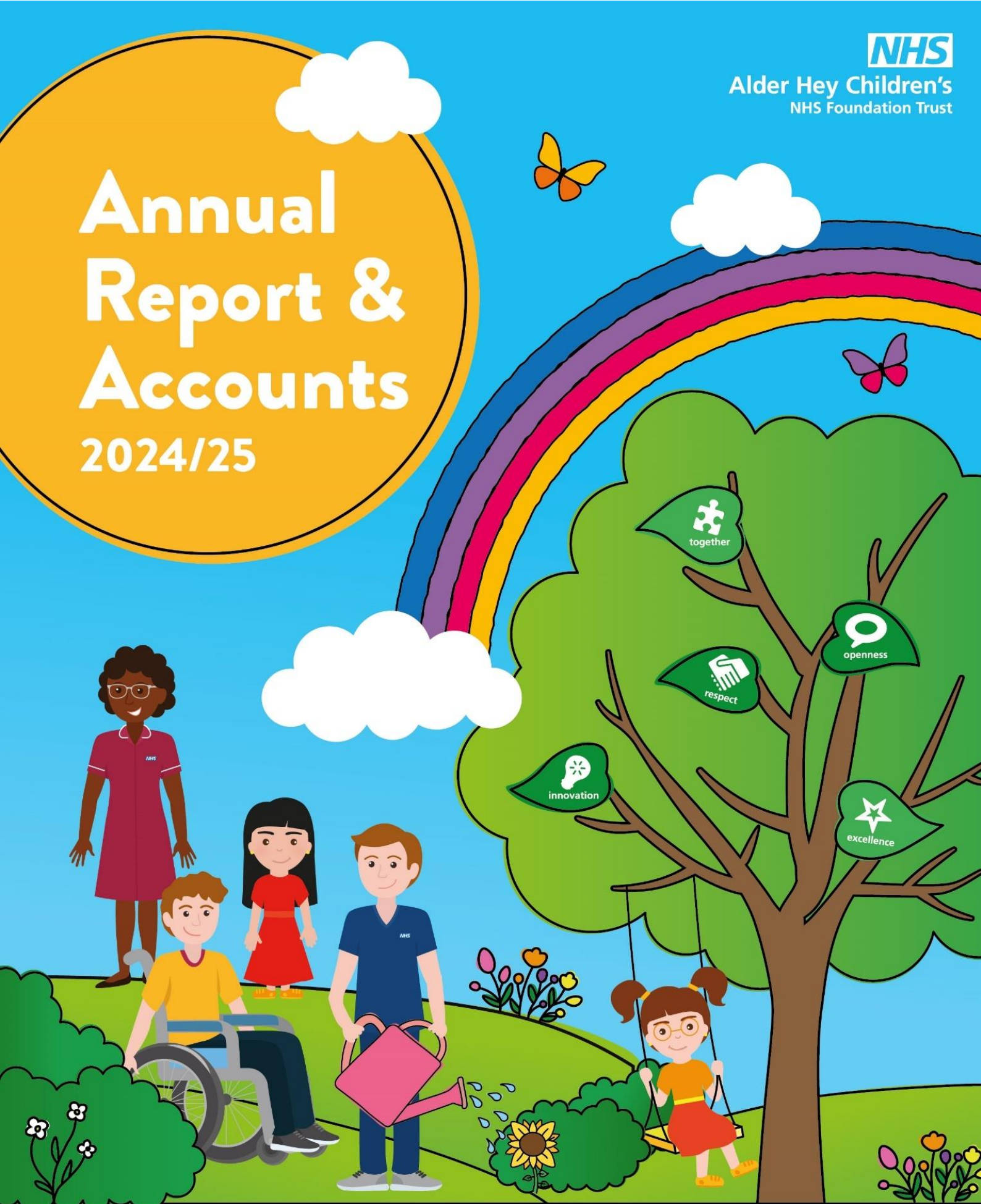


Annual Report & Accounts 2024/25



Collaborate
for children & young people

Revolutionise
care

Support
our people

Pioneering
breakthroughs

Outstanding
care & experience

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



Alder Hey Children's
NHS Foundation Trust

Annual Report & Accounts 2024/25

Presented to Parliament pursuant to
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National Health Service Act 2006

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A Message from our Chair and Chief Executive

We are delighted to present our Annual Report for 2024/25. In its pages we hope to once again tell the story of Alder Hey's tireless commitment to our vision for '*A healthier, happier and fairer future where every child and young person achieves their potential*,' which has remained at the core of all our work during the year as we continue to advance our 2030 strategy.

At this time of reflection at the end of another very busy year, we wanted to pause for a moment and invite you to look back with us at some of the progress and significant achievements delivered by our amazing teams, in the face of what is possibly the most challenging environment for the NHS in its history. We hope that this report paints a picture of hope for the future; that we remain committed to our purpose in spite of the financial and operating hurdles that we must now overcome, alongside our peers and partners.

Driven by our strategy, we have continued to focus on developing strong collaborative relationships with other agencies, with a particular focus on how we can work within local neighbourhoods to effect positive changes for children, young people and families. We are looking to build on our role as an anchor institution and demonstrate a significant shift in how services are delivered for some of the most vulnerable communities. We have also established two major clinical collaboratives internally in order to transform our services for the future and ensure we are as efficient and responsive as possible to meet the needs of our population. These programmes will look at how we provide urgent and emergency care through our new facilities, as well as redesign our pathways to ensure the most effective management of planned care for our patients. We will use our new AI strategy to develop solutions for leading edge, digitally enabled healthcare.

This year also sees us on the cusp of fully realising our decade long vision for a state-of-the-art children's healthcare campus, following the handover of the new Springfield Park to our local authority partners and the completion of our new acute care floor and neonatal unit. All of these facilities mark Alder Hey as a unique community for children and young people on a global basis. We are incredibly proud of all that has been achieved.

That seems an appropriate point at which to offer our sincere thanks to every member of our fantastic staff, our dedicated volunteers, our governors and our partners in Alder Hey Children's Charity for all that has been accomplished in 2024/25. Now more than ever, we recognise the strength and value of being part of such a special family.



Dame Jo Williams

Chair



John Grinnell

Chief Executive

Performance Report

Overview

This section of the report is designed to provide a brief summary of Alder Hey as an organisation: what we are about, what we are aiming to deliver for our patients and families, the risks to achieving this and how successful we have been in the last year.

About the Trust

Alder Hey Children's NHS Foundation Trust employs a workforce of 4,730 staff providing specialist healthcare to over 450,000 children and young people each year. In addition to the site at West Derby in North Liverpool, Alder Hey has a presence at a number of community outreach sites across Liverpool and Sefton. In collaboration with other providers, our staff also help deliver care closer to children and young people's homes by holding local clinics at locations from Cumbria to Shropshire, in Wales and the Isle of Man. The Trust provides a regional children's Tier 4 inpatient unit, Sunflower House, for children under the age of 13 who require mental health inpatient care. In partnership with the Royal Manchester Children's Hospital, Alder Hey also provides specialist gender-related care and support as part of the NHS Children Young People's Gender Service (North West).

We have been authorised and licensed as an NHS Foundation Trust since August 2008 and have an active Council of Governors representing patients, parents, carers, staff, the general public and our partner organisations. The Council represents our membership which currently totals over 13,500 people across the regions we serve. We have a well-established Children and Young Peoples' Forum, 'The Forum,' which works with us to develop new ideas for how they can be at the centre of the Trust's plans and activities, helping us keep children and young people's voices at the forefront, including continuing to play a key role in the recruitment of key Board level and other senior posts.

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

For the year 2024/25 our operating turnover was £455m of which £412m directly relates to the clinical services we provide; 33% of our clinical income is non-specialised and 67% is specialised. Our principal contract is with NHS England for tertiary and quaternary care. The Trust also serves a wide population base for secondary care with Liverpool 'Place' hosting the £119m contract on behalf of nine associate Places in Cheshire and Merseyside. In addition to this we also have a contract with a value of £25.8m with commissioners in Wales. In developing its operational and financial plans, the Trust has continued to exercise its functions in accordance with the Cheshire and Merseyside ICB joint forward plan and joint capital resource plan as part of collaborative arrangements with all partners.

Alder Hey Futures is the mechanism within the Trust for delivering on pioneering breakthroughs to improve child health and wellbeing; strengthening Alder Hey's position as a global beacon of excellence in digital, research, innovation, and education. *Futures* brings together expertise in research, innovation, digital and education. It facilitates and invests in collaborations that design, develop, and deploy care into new healthcare knowledge and solutions focusing on: recruiting, training and retaining the best innovators, clinicians, and researchers in paediatric health care;

providing the very best conditions for them to be successful; and supporting them to collaborate and share their knowledge globally.

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

Our Services

The Trust remains committed to its model of managing services through four clinical divisions: Medicine, Surgery, Clinical Research and Community and Mental Health services. Each Division is led by a triumvirate leadership team, comprising a Clinical Director (as the Accountable Officer), supported by a Senior Manager in the role of Associate Chief Operating Officer and an Associate Chief Nurse who, together with service leads and managers, are responsible and accountable for the overall clinical, workforce and financial performance of their areas and specialties.

The four clinical divisions are comprised of the following services:

Medicine	Surgery
• Urgent and Emergency Care • General Paediatrics • Diabetes • Respiratory Medicine • Infectious Diseases • Immunology • Metabolic Diseases • Nephrology • Rheumatology • Gastroenterology • Dermatology • Endocrinology • Dietetics • Oncology • Metabolic Bone Service • Haematology • Palliative Care • Bereavement Services • Radiology • Pathology • Pharmacy – Aseptic Unit • Therapies • Long Term Ventilation • Bed Management • Medical Day Care • Neurology • Allergy • Neurophysiology	• Cardiac Surgery and Cardiology • Paediatric Intensive Care and Designated ECMO Service • High Dependency Care • Burns Unit • Paediatric Surgery • Urology • Gynaecology • Neonatal Surgery • Operating theatres • Anaesthesia and Chronic Pain • Ear Nose and Throat and Audiology • Cleft Lip and Palate • Ophthalmology • Maxillofacial Surgery • Dentistry and Orthodontics • Neurosurgery • Craniofacial Surgery • Orthopaedics • Plastic Surgery • Spinal Surgery • EBME (Medical Equipment) • Audiology • Gait Lab • Major Trauma Service • Medical Photography • Orthotics • Laser

• Physiotherapy • Occupational Therapy • Speech and Language Therapy • Gastro Physiology • Respiratory Physiology • Histopathology • Microbiology • Neuromuscular Services	• Perfusion • ECG • Vascular Access Service • Tissue Viability
Community and Mental Health • Children's Community Nursing Team • Community Matrons • Community Therapies (Physiotherapy, Occupational Therapy, Speech and Language Therapy, Dietetics, Specialist Network for Deaf People) • Developmental Paediatrics • ASD and ADHD Services • Acute Learning Disabilities and Mental Health Team • SEND Team • Complex Discharge and Transition Team • Safeguarding Services • Rainbow Centre and Sexual Assault Referral Centre (SARC) • Specialist Children's Mental Health Services - Eating Disorders, Tier 4 Children's Inpatient Unit, Crisis Care (including Home Treatment Team), Specialist Community Mental Health Services (locality based), Mental Health in Schools Teams, Intensive Support Team, Enhanced Support Team • North West Gender Service • Clinical Health Psychology • Outpatients • Booking and Scheduling • Phlebotomy	Clinical Research • Research Management • Research Delivery • Research Support Services • Research Programmes and Partnerships • Clinical Research Facility • Paediatric Medicines Research Unit

Our CQC Ratings

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

Overall rating for this Trust

Good



Are services at this Trust safe? **Requires Improvement**



Are services at this Trust effective? **Good**



Are services at this Trust caring? **Outstanding**



Are services at this Trust responsive? **Good**



Are services at this Trust well-led? **Good**



Our Vision and Our Strategy

2024/25 is year two of the new Trust Strategy - Vision 2030.

The Alder Hey Board approved Vision 2030 in March 2023. Vision 2030 builds upon clear, long term strategic ambitions (originally set out as a blueprint in 2011) and has been endorsed by the Board and Council of Governors throughout its development and implementation. Significant progress has been made during 2024/25 with our people, wider stakeholders and system partners. Year 2 of the Vision 2030 transformation programme has been defined and is under implementation with underpinning programme and benefits realisation plans. The Trust's values continue to underpin all that we do and how we do it throughout the most challenging period in NHS history.

Our 2030 vision is;

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



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

Vision 2030 drives a focus on four areas of children and young people's needs placing their needs at the centre:

- ✓ Get me well
- ✓ Personalise my care
- ✓ Improve my life chances
- ✓ Bring me the future

These are supported by five strategic objectives:

- ★ Outstanding care and experience
- ★ Collaborate for children and young people
- ★ Revolutionise care
- ★ Support our people
- ★ Pioneering breakthroughs.

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

Delivering on Our Strategic Aims and Our Operational Plan: Highlights from 2024/25

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

Outstanding Care and Experience

- Alder Hey is committed to being a safe place for children and young people to receive healthcare. This year we continued to drive improvement in patient safety through our Patient Safety Board, delivering against the patient safety strategy and our Patient Safety Incident Reporting Plan (PSIRP).
- We have laid the foundations to transition our patient experience and clinical effectiveness boards to work in the same Brilliant Basics approach and drafted our Quality Strategy ready for launch in Q1 2025/26.
- With ongoing work through our Tissue Viability Team, we saw a 50% reduction in grade 2 pressure injury, with a noticeable reduction in device related pressure. We have also continued to see a reduction in medication errors, particularly those relating to TPN through the quality improvement work of those teams.
- Alder Hey has continued to see a rise in non-elective demand through our Emergency Department. Building work on our new urgent care centre is underway and the teams have been piloting new pathways of care, including the development of paediatric same day emergency care pathways in readiness for opening its doors in 2025/26.
- We launched 'Our Promises' to children and young people and their families and developed our children and young people's charter in association with our young volunteers and our Forum. We committed to providing free meals to resident parents as part of Sophie's Legacy which has had a positive impact for our families.
- We opened our state-of-the-art cinema in association with the Alder Hey Children's Charity and Medicinema UK, the first cinema in a dedicated children's hospital in the UK. The cinema provides distraction, enjoyment and fun to children and young people in our care at no cost to them or the NHS. Since opening in November 2024 over 1,000 children and young people have enjoyed the benefit of escapism through film.
- We recruited to our patient safety investigators and our patient safety partners as part of our continued embedding of PSIRF.
- We were selected as a pilot site for phase 1 implementation of Martha's Rule. At the end of the pilot Alder Hey have deployed Martha's Rule into all inpatient areas with the use of a what's app process for parents and staff to escalate directly to our 24/7 Response Team.

Supporting Our People

- As an integral part of the Trust's 2030 Vision, the People Plan outlines the innovative approach that had been taken in partnership with Strasys to address the challenge from the workforce perspective. The People Plan outlines how to address immediate challenges whilst building a thriving workforce that helps improve the life chances of children and young people; a plan which also considered the diverse and specific needs

of individual staff members and balances the need to develop a workforce to deliver on the new ways of working.

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

The plan is based around the three key themes identified for our people in Vision 2023, which are 'Thriving @ Alder Hey', 'Developing the Professional Development Hub', and 'Workforce Planning'. It identifies potential savings, efficiencies and improvements across three distinct areas: productivity, wellbeing and staff retention. We have seen improvements across all areas of the Staff Survey as well as reductions in sickness absence and turnover. This new approach has created opportunities to elevate conversations about our workforce with the Trust Board and across the organisation and whilst doing this, our thinking and insights have advanced, helping us to critically develop the next steps of the 'why' and the 'how' of what we need to do to continuously improve colleague experience and ultimately patient care.

- Our 2024 Staff Survey results were another key achievement: 62% of colleagues submitted a response, with 2,696 staff completing a questionnaire which is more than ever before. This year has again seen excellent results for Alder Hey, with improvements across all of the people promises and themes compared to 2023, and scoring higher than average in our comparator group, including best in class for the people promise 'We are compassionate and Inclusive'. 73.96% of staff responded that they would recommend Alder Hey as a place to work and 89.59% as a place for friends and family to receive care. Both results again improving on last year with the latter once again being the top score in our comparator group of 122 acute and community trusts.
- Our commitment to staff wellbeing and to the development of a compassionate and inclusive culture continued throughout 2024/25. The Staff Advice and Liaison Service (SALS) celebrates its fifth year at Alder Hey and continues to provide support to all staff and learners within the organisation as a one door 'listening service'. The service acts as a hub within the organisation and has had over 15,000 contacts (approximately 3,000 individual staff members) to date, representing 50% of the workforce.
- The Trust continued to develop its digital capability in its workforce systems; focusing on increasing levels of attainment in e-roster as an essential tool to optimise workforce productivity through effective rostering and bank and agency staff use. As well as improvements with pay accuracy and rota management and the implementation of a new recruitment system Trac further reduced the average Time to Hire metric to 35 days.
- We have seen significant progress in regard to driving forward the Equality Diversity and Inclusion (EDI) agenda. The Equality, Diversity and Inclusion Steering Group (EDISG) reports directly to Trust Board and oversees the strategic ambitions of the organisation. This ensures that EDI is integrated into our policies and practices as an employer, healthcare provider and procurer of services, driving the growth of a diverse and inclusive

culture at Alder Hey. We continue to work closely with our equality staff networks to promote equality and inclusion, enhance communication, and improve staff engagement and experience.

- We continue to champion a working environment that encourages all staff to 'speak up' and 'listen up' through our Freedom to Speak Up Guardian and team of champions. The Freedom to Speak up Guardian continues to work in partnership with the Human Resources and SALS teams to embed a safe and just learning culture, with additional focus and interventions on avoidable employee harm.



Collaborate for Children and Young People

- We continue to develop our local, regional, national and international networks and collaborate with a wide range of partners to improve outcomes for children and young people through educational excellence. Such collaborations include: our work with the Liverpool City Region, The Prince's Trust and Elevate Business Partners to maximise career opportunities for young people from across the region; building new local partnerships which support young people with mental health challenges get into volunteering; enhancing our offer to partner higher education institutions (both in terms of placement capacity and learning experience); strengthening our relationships with apprenticeship providers; and exploring new international partnerships which focus on learning and supporting professional development.
- 'Beyond', the children and young people's transformation programme hosted by Alder Hey on behalf of the Cheshire and Merseyside Integrated Care System (ICS) has continued to deliver in 2024/25. This is a large-scale programme of delivery against the NHS Long Term Plan for children and young people, focused on priority themes including Learning Disability and Autism, Childhood Obesity, Mental Health and Wellbeing, Respiratory Disease, Diabetes, Epilepsy and Oral Health in line with CORE20+5 CYP. Beyond continues to focus on addressing health inequalities and has worked with Barnardo's and the Institute for Health Equity to develop a Health Equity Framework, informed by insights from children and young people. Beyond drives collaborative improvements via a range of evidence-based interventions and has reached nearly 50,000 children, young people and professionals in Cheshire and Merseyside.

- Alder Hey continues to lead and contribute to the transformation of children's services in Liverpool. Developed in partnership with primary and community care, our urgent and emergency care offer now includes a Paediatric Assessment Unit to directly manage the most acute medical presentation as well as a symptom checker available through our website, providing information and advice on several of the most common illnesses in children to support A&E attendance decision making for families. The Trust works in partnership with Liverpool City Council's Public Health Team, jointly leading the 'One Liverpool' plan's Healthy Children and Families cohort, and working in wider partnership with City Council services, NHS trusts and voluntary and community sector organisations to drive systematic improvement in outcomes for children, young people and families. This programme includes the mobilisation of family hubs across the city and multi-agency approach to improving lung health within the city.
- The Alder Hey '*Wellbeing Hub*' which launched in November 2024, co-locates health, wellbeing and poverty proofing offers for children, young people and families is growing in its popularity. This service is the umbrella under which all patient experience offers sit (PALS, Chaplaincy, access to external charities) and is funded by the Alder Hey Children's Charity. The Hub links directly to Vision 2030 and provides up-to-the-minute understanding and access to poverty proofing and wellbeing offers for our children and young people, carers and their families.
- Alder Hey continues as a core member of the North West Congenital Heart Disease (CHD) Partnership, which has seen the joining of the Partnership Board with the CHD Operational Delivery Network Board this year – a key indicator of the maturing collaboration and reputation of the network. The Board continues to strive for a fully compliant, resilient and clinically safe service model for adults and children across the North West of England, North Wales and the Isle of Man.
- During 2024/25 the Liverpool Neonatal Partnership (LNP) continued to grow; led jointly by Alder Hey and Liverpool Women's NHS Foundation Trust. The two trusts continued working together in partnership to provide a world class neonatal service for all babies requiring the highest intensity of neonatal medical and surgical care. Acuity has continued to remain high across the partnership, which further highlights the need to ensure that the service continues to provide a safe and sustainable quality of care to all patients. Building work for the new surgical unit commenced on site at Alder Hey in October 2023 with the start of the service diversion works, giving a projected completion date of October 2025. The Charity has worked extremely hard to provide amazing support to the neonatal campaign and they have reached the target of £3million to support the project. Recruitment into clinical roles has continued at pace throughout the year alongside continuing QIS training for staff on both sites. A rotational workforce model has been implemented to ensure that all nursing, advanced neonatal nurse practitioner and consultant posts rotate to work across both sites. The Partnership Programme has moved from commissioning to delivery phase and has therefore been divided into five main workstreams who meet regularly, and their work feeds up into the LNP Operational Programme Board on a bi-monthly basis.
- Collaborative working between Alder Hey and the Royal Manchester Children's Hospital is supporting our jointly hosted clinical networks to work together to improve standards and lead the way for the development of more joined up care in the region, for example in cardiology, burns, major trauma, paediatric critical care, surgery and cancer, as well as more digitally enabled multidisciplinary working.

- Alder Hey continues to deliver new models of care within community and mental health services for children and young people. Successful investment during 2023/24 has enhanced the delivery of mental health care to young people including: mental health support to schools; assessment and diagnosis for neurodevelopmental conditions; and development of our community-based therapy teams, including the expansion of a sensory service to children and young people in Sefton. Partnership working with third sector colleagues has enhanced post diagnostic support to children and young people with neurodevelopmental needs. This includes the development and implementation of peer support workers in autism spectrum disorder during 2023/24.
- Alder Hey continues to be an integral member of the Cheshire and Merseyside Mental Health Programme Board and associated groups. The Trust continues to lead the Crisis Care Programme for children and is recognised along with specialist mental health trusts as a lead provider of children and young people's mental health services. The Trust is a member of the MHLDC (Mental Health, Learning Disability and Community) Provider Collaborative.
- Alder Hey plays an active role in the ICS Digital Programme, actively contributing to ICS wide programmes and developments. The Trust Chief Transformation & Digital Officer (CTDO) is the newly appointed Chair of the North West Digital, Data and Technology Skills Development Network which helps support the professional and personal development of digital and data staff and services across the region. Finally, Alder Hey is regarded as a digitally mature organisation across the ICS, nationally and globally and as such plays a leadership and support role working in collaboration with others.

Pioneering Breakthroughs

Research

- Alder Hey has over 75 staff dedicated to supporting research activity. Around 100 principal investigators lead a varied portfolio of almost 200 clinical research studies at any one time. These range from observational studies that assess how patients respond to treatment through to complex, interventional clinical trials that provide our patients with the latest medicines. Alder Hey recruited just under 2,000 participants to research studies during 2024/25.
- We host one of a handful of NIHR-funded clinical research facilities (CRF) dedicated to paediatric research. This provides children and young people with access to cutting-edge, early-stage clinical trials and experimental clinical research in a state-of-the-art dedicated facility within the main hospital.
- In addition to the CRF, we have grown our research infrastructure in 2024/25 as we saw installation of an NIHR funded MRI scanner and a Mobile Research Unit that will better enable us to engage with wider communities about research and allow us to deliver studies outside of the hospital setting.

Some examples of the high-quality research activity that has taken place in 2024/25 are as follows:

- **ELSA:** The ELSA study was designed to develop a system for identifying children who are at risk of type 1 diabetes. Children aged 3-13 years can have a simple finger stick blood test to find out their risk of developing type 1 diabetes in the future. Those with positive results will undergo more blood tests and follow up on

our CRF ward. The ELSA study at Alder Hey aims to utilise the Mobile Research Unit, supporting our research strategy in delivering research outside of the hospital setting as participants do not have to be hospital patients to take part in the study.

- **ADHOPE:** The ADHOPE study forms part of a growing number of studies that our Dermatology Team are delivering. The study opened in May 2024 and is designed to review the effectiveness of Lebrikizumab in adults and adolescents with moderate to severe atopic dermatitis. The study successfully achieved its recruitment target and was a great success for the team.
- **DYNE:** The DYNE study opened in 2024 and forms part of our wider neuromuscular portfolio. The purpose of this first-in-human study is to evaluate the safety, tolerability, pharmacodynamics, efficacy, and pharmacokinetics of DYNE-251 administered to participants with duchenne muscular dystrophy, caused by mutations amenable to exon 51 skipping. The study is now in follow-up following a successful recruitment period.
- **BASIS:** The BASIS study aims to compare whether wearing a nighttime brace is any better or worse than wearing a full-time brace in preventing curve progression in children with adolescent idiopathic scoliosis. Over the last six months, Alder Hey has been the lead recruiting site, and in recognition, achieved an award for participant recruitment from the British Society for Children's Orthopaedic Surgery at the end of 2024.
- **CHAFFINCH:** CHAFFINCH is a single-site study, led and delivered by our Paediatric Medicines Research Unit. The study opened in June 2024, with the purpose of assessing the acceptability of an age-appropriate, orodispersible tablet of furosemide in neonates and children under 12 years old. The study is now in follow-up after successfully achieving its recruitment target in December 2024.

Innovation

Alder Hey continues to drive forward the development, evaluation, and implementation of cutting-edge health technologies. Leveraging a state-of-the-art health technology development facility and a multidisciplinary team, our innovations support safer, more efficient, and more patient-centred care across the Trust.

In 2024/25, Alder Hey's innovation responded to 84 challenges submitted by clinical teams and services. This resulted in five projects progressing to the active build stage and two being piloted within the same year. This agile, demand-led pipeline ensures that frontline staff are supported to identify, escalate, and resolve challenges. The service continues to be recognised as a national exemplar in NHS innovation.

- **Little Hearts at Home – Digital Platforms Work Stream:** The Little Hearts at Home platform, co-developed with community nursing teams, empowers nurses to capture patient observations from home and alerts clinicians if readings breach red flag parameters. A clinician dashboard enables ongoing monitoring of trends over time.

In 2024/25, the platform supported 126 patients, with 47 currently active. Early success has drawn national interest, with Newcastle due to begin piloting by the end of April 2025. New development work is underway on a clinical pathway for HSP/IgA vasculitis and a parental access portal, ensuring the platform evolves to meet patient and family needs.

Further data is being gathered to measure the impact on unplanned admissions and emergency contacts.

- **Robotic Process Automation:** Building on previous success, Alder Hey has significantly expanded its robotic process automation capability to streamline administrative workflows and improve data accuracy. In 2024/25, eight new automations were created, building on the 17 from the previous year. To date, over 134,000 patient records have been updated, saving in excess of 20,000 hours of manual input time. New areas of automation are being explored within Booking and Scheduling, Community services and Access to Records. The automation team built a year-long priority backlog focused on Trust needs and have created a dashboard to track and publish benefits.
- **Isla Care – Remote Wound Monitoring:** This secure digital platform enables families and clinicians to upload and review photos, videos, and audio to monitor wound healing remotely. In this year, this was enhanced with AI capability to automatically request images from patients based on information in referral notes, which reduced clinician admin time and increased time to diagnosis.
- **T2Tx:** T2Tx is a groundbreaking software platform designed to transform the management of childhood systemic lupus erythematosus (cSLE), enabling personalised disease monitoring, proactive care, and improved patient outcomes through collaboration between clinicians, patients, and families.
- **Speech Path:** Speech Path is an innovative digital platform designed to transform the at-home speech therapy experience for children with a cleft palate. By combining gamified exercises, personalised therapy plans, and guided support, Speech Path fosters consistent practice, improved speech outcomes and stronger collaboration between families and clinicians.

Together *Alder Hey Futures* will build an unrivalled experience for our people, patients, and partners; bringing the future closer to today.

Highlights and Successes from Alder Hey Futures in 2024/25

- Securing a Mobile Research Unit (delivered Oct 2024) to enable research and clinical activities to be delivered outside of hospital settings.
- Additional £1.1M capital funding complementing existing award for 3rd MRI scanner (multinuclear spectroscopy, xenon hyperpolariser).
- Continued Gold Standard Ward Accreditation Status for Clinical Research Facility (3rd year running).
- Developing collaborative opportunities for international knowledge exchange (specifically China, Vietnam, and South America).
- Expansion in the range of type of placement opportunities offered at both undergraduate and postgraduate level (across allied health in particular).
- Development of innovative pathways into higher education, building on our strong partnerships with the post-16 education sector across the City, with Cheshire and

Merseyside ICS, and with national teams. Particular focus on widening participation routes.

- Building international innovation relationships with large corporates and healthcare organisations – Apple (USA), Rady Children's (USA), Vancouver Health System (Canada), CHEO (Canada), i4Kids (Europe), Aravind Health (India).
- Alder Hey is an approved academic partner (under a collaborative provision agreement) for the delivery and assessment of Level 7 awards (critical care and high dependency) with further cognate modules and courses in development.
- Completing Innovation Hub major refurbishment program to create the largest embedded innovation facility in a UK healthcare organisation.
- Launch of the Liverpool Institute of Child Health and Wellbeing in collaboration with the University of Liverpool and Alder Hey Children's Charity.
- Introduction of multiple capacity and capability funding calls (funded through Alder Hey Children's Charity, and NIHR Research Capability Funding) to pump-prime research activity to increase chances of securing external funding.
- Alder Hey is paediatric lead for the successful Cheshire and Merseyside-wide NIHR Commercial Research Development Centre Award starting in 2025/26; enabling increased industry-led studies across Cheshire and Merseyside (led by NHS University Hospitals of Liverpool Group) to be offered to paediatric population.
- Deploying cutting-edge ambient AI systems in a clinical environment and securing an advantageous commercial relationship with the partner company (Lyrebird).
- Alder Hey clinicians/clinical academics contributing to two successful LifeArc grants for children – a UK kidney ecosystem and a respiratory award (leading to UK first phase therapy for cystic fibrosis).

Revolutionising Care

Digital

The last year saw the Digital and Data Futures Strategy deliver a significant amount of digitally enabled change where Alder Hey embraced new technology, realising a number of benefits. Following Alder Care go live in 2023, the programme has been in an optimisation phase, with system enhancements being prioritised by clinical and operational teams ahead of being implemented. This continuous improvement model has seen many services reap further benefits for staff, children and young people through the programme.

The service played a key role in the digitisation of Sunflower House along with the establishment of the NHS Children and Young People's Gender Service (North West) including digital pathways

and reporting. The Trust has also started on a journey with the NHS Federated Data Platform with the theatre utilisation application live in certain specialties.

The Digital and Data Strategy is currently being refreshed and will be complemented by a dedicated Artificial Intelligence (AI) Strategy in 2025. Ensuring alignment with the 2030 Vision, the Digital, Data and AI Strategy will be governed via the 2030 Transformation Collaborative.

On 1st April 2025, the integrated service between Alder Hey and Liverpool Heart and Chest Hospital was disaggregated. The digital service will now only support Alder Hey.

Corporate Services Collaborative

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

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

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

In addition, continued focus on how the organisation is responding to the challenges set out by the ICB in terms of finance, workforce and automation across Cheshire and Merseyside has been a priority through the year.

Performance Analysis

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

It not only reflects CQC domains and is aligned to the Trust's strategic objective and priorities from the 2024/25 Annual Plan but also a range of locally determined measures, with a focus on SMART actions being taken to recover the position of any indicator going off track in a timely way. The report is supported by an electronic business intelligence system which enables the divisions to drill down into key financial, operational and clinical metrics at service line and even individual patient level.

Quality Improvement

Brilliant Basics Improvement System

Brilliant Basics is our approach to improvement. During 2024/25 the focus was on using the approach to support:

- ✓ Vision 2030: integrating improvement principles into strategic change.
- ✓ Leaders: tailored learning to develop knowledge, skills and habits to support the development of high performing teams that have effective problem solving and continuously improve.
- ✓ Effective and productive sub-board committee meetings: aligning the use of data to drive focussed improvement alongside existing assurance mechanisms.
- ✓ Productivity improvement: teams and services utilising improvement principles to deliver change.

Our learning and development programme has embedded opportunities to develop practical improvement skills for everyone at all levels within the organisation. We have several ways in which everyone is supported to undertake improvement in Alder Hey either through individual learning or team-based approaches delivered in person, online or self-paced through a digital platform. In total we have trained one eighth of staff in our main problem-solving methodology and supported 29 teams to develop their continuous improvement journey.

The value of this learning is brought to fruition by the organisation working in an improvement way; by this being the way we work colleagues will utilise the skills, routines and behaviours they have learned and put them into action.

We have expanded our learning and development offer this year by developing a new 'Lean' session. This has supported teams to reduce waste and has been instrumental in supporting quality service delivery.

Our diverse network of improvement connectors has doubled this year. We now have 36 colleagues with enhanced improvement expertise directly supporting their team's improvement efforts. They have also started to support further capability building within their teams which is supporting our approach to sustainable spread of improvement skills.

Our SharePoint site further supports the development of the culture of improvement within the organisation by being the central place for resources for learning and sharing improvement stories across the organisation.

Moving forward into 2025, we are committed to continuing our journey of improvement. We will keep refining our approaches, listening to feedback, and adapting our methods to meet the evolving needs of our patients and staff.

Mainstreaming improvement is not just about making changes—it's about embedding a mindset of continuous improvement across the entire organisation. We have seen an increase in our achievement of NHS IMPACT standards this year and will continue to utilise this framework to assess our progress.

Objectives that have been set for 2025/26 are:

- Continued capability and capacity building with greater emphasis on evaluation of impact in practice.
- Mainstream improvement tools, routines and leadership behaviours into Vision 2030 deployment utilising NHS IMPACT programme standards for assurance.
- Focussed support for patient experience, patient safety and clinical effectiveness and outcomes to embed the improvement approach.



Achievement of National Standards of Care

During 2024/25, ensuring compliance with national standards of care and commitments under the NHS Constitution has been challenging due to rising demand for elective and urgent care services, together with the effect of industrial action by NHS trade unions. Nonetheless, our teams have delivered good access to care for the majority of our patients, through hard work, ingenuity and commitment.

Urgent and Emergency Care

In urgent and emergency care, our Emergency Department served 68,900 children and young people, which is 113% of the attendance levels recorded in 2019/20 before the pandemic. Despite this increase in numbers, 82.7% of children and young people who came to our Emergency Department were either admitted, transferred, or discharged within four hours, successfully meeting the national target of 78%. The average time for ambulance handovers was 24 minutes (national target is 15 minutes) and we are actively collaborating with NWAS to improve this further.

Elective Care

Diagnostic performance has improved throughout the year with 96% of children and young people waiting under six weeks for a diagnostic test.

We have successfully reduced our elective care waiting list by 13% (April 2024 total was 24,860 compared to March 2025 which was 21,703), which has decreased the time it takes for children and young people to access care. Additionally, the number of children and young people waiting over a year for treatment has dropped by 70%. Furthermore, in CAMHS there are currently no children waiting more than 52 weeks for care.

Follow Up Care

During the year we successfully managed over 11,000 long wait follow-up appointments, reducing the total from a peak of 6,000 in July down to 3,000.

Our performance against national access and other mandated targets for 2024/25 are set out below:

Target or Indicator	Threshold	Qtr1	Qtr2	Qtr3	Qtr4
Summary Hospital Level Mortality Indicator (SHMI) ¹	n/a	n/a	n/a	n/a	n/a
C. Difficile Numbers – Due to Lapses in Care	0	0	0	0	0
C. Difficile - Rates per 100,000 Bed Days	n/a	0	0	0	0
18 Week RTT Target Open Pathways (Patients Still Waiting for Treatment)	92%	54.9%	54.1%	56.7%	55.8%
All Cancers: Two-Week GP Referrals	93%	100%	98.8%	97.4%	98.7%
All Cancers: One Month Diagnosis (Decision to Treat) to Treatment	70%	100%	95%	100%	99%
All Cancers: 31 Day Wait Until Subsequent Treatments	98%	100%	100%	100%	100%
Diagnostics % Waiting Under 6 Weeks	99%	86.14%	83.79%	94.10%	95.92%
A&E - Total Time in A&E (95th Percentile) <4 Hours	76%	85.9%	87.9%	78.6%	79.2%
Rate of Patient Safety Incidents per 1000 Bed Days	n/a	107	92	90	86

Clinical Incidents and the Percentage That Result in Severe Harm or Death	n/a	0%	0%	0.09%	0.09%
Readmission Rate Within 28 days of Discharge ²	0-15y	7.0%	6.3%	8.4%	6.5%
	16y and over	3.4%	3.2%	2.5%	3.5%

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

¹Specialist trusts are excluded from SHMI reporting.

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

Green Plan for Alder Hey – Creating a Healthier Future

Delivering world class quality care is more than just about offering the most advanced treatments or delivering the best outcomes. It is also about doing all these things in a sustainable, environmentally responsible way. As a forward-thinking organisation, Alder Hey is committed to sustainable healthcare and we recognise that it is our duty to contribute towards the level of ambition set out in *'Delivering a Net Zero Health Service'*.

Building on the Net Zero Strategy agreed in 2023, we have focused on energy and carbon reduction and made further year on year savings. Our scope 1 and 2 savings* are now down nearly 20% from 2021/22.

We've have continued to focus on estates and facilities, travel and transport and digital transformation working with our PFI partners and key suppliers like MITIE to make a series of improvements such as instillation of LED lighting in the main hospital. We are collaborating with our colleagues across Cheshire and Merseyside in developing best practice and have contributed to developing the new net zero carbon building standard and new NHS energy management practice

Anaesthetic gases are also incredibly significant in contributing to global warming. Our clinical teams continue to make major changes to choices of anaesthetic gases, and we developed a range of new projects including glove and waste reduction schemes.

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

Task Force on Climate-Related Financial Disclosures (TCFD)

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

The phased approach incorporates the disclosure requirements of the governance, risk management and metrics and targets pillars for 2024/25. These disclosures are provided below:

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

Alder Hey remains committed to sustainable healthcare and we recognise it is our duty to contribute towards the level of ambition set out in 'Delivering a Net Zero Health Service'. The Trust's Green Plan was approved by the Board in 2023 and continues to be delivered. Green Plan metrics are received and monitored monthly by the Board of Directors within the Trust's Integrated Performance Report including carbon footprint, energy usage and waste reduction values and targets.

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

Risk assessments have been undertaken specifically looking at short term risks to operation with the Emergency Preparedness, Resilience and Response Team focusing on adverse weather and other climate related issues. Management plans are in place for these. We have also reviewed flood risks with United Utilities and the Environment Agency. The processes for identifying and managing climate-related risks are carried out in the same way as all Trust risks and described in the Annual Governance Statement. The Trust has a Board Assurance Framework Risk which describes mitigations and actions being taken to support energy efficiency and cost control, including monitoring of the green roofs. The role of management in assessing climate related issues is described in the Annual Governance Statement under the heading 'Green Plan for Alder Hey – Creating a Healthier Future'.

Equality of Service Delivery to Different Groups

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

The formation of integrated care systems nationally signalled a new ambition for collaborative working to develop effective, joined up models of care that are designed around people's needs and are more likely to improve access to care, quality of care, health inequalities and outcomes. Alder Hey is part of the Cheshire and Merseyside (C&M) Integrated Care System (ICS) and during 2024/25 we continued to work with partners to advance and coordinate paediatric care, address health inequalities and improve children and young people's outcomes. Some examples of this work include:

- Leading on the Health Equity Collaborative for Cheshire and Merseyside in partnership with Barnardo's and the Institute for Health Equity through the Beyond Programme, to address health inequalities based on evidence-based interventions.
- Continuing to host the Children's Health Alliance as a partner alongside the 11 other largest children's trusts in England.
- Collaborative working with Royal Manchester Children's Hospital to further enable stable and equitable access to specialist children and young people's services across the North West, ensuring the children of the North West have access to the absolute best clinical expertise and outcomes.
- Establishment of the Trust's *Improve My Life Chances* Partnership Group (a multi-professional group with both internal and external stakeholders from our clinical divisions, and local authority public health colleagues) driving the 'Life Chances' agenda with three ambitions:
 - Children and young people missing less school due to illness.
 - The creation of job and training opportunities, especially through widening participation.
 - A measurable impact on health inequalities.
- Developing the new neighbourhood multidisciplinary teams (MDTs) model for children and young people, aligned to the shift from hospital to community outlined in the 2025/26 NHS

Planning Guidance. Neighbourhood MDTs for children and young people will deliver integrated care that provides timely access to specialist advice, including paediatric and mental health expertise, through primary care-led team working. This will deliver care closer to home and improve the outcomes and experience for children and young people, as well as their families and carers.

- Joint working with Liverpool City Region on a partner event, convening colleagues to learn from best practice exemplars that support and align with neighbourhood health and wellbeing. By providing opportunities for partners to connect across the Liverpool City Region and beyond, we are collaborating to agree our collective role to go further faster on neighbourhood health, for children, young people and their families, including opportunities to 'test and learn' on wider public sector reform.

Regionally

- Working to embed Cheshire and Merseyside (C&M) Integrated Care Board (ICB) Children and Young People Committee as a key driver in developing a system wide approach to improving outcomes for children and young people; focusing on addressing major health and wellbeing issues for children and young people such as neurodiversity, oral health, mental health and emotional wellbeing, and children and young people edging towards care.
- Establishment of a Children and Young People's Alliance of all acute and specialist hospital providers in Cheshire and Merseyside as a system delivery mechanism to ensure children and young people with health needs receive the right care in the right place.
- Continued hosting of the *Beyond* Cheshire and Merseyside Children and Young People's Transformation Programme, on behalf of the C&M ICS. Embedding and ensuring children and young people's voice and transformation is prioritised in our system.
- Sustained collaborative working across the North West to ensure that children and young people are prioritised in accessing quality care through elective recovery plans and clinical networks.

Nationally

- Until her departure in October 2024, Alder Hey's Chief Executive Officer Louise Shepherd CBE was Chair of the NHSE National Children and Young People's Transformation Programme. Now in post as Regional Director for the North West, links are maintained through clinical and policy leadership at the Trust including the National Clinical Director for Children and Young People, Professor Simon Kenny OBE.
- Alder Hey hosts the National Children's Hospital Alliance (CHA), a national network of specialist NHS trusts working together to improve the quality, access and experience of hospital care for children and families. The CHA leads on transformation for children and young people's services, supporting efforts to cut waiting lists, innovating to develop safe models of virtual care, and using AI to support clinical decision-making, ensuring support is targeted to families affected by health inequalities.

The Trust has continued to build on what we have learned during the pandemic to transform the delivery of services and has structured each of its planning priorities to use population health analytics and insights to ensure plans overcome health inequalities, particularly regarding waiting times, for example by ethnicity and deprivation and as led by the Core20+5CYP framework. Clinical teams are empowered to take ownership and drive forward plans to address inequalities to achieve demonstrable impact. The Trust's clinically led management model plays a key role in our ability to address the risk of lack of equality of access and delivery as the divisions can identify and address issues locally or where appropriate, contribute to Trust-wide solutions.

During 2024/25 we continued to use alternative ways of maintaining care delivery whilst keeping our patients and families safe. Alder Hey has pioneered digital solutions to enable our clinical teams to maintain contact with patients and families by continuing to offer virtual consultations via the Attend Anywhere platform.

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

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

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

External Awards and Achievements in 2024/25

Alder Hey Joins Northern Health Science Alliance

Alder Hey joined the Northern Health Science Alliance (NHSA) as the Trust continues to cement itself as a global leader in paediatric healthcare.

The NHSA's membership includes eight other research-intensive NHS trusts and 10 universities across the North of England. The NHSA advocates on behalf of its members, builds critical mass,

engages with industry, and increases the visibility of the North's excellence nationally and internationally.

Our vision of making pioneering breakthroughs via co-creation with patients and other partners aligns with the NHSA mission and vision. As a member, we now have access to the NHSA's programmes and expert networks in areas including advanced therapies, diagnostics and MedTech, data and AI, mental health and health inequalities.



£9.4M Boost to Create UK Kidney Ecosystem

Thousands of people living with rare kidney disease will have access to improved diagnostics, treatments and potentially cures, thanks to a huge funding boost from the medical charities LifeArc and Kidney Research UK.

Over the next five years, the LifeArc-Kidney Research UK Centre for Rare Kidney Diseases will create a £9.4m 'UK Kidney Ecosystem' which will develop new treatments for children and adults.

Led by experts from Alder Hey and the University of Liverpool, the Centre will bring together scientists, clinicians, patients, and other stakeholders to work together as one kidney community and will be supported by an additional £1m funding from Kidney Research UK. The Centre will initially focus on children, including those treated at Alder Hey and other UK children's kidney centres, to find new treatments to slow the journey to kidney failure. It will later extend its efforts to include adult patients.

A report published by Kidney Research UK last year warned that kidney failure rates are increasing so fast that they could overwhelm the healthcare system within a decade. Urgent action is needed to address this crisis.

Professor John Chester, Chief Scientific Officer said: "Research into new treatments is crucial for advancing healthcare, improving patient outcomes, and ultimately enhancing quality of life for people around the world. This incredible grant provides the opportunity for more groundbreaking discoveries into rare kidney diseases to come into fruition. Alder Hey is always striving to drive research and innovation forward and we're excited to see how this new ecosystem will improve the lives of our children and young people long into the future."

Alder Hey Recognised as a 'Tessa Jowell Centre of Excellence'



The Tessa Jowell Brain Cancer Mission (TJBCM) announced Alder Hey as one of 15 strong brain tumour centres for children and one of six centres designated as "Excellent". Alder Hey was awarded Centre of Excellence designation after a thorough, expert-led review of services where we were commended for excellence in co-ordination of care across the network, imaging and chemotherapy services, nurse-led care, play therapy provision, high-quality staff training and wellbeing.

