,077	55,154	3,011	**69,242**
Revaluation reserve	**9,802**	**19,159**	**-**	**28,961**

Note 10.1 Right of use assets – 2022-23

	Land	*(Restated)*[1] Buildings	Transport Equipment	*(Restated)*[1] Total
	£000	£000	£000	£000
Valuation/cost at 1 April 2022	-	-	-	**-**
Effect of adoption of IFRS 16:				
Leases previously treated as operating leases	29	21,471	4,932	**26,432**
Reclassification of finance leases from property, plant and equipment	10,107	39,689	-	**49,796**
Additions	-	472	313	**785**
Rent reviews	-	324	-	**324**
Impairments	-	(996)	-	**(996)**
Other in year revaluations	189	(3,592)	-	**(3,403)**
Valuation/cost at 31 March 2023	**10,325**	**57,368**	**5,245**	**72,938**
Accumulated depreciation at 1 April 2022	-	-	-	**-**
Provided during the year	29	4,963	1,830	**6,822**
Other in year revaluations	(23)	(1,487)	-	**(1,510)**
Accumulated depreciation at 31 March 2023	**6**	**3,476**	**1,830**	**5,312**
Net book value at 1 April 2022	-	-	-	**-**
Net book value at 31 March 2023	**10,319**	**53,892**	**3,415**	**67,626**
Net book value at 31 March 2023 comprises:				
Finance leased assets	10,319	53,892	3,415	**67,626**
Revaluation reserve	**8,988**	**19,849**	**-**	**28,837**

1. figures have been restated to reflect the impact of amended valuations for two properties. This has reduced the value of buildings by £6,102k. Further details can be found in Note 24 on p. 146.

10.2 Amounts recognised in Statement of Comprehensive Net Expenditure

	2023-24 £000	2022-23 £000
Depreciation expense on right-of-use assets	7,723	6,822
Interest expense on lease liabilities	1,369	1,136
Expense relating to low value, short-term leases and leases where substantially all the economic benefits of the assets will not be obtained over the period of the lease	4,926	4,733
Non-recoverable VAT	815	704
	14,833	**13,395**

10.3 Amounts recognised in Statement of Cash Flows

	2023-24 £000	2022-23 £000
Total cash outflow on interest expense on leases	1,152	1,136
Total cash outflow on repayment on lease liabilities	6,675	4,667
	7,827	**5,803**

Note 11 Intangible assets – 2023-24

	Software Purchased £000	Assets Under Construction £000	Total £000
Valuation/cost at 1 April 2023	7,725	8,280	**16,005**
Additions	3,283	1,173	**4,456**
Reclassification	8,280	(8,280)	**-**
Disposals	(62)	-	**(62)**
Valuation/cost at 31 March 2024	**19,226**	**1,173**	**20,399**
Amortisation at 1 April 2023	5,051	-	**5,051**
Provided during the year	1,786	-	**1,786**
Disposals	(64)	-	**(64)**
Amortisation at 31 March 2024	**6,773**	-	**6,773**
Net book value at 1 April 2023	2,674	8,280	**10,954**
Net book value at 31 March 2024	**12,453**	**1,173**	**13,626**
Net book value at 31 March 2024 comprises:			
Purchased	12,453	1,173	**13,626**
Asset financing	**12,453**	**1,173**	**13,626**
Revaluation reserve	**-**	**-**	**-**

Research and development expenditure associated with intangible asset development has been recognised as an expense in Note 4 and Note 5, and is categorised by the nature of the expenditure incurred.