Alder Hey met the Tessa Jowell Standards of Excellence in all aspects of treatment, care and research, with many areas of outstanding service provision. We were able to demonstrate collaboration throughout the hospital and shared care network, with excellent support provided by a compassionate nursing team. Patients benefit from high-quality rehabilitation, play therapy services and clinical trial opportunities.

Dr James Hayden, Consultant Paediatric Neuro-Oncologist and Neuro-Oncology Service Lead said: "We are delighted that the service has been recognised and accredited as a Tessa Jowell Centre of Excellence for Children. We are proud of the partnership between Alder Hey and the Tessa Jowell Mission and their recognition that the team and service embody a human-centred culture of kindness and compassion, providing wraparound holistic care, achieved by working in partnership with patients, and their families and a team of dedicated professionals to achieve the very best outcome for our patients."

NHS England National Medical Director Visits Alder Hey

We were delighted to welcome Sir Stephen Powis, National Medical Director of NHS England to Alder Hey. Sir Stephen was given a tour around our fantastic Innovation Hub and heard about some of our recent initiatives, such as our Healing Hearts at Home app and our 3D printing space.

Liverpool Philharmonic Partners with Alder Hey Children's Hospital and Charity

The Liverpool Philharmonic announced Alder Hey as a partner in its groundbreaking Music and Health Programme. This programme uses music to improve the mental and physical health of people in the Liverpool City Region. The initiative is funded by Alder Hey Children's Charity, which supports the coordination of all Arts for Health projects across the hospital. The partnership involves 36 weekly music-making sessions for patients on wards, working with staff, volunteers, children, and young people. To celebrate the partnership's launch in May 2024, a string quartet performed in the Hospital Atrium.

Alder Centre Celebrates 35 Years of Service

The Alder Centre, our purpose-built dedicated child bereavement centre, celebrated its 35th anniversary in June 2024. The Centre is supported by NHS and charity funding and is a free service providing care and education for individuals and families who have been affected by the death of a child of any age.

Established in 1989 by a small group of health care professionals in partnership with bereaved parents who identified a gap in the services available to child bereaved families, the service has reached over 10,000 families over 35 years. To celebrate its anniversary, the Centre opened its doors to the public from 10am to 7.30pm with staff and child-bereaved volunteers meeting and greeting visitors, providing guided tours of the Centre and sharing its history as well as organising children's activities and crafts.





Simon Riley, Head of the Alder Centre said: “It is a great privilege to stand on the shoulders of the Centre’s pioneers, working together with staff and volunteers serving a community of individuals, families and professionals who are often hidden from the public eye. I am proud to be heading a unique service that together with other child-bereavement services across the country are striving to care for and normalise the needs of those affected by the death of a child”.

The Alder Centre is also home to the [Child Death Helpline](#), a freephone service for anyone affected by the death of a child of any age. In August 2024, Alder Hey became the

sole Trust responsible for providing this national bereavement service. The helpline complements the hospital’s unique bereavement service, which includes our Snowdrop Team who support families when a child dies and the Alder Centre who provide ongoing care. **Anyone affected by the loss of a child can contact the Child Death Helpline by calling freephone 0808 800 6019.**

Alder Hey Chief Executive Steps Down



Alder Hey’s Chief Executive Louise Shepherd CBE stepped down in October 2024 after 16 years at the helm to take up a new role as Regional Director for the North West at NHS England. Since her appointment as Chief Executive back in March 2008, Louise has guided Alder Hey to become a leading player in children’s health both nationally and on a world stage. Alder Hey became an NHS Foundation Trust in her first year in post and she successfully led the Trust through a significant transformation, moving Alder Hey into a brand new state of the art hospital in 2015, alongside developing

pioneering research and innovation facilities within a dedicated healthcare campus for children and young people. Throughout Louise’s leadership, Alder Hey continued to deliver the highest standards of care and support to children and young people.

Dame Jo Williams, Chair of Alder Hey Children’s NHS Foundation Trust said: “Louise’s impact on Alder Hey since she joined us in 2008 has been nothing short of transformative. Throughout her tenure, Louise remained deeply connected to the Alder Hey family, embodying an ambitious and compassionate leadership style—qualities that have inspired and touched us all.

“We would like to extend our heartfelt thanks to Louise for all that she has accomplished during her time at Alder Hey. Her kindness and unwavering commitment to the wellbeing of children and young people have left an indelible mark on our organisation, and her legacy will continue to shape Alder Hey for years to come.”

Alder Hey’s CIO Named in Top Ten!

Alder Hey's Chief Transformation and Digital Officer, Kate Warriner, was named among the top ten on the CIO 100 UK 2024 list. This made her the highest-ranked CIO within the NHS and the only woman in the top 10. The top 100 features CIOs from some of the most prestigious global organisations, including tech giants, multinational corporations, and financial institutions known worldwide for their innovation and influence. This recognition placed Kate alongside leaders and ranks her above industry powerhouses such as Haas F1, Amnesty International, Sainsbury's, Mercedes Benz and Virgin Media, underscoring the excellence in digital transformation at Alder Hey.



Kate said: "I dedicate this award to our iDigital, clinical and operational staff who do amazing work each and every day. It is a real privilege for our work to be recognised and celebrated in such a prestigious award. Our digital team and work makes a difference each and every day to the care our children and young people receive from Alder Hey. I look forward to seeing what we achieve next through our Vision 2030 ambitions."

Health Secretary Announces Liverpool Institute of Child Health and Wellbeing



A Liverpool Institute of Child Health and Wellbeing was announced by Wes Streeting, Secretary of State for Health and Social Care, during a special visit to Alder Hey in October 2024. A major academic collaboration between Alder Hey and the University of Liverpool, the Institute will transform the lives and life chances of children and young people through research and innovation. Liverpool is the third most deprived local authority in England, with over 3 in 10 children living in poverty. Child poverty is known to lead to worse health outcomes and so, tackling the region's most prevalent resulting health

and wellbeing issues, including mental health and obesity, will be at the core of the Institute's strategy. The impact of these innovations will ultimately improve the lives of children regionally, across the UK and internationally.

Speaking at the event, the Secretary of State for Health and Social Care, Wes Streeting, said: "I'm delighted to be here to open the new Liverpool Institute for Child Health and Wellbeing, which is undertaking cutting-edge research to improve the care of children and young people.

"Unfortunately, we know that across the country, too many children and young people are not receiving the care they deserve, and waits for services are too long. So, I'm grateful that Alder Hey are leading the way and investing in the research we need to turn things around.

“I want to ensure every child has a healthy and happy start to life and improving children’s services is a vital part of our 10-year Health Plan that will build an NHS that is fit for the future.”

The new Institute will build on the long-standing collaboration between the University and Alder Hey and their respective world-leading reputations for healthcare research and innovation. It will bring together experts from across a range of disciplines, including data, AI and climate science, as well as health and life sciences, in new and innovative ways to tackle a range of complex issues.

£1.1m Funding Boost for Research

In November 2024 Alder Hey was awarded £1.1m from the National Institute for Health and Care Research (NIHR) to improve the delivery of research across Liverpool. This funding is in addition to £3.2m, which the NIHR awarded to Alder Hey last year for a cutting-edge 3T research MRI scanner, which is now operational. This new round of funding will make the MRI truly state-of-the-art by adding new imaging methods, allowing users to see more than ever before. This makes Liverpool the only city in the UK with this combination of technology in a stand-alone paediatric hospital. In addition, matched funding for ophthalmology equipment will equip a paediatric eye research facility in Alder Hey. The new funding also means that Alder Hey can support other sites in the UK without this facility.



Dan Hawcutt, Director of Research at Alder Hey said: “This funding is going to help paediatric research in our city be cutting edge by providing a new research technology and will support our region and beyond. The MRI scanner will be able to do new research studies that cannot be delivered anywhere else and enable Alder Hey to lead on new studies but also support other sites where they may not have MRI capacity to take part in the research.

“The ophthalmology research equipment will also help the delivery of new eye research and other studies where eye checks are essential. Together they represent a vote of confidence in Alder Hey and the Liverpool research eco-system from NIHR, and we intend to work hard to make sure they deliver to their potential.”

Alder Hey Doctor Named as New National Specialty Advisor



Alder Hey's Dr Fulya Mehta (Consultant Paediatric Diabetologist) became an NHSE National Specialty Advisor for Diabetes in children and young adults. National specialty advisors use their expertise and knowledge to support NHS England's prevention and long-term conditions programmes and priorities. As experts in their area with front line experience, they are able to offer quick and helpful advice for both local and national projects.

Dr Mehta will play a pivotal role in delivering NHS England's Long Term Plan ambitions, while providing clinical advice and leadership to drive

service transformation for patients and ensuring the NHS is fit for the future.

Dr Fulya Mehta said: "This is an incredible opportunity to make a real difference at a national level. By supporting the transformation of services and sharing best practices, we can ensure that children and young people across the country receive the highest standard of care. I hope my contribution can help drive meaningful improvements and outcomes for children and young people living with diabetes."

Alder Hey Consultant appointed as Chair of Exams Board

Professor Sondos Albadri, Dental Consultant at Alder Hey and honorary consultant in Paediatric Dentistry and Vice Dean at Liverpool University, was appointed as the first Chair of the Dental Specialty Fellowship Examinations Board. She said: "The next few years present an exciting opportunity to modernise dental specialty training. I am grateful to be given the opportunity to support the development of an assessment strategy that is fair, inclusive, robust and agile. There is a lot of change on the horizon, however I am excited to harness the opportunities that come with change and will be working with the specialties and the trainees ensuring their voice is heard, and that their interest is at the heart of this change."



Alder Hey Announces Partnership with Lyrebird Health

In a groundbreaking collaboration, Alder Hey partnered with Lyrebird Health, a leading innovator in Artificial Intelligence (AI), to help bring cutting-edge AI Medical Scribe technology into the Trust.



This partnership aims to develop and implement solutions to improve operational efficiency, enhance patient care, and deliver cost savings. By using the latest advancements in AI, the collaboration will seek to design new technologies that tackle complex, everyday healthcare challenges.

Adam Bateman, Deputy Chief Executive and Chief Operating Officer said: "Our partnership with Lyrebird represents an exciting step toward a future where technology empowers healthcare professionals to deliver even better care. Integrating AI into

our operations can improve efficiency and patient outcomes, ensuring that every penny spent contributes to making a real difference."

Alder Hey Recognised by NHS England

Alder Hey, alongside the North-West Network of Parent Carer Forums (NW NPCF), Contact, and Edge Hill University, was recognised by NHS England for pioneering work improving healthcare access for disabled and neurodivergent children in under-represented communities.

Engaging with Gypsy, Roma and Irish Traveller heritage families, Asylum Seekers, Refugees, and Disabled and neurodivergent parent carers, they identified barriers to healthcare and co-produced solutions to reduce inequalities.

Mary Mulvey-Oates from Contact, Kath Bromfield from the NNPCF, and Dr Joann Kiernan of Alder Hey and Edge Hill University accepted the Special Acknowledgement Honour on behalf of partners for the ground-breaking initiative at a special event organised by NHS England to celebrate best practice in SEND.

Dr Joann Kiernan, Consultant Learning Disability Nurse, said: "This research has heard from communities we know have less access to healthcare services and poorer health and life expectancy. By working closely with them through community connectors and in culturally sensitive ways, we have been able to learn and understand more about what is difficult about accessing and using healthcare services."



Alder Hey Secures Over £4m to Drive Innovation and Improve Children's Healthcare



Alder Hey is set to receive over £4million in funding to boost the Liverpool City Region's position as a leader in children's healthcare innovation. The investment by the Liverpool City Region Combined Authority is part of a £9.44million initiative known as the Paediatric Open Innovation Zone (POIZ). The POIZ will focus on developing and deploying new cutting-edge technologies to help tackle health issues affecting children and young people in the city region.

The project will encourage collaboration with local innovators, allowing access to Alder Hey's clinical teams, expertise and facilities to

jointly develop paediatric solutions. It will also allow businesses to test their healthcare innovations with the help of Alder Hey experts. As well as this, it will provide consultancy and training to drive innovation-led care across Liverpool City Region's hospitals, and will help partners in the NHS, industry and overseas to benefit from Alder Hey's innovation experience and best practice.

Mr Iain Hennessey, Consultant Surgeon and Clinical Director of Innovation at Alder Hey said: "Our children are the future and technology is the key to shaping a healthier one. At Alder Hey, innovation is in our DNA and our purpose-built Innovation Hub is a driving force in tackling modern healthcare challenges. With this vital funding, we can accelerate our mission—collaborating with businesses, academics, and forward-thinkers to turn today's children into tomorrow's healthier adults."

Alder Hey Opens First NHS Vaping-Cessation Clinic in the UK for 11–15-year-olds



Earlier this year Alder Hey opened its first NHS vaping cessation clinic in England to help children and young people become nicotine-free. The clinic is aimed at 11-15 year olds who are nicotine dependent as a result of vaping and referrals are currently for Alder Hey patients only.

The clinic saw its first patients in January 2025 and offers a holistic approach, working closely with each child or young person to explore their level of nicotine dependency and give them treatment options to help them reduce the amount they vape, including nicotine replacement therapy where needed, alongside support around peer pressure and behaviour change.

Professor Rachel Isba, Consultant in Paediatric Public Health Medicine at Alder Hey and the service lead for the new clinic said: "Children and young people are consistently asking for services like this, and this was one of the main reasons it was developed. Many are aware that vaping isn't beneficial to them

and their development and want to cut down or quit. With the rise in the number of children and young people vaping and the significant uncertainty regarding the long-term impacts and potential harms in this age group, our clinic aims to provide crucial support for individuals affected by

vaping. We saw our first patients in January and whilst referrals to the clinic are limited initially, we're hoping to extend the offer in the future. We're excited about the impact it could have."

In March 2025 partners and professionals from across the UK were invited to a vaping summit at Alder Hey to discuss and share their experiences of providing cessation support for children and young people who vape. During the summit we shared what we are doing to improve the health of children and young people and highlighted how important it is to engage young people in the conversation around this.



Professor Rachel Isba concluded: "It was truly great to see so many people passionate about this concerning issue and collaborate in this way, exchanging best practices and working together to create a healthier, happier, and fairer future for children and young people."

Arts for Health Programme Honoured at LCR Culture and Creativity Awards

Our Arts for Health Programme Team won the Health and Wellbeing category at the LCR Culture and Creativity Awards. The Arts for Health Programme is dedicated to enhancing patient care



through creativity and works in partnership with many of the leading cultural and arts organisations in the region.

Vicky Charnock, Arts Manager said: "We were absolutely delighted to receive this award which recognises the innovation and quality of our Arts Programme and how this makes a positive impact to the children and young people in our care. We are proud to play a part in supporting so many children and young people by bringing the best of arts practice into the hospital space and by supporting our amazing creative team to do this important work. We are grateful to Alder Hey Children's Charity and other funders for

making this work possible."

Alder Hey Signs Groundbreaking Agreement with Children's Hospital in Vietnam



In March 2025, Alder Hey signed a groundbreaking memorandum of understanding agreement with Children's Hospital 1 in Ho Chi Minh City, Vietnam. The agreement enables both partners to collaborate on enhancing specific clinical services, expanding the research portfolio and developing a Children's Hospital Healthcare Innovation Centre, which aims to become the largest in South Asia. Children's Hospital 1 in Ho Chi Minh City, is the oldest hospital and the second largest and most specialised hospital in Vietnam.

A special ceremony was held at the historic Ho Chi Minh City Hall, attended by Mr. Marcus Winsley, Deputy Ambassador of the British Embassy in Vietnam, the Vice-Chairman of the HCMC People Committee, and the Director of the Department of Health.

Rafael Guerrero, Director of Alder Hey Children's Global Health said: "This agreement marks the initial step of Alder Hey through its new Children's Global Health programme in contributing to our vision of a world where every child receives expert healthcare in their local community."

Financial Performance

The Trust ended the year with a reported deficit of £9.9m. NHS England measures the Trust's performance against a Control Total which excludes these exceptional items; allowing for the impact of these exceptional items results in the Trust reporting a £1.9m surplus against its Control Total of £3.3m for the purpose of system achievement for the year.

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

	2024/25 £000	2023/24 £000
Reported Surplus/(Deficit) for the Year	(9,874)	(6,511)
Exceptional Items		
Impairment	10,995	12,390
Donated Income	(3,099)	(852)
Donated Depreciation	1,873	1,870
Technical PFI Adjustments	2,860	3,436
NHS England and Improvement 'Normalised' Surplus/(Deficit) on Control Total Basis for the Purpose of System Achievement	1,852	10,333

Capital expenditure for the year was £21.4m. This expenditure related to medical equipment, works on the new neonatal building, Radiology 3rd MRI and the Eating Disorder Daycase Facility as well as moves to complete the new campus and enable the reinstatement of Springfield Park.



The Trust had a cash balance of £53.7m at the end of March 2025.

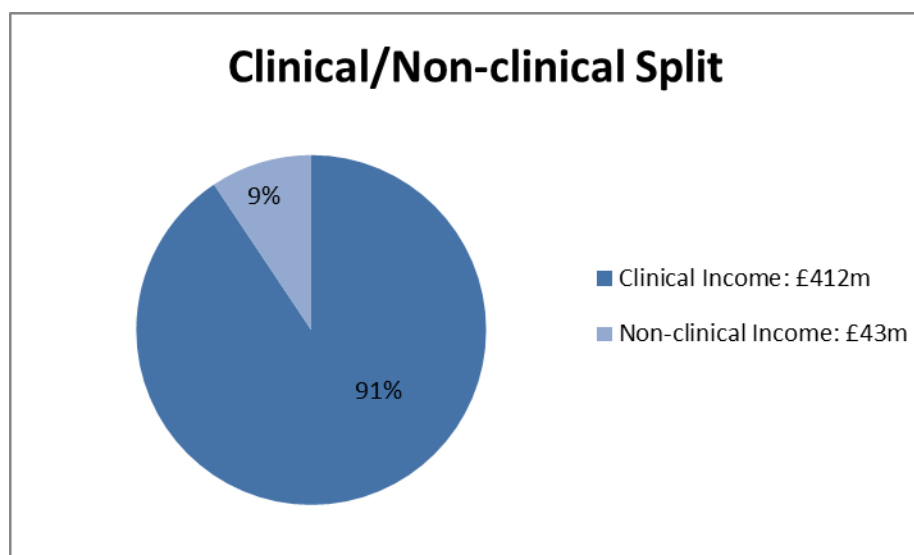
Income

Total income received by the Trust in the year ended 31st March 2025 was £455m with £412m (91%) coming from the delivery of clinical services. In 2024/25 the NHS operated under a 'blended' payment model, which meant that the majority of clinical services were block funded, with some areas (for example drugs, devices and elective activity) paid on a variable basis.

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

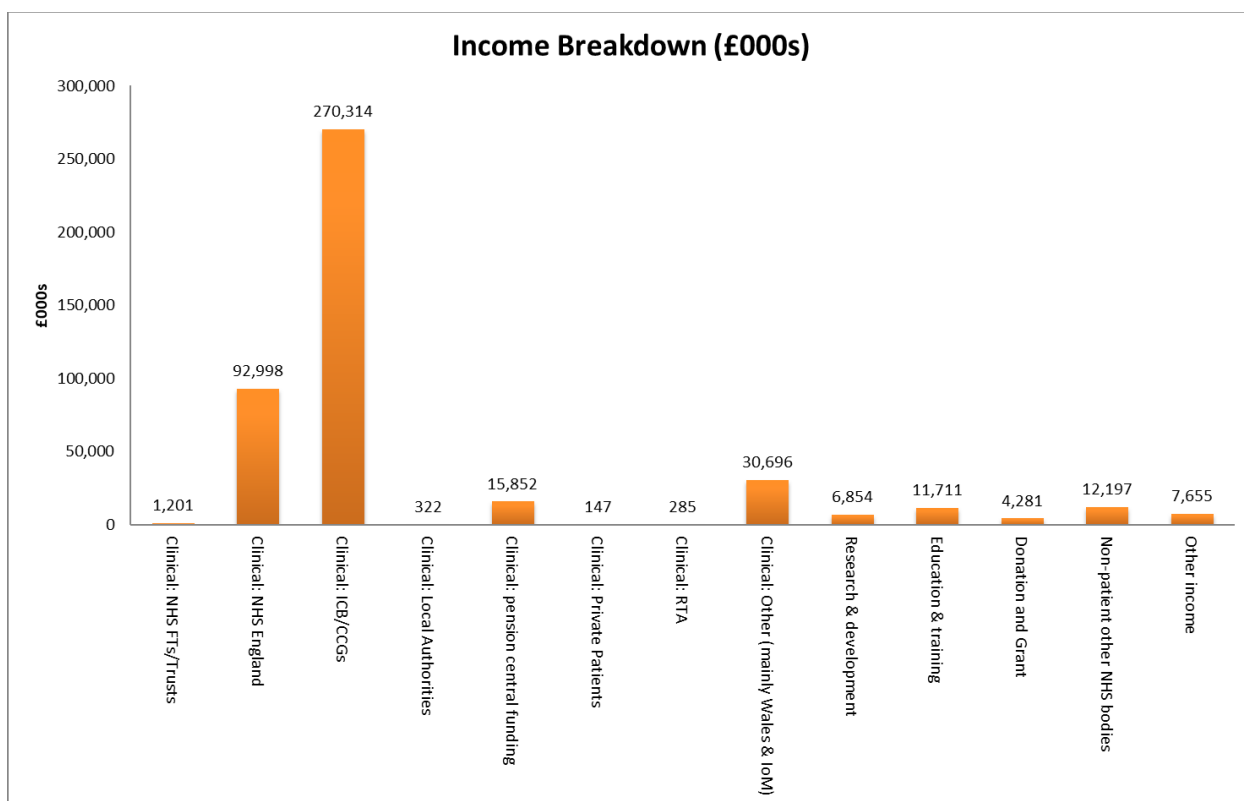
Non-clinical income exceeded plan in 2024/25, with significant over performances in education and training, R&D and digital income.

Income by Source 2024/25:



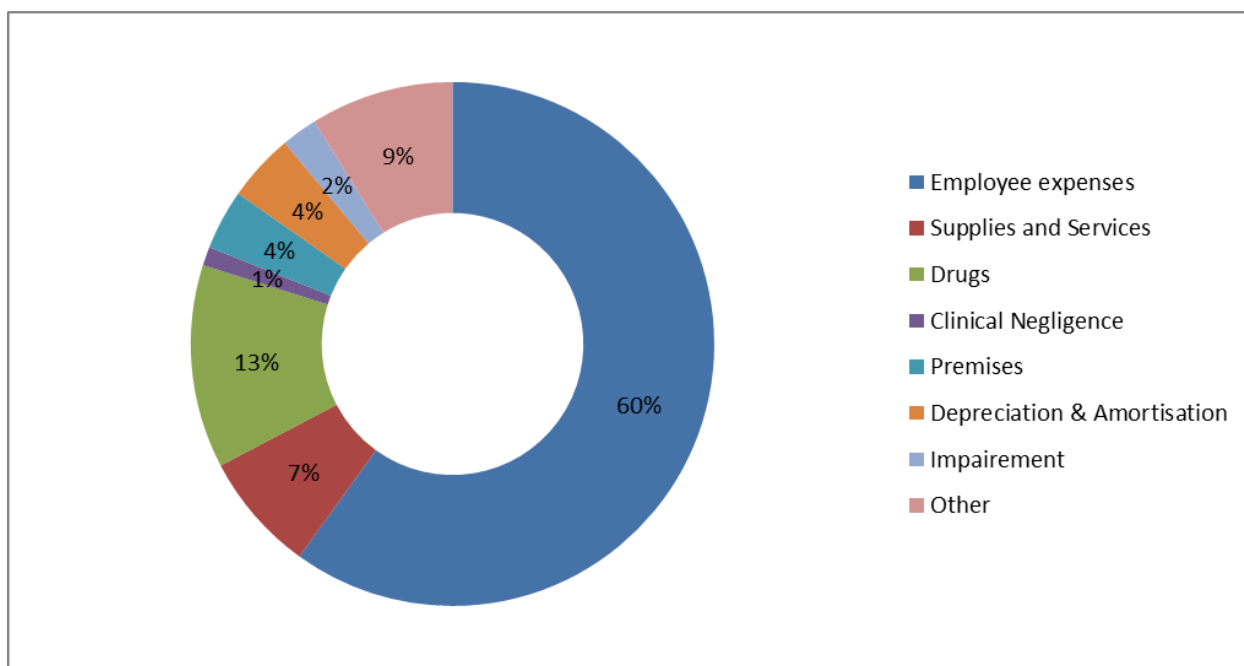
	2024/25	2023/24
	£0	£0
Acute services		
Block contracts	277,587	248,879
High-cost drugs income from commissioners (excluding pass-through costs)	48,998	44,682
Other NHS clinical income	22,745	31,592

Mental health services		
Block contract / system envelope income	22,175	23,884
Community services		
Block contract / system envelope income	22,944	18,845
Income from other sources (e.g. local authorities)	322	418
All services		
Private patient income	147	273
Pay award central funding	745	228
Additional pension contribution central funding	15,852	9,517
Other clinical income	300	981
Total income from activities	411,815	379,299



Expenditure

Operating expenses totalled £454m for the year and, as in previous years, staff costs account for the largest use of resources at 60%. An analysis of operating expenses by type is shown in the chart below:



Financial and Operating Risk

Total clinical income for the year was £411m, which exceeded the plan figure by £20.7m. This was largely related to the income received in relation to additional anticipated staff costs for pension and pay awards. Total normalised expenditure (excluding technical issues) for the year was £450.8m which was £24.6m higher than the plan of £426m. Again, this was a result of the additional staff costs for the nationally funded pension cost and significant non pay pressures.

Capital Investment Programme

During the year the Trust completed £21.4 of capital investments which will significantly improve services for both patients and staff. A summary of capital investment undertaken in the year is provided in the table below:

Capital Investment Scheme	Investment Benefit from activities	Value £'000
Planned Capital Estates	Includes interim & retained estates associated with completion of Alder Hey campus and demolition	372
IM & T capital schemes	Investment in IM&T including security and resilience and development of the digital hospital	2,037
Medical Equipment	Investment in medical equipment inclusive of equipment replacement cycle	8,932
Alder Hey in the Park	Building of the new Neonatal Unit, and refurbishment of Alder Centre for New daycase EDYS facility.	8,376
Nationally Funded initiatives	Perinatal Pathology equipment, IT workstream funding, LED light programme, and costs for daycase EDYS facility.	1,866
Total Capital Investment 2024/25		21,583

Capital Investment Scheme	Investment Benefit from activities	Value
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		£'000
Planned Capital Estates	Includes interim & retained estates associated with completion of Alder Hey campus and demolition	2,092
IM & T capital schemes	Investment in IM&T including security and resilience and development of the digital hospital	1,805
Medical Equipment	Investment in medical equipment inclusive of equipment replacement cycle	7,222
Alder Hey in the Park	Building of the new Neonatal Unit, and refurbishment of Alder Centre for New daycase EDYS facility.	8,481
Nationally Funded initiatives	Perinatal Pathology equipment, IT workstream funding, LED light programme, and costs for daycase EDYS facility.	1,842
Total Capital Investment 2022/23		21,442

Better Payments Practice Code – Measure of Compliance

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

	2024/25		2023/24	
	NHS	Non-NHS	NHS	Non-NHS
Invoices paid within 30 days	2,159	60,382	1,589	58,650
Invoices that were or should have been paid within that 30-day period (split between NHS and non-NHS payables)	2,709	64,377	1,969	62,091
Proportion of invoices paid within 30 days compared to invoices that were or should have been paid within that 30-day period (split between NHS and non-NHS payables)	79.7%	93.8%	80.7%	94.5%

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

Accounting Policies

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

Key Risks to Delivery in 2024/25

Risk is inherent in all aspects of healthcare activities and at Alder Hey we operate a risk management framework. This framework ensures that we proactively and continuously manage risks to people, systems and processes to ensure the efficient and effective delivery of our service

aims and objectives and to protect patients, carers, visitors and staff from harm. This is described in detail in the Annual Governance Statement on **page 135** of this document.

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

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

Going Concern

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

Post Balance Sheet Events

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

Board Statement

The directors consider the Annual Report and Accounts taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess Alder Hey's performance, business model and strategy.

The Board of Directors approved the foregoing Performance Report at its meeting on 26th June 2025.

Signed on behalf of the Board.



John Grinnell
Chief Executive
26th June 2025

Accountability Report

Directors' Report



Composition of the Board of Directors

- **Chair and Chief Executive**

Dame Jo Williams – Chair

Dame Jo joined the Board in November 2016 as a Non-Executive Director and was appointed as Chair, succeeding Sir David Henshaw in February 2019; she was reappointed by the governors for a second three-year term to February 2025. Dame Jo's term of office was subsequently extended by the governors with approval from NHS England for a further twelve-month term to February 2026.

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

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

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

Louise Shepherd CBE – Chief Executive (to November 2024)

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

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

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

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

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

John Grinnell – Chief Executive (from November 2024)

John Grinnell joined Alder Hey in April 2017 as Director of Finance and Deputy Chief Executive. He later took on the role of Managing Director and Chief Finance Officer in April 2023, having previously served as Interim CEO in 2021/22.

With nearly 30 years of experience at Board level in the NHS, John began his career through the National Finance Graduate Trainee Scheme. He has held various senior roles, including Deputy Director of Performance at the University Hospital of North Staffordshire and Deputy Director of Finance at South Manchester University Hospital.

In 2008, John joined The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust (RJA) in Oswestry as Director of Finance, where he played a pivotal role in the organisation's successful Foundation Trust application. He later became Acting Chief Executive in October 2015 before transitioning to Deputy Chief Executive on April 1, 2016 - a position he held until moving to Alder Hey in 2017.

In recognition of his outstanding leadership and financial expertise, John was awarded Finance Director of the Year in 2019. He won the Finance Director of a Non-Profit Large Organisation (over £100m) Award and was also named the overall Finance Director of the Year.

- **Executive Directors**

Adam Bateman, Deputy Chief Executive and Chief Operating Officer

Adam joined Alder Hey in 2015 and was appointed Deputy Chief Executive in January 2025, having served as the Chief Operating Officer since April 2018. Since joining the NHS in 2005 through the NHS Graduate Management Training Scheme, Adam has held a number of senior operational manager positions running a range of hospital and community-based services.

Adam is an alumnus of the International Hospital Federation having completed the International Young Executive Programme in 2024. He holds an MSc degree in Healthcare Leadership and an Executive Healthcare Leadership Award with distinction from the Nye Bevan NHS Leadership Academy Programme. He has also completed a Healthcare Information Fellowship at GlaxoSmithKline.

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

Adam is the Executive lead for performance, operations, estates and facilities services. He is passionate about innovation in child health and is the Managing Director of Alder Hey Futures.

Nathan Askew – Chief Nursing, AHP and Experience Officer

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

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

Alfie Bass – Chief Medical Officer

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

Melissa Swindell – Chief People Officer

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

Erica Saunders – Chief Corporate Affairs Officer (Non-Voting)

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

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

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

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

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

Rachel Lea – Interim Chief Finance Officer

Rachel was appointed Interim Chief Finance Officer at Alder Hey in December 2024. She began her NHS career in 2007 through the National Finance Graduate Trainee Scheme and has since held a number of senior finance roles within the organisation, including Director of Finance and Development and Deputy Director of Finance.

A Chartered Management Accountant, Rachel qualified with the Chartered Institute of Management Accountants (CIMA) in 2010. She has played a key role in supporting Alder Hey's major capital developments, including the delivery of the new PFI hospital, and has led several high-impact commercial initiatives.

Rachel is deeply passionate about the NHS and is committed to driving value and investment in services for children and young people. She also contributes nationally as Chair of the Children's Health Alliance Finance Group.

Rachel is a champion of finance staff development and is committed to fostering an inclusive, empowered, and high-performing workplace culture—efforts that contributed to the Alder Hey Finance Team receiving the HFMA National Equality, Diversity and Inclusion Award in 2024.

Mark Flannagan - Director of Communications and Marketing (Non-Voting) (to April 2024)

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

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

Kate is the Chief Transformation and Digital Officer at Alder Hey NHS Foundation Trust, the Executive Lead for Transformation, Digital, and Data, and the Board's Senior Information Risk Owner. Kate began her NHS career in 2000 and has had a range of leadership roles in primary care, commissioning, shared services and acute care across Liverpool and the wider North West region. Kate is passionate about the NHS and the impact technology and innovation can make on improved clinical outcomes and the delivery of high quality, safe patient care. Regionally, Kate is the Chair of the North West Digital Skills Development Network, taking a leadership role in developing the digital, data and technology profession and workforce. Kate has been recognised several times in the CIO 100 list and was the top female in 2024. Kate is a music graduate from the University of Liverpool, holds an MSC in Health Informatics and is a Fellow of the British Computer Society. She is the Chair of the Maghull Wind Orchestra where she is also principal flautist and saxophonist with the Phil Shotton Big Band.

John Chester – Chief Scientific Officer (Non-Voting)

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

appointed as Clinical Professor in Cardiff in 2011 where he built a national and international profile, including serving as inaugural Director of the Wales Cancer Research Centre. Over the last 10 years, he has increasingly focused on strategic research leadership.

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

- **Non-Executive Directors**

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

Kerry joined the Alder Hey Board in September 2018 and was reappointed by the governors for a final three-year term to September 2027. She is a Fellow of the Association of Chartered Certified Accountant experienced in finance, governance, risk management and internal control through delivery of "Big 4" professional services and as a Non-Executive Director in both the public and private sectors. Kerry Chairs our Audit and Risk Committee and is a member of the Safety and Quality Assurance Committee. She is the Trust's Senior Independent Director and the NED lead for Freedom to Speak Up.

Kerry started her career at Deloitte where she spent 11 years providing internal audit services before moving to Universities Superannuation Scheme Ltd for three years as Head of Internal Audit, followed by three years as a Director in Internal Audit at Ernst & Young. Kerry then moved into non-executive director roles; she spent nine years at Liverpool John Moores University where she chaired the Finance Committee and was a member of the Audit, Nominations and Remuneration Committees. She also served as a Non-Executive Director for South Lakes Housing where she was a member of the Audit and Risk Committee.

Shalni Arora OBE – Non-Executive Director and Chair of the Futures Committee

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

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

Shalni sits on the Board of Altrincham Football Club Community Trust and is also a Council Member for the Institute of Fiscal Studies.

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

Fiona joined the Alder Hey Board in October 2019 and was re-appointed for a second three-year term to October 2025. Fiona is Executive Pro-Vice-Chancellor for the Faculty of Humanities and Social Sciences at the University of Liverpool. Fiona is a Professor of Law, specialising in international and EU law, in particular foreign investment law and gender equality law and policy.

She has a particular expertise in gender mainstreaming (that is, the idea that gender concerns should be addressed systematically in all areas and by all actors) and how this is implemented in international institutions, the EU and in individual states. In the UK this approach is best exemplified by the Public Sector Equality Duty, now contained in the Equality Act 2010. She has completed two studies for the European Parliament FEMM Committee, 'A New Strategy for Gender Equality Post 2015' and 'The EU Budget for Gender Equality'.

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

Garth O Dallas – Non-Executive Director

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

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

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

John Kelly – Non-Executive Director and Chair of the Finance, Transformation and Performance Committee

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

Jo Revill – Non-Executive Director, Chair of the People Committee and Trust Wellbeing Guardian

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

Gerald Meehan – Non-Executive Director

Gerald was appointed as a Non-Executive Director with Alder Hey on 1st March 2024. Gerald has had a long career in public service working in both local government and the NHS in both the South West and North West of England. This service covered a range of positions in Social Care including as Strategic Director and as a Statutory Director of Children's Services (DCS). Latterly Gerald was Chief Executive of Cheshire West and Chester Council. Gerald acted as a Local Government Advisor to the shadow NHS Integrated Care Partnership for Cheshire and Merseyside. He has also been a Non-Executive Director, Vice Chair and interim Chair with Wirral Community Health and Care (NHS) Trust since 2018. Gerald has a particular focus for Alder Hey

on factors causing health inequalities; along with the impact of poverty on health. Gerald is a registered Statutory Social Worker.

Declaration of Interests

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

Political Donations

Alder Hey did not make any political donations during 2024/25.

NHS England's Well Led Framework

In April 2024, new well-led guidance for trusts under the Single Assessment Framework was jointly published by the Care Quality Commission (CQC) and NHS England setting out how providers should carry out developmental reviews of their leadership and governance.

It continues to be good practice for trusts to regularly review their leadership and governance. However, due to the extensive work that had been undertaken in the previous two years in partnership with Strasys on the development of the new strategy, Alder Hey has not undertaken a review against the well-led framework during 2024/25. We were last inspected by the CQC in 2020 achieving a rating of 'good' for well led.

During the year, the Board's key developmental focus was upon the implementation of Alder Hey's new strategy: the 2030 Vision. The Strategy Board served as the main vehicle for delivery of the 2030 Vision, monitoring delivery of the implementation plan, transformation plans under each of the five strategic goals with programme structures to oversee project implementation and a strategic scorecard for accountability and oversight. We continued to work alongside our system partners to maintain focus on children, young people and families in the context of a more challenging financial and external environment.

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

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

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

The Risk Management Forum, chaired by the Chief Corporate Affairs Officer, continues to act as the operational assurance mechanism. It links together the Board Assurance Framework and Corporate Risk Register, which in turn is informed by individual divisional and departmental risk

registers, drawing on senior membership comprising the Executive Team and divisional triumvirates.

Patient Care

Infection Prevention and Control (IPC)

1. IPC Workplan and Structure

The IPC committee (IPCC) continues to meet bi-monthly and provides assurance to the Safety, Quality and Assurance Committee (SQAC) and Trust Board.

A significant number of IPC policies, guidelines and standard operating procedures (SOPs) have been developed, reviewed or updated to ensure the continuation of safe and effective IPC practices.

There will be substantial strides forward in the delivery of IPC and Antimicrobial Stewardship (AMS) in 2025/26 with the implementation of ICNET, (a surveillance software system), which is on track to go live in May 2025. The ICNET system will interface to the Trust's Laboratory Information System and the Electronic Patient Record. This will launch a revolution in the management of microbiology laboratory results, critical to ensure patient safety and prevent healthcare associated infections and antimicrobial resistance. This will allow the IPC and AMS teams to operate in a proactive, efficient manner, replacing the retrospective system for HAIs alerts, tracking and audit with a real time system that uses inbuilt and internally configurable automated algorithm alerts.

2. Healthcare-Associated Infections (HCAIs) metrics

In response to the rising number of HCAI cases requiring mandatory reporting to UKHSA (excluding MRSA bloodstream infections), the IPC department introduced a Standard Operating Procedure (SOP) for HCAI surveillance. This ensures that all HCAI cases are accurately recorded and includes post-infection reviews (PIRs) for bloodstream infections, healthcare-acquired viral GI/respiratory infections, and cases of colonisation or infection by multidrug-resistant organisms. Efforts to refine our PIR process are ongoing to better align with the NHSE Patient Safety Incident Response Framework (PSIRF).

Additionally, the IPC and AMS teams actively participated in the Point Prevalence Survey on healthcare-associated infections, antimicrobial use, and antimicrobial stewardship. This initiative supports benchmarking of IPC and AMS practices across England and helps identify opportunities for improvement.

1. Achievements and challenges

IPC Achievements
External review recommendations were enacted in 2024/25 through a full-service review and restructure of the team and support in readiness for ICNET.
A Senior Apprentice Data Scientist has been appointed to the team. This post will provide scientific support to the ICNET system and increase the research capacity within the team.
The IPC department has established a research collaboration with the University of Liverpool (Global Health and Infectious Diseases Department) focused on the development and validation of specific paediatric metrics to monitor healthcare-associated infections and antimicrobial resistance in neonates and children.
A productive collaboration between the Paediatric Public Health Consultant and the DIPC has successfully secured NHSE funding to support opportunistic flu vaccinations

for children and young people attending the Emergency Department and outpatient clinics. Additionally, the team has taken proactive steps to provide vaccinations for long-stay children and young people within our care.
Development of clinical educational framework based on the IPC National Educational Framework but has been tailored for paediatric practice. The delivery to clinical teams and IPC link champions will be supported by a new role in IPC providing audit and educational support across the Trust.
The appointment of the IPC Programme Administration Manager has seen significant improvements in the reporting structures and assurance frameworks which contribute to the IPCC: Surveillance data is provided to individual wards monthly – the data provided includes UKHSA and IPC Team updates, the number of HCAs, IPC audit scores, hand hygiene scores and information relating to post infection reviews. Ward and department accreditation data is also provided by the IPC Team. The IPC dashboard consolidates all IPC data collected for each division within Alder Hey. The IPC dashboard has been designed to provide governance and operational management teams with usable infection control metrics that can be used to populate monthly reports. The dashboard is being refined whilst in the pilot phase. During the IPC committee, the IPC Assurance Framework (AF) is used as a tool to help us conduct self-assessments on our compliance with national IPC guidelines, to uphold our quality standards and identify risks. The AF contains criteria for assurance with the 10 IPC domains included in the Health and Social Care Act 2008 - the code of practice on the prevention and control of infections, which also aligns with the World Health Organisation (WHO) core components for effective IPC programmes and 2023 (WHO) Global Strategy on IPC and other related disease-specific infection prevention and control guidance issued by UK Health Security Agency (UKHSA). The assurance plan has been developed using the National Infection Prevention and Control Board Assurance Framework (BAF) to effectively assess the Trust compliance set out in the National Infection Prevention and Control Manual (NIPCM), the Health and Social Care Act 2008 – the code of practice on the prevention and control of infections and other related disease-specific infection prevention and control guidance issued by UK Health Security Agency (UKHSA).
We have effectively divided the IPC Champions' Meeting into two separate groups—one for acute clinical staff and another for community clinical staff—ensuring that each group derives maximum benefit from the sessions. Additionally, we consistently deliver educational sessions aligned with the Educational Framework, accompanied by regular updates.
There has been a refresh of the patient information leaflets with plans in progress to develop age and developmentally appropriate information across several platforms. The IPC Team are working closely with the Youth Forum and patient safety partners to launch these in 2025/26.
We have collaborated with the Digital Team to enhance workflows for clinical staff in the EPR (Expanse). As part of this initiative, multiple IPC care plans have been consolidated into a single plan, simplifying the process for staff to add items to patients' worklists. This improvement will also streamline the audit process for care plan usage. The updated workflow is scheduled to go live in April/May 2025. Additionally, we have introduced template notes designed to provide staff with clear and concise guidance on the precautions necessary for managing infectious patients.
The IPC Team, in collaboration with the PICU Quality Improvement and Green Project Director, has launched the 'Gloves Smart' campaign to reduce unnecessary glove use

across the Trust. Over the next year, they will assess the impact of this initiative to measure its benefits.
The DIPC is an active member of the Cheshire and Merseyside IPC collaboration group, developed by Cheshire and Merseyside ICB to scale up IPC practices across the region. The group has recently published a <i>C. difficile</i> prevention toolkit.
The DIPC is a member of the Healthcare Infection Society (HIS) wastewater and AMR specialist interest collaboration group to advance water-safe care in the UK.
The DIPC has an active role in construction/refurbishment projects for example the new NICU and actively participates in water safety and ventilation committees in the Trust.

IPC Challenges
The UKHSA reportable HCIA's are currently entered by a manual process. The UKHSA audit identified that some cases had not been reported. When this was investigated, a significant number were related to postmortem findings and therefore excluded. The remaining unreported data were attributed to human entry errors by staff no longer in post but have been rectified. The implementation of ICNET will remove any chance of human error in the future as the system reports directly through to UKHSA.
The current IPC Team of practitioners is extremely resource limited but despite this in 2024/25 the Team successfully managed seven outbreaks and tracked staff and patients across 132 exposures. The transition from a manual track-and-trace process to an automated system supported by BI, significantly improved our efficiency in quickly identifying exposed patients. This automated dashboard proved invaluable for both Measles and Pertussis cases. Despite the clinical demands, the Team has seen successful enhanced recruitment efforts, strengthening the reputation in practitioner roles thus attracting more applicants per post. However, filling a senior position in the team remains a challenge, and we are currently reviewing the needs of the service and the required level of seniority of this role.
The Infection Prevention and Control Team (IPCT) has encountered challenges due to an increase in patients colonised or infected with <i>Pseudomonas</i> . Consequently, the standard operating procedure (SOP) has been reviewed to enhance management processes. Additionally, discussions have been held with colleagues from other hospitals to refine workflows and improve practices related to water safety. We have established a clinical water safety group comprised of a dedicated core team of staff members who work collaboratively. This group serves as a proactive initiative to address water-related safety concerns within clinical environments, ensuring the highest standards of hygiene and patient care. Through shared expertise and coordinated efforts, the Team will focus on implementing best practices, conducting risk assessments, and developing robust protocols to mitigate water safety risks effectively.
The transformation of our IPC Department into a data-driven programme continues to be a work in progress. The IPC Team is working closely with the ICNET implementation team to adapt it to our setting and is providing mentorship to our apprentice data scientist to overcome these challenges and integrate meaningful clinical data into our routine activities.

2. IPC Future Plans for 2025/26

Future Plans
Implementation of ICNET and measure the benefits of the system, evaluating its impact on streamlining processes, improving data accuracy, optimising resource allocation, and

achieving better clinical outcomes through timely interventions and informed decision-making.
To improve IPC audits to ensure effectiveness and sustainability. We will focus on the following: • Standardising Audit Tools and Processes: Implement standardised audit checklists and frameworks to ensure consistency across all departments. Digitalising these tools can streamline data collection and analysis. • Enhancing Training and Awareness: Provide continuous training for staff on IPC protocols and the importance of audits. Empower employees to view audits as supportive rather than punitive, fostering a culture of accountability and improvement. • Regular Feedback and Follow-Up: Share the results of audits promptly and transparently with relevant teams. Develop action plans and track progress to close identified gaps effectively. • Engaging Stakeholders: Involve multidisciplinary teams in the auditing process, including medical, nursing and AHP clinical teams and administrators, to ensure IPC standards are understood and upheld organisation wide. • Tracking Trends and Continuous Monitoring: Regularly monitor trends in infection rates and IPC compliance metrics to assess the long-term impact of audits. Use this data to refine and adapt strategies.
Prevention work in line with the global action plan that runs from 2024-2030.
Monitoring the effectiveness of workflow changes for IPC care plans to ensure improved outcomes.
To oversee the rollout of the Educational Framework across the Trust, ensuring that it reaches all departments and staff effectively.
To improve water safe practices within the Trust.
To advance scientific reporting and strengthening research capacity. To ensure the continuous evolution of scientific knowledge and innovation, we aim to enhance the quality, accessibility, and impact of scientific reporting while simultaneously expanding global research capacity.