Note 11.1 Intangible assets – 2022-23

	Software Purchased £000	Assets Under Construction £000	Total £000
Valuation/cost at 1 April 2022	6,558	4,512	**11,070**
Additions	1,167	3,767	**4,934**
Reclassification*	-	1	**1**
Valuation/cost at 31 March 2023	**7,725**	**8,280**	**16,005**
Amortisation at 1 April 2022	4,625	-	**4.625**
Provided during the year	426	-	**426**
Amortisation at 31 March 2023	**5,051**	**-**	**5,051**
Net book value at 1 April 2022	1,933	4,512	**6,445**
Net book value at 31 March 2023	**2,674**	**8,280**	**10,954**
Net book value at 31 March 2023 comprises:			
Purchased	2,674	8,280	**10,954**
Asset financing	**2,674**	**8,280**	**10,954**
Revaluation reserve	**28**	**-**	**28**

*Reclassification from Note 9 Property, plant and equipment

Research and development expenditure associated with intangible asset development has been recognised as an expense in Note 4 and Note 5, and is categorised by the nature of the expenditure incurred.

Note 12 Inventories

	31 March 2024 £000	31 March 2023 £000
Raw materials and consumables	7,940	6,234
Work in progress	2,240	2,740
Finished processed goods	9,947	9,357
Total	**20,127**	**18,331**

At 31 March 2024, we held 22,143 litres of plasma for diagnostics (31 March 2023: 42,978 litres), which were valued at £1.58m (31 March 2023: £2.04m). We also held 237,596 litres of plasma for medicine (31 March 2023: 116,234 litres), which were valued at £nil (31 March 2023: £nil). In addition, we continued to hold 493 units (31 March 2023: 493 units) of plasma collected under the convalescent plasma programme. This continues to be retained due to its high-titre nature, making it ideal for clinical trials. Since no clinical trials are currently planned, and if they were to occur would be likely to be undertaken by NHSBT, this stock has been valued at £nil (31 March 2023: £nil).

At 31 March 2024, we held finished processed blood and component stocks valued £6.47m (31 March 2023: £6.19m).

Note 13 Trade and other receivables

	31 March 2024 £000	31 March 2023 £000
Current		
Trade receivables	50,969	47,035
Allowance for impaired contract receivables	(30)	(36)
Other debtors	264	149
VAT	3,497	4,348
Prepayments and accrued income	15,774	23,891
Subtotal	**70,474**	**75,387**
Non-Current		
Other prepayments and accrued income	504	437
Subtotal	**504**	**437**
Total trade and other receivables	**70,978**	**75,824**
Allowances for credit losses		
	2023-24 £000	**2022-23 £000**
At 1 April	(36)	(7)
New allowances arising	(29)	(36)
Utilisation of allowances (written off)	5	-
Reversed unused (recovered)	30	7
At 31 March	**(30)**	**(36)**

Note 14 Cash and cash equivalents

	31 March 2024 £000	31 March 2023 £000
At 1 April	50,685	64,676
Net change in year	(26,244)	(13,991)
At 31 March	**24,441**	**50,685**
Comprising:		
Cash in hand	1	1
Cash with the Government Banking Service	24,440	50,684
Total cash and cash equivalents	**24,441**	**50,685**

Note 15 Trade and other payables

	31 March 2024 £000	31 March 2023 £000
Current		
Trade payables – revenue	4,608	6,325
Trade payables – capital	305	42
Tax and social security costs	16	22
Accruals	32,541	43,350
Deferred income	11,115	25,746
Total current trade and other payables	**48,585**	**75,485**

Note 16 Provisions for liabilities and charges

	PAYE £000	Employee benefits £000	Redundancy £000	Product liability & other £000	Total £000
At 1 April 2023	57	333	279	630	1,299
Provisions arising in the year	58	54	86	619	817
Change in discount rate	-	(17)	-	-	(17)
Utilised during the year	(57)	(31)	(286)	(146)	(520)
Reversed unused	-	-	-	(216)	(216)
Unwinding of discount	-	8	-	-	8
Balance at 31 March 2024	**58**	**347**	**79**	**887**	**1,371**
Expected timing of cash flows:					
– not later than 1 year	58	34	79	887	1,058
– later than one year and not later than five years		128	-	-	128
– later than five years	-	185	-	-	185
Total	**58**	**347**	**79**	**887**	**1,371**

The PAYE provision is in respect of the probable values that will be due to HMRC under the annual PAYE Settlement Agreement process, and in respect of dual office travel expenses.

The provision for employee benefits is in respect of permanent injury benefit awards which are payable over the lifetime of the individuals receiving the payments. The discount rate applied is plus 2.45% as published by HM Treasury in January 2024.

The product liability and other category relates to legal actions brought by individuals arising from the use of NHSBT products; legal claims from donors and employees; and other employee liability and public liability claims.

NHSBT has recognised a provision of £79k in relation to two redundancies at 31 March 2024 (31 March 2023: £279k).

At 31 March 2024 £10,024k is included in the provisions of NHS Resolution in respect of the clinical negligence liabilities of NHSBT (31 March 2023: £13,017k).

Our accounts do not include any provisions related to infected blood, these are included in the accounts of the Department of Health and Social Care.

Note 17 Obligations under leases

Obligations under finance leases where NHS Blood and Transplant is the lessee.

Minimum lease payments	31 March 2024 £000	31 March 2023 £000
Not later than one year	6,780	6,492
Later than one year and not later than five years	17,085	16,344
Later than five years	23,438	21,958
	47,303	**44,794**
Less future finance charges	(16,084)	(15,055)
Present value of future lease obligations	**31,219**	**29,739**
Present value of minimum lease payments		
Not later than one year	5,442	5,407
Later than one year and not later than five years	12,807	12,952
Later than five years	12,970	11,380
Present value of future lease obligations	**31,219**	**29,739**
Analysed as:		
Current borrowings	5,442	5,407
Non-current borrowings	25,777	24,332
	31,219	**29,739**

Note 18 Other cash flow adjustments (non-cash)

Other cash flow adjustments	Note	2023-24 £000	*(Restated)*[1] 2022-23 £000
Depreciation	9 & 10	16,380	18,628
Amortisation	11	1,785	426
(Reversal of impairments)/impairments*	9 & 10	(346)	7,068
Loss on disposal	8	74	66
Provisions arising in year	16	817	654
Provisions reversed in year	16	(216)	(374)
Prepaid leases on first time adoption of IFRS 16		-	(1,737)
Other miscellaneous non-cash adjustment		(65)	-
Total		**18,429**	**24,731**

* the majority of the impairment in 2022-23 relates to the revaluation of leased properties at Barnsley and Liverpool Speke, with an additional smaller impairment in respect of an issue detected with the utilisation of reinforced autoclaved aerated concrete in the construction of our Southampton site.

1. figures have been restated to reflect the impact of amended valuations for two properties (see Note 24 on p. 146 for further details), and to remove the acquisition of right of use assets from the figures.

Note 19 Contingent assets and liabilities

At 31 March 2024 contingent liabilities relating to potential costs associated with donor claims, personal injury claims, employment tribunals, and other employer and public liability claims were £95,000 (31 March 2023: £112,212).

Due to the nature of the contingent liabilities, it is difficult to predict with any degree of accuracy the final amounts due and whether they will crystallise.

Note 20 Capital commitments

At 31 March 2024 the value of contracted capital commitments was £67,980 (31 March 2023: £276,855).

Note 21 Related parties

The Department of Health and Social Care (DHSC) is regarded as a controlling, related party of NHS Blood and Transplant. Therefore, the individuals and entities that DHSC identifies as meeting the definition of related parties are also deemed to be related parties of NHS Blood and Transplant. In respect of organisations identified as related parties of DHSC Ministers, Senior Officials or Non-Executive Directors, NHS Blood and Transplant undertook the following transactions during 2023-24, and had the following balances as at 31 March 2024:

NHS Confederation: expenditure £3k, amount owed to related party £4k

Medical Research Council: income £40k, amount owed by related party £24k

In addition, during the year NHS Blood and Transplant has had a significant number of material transactions with DHSC, and with other entities for which DHSC is regarded as the parent Department, including:

- NHS England
- NHS Foundation Trusts
- NHS Trusts

During the year these transactions were valued at £538m in income (2022-23: £520m) and £33m of expenditure (2022-23: £35m). Of the income, NHSBT received £113.4m (2022-23: £125.3m) from the DHSC in relation to operational grant-in-aid and £15.5m (2022-23: £10.5m) funding for its capital programme.