Ward/Departmental Accreditation Scheme

In 2016, the Trust developed the Journey to the STARs (Safe Together Always Right) Ward Accreditation Scheme which was designed in partnership with children and young people. It is a quality and safety audit tool designed to give assurance of standards of practice by measuring the quality of care delivered by ward and departmental teams. Ward and departmental accreditation assessments have been shown to promote safer patient care by motivating staff and sharing best practice.



The Accreditation Assessment Team comprises of both clinical and non-clinical staff from across the Trust. Each member of the Team will undertake an aspect of the assessment which includes the following:

1. Interviewing the Ward/Departmental Manager

2. Talking to patients and parents/carers and asking questions
3. Asking staff questions
4. Undertaking an observational audit of the environment and practice
5. Reviewing five sets of clinical records (currently not undertaken in outpatient clinics)

In 2024/25, the assessment criteria was aligned to the CQC quality statements set out within each of the five key questions. Ward and departmental managers continued to receive an award classification of Gold, Silver, Bronze or White but also received a CQC-type rating of Outstanding, Good, or Requires Improvement utilising the CQC scoring principles.

The team undertaking each individual assessment is led by a Senior Nurse or Allied Health Professional (AHP) rostered to be part of the assessment team.

Thirteen assessments were undertaken in year, with the remainder being undertaken in Quarter 1 of 2025/26. The assessment takes place unannounced with the exception of community outpatient clinics, inpatient CAMHS, Dental and Community Nursing Team where there needs to be pre planning with the lead to facilitate the assessment. However, the service team are not made aware until the assessment team arrive therefore there is still an element of an unannounced visit in these areas. Eleven of the assessments were unannounced and two were partially unannounced.

Assessments are undertaken over a full morning or afternoon and the assessment lead provides immediate overall feedback to the Ward/Departmental Manager including compliance with the mandatory checklist. Should any mandatory checklist gap be identified, this results in a White rating until the assessor returns to the area within three to four weeks to re-assess that element. If the gap in assurance is resolved, the Ward/Department receive the award reflected by the overall score. If there has been no significant improvement, then a full accreditation assessment is rescheduled.

In 2024/25 all ward/departmental accreditation assessment documentation was reviewed and made available electronically via Excel. Moving forward, there is a plan to upload all assessments onto the Trust electronic risk management system to create a truly digital assessment and maximise efficiency.

The assessment criteria are triangulated and reported, aligned to the most relevant CQC Quality Statement within the relevant Key Question. The assessment criteria are then scored using both the traditional ward accreditation scoring and also scoring each CQC Quality Statement. A dedicated Senior Nurse undertakes the initial scoring together with the lead assessor for the assessment. A dedicated Senior AHP then independently reviews the scores and challenges as required. This approach provides assurance that all scoring has gone through a robust process of scrutiny and the outcome has been validated.

The outcome and report are presented to the Senior Ward/Department Team as soon as possible after the assessment. An action plan is then developed locally and progress is monitored through the appropriate divisional integrated governance meetings. An update and assurance report is received by the Trust Safety Quality Assurance Committee every six months. Themes identified through the assessments are shared widely with teams in order to share the learning and improve the experience and safety of our children, young people and families.

Of the 13 assessments conducted in 2024/25, the outcome has been shared with 10 of the teams. Of these 10, subsequent to the Ward resolving any mandatory checklist issue, three wards and departments have been awarded Gold, six awarded Silver and one awarded Bronze. Of these 10, six have been awarded Outstanding for the key question related to Caring, four for Responsive, three for Well-led, and one for Effective.

A number of further improvements to the process are planned for 2025/26. Following completion of the assessments in Quarter 1, a full review of the assessment criteria is planned to be undertaken. This will be done in collaboration with the relevant senior leaders for the areas. Other planned improvements include:

- Review the list of departments included in the programme and identify other services which may benefit.
- Upload all assessment to InPhase to ensure an end-to-end digital solution which maximises accuracy and efficiency.
- Transition fully to the CQC style scoring methodology.
- Review the CQC quality statements which do not currently have ward/department accreditation assessment criteria aligned to them which could be added to enhance the assessment. For example, there are no criteria aligned to the *Workforce Equality, Diversity and Inclusion* Quality Statement.
- Review and include relevant elements of Domain 1 of the EDS 2022 assessment.
- Review and cross reference the ward/department accreditation assessment criteria with the national paediatric acute care standards.
- Creation of a digital dashboard.
- Arrange a celebration event to present ward/department accreditation awards.
- Continue to encourage the involvement of students and other staff to join assessments and work alongside a core team member.
- Involve patient safety partners in assessments to work alongside a core team member.
- Update the Standard Operating Procedure.

The Trust is committed to continuous improvement, safety, quality and experience for all our children, young people and families, demonstrating the great work of staff supported by this process.

Incident Reporting and Learning

Incident reporting: During 2024/25, Alder Hey continually demonstrated a strong incident reporting culture. There was a sustained improvement in the Trust's performance position in relation to incident reporting compared to previous years with a total of 9,078 incidents recorded compared to 8,572 in 2023/24

The Trust transitioned to the Learn from Patient Safety Events (LFPSE) Service in May 2023. Work remains ongoing with NHS England to produce a new recorded data dashboard (RDD).

Towards the end of 2024, NHS England made the RDD available exclusively to providers to support them in identifying and resolving any data quality issues between what is stored in LfPSE compared to the data stored within our local risk management system (InPhase).

A local data validation exercise was undertaken and feedback shared with NHS England and InPhase. Mitigations have been put in place where discrepancies have been identified as far as

possible and work will continue to validate the data locally on an ongoing basis prior to wider publication of the RDD.

InPhase: Throughout the 2024/25 financial year, the Trust continued to develop and optimise its electronic risk and incident management system (InPhase) across the organisation during Phase 2 of the transition (Phase 1 was completed between May 2023 – April 2024).

There has been sustained engagement and use of the core modules available at launch as evidenced through a consistently strong reporting culture, ongoing refinement of the forms to adapt to division/board requirements and further refinement of dashboards and reports by the Data and Analytics Team. Additional development and functionality for the system is seen as a key priority for the Trust's 2030 Vision. An InPhase Programme Board was re-established for oversight and monitoring of core objectives for Phase 2. Core themes for oversight include Development, Optimisation and Relationship. Lack of developer resources was seen as a key gap for the ongoing support of the system, which has now been addressed. A Risk Management Systems Lead commenced in post on 1st March 2025. This role will provide training, development, and creation of new features in the system, along with general system maintenance.

The following objectives have been agreed for InPhase 2:

- Clear system and module ownership, roles, and responsibilities
- Improved patient safety
- Increase functionality in the InPhase system for the reporting and management of risk and incidents across both Alder Hey and Liverpool Heart and Chest Hospital
- To improve overall user experience
- Improved reporting/dashboard functionality
- Develop outstanding modules from Phase 1 (Mortality, Legal, Freedom to Speak Up, Audits).

We continued to promote a culture of robust risk management through monthly risk register oversight meetings throughout 2024/25 to validate that divisions and corporate functions have mechanisms in place to identify, analyse, evaluate and treat risks. Assurance is provided via the Trust's Risk Management Forum which reports to the Audit and Risk Committee. To support the Trust's wider risk management process and the ongoing development of the Trust's risk management reporting, an updated Risk Appetite Statement was agreed by the Board in September 2024. The aim will be to deploy agreed risk tolerances in active risk management decisions, initially on a pilot basis in one of the clinical divisions.

An Introduction to Risk Management training package was implemented in 2024/25 to support staff to develop their understanding of risk management including risk assurance and risk appetite and assist in providing assurance that the Trust has in place a comprehensive system of internal control. A mandatory training package has since been developed.

Our Patient Safety Strategy delivery continues to be monitored by the Patient Safety Strategy Board. Workstreams are separated into *insight, involvement and improvement*. For 2024/25 two

work streams closed and are now reporting business as usual (learning disabilities and negligence and litigation claims).

In 2024, we transitioned to the Patient Safety Incident Response Framework (PSIRF), effective from the 1st January 2024 as part of the national NHS Patient Safety Strategy.

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

In line with the transition to PSIRF the Trust continues to meet the reporting requirements of the LfPSE v5 with the next iteration of LfPSE v6 taxonomy due to be released in 2025.

The weekly Patient Safety Incident Response Investigation (PSIRI) Panel continues to meet which holds delegated responsibility for oversight and approval of all patient safety responses (PSRs) and Patient Safety Incident Investigation (PSIIs) as part of locally agreed arrangements under PSIRF. The Trust's Board and sub-Board committees will receive regular reports, and all completed PSIIs for approval and sign off.

In line with our patient safety plan and policy (PSIRP), the Trust agreed five board categories of learning responses with stakeholders that have been in use during 2024/25: Initial review, Situation, Background, Assessment, Recommendations and Decision (SBARD), After Action Review, Multidisciplinary Team (MDT) Review and Thematic Review.

Three never events occurred during 2024/25 and PSIIs commissioned in line with national standards and our local PSIRP.

Identified in our local priorities and following the sad death of a patient following an unexpected deterioration, a learning review of the care of the patient was commissioned in 2024/25. Part A of this work has concluded and Part B, a system wide review of the deteriorating patient and pathway, is in progress. This is a focused piece of improvement work drawing on the national PIER framework.

Thematic reviews have been commissioned for data breaches and delay/lost to follow up and are informing further work for improvement in these areas. This is expected to be completed in early 2025. This work is reporting into the PSIRI Panel, Safe Waiting List Management Oversight Board and Patient Safety Board.

In line with the national PSIRF standards the Trust has employed two patient safety investigators who commenced in post in August 2024 to support the roll out and embedding of PSIRF across the Trust. In October 2024 following a robust recruitment process facilitated by our young volunteers and children and young person's forum, 40 children and young people were appointed as our patient safety partners to work alongside the Patient Safety Team.

Following approval by our Education Governance Committee, the Trust mandated the completion of NHSE Patient Safety Training Syllabus Level One – essentials for patient safety for all clinical and non-clinical staff within the Trust. Furthermore, Level One - essentials of patient safety for

Board and senior leadership teams - has been mandated to all executive members of the Trust. The overall Trust compliance is monitored through the Integrated Performance Report and achieved 98% compliance in 2024/25.

The Patient Safety Meeting continued to be held weekly and is a Trust-wide no blame forum, supporting our approach to an open and honest reporting culture. The purpose of the meeting is to openly discuss incidents, share any learning and highlight good practice as we strive to ensure patients and staff are safe from harm. Learning from the meeting is distributed within 48 hours for wider sharing across the organisation.

The following metrics have been driver metrics within the Trust IPR for 2024/25, with targets being met. There will be ongoing challenge to achieve further improvement within these metrics progress for the current financial year:

- **Number of incidents rated low harm and above (physical and/or psychological) per thousand bed days:** an indicator which should demonstrate a downward trend or remain within the top quartile of comparator organisations. The objective 2025/26 plan is a 5% reduction on 2024/25.
- **Number of incidents rated no harm per thousand bed days:** an indicator which should demonstrate an upward trend or remain within the top quartile of comparator organisations. The objective 2025/26 plan is a 5% increase on 2024/25.

We are committed to implementing in full the requirements and intent of the patient safety incident response requirements, including the engagement and involvement standards which apply to all affected by a patient safety event of harm.

The Trust does not underestimate the volume of work required to deliver the national requirements, nor the step change in culture and attitudes required at all levels of the organisation. However, we believe that if the changes required are achieved, they will make a tangible and positive impact on sustainable safety improvements for the Trust. Further, there will be a kinder, more compassionate and inclusive approach to the way patient safety events are evaluated and responded to.

Quality Assurance Ward/Department Rounds (QAR's)

Quality assurance rounds (QARs) are designed to be learning events to support the golden thread of Ward to Board assurance, in terms of compliance with the CQC five domains: safe, responsive, effective, caring and well-led, plus the associated Health and Social Care Act regulations.

In March 2024, CQC introduced a new single assessment framework that applies to all providers, local authorities, and integrated care systems. The central focus remains on the CQC's four ratings and five key questions, but key lines of enquiry (KLOE's) and prompts have been replaced with new 'quality statements'.

In response the QAR preparation pack was updated in 2024 to align with both the CQC single assessment framework and the Trust's Vision 2030 strategy.

Although the introduction of MS Teams has been successful during the Covid-19 pandemic, it is recognised that holding QARs remotely has its limitations, including the inability for all stakeholders to showcase the environment in which they work.

Following the agreed hybrid approach to Quality Assurance Round (QAR) process in April 2024, for the 17 QAR's undertaken between September 24 and February 25 four QARs were at face-to-face meetings and 13 were via MS Teams.

During 2024/25 a total of 32 QAR's were undertaken. The findings from those QAR's identified challenges regarding recruitment and workforce, service delivery, lack of financial support, transition of children into adult services and IT network concerns. Those themes are reflective of the current risks scored at 12 or over on the Trust risk register.

However, despite the challenges several successes were noted including:

- Staff and team resilience and willingness to go the extra mile throughout the continued high levels of referrals.
- Reduction of long waiter list to zero 65-week RTT in Paediatric Dentistry.
- Our Emergency Department continues to achieve key national targets.
- Achievement of zero 65 week wait target through meticulous management of the waiting list and appointment of staff in ENT.
- Discharge rate of 62% following development of a local opt-in/out programme for ENT which saw letters being sent to over 2,000 patients.

Additional positives shared during the QAR's are noted below:

- Appointment of youth worker in the Diabetes Service created a positive effect on children, young people and staff.
- A complaint from a young person about her experience at the Rainbow SARC saw the creation and introduction of 'Bella Bags'. The bags are given to every child and young person attending the Rainbow SARC and include high quality personal care items.

Next steps in the QAR process are to:

- Explore a process to triangulate QAR findings with those findings from the fortnightly quality rounds (QRs) and revised ward/service accreditation process to enable celebration and sharing of key successes across the organisation and a fuller understanding of any key team/service challenges.
- Provide service level QAR summary updates in future reports to enable sharing of achievements and challenges across the organisation.
- Continue the monitoring and assurance of progression with all identified risks via the Risk Management Forum.
- Re-evaluate the impact of the transition from the current MS Teams delivery of all QAR's to the agreed hybrid approach
- Revisit the feedback process from the revised QAR and hybrid approach to further improve the process and experience for all staff involved in QAR's.

Trust Governance Model

We continue to operate with an established devolved governance model, supporting our commitment to be a clinically led organisation with oversight and support from the Trust's central clinical governance team.

Delivery of our services is managed through a divisional structure with each accountable for its contribution to the Trust's strategic objectives and integrated business plan. There are also specific corporate functions in place to support the clinical divisions to achieve their objectives and to provide assurance to the Trust Board in its performance management role. These include finance, human resources, digital support and informatics. This means that divisional directors are empowered to adapt arrangements within their own divisions, linked to strategic objectives and the Trust's Vision 2030 in a way that ensures the best outcomes for the patients in our care, with the best experience possible for children, young people, and families throughout their journey.

As we continue to work in a more collaborative approach to service delivery it is timely that the current model of devolved governance is reviewed with a suggestion to explore a collaborative move towards an alternative model of integrated governance across all functions moving forward.

Alder Hey Volunteering Services

Volunteers are crucial to the NHS's vision for the future of health and social care. Volunteering plays a key role in enhancing the NHS's engagement with local communities. Volunteers bring personal life skills, perspectives, and a sense of community spirit that can significantly improve patient care and support services. Our established recruitment and training process ensures that the volunteer program is both accessible and inclusive, offering opportunities for volunteers from diverse backgrounds.

We are proud and privileged to have more than 146 active volunteers at Alder Hey with 37 in the recruitment process and 10 waiting to start.

Volunteers dedicated over 19,750 hours to the Trust providing companionship, play activities, and staff support all which provided an exceptional experience for our children, young people and families.

The Young Volunteering Programme was launched in 2022 and began with eight participants. There are now 18 active young volunteers, recruited from local schools or previous and current patients.

Volunteers Make a Difference

- Our volunteers offer a warm, friendly and inclusive welcome, making a positive first impression that is crucial for building trust and confidence.
- By assisting with non-clinical tasks, volunteers free up healthcare professionals to focus on patient care, improving efficiency and service delivery.
- Volunteers bring a wide range of skills, experiences and perspectives, contributing to a more inclusive and innovative healthcare environment.

- Volunteering programmes promote health and wellbeing within the local community, encouraging active participation and a sense of purpose amongst volunteers.

Enhancing Our Families' Experience

Family Support Role

Volunteers visit all new admissions each day. They provide information and support which includes practical advice about free car parking, services, and how to give feedback. The Trust is supported by the Charity to provide emergency care packages and pyjamas to any families who need them, and the family support volunteers give these out.

This initial contact builds a link to the wider Patient Experience Team who can be a source of ongoing support and advice during their admission. Conversations with new admissions allows for any initial concerns to be addressed and resolved at local level.

This role has been very well received with positive feedback from NHS Choices and the Friends and Family Test.

Pets as Therapy

Pets as Therapy (PAT) is a national charity which enhances health and wellbeing through the companionship of animals. Therapy animals are trained to be gentle, friendly, and patient, making them ideal companions for people in need of emotional and physical support. Therapy dogs provide many proven physical and emotional benefits such as reduced stress and anxiety, improved mood, reduced pain perception and lowered blood pressure and heart rate.

Alder Hey has had its very own registered PAT dog Holly and her owner Barry with us for eight years who will have completed 500 visits before Holly retires later this year. Holly brings a welcome distraction to our children, young people and families, and she offers the best cuddles as well as some light relief in often stressful situations. Holly is a regular visitor to our eating disorder patients and our Tier 4 mental health inpatient ward at Sunflower House. Thank you Holly and Barry for everything you have done for our children, young people, families and staff over the years.

We are proud to welcome a new therapy dog Bonnie and her owner. They will be spending a lot of their time within our Catkin building supporting our community and mental health services.

Reading Circle and Books

The Reading Circle takes place every Tuesday morning in the atrium of our hospital. Children and young people can pick a donated book to read with a volunteer and take it home. The Team also brings the Reading Circle directly to children and young people on the wards taking a trolley full of books to choose from.

Research by the National Literacy Trust identified one in five parents and carers said they were buying fewer books for their children, increasing to one in three of those who were struggling financially as a result of the cost-of-living crisis. Working closely with our Charity we have had fantastic donations of books to provide to our children and young people.

Arts, Craft and Facepainting

Volunteers deliver arts and crafts activities, along with face painting, in the main atrium of the hospital each day. These activities are available for children and young people to enjoy while they wait. They provide:

- Distraction and comfort: These activities provide a positive distraction for children and young people, helping to reduce anxiety and stress associated with hospital and community visits.
- Engagement and creativity: Arts and crafts stimulate creativity and keep children and young people engaged, making their waiting time more enjoyable and productive.
- Social interaction: Participating in group activities fosters social interaction, which can be particularly beneficial in a hospital setting.
- Emotional well-being: Engaging in fun activities can improve the emotional well-being of children and young people making their overall experience at the hospital more pleasant.
- Support for parents/carers/families: These activities may offer our parents, carers and families a brief respite, knowing their children and young people are occupied and entertained in a safe environment.

Play Support

Volunteers support the delivery of play activities to ensure all children and young people have the opportunity for play.

Volunteers placed on our Renal Dialysis Unit provide companionship and pass the time with the patients who are there for several hours, allowing parents and carers to take a break.

Volunteer talents and skills are matched to individual children and young people to provide gaming activity, teaching chess, teaching knitting and artistic activities.

Volunteers support our play specialists by cleaning toys, helping with displays, preparing the play area for activities and accompanying children and young people on our outdoor play decks.

Achievements in 2024/25

Spiritual Care Volunteers

The spiritual care volunteers offer huge support to our Spiritual Care Team, with 14 actively volunteering. Their regular visiting on specific wards is greatly valued by families and is instrumental in building relationships with staff so that they are aware that support is always available for them.

A bespoke training program and a booklet have been designed by the Spiritual Care Manager specifically to help our volunteers, enabling them to leave something with parents, carers and families. It explains that the emotions and feelings that they may be experiencing such as loneliness, concern for the future, or being out of control are entirely normal in the hospital situation. If parents, carers or families wish to talk to somebody about their feelings, then they

have the assurance that our volunteers and all the Team are here to listen to their concerns at any time so that they never feel that they are alone. Spiritual care volunteers will listen, support, pray or offer blessings as requested.

Special Events

Volunteer participation at Christmas, Easter, Summer, Charity events and other special occasions is outstanding. Their enthusiasm and time allows us to bring these celebrations to children, young people and their families who are in hospital or visiting.

Last year's Christmas decorations, including our Santa's Grotto, were described as the best yet with Santa joining us every day in December (despite him being very busy!). Our volunteer elves brought magic to the Trust and some fantastic feedback from our visitors.

"Friendly staff. Greeted by young children who wished us a Merry Christmas and a happy new year."

"Brilliant staff, excellent environment, minimal wait times for appointment full of Christmas spirit with volunteers who were amazing with a choir and grotto, the Father Christmas was superb- thankyou."

"Unbelievable care from every single person we encountered. We were lucky enough to be there for the Christmas light switch on and the effort that was made for the children staying in the hospital was just incredible."

"Lovely staff, beautiful hospital the Christmas decorations and effort all the staff and volunteers go to, to make things nice for families is wonderful."

Volunteers also supported the Catering Team to deliver Christmas lunches to all staff.

Alder Hey Children's Charity also received volunteer support at the annual Oli Walk, Matalan PJ launch and Grand National visit.

Volunteers supported community events including Hirschsprung's Disease Information Day, Community Physiotherapy Day and various research events.

Volunteer to Career

In 2022 Alder Hey were part of the Helpforce Volunteer to Career (VtC) programme which helps talented and motivated young people into NHS careers via volunteer roles. Over 75% volunteers on the VtC Programme have gained employment or moved into further training for a career in healthcare. Now embedded within our Volunteer Programme we continue to offer employability support in varied ways:

- Application, Interview and CV preparation via a Wider Participation Team.
- 1-1 session with Volunteer Co-ordinator/Manager to understand aspirations and career goals.
- Volunteers may apply for internal vacancies after six months regular attendance.
- Offering additional training through learning and development.

- Identifying pathways within the Trust for supported internships, apprenticeships and work experience.
- During 2024/2025 volunteers have gained employment as housekeepers, physiotherapists, health care assistants, switchboard operators and many are now in post or training as nurses and doctors.

Young Volunteers

Our young volunteers are an invaluable part of our Trust, dedicating time during their school holidays to make a difference. They take on roles such as patient safety partners, learning disability champions, and this year have become research champions. They participate in quality ward rounds, have helped select charity champions and contribute to staff interviews. Their efforts not only support our Trust but also help them gain life skills and achieve formal qualifications, making a lasting impact on both their lives and the community. One of their most recent projects has been filming for a hospital virtual tour, designed specifically for children, young people and their families/carers. Recruitment has been via local schools with an emphasis on community engagement and social action.

PLACE Inspection

Volunteers take part in all our Patient Led Assessment of the Care Environment (PLACE) Lite and PLACE inspections and follow up the inspection ensuring highlighted concerns have been resolved. This year each team of assessors included a Young Volunteer or Forum Member to help identify the best possible environment for children and young people.

Volunteering and Vision 2030

Our future goals focus on enhancing the patient, colleague and volunteer experience to align with the Trust's Vision 2030. Volunteers are integral to delivering outstanding care and creating a healthy, happy, and fair environment for everyone. Volunteering should be a mutually beneficial experience and our goals for 2025/26 centre around three pathways: Volunteer Training and Education; Staff Awareness; and Flexible Volunteer Opportunities.

Delivering an expanded training package for volunteers via internal learning and development courses and external sources will: enhance their skills; increase employability; provide opportunities to meet new people; retain volunteers; and raise the profile of volunteering.

In 2025/26, the Trust will continue to engage widely and diversely through:

Community Partnerships: Collaborating with local community organisations, cultural centres and faith-based groups via our Spiritual Care Team and their established links.

Culturally Relevant Communications: Updating our messaging and materials to be culturally sensitive and relevant and utilising our interpreting services and existing volunteers.

Community Events: Participating in community events and activities to raise awareness about volunteering opportunities. Collaborating with Alder Hey Children's Charity, attending their organised events to reach a wider audience.

Social Media Campaigns: Working closely with the Communications Team to use social media platforms particularly popular with younger audiences (Instagram, TikTok, and Snapchat) to promote volunteering opportunities.

School and University Partnerships: Working with schools, colleges, universities and the Wider Participation Team to provide credible and recognisable academic qualifications.

Youth-Friendly Roles: Designing volunteer roles that are appealing to young people, such as tech-related tasks, social media management, or event planning.

Flexible Volunteering Options: Offering flexible volunteering schedules that can accommodate responsibilities of carers. Removing a rigid “one size fits all” timetable. Offering term time/ holiday time volunteering, micro volunteer sessions and exploring remote/video volunteer roles.

Support Networks: Creating support networks for carers within the Volunteer Programme, via SALS and external agencies (such as Health Junction/CA Liverpool).

Young Carers Covenant: Commit to the Young Carers Covenant and develop a bespoke recruitment and volunteer pathway for these individuals. Identify young carers who are service users initially as part of the project pilot.

A Big Thank You

Our volunteers are truly at the heart of our “Alder Hey Family.” Their dedication and compassion make a profound difference every day. They are often the first to greet our children, young people and visitors and set an impeccable first impression. They create a trusted, caring environment that fosters a positive patient experience from the moment someone walks through our doors. They also provide invaluable support to our staff, offering a helping hand wherever needed. More importantly, they are a shoulder to lean on and a listening ear for our parents, carers and families, providing comfort and reassurance during challenging times.

Their selfless contributions and unwavering commitment help us to deliver the highest standard of care and support to those we serve. We are deeply grateful for their continued dedication and the positive impact they have at Alder Hey.

Complaints

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

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

The table below shows the number of formal complaints received which has increased from last year but is largely comparable to the last five years. The number of informal PALS concerns has remained high and increased; this is mainly associated with an increase in

contacts in relation to appointment and treatment waiting times and an increase in demand for services such as mental health.

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Formal Complaints	66	83	121	114	159	158	155	142	162
PALS	1,294	1,349	1,371	1,279	915	1,524	1,903	1,987	2,051

We always aim to respond to concerns in a timely manner as we understand how important it is to families that their concerns are taken seriously and that they are fully supported. Appropriate action is taken as quickly as possible to resolve any issues.

A continued key quality improvement driver for 2024/25 was to improve compliance with the Trust policy to resolve informal PALS concerns within five working days and formal complaints within 25 working days. We made highly significant improvements with an average of 91% of informal PALS concerns responded to within five working days and an average of 85% of formal complaints responded to within 25 working days. Staff from various areas, including nursing, medical, operational, risk and governance, Complaints, PALS and Patient Experience, worked together collaboratively to ensure patients and families received a timely, compassionate and supportive resolution to their concerns. We are committed to improving this further still and understand that timely management enables earlier identification of actions, lessons learned and potential improvements to benefit all our patients and families.

In 2024/25, the PALS Office was developed further to become the Family Wellness Hub; a space where children, young people and their families can talk to staff who will support them and help resolve their concerns as quickly as possible.

Learning From Complaints and PALS

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

Lessons Learned

- ✓ The importance of all dressings being fully removed to enable a full assessment of any potential wound or tissue damage.
- ✓ Communication is vital to ensure children, young people and families are fully aware of Trust processes and who they should contact if they need assistance.
- ✓ The use of One Drive may cause delay in recording patient information and duplication with the Hospital's electronic health record system.
- ✓ The Trust should have a blended diet policy.
- ✓ The Trust would benefit from an increased number of safe space beds.
- ✓ The referral process should be clearly communicated to patients and their families to reduce any anxieties.

- ✓ Training on learning and disability care should be available to all Emergency Department staff.
- ✓ Face to face training for school staff may still be required rather than virtual school training.
- ✓ Staff/patient concerns are not always recorded on the Paediatric Early Warning System (PEWS).

Actions

- ✓ Confirm at weekly PCO meeting that all answer machines are being checked and that all queries are responded to within two working days.
- ✓ Staff reminded of the importance of fully explaining treatment plans to parents.
- ✓ Importance of full dressing removal added to ward-based study days.
- ✓ Our Orthopaedic Team to consider additional training for prescribing of blood products for all new starters as part of the departmental induction.
- ✓ Review communication with local service providers to ensure continuity of care for patients.
- ✓ Reflection and recognition by the Admin Team on the impact to patients for the delays in receiving an appointment.
- ✓ Weekly access meetings have been implemented to discuss the EPPF reports to ensure all pending appointments are made and sent out.
- ✓ Reminded all clinicians of the importance of completing the clinical documentation in the electronic patient record immediately after the consultation.
- ✓ Divisional governance review of how and why One Drive is used as this may cause delay in recording information and duplication.
- ✓ Department to engage with the Digital Team to review all electronic pathways to ensure that they meet the requirements of the service and ensure adequate record keeping in real time.
- ✓ A blended diet policy has been devised.
- ✓ Business case submitted for the provision of more safe space beds.
- ✓ Ward staff updated on how to order specialist commodes.
- ✓ Education and training sessions arranged for all staff in the Emergency Department with the support of our Learning and Disability Team.
- ✓ Deliver face to face training to the staff at the school.
- ✓ Staff reminded of the criteria for referring patients to UTC.
- ✓ Ward staff have been reminded to record any concerns they have, or any concerns raised by the parent, in the patient notes.
- ✓ A business case has been submitted to purchase a blood gas machine.

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

Stakeholder Relations

Involvement in the Local Health Economy

Alder Hey provides more than 45 clinical specialties for children and young people up to the age of 16 or 18 and in some cases older. As part of delivering individual patient care pathways prior to, during and after each child's admission to hospital or out in the community, our clinicians and clinical teams work in partnership with referring general practitioners (GPs), clinicians/hospitals from across the UK and overseas. Alder Hey also works in partnership with 'Places', primary care networks and specialised commissioners at NHS England to inform and deliver service contracts

that meet the needs of children served within available resources. We provide community and mental health paediatric services in Liverpool and Sefton.

Alder Hey is committed to co-creating system-wide collaboration and shared models of care with our strategic partners to ensure equity of access to high quality care. To achieve this, the Trust has continued to work proactively with local, regional and national stakeholders. During 2024/25 the Cheshire and Merseyside (C&M) integrated care system continued to partner with Alder Hey to sustain and grow the 'Beyond' Children and Young People's Transformation Programme; this has a wide range of local authority, health and voluntary/community sector partners all coming together to drive up outcomes and drive down inequalities for children, young people and families and is hosted by Alder Hey on behalf of the system. Alder Hey has also provided strategic leadership to Cheshire and Merseyside's integrated care system in setting up an innovative Children and Young People's Committee on the Integrated Care Board; ensuring a focus on children and young people and their needs from the very top of the Integrated Care Board.

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

During 2024/25, Alder Hey continued to drive partnerships described in Vision 2030, in order to collaborate in all of the varied communities where the children and young people we look after live and belong. Vision 2030 clearly prioritises strengthening existing partnerships and developing new ones to achieve the following aims:

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

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

2. Enhanced partnership working with paediatric services across the region to improve standards and consistency of care and reduce unnecessary variation. For example, Alder Hey continues to jointly host the North West Paediatric Partnership Board with Royal Manchester Children's Hospital (RMCH) and in close liaison with NHS England to ensure shared oversight of all our paediatric networks. The nationally mandated operational delivery networks (ODN) for paediatric services includes: Neonatal, Trauma, CHD, Paediatric Critical Care, Surgery in Children (PCC/SIC) and the newly formed Children's Cancer ODN. Alder Hey hosts the neonatal and CHD networks and jointly hosts the PCC/SIC ODN alongside RMCH.

3. As a member of the Cheshire and Merseyside's Health and Care Partnership, Alder Hey is a leader, a host and an active contributor to several system-level partnership groups concerned with building a sustainable model of care and improving clinical care, access and affordability. These include:

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

International Child Health Developments

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

The Department is led by Professor Barry Pizer and Ms Sian Falder and focuses on international health partnerships and humanitarian work in low and middle income countries (LMIC) with respect to service developments, education, training and research with an aim for global child health to be a core aspect of what we do at Alder Hey.

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

Notable successes have been the introduction of the Trust's International Volunteer Scheme that affords staff paid leave to undertake overseas work and Alder Hey Children's Charity's International Volunteer Fund that provides financial support for staff working abroad. A review of these schemes and post-visit reports demonstrate clear benefit to the work undertaken in many countries including Kenya, Trinidad, Tanzania, Sierra Leone, Nigeria, Nepal, Ghana, Madagascar and China. Of note is that the DICH and the scheme for paid leave have supported staff working in conflict zones including Gaza, Lebanon and Ukraine. Staff at Alder Hey contributed to the Children's Hospital Alliance initiative to help children and young people affected by the crisis in Gaza. The Trust's Executive Team has recognised the success of the International Volunteer Scheme and approved its continuation with an uplift of the scheme.

Our existing health partnerships continue to grow including our expanding partnership with Kenya in paediatric cardiology, respiratory medicine, public health and nutrition. Professor Barry Pizer's work in children's cancer in Nepal in collaboration with World Child Cancer has been very successful currently based on two substantial grants to develop shared case services and to increase capacity for paediatric oncology centres in this resource-limited country. Barry has also recently developed an initiative in Ghana to develop cancer services across the country, including building a West African children's Cancer Centre of Excellence at Kumasi. Professor Atif Rahman's world leading research into child and maternal mental health continues as does Professor Melissa Gladstone's outstanding international work in child development and neuro-

disability. Melissa's work has included a very successful recent Tropical Health and Education Grant delivered by Alder Hey Staff in conjunction with the Royal College of Paediatrics and Child Health with exchange visits between Alder Hey and a centre in Nigeria.

We have recently developed an enhanced relationship between Alder Hey and the Liverpool School of Tropical Medicine (LSTM) to explore collaborative projects in education and training and capacity building health initiatives in LMICs.

New initiatives include a collaboration between Alder Hey (lead, Mr Ram Dhannapuneni) and Ain Shams University, Cairo underpinned by a Memorandum of Understanding (MOU). Further MOUs are planned with both Malawi and Sierra Leone. Staff have also developed a relationship with Yemen together with LSTM and hope to provide meaningful support to this war-torn country.

We will continue to support visits by international clinicians to Alder Hey and to act as a resource providing full support for individuals/teams undertaking or planning working internationally. We are very happy to support new collaborative ventures.

Alder Hey in the Park – Our Vision for the Alder Hey 'Campus'

Alder Hey's vision of a specialist campus for children and young people's health has continued to be realised with the re-location of CAMHS and community teams from temporary accommodation to a newly refurbished hub named Beech House. The new hub's local drop off/collection makes it easy for families and carers to access the support they need.



Beech House



Multi-Use Games Area



Footpath Connections



New Playground



Improved Way Finding

The main play areas and public spaces of Springfield Park were completed during 2024, including improved access with new footpath routes and lighting from Alder Road through to Prescot Road and to the hospital itself.

Willow Mere – NHS Children and Young People’s Gender Service (North West)

In 2024 the Trust completed works on the new Willow Mere facility in Warrington. This is a partnership between Alder Hey Children’s NHS Foundation Trust and the Royal Manchester Children’s Hospital. Commissioned by NHS England, together we deliver one of the first regional centres for a new specialist service for children and young people needing gender related care and support.



Group Room



Staff Facilities



Therapy Room

Expansion of Neonatal Service (NICU) and Paediatric Assessment Unit

Construction on the new NICU and Paediatric Assessment Unit has continued through 2024 with site works well under way. The installation of external cladding panels and windows, and internal partition walls and steel works is almost complete.



Site Progress

Clinical and operational teams at Alder Hey and the Liverpool Women’s Hospital have been working together to develop plans for new ways of working, planning for the big moves and

selecting the equipment and furniture needed to get the new facilities ready for occupation later this year.

Other Developments

A range of other developments were completed this year including an expanded orthopaedic outpatient service, expansion of social prescribing facilities and options for the future development of our services to support the vision set out within the 2030 Strategy.

Refurbishment of Lyndhurst Building at Alder Park, Crosby: Eating Disorders, Therapies and Speech and Language Therapies (SALT)

Work is almost complete on the building previously occupied by Dewi Jones Unit (re-located to Sunflower House May 2023) to consolidate therapy and SALT services from two community bases, and for the recently established eating disorders service. The new facilities will provide: improved multi-purpose clinical facilities including multi-disciplinary (MD) rooms; education rooms and an indoor/outdoor gym; improved MD working with hot desk space for Alder Hey teams; clinic capacity to support growth in demand for consultation/examination; and provision of a dedicated facility for children and young people which supports the delivery of the Trust Vision 2030 strategy.



Social Prescribing 'Base Camp'

Alder Hey Children's Charity

Every day, Alder Hey Children's Charity transforms lives. Thanks to the generosity of our amazing supporters, we're able to fund groundbreaking innovations, state-of-the-art equipment, and pioneering research, all aimed at delivering brighter futures for children and young people, in the North West and beyond.

Donations also help to sprinkle the unique Alder Hey 'magic', providing those special extras that make hospital stays warmer, happier, and more comforting for our young patients, their families, and our dedicated staff.

In 2024/25, supporters enabled our Charity to raise £9.1million, with £5.1million spent directly on charitable activities. Here's a snapshot of the incredible impact the support has made over the past 12 months:

- £222,979 has been raised to support the ongoing running costs of Alder Hey's MediCinema, which opened in November 2024. This includes funding the staffing of Alder Hey nurses during every screening to provide medical care if needed and to ensure all children, young people and their families have an enjoyable and stress-free experience whilst watching the latest big screen releases from the safety and comfort of our purpose-built hospital cinema.



- £18,717 was allocated to support the continuation of the Mini Mouth Care Matters project at Alder Hey. Mini Mouth Care Matters is a national project that aims to empower medical and allied health professionals to take ownership of the oral health care of any paediatric inpatient with a hospital stay of more than 24 hours. Children's dental health is a national issue, and Alder Hey are once again proving to be at the front of preventative healthcare solutions.
- Charitable donations totalling £102,686 were used to support a year's worth of activity at the Alder Centre, Alder Hey's on-site bereavement centre which has been supporting anybody affected by the death of a child for over 35 years. Activities include annual therapeutic breaks, candle services and a Light Up A Life service, as well as further allocation for child craft activities, various support groups, wellbeing weekends and a full-time complimentary therapist role. These activities help to support bereaved parents, siblings, grandparents, friends, healthcare staff and other family members in a safe and welcoming environment, right here at Alder Hey.
- £2,520 was invested to extend the Home Safari Programme at Sunflower House for a further year. The programme allows children and young people accessing the services at Sunflower House to take part in a series of outdoor therapy sessions with animals that aid in comfort and expression, in a non-clinical setting. This helps children and young people to build confidence and comfort which aid them on their journey, as well as make lasting magical memories.
- Donations totalling £9,986 have been used to fund research into understanding the barriers to school readiness in children in both deprived backgrounds and ex-preterm children. This shows Alder Hey's breadth of research including projects in the community that support all children in order to create brighter, healthier, happier and fairer futures.
- £29,750 was used to fund the second phase of Alder Hey's innovative Matterport project, Europe's biggest virtual hospital tour. The Matterport scans cover various key areas across Alder Hey with plans to expand across all campus sites. The scans allow children and young people to familiarise themselves with the hospital before they visit, alleviating anxiety and helping them to plan their visit to Alder Hey.
- £148,629 was allocated to support the 2-year Lyrebird Proof of Concept project, which used the funding to develop AI to improve patient experience through enhanced turnaround for patient letters, better and more detailed clinic communications and reduced admin time for clinicians which ultimately results in reduced waiting times for patients. This innovative piece of technology allows consultants to focus solely on the young person within the consultation without having to take notes, helping to provide enhanced care.
- £10,780 was used to introduce virtual reality headsets across the hospital, helping to bring the Alder Hey 'magic' to life in a truly innovative way. These headsets are being used by our Play Team to offer immersive distraction during procedures, reduce anxiety, and provide moments of fun and exploration for children and young people who may be facing stressful or lengthy treatments. VR is a powerful tool that helps transform the hospital environment, turning fear into curiosity and allowing children to escape into imaginative, calming worlds.
- £65,000 was invested to provide food vouchers for parents and carers spending long periods at the hospital with their children. This support helps alleviate some of the financial burden faced by families during hospital stays, ensuring they can stay nourished and

present without worrying about meal costs. It's a simple but impactful way to show care for those who are supporting our young patients through their toughest days.

- Alongside all the activity the Charity provides at Christmas thanks to our amazing supporters, including the magical Christmas Grotto, themed activities across the wards, gifts for patients, support for families in the community and a Christmas lunch for volunteers; a further £32,640 has also recently been agreed to purchase the light curtain in the Atrium which will be used all year round for different festivities as well as future Christmas periods.
- With £1,500, we were able to purchase and install permanent sensory wall toys in Ward 4A, creating an engaging and supportive space for all teenage patients. These interactive features offer a welcome distraction and moments of calm during their time in hospital. Designed with older children in mind, the equipment helps enhance the environment by promoting relaxation, reducing anxiety, and making the ward feel more welcoming and age-appropriate for teenagers and young adults.
- With an additional £8,000 the Period Poverty Project supported by our Charity has been developed further with a number of dispensers and baskets positioned around the hospital containing sanitary products for those that need them. This project aims to tackle period poverty and also those experiencing menopausal symptoms.
- A further £257,736 grant was agreed to continue the success of our Parent Champions Project – an impressive peer-led project that aims to raise awareness of bronchiolitis, the leading cause of hospital admissions in young children. In its first couple of years delivery, the Programme has led to average reductions in emergency admissions of 22%, equivalent to an average 96 admissions prevented per year. Parent champions have been trained in delivering support to parents in the most deprived areas of Liverpool and will continue to do so over the next two years thanks to charity support.
- £207,883 has enabled the Trust to purchase a Laser Interstitial Thermal Therapy (LiTT) Generator machine to enable minimally invasive laser treatment of focal refractory epilepsy. This approach is safer than open neurosurgery as there is less risk of collateral damage to other structures in the brain, as well as providing other benefits such as reduced procedure time, reduction in post-surgical pain, shorter hospitalisation. Prior to the purchase the Trust had a LiTT machine on loan, but thanks to charity support this is now an ongoing service offered at Alder Hey, making us one of only two paediatric centres providing LiTT to children with epilepsy.



Remuneration Report

Annual Statement on Remuneration

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

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

Remuneration Committee Membership 2024/25

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

- Committee Chair Dame Jo Williams
- Non-Executive Director Shalni Arora
- Non-Executive Director Kerry Byrne
- Non-Executive Director Fiona Beveridge
- Non-Executive Director Garth Dallas
- Non-Executive Director Jo Revill
- Non-Executive Director John Kelly
- Non-Executive Director Gerald Meehan

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

The Committee convened four times during the year, and all meetings were quorate. The following items of business were approved and supported:

- Retire and return requests by the Chief Executive and Chief Medical Officer.
- An extension to the Pension Contribution Alternative Award Policy pending any changes in government and subsequent alterations to the pension rules.
- Remuneration proposal for the incoming Chief Executive Officer.
- Proposal to fill the Chief Financial Officer's role following the appointment of the new CEO, who was the previous Managing Director and CFO.
- A 5% pay increase for Very Senior Management (*virtual approval*).
- Deputy Chief Executive Officer Remuneration Proposal.

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

Remuneration Committee Attendance 2024/25

Member	17 th June 2024	3 rd Dec 2024	17 th Dec 2024	4 th Feb 2025
Dame Jo Williams	✓ (Chair)	✓ (Chair)	✓ (Chair)	✓ (Chair)
John Kelly	✓	✓	✓	x
Shalni Arora	✓	x	✓	✓

Kerry Byrne	✓	✓	✓	✓
Fiona Beveridge	✓	✓	x	✓
Garth Dallas	✓	x	x	✓
Gerald Meehan	✓	✓	✓	✓
Jo Revill	✓	✓	✓	✓

Senior Managers' Remuneration Policy

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

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

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

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

Senior Managers' Remuneration Package

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

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

There are six senior managers who during the year were paid more than £150,000 (this figure being the threshold used in the Civil Service for approval by the Chief Secretary to the Treasury as per Cabinet Office guidance and considered by NHS Improvement as an appropriate benchmark for NHS foundation trusts). These were the Chief Executive, Deputy Chief Executive,

the Chief Medical Officer, the Chief Nursing Officer, the Chief Transformation and Digital Officer, and the Director of Research and Innovation. The Trust is satisfied that for these roles the level of remuneration is reasonable for the responsibilities carried and benchmarks appropriately with comparable organisations.

Directors' Remuneration – Pension Changes

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

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

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

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

Non-Executive Directors

The Nominations Committee of the Council of Governors is responsible for setting the remuneration, allowances and other terms and conditions of non-executive directors. It comprises one appointed Governor and two elected governors, one of whom must be a Staff Governor and the Trust Chair (Acting or Vice Chair in the case of the appointment of a new substantive Chair). The Chief Executive participates in the activities of the Committee in an advisory capacity. The Committee's duties are to review the balance of skills, knowledge and expertise required on the Board in the context of the challenges ahead and in this context to agree job roles, person specifications and modes of advertisement, to undertake shortlisting and to make a formal appointment. During the year, the Committee considered a proposal to recommend a remuneration increase for the Chair, in line with benchmark data, to the Council of Governors.

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

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

During 2024/25, there were 20 board directors in post across the period. Of these, 8 individuals claimed £8,762.05 in expenses; for 2023/24 the figures were nine directors claiming £7,294 in expenses.

In the year there were 35 governors in office. The total amount of expenses paid to governors in 2024/25 was £1,626.86, whereas in 2023/24 governors claimed £370.91.

Fair Pay Disclosure (Subject to audit)

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

The banded remuneration of the highest-paid director in the organisation in the financial year 2024-25 was £230-235k (2023-24, £245-250k). This is a change between years of -6%.

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

For employees of the Trust as a whole, the range of remuneration in 2024/25 was from £1,118.47 to £269,347.74 (2023-24 £2,993.41 to £273,880.24). The percentage change in average employee remuneration (based on total for all employees on an annualised basis divided by full time equivalent number of employees) between years is 0%. Three employees received remuneration in excess of the highest-paid director in 2024-25 (four in 2023/24).

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

	2024/25	2024/25	2024/25	2023/24	2023/24	2023/24
	25 th Percentile	Median	75 th Percentile	25 th Percentile	Median	75 th Percentile
Salary Component of Pay	£32,370	£44,415	£60,847	£31,134	£43,701	£58,366
Total Pay and Benefits Excluding Pension Benefits	£32,370	£44,415	£60,847	£31,134	£43,701	£58,366
Pay and Benefits Excluding Pension: Pay Ratio for Highest Paid Director	7.18:1	5.23:1	3.82:1	7.15:1	5.09:1	3.81:1

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

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

Signed:

A handwritten signature in black ink, appearing to read 'John Grinnell', written in a cursive style.

John Grinnell
Chief Executive
26th June 2025

Salary and pension entitlements of senior managers (Subject to audit)

Total Remuneration

Name	Title	A	B	C	E	Total (F)					
		2024/25					2023/24				
		Salary (bands of £5,000) £000s	Expense Payments (Taxable) (nearest £100) £	Performance pay & Bonuses (bands of £5,000) £000s	Pension related benefits (bands of £2,500) £000s	Total (bands of £5,000) £000s	Salary (bands of £5,000) £000s	Taxable Benefits (nearest £100) £	Performance pay & Bonuses (bands of £5,000) £000s	Pension related benefits (bands of £2,500) £000s	Total (bands of £5,000) £000s
Louise Shepherd (1, 2, 3)	Chief Executive	135-140	300	0	0-2.5	135-140	220-225	7,700	0	0	230-235
John Grinnell (4, 5)	Chief Finance Officer / Chief Executive	195-200	100	0	80-82.5	275-280	180-185	200	0	0	180-185
Nathan Askew	Chief Nursing, AHP and Experience Officer	155-160	0	0	77.5-80	235-240	140-145	0	0	35-37.5	175-180
Melissa Swindell (4)	Chief People Officer	145-150	100	0	67.5-70	215-220	125-130	0	0	0	125-130
Alfie Bass (7, 8)	Chief Medical Officer	230-235	0	0	0-2.5	230-235	210-215	5,000	0	805-807.5	1,020-1,025
Erica Saunders	Chief Corporate Affairs Officer	140-145	0	0	87.5-90	230-235	125-130	0	0	0	125-130
Mark Flannagan (14)	Director of Communications & Marketing	40-45	0	0	7.5-10	45-50	110-115	0	0	27.5-30	140-145
Kate Warriner (6)	Chief Digital & Transformation Officer	155-160	0	0	72.5-75	230-235	140-145	0	0	12.5-15	155-160
Adam Bateman (4)	Chief Operating Officer / Deputy Chief Executive	160-165	300	0	65-67.5	225-230	140-145	100	0	0	140-145
Dani Jones (4)	Chief Strategy & Partnerships Officer	130-135	100	0	127.5-130	260-265	120-125	0	0	0	120-125

Rachel Lea (8,9)	Interim Chief Finance Officer	35-40	0	0	0-2.5	35-40	0	0	0	0	0
John Chester (8, 10)	Chief Scientific Officer	150-155	0	0	0-2.5	150-155	0	0	0	0	0
Dame Jo Williams (11)	Chair (R)	50-55	3,300	0	0	50-55	35-40	3,300	0	0	40-45
Shalni Arora	Non-Executive Director (R)	10-15	0	0	0	10-15	10-15	0	0	0	10-15
Fiona Beveridge	Non-Executive Director (R)	10-15	0	0	0	10-15	10-15	0	0	0	10-15
Kerry Byrne	Non-Executive Director (R) (A)	15-20	2,700	0	0	20-25	15-20	1,500	0	0	15-20
Garth Dallas	Non-Executive Director (R) (A)	10-15	0	0	0	10-15	10-15	0	0	0	10-15
John Kelly	Non-Executive Director (R)	15-20	0	0	0	15-20	10-15	0	0	0	10-15
Jo Revill	Non-Executive Director (R) (A)	10-15	1,900	0	0	10-15	10-15	1,700	0	0	10-15
Gerald Meehan (13)	Non-Executive Director	10-15	0	0	0	10-15	0	0	0	0	0
Fiona Marston (12)	Non-Executive Director	0	0	0	0	0	10-15	0	0	0	10-15

(R)

Indicates that the individual is a member of the Remuneration Committee

(A)

Indicates that the individual is a member of the Audit Committee

(1) Louise Shepherd is also Chair National Children's Transformation Board via NHS England. Their salary is recharged to NHSE and the value of this in 2024/25 was £19k (2023/24 was £28k).

(2) Louise Shepherd chose to re-opt into the NHS Pensions Scheme in the reporting period. This resulted in a negative value being returned for their in year pensionable benefit, as per the NHS GAM this figure has therefore been expressed as zero (paragraph 3.100)

(3) Louise Shepherd left the Organisation on 02/11/2024

(4) In 2023/24 the above linked to this note were affected by the Public Service Pensions Remedy and their membership between 1 April 2015 and 31 March 2022 were moved back into the 1995/2008 Scheme on 1 October 2023. Negative values are not disclosed in this table but are substituted for a zero

(5) John Grinnell was appointed to the position of Interim Chief Executive on 03/11/2024 and was appointed as Chief Executive on 15/11/2024

(6) Kate Warriner, Chief Digital and Transformation Officer. From 1st July 2020 to 19th July 2024 also CDIO for Liverpool Heart & Chest Hospital NHS FT, 0.4 WTE via salary recharge. The figures above represent her total remuneration. £25k of this was recharged to LHCH in 2024/25.

(7) Alf Bass (2023/24) The 'all pension related benefits' figure is calculated including the cash value of payments (whether in cash or otherwise) in lieu of retirement benefits and all benefits in year from participating in pension schemes. As mandated in the guidance produced by the NHS Business Services Authority – Disclosure of Senior Managers' Remuneration (Greenbury) 2015, the annual pension figure is calculated using legislated relevant valuation factor of 20 on annual pension at pension age, plus lump sum at pension age. These are the aggregate input amounts calculated using the method set out in section 229 of the Finance Act 2004 and any employee contributions are excluded from the figure arrived at to reach the amount which is disclosed. This does not reflect an increase in remuneration during 2023/24 but an annual pension value multiplied by a notional value of 20 which may be realised following retirement. The pension benefit table sets out the Cash Equivalent Transfer Values.

(8) Calculations resulted in a negative value being returned for their in year pensionable benefit, as per the NHS GAM this figure has therefore been expressed as zero (paragraph 3.100).

(9) Rachel Lea was appointed interim Chief Finance Officer on 18/12/24.

(10) John Chester - falls under the definition of Senior Manager. Job role now Chief Scientific Officer.

(11) Dame Jo Williams, Chair - Expense Payments relate to Business Mileage and other Travel taxed at source.

(12) Fiona Marston, Non-Executive Director left role on 31/03/24.

(13) Gerald Meehan, Non-Executive Director commenced in role 01/03/24 but did not receive any pay in year, this was corrected in April 2024.

(14) Mark Flannagan left the organisation on 12th April 2024, salary included contractual payments in lieu of notice and payments related to annual leave.

Salary and Pension Entitlements of Senior Managers (cont'd)
Total Pension Entitlements (Subject to audit)

Pension related benefits figures show the amount of annual increase in the future pension entitlement at the normal retirement age, in accordance with the HMRC method. The source information is provided by the NHSBSA.

The value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20, less the contributions made by the individual. The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights.

This value derived does not represent an amount that will be received by the individual. It is a calculation that is intended to provide an estimation of the benefit being a member of the pension scheme could provide.

The pension benefit table provides further information on the pension benefits accruing to the individual.

Name and Title	Real increase in pension at age 60 (bands of £2,500) £000s	Real increase in lump sum at aged 60 (bands of £2,500) £000s	Total accrued pension at age 60 at 31 March 2024 (bands of £5,000) £000s	Lump sum at age 60 related to pension at 31 March 2024 (bands of £5,000) £000s	Cash Equivalent Transfer Value at 1 April 2023 £000s	Real Increase in Cash Equivalent Transfer Value £000s	Cash Equivalent Transfer Value at 31 March 2024 £000s	Employer's contribution to stakeholder pension £000s
Louise Shepherd Chief Executive	0-2.5	0-2.5	85-90	240-245	2,056	0	0	0
John Grinnell Chief Finance Officer / Chief Executive	2.5-5	2.5-5	55-60	150-155	1,095	79	1,269	0
Nathan Askew Chief Nursing, AHP and Experience Officer	2.5-5	2.5-5	40-45	105-110	728	63	859	0
Melissa Swindell Chief People Officer	2.5-5	2.5-5	40-45	100-105	767	68	903	0

Alf Bass Chief Medical Officer	0-2.5	2.5-5	85-90	150-255	2,277	0	0	0
Erica Saunders Chief Corporate Affairs Officer	2-5.5	5-7.5	55-60	150-155	1,228	108	1,434	0
Mark Flannagan Director of Communications & Marketing	0-2.5	0-2.5	15-20	0-5	256	0	285	0
Kate Warriner Chief Digital and Transformation Officer	2-5.5	2-5.5	40-45	100-105	673	60	796	0
Adam Bateman Chief Operating Officer	2-5.5	2-5.5	35-40	90-95	593	47	698	0
Dani Jones Chief Strategy and Partnerships Officer	5-7.5	10-12.5	35-40	95-100	590	109	755	0
Rachel Lea Interim Chief Finance Officer	0-2.5	0.2.5	25-30	15-20	419	4	478	0
John Chester Chief Scientific Officer	0-2.5	0-2.5	70-75	190-195	395	0	164	0

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

Staff Report

Diversity and Inclusion Policies, Initiatives and Longer-Term Ambitions

The Trust Board recognises that our people are our greatest asset. We are committed to attracting, developing, and retaining a diverse, skilled, and compassionate workforce, one that shares our values and is equipped to deliver world-class care to children, young people, and their families. Our continued focus is on valuing and supporting every member of staff, promoting equity of opportunity, and taking meaningful steps to build a strong, inclusive, and resilient workforce.

We strive to understand the experiences of our staff at Alder Hey, working collaboratively to ensure they feel supported, heard, and valued. Our growing staff networks continue to thrive, serving as a strong voice and a catalyst for positive change.

Building and sustaining a diverse and inclusive workforce allows us to provide more equitable and responsive services, enhancing both the quality of patient care and the experience of our staff. Our workforce is a reflection of our community, and we are committed to ensuring it is representative of the people we serve, thus working closely with Liverpool City Region Race Equality Hub.

The Equality, Diversity and Inclusion (EDI) Steering Group has played a central role in shaping and overseeing the development of action plans aligned to all EDI frameworks. Alongside this, the group has been instrumental in driving a range of broader improvements. Over the past 12 months, we've made meaningful progress some of our key highlights and achievements include:

- Co-produced and launched our Anti-Racism statement and commitment.
- Launched our extensive EDI Plus online training programme.
- Achieved the Armed Forces Covenant Gold Employer Recognition Scheme (ERS) Award.
- Accreditation with the Veterans Covenant Healthcare Alliance (VCHA).
- Launched 'Management Essentials Introduction to EDI' for managers.
- Provided Allyship training facilitated by the LGBTQIA+ staff network.
- Continued progress on the North West Anti-Racist Framework.
- Introduced Stoma Friendly toilets, improving accessibility.
- Implementation of Navajo Charter Mark action plan.
- Staff networks continue to work collaboratively with HR to ensure policies and practices are inclusive.
- Development and launch of Recruitment and selection People Management Programme.

The Trust remains a Disability Confident Employer and aims to successfully employ and retain those colleagues with disability and those with health conditions wherever they can. We provide a fully inclusive and accessible recruitment process and provide employees with ongoing access to Occupational Health support and advice, access to work support and health and safety advice, including bespoke risk assessments. We remain committed to advancing this work, continuing to implement initiatives that enhance the experience of our workforce and help make Alder Hey an outstanding place to work.



Staff Turnover

The total staff turnover for the Trust in 2024/25 was 11.3% and the table below shows this breakdown per staff group.

Staff Group	Leaver Headcount	Turnover % by Headcount
Add Prof Scientific and Technic	19	5.97%
Additional Clinical Services	83	14.68%
Administrative and Clerical	176	17.31%
Allied Health Professionals	35	8.56%
Estates and Ancillary	20	8.21%
Healthcare Scientists	17	12.23%
Medical and Dental	56	13.61%
Nursing and Midwifery Registered	108	7.48%
Grand Total	514	11.30%

Focused activity and interventions to reduce turnover, improve stability and increase retention have reduced turnover across the Trust.

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

As of 31st March 2024, the gender split of our workforce was 83% females and 17% males. This breakdown is broadly consistent with previous years and the figures are reflective of the position across NHS Trusts nationally regarding the higher number of females compared to males working in the NHS.

The 2025 gender pay gap report, reporting for the year 2024 is published on the Trust website and Cabinet Office website <https://gender-pay-gap.service.gov.uk/>

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

	Male	Female
Directors	5	5
Senior Managers	4	9
Other Employees	795	3,910
Total	804	3,926

Analysis of Trust staff by type and cost during the year 2024/25 is set out in the table below, together with a comparison with 2023/24 (Subject to audit):

	Total	Permanent	Other	Total	Permanent	Other
	2024/25	2024/25	2024/25	2023/24	2023/24	2023/24
	No.	No.	No.	No.	No.	No.
Medical and Dental	570	569	1	521	520	1
Ambulance Staff						
Administration and Estates	940	907	33	943	907	36
Healthcare Assistants and Other Support Staff	243	220	24	228	202	26
Nursing, Midwifery and Health Visiting Staff	1554	1454	100	1,519	1,382	137
Nursing, Midwifery and Health Visiting Learners						
Scientific, Therapeutic and Technical Staff	983	967	15	925	910	15
Healthcare Science Staff						
Social Care Staff						
Agency and Contract Staff						
Bank Staff						
Other						
Total Average Numbers	4,290	4,118	173	4,137	3,922	215
Of Which:						
Number of Employees (WTE) Engaged on Capital Projects	30	30		47	45	1

Staff Costs (subject to audit)

			2024/25	2023/24
	Permanent	Other	Total	Total
Salaries and Wages	198,674	21,039	219,712	196,308
Social Security Costs	20,473	0	20,473	19,183
Apprenticeship Levy	983		983	929
Employers Contributions to NHS Pensions	24,371		24,371	31,275
Employers Contributions to NHS Pensions Paid by NHSE	15,852		15,852	9,517
Pension Cost - Other	0		0	0
Other Post-Employment Benefits	0		0	0
Other Employment Benefits	0		0	0

Termination Benefits	0		0	0
Temporary Staff	0	9,560	9,560	12,903
Total Gross Staff Costs	260,353	30,599	290,951	260,598
Recoveries in Respect of Seconded Staff	-2,336	0	-2,336	-2,109
Total Staff Costs	258,017	30,599	288,616	258,489
Of Which				
Costs Capitalised as Part of Assets	2,904	60	2,964	3,171

Sickness Absence Data

In 2024/25 we continued to promote positive health and wellbeing, recognising the challenges faced by our staff and across the wider NHS in recent years and the impact that has had on our workforce. Through ongoing and additional support through our Staff Advice and Liaison Service (SALS) we prioritised and champion the physical, mental, social and financial health and wellbeing of our staff.

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

Staff Policies and Actions

During 2024/25, the Trust has continued to work in partnership with our staff side colleagues and managers to ensure effective communication and consultation on all 'people' practices and policies.

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

The Trust has continued through 2024/25 to ensure a working environment free from all forms of bullying and harassment and prejudicial or discriminatory behaviour and to ensure that all policies and practices reflect that, with a focus on resolution and a restorative culture and avoidable employee harm.

Trade Union Facility Time Disclosures

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

The Trust trade union facility time for Alder Hey for 2024/25

Measure	Fig
Total Number of Trade Union Representatives Your Organisation Employed - Include Employees Who Were Not Representatives for the Full 12 Months	28
Total Full Time Equivalent Number of Representatives (FTE)	24.05
Number of TU Representatives That Spend 0% Working Hours	5
Number of TU Representatives That Spend 1-50% Working Hours	23
Number of TU Representatives That Spend 51-99% Working Hours	0

Number of TU Representatives That Spend 100% Working Hours	0
Total Amount of Time Representatives Spent on Facility Time (Annual Hours)	2823
Percentage of Working Hours Each Representative Spent on Facility Time	1-50%
Total Amount of Time Representatives Spent on Paid Facility Time – Paid Union Duties and Activities (Annual Hours)	5082
Total Amount of Time Representatives Spent on Paid Union Activities (Annual Hours)	2259
Total Amount of Time Representatives Spent on Unpaid Union Activities (Annual Hours)	0
Total Pay Bill – For All Employees Not Just Union Representatives	£188,308,079
Total Cost of Facility Time	£68,826.10
Percentage of Pay Spent on Facility Time	0.04%
Percentage of Hours Spent on TU Activities	6.03%

Marketing and Communications

During 2024/25 we refocused our Marketing and Communications activity to support our Vision and our Journey to 2030.

We continued to embed our strategic aims by implementing eye-catching branding across our site, creating a dedicated toolkit for staff and by refreshing our internal cascade channels. Our Ask the Execs broadcast, Alder Hey Life staff magazine, Intranet and our website were all brought into line with the overarching look and feel of Vision 2030.



Our approach during 24/25 involved moving away from subject led adhoc communications to more considered message led marketing communications. This enabled us to focus predominantly on brand building rather than promoting individual products or services. At the heart of this approach was an agreed narrative and established key areas of focus: Outstanding Care and Experience; Collaborating for Children and Young People; Revolutionising Care; Supporting our People; Delivering Pioneering Breakthroughs; and Creating Healthier Fairer Futures.

Outstanding Care and Experience

We were delighted to continue our long-standing partnership with the Jockey Club and welcome 2012 Grand National winner Neptune Collonges and a group of jockeys back to Alder Hey ahead of the Grand National race meeting in April 2024. The event was attended by several media outlets who captured

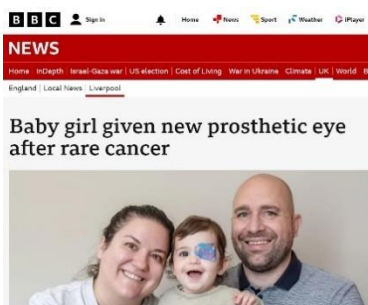
some wonderful moments of Neptune Collonges and the jockeys meeting our children, young people, families and staff. Coverage included **ITV Racing, Daily Mail, Liverpool Echo, Capital Radio, Yahoo News, Racing TV, Horse and Hound Magazine and BBC Radio Merseyside.**



Later that month comic legend Romesh Ranganathan also dropped by to surprise some of the young people on our Oncology Ward. The visit was arranged in partnership with the Teenage Cancer Trust and gave those on the ward a much-needed boost as they exchanged stories and played a game of pool! Romesh's visit appeared in the **Liverpool Echo, Liverpool World, The Guide, Liverpool Mersey News, BBC, Lancashire Evening Post, Yahoo and British Comedy Guide.**



In May we followed the heartwarming story of Zlata who fled war-torn Ukraine and began cancer treatment at Alder Hey in 2022. Two years later, Zlata was able to ring the end of treatment bell. As one of 21 children brought to the UK for cancer treatment on the NHS, her incredible journey was featured on **BBC Radio Merseyside: [BBC Online](#) and [The Guide Liverpool](#).**



In July we shared Nuala's story; a 19-month-old diagnosed with a very rare cancer called Alveolar Soft Part Sarcoma which affects just six people in England a year. Nuala had a tumour behind her eye removed by a team at Alder Hey led by Consultant in Paediatric



Ophthalmology Mr Ankur Raj. Alder Hey worked closely with Aintree University Hospital to produce a prosthetic eye using a new novel method which was less invasive than traditional methods. Nuala's story was covered widely by regional, national and international media including: **Granada Reports, The Times, The I Newspaper, The Daily Mirror, The Express, Capital FM, 3fm Isle of Man, Coast FM, BBC Radio Merseyside, [Sky](#), [BBC Online](#), [ITVX](#), [Liverpool Echo](#), [The Independent](#), [Metro](#), [Yahoo News](#), [Express and Star](#), [Ireland Live](#), [The Financial Times](#), [Hackney Gazette](#), [East London Advertiser](#), [Ilford Recorder](#), [Hereford Times](#), [Somerset County Gazette](#), [Island FM](#) and more!**

We successfully used our social media channels to share examples of our outstanding care too. Baby Orla or the 'Scouse Baby' became a worldwide sensation after a video of her talking to her auntie in 'baby scouse'. Our teams treat Orla at Alder for her eczema, and this post was a great way to highlight those teams involved in her care. The post **reached 27k people and received 5.6k total engagements**.

In November we delivered a magical **Christmas light switch on event** featuring musical performances, costumed characters, Father

Christmas and warming refreshments. The event was hosted by local media presenters Jay Hynd and Gemma Cutting. Eight-year-old George who had life-saving heart surgery at Alder Hey and his cardiac surgeon Rafael Guerrero led a countdown and switched on the lights on our stunning Christmas tree. The moment was live streamed, enabling our children and young people unable to come down from the wards to watch it from their rooms.



We were also grateful to all those who took the time to visit and spread some Christmas cheer throughout December, including Everton and Liverpool football clubs, Jamie Carragher, Ryan Hall aka StillRyan, the Jockey Club, Wrexham FC, Bianca Cook and the Elf on the Shelf!

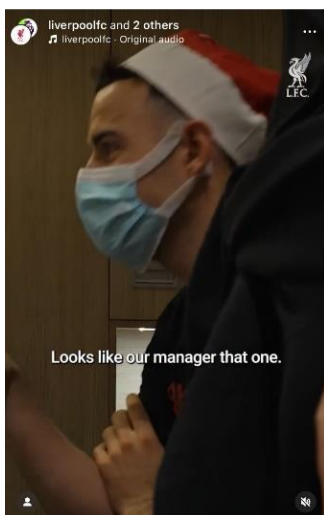


Our Christmas activity generated significant media coverage including in the **Liverpool Echo**, **BBC Radio Merseyside**, **Daily Mail**, **Sky News** and both **LFC and EFC websites**. We



also received huge attention across social media; most notably the visit from the Liverpool men's football team which amassed 9.7m views on Instagram alone. As part of our Christmas visit with Liverpool FC, we produced a TikTok featuring Penny, from our Young People's Forum, practising her Spanish language skills with Liverpool's Uruguayan

striker Darwin Nunez. The post received 943k total views, 84k total engagements and gained our channel 611 new followers.



A collaboration on a video with Liverpool FC which showed some of the highlights from their visit was one of our most successful Instagram posts of the year. **The post amassed 2.2m views, reached 1.4m people and received 120k total engagements.**

Completing our Christmas activity, Nathan Askew, Chief Nursing, AHP and Experience Officer and Fiona Ashcroft, Alder Hey Charity CEO, were interviewed live by Storm Huntley from the Jeremy Hunt Show about how Alder Hey makes Christmas special for children and families. The piece was shared on the show's X account.

Collaborating for Children and Young People

We developed and rolled out a communications strategy to support Alder Hey's position as the host organisation for the new **NHS Children and Young People's Gender Service North West**. Through close partnership working with NHSE, Royal Manchester Children's Hospital, and the London and South West service, the strategy included: developing a core narrative and key messages, establishing a consistent communications and engagement approach and successfully supporting the service to launch in April 2024. We continue to support the new service through a predominantly 'business as usual' mode of working, providing day to day communications support and guidance as the service develops. Alongside this, we have continued to support our staff within the service, engage with our stakeholders where appropriate and respond to NHSE announcements and guidance.

In October 2024, we worked alongside colleagues at the University of Liverpool to deliver a special event to announce the Liverpool Institute of Child Health and Wellbeing.

Wes Streeting, Secretary of State for Health and Social Care announced the major academic collaboration between Alder Hey and the University of Liverpool during a visit to the Trust. Colleagues from both Alder Hey and the University were invited along to hear about how the Institute will transform the lives and life chances of children and young people through research. Chief Executive Louise Shepherd was also interviewed by Tony Snell from **BBC Radio Merseyside**.

Throughout 24/25 we continued to support the valuable work of **Alder Hey Children's Charity**. We



helped to promote the 11th annual fundraising campaign with Matalan both internally to our staff and externally through traditional media outlets and across social media.



The campaign was featured in various media outlets including the **Liverpool Echo and The Guide**.



We are delighted to announce that construction work has started on a brand new, state-of-the-art cinema that will be based right here at Alder Hey! 🎬 The cinema, funded by our amazing Charity and MediCinema, will open later this year and feature beds, wheelchairs, and medical equipment and show the latest movies for free to transform the hospital experience 🌈 Your ongoing support will help to fund specialist staff and day to day running costs to ensure we can continue to bring the magic of cinema to our children and young people 🎥 Find out more about our charity appeal at: https://www.alderheycharity.org/latest/_/medicinema-appeal/



We continued to raise awareness of the Charity's appeal to fund a new Medicinema and were delighted to share the news that building works started in July 2024. **BBC Radio Merseyside** interviewed our Charity team about the start of construction and the impact the state-of-the-art cinema will have. Our social media post announcing the start of construction **reached 540k with 8.8k total engagements**

The cinema is the only one at a standalone paediatric hospital in the UK and the first cinema in a hospital in the North West of England. The specially designed cinema can accommodate 34 people and allows children and young people to attend screenings in their beds or wheelchairs, accompanied by their families and a nursing team.

The new Medicinema opened in late November 2024 with an exciting UK premiere of Moana 2. Children and young people from our wards were thrilled to attend the premiere which was captured by **BBC North West, BBC Newsround, Radio Merseyside and Hits Radio**. The Medicinema was awarded a Bafta in February 2025 for its outstanding contribution to cinema. The Bafta Award was featured on **BBC News, BBC Radio Merseyside and The Guardian**.



In June 2024, we promoted a new partnership between The Liverpool Philharmonic and Alder Hey as part of the Music and Health Programme. This partnership, fully funded by Alder Hey Children's Charity, will work to improve the health and wellbeing of children and young people accessing treatment and support at Alder Hey as well as their families, carers and staff. We celebrated the launch with a special orchestral performance at Alder Hey which was featured on **BBC Radio Merseyside, Wirral Globe and Ground News**.

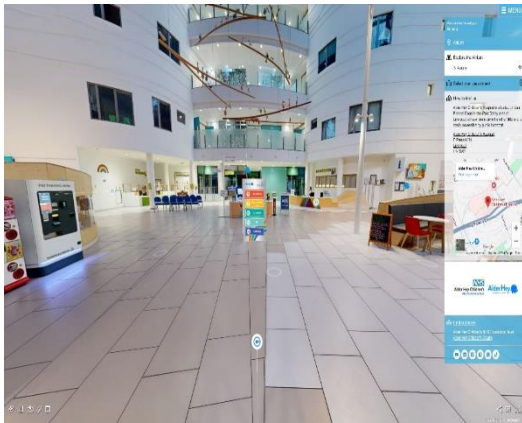


Revolutionising Care

During 2024 we developed **Europe's largest 360° hospital Matterport virtual tour**, designed specifically for children and their families. Funded by [Alder Hey Children's Charity](#), the project involved extensive mapping of our hospital atrium, radiology, A&E, outpatients, surgical day case, surgical admissions, four of our wards and the Rainbow Centre.

Our aim was to help children and young people become more familiar with the hospital before appointments or procedures and help reduce anxiety and nerves about coming into an unfamiliar setting. The virtual map was launched in October 2024 to overwhelming positive feedback.

We captured over 188,594 square feet of Alder Hey using the latest virtual technology to create the 360° walk-through tour that can be accessed from any Internet-enabled device. Content includes virtual signage, 159 interactive 'hotspots' and 74 videos explaining what happens when you have a procedure or arrive for an appointment <https://digitaltwin.visual-eyes.co.uk/en/tour/alder-hey-atrium>



Since launch, the Matterport has had;

- Over 9,500 unique visitors
- Over 95% of every part of the map has been visited at least 10 times.
- Total events (a load of a map, click, scroll etc.) – 301,000 with an average of 64 per user
- Total webpage views – 40,000
- Bounce rate (the rate at which people return or leave webpage) – 28% (average for entire website is ~54%)



*“My 8-year-old son was scheduled for a minor procedure under anaesthetic. He felt a bit anxious and didn’t fully understand what I meant when I said he would be taken into theatre. To help him, I showed him the virtual map and let him explore the site on his own. He really enjoyed navigating through it, and it significantly eased both his anxiety and mine, as it gave him a clear idea of what the environment would look like beforehand. This is an excellent resource and truly deserves further development.” **Parent***

Supporting our People

We have continued our staff facing communication activity, committing to the weekly Ask The Execs broadcast event and regularly attracting between 170 -200 colleagues each broadcast. We launched a new anonymous question submission route in October, which allows staff to raise any issue they may have completely anonymously, secure in the knowledge that it will be raised and answered at the following broadcast. Since launch we have received, and answered, over 40 direct questions from colleagues via this option.

Our NHS Staff Survey campaign was successful with a record response of 62%, equalling 2,696 individual responses. According to a recent HSJ analysis of all of the NHSE Staff Survey results from across the country, looking specifically at the question “would you recommend your Trust as a place to work?” Alder Hey is ranked as 1st in the North West and 3rd nationally.

We brought back our annual Alder Hey Star Awards, recognising and celebrating colleagues from across our organisation. The first such iteration since before the pandemic, the awards were hosted by national treasure Paddy McGuinness and attended by over 350 colleagues.



We received nearly 500 nominations from staff during the submission window, and nearly 100 nominations from children, young people and families. Categories included Most Inspiring Colleague and Leader awards, Unsung Hero Award, Volunteer of the Year and Equality, Diversity and Inclusion Champion. Attendee satisfaction was very high, with respondents to a post event survey providing an average 9.56/10 positive response to the event as a whole. Celebration and recognition of colleagues remained a priority throughout the year, with our regular Star of the Month award being presented each month.

The year culminated in our special Christmas Staff Lunch event hosted by our Chair and Chief Executive, with previous monthly runners up joined by specifically nominated colleagues from across Alder Hey.



Delivering Pioneering Breakthroughs

In April 2024 we secured a **BBC North West Tonight** exclusive to cover a world first at Alder Hey. The BBC filmed colleagues using a new advanced device to help treat dystonia, a lifelong neurological condition which can cause uncontrolled and painful muscle cramps and spasms.

Dystonic cerebral palsy: Girl, 8, benefits from world-first brain surgery

© 17 April



8-year-old Hayley from Nantwich was the first child to have this procedure using this new technology. Her story was broadcast across two nights on BBC NWT and featured her operation as well as a follow up with her afterwards. Consultant Neurosurgeon Mr Jonathan Ellenbogen was also interviewed and spoke about how this new technology will make a real difference to children and their families.

Alder Hey and The University of Liverpool announced a huge £10.4m award in April from charities LifeArc and Kidney Research UK. The money will be used to develop new treatments and possible cures for children and adults living with

rare kidney disease. We promoted the announcement across social media channels and it was also covered by [The Liverpool Guide](#), [KISS FM](#) and [About Manchester](#).

Creating Healthier Fairer Futures

Alder Hey has a real opportunity to drive the children's health agenda regionally, nationally and globally. To support this we are aiming to position Alder Hey as an advocate for children and young people through effective communications and engagement with key stakeholders and partners.

Part of this work has involved securing national media coverage to raise awareness of the challenges facing children and young people and how Alder Hey is trying to support them.

In April 2024 Consultant Endocrinologist Dr Senthil Senniappan was interviewed by the **Sunday Mirror** about the Complications from Excess Weight Clinic at Alder Hey. The feature also highlighted the Queens of Greens bus which is partly funded by Alder Hey and aims to make fresh fruit and veg more easily available to communities.



a Vacca runs a fruit and veg van to try and turn things around (Image: CHRIS NEILL)



In November 2024, Alder Hey opened referrals to a new clinic supporting children and young people who want to stop vaping. Aimed at 11-15-year-olds who are nicotine dependent as a result of vaping, the clinic is the first of its kind in the UK.

To highlight the dangers of vaping for young people and promote the new clinic, we set up several media interviews with Professor Rachel Isba, Consultant in Paediatric Public Health Medicine at Alder Hey. By the end of March 2025, we had generated several pieces of national high-level coverage including in **The Financial Times**, **The Guardian**, **The Daily Mirror**, **ITV News**, **BBC Radio 5 Live** and **Good Morning Britain**.

Other notable activity during an incredibly busy year included:

- Hosting and facilitating a number of high-profile visits including from National Medical Director Sir Stephen Powis, Chief Executive of NHSE Amanda Pritchard, Children's Commissioner for England Rachel de Souza and Lord Mayor of Liverpool Councillor Richard Kemp.
- Facilitating a media call for a team of National Lottery winners who spent a day on site planting colourful borders alongside a new path and walkway by the Alder Centre. Coverage appeared in **BBC North West Tonight, The Liverpool Echo, Daily Mirror and the Daily Mail.**



- The **Daily Mirror and Liverpool Echo** featured a story about Melanie Hamilton, a specialty trainee doctor who helped save the life of a man who had a cardiac arrest.
- Volunteer Jean Hargreaves talked about volunteering at Alder Hey in '**Yours Magazine**'
- Therapy dog Holly featured on **Liverpool Echo's** social channels highlighting her role as 'Cuddle Manager'. The Echo's Facebook channel has over 1.5 million followers.
- Volunteer Al Ansloos was interviewed by **BBC Radio Merseyside** about his role during Volunteering Week.
- **Hits Radio** interviewed Michelle Meredith, Child Death Helpline Coordinator about how the helpline can offer support to anyone affected by the death of a child.
- The Alder Centre's 35th anniversary was covered by **The Guide Liverpool, Explore Liverpool and BBC Radio Merseyside.**
- **CBBC's Operation Ouch** filmed one of our children and young people, Om, to raise awareness of their condition Ichthyosis.
- **BBC** filmed some of our families and long-term patients enjoying Small Things Dance Therapy, a unique one to one experience funded by Children in Need.
- Asia Bibi, Alder Hey's Chief Operating Officer and Olufemi Olajide, Head of Data Science were interviewed by **Healthcare Finance Magazine** about missed appointments and the AI tools that are making a big difference such as our new Was Not Brought AI predictor model.
- Wrexham football player Paul Mullin visited Wrexham fan Archie as part of the documentary '**This is Wrexham**'. Paul surprised Archie with a phone call with the Wrexham AFC co-owner and Deadpool actor Ryan Reynolds.
- As part of a feature about bereavement support, **Granada Reports** interviewed Simon Riley, Head of the Alder Centre and a volunteer at the centre who is also a bereaved parent.
- Alder Hey's resident magician and entertainer Barrington was interviewed by **The Guide** about his background as a magician and Alder Hey Children Charity's Bring the Magic Christmas Appeal.
- **BBC Radio Merseyside** broadcast their Breakfast Show live from the hospital atrium and interviewed several of our mental health clinicians and some of our families during Children's Mental Health Week.
- We continued to promote the ongoing development of our healthcare campus by sharing updates and progress about our new Surgical Neonatal Unit, our emergency floor expansion and the completion of Springfield Park.

- We supported the Trust's statutory governance requirements in the production of the Annual Report and Accounts, regular membership newsletters as well as delivering and promoting the Annual Members' Meeting.
- We provided a robust press office function throughout the year and delivered communications support to support local and national issues and throughout major incidents.
- Our website received **1.1 million views and 482,000 new users** (unique visitors) in 2024/25.
- We continued to grow our social media channels and launched a BlueSky social media account to register a presence on this emerging channel.
- We currently have over **241,000 followers**, an increase of 19,000 from last year. **Facebook (105,000 followers), X (57,200), Instagram (44,300), LinkedIn (17,000), TikTok (13,600), Threads (5,300), YouTube (2,700) and BlueSky (415)**
- This year, our organic social media reached nearly **40 million impressions and had nearly 2 million engagements** (likes, comments, shares).

Counter Fraud

The Trust engages Mersey Internal Audit Agency (MIAA) to provide counter fraud services. The Local Counter Fraud Specialist, supported by the Trust, has continued to enhance the overall anti-fraud arrangements through a range of agreed activities specified in the Trust's Anti-Fraud Workplan for 2024/25. The Trust also has a local Counter Fraud Champion – a core requirement promoted by the Government's Counter Fraud Function.

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

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

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

A self-assessment against compliance with the Standards for Providers issued by NHS Counter Fraud Authority for 2024/25 was undertaken. The Trust has rated itself overall as green. The Counter Fraud Service provided regular updates to the Audit and Risk Committee on work undertaken to prevent and detect fraud including any investigations.

Health and Safety Performance, Occupational Health and Staff Wellbeing

Alder Hey continues to implement a cohesive organisational approach to supporting health and wellbeing. Interventions that lead to positive outcomes for employee wellbeing are those where health care staff have options within a whole-system approach (NHS Employers, 2025). This includes a focus

on the whole employment experience such as workload, autonomy, employee voice and management processes.

Our award-winning approach has been recognised for its excellence and innovation with national and global health awards over the past four years and our diverse range of options continues to adapt and develop to the post-pandemic operational context. There are various challenges facing the NHS, including financial issues, patient care backlogs, healthcare inequalities, and meeting the needs of a rising population with complex health needs (Khan, 2023), which are exacerbated by health inequalities in our local region. This contributes to a vicious cycle of mounting pressures on existing staff which exacerbate difficulties around staff wellbeing and retention (BMA, 2024).

Effective delivery of NHS services relies on a safe and well workforce. Data published by NHS Digital reveal a steady increase in sickness absence rates which surged during the pandemic and have remained elevated compared to pre-pandemic levels (Majeed, 2024). The Trust continue to support a workforce affected by complex and acute mental health difficulties. Mental illness accounts for 8%–12% of sickness absence each year in the UK labour force, compared with around 25% per year in the NHS workforce (Majeed, 2024). Burnout levels remain high and whilst showing some improvement, the percentage of staff reporting being unwell because of work-related stress remains high at 41% in the 2024 national staff survey. In our local NHS staff survey, this trend was mirrored with 51.83% reporting coming to work despite not feeling well enough to perform duties and 26.83% of staff reporting feeling burnt out.

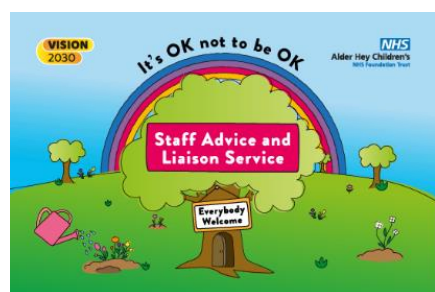
An Organisational Health and Wellbeing Approach

Our approach to staff support at Alder Hey is closely informed by an evidence base regarding what works, for whom, and in what context. Initiatives need to integrate the dual responsibility of individuals and their employing organisations to stay well. A recent review of employee wellbeing found that individual-level interventions that do not engage with working conditions are less effective (Fleming, 2024). Rapid access to support within an organisational context is more effective, and offers a clear return on investment (LSE, 2022).

The Staff Advice & Liaison Service (SALS) and other support mechanisms in the organisation, therefore, take an organisational health and wellbeing approach in line with the NHS England Organisational Health and Wellbeing framework. The diagram below summarises our organisational offers in line with this framework with supporting information relating to four of the key indicators.



Staff Advice and Liaison Service (SALS)



The Staff Advice and Liaison Service (SALS) celebrates its fifth year at Alder Hey and continues to provide support to all staff and learners within the organisation as a one door 'listening service'. The service acts as a hub within the organisation and has had over 15,000 contacts (approximately 3,000 individual staff members) to date, representing 50% of the workforce. Feedback from staff accessing the service remains very positive with 100% of a sample surveyed saying that they would recommend the service to friends or colleagues in the organisation.

On average, the service has received 90 new referrals per month since January 2020. Contact data tells us that there are an average of 346 contacts in the service per month with the service seeing staff an average of 4.5 times, indicating that the service is well used in the organisation and, crucially, that a little can go a long way when it is tailored to an individual and provided at the right time. Providing a responsive and person-centred service is key. Underpinning the model is the message that 'It's OK not to be OK' and SALS aims to normalise distress, provide a positive experience of help seeking, and liaise with appropriate individuals and services to develop a network of support around an individual.

There is a focus in SALS on systemic intervention and the dual responsibility of an individual and an organisation to support their wellbeing. Considerable focus is also given to supporting staff to both transition to and navigate through services, providing a "safety net" of support during what can be extremely difficult journeys and processes. SALS organically adapt to the welfare needs of our workforce during acute and difficult times. This has included an intensive, targeted and trauma informed response to the Southport Incident.

The SALS team supported a focused response to staff directly and indirectly affected and impacted by the major incident in Southport in July 2024 which included outreach to 36 teams affected in addition to individual support for those most affected. SALS offered psychoeducation about secondary and vicarious trauma through the sharing of a trauma leaflet and attendance at Trust-wide briefings. SALS also supported the coordination of debriefs and worked closely with our Clinical Health psychology colleagues. Following the impact on the community connected to the riots, our psychologist attended the trust wide “Safety and Support Listening Sessions” in conjunction with the REACH network, our EDI lead and Chief People Officer. We have also provided support and a safe place for colleagues affected by moral distress and moral injury whilst also supporting the organisation to gather information to inform intelligent action and a compassionate strategic response.

Proactive Prevention

Alongside support for critical incidents, SALS consistently support a whole community approach to proactively supporting health and wellbeing through a preventative approach. This included a spotlight feature and live educational sessions during Mental Health Awareness Week focussed on the global theme of “Movement”. In May 2025, we plan to arrange a month of accessible activities focused on this year’s theme: ‘Community’.

For World Suicide Prevention Day (10 September) SALS worked with the global theme “Changing the Narrative on Suicide” with the call to action “Start the Conversation”. The call to action encourages everyone to start the conversation on suicide and suicide prevention. Every conversation, no matter how small, contributes to a supportive and understanding organisation. Initiating these vital conversations can break down barriers, raise awareness, and create better cultures of support. A psychologist from the SALS, invited members of the Trust to a live education session featuring helpful information about suicide and mental health first aid.

SALS psychologists regularly support wellbeing activities in the Trust with the support of SALS Pals including the physical health and wellbeing day, and team wellbeing events. With support from the Charity as part of the Bright Ideas programme, SALS started a ‘Connection in your Community’ group which is underpinned by a Compassion Focused Therapy Framework and focuses on building restorative connections, enhancing people’s support networks, and reducing loneliness, which is understood as a public health issue. The group will run monthly, exploring different locations across the campus to ensure maximum access and inclusion for all staff.

SALS also continues to deliver the workshop ‘Strengthening Me’ which focusses on psychological models and ideas that can support health care professionals. This draws on evidence and understandings from biology, psychology, and neuroscience to support staff in staying well and feeling strong and has been designed to support the recovery of staff, alongside the recovery of services during the global pandemic. This has now been delivered to over 500 staff. In line with NICE Guidelines on Employee mental health (NG212, 2022), SALS has also developed ‘Supporting Mental Health in the Workplace’ Training available to all staff. This online training involves two modules: 1) Strengthening Me – to support individual mental health awareness, 2) Strengthening Others – to support a proactive and preventative approach to managing mental health at work in line with the principles of psychological first aid.

Working in Unity

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

The Trust has a well-developed and active group of Professional Nurse Advocates who work closely with SALS and have all received SALS Pals Training. SALS also work closely with our Lead for Nurse Retention and our Freedom to Speak up Guardian (FTSU) and have a pathway in place for signposting staff to both areas. SALS also work closely with our Staff Side Colleagues when needed.

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

As well as informal networks and support for staff, many of these groups of staff are also part of our Health and Wellbeing Forum. The Forum, which meets bi-monthly brings colleagues together with other stakeholders to present, share and discuss information and staff support initiatives. Members of this group include Clinical Health Psychology, The Alder Centre, Lead for Nurse Retention, Arts for Health, SALS, SALS Pals, Chaplaincy, Network Leads, and interested and committed colleagues from across the organisation who then cascade information to their services and teams. Outputs of the Forum include the development of a Supporting Staff Community Resource Pack and support for the 'Create, Revive and Thrive' programme which is led by the Arts for Health Team and includes art classes for staff to attend. In the first year of this programme, 92 members of staff participated and this year the team plan to extend this further.

Financial Wellbeing

A range of options are still in place for our staff to support with the overall cost of living crisis that began over a year ago. Some of our initiatives include cheaper food options at our restaurant, our Pay it Forward Scheme, which has been very well received by our staff, access to Wage stream, as well as local offers for all staff which are part of our SWAY document on the intranet. We work closely with Barclays bank who attend site once a month and offer mortgage advice clinics for our staff to attend. We have retained our partnership with Liverpool CAB for our staff to use, with staff accessing the service to gain advice and support. Feedback from the CAB suggest our workforce utilise the service for specialist support on parenting advice, domestic abuse, debt, benefits advice and visa support. SALS recently renegotiated our CAB contract to ensure we are getting the best value for money from the service, and SALS now pay per referral rather than per month. SALS have also continued with our 'Sway' leaflet with up-to-date financial offers externally to support staff to access and benefit from local offers of financial support. Since this pathway was developed, 95 individual members of staff have accessed this service, and feedback has been uniformly positive.

The Trust has also introduced 'Wage Stream' giving staff the ability to draw down on their wages to alleviate financial pressure and offer an alternative Pay Day Loan. Staff have also further benefitted from the continuation of the Charity-funded period poverty intervention where staff, families and visitors in need can access free sanitary products on site.