In addition, NHSBT has had several material transactions with other government departments, central and local government bodies, and NHS bodies of Scotland, Wales and Northern Ireland. These transactions amounted to £21m of income (2022-23: £22m) and £92m of expenditure (2022-23: £74m).*

* expenditure figures inclusive of pensions and social security costs of permanently employed staff.

NHSBT Board member or senior manager	NHSBT appointment	Related party	Related party position held	Income from Related party* £000	Expenditure with related party* £000	Amounts due from related Party £000	Amounts owed to related Party £000
Charles Craddock	Non-Executive Director	Anthony Nolan	Advisor	744	13	212	-
Charles Craddock	Non-Executive Director	Accelerating Clinical Trials Ltd	Trustee and Founding Member	-	63	-	-
Deirdre Kelly	Non-Executive Director	University of Birmingham	Professor of Paediatric Hepatology	(25)	8	5	-
Deirdre Kelly	Non-Executive Director	Birmingham Women's and Children's NHS Foundation Trust	Consultant Paediatric Hepatologist	614	13	100	3
Gail Miflin	Chief Medical Officer and Director of Clinical Services	Accelerating Clinical Trials Ltd	Non-Executive Directorship	-	63	-	-
Denise Thiruchelvam	Chief Nursing Officer	University of Surrey	Visiting Professor	-	-	1	-
Denise Thiruchelvam	Chief Nursing Officer	NHS England		6,834	60	3,513	31
Rachel Jones	Non-Executive Director	Northern Care Alliance NHS Foundation Trust	Non-Executive Director	801	35	118	6
Lorna Marson	Non-Executive Director	Department of Health and Social Care	Husband, Professor John Forsythe, consultant on Implementation of Organ Utilisation group recommendations	As noted in the text above the table			

*The figures in the table are transactions between the organisations over which the NHSBT Board Member or senior manager has influence.

In accordance with IAS 24 the NHS Blood and Transplant Trust Fund is regarded as a related party. Income received from the Trust Fund during the year totalled £nil (2022-23: £15k) and the Trust Fund had £1k outstanding debtors at 31 March 2024 (31 March 2023: £nil).

Other Related Parties

	2023-24		2022-23	
	Income £000	Expenditure £000	Income £000	Expenditure £000
Accelerating Clinical Trials Ltd grant funding	-	63	-	438
NHS and DHSC bodies	409,036	33,443	384,661	34,626
Other Whole of Government Accounts bodies	20,791	92,268	22,241	73,627

Other Related Parties

	2023-24		2022-23	
	Receivables £000	Payables £000	Receivables £000	Payables £000
NHS and DHSC bodies	24,783	12,135	36,124	41,405
Other Whole of Government Accounts bodies	15,992	7,088	2,321	6,387

Note 22 Events after the reporting date

In accordance with the requirements of IAS 10 events after the reporting period are considered up to the date on which the accounts are authorised for issue. The Accounting Officer authorised these financial statements for issue on the same date as the Certificate and Report of the Comptroller and Auditor General.

A pay offer was agreed in April 2024 by the Northern Ireland Department of Health. This included additional pay for 2023-24, comprising a consolidated 5% pay uplift, backdated to 1 April 2023, and a non-consolidated award of up to £1,505, pro-rated for length of service during the 2023-24 year and part-time hours. Since the additional pay costs relate to 2023-24, and the pay offer was proposed prior to the end of the financial year, the costs for our staff employed in Northern Ireland have been accrued in the financial statements.

Note 23 Financial instruments

Financial risk management

Due to the continuing service provider relationship that NHSBT has with its customers, and the way they are financed, NHSBT is not exposed to the degree of financial risk faced by business entities. Financial instruments therefore play a much more limited role in creating or changing risk than would be typical of non-public sector bodies. NHSBT has limited powers to borrow or invest surplus funds and financial assets, and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing NHSBT in undertaking its activities.

NHSBT's treasury management operations are carried out by the finance department, within parameters defined within the Standing Financial Instructions and policies agreed by the Board. The treasury activity is subject to review by internal audit.

Currency risk

NHSBT is principally a domestic organisation with the great majority of transactions, assets and liabilities being UK and sterling based. NHSBT has no overseas operations. NHSBT therefore has low exposure to currency rate fluctuations.

Interest rate risk

All of NHSBT's financial assets and financial liabilities carry nil or fixed rates of interest. NHSBT is not, therefore, exposed to significant interest rate risk.

Credit risk

Since the majority of NHSBT's revenue comes from contracts with other public sector bodies, NHSBT has low exposure to credit risk.

Liquidity risk

The majority of NHSBT's operating costs are financed from resources voted annually by Parliament. NHSBT's capital expenditure is funded from resources made available from DHSC. NHSBT is not, therefore, exposed to significant liquidity risks.

Note 24 Prior period adjustment

NHSBT uses external professional valuers to assess the value of its freehold, and some major leasehold, land and buildings. The valuers undertake a full valuation every five years, and a desktop valuation in the intervening years. During 2023-24, following a procurement exercise, NHSBT appointed new valuers for the quinquennial full valuation due at 31 March 2024.

The 31 March 2024 valuation exercise identified some issues with the desktop valuation figures used as at 31 March 2023. Under IFRS 16, which became effective for the year ending 31 March 2023, the valuation of leasehold properties should take account of the remaining life of the lease. Two leasehold properties had been valued at 31 March 2023 as if they were freehold.

To address this, a prior period adjustment has been necessary, which has impacted the previously published 2022-23 figures as follows:

Impact on Statement of Comprehensive Net Expenditure for year ended 31 March 2023	Note	Original £000	Prior period adjustment £000	Restated balance £000
Gross Income				
Income from sale of goods and services	2 & 3	394,469	-	394,469
Other operating income	2 & 3	41,325	-	41,325
		435,794	**-**	**435,794**
Expenditure				
Staff costs	4	(300,095)	-	(300,095)
Operating expenses	5.1	(208,547)	-	(208,547)
Depreciation and amortisation	5.2	(19,054)	-	(19,054)
Other operating expenditure	6	(30,065)	(6,487)	(36,552)
		(557,761)	**(6,487)**	**(564,248)**
Net operating expenditure before interest		**(121,967)**	**(6,487)**	**(128,454)**
Finance expense		(1,106)	-	(1,106)
Net operating expenditure after interest	2	**(123,073)**	**(6,487)**	**(129,560)**
Other comprehensive net expenditure				
Items which will not be reclassed to net operating costs:				
Net gain/(loss) on revaluation of property, plant and equipment	9	7,320	(13,887)	(6,567)
Net gain/(loss) on revaluation of right of use assets	10	3,213	(5,106)	(1,893)
Total comprehensive net expenditure		**(112,540)**	**(25,480)**	**(138,020)**