Physical Health

Outputs from our growing physical health group include fresh fruit and vegetables available once a week via a community project called Queen of the Greens; development of physical exercise groups; and sign up for the third year in succession to the NHS Games. The group has also developed a 'SWAY' leaflet which can signpost staff to national, local and community-based activity to support with their physical and holistic health and wellbeing. There was also a dedicated day to physical health which focused on offering blood pressure checks and reintroducing some exercises classes. Feedback from attendees showed that the most popular activity was the general health check, which included a blood pressure and BMI checks.

The menopause support group continues to be active and now has 200 members. The group has trialled menopause 'Walk and Talks' in Springfield Park to support utilisation of our community space and encourage physical activity and access to nature. The group are currently exploring inviting more guest speakers and experts to the group to be able to offer our staff more targeted advice. The menopause policy has been live now for nearly 12 months and a great source of information for both managers and staff across the organisation.

Professional Wellbeing Support

SALS work as part of a wider community of stakeholders supporting professional wellbeing support. This includes, our HR colleagues, the Organisational Development team, FTSU Champions, Occupational Health, and Clinical Health Psychology colleagues. The SALS team also work closely with our communication team to share relevant information and have provided a revised and updated intranet as a base to signpost colleagues. SALS contributes to a 'Thriving Teams' MDT to support team functioning and offer bespoke sessions to teams to support the development of professional wellbeing. Team level interventions have demonstrated improvements on the team temperature check and the staff survey and case studies have been presented to Board to share learning.

In terms of professional health and wellbeing and development, staff have also been able to access a growing internal coaching and mentoring. We have enhanced our coaching offer with coaches across specialities and disciplines offering a mixture of wellbeing and more general coaching to colleagues. Our Strong Foundations Leadership course is going from strength to strength and is now booked into cohort 43. To date over 800 staff have accessed our Strong Foundations course, and we currently have over 100 staff waiting to access the programme.

We continue to provide 7-minute briefings covering seven key points in seven minutes on topics including 'Kindness' to target and support civility at work, and 'Moral Injury' and 'Stress' which has been shared with colleagues and distributed in live briefings, in for example in the Emergency Department Wellbeing Week in 2025.

Induction processes have been renewed and enhanced with a new policy waiting to be ratified which includes Health and Wellbeing conversations at Induction. This is alongside the training which supports Health and Wellbeing conversations as part of their routine PDR. A newly formed group is looking at enhanced offers to staff for their induction, with the aim that staff are well informed and clear of the Trust Strategy and priorities and how they can seek support and help in their first 100 days. Some of these initiatives include tours around the hospital and market stalls as part of the extended induction process.

We have also supported an increase in trained facilitators to run Schwartz Rounds, providing staff with safe spaces to process and reflect on the emotional impact of work. Alder Hey has recently relaunched face to face rounds and is currently piloting hybrid rounds, running 3 hybrid rounds in the last 3 months. Themes reflect the focus for the Organisation and have refocused more directly on patient care including 'A shift that made my day', 'A Patient I will never forget', and 'The Power of Community'. Feedback highlights the forum is a beneficial space in normalising distress and unifying colleagues, with 100% of people recommending Schwartz to colleagues.

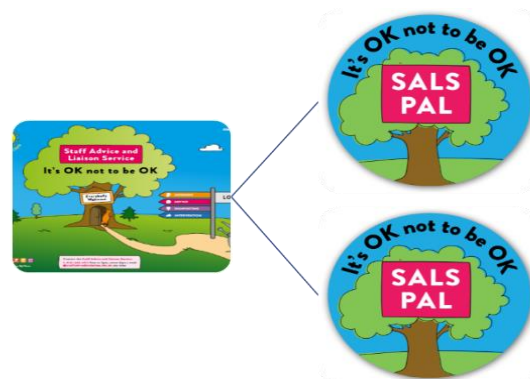
Relationships

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

After the completion of the two-year projected funded by NHS England to pilot a model of paid wellbeing champions, our SALS Pals programme has now been rolled out across the organisation. We now have

110 SALS Pals who are trained to provide a listening ear in their department and to offer compassionate conversations. This hub and spoke model supports an organisation-wide approach focusing on improving connection & communication, with the aim of minimizing distress & maximizing trust.

In the last year, we have built on learning from the pilot to develop guidance around the most effective implementation of SALS Pals within existing service budgets. This guidance has been designed for individuals and the organisation to ensure there is governance and quality in the delivery of SALS Pals. Two teams from the original pilot have continued funding SALS Pals through their own departmental budget: Emergency Department and the Speech and Language Therapy Team. We are closely monitoring activity now that additional funding has been withdrawn across the Trust, and we continue to review sustainability.



Data Insights

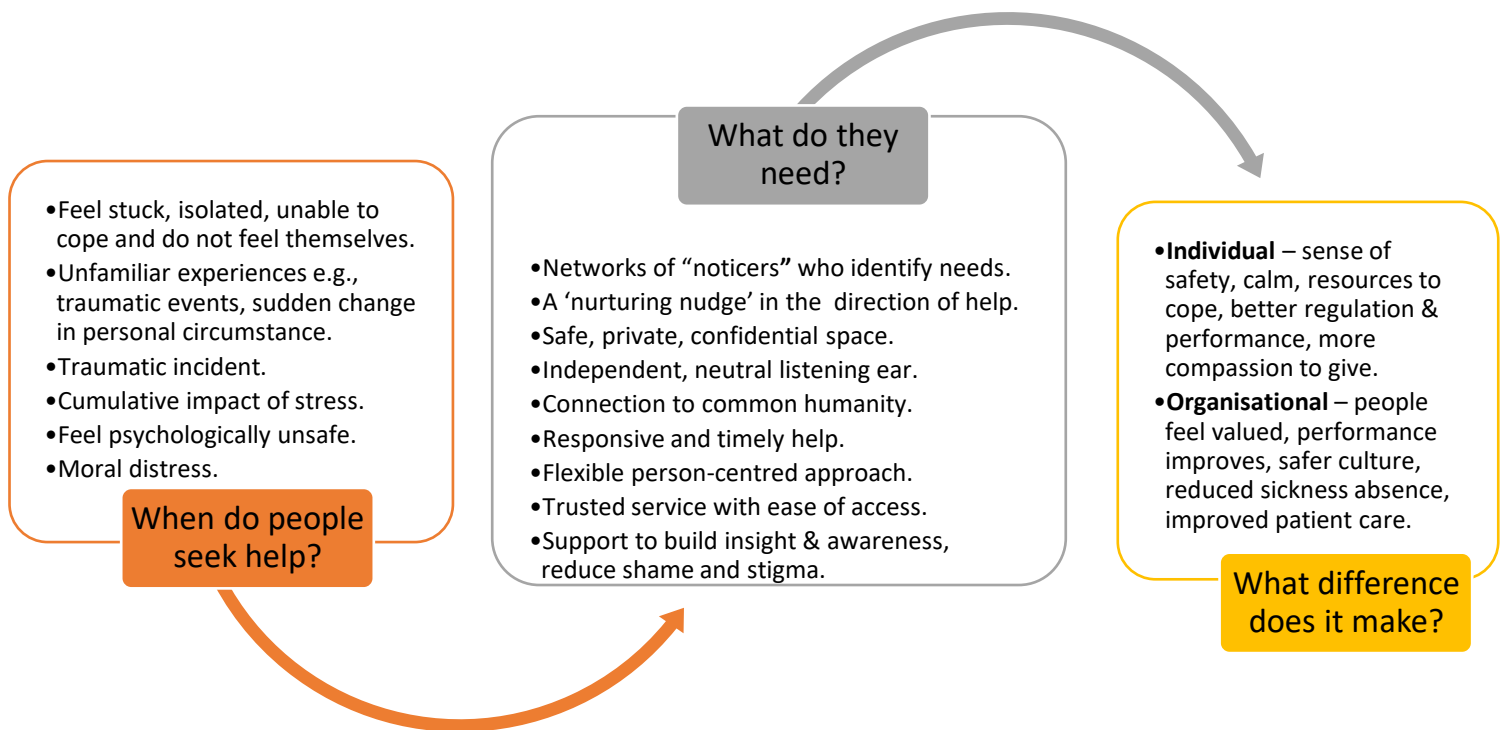
We continue to work on innovative ways to understand staff experience, wellbeing and team functioning the supplement the intelligence that we gather from our annual Staff Survey. To support the evaluation of our interventions within teams, we have developed an innovative “Working Safe & Well” team temperature check. This tool assesses levels of engagement, burnout, wellbeing, psychological safety and patient safety culture. The tool is being used by the Organisational Development team to evaluate changes in team culture and has been shared with our Brilliant Basics colleagues. We are also in the final stages of development of another innovative tool called the “Thriving Staff Index”. This will be our first measure of staff thriving in the organisation and will support us to further understand how staff are functioning in both their working and non-working lives. The tool will support staff to reflect and “check-in” on themselves and will offer support and guidance to empower them to stay well, prevent suffering and access help if needed. We also plan to develop a “Thriving Teams Index” this year which will give us more intelligence about team functioning across a range of indicators and can be triangulated with other key performance and quality indicators. This problem-sensing approach to team functioning will help us to intervene quickly where teams are struggling or suffering, prevent difficulties from arising or worsening, and share learning from teams who are thriving.

Outcomes and Impacts

Our organisational health and wellbeing offer, along with our work on supporting and developing managers and leaders, and wider work on improving employee policies and processes, has had an impact on staff retention rates, employee engagement, and sickness absence. The proportion of staff absent from work due to mental health reasons continues to decline, from 2.2% in April 2023 to 1.9% in April 2025.

Thanks to a Seedcorn Research fund made available through our Clinical Research Division and Alder Hey Charity, SALS have recently completed a realist evaluation to understand further how the service impacts staff and the organisation. The study evaluated how SALS is being used, explored the impact of the service and integrated insights to develop models of staff support. These models focus on the ingredients of change with the intention to share this learning. The project included an audit of SALS data over the past five years and an in-depth analysis of existing contacts to the service. Key findings are summarised below:

The main reason for contacting the service was for workplace issues, followed by mental ill health. As part of the realist evaluation, 32 qualitative interviews were undertaken with staff members to build a model of what works, for whom and why. A summary of these findings is presented in the figure below:



The presence of SALS was also seen to make Alder Hey more connected with improved insights into difficulties within the organisation. SALS were able to identify themes emerging from teams enabling early intervention to address challenges. This acted as a safety net and promoted a culture of openness and psychological safety. As well as this, SALS were seen as spreading kindness and promoting a message of compassion in the spaces they work within. Participants also spoke about how just having SALS in the organisation made them feel more valued and cared for by Alder Hey. Investment in staff wellbeing was seen to improve the work produced, team morale, and the quality of patient care provided.

“I feel more valued by the organisation because SALS is there” (Clinical Research Nurse).

“We’ve got an organisation where our staff know that they’ve got a space in which that they can go to that they feel safe, that they feel listened to, and often that’s all it is needed” (FTSU).

“I think that was really helpful that her knowledge of the organisation and what it needs to be able to do to function effectively was, was important” (Consultant).

“So, I think they are a really important gateway. I think they provide really valuable support, and I think it’s really important that the organisation shows that we care in a way that I think is different and unique. And I think it’s really important that we care in an obvious way” (HR).

“Having to work with others when you’re not feeling OK, it was tough. It would be the best path for me really to get myself OK, to work, to be able to contain it for the children that I was working with” (Team lead).

“And happier staff links back to that. A happier work environment which ultimately impacts patients and family experience because if you're dealing with a staff member who feels supported at work and a little culture of openness, then they're going to go above and beyond. They're going to do the job; they're going to give that patient the best experience because they feel better within themselves... you can have less people leaving (Coordinator).

“It's really rare to have that level of support ... they're worth their weight in gold. Because it does make such a difference to people” (Senior biomedical scientist).

Freedom to Speak Up (FTSU)

The Trust's Freedom to Speak Up Guardian (FTSUG) has continued to build capacity and capability throughout the organisation during the year in relation to a positive speaking up culture, working to consolidate close working with SALS colleagues developed during the pandemic. The two services have embedded their symbiotic relationship, frequently signposting staff to each other and work is ongoing to align activity data between the two on a thematic and strictly anonymised basis. The triangulation of data has been further enhanced by attendance at the monthly Thriving Teams meetings, which brings together a whole host of organisational intelligence from a variety of departments, such as HR, Brilliant Basics and OD.

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

Recognising that some staff groups may have barriers to speaking up, has required an approach to address these barriers, therefore the FTSUG works closely with the Network Chairs for ACE, REACH and LGBTQIA+, and is enhancing the FTSU Visibility Programme to include the Network Chairs.

The FTSU Visibility Programme, continues to grow and along with the network Chairs attendance, they are also regularly supported by the CEO, Executives and NED's. These additional supporters of the Programme have been hugely beneficial to how FTSU is perceived across the Trust, by adding their validation to the visits, it demonstrates to staff, their commitment to the principles of FTSU. Request by managers, for these visits, across the Trust have seen an increase, a clear indicator of the desire by managers in ensuring staff know about the service and its value.

The National Guardians Office (NGO), Speak Up, Listen, Follow Up, ESR training, remains part of the mandatory training programme, with compliance at 98%, the feedback from this training remains positive, with staff expressing a benefit to its learning.

As the organisation does not have in place a system by which a member of staff can anonymously report a concern, the FTSUG has worked with the innovation team in developing an app that can be accessed on smart phones, this App is due to launch presently and whilst one of the main drivers was to provide that anonymous route, it was also to create a system that allows staff to see how the concern is progressing, provide prompts to those that the concern has been escalated too, so as to ensure timeliness, to generate reports, trends and themes and speak to the NGO portal.

The recruitment of a Deputy Freedom to Speak Up Guardian, the evolution of our Champion network, the Visibility Programme, the development of the FTSU app, continued use of intelligence gathered via

FTSU to assist in the growth of quality improvements and aiding the development of a restorative, just and learning culture within Alder Hey.

Health and Safety

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

The Alder Hey Academy

The Alder Hey Academy comprises Medical Education, Clinical Education, Learning and Development and Apprenticeships as well as being home to our Inspiring Futures Programme and the Academy Events team. The Academy focuses on all things learning, education and opportunity related, ensuring that both current and future staff have the knowledge, skills and confidence to undertake their roles effectively. We also support young people from across the region to achieve their potential through our *Inspiring Futures* Programme, working with schools, colleges and wider partners to support those who may face a range of barriers to entering the workforce.

As a major provider of education and training for doctors, nurses, and allied health professionals we partner with several universities and other education providers to offer a range of learning opportunities for pre and post registration students as well as offering placements, work experience and shadowing opportunities to those at different stages in their career. In 2024/25 we welcomed over 1,000 medical students to Alder Hey on placement, predominantly from the University of Liverpool, Edge Hill University and the University of Central Lancashire. We also provided nearly 1,500 clinical placements to nursing and allied health students as well as offering placement weeks for over 60 BTEC students and 164 students seeking work experience.

In addition, Alder Hey delivers a number of postgraduate modules and courses to support wider workforce development. Our academic partnership with Edge Hill University continues to develop, and this enables us to offer modules/awards in High Dependency Care and Paediatric Critical Care - both for our own staff and for colleagues working within HDU and PCC regionally and nationally. Proposals for expansion of our collaborative postgraduate programmes are underway with both Edge Hill and the University of Liverpool and we look forward to securing further growth in 2025/26.

As a large employer with an ethical and social responsibility within the Liverpool City Region (LCR), expanding our apprenticeship offer is a key priority for us. In 2024/25, a further 40 staff started an apprenticeship, and we currently have almost 300 staff undertaking an apprenticeship across 49 different subjects. New subjects being studied in 2024/25 include Health and Care Intelligence Specialist L7 (Masters), Speech and Language Therapist L6 (Degree), Biomedical Scientist L6 (Degree), Governance Officer L4, Data Technician L3 and Customer Service L2 - these subjects are supporting the Trust with addressing skills gaps and workforce and succession planning. To maximise the opportunities available through apprenticeships, we work with nearly 40 different apprenticeship training



providers across the North West Region and beyond - including 13 Universities, 10 Colleges and 16 Independent Training Providers - and we are also working with new stakeholders for apprenticeship provision which include Arden University, Clear Quality, Riverside College, University of Manchester, University of Sheffield and the JGA-Group. Alder Hey remains one of the few NHS trusts to be awarded Matrix accreditation for our Information, Advice and Guidance (IAG) Service, and this ensures that colleagues and managers receive high quality support and impartial IAG about career-related apprenticeship decisions.

Ensuring we provide high quality learning opportunities is a major focus for us, and during the year we implemented a number of actions to improve colleague/student/resident doctor's experience whilst at Alder Hey. Many of these focused on broadening our learning and development offer, streamlining processes, focusing on wellbeing, supporting those with a range of additional needs, refreshing our induction and enhancing the learner 'voice'. This focus will continue into 2025/26, but some highlights from our enhancement work during 2024/25 include:

- *Increasing our offer to staff*

Over 6,000 individual learning sessions were offered in year. New regular monthly 'Lunch and Learns' have been introduced and continue to go from strength to strength. In addition new

Congratulations to Emma Palmer who completed her apprenticeship and achieved a First Class Honours in her Bachelor of Arts (Hons) in Business and Management Practice, Chartered Manager.

'Management Essentials' topics have been rolled out as part of an organisational wide offer for those embarking on a management / senior management role. 2024 saw our first *Learning at Work* week take place– which comprised a week of different activities showcasing the different opportunities available across the Trust. In addition, our first Celebration of Learning took place and was repeated in November.

- *Streamlining booking and reminder systems*

Use of our Electronic Staff Record (ESR) system has been enhanced to facilitate increased automation and reduce the administrative burden associated with managing course bookings, as well as improving the ability to generate reports. This has resulted in colleagues being able to book directly onto internal learning opportunities, receive a reminder to their outlook calendar automatically as well as being able to update their learning records with qualifications etc.

- *Prospectus / Website*

A refreshed Learning & Development Prospectus was launched in 2024/25 and the Learning and Development pages on the intranet have also been updated and are maintained on a regular basis to ensure currency.

- *Piloting of new approach to rostering (Division of Medicine)*

Work to implement a new self-rostering system for resident doctors was completed in-year. This aims to support and create an effective training environment that also meets the needs of the service, while enabling flexibility for doctors and the Trust, all of whom have a stake in the process. The new system is currently in its pilot phase and will be evaluated in-year. It is expected that outcomes may include: ensuring that there is safe and appropriate staffing for departments as a result of fair and consistent rostering processes; improved oversight and monitoring to align staffing levels with service needs, training opportunities, and the budgets in each department; better management and oversight of educational opportunities in order to allow doctors to meet the outcomes required for progression at the Annual Review of Competence Progression (ARCP); ensuring that all staff are able to complete all aspects of their role within working hours; improved planning and management of leave; increased opportunities for doctor involvement in rostering design, development and management of their rosters; better management and oversight of resources to increase effectiveness in workforce planning, with the aim of reducing reliance on temporary staffing arrangements.

- *Refreshed Induction and Preceptorship*

- Receiving a good induction is critical to ensuring that all students, residents and colleagues feel welcome and orientated to Alder Hey. Our undergraduate medical student inductions continue to be reviewed under the direction of our Clinical Sub-Dean as does Induction for resident doctors. Our new Postgraduate Tutor is playing a key role in this, alongside the medical education team.
- Alder Hey's Corporate Induction was further enhanced in 2024/25, with a new 'marketplace' showcasing a wide range of support and services to new colleagues.
- All new nurses to the organisation are supported by undertaking a 1-week induction programme, which ensures they are not only welcomed to the organisation, but that they also receive all the training and education required to equip them to undertake their role. They are also supported through a 4-week supervisory period, with further fundamental training provided and additional pastoral support.
- We have continued to invest in our nursing workforce, via the Lead for Nurse Retention role. This strategic role has embedded our preceptorship framework and the professional nurse advocate (PNA) role, both fundamental factors in ensuring the retention of our new and existing nurses.
- ***Student Engagement***
We facilitate bi-monthly learner forums for a range of learners within the organisation, to participate in shared learning and to better understand learner experiences within the organisation.
- ***Career Pathways***
Reflecting our commitment to workforce development, our new (virtual) Professional Development Hub was launched in December 24 – providing an opportunity for staff across the organisation to explore career pathways, receive one to one advice and to consider development opportunities relevant to their role/s. In addition, work has been undertaken to create a development framework for all Band 5 nurses within the organisation - this is inclusive of their preceptorship period and details the opportunities available to staff in addition to the expectations of the organisation at designated points. We have also implemented the national nursing competencies for Band 5 Child and Young People nurses with our new recruits and are working to align existing nurses to these. There has been initial work undertaken to create a development programme for our Band 6 nurses – both those aspiring to undertake this role and those already in it. We are now working with the Royal College of Nursing to explore further developments in relation to this project and look forward to delivering this by the end of 2025.
- ***The Practice Experience Recognition Certificate (PERC)***
The PERC is a relatively new project which enables us to identify students who demonstrate consistently, exceptional skills in clinical practice. The PERC process enables assessors/ward managers/Practice Educators the opportunity to nominate a student in each year of their training, providing evidence for the nomination which is then considered by the awarding board. Any student who is awarded a PERC in all years of their programme is then able to access an adjusted recruitment pathway, which provides more choices in relation to their area preference. There is also the opportunity for ward managers to award a 'lightning PERC' which is only applicable to students in Year 3. This provides immediate access to the adjust recruitment pathway for the area the ward manager is linked to.

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

The Academy Learning and Development (L&D) Team have spent time ensuring that courses and events are more visible to staff across the Trust and the L&D team are integrated more fully within team discussions and workforce planning activities so as to develop a greater understanding of learning needs. They have also worked tirelessly with divisional leads, HR colleagues and subject matter experts to deliver on our requirement to ensure staff are compliant with mandatory training and PDRs and we

have consistently exceeded our 90% target for mandatory training and achieved over 90% for band 7+ PDR completions.

SIM-TEL

SIM-TEL refers to the integration of simulation-based education (SBE) and technology-enhanced learning (TEL) to support healthcare education and training. In addition to our regular programme of SIM activity across the Trust, highlights from our SIM-TEL activities in 2024/25 include:

- Delivery of virtual simulation to the Paediatric Intensive Care Society congress which was held in Liverpool. This involved integrating the use of MS HoloLens in live streaming the team leader view to the Conference Centre, allowing open discussion and participation from remote delegates.
- Live streaming of insitu Emergency Department (ED) simulation to regional Emergency Medicine trainees.
- Recording insitu ED simulation with integrated teaching points and rationale for treatment for University of Lancaster medical students.
- Producing instructional simulation video for emergency hysterotomy within the ED.
- Integration of dance as distraction therapy using VR with play specialist team and Small Things Dance Collective.
- Creating instructional and presentational videos for Infectious Diseases team, PICU, Dental, Innovation and supporting The Academy's international collaborations.

To strengthen the resilience, availability and quality of simulation throughout the Trust, in 2024/25 we worked with national SIM-TEL leads on how best to grow our SIM-TEL capacity and capability and have committed to piloting the "Becoming Simulation Faculty" (BSF) programme in 25/26. This is an NHS England initiative and is designed to support colleagues across healthcare organisations as they explore the basics of education and learning with simulation and immersive learning approaches, and to provide a platform on which further local workforce educator development



Insitu Simulation @ Alder Hey

can be based. The programme comprises a number of eLearning topics and face to face workshops, along with mentoring and peer support. After completing the programme, colleagues will have a recognised credential that they can carry with them.

As a leading provider of Paediatric care, we are keen to maximise opportunities for sharing our knowledge and expertise and to learn from others. We host a range of conferences and events throughout the year - some highlights include: the National Practical Course in Paediatric Otolaryngology (NPCPO); an ENT Coblation course; the 6th Annual Vestibular Conference (which attracted delegates from across the globe), our AHP Day, the Alder Hey Celebration of Learning, our Annual Careers Event for local schools and colleges and the prestigious Christmas Lecture featuring Prof Sir Albert Aynsley-Green.

Wider highlights include our collaboration with Liverpool Medical Institute to offer an Aspiring Medics Programme (designed to enthuse, inspire, and support the next generation of doctors) and our work with Manchester Metropolitan University and the Alder Centre for Education which ensures that all trainee

teachers at MMU hear first-hand from young people about their experiences of mental health and how teachers/schools can best support them.

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

- Offer supported internships in partnership with Liverpool City Council, DfN Project Search and the NHS University Hospitals of Liverpool Group. A number of young people are currently on the programme, which sees them develop skills across a range of placement areas during the year, with the aim of securing employment at the end of the programme.
- Develop new partnerships to maximise the value of our placements and work experience opportunities for local young people with specific support needs.
- Support a range of local careers related events for both primary and secondary schools.
- Run our Aspiring Medics Programme for those interested in medicine as a career.
- Partner with The King's Trust to offer employment support for young people aged 16-29.
- Collaborate with Cheshire and Merseyside ICS and other local organisations in terms of providing career-related support for care experienced young people and advocating for this group.
- Design and deliver bespoke projects for young people who experience multiple challenges to entering the workforce
- Deliver careers focused sessions and wider activities for Elevate Business Partners, who provide a wide range of meaningful connections between education and the business community across Liverpool. We work extensively with children aged 5 - 17 to ignite a passion for learning, to raise aspirations and build self-confidence. Reflective of our work in this area, we were delighted to be awarded EBP Patron Status in 2024.

Expenditure on Consultancy

Expenditure on consultancy during 2024/25 was for specialist advice and operational delivery on an interim basis to ensure high quality services for children and families. Consultancy costs for the year 2024/25 where £332k (£611k 2023/24).

Off Payroll Engagements

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

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

Table 1: Off-Payroll Worker Engagements as at 31 March 2025

For all Off-Payroll Engagements as of 31st March 2025, for More Than £245 per Day and That Last Longer Than Six Months	2024/25 Number of Engagements	2023/24 Number of Engagements
	Number	Number
No. Of Existing Engagements 31 March 2025	1	10
Of which:		
Number That Have Existed for Less Than One Year at the Time of Reporting	0	1
Number That Have Existed for Between One and Two Years at the Time of Reporting	0	3

Number That Have Existed for Between Two and Three Years at the Time of Reporting	0	3
Number That Have Existed for Between Three and Four Years at the Time of Reporting	0	2
Number That Have Existed for Four or More Years at the Time of Reporting	1	1

Table 2: All off-payroll workers engaged at any point during the year ended 31 March 2025.

All Off-Payroll Workers Engaged at any Point During the Year Ended 31st March 2025	2024/25 Number of Engagements Number
Number of Off-Payroll Workers Engaged During Year Ended March 2024	1
Of which:	
No. Assessment as Within Scope of IR35	0
No. Assessment as Outside Scope of IR35	1
No. of Engagements Reassessed for Consistency/Assurance Purposes During the Year	0
No. of Engagements That Saw a Change to IR35 Status Following the Consistency Review	0
Number of Engagements Where the Status was Disputed Under Provisions in the Off-Payroll Legislation	0
Of Which: Number of Engagements That Saw a Change to IR35 Status Following Review	0

Table 3: For any off-payroll engagements of Board members and/or senior officials with significant financial responsibility, between 1 April 2024 and 31 March 2025.

No. of Off-Payroll Engagements of Board Members, and/or Senior Officials with Significant Financial Responsibility, During the Financial Year	1
No. of Individuals That Have Been Deemed "Board Members and/or Senior Officials with Significant Financial Responsibility" During the Financial Year	35

Exit Packages 2024/25 (Subject to Audit)

Exit Packages 2024/25

Number of compulsory Redundancies Number	Number of other Departures Agreed Number	Total Number of Exit Packages by Cost Band Number
--	---	--

Exit Package Cost Band (Including Any Special Payment Element)			
<£10,000	1	17	18
£10,000 - £25,000	1	14	15
£25,001 - £50,000	-	4	4
£50,001 - £100,000	1	4	5
£100,001 - £150,000	-	-	-
£150,001 - £200,000	-	-	-
>£200,000	-	-	-
Total Number of Exit Packages by Type	3	39	41
	£87,000	£685,000	£772,000

Exit Packages: Other (Non-Compulsory) Departure Payments (subject to audit)

Note 6.3 Exit Packages: Other (Non-Compulsory) Departure Payment				
	Payments Agreed	Total Value of Agreements	Payments Agreed	Total Value of Agreements
	2024/25	2024/25	2023/24	2023/24
	No.	£'000	No.	£'000
Voluntary Redundancies Including Early Retirement Contractual Costs	-	-	-	-
Mutually Agreed Resignations (MARS) Contractual Costs	20	569	-	-
Early Retirements in the Efficiency of the Service Contractual Costs	-	-	-	-
Contractual Payments in Lieu of Notice	20	116	8	38
Exit Payments Following Employment Tribunals or Court Orders	-	-	-	-
Non-Contractual Payments Requiring HMT Approval (Special Severance Payments)	-	-	-	-
Total	40	685	8	38
Of Which: Non-Contractual Payments Requiring HMT Approval Made to Individuals Where the Payment Value Was More Than 12 Months of Their Annual Salary	-	-	-	-

There have been no redundancy schemes in place in the current financial year, there was a Mutually Agreed Resignation Scheme in place for staff to leave their role for compensation. The majority of the exit packages relate to payments made to employees to terminate their employment in line with contractual obligations

Staff Survey

Approach to Engagement

For the 2024 Staff Survey, we continued to focus our engagement efforts on both increasing response rates and ensuring that the results are well communicated and understood so that they can lead to meaningful actions.

We once again invited all eligible staff to feedback about their experience of working within the Trust with a focus on empowering our divisions and teams to drive engagement within their own areas with Trust-wide communications to support this.

As in the past few years, the overall Trust results are reviewed at Trust Board and shared with staff across the organisation. As well as the Trust level results, we also have a comprehensive feedback plan to ensure that each eligible team and department receive their own local data from the Staff Survey to discuss together in a 'Big Conversation'. This is their chance to discuss their own local results and agree local actions they can take to improve their own experience of working within the team.

Whilst the annual Staff Survey is an incredibly important tool for gaining feedback from staff, we also utilise a number of other opportunities to promote engagement formally including the People Pulse, our internal Team Temperature Checks, OD interventions, the Ground Truth tool and our recently relaunched Staff networks.

In addition, we continue to strive to ensure that we embed everyday listening opportunities through appraisals, health and wellbeing conversations, 'stay' conversations, weekly 'Ask The Execs' sessions, and specific roles to support staff including SALS Pals, Professional Nurse Advocates, Trainee Wellbeing Leads and FTSU Champions amongst others.

To ensure that all of this feedback is utilised, over the past year we have developed a Thriving Teams multi-disciplinary group where key stakeholders come together once a month to discuss and correlate this formal and informal feedback and use this information to identify areas that would benefit from support and develop appropriate team-based interventions.

Summary of Performance - Results from the NHS Staff Survey

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

In 2024, the Trust achieved a response rate of 62% with 2,696 staff completing a questionnaire which is more than ever before at Alder Hey and an increase from 60% last year. Of those that responded, 73.96% stated that they would recommend Alder Hey as a place to work and 89.59% as a place for friends and family to receive care. Both results again improving on last year with the latter once again being the top score in our comparator group of 122 Acute and Community Trusts.

This year has again seen excellent results for Alder Hey, with improvements across all of the people promises and themes compared to 2023, and scoring higher than average in our comparator group, including best in class for the people promise 'We are compassionate and Inclusive'. In addition, we have maintained or improved in 19 out of the 21 sub-scores and scored above average in our comparator group for 20 out of 21 sub-scores, again scoring just below average for our appraisals despite improvement year on year.

As well as being ranked top in our comparator group for the people promise of 'We are compassionate and inclusive', Alder Hey ranked top of our comparator group for sub-scores 'Raising Concerns' and 'Negative Experiences' as well as 15 individual questions including the below:

- Care of patients / service users is my organisation's top priority.
- My organisation acts on concerns raised by patients / service users.
- When errors, near misses or incidents are reported, my organisation takes action to ensure that they do not happen again.

Our overall improvement in results is set against a national picture which has seen the average within our comparator group stay relatively static, with the average score this year decreasing in 3 of the 7 people promise themes and improving in 4.

The table below provides an overview of our results across the seven key NHS People Promises and the additional themes of staff engagement and morale over the last three years showcasing our consistent improvement in all areas, as well as a comparison to our comparator group (Acute and Acute & Community Trusts).

People Promise / Theme			2022	2023	2024	Change from Last Year
	We are compassionate and inclusive	Alder Hey	7.5	7.6	7.7	+0.06
		Comparator	7.2	7.2	7.2	-0.03
	We are recognised and rewarded	Alder Hey	5.9	6.2	6.2	+0.07
		Comparator	5.7	5.9	5.9	-0.02
	We each have a voice that counts	Alder Hey	6.9	7.0	7.1	+0.04
		Comparator	6.6	6.7	6.7	-0.03
	We are safe and healthy	Alder Hey	6.1	6.3	6.4	+0.13
		Comparator	5.9	6.1	6.1	+0.03
	We are always learning	Alder Hey	5.3	5.6	5.7	+0.04
		Comparator	5.4	5.6	5.6	+0.03
	We work flexibly	Alder Hey	6.2	6.4	6.6	+0.17
		Comparator	6.0	6.2	6.2	+0.04
	We are a team	Alder Hey	6.7	6.9	6.9	+0.03
		Comparator	6.6	6.8	6.7	-0.01
	Staff engagement	Alder Hey	7.1	7.2	7.3	+0.04
		Comparator	6.8	6.9	6.8	-0.07
	Morale	Alder Hey	5.9	6.2	6.3	+0.08
		Comparator	5.7	5.9	5.9	+0.02

Areas for Improvement

Whilst there are always areas for improvement, there are also many positive results from the Staff Survey, and we have shared and celebrated our results across the Trust and with individual teams and Divisions.

Despite a consistent improvement over the last few years in staff opinion of the appraisal process, there is work to be done to improve the link between the appraisal conversation and the practical impact that this has on staff performance in their role. To address this, a new appraisal process has been designed after focus group consultation which is due to be implemented in April 2025.

Whilst our results that indicate staff experiencing discrimination has decreased, including best-in-class results relating to staff not experiencing discrimination from the public, when staff are indicating they have experienced discrimination there is a trend that this is much more likely than in previous years to be on the grounds of ethnicity. We are working closely with our REACH network on ways to effectively and sustainably tackle this trend over the next 12 months.

To ensure that we see improvements across the above areas and others, a Staff Survey Action Group has been established for 2025.

Future Priorities and Targets

Whilst our results for 2024 are in the main, very positive, once again we acknowledge that 38% of the Trust did not complete the Staff Survey this year, and as ever our commitment for next year will be to encourage more staff to complete the survey to give us a more complete picture of staff experience at Alder Hey.

As well as the above, a continued area of focus for this year will be on improving the consistency of results across the Trust. It is clear from our results that there is significant variation of experience dependent on where staff work, their staff group, ethnicity and disability. We will continue to work on our Thriving Teams processes including the development of a Thriving Teams Index based on team-level staff survey data.

We will continue to strive for an improvement in all of our results, but in particular we will focus on improving the number of staff who recommend Alder Hey as a place to work, against a target of 85%.



John Grinnell
Chief Executive
26th June 2025

The Code of Governance for NHS Provider Trusts

The new NHS England Code of Governance for Provider Trusts ('the Code') was published and applied to all Trusts from April 2023. The purpose of the Code of Governance is to assist provider trusts in improving their governance practices by bringing together the latest best practices of NHS and private sector to set out a common overarching framework for the corporate governance of trusts that compliments their statutory and regulatory obligations. The Code is issued as best practice advice but imposes some disclosure requirements which are set out in the sections below.

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

The arrangements put in place by the Trust in response to the Code are set out in the sections below and elsewhere in the report as appropriate.

Our Council of Governors



2024/25 again saw several changes on the Council of Governors following the annual elections. A comprehensive Trust induction programme continued to be delivered virtually to enable incoming governors to understand their new role as rapidly as possible. This training is also offered to existing governors annually to refresh their skills. Several Alder Hey governors also took advantage of the ongoing *GovernWell* development programme offered by NHS Providers; also provided virtually, which is an invaluable resource. In addition, a bespoke virtual governor induction day was hosted during the year by Liverpool Heart and Chest Hospital to ensure governors are equipped with the skills and knowledge they require to hold the Board to account which focused on:

- Role of Foundation Trusts and implications of Integrated Care Systems legislation

- The Role of the Council of Governors including how to governors carry out their statutory role
- Regulation in the NHS
- An overview of Foundation Trust Finance
- How do governors hold to account
- How can governors engage with members and the public?

Training and development opportunities remain flexible and responsive to meet the needs of the governors.

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

The Council met formally four times during the year. The Council approved the Chairs annual appraisal, remuneration proposal and reappointment for a final twelve-month term, re-appointed one of the existing non-executives for a second three-year term of office and approved the appointment of a new CEO. The Council also approved an additional audit fee in respect of the 2023/24 audit of the accounts due to additional hours required.

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

The 2024 Annual Members' Meeting (AMM) was held in November via Microsoft Teams where reflections from the previous year were shared. The AMM also featured a special broadcast news report video prepared by the Alder Hey Forum and Chameleons Group to deliver just some of the highlights from the 2023/24 Annual Report and Accounts. This was followed by a formal presentation of the Trust's Annual Accounts 2023/24 and the report of the Council of Governors. The meeting was concluded by updating members on progress against our new strategy 'Vision 2030' and our ambitious forward plans to meet the changing needs of children and young people locally, regionally and nationally.

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

The Lead Governor continued to hold regular meetings with the governors without members of the Board present. These discussions generate items for discussion at formal Council meetings to provide governors with additional assurance on key topics such as: the learning that has been taken from the Lucy Letby case to improve the culture at Alder Hey and the workforce in terms of addressing low morale and ensuring staff feel safe, ideas in respect to what other governors are doing in different trusts around membership and engagement, Governors Symposium, learning from other organisations (Post Office Horizon scandal) from a raising concerns perspective, raising the profile of governors in the hospital and

the community, observation at assurance committees by governors in order to effectively hold NEDs to account.

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

In addition to the full Council meetings, governors have been involved in the Membership Strategy Committee, chaired by Public Governor Daniel Casson who reported: “Our ambition is to have a membership base which is engaged and actively involved in co-producing future service design and delivery and is reflective of the needs of patients and the local community. We are particularly keen to ensure the voice of children and young people is central to our work and have benefited from the involvement of patient governors in sharing their insights. Through our Membership Strategy we are keen to continue to engage with and update members about Alder Hey, encourage active involvement and support further recruitment of members and governors. Together with meeting the requirements of a Foundation Trust, membership communications also has an integral role to play in the wider Trust Communications Strategy. We have welcomed the Director for Marketing and Communications to our committee meetings to work together. Many of our key stakeholders are current or potential members. We regularly engage with them via a refreshed newsletter which seeks to maintain their support and raise awareness of the Alder Hey brand. Every member is a potential advocate of Alder Hey who can support the hospital, build awareness of our brand as a world-leading children’s healthcare campus and even potentially fundraise. We continue to seek to offer members opportunities to be involved in and feel part of the Alder Hey family.”

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

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

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

Composition of the Council of Governors

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

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

Governor	Constituency	Class	Term	Term of Office	Council Meetings Eligible to Attend in 2024/25	Total no. of Attendances at Council Meetings
**Barbara Murray	Appointed	Local Authorities (LCC)	-	n/a	4	4
Rob Tabb	Appointed	Local Authorities (LCR)	-	n/a	4	4
Francine Watkins	Appointed	Liverpool University	-	n/a	4	4
Salman Khan	Appointed	Stakeholders (Local Dental Committee)	-	n/a	4	3
Jane Roberts	Appointed	Edge Hill University	-	n/a	4	2
Lila Bennett	Appointed	Local Authorities (LCC)	-	n/a	4	0
Liz Parsons	Appointed	Local Authorities (LCC)	-	n/a	4	1
John Patterson	Appointed	Stakeholders (Education)	-	n/a	4	3
Monique Collier	Appointed	Voluntary/ Local Interest/ Community Groups	-	n/a	4	3
Howard Lewis	Appointed	Voluntary/ Local Interest/ Community Groups	-	n/a	4	4
Bella Plows	Patient	Merseyside	First Term	01.09.22 – 31.08.25	4	1
Emily Carragher-Leigh	Patient	Merseyside	First term	01.09.22 – 31.08.25	4	4
Josh Martin	Patient	Merseyside	First Term	01.09.23 – 31.08.26	4	0
Leah Priestly-Black	Patient	Rest of England and North Wales	First Term	01.09.22 – 31.08.25	4	1
Cheryl Danher	Patient	Parent & Carer	Second Term	04.04.24 – 03.04.27	4	0
*Ana Samuel	Patient	Parent & Carer	Second Term	01-09-23 – 31.08.26	4	4
Nicola Thorbinson	Patient	Parent & Carer	Second Term	01-09-23 – 31.08.26	4	3
Carly Brown	Patient	Parent & Carer	First Term	01.09.23 - 31.08.26	4	4
Lewis Clements	Patient	Parent & Carer	First Term	01.09.23 - 31.08.26	4	0
Graeme McKenna	Patient	Parent & Carer	First Term	04.04.24 – 03.04.27	4	4
Hilary Peel	Public	Merseyside	Third Term	01.09.22 – 31.08.25	4	3
Emma Freeman	Public	Merseyside	First Term	15.09.24 – 14.09.27	3	3
Brian Lawless	Public	Merseyside	First Term	01.09.23 – 31.08.26	4	0
Micaela Dempsey	Public	Merseyside	First Term	15.09.21 – 14.09.24	1	0
Rebecca Moore	Public	Merseyside	First Term	01.03.23 – 28.02.26	4	0

Governor	Constituency	Class	Term	Term of Office	Council Meetings Eligible to Attend in 2024/25	Total no. of Attendances at Council Meetings
John O'Hanlon	Public	Cheshire	First Term	01.09.23 – 31.08.26	4	2
Sue Thoms	Public	Wider North West	Second Term	01.09.23 – 31.08.26	4	2
Simon Jacobs	Public	Wider North West	Second Term	01.09.23 – 31.08.26	4	3
**Daniel Casson	Public	Rest of England	Second Term	01.09.22 – 31.08.25	4	4
Lowri Smith	Public	N. Wales	Second Term	15.09.24 – 14.09.27	4	2
**Sujata De	Staff	Doctors and Dentists	Third Term	15.09.24 – 14.09.27	4	3
Mike Travis	Staff	Nursing Staff	First Term	01.09.22 – 31.08.25	4	2
Jacqui Pointon	Staff	Nursing Staff	First Term	22.03.22 – 21.03.25	4	4
Wendy Blumenow	Staff	Other Clinical Staff	First Term	30.09.24- 29.09.27	2	2
Lachlan Stark	Staff	Other & Trust Volunteers	First Term	01.09.22 – 31.08.25	4	4
John Ashton	Staff	Other & Trust Volunteers	First Term	22.03.23 – 21.03.26	4	3
Michael Mander	Staff	Other Clinical Staff	Second Term	01.09.23 – 31.08.26 Resigned July 2024	1	1
Smitha Joseph	Staff	Nursing Staff	First Term	22.03.25- 21.03.28	0	-

* Lead Governor

** Members of the Nominations Committee

Attendance at Council of Governors by Board Members

Number of Meetings Held in 2024/25	4
Dame Jo Williams	4
Gerald Meehan	2
Kerry Byrne	4
Garth Dallas	4

Fiona Beveridge	4
Shalni Arora	1
Alfie Bass	3
Louise Shepherd	2 of 2
John Grinnell	4
Melissa Swindell	3
Adam Bateman	4
Nathan Askew	1
Erica Saunders	4
Dani Jones	2
Kate Warriner	2
John Kelly	4
Jo Revill	3

Declaration of Interests

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

Our Membership

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

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

Membership Strategy

The Trust's Membership Strategy is owned and led by a committee of the Council of Governors called the Membership Strategy Committee. During 2024/25 the Committee continued to meet as planned via Microsoft Teams and was chaired by one of our public governors, Daniel Casson. The terms of reference of the Committee are approved by the Council of Governors to undertake the following:

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

The Membership Strategy Committee is supported by the Trust's Marketing and Communications Team and Corporate Governance Team and works to an agreed set of objectives created to reflect the overall aims of the Membership Strategy. Achievements during 2024/25 included:

- Continuing to communicate to our membership. Alder Hey continued to share useful information for patients, parents, families and members through our website.
- Delivery of the membership newsletter 'Alder Hey Matters' via email on a bi-monthly basis, featuring an introduction from a different Governor each issue, a 'look back' calendar of other events and key updates from the Trust. The newsletter enables the Trust to communicate more effectively with its members and in a timely way, ensuring they remain up to date on the latest Alder Hey news.
- Updating the Membership section of the Trust website to ensure it remained effective and useful. The section features information about the Council of Governors and its role, alongside up to date copies of the membership newsletter, annual reports and the ability to sign up to become a Member.
- Once again, we hosted our Annual Members' Meeting virtually in November 2024 to share information with members about Alder Hey's operational and financial performance. Particular highlights of the AMM included:
 - reflections from the previous year, specifically highlighting the progress made towards implementing our 2030 Strategy.
 - a video prepared by the Alder Hey Forum and Chameleons Group to deliver some of the highlights from the 2023/24 Annual Report and Accounts.
 - a presentation of the Trust's Annual Accounts 2023/24 and the report of the Council of Governors.
 - The meeting was concluded by showcasing what the Trust will be focussing on for the next twelve months to achieve our 2030 Vision.

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

Plans for 2025/26 include a number of ideas to enhance membership engagement and ensure the Council's legal duties are met:

- Ongoing support and training to governors to enable them to effectively promote Alder Hey to their constituents and external connections.
- Liaising with community leads in the Trust and Alder Hey Children's Charity to explore how the Trust can maximize sign ups from local community groups.

- Explore partnerships with schools to ensure our patient members are actively involved and have a say in the delivery of Vision 2030.
- Increase member engagement through direct email messaging.
- Increasing awareness and recruiting members via Trust careers and apprenticeship events.
- Continuing with our social media campaign that targets a younger audience to drive membership recruitment within a younger age category.
- Strengthen the membership section on the website.
- Working closely with The Youth Forum to encourage patient member sign up.
- Re-launching membership and pathway options with a specific campaign involving a new website section, internal communications, social media messaging and sign-up stall in Atrium.
- Going digital where possible using the Trust website and social media. Bi-monthly newsletters are now communicated via email rather than mail. This supports the Trust's Green Plan ambitions.
- Continuing to weave the overarching Trust brand narrative and core messages through all communications to members.
- Encouraging staff to engage with membership by increasing the visibility of staff governors. This can be achieved through internal staff communication channels including Alder Hey Life.
- Look at how we strengthen mechanisms by which the Council of Governors can consider the views of the 'public at large'.

Membership Profile

Constituency	Number of Members 2024/25 (Actual as at 31 st March 2025)
Public	4,592
Patients & Parent Carer	4,289
Staff (Including Volunteers)	4,735
Total	13,616

Our Board of Directors

The Trust's constitution provides for a Board of Directors which is comprised of no more than seven executive and no more than eight non-executive directors excluding the Chair. All director roles have been occupied during 2024/25 in accordance with the strategy developed by the Trust in support of the constitution. The Trust considers that it operates a balanced, complete and unified Board with particular emphasis on achieving the optimum balance of appropriate skills and experience; this is reviewed whenever any vacancy arises and was rigorously tested in the year as part of the process to appoint executive directors and to appoint and re-appoint non-executive directors.

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

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

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

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

- Safety and Quality Assurance Committee
- Finance, Transformation and Performance Committee
- Audit and Risk Committee
- Futures Committee
- People Committee
- Remuneration and Appointments Committee

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

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

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

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

Independence of Non-Executive Directors

The Board considers all of its current non-executive directors to be independent. All appointments and re-appointments are made by the Council of Governors specifically to meet the requirements set out in the '*Code of governance for NHS provider trusts*'.

Board Performance

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

Attendance at Board of Directors and Key Board Committee Meetings

		Board of Directors	Audit and Risk Committee	Safety & Quality Assurance Committee	Finance, Transformation & Performance Committee	People Committee	Futures Committee
No. of Meetings Held 2024/25		11	5	11	12	6	5
Dame Jo Williams	Chair	11 Chair	-	-	11	-	-
Louise Shepherd	Chief Executive	6 of 6	-	-	-	-	2 of 3
Gerald Meehan	Non-Executive Director	10	3	9	-	-	-
Fiona Beveridge	Non-Executive Director	11	-	11 Chair	-	4	-
Jo Revill	Non-Executive Director	8	5	-	-	6 Chair	-
Shalni Arora	Non-Executive Director	9	-	-	11	-	5 Chair
John Kelly	Non-Executive Director	11	-	-	12 Chair	-	3
Kerry Byrne	Non-Executive Director	10	5	10	-	-	-
Garth Dallas	Non-Executive Director	11	-	-	-	4	5
John Grinnell	Managing Director / CFO	11	3/4 attended	-	9	-	5
Adam Bateman	Chief Operating Officer / Deputy Chief Executive	11	4/4 attended	7	9	4	5
Erica Saunders	Chief Corporate Affairs Officer	11	5 attended	9	9	5	3
Melissa Swindell	Chief People Officer	11	-	4	9	6	-
Alfie Bass	Chief Medical Officer	10	-	7	-	1	0

Nathan Askew	Chief Nursing, AHP and Experience Officer	11	-	10	-	3	0
Dani Jones	Chief Strategy and Partnerships Officer	10	-	-	12	-	2
Mark Flannagan	Dir. Marketing and Communications	0 of 1	-	-	-	6 Representative	-
Kate Warriner	Chief Transformation and Digital Officer	10	-	11	12	-	5
John Chester	Chief Scientific Officer	10	-	-	-	-	5
Rachel Lea	Interim CFO	10	5 attended	-	12	-	5

Audit and Risk Committee Report

The Audit and Risk Committee is comprised of Non-Executive Directors only, excluding the Trust Chair. The Committee was chaired by Kerry Byrne, a Non-Executive Director with 'recent relevant financial experience' which is best practice. The Interim Chief Finance Officer and Chief Corporate Affairs Officer, together with the Deputy Director of Finance, Chief Operating Officer and Assistant Director of Nursing and Governance, are invited to attend and the Committee may request the attendance of the Chief Executive and any other officer of the Trust to answer any points which may arise.

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

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

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

Internal Audit

The internal audit service is provided by Mersey Internal Audit Agency (MIAA), an independent provider of internal audit services for NHS and public sector organisations. The Director of Internal Audit Opinion and Annual Report for 2024/25 reports that MIAA have demonstrated their compliance with Public Sector Internal Audit Standards. Internal Audit provides an independent and objective opinion to the Accountable Officer, the Board and the Audit and Risk Committee on the degree to which risk management, internal control and governance support the achievement of the agreed objectives of the organisation.

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

The Audit and Risk Committee contributed to the risk assessment to inform and subsequently approve the content of the Internal Audit Plan for 2024/25. This Plan was structured to provide the Director of Internal Audit Opinion which gives an assessment of the:

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

The key conclusion from their work for 2024/25 as provided in the Director of Internal Audit Opinion and Annual Report, was that 'Substantial Assurance' can be given that there is a good system of internal control designed to meet the organisation's objectives and that controls are generally being applied consistently.

External Audit

The provision of external audit services is delivered by Ernst & Young, who, following a tendering exercise undertaken during summer 2022 were appointed by the Council of Governors in September 2022 for a three-year period (extendable to five years). The external audit fees for the three-year contract were at a fixed price of £502,000, covering the audit of the Trust's financial accounts and includes a total of 210 audit days per year.

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

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

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

The Audit and Risk Committee considered the external audit results for 2024/25 which confirmed there were no matters to report.

The Audit and Risk Committee members have had regular opportunities to meet in private with Internal Audit, External Audit the Counter Fraud Specialist and the Associate Director of Nursing and Governance during the year.

Five meetings were held during the financial year 2024/25, of which one in June was devoted to consideration of the auditors' report on the Annual Accounts and ISA 260. The Committee has an annual Work Plan with meetings timed to consider and act on specific issues within that plan.

Clinical Audit

The Audit and Risk Committee is responsible for the oversight of Clinical Audit activities, but the detailed oversight is undertaken by the Safety and Quality Assurance Committee on its behalf. The Committee received the Trust Clinical Audit Plan 2024/25 following its approval by SQAC. The Plan is designed to reflect mandatory national and regional audits, National Confidential Enquiries (NCE) and audits that the Trust has identified as areas of priority fulfilling the requirements of the NHS Quality Contract and Trust Quality Account.

The Clinical Effectiveness and Outcomes Group (CEOG) was established to oversee all clinical audit delivery reporting into SQAC. CEOG is chaired by a senior clinician and it endorses the Trust Clinical Audit Plan prior to approval by SQAC and oversees its delivery.

The Committee also receives the Clinical Audit Annual Report following its approval by CEOG and SQAC. The Report sets out whether the Trust has met the requirements of national and regional mandatory audits, and exceptions. In its Annual Report, SQAC provides assurance to Audit and Risk Committee as to the effectiveness of Clinical Audit.

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

- the Board Assurance Framework report;
- the Corporate Risk Register;

- a summary of the findings from internal audit reports in accordance with the approved 2024/25 Internal Audit Plan;
- a summary of the outcome of the progress in implementing internal audit recommendations that have passed their due date; and
- counter fraud reports in accordance with the approved 2024/25 Counter Fraud Plan.

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

- Annual Governance Statement.
- 2024/25 Annual Accounts (for the year ending 31 March 2025).
- External Audit report on the financial statements to 31 March 2025 and ISA 260.
- Internal Audit Charter.
- External Audit Year-End Report 2024/25.
- External Audit Strategy for the 2024/25 audit.
- Accounting issues relating to the 2024/25 Accounts.
- Accounting policies for the 2024/25 Accounts.
- Financial statement audit risks for 2024/25.
- Financial Governance Policy.
- Terms of Reference for the Audit and Risk Committee.
- Annual Reports from all the Trust's Assurance Committees.
- Gifts and Hospitality Registers.
- Update and assurances in relation to the cyber-attack experienced in November 2024.
- Assurances in relation to the implementation of InPhase.
- Outcome of a self-assessment of the effectiveness of the Audit and Risk Committee.
- Outcome of effectiveness reviews of External Audit, Internal Audit and Counter Fraud Service.
- Corporate Governance Manual inc. Standing Financial Instruction and Scheme of Reservation and Delegation.
- Third party assurance report in relation to the ELFS Payroll Service.
- Update on changes to the Procurement Act.
- Waiver Activity Report including exemptions to the waiver process.
- Reports from key risk areas including project assurance, clinical claims, non-clinical claims, data protection, cyber security, data quality and compliance with the Freedom of Information Act.
- Presentations of risk management processes within the divisions and corporate services.

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

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

NHS Oversight Framework

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

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

- a) objective and measurable eligibility criteria based on performance against the six oversight themes using the relevant oversight metrics (the themes are: quality of care, access and outcomes; people; preventing ill-health and reducing inequalities; leadership and capability; finance and use of resources; local strategic priorities)
- b) additional considerations focused on the assessment of system leadership and behaviours, and improvement capability and capacity.

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

Segmentation

Alder Hey has been placed in segment 2.

This segmentation information is the Trust's position as of 31st March 2025. Current segmentation information for NHS trusts and foundation trusts is published on the NHS England website: <https://www.england.nhs.uk/publication/nhs-system-oversight-framework-segmentation/>.

Voluntary Disclosures

Equality Report

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

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

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

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

NHS England has given Accounts Directions which require Alder Hey Children's NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those Directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Alder Hey Children's NHS Foundation Trust and of its income and expenditure, other items of comprehensive income and cash flows for the financial year.

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

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

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

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

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

Signed.



John Grinnell
Chief Executive
June 2025

Annual Governance Statement

Scope of responsibility

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

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Alder Hey Children's NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Alder Hey Children's NHS Foundation Trust for the year ended 31 March 2025 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

As Chief Executive and Accounting Officer, I have overall responsibility and accountability for risk management; I am informed of significant risk issues via the established reporting mechanisms and assurance committees, ensuring that my role in relation to risk management is fulfilled.

The Risk Management Strategy outlines the responsibilities of the Board of Directors (Executive and Non-Executive Directors), Deputy Directors, Associate Director of Nursing and Governance, Divisional Directors, Associate Chief Operating Officers, Associate Chief Nurses and Divisional Risk and Governance Leads.

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

Divisional Directors and Associate Chief Operating Officers and their senior teams, including Associate Chief Nurses and Risk and Governance Leads, are responsible for ensuring that risk management systems within the Divisions are effective and also meet the objectives outlined within the Risk Management Strategy. Divisional Boards have a key role in assuring the effectiveness of risk management, including regular scrutiny of Divisional risk registers. Associate Chief Nurses and Divisional Risk and Governance leads monitor and review incidents, risk assessments, claims and complaints and ensure that agreed actions are carried out and feedback is given to staff. For Corporate Services, Senior Managers are responsible for ensuring that risk management systems within the Divisions are effective and also meet the objectives outlined within the Risk Management Strategy. The Corporate Services Collaborative has a key role in assuring the effectiveness of risk management, including regular scrutiny of Corporate Services risk registers.

A new risk management training module was developed and delivered in 2024/25 to educate staff on the basics of risk management and how risk management can be used to support both staff and the organisation to achieve local and strategic objectives. Ward and department line managers ensure that relevant staff are trained on InPhase, the Trust's electronic risk and incident reporting system and that incidents are reported and actions taken as required. They provide feedback to staff, ensuring that Trust policies, procedures and guidelines are followed to minimise risk and share learning from incidents and near misses. Individuals are responsible for reporting any identified risks in order that they can be addressed and are accountable for ensuring their own competency and that their training needs are met in discussion with their line managers. They attend induction and statutory and mandatory training as required. They ensure that they practice within

the standards of their professional bodies, national standards and Trust policies, procedures and guidelines. The Trust's line management arrangements are designed to support staff and managers to manage risks; advice and guidance is available to all staff from the risk management team.

Now in its second year of use, great strides continue to be made with the InPhase system with full utilisation of several key modules and development of new dashboards to monitor key performance indicators.

Each year the Board undertakes a detailed strategic risk review to identify new or continued principal risks which might threaten the achievement of the Trust's 2030 Strategy. These risks are taken forward for the next financial year and overseen by the appropriate Executive Director. The Board of Directors maintained its regular and robust oversight of the Board Assurance Framework (BAF) during the year, with the assurance committees also keeping their related risks under regular review and where appropriate requesting further scrutiny of a particular risk or issue by another assurance committee. In addition, each assurance committee undertook a number of 'deep dives' of the strategic risks under its purview during the year, using a standard approach developed for consistency in helping to gauge risk appetite. The focus of these exercises was to review the rationale for the current score, examine the mitigations currently in place and establish if the actions planned were sufficiently robust. During the year, the Board and assurance committees continued to maintain oversight of corporate risks directly linked to the BAF risks allowing a line of sight on key operational risks that could threaten delivery of the strategic plan. The BAF continues to support the construction and delivery of the Board agenda and has contributed towards the achievement of a positive opinion from the Trust's Internal Auditors under the annual review of the Assurance Framework which states that:

Structure: The organisation's AF is structured to meet the NHS requirements of assurance best practice model.

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

Engagement: The AF is visibly used by the organisation.

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

The Trust received a rating of 'met requirements' for its AF confirmed by the Director of Audit Opinion for 2024/25.

The risk and control framework

Implementation of the Trust's Risk Management Strategy is monitored through the Audit and Risk Committee supported by the Executive-led Risk Management Forum. The Board of Directors and its assurance committees have maintained their focus on key risks in 2024/25 to ensure there is a strategic oversight of any changes to the organisation's risk profile.

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

- a definition of risk management;
- the Trust's policy statement and organisational philosophy in relation to risk management as an integral part of our corporate objectives, goals and management systems;
- strategic vision for risk management across the organisation;
- roles, responsibilities and accountabilities;

- governance structures in place to support risk management, including terms of reference of key committees.

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

The Trust uses a robust, well-established risk assessment process. Risks are analysed to determine their cause, their potential impact on patient and staff safety, the achievement of local objectives and strategic objectives, the likelihood of them occurring or recurring and how they may be managed. Risks are evaluated using the Trust's Framework for the Grading of Risks, which reflects industry best practice. This framework provides a consistent approach to the grading of risks as they are identified and enables all risks to be graded in the same manner against the same generic criteria. This allows for comparisons to be made between different types of risk and for judgments and decisions about risk appetite and the prioritisation of resource allocation to be made on that basis. It enables decisions to be taken about the level of management of each risk within the Trust. The Trust seeks to reduce risks to a level as low as reasonably practicable, however it is recognised that delivering healthcare carries inherent risks that can never be completely eradicated.

During the year regular monthly meetings continued to be held to validate risks on risk registers with operational teams, ensuring that risks are identified, assessed, transferred or mitigated, and reviewed in a timely way. Work has also continued to further develop the governance of risk processes thus providing assurance to the Trust Board regarding the effective management of risk.

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

- identification of principal risks to the achievement of strategic objectives;
- an assessment of the level of risk in-month, calculated in accordance with the Trust's risk matrix, described above;
- internal controls in place to manage the risks;
- identification of assurance mechanisms which relate to the effectiveness of the system of internal control;
- identification of gaps in controls and assurances;
- a target risk score that reflects the level of risk that the Board is prepared to accept; and
- the actions taken by the Trust to address control and assurance gaps.

During the year a core controls review of the Trust's risk management processes was undertaken by Mersey Internal Audit Agency resulting in a substantial assurance opinion. The review concluded that there is a good system of internal control designed to meet the system objectives, and that controls are generally being applied consistently.

The top three risks during the year were:

Risk	Key Controls
Children and young people waiting beyond the national standard to access planned care and urgent care.	• Clinical review of long waiting patients. • Working Group established to focus on eliminating patients waiting over 2 years past their intended review date. • Safe Waiting List Management Programme. • Additional weekend working in outpatients and theatres to increase capacity. • Digital outpatient channel established 'Attend Anywhere'. • Performance management system. • Transformation programme.

	• Use of Challenged Area Action Boards for collective improvement in waiting times. • Controls for waiting time in the Emergency Department. • Controls for referral to treatment times for planned care. • Controls for access to care in Community Paediatrics. • Controls for access to care in Specialist Mental Health Services. • Urgent operating lists.
Failure to meet financial targets, changing NHS regime and inability to meet the Trust's ongoing capital commitments.	• Organisation-wide financial plan. • NHSi financial regime, regulatory and ICS system. • Financial systems, budgetary control and financial reporting processes. • Capital Planning Review Group. • Divisional performance oversight at assurance committee level. • CIP subject to programme assessment and sub-committee performance management. • Deep dives into areas or departments that are off track with regards to performance and high financial risk area. • Financial Review Panel Meetings. • Financial Improvement – oversight of Plan delivery.
System working to deliver 2030 Strategy	• Joint development of new models of care on a wider footprint • PLACE Partnerships • Membership of CMAST & MHLDC Provider Collaboratives • Beyond – C&M CYP Transformation Programme hosted at Alder Hey. • Impact assessment re: delegation of specialist services into ICS guidance (national, regional, ICS level) to enable understanding of risks/opportunities and influence for CYP. • Horizon scanning - tracking of system / legislative developments, continued engagement and action planning.

The Trust's Risk Appetite Statement and tolerance levels were reviewed during 2024/25 as part of the annual review process and to consider risk appetite both in the context of the Trust's 2030 Strategy and changes to the NHS landscape. This resulted in a number of updates which were approved by the Board in September 2024.

Trust's risk appetite statement is linked to the various defined risk categories including safety and quality, regulation and compliance, financial environment and innovation, using a risk appetite framework based upon best practices promoted by the Good Governance Institute.

Category	Risk Appetite Statement	Risk appetite level	Risk threshold score
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Compliance and Regulatory	Alder Hey has is a MINIMAL risk appetite for risk which may compromise the Trust's compliance with its statutory duties and regulatory requirements.	LOW	4-6
Financial – Compliance	Alder Hey has a MINIMAL risk appetite to financial risk in respect of meeting its statutory duties.	LOW	4-6
Financial – Investment	Alder Hey has a MINIMAL appetite for risk to support investments for return and minimise the possibility of financial loss by managing associated risks to a tolerable level.	LOW	4-6
Commercial	Alder Hey has an OPEN appetite for investments which may grow the size of the organisation.	MEDIUM	10-12
Quality – Safety	Alder Hey has NO appetite for risk that compromises patient safety.	NONE	1-3
Quality – Effectiveness	Alder Hey has a MINIMAL risk appetite for risks that may compromise the delivery of outcomes for our patients	LOW	4-6
Workforce – Sustainability	Alder Hey has a CAUTIOUS risk appetite for risk that may threaten the sustainability of its workforce, in terms of numbers, skill, health and wellbeing.	MEDIUM	8-9
Workforce - EDI	Alder Hey has a CAUTIOUS risk appetite for risk which may compromise its plans to develop a more diverse and inclusive workforce.	MEDIUM	8-9
Workforce – Culture	Alder Hey has a CAUTIOUS risk appetite for risk which may compromise the ongoing development and sustainability of an organisational culture that enables staff and teams to thrive and deliver outstanding care to children and families.	MEDIUM	8-9
Reputation	Alder Hey has a CAUTIOUS risk appetite for actions and decisions that whilst taken in the interest of ensuring quality and sustainability of the patient in our care, may affect the reputation of the organisation	MEDIUM	8-9
Systems and Partnerships	Alder Hey has a CAUTIOUS risk appetite for system working and partnerships which will benefit our local population	MEDIUM	8-9
Clinical Innovation	Alder Hey has a SEEK risk appetite for clinical innovation that does not compromise quality of care.	HIGH	15-25
Environment	Alder Hey is committed to providing patient care in a safe environment and has an OPEN risk appetite for risks related to the Trust's estate and infrastructure except where they adversely impact on patient safety and regulatory compliance.	MEDIUM	10-12
Technology - Transformational Change	Alder Hey has a CAUTIOUS risk appetite in relation to delivering transformational change aligned to the Trust's Strategy	MEDIUM	8-9
Technology – Cyber Security	Alder Hey has a MINIMAL appetite for risk relating to exposure or loss resulting from a Cyberattack.	LOW	4-6

Work remains ongoing in relation to the practical application of risk appetite at an operational level; ahead of a Trust wide roll out, via a pilot of the approach within the Community and Mental Health Division, which is testing out the tolerances against their current risks.

A cornerstone of the Trust's approach to risk is to continue to further embed risk management within its clinical divisions and corporate functions. In order to achieve that, each division and corporate function has a lead for risk and governance who acts as the focus for the various aspects of governance and risk management within their area. They coordinate all such work and liaise with the Risk Management team and

with other governance professionals across the Trust. Regular updates to departmental and divisional risk registers are fed into the Corporate Risk Register. The Risk Management Forum engages in an active analysis of the Corporate Risk Register (a subset of the Trust Risk Register for risks scored 15+) and Trust Risk Register (all Trust risks) report at each meeting taken in the broader context of the Board Assurance Framework. The Forum also invites specific risk owners to present a deep dive of a particular risk at each meeting, usually as a result of the position that has emerged during the analysis of the corporate risk register at the previous meeting. The deep dives often lead to escalation of the particular risk to another senior forum such as the Executive team or an assurance committee.

Alder Hey actively collaborates with partners across the Cheshire and Mersey system to review and manage risks and issues proactively, collaboratively and collectively. An example of effective collaboration of risk management to prevent patient harm and a safer service for young babies is the Liverpool Neonatal Partnership (LNP). By working together within a partnership Alder Hey and Liverpool Women's NHS Foundation Trust are changing how neonatal services are delivered to families across the North West providing the very best neonatology and surgical expertise, ensuring the highest standards of care and the very best clinical outcomes.

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

Particular issues and areas for improvement are identified via aggregated performance data across the same metrics used to monitor performance within the clinical Divisions. In addition to workforce and financial data, the monthly collaborative meetings which are chaired by the Chief Corporate Affairs Officer and attended by corporate heads of department or deputy directors, also look at a corporate services risk register for risks scored 12+. The group uses a 'hot spots' approach to focus on particular areas of risk. This collective and mutually supportive methodology has been welcomed by participants as a means of reducing the risk of 'silo' working across these areas and look for opportunities for sharing of good practice, resources and solutions in order to better support clinical service provision.

During the year 2024/25, Alder Hey continually demonstrated a strong incident reporting culture. There was a sustained improvement in the Trust's performance position in relation to incident reporting compared to previous years with a total of 9,078 incidents recorded compared to 8,572 in 2023/24.

The Trust transitioned to the Learn from Patient Safety Events (LFPSE) service in May 2023. Work remains ongoing with NHS England to produce a new recorded data dashboard (RDD). Towards the end of last year, NHS England made the RDD available exclusively to providers to support in identifying and resolving any data quality issues between what is stored in LFPSE compared to the data stored within our local risk management system (InPhase).

A local data validation exercise was undertaken and feedback shared with NHS England and InPhase. Mitigations have been put in place where discrepancies have been identified as far as possible, and work will continue to validate the data locally on an ongoing basis prior to wider publication of the RDD.

During the year MIAA undertook an audit to evaluate the operating effectiveness and controls and level of consistency in place for the management, recording, monitoring and reporting of incidents following the adoption of PSIRF which resulted in a substantial opinion.

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

Alder Hey continues to operate a successful clinically led management model, with the Divisional clinical directors for medicine, surgery, community and mental health services and research and innovation attending all board meetings as members of the Executive team. This has demonstrably improved

engagement and cross-divisional working over the nine years it has been in operation, also providing enriched debate and decision-making. This way of working is now fully embedded within the Trust's governance mechanisms and underpins the operation of the unitary board concept.

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

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

In September 2024, the Care Quality Commission inspected compliance with the Ionising Radiation (Medical Exposure) Regulations 2017 (IR(ME)R). During this inspection, CQC identified areas of good practice with no safety concerns, there were however areas for improvement which resulted in an Improvement Notice being issued to the Trust.

The Trust was required to submit an action plan to CQC inspectors to address the recommendations and resolve the regulatory contraventions within a 12-week timeframe. Implementation of the action plan was overseen by the Safety and Quality Assurance Committee of the Board. All actions were completed within the specified timeframe and CQC confirmed that it was assured that the measures taken or planned will maintain compliance with IR(ME)R in the future. On 20th December 2024, the Trust received confirmation that the enforcement and inspection file were closed, and that the Improvement Notice was removed.

On 21st March 2025 the Trust received notification from CQC that they would inspect the Trust's Specialist Mental Health services on 25th, 26th & 27th March 2025. At the time of writing this report the Trust is awaiting the findings from the inspection.

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

Regular engagement meetings continued to be held between the Trust's local CQC inspectors and a number of the Executive Directors during the year. This has provided an invaluable means by which to continually self-assess performance against expected standards. The Trust has worked with CQC colleagues to develop an ongoing dialogue with regard to the performance of the Trust's core services based on an agreed data set submitted to the inspectors in advance. More recently the meetings have moved to an exception-based approach in order to drill down into specific incidents or services. The Trust has found this ongoing relationship to be a positive and constructive one, as well as a means of sharing information with regard to how the CQC is progressing with the implementation of its strategy and evolving approach to inspection.

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

SQAC is supported by a clinical effectiveness and outcomes group, the patient safety board and patient experience group to enable an improved model of oversight and quality assurance. Regular reports are received from each of these groups providing assurance of the underpinning work ongoing to deliver the Trust's Quality Strategy. The work of the Audit and Risk Committee complements this by discharging its

responsibility for the maintenance of an effective system of integrated governance, risk management and internal control across the whole of the organisation's activities.

The Trust continued with its Quality Assurance Round (QAR) process in 2024/25. The key purpose of these is to demonstrate to the Board the golden thread of quality assurance from ward to board and as such they have continued to be attended by the multidisciplinary teams and executive and non-executive directors and governors. The rounds facilitate a deep dive at ward/department/specialty level into quality, safety and performance, focusing on areas of good practice and actions being taken at a local level to address any identified risks. The rounds are also an opportunity for teams to seek and gain support from executives and non-executives for any areas of patient safety, experience and effectiveness they have concerns about. The assurance rounds provide both quantitative and qualitative information to demonstrate that the services are safe, effective, responsive, caring and well-led in line with the CQC's five domains.

During the year a total of 32 QAR's were held with widespread coverage across our complex service portfolio. Key themes to emerge from the process were as follows:

Successes

- Collaborative working
- Staff resilience
- Services demonstrate best practice
- Achievement of national standards
- Use of innovation through the ISLA digital platform
- Staff go above and beyond
- Strong relationships with parent forums

Challenges

- Recruitment and workforce Issues
- Service delivery concerns
- Technology
- National medication shortages
- Transition of patients to adult services

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

The Integrated Performance Report (IPR) remains the principal mechanism for ensuring that the Board and assurance committees receive timely, accurate and comprehensive information on the performance of the organisation. The report is structured around the CQC Domains and continues to align to the Trust's strategic objectives and priorities, in line with the Annual Plan and implementation of Vision 2030. During the year, the Board undertook a review of the IPR in line with national planning guidance and the Trust Integrated Annual Plan applying the principles of continuous improvement and agreed the following changes:

- Changes to the format of the IPR to show greater alignment to the five Strategic Goals (whilst still annotating CQC domains for assurance and transparency).
- Incorporate headline Strategic metrics, alongside core operational performance, into a single IPR.
- Updates to current suite of metrics.
- All agreed metrics and narrative will be included in the IPR on a monthly basis (not quarterly) to ensure consistency of reporting to Trust Board.

The new report was implemented from June 2024. The IPR remains consistent with national recommendations from 'making data count' and Alder Hey has been recognised nationally as one of a handful of trusts which meet all the best practice criteria.

The Board continues to receive a real time 'flash report' to capture headline performance metrics straight after month end to enable immediate oversight of emerging issues without any data lag.

The Trust has continued with its Brilliant Basics programme – our vehicle for quality improvement. The aim of Brilliant Basics is to drive strategy into action through a number of workstreams, managed by an Executive scorecard to provide a monthly snapshot of whether the organisation is moving towards delivery against its strategic priority areas. This dashboard consists of driver and watch metrics which will assist the Board and assurance committees in measuring effectiveness. At the heart of our commitment to delivering outstanding healthcare to Children and Young People our improvement approach, Brilliant Basics, remains fundamental. Throughout the year, we have continued to facilitate initiatives aimed at enhancing patient care, ensuring safety, and improving efficiency. Our improvement efforts are focused on building improvement capability and capacity, using data to focus our attention on what matters most, optimising processes, and fostering a culture of continuous learning and improvement.

Industrial action continued into 2024 with resident doctors (previously referred to as junior doctors) participating in lawful industrial action for an agreed period with regard to historical pay issues and their impact. The Trust engaged fully with regional and national representatives and strike committees to ensure that there was clarity with regard to service derogations and that commensurate internal contingency plans were in place. The first priority for all concerned was the continuing safety of our patients and preservation of the highest quality services. At no time was this compromised and Alder Hey was pleased to work in partnership with trade union colleagues and staff to ensure that this promise was upheld. As part of this process, the Executive Team reinstated the Gold Command structure that it had effectively employed during prior strike action to manage business continuity issues. This tried and tested system ensured that the organisation was safely managed for the duration of each period of industrial action with no patient safety issues reported.

Although in 2024/25 the Board undertook no formal review of its performance against the Well Led Governance Framework, it engaged in a wide range of activities to ensure that the organisation was continuing to follow best practice in leadership and good governance. Focus continued to be placed upon: effective ward to board governance and assurance; the effective management of emerging risks; and the demonstration of strong and supportive leadership at all levels.

Good communication is fundamental to this and the all staff live briefings continued in the year, in the format of a weekly 'Ask the Execs' question and answer session with a monthly post-Board broadcast to give timely feedback from the meeting. The Staff Advice and Liaison Service (SALS) continued to provide vital support to staff in relation to their health and wellbeing and the Trust continued to work on implementation of the national Wellbeing Guardian principles led by Jo Revill, one of our Non-Executive Directors, underpinning both the SALS concept and Trust Values. There has continued to be significant focus for the Board on providing resources for staff to have their voice heard at Alder Hey, alongside the well-established Freedom to Speak Up model. The Board was pleased to see that the results of the 2024 staff survey demonstrated that staff continue to feel confident to raise concerns about unsafe practice and that they will be acted upon.

The Board undertook its annual formal gap analysis against the conditions contained within its Provider License during the year. With regard to Condition FT4 – NHS foundation trust governance arrangements, the exercise did not identify any material risks to compliance with this condition. Alder Hey remains in segment '2' under NHS England's Oversight Framework – providers offered targeted support - reflecting the Trust's financial position.

As previously described, the Board continues to keep its governance arrangements under regular review and itself appraised of any new guidance or best practice advice that is published through the year. It also maintains oversight of any related national consultation processes, for example in relation to the proposals for the regulation of NHS managers.

The Board's assurance committees each provide an annual report on its work to the Board, describing how the committee has fulfilled its terms of reference and annual work plan and outlining key areas of focus during the year, together with an overview of its priorities for the coming year. These are also submitted to the Audit and Risk Committee for it to assure itself that the activities of the committees are contributing effectively to the Trust's overall control environment and that the work of the assurance committees is directly linked to the Board Assurance Framework. The assurance committees review their terms of reference on an

annual basis to provide assurance to the Board that its structures continue to reflect the changing needs of the organisation and the environment in which it operates, including clear lines of accountability.

The Trust has in place an established process for incorporating Equality Impact Assessments (EIAs) into the organisation's decision-making mechanisms. The purpose of this was to secure better integration from a process perspective and ensure that the Trust is properly responding to the different needs of staff and patients to meet its statutory and policy obligations, as well as its own values and the commitments made under the NHS Constitution. The EIA process is carried out in relation to the development of Trust policies or procedures, service redesign or development, strategic or business planning, organisational changes affecting patients, employees or both, procurement, cost improvement programmes and the commissioning or decommissioning of services. Subsequently, the EIA process was embedded into the Quality Impact Assessment process in order to inextricably link the two key priorities.

Control measures are in place to ensure that the organisation's obligations under the Equality Act 2010 are complied with. The Trust maintains continuing compliance with the statutory and regulatory duties that are related to the Equality Act 2010, with the publication of information to meet the Public Sector Equality Duty. The Trust's Equality Objectives will continue to be aligned with NHS EDI Improvement Plan EDS22, WRES, WDES and Gender Pay Gap and will respond to the associated commissioning requirements.

Arrangements for the strategic oversight of progress towards the Trust's Equality Objectives have continued to be a key priority during the year. The Equality, Diversity, and Inclusion Steering Group, chaired by Non-Executive Director, Garth Dallas, plays a crucial governance role in providing strategic coherence and oversight across all matters related to equality, diversity and inclusion.

The Trust has four thriving staff networks which are playing an increasingly central role in the organisation: LGBTQIA+, ACE (Disability Network), REACH (black and minority ethnic), and the Armed Forces Community. There is also a strong Menopause Support Group for staff. In addition, the Trust has signed up to the North West BAME Assembly Anti-Racist Framework and will be working with the REACH Network leads to explore and agree future actions. During the year, the Trust published its new Anti-Racism Statement and Commitment, developed in partnership with a range of stakeholders, including our REACH Staff Network and EDI Lead setting out Alder Hey's responsibilities and actions in this crucial sphere.

The Trust has reviewed the *Developing Workforce Safeguards* recommendations issued by NHS Improvement in October 2018 and is confident that the principles are embedded in the existing workforce planning framework. The Chief Nurse reports annually to the Trust Board with regard to standards and processes to provide assurance that nursing staffing is safe, effective and sustainable in accordance with CQC's well-led assessment. During the year, Alder Hey continued to proactively and successfully recruit registered nursing staff to ensure safe nurse staffing levels, and our preceptorship framework has been fully implemented. In addition, the Trust successfully recruited to key senior nursing leadership posts in 2024/25, including the new role of Associate Director of Workforce, Education and Quality, as well as Heads of Nursing in the Division of Surgery, and the Trust has continued to support the role of lead for nurse retention.

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

The foundation trust has undertaken risk assessments on the effects of climate change and severe weather and developed a Green Plan following the guidance of the Greener NHS Programme. The Trust ensures that its obligations under the Climate Change Act and the Adaption Reporting requirements are complied with. We continue to invest in our Green Plan with a key focus moving our buildings towards net zero. We recently secured over £500,000 of funding from NHSE to start the roll out of LED lights across the site. We are collaborating with our colleagues across Cheshire and Merseyside in developing best practice and have contributed to developing the new Net Zero Carbon building standard and new NHS energy management practice.

In terms of the Trust's Emergency Preparedness, Resilience and Response (EPRR) Core Standards return, the Trust remains 'non-compliant', in common with many other trusts due to a much more stringent check and challenge processes introduced during 2023/24. Work continues to progress a robust remedial action plan agreed with ICB partners to improve compliance overseen by a dedicated Emergency Preparedness Group.

The Trust has published on its website an up-to-date register of interests, including gifts and hospitality, for decision-making staff (as defined by the trust with reference to the guidance) within the past twelve months, as required by the '*Managing Conflicts of Interest in the NHS*' guidance. Members of the public can view register by visiting <https://alderhey.mydeclarations.co.uk/home>

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

As Accounting Officer, I am responsible for ensuring arrangements are in place for securing value for money in the use of the Trust's resources. The financial plan is approved by the Board and submitted to Cheshire and Merseyside Integrated Care Board (ICB) and NHS England. The plan, including forward projections, is monitored in detail by the Finance, Transformation and Performance Committee, an assurance committee of the Board. During 2024/25, the Trust continued to review a number of operational efficiency metrics through the Integrated Performance Report including productivity and recovery. The Trust's resources are managed within the framework set by the Corporate Governance Manual, which includes Standing Financial Instructions and Scheme of Reservation and Delegation. Financial governance arrangements are reviewed by internal and external audit to ensure economic, efficient and effective use of resources.

The Trust made good progress on reducing care backlogs, meeting the target set by the national team with no RTT waiters over 65 weeks as at March 2025 and no patients waiting over 52 weeks in CAMHS and Community Paediatrics. Performance against the national 4-hour Emergency Department target was 82.7%, compliant with the national standard of 78%.

During 2024/25, our contracting arrangements have continued to follow the simplified financial framework put into place in 2022/23.

The key areas of the 2024/25 financial framework included:

- Continuation of a system level financial envelope and expectation of system financial balance
- Continuation of block income payments with exception of Elective Care.
- Continuation of a national Elective Recovery Fund (ERF) with providers paid on a Payment by Results (PBR) model for activity levels delivered.
- Recovery target set by each commissioner for Elective care based on exceeding pre pandemic levels.
- Continued emphasis on system working and collaboration.
- Introduction of Commissioner level cap for Elective Recovery Fund (ERF) to manage the overall national funding envelope

The Trust has continued to play an active role in the Cheshire and Mersey system in providing a robust response to the financial challenges set out. During the year, the Board has continued to shape the financial strategy that will ensure delivery of the 2030 Vision and our financial sustainability.

The Directors have considered and kept under review throughout the year the financial governance framework that operates within the Trust and its flexibility in order to maintain our response to the financial challenges imposed upon the organisation and the Cheshire and Mersey system.

Taking into account potential planning scenarios and the robust financial framework and governance structures in place within the Trust, the Directors have a reasonable expectation that the NHS Foundation Trust will have adequate resources to continue in operational existence for the foreseeable future.

Financial Governance and Intelligence

- Alder Hey is nationally recognised for finance staff development and training as a Level 2 Finance Skills Development accredited organisation.
- We continue to embed the workforce sustainability plan across the Trust with successful achievement of the NHSE agency cap threshold in year.
- To deliver the arrangements for 2024/25 the Trust set robust budgets signed off in line with the SFIs (Standing Financial Instructions) of the organisation. In year monitoring was undertaken through the appropriate governance process and escalation where required.
- The Finance, Transformation and Performance Committee received monthly assurance on the ongoing financial position and associated risks.
- The Trust continued to report financial position and risks to the ICB on a monthly basis alongside formal submission to NHSE.
- The Trust continue to focus on cost reduction and efficiency in light of the national funding envelope. Towards end of 2024/25 the Trust has initiated a Financial Improvement Programme which will continue in 2025/26 financial year and support the delivery of financial targets.

Operationally, the Executive team uses a range of mechanisms through which it monitors performance, identifies emerging risks to delivery and takes mitigating action to address issues as they arise. These processes have continued during the year and include three times daily patient flow huddles, a weekly activity meeting and a weekly dashboard report to the Executive team meeting.

The Board's assurance system is underpinned by the work of the Trust's internal auditors, Mersey Internal Audit Agency (MIAA) which is overseen by the Audit and Risk Committee. Each year the Committee agrees an audit programme which aims to focus on areas of weakness or potential risk in internal control and make recommendations to address deficits where these are identified. MIAA retain a database of agreed management actions arising from audits and these are followed up by the Audit and Risk Committee until completed. During the last 12 months the Committee Chair has retained a strong focus on the processes around the monitoring of the implementation of internal audit recommendations and the provision of regular reports both from lead officers and internal audit, to ensure that agreed action is undertaken on a timely basis.

In addition, the Trust engages MIAA to provide Counter Fraud Services. The Local Counter Fraud Specialist, supported by the Trust, has continued to enhance the overall anti-fraud arrangements at Alder Hey through the conduct of a range of agreed proactive activities specified in the Trust's Anti-Fraud Work Plan for 2024/25 as well as undertaking investigations as required. Routine reports on progress against its delivery are received by the Audit and Risk Committee. The key to the success of these activities is the achievement of outcomes across the defined areas of anti-fraud work.

Audit & Risk Committee has a robust programme of effectiveness reviews of Audit & Risk Committee itself as well as for Internal and External Audit and the Counter-Fraud Service. A detailed review of each area is undertaken every three years with a "light touch" review in between. A Log of actions resulting from these reviews is maintained and monitored on an ongoing basis.

Information Governance

The Data Security and Protection Toolkit (DSPT) v7 for 2024/25 has undergone significant change to adopt the National Cyber Security Centre's Cyber Assessment Framework (CAF) as its basis for cyber security and IG assurance. The Trust submitted an interim assessment in December 2024 and will publish its final submission by 30th June 2025. The submission process is supported by an independent two-phase audit process by Mersey Internal Audit Agency with an assurance opinion provided regarding robustness of evidence against the revised standards.

The information governance function continues to deliver a broad workplan and works collaboratively with the wider digital and cyber security service. Assurance of compliance and reporting of key information governance activities are reported and monitored through the Trust's governance and committee structures.

During 2024/25, no data security incidents were reported to the Information Commissioners Office (ICO).

In November 2024, Alder Hey was part of a multi organisational cyber incident whereby criminals claimed to have accessed, obtained and published information unlawfully from the Trust.

Following an intensive forensic investigation with NHSE, KPMG and other partners, it was established that no data published or accessed unlawfully was accessed from within Alder Hey or related to Alder Hey patients, families or our staff. The hackers did not gain access to any data or systems held within Alder Hey. The Trust remains committed to and places high emphasis upon the protection of our systems and data and will ensure that all learning from this incident is used to reinforce cyber security and resilience arrangements.

An internal and system wide debrief from the incident was held from which learnings are in the process of being implemented across all organisations within Cheshire and Merseyside.

The Trust recognises the importance of data security and the threat to digital services through cyber-attacks and has implemented measures to reduce the risks from ransomware and computer viruses. This includes the implementation of a suite of local tools alongside utilising monitoring software from the National Cyber Security Operations Centre.

The Trust has an ongoing Cyber Improvement Plan overseen by the Audit and Risk Committee and the Trust continues to seek external assurance on cyber security through completion of the Data Standards and Protection Toolkit alongside the Cyber Assurance Framework.

Finally, the Trust is in the process of strengthening its Cyber resources in response to the increased threat of Cyber-attacks.

Data Quality and Governance

The Chief Medical Officer and Chief Nursing Officer are jointly responsible at Board level for leading the quality agenda within the Trust, supported by the Director of Nursing and Associate Director of Risk and Governance. The Chief Operating Officer, supported by the divisional Associate Chief Operating Officers, is responsible for access to services and the Chief Transformation and Digital Officer is responsible for data quality.

During the year the Trust's internal quality and performance metrics, which form the Integrated Performance Report, continued to be reported and scrutinised by the relevant Trust committees. The quality metrics are reviewed in detail by the Safety and Quality Assurance Committee and the totality of indicators by the Board of Directors on a monthly basis.

In the 2024, a significant amount of work was undertaken by the Trust in relation to data and quality:

- Safe Follow up care programme which has focussed on validating patients on the Waiting List ensuring the list is up to date and accurate
- Expansion on clinical intelligence such as Measles and Pertussis Tracing, Sepsis Reporting & Notifications
- New commissioning datasets: ECDS V4, CDS v6.3, ePMA, Faster Data Flows & SHREWD
- The Data Quality Steering Group being redeveloped which will meet regularly and report into Digital Centre of Excellence.

Review of effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors,

clinical audit and the executive managers and clinical leads within the NHS foundation trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board and the Audit and Risk Committee a plan to address weaknesses and ensure continuous improvement of the system is in place.

The process that has been applied in maintaining and reviewing the effectiveness of the system of internal control includes the following elements:

- Head of Internal Audit Opinion;
- the Board of Directors provides active leadership of the Trust within a framework of prudent controls that enable risk to be assessed and managed;
- the Audit and Risk Committee, as part of an integrated governance structure, is pivotal in advising the Board on the effectiveness of the system of internal control;
- the Assurance Committees of the Board are key components by which I am able to assess the effectiveness and assure the Board of risk management generally and clinical risk in particular via the Safety and Quality Assurance Committee, supported by the Risk Management Forum and Divisional Performance reviews;
- Internal Audit provides quarterly reports to the Audit and Risk Committee and full reports to the Chief Finance Officer and other Trust Officers;
- routine reports from Counter Fraud to the Audit and Risk Committee against delivery of the Trust's Anti-Fraud Work Plan;
- the Interim Chief Finance Officer also meets regularly with internal and external Audit Managers;
- the Audit and Risk Committee holds clinical divisions and corporate departments to account for the effective management of their key risks via the Risk Management Forum;
- other explicit review and assurance mechanisms include divisional risk registers linked to the Trust's operational plan and a range of independent assessments against key areas of control, as set out in the Assurance Framework.
- Full registration with the CQC.

Any significant internal control issues would be reported to the Board via the appropriate Assurance Committee.

I receive reports from Royal Colleges and following Deanery visits; although these remain fewer in number since the pandemic, there have been other independent assessments against key areas of control which provide assurance, for example:

- Human Tissue Authority
- UKAS Inspection (Medical Laboratories)
- Patient Led Assessments of the Care Environment
- NHS Pay Review Body
- Quality Network for Inpatient CAMHS (QNIC)
- JACIE accreditation for transplant services
- NICOR – cardiac surgery.

The Board of Directors is committed to continuous improvement and development of the system of internal control and the recommendations from all visits and inspections are monitored through the Trust's governance processes until completion.

Conclusion

In conclusion, for 2024/25 no significant internal control issues have been identified.

Signed:



John Grinnell
Chief Executive
26th June 2025

Annual Accounts

Foreword to the Accounts

These accounts, for the year ended 31 March 2025, have been prepared by Alder Hey Children's NHS Foundation Trust in accordance with paragraphs 24 & 25 of schedule 7 within the National Health Service Act 2006.