Impact on Statement of Financial Position as at 31 March 2023	Note	Original £000	Prior period adjustment £000	Restated balance £000
Non-current assets				
Property, plant and equipment	9	191,372	(19,378)	171,994
Right of use assets	10	73,728	(6,102)	67,626
Intangible assets	11	10,954	-	10,954
Financial assets	13	437	-	437
Total non-current assets		**276,491**	**(25,480)**	**251,011**
Current assets				
Inventories	12	18,331	-	18,331
Trade and other receivables	13	75,387	-	75,387
Cash and cash equivalents	14	50,685	-	50,685
Total current assets		**144,403**	**-**	**144,403**
Current liabilities				
Trade and other payables	15	(75,485)	-	(75,485)
Provisions for liabilities and charges	16	(995)	-	(995)
Obligations under leases	17	(5,407)	-	(5,407)
Total current liabilities		**(81,887)**	**-**	**(81,887)**
Total assets less current liabilities		**339,007**	**(25,480)**	**313,527**
Non-current liabilities				
Provisions for liabilities and charges	16	(304)	-	(304)
Obligations under leases	17	(24,332)	-	(24,332)
Total non-current liabilities		**(24,636)**	**-**	**(24,636)**
Total assets employed		**314,371**	**(25,480)**	**288,891**
Financed by				
General fund		211,208	(6,892)	204,316
Revaluation reserve		103,163	(18,588)	84,575
Total taxpayers' equity		**314,371**	**(25,480)**	**288,891**

Impact on Statement of Changes in Taxpayers' Equity for the year ended 31 March 2023	Note	Original £000	Prior period adjustment £000	Restated balance £000
General fund				
Balance at 1 April 2022		**194,779**	**-**	**194,779**
Changes in taxpayers' equity for 2022-23:				
Net expenditure for financial period		(123,073)	(6,487)	(129,560)
Transfer between reserves		3,749	(405)	3,344
Total recognised income and expense for 2022-23		**(119,324)**	**(6,892)**	**(126,216)**
Revenue grant from DHSC		125,253	-	125,253
Capital grant from DHSC		10,500	-	10,500
General fund balance at 31 March 2023		**211,208**	**(6,892)**	**204,316**
Revaluation reserve				
Balance at 1 April 2022		**96,379**	**-**	**96,379**
Changes in taxpayers' equity for 2022-23:				
Net gain/(loss) on revaluation of property, plant and equipment	9	7,320	(13,887)	(6,567)
Net gain/(loss) on revaluation of right of use assets	10	3,213	(5,106)	(1,893)
Transfer between reserves		(3,749)	405	(3,344)
Total recognised income and expense for 2022-23		**6,784**	**(18,588)**	**(11,804)**
Revenue grant from DHSC		-	-	-
Capital grant from DHSC		-	-	-
Revaluation reserve balance at 31 March 2023		**103,163**	**(18,588)**	**84,575**

Impact on Statement of Cash Flows for the year ended 31 March 2023	Note	Original £000	Prior period adjustment £000	Restated balance £000
Cash flows from operating activities				
Net operating costs before interest		(121,967)	(6,487)	(128,454)
Adjustments for non-cash transactions	18	18,244	6,487	24,731
Increase in trade and other receivables	13	(32,267)	-	(32,267)
Increase in inventories	12	(1,055)	-	(1,055)
Increase in trade and other payables	15	4,022	-	4,022
Decrease in capital accruals	15	389	-	389
Provisions utilised	16	(160)	-	(160)
Net cash (used in) operating activities		**(132,794)**	**-**	**(132,794)**
Cash flows from investing activities				
Purchase of plant, property and equipment		(6,213)	-	(6,213)
Purchase of intangible assets		(4,934)	-	(4,934)
Net cash (used in) investing activities		**(11,147)**	**-**	**(11,147)**
Cash flows from financing activities				
Grant from Department of Health and Social Care		135,753	-	135,753
Capital element paid in respect of lease obligations		(4,667)	-	(4,667)
Interest paid in respect of lease obligations		(1,136)	-	(1,136)
Net cash generated from financing activities		**129,950**	**-**	**129,950**
(Decrease)/increase in cash and cash equivalents		(13,991)	-	(13,991)
Cash and cash equivalents at 1 April		64,676		64,676
Cash and cash equivalents at 31 March	14	**50,685**	**-**	**50,685**

The impact has been reflected in the prior year comparator figures throughout the financial statements. Since the prior period adjustment relates to the implementation of IFRS 16 during the 2022-23 financial year there was no impact on the opening Statement of Financial Position for 2022-23, and a restated opening Statement of Financial Position was therefore not necessary.

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