Signed:



John Grinnell
Chief Executive
26th June 2025

Statement of Comprehensive Income

		2024/25	2023/24
	Note	£000	£000
Operating income from patient care activities	3	411,815	379,299
Other operating income	4	42,698	36,626
Operating expenses	7,9	(453,603)	(410,726)
Operating surplus from continuing operations		910	5,198
Finance income	11	3,078	4,403
Finance expenses	12	(9,976)	(12,701)
PDC dividends payable		(3,620)	(3,042)
Net finance costs		(10,518)	(11,340)
Other (losses)	13	(266)	(369)
Share of profit / (losses) of associates / joint arrangements	21	-	-
Gains / (losses) arising from transfers by absorption	45	-	-
Corporation tax expense		-	-
(Deficit) for the year from continuing operations		(9,874)	(6,511)
Surplus / (deficit) on discontinued operations and the gain / (loss) on disposal of discontinued operations	15	-	-
(Deficit) for the year		(9,874)	(6,511)
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	8	(445)	-
Revaluations	18	300	156
Share of comprehensive income from associates and joint ventures	21	-	-
Fair value gains / (losses) on equity instruments designated at fair value			
through OC Remeasurements of the net defined benefit pension scheme liability /	22	-	-
asset	38	-	-
May be reclassified to income and expenditure when certain conditions are met:			
Fair value gains/(losses) on financial assets mandated at fair value through OCI	22	-	-
Recycling gains/(losses) on disposal of financial assets mandated at fair value through OCI	13	-	-
Total comprehensive (expense) for the period		(10,019)	(6,355)
Adjusted financial performance (control total basis):			
Surplus / (deficit) for the period		(9,874)	(6,511)
Remove net impairments not scoring to the Departmental expenditure limit		10,092	12,390
Remove (gains) / losses on transfers by absorption		-	-
Remove I&E impact of capital grants and donations		(1,226)	1,018
Remove I&E impact of IFRIC 12 schemes on an IFRS 16 basis		21,215	11,806
Add back I&E impact of IFRIC 12 schemes on former UK GAAP basis		(18,355)	
Add back I&E impact of IFRIC 12 schemes on an IAS 17 basis			(8,370)
Adjusted financial performance surplus		1,852	10,333

Statement of Financial Position

		31 March 2025 £000	31 March 2024 £000
	Note		
Non-current assets			
Intangible assets	15	23,005	28,602
Property, plant and equipment	16	261,122	263,504
Right of use assets	19	5,387	5,540
Investment property	20	-	-
Investments in associates and joint ventures	21	-	-
Other investments / financial assets	22	-	-
Receivables	25	313	299
Other assets	27	-	-
Total non-current assets		289,827	297,945
Current assets			
Inventories		4,784	4,972
Receivables	24	31,272	20,831
Other investments / financial assets	25	-	-
Other assets	22	-	-
Non-current assets for sale and assets in disposal groups	27	-	-
Cash and cash equivalents	28.1	53,712	78,280
Total current assets	29	89,768	104,083
Current liabilities			
Trade and other payables		(50,386)	(59,637)
Borrowings	30	(6,227)	(5,190)
Other financial liabilities	32	-	-
Provisions	33	(2,579)	(7,839)
Other liabilities	34	(7,154)	(1,955)
Liabilities in disposal groups	31	-	-
	28.2		
Total current liabilities		(66,346)	(74,621)
Total assets less current liabilities		313,249	327,407
Non-current liabilities			
Trade and other payables	30	-	-
Borrowings	32	(132,963)	(138,750)
Other financial liabilities	33	-	-
Provisions	34	(594)	(635)
Other liabilities	31	(2,673)	(2,850)
Total non-current liabilities		(136,230)	(142,235)
Total assets employed		177,019	185,172
Financed by			
Public dividend capital		109,805	107,939
Revaluation reserve		20,918	21,063
Financial assets reserve		-	-
Other reserves		-	-
Merger reserve		-	-
Income and expenditure reserve		46,296	56,170
Total taxpayers' equity		177,019	185,172

The notes on pages 158 to 217 form part of these accounts.

Name	John Grinnell
Position	Chief Executive
Date	26 June 2025

A handwritten signature in black ink, appearing to read "John Grinnell". The signature is written in a cursive, flowing style.

Statement of Changes in Taxpayers Equity for the year ended 31 March 2025

	Public dividend capital	Revaluation reserve	Financial assets reserve	Other reserves	Merger reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2024 - brought forward	107,939	21,063	-	-	-	56,170	185,172
(Deficit) for the year	-	-	-	-	-	(9,874)	(9,874)
Transfers by absorption: transfers between reserves	-	-	-	-	-	-	-
Transfer from revaluation reserve to income and expenditure reserve for impairments arising from consumption of economic benefits	-	-	-	-	-	-	-
Other transfers between reserves	-	-	-	-	-	-	-
Impairments	-	(445)	-	-	-	-	(445)
Revaluations	-	300	-	-	-	-	300
Transfer to retained earnings on disposal of assets	-	-	-	-	-	-	-
Share of comprehensive income from associates and joint ventures	-	-	-	-	-	-	-
Fair value gains/(losses) on financial assets mandated at fair value through OCI	-	-	-	-	-	-	-
Fair value gains/(losses) on equity instruments designated at fair value through OCI	-	-	-	-	-	-	-
Recycling gains/(losses) on disposal of financial assets mandated at fair value through OCI	-	-	-	-	-	-	-
Foreign exchange gains/(losses) recognised directly through OCI	-	-	-	-	-	-	-
Other recognised gains and losses	-	-	-	-	-	-	-
Remeasurements of the defined net benefit pension scheme liability/asset	-	-	-	-	-	-	-
Public dividend capital received	1,866	-	-	-	-	-	1,866
Public dividend capital repaid	-	-	-	-	-	-	-
Public dividend capital written off	-	-	-	-	-	-	-
Other movements in public dividend capital in year	-	-	-	-	-	-	-
Other reserve movements	-	-	-	-	-	-	-
Taxpayers' and others' equity at 31 March 2025	109,805	20,918	-	-	-	46,296	177,019

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

	Public dividend capital £000	Revaluation reserve £000	Financial assets reserve £000	Other reserves £000		Merger reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2023 - brought forward	99,299	20,907	-	-	-	-	68,823	189,029
Application of IFRS 16 measurement principles to PFI liability on 1 April 2023	-	-	-	-	-	-	(6,143)	(6,143)
(Deficit) for the year	-	-	-	-	-	-	(6,511)	(6,511)
Transfers by absorption: transfers between reserves	-	-	-	-	-	-	-	-
Transfer from revaluation reserve to income and expenditure reserve for impairments arising from consumption of economic benefits	-	-	-	-	-	-	-	-
Other transfers between reserves	-	-	-	-	-	-	-	-
Impairments	-	-	-	-	-	-	-	-
Revaluations	-	156	-	-	-	-	-	156
Transfer to retained earnings on disposal of assets	-	-	-	-	-	-	-	-
Share of comprehensive income from associates and joint ventures	-	-	-	-	-	-	-	-
Fair value gains/(losses) on financial assets mandated at fair value through OCI	-	-	-	-	-	-	-	-
Fair value gains/(losses) on equity instruments designated at fair value through OCI	-	-	-	-	-	-	-	-
Recycling gains/(losses) on disposal of financial assets mandated at fair value through OCI	-	-	-	-	-	-	-	-
Foreign exchange gains/(losses) recognised directly through OCI	-	-	-	-	-	-	-	-
Other recognised gains and losses	-	-	-	-	-	-	-	-
Remeasurements of the defined net benefit pension scheme liability/asset	-	-	-	-	-	-	-	-
Public dividend capital received	8,640	-	-	-	-	-	-	8,640
Public dividend capital repaid	-	-	-	-	-	-	-	-
Public dividend capital written off	-	-	-	-	-	-	-	-
Other movements in public dividend capital in year	-	-	-	-	-	-	-	-
Other reserve movements	-	-	-	-	-	-	-	-
Taxpayers' and others' equity at 31 March 2024	107,939	21,063	-	-	-	-	56,170	185,172

Information on reserves

Public dividend capital

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

Revaluation reserve

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

Financial assets reserve

This reserve comprises changes in the fair value of financial assets measured at fair value through other comprehensive income. When these instruments are derecognised, cumulative gains or losses previously recognised as other comprehensive income or expenditure are recycled to income or expenditure, unless the assets are equity instruments measured at fair value through other comprehensive income as a result of irrevocable election at recognition.

Other reserves

The Trust has no other reserves

Merger reserve

This legacy reserve reflects balances formed on previous mergers of NHS bodies.

Income and expenditure reserve

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

Statement of Cash Flows

		2024/25	2023/24
	Note	£000	£000
Cash flows from operating activities			
Operating surplus		910	5,198
Non-cash income and expense:			
Depreciation and amortisation	7.1	18,989	16,577
Net impairments	8	10,092	12,390
Income recognised in respect of capital donations	4	(3,099)	(851)
Amortisation of PFI deferred credit		(137)	(137)
(Increase) / decrease in receivables and other assets		(10,649)	8,263
(Increase) / decrease in inventories		188	(523)
Increase / (decrease) in payables and other liabilities		(636)	(14,843)
Increase / (decrease) in provisions		(5,312)	(4,950)
Net cash flows from / (used in) operating activities		10,346	21,125
Cash flows from investing activities			
Interest received		3,221	4,028
Purchase of intangible assets		(1,314)	(4,741)
Purchase of PPE and investment property		(22,698)	(14,906)
Sales of PPE and investment property		162	178
Receipt of cash donations to purchase assets		2,977	851
Net cash flows from / (used in) investing activities		(17,652)	(14,590)
Cash flows from financing activities			
Public dividend capital received		1,866	8,640
Movement on loans from DHSC		(2,759)	(2,759)
Capital element of lease rental payments		(965)	(954)
Capital element of PFI, LIFT and other service concession payments		(3,259)	(3,126)
Interest on loans		(800)	(855)
Interest paid on lease liability repayments		(74)	(46)
Interest paid on PFI, LIFT and other service concession obligations		(7,702)	(7,837)
PDC dividend (paid) / refunded		(3,569)	(4,796)
Net cash flows from / (used in) financing activities		(17,262)	(11,733)
Increase / (decrease) in cash and cash equivalents		(24,568)	(5,198)
Cash and cash equivalents at 1 April - brought forward		78,280	83,478
Cash and cash equivalents transferred under absorption accounting	45	-	-
Unrealised gains / (losses) on foreign exchange		-	-
Cash and cash equivalents at 31 March	29.1	53,712	78,280

Notes to the Accounts

1 Note 1 Accounting policies and other information

1 Note 1.1 Basis of preparation

NHS England has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2024/25 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts.

Accounting convention

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

Note 1.2 Going concern

These accounts have been prepared on a going concern basis. The financial reporting framework applicable to NHS bodies, derived from the HM Treasury Financial Reporting Manual, defines that the anticipated continued provision of the entity's services in the public sector is normally sufficient evidence of going concern. The directors have a reasonable expectation that this will continue to be the case. The Directors of the Trust have considered whether there are any local or national policy decisions that are likely to affect the continued funding and provision of services by the Trust. The Trust is a member of the Cheshire and Merseyside ICS and continues to provide specialist services across the North West that are part of the ICS forward looking plans. No circumstances were identified causing the Directors to doubt the continued provision of NHS services.

This year the Trust reported an operating surplus of £910k (2023/24 £5,198k) and recorded an accounting deficit of £9,874k (23/24 £6,511k), primarily due to in year impairments against assets brought into use. The Trust also achieved a control total surplus of £1,852k against its control total of £3,382k (23/24 £10,333k) against which its financial performance is measured by NHSE. This is due to a correction made to the balance sheet regarding lease car receivables, that was adjusted in year.

Income from Commissioners was largely based on a 'blended' approach to funding in England. Some elements will be 'variable': elective points of delivery will be funded based on actual activity undertaken, and there will be some adjustments for quality performance. All other areas will remained block funded.

The Trust has produced its financial plans for 2025/26 based on these assumptions which have been approved by the

Trust Board and by the Cheshire & Merseyside ICS level. The control target for the 2025/26 year agreed with ICS is a £3.4m surplus. The Trust has a proven track record of consistently meeting the performance and control totals set by the regulator and over the last 5 years has delivered significant surpluses to support the sustainability of the Trust, and the Trust is therefore reasonably assured of the achievability of these financial targets.

Our going concern assessment is made up to the end of September 2026, with internal base case and downside scenarios for liquidity assessed to September 2026. This includes assessment of the full 2025/26 financial year. This models downside risk in relation to failure to achieve operating targets and non delivery of cost improvement plans.

The Trust has assumed that;

- service requirements will remain broadly unchanged over the period,
- the Trust expenditure to meet these requirements will remain stable,
- the income received from commissioners and the ICS will as a minimum match the levels agreed and included in the 2025/26 plans, and
- capital development plans and capital expenditure cash requirements will progress in line with the current plans & timetable.

The Trust has prepared a cash forecast modelled on the above expectations for funding during the going concern period to 30 September 2026. The cash forecast shows sufficient liquidity for the Trust to continue to operate during that period with a minimum cash position of £40.3m. Interim support can be accessed if it were required, but there is currently no such requirement identified.

In conclusion, these assumptions, and the anticipated future provision of services in the public sector, support the Trust's adoption of the going concern basis for the preparation of the accounts.

3 Note 1.3 Interests in other entities

Associates

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

Associates which are classified as held for sale are measured at the lower of their carrying amount and "fair value less costs to sell".

Joint ventures

Joint ventures are arrangements in which the trust has joint control with one or more other parties, and where it has the rights to the net assets of the arrangement. Joint ventures are accounted for using the equity method. The Trust does not consolidate any of its Joint Ventures as they are not deemed material (please see note 23).

Joint operations

Joint operations are arrangements in which the trust has joint control with one or more other parties and has the rights to the assets, and obligations for the liabilities, relating to the arrangement. The trust includes within its financial statements its share of the assets, liabilities, income and expenses.

4 Note 1.4 Revenue from contracts with customers

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The GAM expands the definition of a contract to include legislation and regulations which enables an entity to receive cash or another financial asset that is not classified as a tax by the Office of National Statistics (ONS).

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

The value of payment for Elective Recovery and Drug & Device activities, are not fully known until 2 months after the reporting period. Therefore, the Trust has included a number of accounting estimates in its financial statements, which will be transacted within the first quarter of the next reporting period

Revenue from NHS contracts

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

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

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

The Trust also receives income from commissioners under Commissioning for Quality Innovation (CQUIN) and Best

Practice Tariff (BPT) schemes. Delivery under these schemes is part of how care is provided to patients. As such CQUIN and BPT payments are not considered distinct performance obligations in their own right; instead they form part of the transaction price for performance obligations under the overall contract with the commissioner and are accounted for as variable consideration under IFRS 15. Payment for CQUIN and BPT on non-elective services is included in the fixed element of API contracts with adjustments for actual achievement being made at the end of the year. BPT earned on elective activity is included in the variable element of API contracts and paid in line with actual activity performed.

Where the relationship with a particular integrated care board is expected to be a low volume of activity (annual value below £0.5m), an annual fixed payment is received by the provider as determined in the NHSPS documentation. Such income is classified as 'other clinical income' in these accounts.

Elective recovery funding provides additional funding to integrated care boards to fund the commissioning of elective services within their systems. Trusts do not directly earn elective recovery funding, instead earning income for actual activity performed under API contract arrangements as explained above. The level of activity delivered by the trust contributes to system performance and therefore the availability of funding to the trust's commissioners.

Revenue from research contracts

Where research contracts fall under IFRS 15, revenue is recognised as and when performance obligations are satisfied. For some contracts, it is assessed that the revenue project constitutes one performance obligation over the course of the multi-year contract. In these cases it is assessed that the Trust's interim performance does not create an asset with alternative use for the Trust, and the Trust has an enforceable right to payment for the performance completed to date. It is therefore considered that the performance obligation is satisfied over time, and the Trust recognises revenue each year over the course of the contract. Some research income alternatively falls within the provisions of IAS 20 for government grants.

NHS injury cost recovery scheme

The Trust receives income under the NHS injury cost recovery scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when performance obligations are satisfied. In practical terms this means that treatment has been given, it receives notification from the Department of Work and Pension's Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less an allowance for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

5 Note 1.5 Other forms of income

Grants and donations

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

Apprenticeship service income

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

6 Note 1.6 Expenditure on employee benefits

Short-term employee benefits

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

Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Both schemes are unfunded, defined benefit schemes that cover NHS employers, general practices and other bodies, allowed under the direction of Secretary of State for Health and Social Care in England and Wales. The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as though it is a defined contribution scheme: the cost to the trust is taken as equal to the employer's pension contributions payable to the scheme for the accounting period. The contributions are charged to operating expenses as and when they become due.

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

Holiday pay accrual

The accrual for outstanding leave has been calculated on an actual basis.

The accrual is calculated based upon an estimate of leave outstanding following feedback from management. The Trust's annual leave policy clearly states that annual leave is expected to be taken in the year it relates to and only carried forward on an exceptional basis and with agreement from managers up to 5 days. In previous reporting periods the accrual has been more substantial than in 2024/25.

Note 1.7 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

Note 1.8 Discontinued operations

Discontinued operations occur where activities either cease without transfer to another entity, or transfer to an entity outside of the boundary of the Whole of Government Accounts, such as private or voluntary sectors. Such activities are accounted for in accordance with IFRS 5. Activities that are transferred to other bodies within the boundary of the Whole of Government Accounts are 'machinery of government changes' and treated as continuing operations.

Note 1.9 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes
- it is probable that future economic benefits will flow to, or service potential be provided to, the trust
- it is expected to be used for more than one financial year
- the cost of the item can be measured reliably
- the item has cost of at least £5,000, or
- collectively, a number of items have a cost of at least £5,000 and individually have cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control.

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

Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

Measurement

Valuation

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

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

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

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

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

Valuation guidance issued by the Royal Institute of Chartered Surveyors states that valuations are performed net of VAT where the VAT is recoverable by the entity. This basis has been applied to the trust's Private Finance Initiative (PFI) scheme where the construction is completed by a special purpose vehicle and the costs have recoverable VAT for the trust.

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

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

Depreciation

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

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

Revaluation gains and losses

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

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

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

Impairments

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

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

De-recognition

Assets intended for disposal are reclassified as 'held for sale' once the criteria in IFRS 5 are met. The sale must be highly probable and the asset available for immediate sale in its present condition.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's useful life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Donated and grant funded assets

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

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

Private Finance Initiative (PFI) and Local Improvement Finance Trust (LIFT) transactions

PFI and LIFT transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's

FReM, are accounted for as 'on-Statement of Financial Position' by the trust. Annual contract payments to the operator (the unitary charge) are apportioned between the repayment of the liability including the finance cost, the charges for services and lifecycle replacement of components of the asset.

Initial recognition

In accordance with HM Treasury's *FReM*, the underlying assets are recognised as property, plant and equipment, together with an equivalent liability. Initial measurement of the asset and liability are in accordance with the initial measurement principles of IFRS 16 (see leases accounting policy).

Subsequent measurement

Assets are subsequently accounted for as property, plant and equipment and/or intangible assets as appropriate.

The liability is subsequently reduced by the portion of the unitary charge allocated as payment for the asset and increased by the annual finance cost. The finance cost is calculated by applying the implicit interest rate to the opening liability and is charged to finance costs in the Statement of Comprehensive Income. The element of the unitary charge allocated as payment for the asset is split between payment of the finance cost and repayment of the net liability.

Where there are changes in future payments for the asset resulting from indexation of the unitary charge, the Trust remeasures the PFI liability by determining the revised payments for the remainder of the contract once the change in cash flows takes effect. The remeasurement adjustment is charged to finance costs in the Statement of Comprehensive Income.

The service charge is recognised in operating expenses in the Statement of Comprehensive Income.

Initial application of IFRS 16 liability measurement principles to PFI and LIFT liabilities in 2023/24

IFRS 16 liability measurement principles were applied to PFI, LIFT and other service concession arrangement liabilities in these financial statements from 1 April 2023. The change in measurement basis was applied using a modified retrospective approach with the cumulative impact of remeasuring the liability on 1 April 2023 recognised in the income and expenditure reserve.

Useful lives of property, plant and equipment

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

	Min life	Max life
	Years	Years
Land	-	-
Buildings, excluding dwellings	1	80
Dwellings	40	40
Plant & machinery	1	20
Transport equipment	1	10
Information technology	5	11
Furniture & fittings	2	11

Note 1.10 Intangible assets

Recognition

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

Internally generated intangible assets

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

Expenditure on research is not capitalised. Expenditure on development is capitalised where it meets the requirements set out in IAS 38.

Software

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

Measurement

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

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

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

Amortisation

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

Useful lives of intangible assets

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

	Min life	Max life
	Years	Years
Information technology	-	-
Development expenditure	-	-
Websites	-	-
Software licences	1	10
Licences & trademarks	-	-
Patents	-	-
Other (purchased)	-	-

Note 1.11 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the first in, first out (FIFO) method.

Between 2020/21 and 2023/24 the Trust received inventories including personal protective equipment from the

Department of Health and Social Care at nil cost. In line with the GAM and applying the principles of the IFRS Conceptual Framework, the Trust has accounted for the receipt of these inventories at a deemed cost, reflecting the best available approximation of an imputed market value for the transaction based on the cost of acquisition by the Department. Distribution of inventories by the Department ceased in March 2024.

Note 1.12 Investment properties

Investment properties are measured at fair value. Changes in fair value are recognised as gains or losses in income/expenditure.

Only those assets which are held solely to generate a commercial return are considered to be investment properties. Where an asset is held, in part, for support service delivery objectives, then it is considered to be an item of property, plant and equipment. Properties occupied by employees, whether or not they pay rent at market rates, are not classified as investment properties.

Note 1.13 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

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

Note 1.14 Financial assets and financial liabilities

Recognition

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

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

Classification and measurement

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

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

Financial assets are classified as subsequently measured at amortised cost.

Financial liabilities classified as subsequently measured at amortised cost.

Financial assets and financial liabilities at amortised cost

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

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

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

Impairment of financial assets

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

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

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

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

Derecognition

Financial assets are de-recognised when the contractual rights to receive cash flows from the assets have expired or the Trust has transferred substantially all the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Note 1.15 Leases

A lease is a contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration. An adaptation of the relevant accounting standard by HM Treasury for the public sector means that for NHS bodies, this includes lease-like arrangements with other public sector entities that do not take the legal form of a contract. It also includes peppercorn leases where consideration paid is nil or nominal (significantly below market value) but in all other respects meet the definition of a lease. The trust does not apply lease accounting to new contracts for the use of intangible assets.

The Trust determines the term of the lease term with reference to the non-cancellable period and any options to extend or terminate the lease which the Trust is reasonably certain to exercise.

The Trust as a lessee

Recognition and initial measurement

At the commencement date of the lease, being when the asset is made available for use, the Trust recognises a right of use asset and a lease liability.

The right of use asset is recognised at cost comprising the lease liability, any lease payments made before or at commencement, any direct costs incurred by the lessee, less any cash lease incentives received. It also includes any estimate of costs to be incurred restoring the site or underlying asset on completion of the lease term.

The lease liability is initially measured at the present value of future lease payments discounted at the interest rate implicit in the lease. Lease payments includes fixed lease payments, variable lease payments dependent on an index or rate and amounts payable under residual value guarantees. It also includes amounts payable for purchase options and termination penalties where these options are reasonably certain to be exercised.

Where an implicit rate cannot be readily determined, the Trust's incremental borrowing rate is applied. This rate is determined by HM Treasury annually for each calendar year. A nominal rate of 4.72% applied to new leases commencing in 2024 and 4.81% to new leases commencing in 2025.

The Trust does not apply the above recognition requirements to leases with a term of 12 months or less or to leases where the value of the underlying asset is below £5,000, excluding any irrecoverable VAT. Lease payments associated with these leases are expensed on a straight-line basis over the lease term. Irrecoverable VAT on lease payments is expensed as it falls due.

Subsequent measurement

As required by a HM Treasury interpretation of the accounting standard for the public sector, the Trust employs a revaluation model for subsequent measurement of right of use assets, unless the cost model is considered to be an appropriate proxy for current value in existing use or fair value, in line with the accounting policy for owned assets. Where consideration exchanged is identified as significantly below market value, the cost model is not considered to be an appropriate proxy for the value of the right of use asset.

The Trust subsequently measures the lease liability by increasing the carrying amount for interest arising which is also charged to expenditure as a finance cost and reducing the carrying amount for lease payments made. The liability is also remeasured for changes in assessments impacting the lease term, lease modifications or to reflect actual changes in lease payments. Such remeasurements are also reflected in the cost of the right of use asset. Where there is a change in the lease term or option to purchase the underlying asset, an updated discount rate is applied to the remaining lease payments.

Note 1.16 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk adjusted cash flows are discounted using HM Treasury's discount rates effective from 31 March 2025:

		Nominal rate	Prior rate	year
Short-term	Up to 5 years	4.03%		4.26%
Medium-term	After 5 years up to 10 years	4.07%		4.03%
Long-term	After 10 years up to 40 years	4.81%		4.72%
Very long-term	Exceeding 40 years	4.55%		4.40%

HM Treasury provides discount rates for general provisions on a nominal rate basis. Expected future cash flows are therefore adjusted for the impact of inflation before discounting using nominal rates. The following inflation rates are set by HM Treasury, effective from 31 March 2025:

	Inflation rate	Prior rate	year
Year 1	2.60%		3.60%
Year 2	2.30%		1.80%
Into perpetuity	2.00%		2.00%

Early retirement provisions and injury benefit provisions both use the HM Treasury's post-employment benefits discount rate of 2.40% in real terms (prior year: 2.45%).

Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the trust is disclosed at Note 34.2 but is not recognised in the Trust's accounts.

Non-clinical risk pooling

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

Note 1.17 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in Note 35 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in Note 35, unless the probability of a transfer of economic benefits is remote.

Contingent liabilities are defined as:

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- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

Note 1.18 Public dividend capital

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

The Secretary of State can issue new PDC to, and require repayments of PDC from, the trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, with certain additions and deductions as defined by the Department of Health and Social Care.

This policy is available at <https://www.gov.uk/government/publications/guidance-on-financing-available-to-nhs-trustsand-foundation-trusts>.

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

Note 1.19 Value added tax

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

Note 1.20 Corporation tax

As an NHS Body the Trust is not directly subject to Corporation Tax

Note 1.21 Climate change levy

Expenditure on the climate change levy is recognised in the Statement of Comprehensive Income as incurred, based on the prevailing chargeable rates for energy consumption.

Note 1.22 Foreign exchange

The functional and presentational currency of the trust is sterling.

A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction.

Where the trust has assets or liabilities denominated in a foreign currency at the Statement of Financial Position date:

- monetary items are translated at the spot exchange rate on 31 March

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- non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction and
- non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

Exchange gains or losses on monetary items (arising on settlement of the transaction or on re-translation at the Statement of Financial Position date) are recognised in income or expense in the period in which they arise.

Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

Note 1.23 Third party assets

Assets belonging to third parties in which the Trust has no beneficial interest (such as money held on behalf of patients) are not recognised in the accounts. However, they are disclosed in a separate note to the accounts in accordance with the requirements of HM Treasury's *FReM*.

Note 1.24 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis.

The losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

Note 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.

Note 1.26 Transfers of functions [to / from] [other NHS bodies / local government bodies]

There have been no transfers of functions either into or out of Alder Hey to any other NHS bodies / local government bodies.

Note 1.27 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2024/25.

Note 1.28 Standards, amendments and interpretations in issue but not yet effective or adopted

IFRS 18 — Presentation and Disclosure in Financial Statements

From 1st April 2027 the Trust will have to adopt the above standard which set out requirements for the presentation and disclosure of information in general purpose financial statements (financial statements) to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses **IFRS 17 - Insurance Contracts**

Application required for accounting periods beginning on or after 1 January 2023. The standard is not yet adopted by the FReM which is expected to be from April 2025: early adoption is not permitted.

IFRS 19 - Subsidiaries without Public Accountability: Disclosures

Application required for accounting periods beginning on or after 1 January 2027. The standard is not yet UK-endorsed and not yet adopted by the FReM. Early adoption is not permitted.

Changes to non-investment asset valuation

Following a thematic review of non-current asset valuations for financial reporting in the public sector, HM Treasury has made a number of changes to valuation frequency, valuation methodology and classification which are effective in the public sector from 1 April 2025 with a 5 year transition period. NHS bodies are adopting these changes to an alternative timeline.

Changes to subsequent measurement of intangible assets and PPE classification / terminology to be implemented for NHS bodies from 1 April 2025:

- Withdrawal of the revaluation model for intangible assets. Carrying values of existing intangible assets measured under a previous revaluation will be taken forward as deemed historic cost.
- Removal of the distinction between specialised and non-specialised assets held for their service potential. Assets will be classified according to whether they are held for their operational capacity.

Changes to valuation cycles and methodology to be implemented for NHS bodies in later periods:

- A mandated quinquennial revaluation frequency (or rolling programme) supplemented by annual indexation in the intervening years.
- Removal of the alternative site assumption for buildings valued at depreciated replacement cost on a modern equivalent asset basis. The approach for land has not yet been finalised by HM Treasury.

Note 1.29 Critical judgements in applying accounting policies

The Trust has nothing significant to disclose in this area

Note 1.30 Sources of estimation uncertainty

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

In the current reporting period, the trust have applied indices to determine the movement in valuation since the last full asset revaluation of PPE, in line with the trust's policy for asset valuation. The Trust has a full asset revaluation, undertaken independently, every five years, the last valuation was as at 31st March 2023.

Note 2 Operating Segments

The Trust has considered segmental reporting and the Chief Executive and the Board receive sufficient and appropriate high-level information to enable the business to be managed effectively and to monitor and manage the strategic aims of the Trust. Sufficiently detailed information is used by middle and lower management to ensure effective management at an operational level. Neither of these are sufficiently discrete to profile operating segments, as defined by IFRS8, that would enable a user of these financial statements to evaluate the nature and financial effects of the business activities that the Trust undertakes. Therefore, the Trust has decided that it has one operating segment for healthcare provision.

Note 3 Operating income from patient care activities

All income from patient care activities relates to contract income recognised in line with accounting policy 1.4

	2024/25	2023/24
	£000	£000
Note 3.1 Income from patient care activities (by nature)		
Acute services		
Income from commissioners under API contracts - variable element*	81,313	74,746
Income from commissioners under API contracts - fixed element*	196,274	174,133
High cost drugs income from commissioners	48,998	44,682
Other NHS clinical income	22,745	31,592
Mental health services		
Income from commissioners under API contracts*	22,175	23,884
Services delivered under a mental health collaborative	-	-
Income for commissioning services in a mental health collaborative	-	-
Clinical partnerships providing mandatory services (including S75 agreements)	-	-
Clinical income for the secondary commissioning of mandatory services	-	-
Other clinical income from mandatory services	-	-
Ambulance services		
A & E income	-	-
Patient transport services income	-	-
Other income	-	-
Community services		
Income from commissioners under API contracts*	22,944	18,845
Income from other sources (e.g. local authorities)	322	418
All services		
Private patient income	147	273
National pay award central funding***	745	228
Additional pension contribution central funding**	15,852	9,517
Other clinical income	300	981
Total income from activities	411,815	379,299

*Aligned payment and incentive contracts are the main form of contracting between NHS providers and their commissioners. More information can be found in the 2023/25 NHS Payment Scheme documentation.

<https://www.england.nhs.uk/pay-syst/nhs-payment-scheme/>

**Increases to the employer contribution rate for NHS pensions since 1 April 2019 have been funded by NHS England. NHS providers continue to pay at the former rate of 14.3% with the additional amount being paid over by NHS England on providers' behalf. The full cost of employer contributions (23.7%, 2023/24: 20.6%) and related NHS England funding (9.4%, 2023/24: 6.3%) have been recognised in these accounts.

***Additional funding was made available directly to providers by NHS England in 2024/25 and 2023/24 for implementing the backdated element of pay awards where government offers were finalised after the end of the financial year. NHS Payment Scheme prices and API contracts are updated for the weighted uplift in in-year pay costs when awards are finalised.

Note 3.2 Income from patient care activities (by source)

	2024/25	2023/24
	£000	£000
Income from patient care activities received from:		
NHS England	108,850	232,595
Integrated care boards	270,314	114,873
Department of Health and Social Care	-	-
Other NHS providers	1,201	1,335
NHS other	-	-
Local authorities	322	418
Non-NHS: private patients	147	273
Non-NHS: overseas patients (chargeable to patient)	16	61

Injury cost recovery scheme	285	920
Non NHS: other	30,680	28,824
Total income from activities	411,815	379,299
Of which:		
Related to continuing operations	411,815	379,299
Related to discontinued operations	-	-

Note 3.3 Overseas visitors (relating to patients charged directly by the provider)

	2024/25	2023/24
	£000	£000
Income recognised this year	16	61
Cash payments received in-year	16	61
Amounts added to provision for impairment of receivables	-	-
Amounts written off in-year	3	-

Note 4 Other operating income

	2024/25			2023/24		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total
	£000	£000	£000	£000	£000	£000
Research and development	6,854	-	6,854	5,876	-	5,876
Education and training	11,712	-	11,712	10,790	-	10,790
Non-patient care services to other bodies	12,728		12,728	12,453		12,453
Income in respect of employee benefits accounted on a gross basis	595		595	669		669
Receipt of capital grants and donations and peppercorn leases		3,099	3,099		851	851
Charitable and other contributions to expenditure		1,182	1,182		777	777
Support from the Department of Health and Social Care for mergers		-	-		-	-
Revenue from finance leases (variable lease receipts)		-	-		-	-
Revenue from operating leases		-	-		-	-
Amortisation of PFI deferred income / credits		137	137		137	137
Other income	6,391		6,391	5,073		5,073
Total other operating income	38,280	4,418	42,698	34,861	1,765	36,626
Of which:						
Related to continuing operations			42,698			36,626
Related to discontinued operations			-			-

Other income is primarily made up of; car park income, catering, rental, membership contributions, procurement rebates, other grants, other income generation schemes.

Note 5.1 Additional information on contract revenue (IFRS 15) recognised in the period

	2024/25	2023/24
	£000	£000
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	-	-
Revenue recognised from performance obligations satisfied (or partially satisfied) in previous periods	-	-

Note 5.2 Transaction price allocated to remaining performance obligations

	31 March 2025 £000	31 March 2024 £000
Revenue from existing contracts allocated to remaining performance obligations is expected to be recognised:		
within one year	-	-
after one year, not later than five years	-	-
after five years	-	-
Total revenue allocated to remaining performance obligations	-	-

The trust has exercised the practical expedients permitted by IFRS 15 paragraph 121 in preparing this disclosure. Revenue from (i) contracts with an expected duration of one year or less and (ii) contracts where the trust recognises revenue directly corresponding to work done to date is not disclosed.

Note 5.3 Income from activities arising from commissioner requested services

The trust is required to analyse the level of income from activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider licence and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

	2024/25 £000	2023/24 £000
Income from services designated as commissioner requested services	393,210	366,216
Income from services not designated as commissioner requested services	61,303	50,836
Total	454,513	417,052

Note 5.4 Profits and losses on disposal of property, plant and equipment

The Trust has experienced no material gains or losses in relation to the disposal of property, plant and equipment

Note 5.5 Fees and charges

The following disclosure is of income from charges to service users where the full cost of providing that service exceeds £1 million and is presented as the aggregate of such income. The cost associated with the service that generated the income is also disclosed.

	2024/25 £000	2023/24 £000
Income	-	-
Full cost	-	-
Surplus / (deficit)	-	-

6 Note 6 Operating leases - Alder Hey Children's NHS Foundation Trust as lessor

This note discloses income generated in operating lease agreements where Alder Hey Children's NHS Foundation Trust is the lessor.

6 Note 6.1 Operating lease income

	2024/25 £000	2023/24 £000
Lease receipts recognised as income in year:		
Minimum lease receipts	-	-
Variable lease receipts / contingent rents	-	-
Total in-year operating lease income	-	-

6 Note 6.2 Future lease receipts

	31 March 2025 £000	31 March 2024 £000
Future minimum lease receipts due in:		
- not later than one year	-	-
- later than one year and not later than two years	-	-
- later than two years and not later than three years	-	-
- later than three years and not later than four years	-	-
- later than four years and not later than five years- later than five years	-	-
Total	-	-

Note 7.1 Operating expenses

	2024/25	2023/24
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	3,639	2,367
Purchase of healthcare from non-NHS and non-DHSC bodies	2,042	1,931
Purchase of social care	-	-
Staff and executive directors costs	271,916	242,454
Remuneration of non-executive directors	164	144
Supplies and services - clinical (excluding drugs costs)	30,765	28,862
Supplies and services - general	2,687	2,276
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	56,905	51,663
Inventories written down	62	-
Consultancy costs	332	611
Establishment	2,135	2,439
Premises	16,853	17,069
Transport (including patient travel)	634	746
Depreciation on property, plant and equipment	13,477	12,334
Amortisation on intangible assets	5,512	4,243
Net impairments	10,092	12,390
Movement in credit loss allowance: contract receivables / contract assets	(798)	21
Movement in credit loss allowance: all other receivables and investments	26	62
Increase/(decrease) in other provisions	-	-
Change in provisions discount rate(s)	-	-
Fees payable to the external auditor		
audit services- statutory audit	222	249
other auditor remuneration (external auditor only)	-	-
Internal audit costs	-	-
Clinical negligence	5,256	4,372
Legal and professional fees	483	1,072
Insurance	464	435
Research and development	7,294	5,455
Education and training	10,643	10,836
Expenditure on short term leases	-	-
Expenditure on low value leases	-	-
Variable lease payments not included in the liability	-	-
Early retirements	63	2
Redundancy	599	78
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (e.g. PFI / LIFT)	5,803	5,099
Charges to operating expenditure for off-SoFP PFI / LIFT schemes	-	-
Car parking & security	1,248	1,021
Hospitality	1	8
Losses, ex gratia & special payments	-	-
Grossing up consortium arrangements	-	-
Other services, eg external payroll	308	434
Other	4,777	2,054
Total	453,603	410,726
Of which:		
Related to continuing operations	453,603	410,726
Related to discontinued operations	-	-

Note 7.2 Other auditor remuneration

	2024/25 £000	2023/24 £000
Other auditor remuneration paid to the external auditor:		
1. Audit of accounts of any associate of the trust	-	-
2. Audit-related assurance services	-	-
3. Taxation compliance services	-	-
4. All taxation advisory services not falling within item 3 above	-	-
5. Internal audit services	-	-
6. All assurance services not falling within items 1 to 5	-	-
7. Corporate finance transaction services not falling within items 1 to 6 above	-	-
8. Other non-audit services not falling within items 2 to 7 above	-	-
Total	-	-

Note 7.3 Limitation on auditor's liability

The limitation on auditor's liability for external audit work is £2,000k (2023/24: £2,000k).

Note 8 Impairment of assets

	2024/25 £000	2023/24 £000
Net impairments charged to operating surplus / deficit resulting from:		
Loss or damage from normal operations	-	-
Over specification of assets	-	-
Abandonment of assets in course of construction	-	-
Unforeseen obsolescence	-	-
Loss as a result of catastrophe	-	-
Changes in market price	5,335	10,885
Other	4,757	1,505
Total net impairments charged to operating surplus / deficit	10,092	12,390
Impairments charged to the revaluation reserve	445	-
Total net impairments	10,537	12,390

Impairments have arisen in year following a review of the Trust's assets under construction, where there are assets that have been realised in prior years, but residual costs remained in assets under construction, these costs have been impaired as the assets have been previously realised at market value.

Impairment has also been made following the Trusts refurbishment of Beech House which became operational in year, this has been done in line with a full valuation from the trusts district valuer. Other impairments have arisen with assets under construction review where the trust have deemed there is no useful asset following the review.

Note 9 Employee benefits

	2024/25	2023/24
	Total	Total
	£000	£000
Salaries and wages	219,712	196,308
Social security costs	20,473	19,183
Apprenticeship levy	983	929
Employer's contributions to NHS pensions	40,223	31,275
Pension cost - other	-	-
Other post employment benefits	-	-
Other employment benefits	-	-
Termination benefits	-	-
Temporary staff (including agency)	9,560	12,903
Total gross staff costs	290,951	260,598
Recoveries in respect of seconded staff	(2,336)	(2,109)
Total staff costs	288,616	258,489
Of which		
Costs capitalised as part of assets	2,964	3,171

Note 9.1 Retirements due to ill-health

During 2024/25 there were 2 early retirements from the trust agreed on the grounds of ill-health (1 in the year ended 31 March 2024). The estimated additional pension liabilities of these ill-health retirements is £73k (£33k in 2023/24).

These estimated costs are calculated on an average basis and will be borne by the NHS Pension Scheme.

Note 10 Pension costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”. An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2025, is based on valuation data as at 31 March 2024, updated to 31 March 2025 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from 1 April 2024 at 23.7% of pensionable pay (previously 20.6%). The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.

Note 11 Finance income

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

	2024/25 £000	2023/24 £000
Interest on bank accounts	3,078	4,403
Interest income on finance leases	-	-
Interest on other investments / financial assets	-	-
Other finance income	-	-
Total finance income	3,078	4,403

Note 12.1 Finance expenditure

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

	2024/25 £000	2023/24 £000
Interest expense:		
Interest on loans from the Department of Health and Social Care	794	857
Interest on other loans	-	-
Interest on overdrafts	-	-
Interest on lease obligations	74	46
Interest on late payment of commercial debt	-	-
Finance costs on PFI, LIFT and other service concession arrangements:		
Main finance costs	7,702	7,837
Contingent finance costs	-	-
Remeasurement of the liability resulting from change in index or rate	1,395	3,969
Total interest expense	9,965	12,709
Unwinding of discount on provisions	11	(8)
Other finance costs	-	-
Total finance costs	9,976	12,701

Note 12.2 The late payment of commercial debts (interest) Act 1998

	2024/25 £000	2023/24 £000
Total liability accruing in year under this legislation as a result of late payments Amounts included within interest payable arising from claims made under this legislation	-	-
Compensation paid to cover debt recovery costs under this legislation	-	-

Note 13 Other gains / (losses)

	2024/25 £000	2023/24 £000
Gains on disposal of assets	33	113
Losses on disposal of assets	(299)	(482)
Total gains / (losses) on disposal of assets		
Gains / (losses) on foreign exchange	-	-
Fair value gains / (losses) on investment properties	(266)	(369)
Fair value gains / (losses) on financial assets / investments	-	-
Fair value gains / (losses) on financial liabilities	-	-
Recycling gains / (losses) on disposal of financial assets mandated as fair value through OCI	-	-
Gains/(losses) on remeasurement of finance lease receivables (lessor)	-	-
Gains/(losses) on termination of finance leases (lessor)	-	-
Other gains / (losses)	-	-
Total other gains / (losses)	(266)	(369)

Note 14 Discontinued operations

	2024/25	2023/24
	£000	£000
Operating income of discontinued operations	-	-
Operating expenses of discontinued operations	-	-
Gain on disposal of discontinued operations	-	-
(Loss) on disposal of discontinued operations	-	-
Corporation tax expense attributable to discontinued operations	-	-
Total	<u>-</u>	<u>-</u>

Note 15.1 Intangible assets - 2024/25

	Software licences £000	Licences & trademarks £000	Patents £000	Internally generated information technology £000	Development expenditure £000	Goodwill £000	Websites £000	Intangible assets under construction £000	Other (purchased) £000	Total £000
Valuation / gross cost at 1 April 2024 - brought forward	44,118	-	-	-	-	-	-	7,609	-	51,727
Transfers by absorption	-	-	-	-	-	-	-	-	-	-
Additions	922	-	-	-	-	-	-	169	-	1,091
Additions - assets purchased from cash donations/grants	17	-	-	-	-	-	-	-	-	17
Impairments	-	-	-	-	-	-	-	(3,538)	-	(3,538)
Reversals of impairments	-	-	-	-	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-	-	-	-	-
Reclassifications	5,350	-	-	-	-	-	-	(3,005)	-	2,345
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-	-
Disposals / derecognition	(151)	-	-	-	-	-	-	-	-	(151)
Valuation / gross cost at 31 March 2025	50,256	-	-	-	-	-	-	1,235	-	51,491
Amortisation at 1 April 2024 - brought forward										
Transfers by absorption	23,125	-	-	-	-	-	-	-	-	23,125
Provided during the year	-	-	-	-	-	-	-	-	-	-
Impairments	5,512	-	-	-	-	-	-	-	-	5,512
Reversals of impairments	-	-	-	-	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-	-
Disposals / derecognition	-	-	-	-	-	-	-	-	-	-
Amortisation at 31 March 2025	(151)	-	-	-	-	-	-	-	-	(151)
Net book value at 31 March 2025	28,486	-	-	-	-	-	-	-	-	28,486
	21,770	-	-	-	-	-	-	1,235	-	23,005
Net book value at 1 April 2024	20,993	-	-	-	-	-	-	7,609	-	28,602

Note 15.2 Intangible assets - 2023/24

	Software licences £000	Licences & trademarks £000	Patents £000	Internally generated information technology £000	Development expenditure £000	Goodwill £000	Websites £000	Intangible assets under construction £000	Other (purchased) £000	Total £000
Valuation / gross cost at 1 April 2023 - as previously stated	37,590	-	-	-	-	-	-	12,768	-	50,358
Transfers by absorption	-	-	-	-	-	-	-	-	-	-
Additions	1,727	-	-	-	-	-	-	1,189	-	2,916
Impairments	(1,505)	-	-	-	-	-	-	-	-	(1,505)
Reversals of impairments	-	-	-	-	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-	-	-	-	-
Reclassifications	6,348	-	-	-	-	-	-	(6,348)	-	-
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-	-
Disposals / derecognition	(42)	-	-	-	-	-	-	-	-	(42)
	44,118	-	-	-	-	-	-	7,609	-	51,727
Amortisation at 1 April 2023 - as previously stated	18,924	-	-	-	-	-	-	-	-	18,924
Transfers by absorption	-	-	-	-	-	-	-	-	-	-
Provided during the year	4,243	-	-	-	-	-	-	-	-	4,243
Impairments	-	-	-	-	-	-	-	-	-	-
Reversals of impairments	-	-	-	-	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-	-
Disposals / derecognition	(42)	-	-	-	-	-	-	-	-	(42)
Amortisation at 31 March 2024	23,125	-	-	-	-	-	-	-	-	23,125
Net book value at 31 March 2024	20,993	-	-	-	-	-	-	7,609	-	28,602
Net book value at 1 April 2023	18,666	-	-	-	-	-	-	12,768	-	31,434

Note 16.1 Property, plant and equipment - 2024/25

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation/gross cost at 1 April 2024 - brought forward	8,642	193,243	119	37,806	37,494	-	19,902	9,567	306,773
Transfers by absorption	-	-	-	-	-	-	-	-	-
Additions- Purchased	-	748	-	11,086	3,349	-	1,115	190	16,488
Additions - donations of physical assets (non-cash)	-	-	-	-	-	122	-	-	122
Additions - assets purchased from cash donations/grants	-	-	-	23	2,781	-	156	-	2,960
Impairments	-	(2,116)	-	(4,883)	-	-	-	-	(6,999)
Reversals of impairments	-	-	-	-	-	-	-	-	-
Revaluations	300	-	-	-	-	-	-	-	300
Reclassifications	159	6,924	-	(12,883)	744	-	1,489	1,222	(2,345)
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-
Disposals / derecognition	(51)	-	(119)	-	(2,610)	-	(1,421)	(309)	(4,510)
Valuation/gross cost at 31 March 2025									
Accumulated depreciation at 1 April 2024 - brought forward									
Transfers by absorption									
Provided during the year									
Impairments									
Reversals of impairments									
Revaluations									
Reclassifications									
Transfers to / from assets held for sale									
Disposals / derecognition									
Accumulated depreciation at 31 March 2025									
Net book value at 31 March 2025	9,050	188,609	-	31,149	17,393	118	9,294	5,509	261,122
Net book value at 1 April 2024	8,642	188,269	115	37,806	14,170	-	9,156	5,346	263,504

Note 16.2 Property, plant and equipment - 2023/24

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation / gross cost at 1 April 2023 - as previously stated	7,634	179,343	119	48,938	37,367	-	21,446	8,878	303,725
Prior period adjustments	-	-	-	-	-	-	-	-	-
Valuation / gross cost at 1 April 2023 - restated	7,634	179,343	119	48,938	37,367	-	21,446	8,878	303,725
Transfers by absorption	-	-	-	-	-	-	-	-	-
Additions	-	2,402	-	13,035	4,129	-	284	0	19,850
Impairments	-	(11,015)	-	-	-	-	-	-	(11,015)
Reversals of impairments	-	130	-	-	-	-	-	-	130
Revaluations	-	156	-	-	-	-	-	-	156
Reclassifications	1,008	22,227	-	(24,167)	-	-	243	689	-
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-
Disposals / derecognition	-	-	-	-	(4,002)	-	(2,071)	-	(6,073)
Valuation/gross cost at 31 March 2024	8,642	193,243	119	37,806	37,494	-	19,902	9,567	306,773
Accumulated depreciation at 1 April 2023 - as previously stated	-	-	-	-	23,954	-	10,120	3,308	37,382
Prior period adjustments	-	-	-	-	-	-	-	-	-
Accumulated depreciation at 1 April 2023 - restated	-	-	-	-	23,954	-	10,120	3,308	37,382
Transfers by absorption	-	-	-	-	-	-	-	-	-
Provided during the year	-	4,974	4	-	3,182	-	2,339	913	11,412
Impairments	-	-	-	-	-	-	-	-	-
Reversals of impairments	-	-	-	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-
Disposals / derecognition	-	-	-	-	(3,812)	-	(1,713)	-	(5,525)
Accumulated depreciation at 31 March 2024	-	4,974	4	-	23,324	-	10,746	4,221	43,269
Net book value at 31 March 2024	8,642	188,269	115	37,806	14,170	-	9,156	5,346	263,504
Net book value at 1 April 2023	7,634	179,343	119	48,938	13,413	-	11,326	5,570	266,343

Note 16.3 Property, plant and equipment financing - 31 March 2025

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Owned - purchased	9,050	25,556	-	31,149	12,300	-	8,907	5,163	92,125
On-SoFP PFI contracts and other service concession arrangements	-	156,869	-	-	-	-	-	-	156,869
Off-SoFP PFI residual interests	-	-	-	-	-	-	-	-	-
Owned - donated/granted	-	6,184	-	-	5,093	118	387	346	12,128
Total net book value at 31 March 2025	9,050	188,609	-	31,149	17,393	118	9,294	5,509	261,122

Note 16.4 Property, plant and equipment financing - 31 March 2024

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Owned - purchased	8,642	19,917	115	37,190	10,436	-	8,624	5,256	90,180
On-SoFP PFI contracts and other service concession arrangements	-	161,990	-	-	-	-	-	-	161,990
Off-SoFP PFI residual interests	-	-	-	-	-	-	-	-	-
Owned - donated/granted	-	6,362	-	616	3,734	-	532	90	11,334
Total net book value at 31 March 2024	8,642	188,269	115	37,806	14,170	-	9,156	5,346	263,504

Note 16.5 Property plant and equipment assets subject to an operating lease (Trust as a lessor) - 31 March 2025

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Subject to an operating lease									-
Not subject to an operating lease									-
Total net book value at 31 March 2025	-	-	-	-	-	-	-	-	-

Note 16.6 Property plant and equipment assets subject to an operating lease (Trust as a lessor) - 31 March 2024

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Subject to an operating lease									-
Not subject to an operating lease									-
Total net book value at 31 March 2024	-	-	-	-	-	-	-	-	-

Note 17 Donations of property, plant and equipment

The Trust received £2,602k from The National Institute of Health Research (NIHR) towards the purchase of a MRI scanner, which was completed in 2024/25. The NIHR also donated a van for research purposes, which was delivered October 24 (£122k). There was also £375k contributed from Alder Hey Charity towards the purchase of various equipment.

Note 18 Revaluations of property, plant and equipment

All land and buildings were revalued as at 31 March 2023. The valuation was carried out by an independent valuer, Cushman & Wakefield.

The basis of the valuation was to use the Depreciated Replacement Cost (DRC) approach. The DRC approach assumes that the asset would be replaced with a modern equivalent, not a building of identical design, with the same service potential as the existing asset. The modern equivalent may be smaller than the existing asset for example, due to technological advances in plant and machinery.

The ultimate objective of the valuation is to place a value upon the asset, and in this the value of the land in providing a modern equivalent facility must be considered. The modern equivalent asset may be located on a new site out of town, or be on a smaller site due to changes in the way services are provided. The site is valued based on the size of the modern equivalent, and not the actual site area occupied currently.

Asset values have been adjusted to reflect the latest BCIS "All in" Tender Price Indices to reflect change in valuation to 31 March 2025.

Note 19 Leases - Alder Hey Children's NHS Foundation Trust as a lessee

This note details information about leases for which the Trust is a lessee.

The Trust is a lessee for several buildings and medical equipment. The leased buildings enable the Trust to provide services away from the main hospital site, as well as providing off-site working accommodation for staff.

Note 19.1 Right of use assets - 2024/25

	Property (land and buildings) £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Intangible assets £000	Total £000	Of which: leased from DHSC group bodies £000
Valuation / gross cost at 1 April 2024 - brought forward	6,930	-	-	-	-	-	6,930	3,407
Transfers by absorption	-	-	-	-	-	-	-	-
Additions	-	533	-	-	-	-	533	-
Remeasurements of the lease liability	372	-	-	-	-	-	372	74
Movements in provisions for restoration / removal costs	-	-	-	-	-	-	-	-
Impairments	-	-	-	-	-	-	-	-
Reversal of impairments	-	-	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-
Disposals / derecognition	(138)	-	-	-	-	-	(138)	(91)
Valuation/gross cost at 31 March 2025	7,164	533	-	-	-	-	7,697	3,390
Valuation / gross cost at 1 April 2024 - brought forward	1,390	-	-	-	-	-	1,390	672
Transfers by absorption	-	-	-	-	-	-	-	-
Provided during the year	973	27	-	-	-	-	1,000	396
Impairments	-	-	-	-	-	-	-	-
Reversal of impairments	-	-	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-
Disposals / derecognition	(80)	-	-	-	-	-	(80)	(33)
Accumulated depreciation at 31 March 2025	2,283	27	-	-	-	-	2,310	1,035
Net book value at 31 March 2024	5,540	-	-	-	-	-	5,540	2,735
Net book value at 1 April 2023	4,654	90	-	-	-	-	4,744	2,577
Net book value of right of use assets leased from other NHS providers								350
Net book value of right of use assets leased from other DHSC group bodies								2,385

Note 19.2 Right of use assets - 2023/24

	Property (land and buildings)	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Intangible assets	Total	Of which: leased from DHSC group bodies
	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2023 - brought forward	5,247	448	-	-	-	-	5,695	2,863
Transfers by absorption	-	-	-	-	-	-	-	-
Additions	975	-	-	-	-	-	975	-
Remeasurements of the lease liability	916	-	-	-	-	-	916	713
Movements in provisions for restoration / removal costs	-	-	-	-	-	-	-	-
Impairments	-	-	-	-	-	-	-	-
Reversal of impairments	-	-	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-
Disposals / derecognition	(208)	(448)	-	-	-	-	(656)	(169)
	6,930	-	-	-	-	-	6,930	3,407
Accumulated depreciation at 1 April 2023 - brought forward	593	358	-	-	-	-	951	286
Prior period adjustments	-	-	-	-	-	-	-	-
Accumulated depreciation at 1 April 2023 - restated	593	358	-	-	-	-	951	286
Transfers by absorption	-	-	-	-	-	-	-	-
Provided during the year	832	90	-	-	-	-	922	407
Impairments	-	-	-	-	-	-	-	-
Reversal of impairments	-	-	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-
Disposals / derecognition	(35)	(448)	-	-	-	-	(483)	(21)
Accumulated depreciation at 31 March 2024	1,390	-	-	-	-	-	1,390	672
Net book value at 31 March 2024	5,540	-	-	-	-	-	5,540	2,735
Net book value at 1 April 2023	4,654	90	-	-	-	-	4,744	2,577
Net book value of right of use assets leased from other NHS providers								350
Net book value of right of use assets leased from other DHSC group bodies								2,385

Note 19.3 Revaluations of right of use assets

See Note 1.15

Note 19.4 Reconciliation of the carrying value of lease liabilities

Lease liabilities are included within borrowings in the statement of financial position. A breakdown of borrowings is disclosed in note 32.1.

	2024/25	2023/24
	£000	£000
Carrying value at 1 April	5,676	4,915
Transfers by absorption	-	-
Lease additions	533	975
Lease liability remeasurements	372	916
Interest charge arising in year	74	46
Early terminations	(61)	(176)
Lease payments (cash outflows)	(1,039)	(1,000)
H Other changes	-	-
Carrying value at 31 March	5,555	5,676

Note 19.5 Maturity analysis of future lease payments

	Total	Of which leased from DHSC group bodies:	Total	Of which leased from DHSC group bodies:
	31 March	31 March	31 March	31 March
	2025	2025	2024	2024
	£000	£000	£000	£000
Undiscounted future lease payments payable in:				
- not later than one year;	1,121	409	590	418
- later than one year and not later than five years;	3,628	1,373	3,579	1,471
- later than five years.	1,041	668	1,760	954
Total gross future lease payments	5,790	2,450	5,929	2,843
Finance charges allocated to future periods	(235)	(65)	(253)	(85)
Net lease liabilities at 31 March 2025	5,555	2,385	5,676	2,758
Of which:				
Leased from other NHS providers		258		354
Leased from other DHSC group bodies		2,127		2,404

Note 19.6 Leases - other information

Nothing to disclose in this area

Note 20 Investment Property

	2024/25	2023/24
	£000	£000
Carrying value at 1 April - brought forward	-	-
Prior period adjustments		-
Carrying value at 1 April - restated	-	-
Transfers by absorption	-	-
Acquisitions in year	-	-
Remeasurements of the lease liability	-	-
Movements in provisions for restoration / removal costs	-	-
Movement in fair value	-	-
Reclassifications to/from PPE or right of use assets	-	-
Transfers to/from assets held for sale	-	-
Disposals	-	-
Carrying value at 31 March	-	-

Note 20.1 Investment property income and expenses

	2024/25	2023/24
	£000	£000
Direct operating expense arising from investment property which generated rental income in the period		
Direct operating expense arising from investment property which did not generate rental income in the period		
Total investment property expenses	-	-
Investment property income		

Note 21 Investments in associates and joint ventures

	2024/25	2023/24
	£000	£000
Carrying value at 1 April - brought forward	-	-
Transfers by absorption	-	-
Acquisitions in year	-	-
Share of profit / (loss)	-	-
Net impairments	-	-
Transfers to / from assets held for sale	-	-
Disbursements / dividends received	-	-
Disposals	-	-
Share of Other Comprehensive Income	-	-
Other equity movements	-	-
Carrying value at 31 March	<u>-</u>	<u>-</u>

Note 22 Other investments / financial assets (non-current)

	2024/25	2023/24
	£000	£000
Carrying value at 1 April - brought forward	-	-
Transfers by absorption	-	-
Acquisitions in year	-	-
Movement in fair value through income and expenditure	-	-
Movement in fair value through OCI	-	-
Net impairments	-	-
Transfers to / from assets held for sale	-	-
Amortisation at the effective interest rate	-	-
Current portion of loans receivable transferred to current financial assets Disposals	-	-
Carrying value at 31 March	<u>-</u>	<u>-</u>

Note 22.1 Other investments / financial assets (current)

	31 March 2025	31 March 2024
	£000	£000
Loans receivable within 12 months transferred from non-current financial assets	-	-
Deposits with the National Loans Fund	-	-
Other current financial assets	-	-
Total current investments / financial assets	<u>-</u>	<u>-</u>

Note 23 Disclosure of interests in other entities

The Trust has the following wholly owned subsidiaries:

Name / Purpose	% Shareholding
Alder Hey Ventures Limited - commercialisation and exploitation of IP	100
Alder Hey Living Hospitals Limited - development of software applications	100

Alder Hey Ventures Limited is not yet trading and therefore not consolidated. The accounts of Alder Hey Living Hospitals Limited have not been consolidated as it is considered to be immaterial.

The Trust has a number of interests in other entities for the commercialisation and exploitation of Intellectual Property (IP). These interests are not accounted for on the grounds of immateriality.

Name	% Shareholding
Hand Hygiene Solutions Ltd	20.70%
Audiology Metrics Ltd	23.60%
Optimising Care Ltd	19.17%
Asthma Buddy Ltd	30.10%
Doctors Hours Ltd	30.10%
Bloom Revalidation Ltd	30.10%
Digital Audiology Technologies Ltd	30.10%
Blood Sense Ltd	30.00%

Note 24 Inventories

	31 March 2025	31 March 2024
	£000	£000
Drugs	1,796	1,882
Work In progress	-	-
Consumables	2,988	3,028
Energy	-	62
Other	-	-
Total inventories of	4,784	4,972

which:

Held at fair value less costs to sell

- -

Inventories recognised in expenses for the year were £63,277k (2023/24: £57,626k). Write-down of inventories recognised as expenses for the year were £62k (2023/24: £0k).

Inventory relating to fuel has been written down to expenditure, as the fuel stock has not been used for a number of years as the generator it serves has been offline, so this fuel has been deemed obsolete, and accounted as such.

In response to the COVID 19 pandemic, the Department of Health and Social Care centrally procured personal protective equipment and passed these to NHS providers free of charge. During 2023/24 the Trust received £33k of items purchased by DHSC. Distribution of inventory by the Department ceased in March 2024.

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

Note 25.1 Receivables

	31 March 2025	31 March 2024
	£000	£000
Current		

Contract receivables	21,847	14,750
Contract assets	-	-
Capital receivables	-	-
Allowance for impaired contract receivables / assets	(279)	(1,092)
Allowance for other impaired receivables	(762)	(771)
Deposits and advances	-	-
Prepayments (non-PFI)	8,338	5,716
PFI prepayments - capital contributions	-	-
PFI lifecycle prepayments	-	-
Interest receivable	232	375
Finance lease receivables	-	-
Operating lease receivables	-	-
PDC dividend receivable	485	536
VAT receivable	817	938
Corporation and other taxes receivable	-	-
Other receivables	594	379
Total non-current receivables	31,272	20,831

Non-current

Contract receivables	-	-
Contract assets	-	-
Capital receivables	-	-
Allowance for impaired contract receivables / assets	-	-
Allowance for other impaired receivables	-	-
Deposits and advances	-	-
Prepayments (non-PFI)	-	-
PFI prepayments - capital contributions	-	-
PFI lifecycle prepayments	-	-
Interest receivable	-	-
Finance lease receivables	-	-
Operating lease receivables	-	-
VAT receivable	-	-
Corporation and other taxes receivable	-	-
Other receivables	313	299
Total non-current receivables	313	299

Of which receivable from NHS and DHSC group bodies:

Current	11,192	9,181
Non-current	313	299

The majority of trade is with Integrated Care Systems and NHS England, as commissioners for NHS patient care services. As these bodies are funded by government to buy NHS patient care services, no credit score of them is considered necessary.

Note 25.2 Allowances for credit losses

	2024/25		2023/24	
	Contract		Contract	
	receivables		receivables	
	and contract		and contract	
	assets	All other	assets	All other
		receivables		receivables
	£000	£000	£000	£000
Allowances as at 1 April - brought forward	1,092	771	1,423	730
Transfers by absorption	-	-	-	-
New allowances arising	131	215	416	285
Changes in existing allowances	-	-	-	-
Reversals of allowances	(929)	(189)	(395)	(223)
Utilisation of allowances (write offs)	(15)	(35)	(352)	(21)
Changes arising following modification of contractual cash flows	-	-	-	-
Foreign exchange and other changes	-	-	-	-
Allowances as at 31 Mar 2025	279	762	1,092	771

Note 25.3 Exposure to credit risk

The Trust's Financial risk management is set out in Note 40.1

Note 26 Finance leases (Alder Hey Children's NHS Foundation Trust as a lessor)

This note discloses future lease payments receivable from lease arrangements classified as finance leases where the Alder Hey Children's NHS Foundation Trust is the lessor.

Note 26.1 Reconciliation of the carrying value of finance lease receivables (net investment in the lease)

	2024/25	2023/24
	£000	£000
Finance lease receivables at 1 April	-	-
Transfers by absorption	-	-
Additions	-	-
Interest arising (unwinding of discount)	-	-
-	-	-
Remeasurements of lease receivables	-	-
Lease receipts (cash payments received)	-	-
Derecognition due to early termination	-	-
Finance lease receivables at 31 March	-	-

Note 26.2 Finance lease receivables maturity analysis

	Of which leased to DHSC group bodies:		Of which leased to DHSC group bodies:	
	Total		Total	
	31 March	31 March	31 March	31 March
	2025	2025	2024	2024
	£000	£000	£000	£000
Undiscounted future lease receipts receivable in:				
- not later than one year;	-	-	-	-
- later than one year and not later than two years;	-	-	-	-
- later than two years and not later than three years;	-	-	-	-
- later than three years and not later than four years;	-	-	-	-
- later than four years and not later than five years;	-	-	-	-
- later than five years.	-	-	-	-
Total future finance lease payments to be received	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Estimated value of unguaranteed residual interest	-	-	-	-
Unearned interest income	-	-	-	-
Allowance for uncollectable lease payments	-	-	-	-
Net investment in lease (net lease receivable)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
of which				
Leased to other NHS providers		-		-
Leased to other DHSC group bodies		-		-

Note 26.3 Assets derecognised under finance leases with other DHSC group bodies

The trust has nothing to disclose in this area

Note 27 Other assets

	31 March 2025	31 March 2024
	£000	£000
Current		
Other assets	-	-
Total other current assets	<u>-</u>	<u>-</u>
Non-current		
Net defined benefit pension scheme asset	-	-
Other assets	-	-
Total other non-current assets	<u>-</u>	<u>-</u>

Note 28.1 Non-current assets held for sale and assets in disposal groups

	2024/25	2023/24
	£000	£000
NBV of non-current assets for sale and assets in disposal groups at 1 April	-	-
Transfers by absorption	-	-
Assets classified as available for sale in the year	-	-
Assets sold in year	-	-
Impairment of assets held for sale	-	-
Reversal of impairment of assets held for sale	-	-
Assets no longer classified as held for sale, for reasons other than sale	-	-
NBV of non-current assets for sale and assets in disposal groups at 31 March	<u>-</u>	<u>-</u>

Note 28.2 Liabilities in disposal groups

	31 March 2025	31 March 2024
	£000	£000
Categorised as:		
Provisions	-	-
Trade and other payables	-	-
Other	-	-
Total	<u>-</u>	<u>-</u>

Note 29.1 Cash and cash equivalents movements

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	2024/25	2023/24
	£000	£000
At 1 April	78,280	83,478
Transfers by absorption	-	-
Net change in year	(24,568)	(5,198)
At 31 March	<u>53,712</u>	<u>78,280</u>
Broken down into:		
Cash at commercial banks and in hand	71	268
Cash with the Government Banking Service	53,641	78,012
Deposits with the National Loan Fund	-	-
Other current investments	-	-

Total cash and cash equivalents as in SoFP	53,712	78,280
Bank overdrafts (GBS and commercial banks)	-	-
Drawdown in committed facility	-	-
Total cash and cash equivalents as in SoCF	53,712	78,280

Note 29.2 Third party assets held by the trust

Alder Hey Children's NHS Foundation Trust held cash and cash equivalents which relate to monies held by the Trust on behalf of patients or other parties and in which the trust has no beneficial interest. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	31 March 2025 £000	31 March 2024 £000
Bank balances	-	-
Monies on deposit	-	-
Total third party assets	-	-

Note 30.1 Trade and other payables

	31 March 2025 £000	31 March 2024 £000
Current		
Trade payables	5,380	5,670
Capital payables	12,515	15,971
Accruals	22,791	28,259
Receipts in advance and payments on account	-	-
PFI lifecycle replacement received in advance	-	-
Social security costs	-	-
VAT payables	-	-
Other taxes payable	5,443	4,905
PDC dividend payable	-	-
Pension contributions payable	3,559	3,107
Other payables	698	1,725
Total current trade and other payables	50,386	59,637
Non-current		
Trade payables	-	-
Capital payables	-	-
Accruals	-	-
Receipts in advance and payments on account	-	-
PFI lifecycle replacement received in advance	-	-
VAT payables	-	-
Other taxes payable	-	-
Other payables	-	-
Total non-current trade and other payables	-	-

Of which payables from NHS and DHSC group bodies:

Current	-	-
Non-current	-	-

Note 31 Other liabilities

	31 March 2025 £000	31 March 2024 £000
Current		
Deferred income: contract liabilities	7,017	1,818
Deferred grants	-	-
Deferred PFI credits / income	137	137
Other deferred income	-	-
Total other current liabilities	7,154	1,955
Non-current		
Deferred income: contract liabilities	-	40
Deferred grants	-	-
Deferred PFI credits / income	2,673	2,810
Other deferred income	-	-
Net pension scheme liability	-	-
Total other non-current liabilities	2,673	2,850

Note 32.1 Borrowings

	31 March 2025 £000	31 March 2024 £000
Current		
Bank overdrafts	-	-
Drawdown in committed facility	-	-
Loans from DHSC	2,571	2,808
Other loans	-	-
Lease liabilities	1,045	517
Obligations under PFI, LIFT or other service concession contracts	2,611	1,865
Total current borrowings	6,227	5,190
Non-current		
Loans from DHSC	30,520	33,048
Other loans	-	-
Lease liabilities	4,510	5,159
Obligations under PFI, LIFT or other service concession contracts	97,933	100,543
Total non-current borrowings	132,963	138,750

Note 32.2 Reconciliation of liabilities arising from financing activities

	Loans from DHSC £000	Other loans £000	Lease Liabilities £000	PFI and LIFT schemes £000	Total £000
Carrying value at 1 April 2024	35,856	-	5,676	102,408	143,940
Cash movements:					
Financing cash flows - payments and receipts of principal	(2,759)	-	(965)	(3,259)	(6,983)
Financing cash flows - payments of interest	(800)	-	(74)	(7,702)	(8,576)
Non-cash movements:					
Additions	-	-	533	-	533
Lease liability remeasurements	-	-	372	-	372
Remeasurement of PFI / other service concession liability resulting from change in index or rate				1,395	1,395
Application of effective interest rate	794	-	74	7,702	8,570
Early terminations	-	-	(61)	-	(61)
Other changes	-	-	-	-	-
Carrying value at 31 March 2025	33,091	-	5,555	100,544	139,190

	Loans from DHSC £000	Other loans £000	Lease Liabilities £000	PFI and LIFT schemes £000	Total £000
Carrying value at 1 April 2023	38,613	-	4,915	95,421	138,949
Cash movements:					
Financing cash flows - payments and receipts of principal	(2,759)	-	(954)	(3,126)	(6,839)
Financing cash flows - payments of interest	(855)	-	(46)	(7,836)	(8,737)
Non-cash movements:					
Application of IFRS 16 measurement principles to PFI liability on 1 April 2023				6,143	6,143
Transfers by absorption	-	-	-	-	-
Additions	-	-	975	-	975
	-	-	916	-	916
Lease liability remeasurements				-	916
Remeasurement of PFI / other service concession liability resulting from change in index or rate				3,969	3,969
Application of effective interest rate	857	-	46	7,837	8,740
Early terminations	-	-	(176)	-	(176)
Other changes	-	-	-	-	-
Carrying value at 31 March 2024	35,856	-	5,676	102,408	143,940

Note 33 Other financial liabilities

	31 March 2025 £000	31 March 2024 £000
Current		
Derivatives held at fair value through income and expenditure	-	-
Other financial liabilities	-	-
Total current other financial liabilities	-	-
Non-current		
Derivatives held at fair value through income and expenditure	-	-
Other financial liabilities	-	-
Total non-current other financial liabilities	-	-

Note 34.1 Provisions for liabilities and charges analysis

	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Restructuring	Equal Pay (including Agenda for Change)	Redundancy	Other	Total
	£000	£000	£000	£000	£000	£000	£000	£000
At 1 April 2024	134	317	176	-	-	-	7,847	8,474
Transfers by absorption	-	-	-	-	-	-	-	-
Change in the discount rate	-	-	-	-	-	-	(3)	(3)
Arising during the year	29	34	130	-	-	-	424	617
Utilised during the year	(61)	(59)	(129)	-	-	-	(1,774)	(2,023)
Reclassified to liabilities held in disposal groups	-	-	-	-	-	-	-	-
Reversed unused	-	-	(45)	-	-	-	(3,874)	(3,919)
Unwinding of discount	3	8	-	-	-	-	16	27

At 31 March 2025	105	300	132	-	-	-	2,636	3,173
Expected timing of cash flows:								
- not later than one year;	64	60	132	-	-	-	2,323	2,579
- later than one year and not later than five years;-	41	166	-	-	-	-	41	248
- later than five years.	-	74	-	-	-	-	272	346
Total	105	300	132	-	-	-	2,636	3,173

Early departure costs and injury benefits for former employees have been estimated using life expectancy from the Government's actuarial tables.

Legal claims relate to third party and employer liability claims and have been estimated by NHS Resolution. It is expected that these claims will be settled in the next year.

Provision liability arising from the 2019/20 pensions scheme derived from combining information on applications to join the 2019/20 scheme under the policy, together with information in the scheme pays election form where present

The majority of the value in other provisions includes costs associated with the reinstatement of Springfield Park and other provisions relating to liabilities from contract arrangements

Note 34.2 Clinical negligence liabilities

At 31 March 2025, £161,452k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Alder Hey Children's NHS Foundation Trust (31 March 2024: £165,649k).

Note 35 Contingent assets and liabilities

	31 March 2025 £000	31 March 2024 £000
Value of contingent liabilities	-	-
NHS Resolution legal claims	-	-
Employment tribunal and other employee related litigation	-	-
Redundancy	-	-
Other	-	-
Gross value of contingent liabilities	-	-
Amounts recoverable against liabilities	-	-
Net value of contingent liabilities	-	-
Net value of contingent assets	-	-

Note 36 Contractual capital commitments

	31 March 2025 £000	31 March 2024 £000
Property, plant and equipment	14,317	4,571
Intangible assets	3	-
Total	14,320	4,571

Note 37 Other financial commitments

The trust is committed to making payments under non-cancellable contracts (which are not leases, PFI contracts or other service concession arrangement), analysed by the period during which the payment is made:

	31 March 2025 £000	31 March 2024 £000
not later than 1 year	-	-
after 1 year and not later than 5 years	-	-
paid thereafter	-	-
Total	-	-

Note 38 Defined benefit pension schemes

The Trust has no disclosures for defined benefit schemes

Note 38.1 Changes in the defined benefit obligation and fair value of plan assets during the year

	2024/25	2023/24
	£000	£000
Present value of the defined benefit obligation at 1 April	-	-
Transfers by absorption	-	-
Current service cost	-	-
Interest cost	-	-
Contribution by plan participants	-	-
Remeasurement of the net defined benefit (liability) / asset:		
- Actuarial (gains) / losses	-	-
Benefits paid	-	-
Past service costs	-	-
Business combinations	-	-
Curtailments and settlements	-	-
Present value of the defined benefit obligation at 31 March	<u>-</u>	<u>-</u>
Plan assets at fair value at 1 April	-	-
Transfers by normal absorption	-	-
Interest income	-	-
Remeasurement of the net defined benefit (liability) / asset:		
- Return on plan assets	-	-
- Actuarial gain / (losses)	-	-
- Changes in the effect of limiting a net defined benefit asset to the asset ceiling	-	-
Contributions by the employer	-	-
Contributions by the plan participants	-	-
Benefits paid	-	-
Business combinations	-	-
Settlements	-	-
Plan assets at fair value at 31 March	<u>-</u>	<u>-</u>
Plan surplus/(deficit) at 31 March	<u>-</u>	<u>-</u>

Note 38.2 Reconciliation of the present value of the defined benefit obligation and the present value of the plan assets to the assets and liabilities recognised in the balance sheet

	31 March 2025	31 March 2024
	£000	£000
Present value of the defined benefit obligation	-	-
Plan assets at fair value	-	-
Net defined benefit (obligation) / asset recognised in the SoFP	<u>-</u>	<u>-</u>
Fair value of any reimbursement right	-	-
Net (liability) / asset after the impact of reimbursement rights	<u>-</u>	<u>-</u>

Note 38.3 Amounts recognised in the SoCI

	2024/25	2023/24
	£000	£000
Current service cost	-	-
Interest expense / income	-	-
Past service cost	-	-
Gains/(losses) on curtailment and settlement	-	-
Total net (charge) / gain recognised in SOCI	<u>-</u>	<u>-</u>

Note 39 On-SoFP PFI, LIFT or other service concession arrangements

The PFI scheme relates to the main hospital building on East Prescott Road. The Trust has the right to use the buildings, however Alder Hey (Special Purpose Vehicle) Limited (Acorn Consortium) have responsibility for maintaining the buildings to an agreed standard. All lifecycle replacement is also the responsibility of Alder Hey (Special Purpose Vehicle) Limited. A key feature of the PFI scheme is that the operator is responsible for ensuring that the property is maintained to an agreed standard for the entire life of the contract. These are known as lifecycle costs. The costs which the operator expects to incur in doing this is reflected in the unitary payment. The contract with Alder Hey (Special Purpose Vehicle) Limited expires on 21 June 2045, after which time the trust will become responsible for the maintenance and lifecycle costs of those buildings.

Note 39.1 On-SoFP PFI, LIFT or other service concession arrangement obligations

The following obligations in respect of the PFI, LIFT or other service concession arrangements are recognised in the statement of financial position:

	31 March 2025	31 March 2024
	£000	£000
Gross PFI, LIFT or other service concession liabilities	202,823	212,336
Of which liabilities are due		
not later than one year;	11,168	10,270
later than one year and not later than five years;- later than five years.	39,113	39,773
Finance charges allocated to future periods	152,542	162,293
Net PFI, LIFT or other service concession arrangement obligation	(102,279)	(109,928)
not later than one year;	100,544	102,408
later than one year and not later than five years;- later than five years.	2,611	1,865
	15,123	14,908
	82,810	85,635

Note 39.2 Total on-SoFP PFI, LIFT and other service concession arrangement commitments

Total future commitments under these on-SoFP schemes are as follows:

	31 March 2025	31 March 2024
	£000	£000
Total future payments committed in respect of the PFI, LIFT or other service concession arrangements	360,449	373,770
Of which payments are due:		
- not later than one year;	17,105	15,089
- later than one year and not later than five years;	62,762	62,141
- later than five years.	280,582	296,540

Note 39.3 Analysis of amounts payable to service concession operator

This note provides an analysis of the unitary payments made to the service concession operator:

	2024/25	2023/24
	£000	£000
Unitary payment payable to service concession operator	16,764	16,062
Consisting of:		
- Interest charge	7,702	7,837
- Repayment of balance sheet obligation	3,259	3,126
- Service element and other charges to operating expenditure	4,289	3,792
- Capital lifecycle maintenance	-	-
- Revenue lifecycle maintenance	1,514	1,307
- Addition to lifecycle prepayment	-	-
Other amounts paid to operator due to a commitment under the service concession contract but not part of the unitary payment	-	-
Total amount paid to service concession operator	16,764	16,062

Note 40 Off-SoFP PFI, LIFT and other service concession arrangements

Alder Hey Children's NHS Foundation Trust incurred the following charges in respect of off-Statement of Financial Position PFI and LIFT arrangements:

	31 March 2025	31 March 2024
	£000	£000
Charge in respect of the off SoFP PFI, LIFT or other service concession arrangement for the period	-	-
Commitments in respect of off-SoFP PFI, LIFT or other service concession arrangements:		
- not later than one year;	-	-
- later than one year and not later than five years;	-	-
- later than five years.	-	-
Total	-	-

Note 41 Financial instruments**Note 41.1 Financial risk management**

Financial reporting standard IFRS7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the trust has with Integrated Care Boards (ICB's) and the way those ICBs are financed, the trust is not exposed to the degree of financial risk faced by business activities. Also, financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply.

The trust's treasury management operations are carried out by the finance department, within parameters defined formally within the trust's standing financial instructions and policies agreed by the Board of Directors. Trust treasury activity is subject to review by the trust's internal auditors.

Liquidity Risk

Alder Hey Children's NHS Foundation Trust net operating costs are incurred under legally binding contracts with local ICBs. The trust receives regular monthly payments from ICBs based on an agreed contract value with adjustments made for actual services provided.

The trust finances its capital expenditure from internally generated funds or Public Dividend Capital made available by the Department of Health and Social Care. The trust is therefore not exposed to significant liquidity risks.

Interest Rate Risk

All of the trust's financial assets carry nil or fixed rates of interest. The trust is not exposed to significant interest rate risk.

Foreign Currency Risk

The trust is principally a domestic organisation with the majority of transactions, assets and liabilities being in the UK and sterling based. The trust has limited business with overseas clients. The trust therefore has low exposure to currency rate fluctuations.

Price Risk

The contracts from NHS commissioners in respect of healthcare services have a pre-determined price structure which negates the risk of price fluctuation.

Credit Risk

The contracts from NHS commissioners in respect of healthcare services are agreed annually and take into account the commissioners' ability to pay and hence credit risk is minimal.

Note 41.2 Carrying values of financial assets

	Held at amortised cost £000	Held at fair value through I&E £000	Held at fair value through OCI £000	Total book value £000
Carrying values of financial assets as at 31 March 2025				
Trade and other receivables excluding non financial assets	21,939	-	-	21,939
Other investments / financial assets	-	-	-	-
Cash and cash equivalents	53,712	-	-	53,712
Total at 31 March 2025	75,651	-	-	75,651

	Held at amortised cost £000	Held at fair value through I&E £000	Held at fair value through OCI £000	Total book value £000
Carrying values of financial assets as at 31 March 2024				
Trade and other receivables excluding non financial assets	13,623	-	-	13,623
Other investments / financial assets	-	-	-	-
Cash and cash equivalents	78,280	-	-	78,280
Total at 31 March 2025	91,903	-	-	91,903

Note 41.3 Carrying values of financial liabilities

	Held at amortised cost £000	Held at fair value through I&E £000	Total book value £000
Carrying values of financial liabilities as at 31 March 2025			
Loans from the Department of Health and Social Care	33,091	-	33,091
Obligations under leases	5,555	-	5,555
Obligations under PFI, LIFT and other service concession contracts	100,544	-	100,544
Other borrowings	-	-	-
Trade and other payables excluding non financial liabilities	40,830	-	40,830
Other financial liabilities	-	-	-
Provisions under contract	-	-	-
Total at 31 March 2025	180,020	-	180,020

	Held at amortised cost £000	Held at fair value through I&E £000	Total book value £000
Carrying values of financial liabilities as at 31 March 2024			
Loans from the Department of Health and Social Care	35,856	-	35,856
Obligations under leases	5,676	-	5,676
Obligations under PFI, LIFT and other service concession contracts	102,408	-	102,408
Other borrowings	-	-	-
Trade and other payables excluding non financial liabilities	53,029	-	53,029
Other financial liabilities	-	-	-
Provisions under contract	-	-	-
Total at 31 March 2024	196,969	-	196,969

Note 41.4 Maturity of financial liabilities

The following maturity profile of financial liabilities is based on the contractual undiscounted cash flows. This differs to the amounts recognised in the statement of financial position which are discounted to present value.

	31 March 2025	31 March 2024
	£000	£000
In one year or less	56,381	67,441
In more than one year but not more than five years	54,317	55,376
In more than five years	177,261	190,546
Total	287,959	313,362

Note 41.5 Fair values of financial assets and liabilities

It is considered that the book value (carrying value) is a reasonable approximation of fair value.

Note 42 Losses and special payments

	2024/25		2023/24	
	Total number of cases Number	Total value of cases £000	Total number of cases Number	Total value of cases £000
Losses				
Cash losses	25	35	13	42
Fruitless payments and constructive losses	-	-	-	-
Bad debts and claims abandoned	21	16	31	352
Stores losses and damage to property	-	-	-	-
Total losses	46	51	44	394
Special payments				
Compensation under court order or legally binding	-	-	-	-
Extra contractual payments	-	-	-	-
Ex-gratia payments	20	130	36	147
Special severance payments	-	-	-	-
Extra-statutory and extra-regulatory payments	-	-	-	-
Total special payments	20	130	36	147
Total losses and special payments	66	181	80	541

Note 43 Gifts

	2024/25		2023/24	
	Total number of cases Number	Total value of cases £000	Total number of cases Number	Total value of cases £000
Gifts made	-	-	-	-

Note 44 Related parties

Alder Hey Children's NHS Foundation Trust is a public interest body authorised by NHS England. During the period, none of the Trust board members or members of the key management staff, or parties related to any of them, has undertaken any transactions with Alder Hey Children's NHS Foundation Trust. The Department of Health and Social Care is regarded as the parent department. During the period the Trust has had a significant number of transactions with the Department, and with other entities for which the Department is regarded as the parent Department. The transactions relate mainly to the provision of healthcare services and purchase of services in the ordinary course of business.

Paragraph 25 of IAS 24 allows entities which are related parties because they are under the same government control to reduce the volume of the detailed disclosures.

During the year the Trust had significant transactions with the following NHS bodies which are related by government oversight only – the Trust does not have any control over these entities: NHS England North West Specialist Commissioning Hub, NHS Cheshire and Merseyside Integrated Care Board, NHS England and Health

Education England. The Trust also had significant transactions with the following other government departments: Welsh Health Specialised Services Committee, HM Revenue & Customs, NHS Professionals and NHS Pension Scheme.

Net Expenditure with Liverpool City Council was £3,059k, and are largely related to rates associated with Trust sites

Net expenditure with University of Liverpool is £1,071k and is related to staff costs

Transactions with related parties are on an arms length basis

Note 45 Transfers by absorption

The Trust has nothing to disclose in this area

Note 46 Prior period adjustments

The Trust has nothing to disclose in this area

Note 47 Events after the reporting date

The Trust has nothing to disclose in this area

Note 48 Final period of operation as a trust providing NHS healthcare

Note is not applicable to Alder Hey Children's NHS Foundation Trust

Staff costs

			2024/25	2023/24
	Permanent	Other	Total	Total
	£000	£000	£000	£000
Salaries and wages	198,674	21,039	219,712	196,308
Social security costs	20,473	-	20,473	19,183
Apprenticeship levy	983	-	983	929
Employer's contributions to NHS pension scheme	40,223	-	40,223	31,275
Pension cost - other	-	-	-	-
Other post employment benefits	-	-	-	-
Other employment benefits	-	-	-	-
Termination benefits	-	-	-	-
Temporary staff	-	9,560	9,560	12,903
Total gross staff costs	260,353	30,599	290,951	260,598
Recoveries in respect of seconded staff	(2,336)	-	(2,336)	(2,109)
Total staff costs	258,017	30,599	288,616	258,489
Of which				
Costs capitalised as part of assets	2,904	60	2,964	3,171

Average number of employees (WTE basis)

			2024/25	2023/24
	Permanent	Other	Total	Total
	Number	Number	Number	Number
Medical and dental	569	1	570	521
Ambulance staff	-	-	-	-
Administration and estates	907	33	940	943
Healthcare assistants and other support staff	220	24	243	228
Nursing, midwifery and health visiting staff	1,454	100	1,554	1,519
Nursing, midwifery and health visiting learners	-	-	-	-
Scientific, therapeutic and technical staff	967	15	983	925
Healthcare science staff	-	-	-	-
Social care staff	-	-	-	-
Other	-	-	-	-
Total average numbers	4,118	173	4,290	4,137
Of which:				
Number of employees (WTE) engaged on capital projects	30	-	30	48

Reporting of compensation schemes - exit packages 2024/25

	Number of compulsory redundancies	Number of other departure agreed	Total number of exit packages
	Number	Number	Number
Exit package cost band (including any special payment element)			
<£10,000	-	-	-
£10,000-£25,000	1	17	18
£25,001-£50,000	1	14	15
£50,001-£100,000	-	4	4
£100,001-£150,000	1	-	5
£150,001-£200,000	-	-	-
>£200,000	-	-	-
Total number of exit packages by type	3	39	42
Total cost (£)	£86,976	£685,463	£772,439

Reporting of compensation schemes – exit packages 2023/24

	Number of compulsory redundancies	Number of other departure agreed	Total number of exit packages
	Number	Number	Number
Exit package cost band (including any special payment element)			
<£10,000	-	7	7
£10,000-£25,000	1	1	2
£25,001-£50,000	-	-	-
£50,001-£100,000	1	-	1
£100,001-£150,000	-	-	-
£150,001-£200,000	-	-	-

>£200,000	-	-	-
Total number of exit packages by type	2	8	10
Total cost (£)	£79,000	£38,000	£117,000

Exit packages: other (non-compulsory) departure payments

	2024/25		2023/24	
	Payments agreed Number	Total value of agreements £000	Payments agreed Number	Total value of agreements £000
Voluntary redundancies including early retirement contractual costs	-	-	-	-
Mutually agreed resignations (MARS) contractual costs	20	569	-	-
Early retirements in the efficiency of the service contractual costs	-	-	-	-
Contractual payments in lieu of notice	20	116	8	38
Exit payments following Employment Tribunals or court orders	-	-	-	-
Non-contractual payments requiring HMT approval	-	-	-	-
Total	40	685	8	38
Of which:				
Non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months of their annual salary	-	-	-	-

There have been no redundancy schemes in place in the current financial year, there was a Mutually Agreed Resignation Scheme in place for staff to leave their role for compensation. The majority of the exit packages relate to payments made to employees to terminate their employment in line with contractual obligations

Independent Auditor's Report to the Council of Governors of Alder Hey Children's NHS Foundation Trust

Opinion

We have audited the financial statements of Alder Hey Children's NHS Foundation Trust for the year ended 31 March 2025 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Taxpayers' Equity, the Statement of Cash Flows and the related notes 1 to 48, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted International Financial Reporting Standards as interpreted and adapted by the HM Treasury's Financial Reporting Manual: 2024-25 as contained in the Department of Health and Social Care Group Accounting Manual 2024 to 2025 and the Accounts Direction issued by NHS England with the approval of the Secretary of State as relevant to the National Health Service in England.

In our opinion the financial statements:

- give a true and fair view of the financial position of Alder Hey Children's NHS Foundation Trust as at 31 March 2025 and of Foundation Trust's income and expenditure for the year then ended;
- have been properly prepared in accordance with the Department of Health and Social Care Group Accounting Manual 2024 to 2025; and
- have been properly prepared in accordance with the National Health Service Act 2006.

Basis for opinion

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

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Foundation Trust's ability to continue as a going concern for a period to 30 September 2026.

Our responsibilities and the responsibilities of the Accounting Officer with respect to going concern' are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Foundation Trust's ability to continue as a going concern.

Other information

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

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Code of Audit Practice

In our opinion:

- other information published together with the audited financial statements is consistent with the financial statements; and
- the parts of the Remuneration Report and Staff Report identified as subject to audit have been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2024/25.

Matters on which we are required to report by exception

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

- We issue a report in the public interest under schedule 10(3) of the National Health Service Act 2006;
- We refer the matter to the regulator under schedule 10(6) of the National Health Service Act 2006 because we have reason to believe that the Foundation Trust, or a director or officer of the Foundation Trust, is about to make, or has made, a decision involving unlawful expenditure, or is about to take, or has taken, unlawful action likely to cause a loss or deficiency;
- We are not satisfied that the Foundation Trust has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources;
- We have been unable to satisfy ourselves that the Annual Governance Statement, and other information published with the financial statements meets the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2024/25 and is not misleading or inconsistent with other information forthcoming from the audit; or
- We have been unable to satisfy ourselves that proper practices have been observed in the compilation of the financial statements.

We have nothing to report in respect of these matters.

Responsibilities of the Accounting Officer

As explained more fully in the 'Statement of the chief executive's responsibilities as the accounting officer of Alder Hey Children's NHS Foundation Trust' set out on page 135 to 136 the chief executive is the accounting officer of Alder Hey Children's NHS Foundation Trust. The accounting officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibility for the audit of the financial statements

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

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

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Trust and determined that the most significant are the National Health Service Act 2006, the Health and Social Care Act 2012 and the Health and Care Act 2022, as well as relevant employment laws of the United Kingdom. In addition, the Foundation Trust has to comply with laws and regulations in the areas of anti-bribery and corruption, data protection and health & safety.
- We understood how Alder Hey Children's NHS Foundation Trust is complying with those frameworks by understanding the incentive, opportunities and motives for non-compliance, including inquiring of management, the head of internal audit and those charged with governance and obtaining and reviewing documentation relating to the procedures in place to identify, evaluate and comply with laws and regulations, and whether they are aware of instances of non-compliance. We corroborated this through our review of the Foundation Trust's board minutes and through the inspection of employee handbooks and other information. Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures had a focus on compliance with the accounting framework through obtaining sufficient audit evidence in line with the level of risk identified and with relevant legislation.
- We assessed the susceptibility of the Foundation Trust's financial statements to material misstatement, including how fraud might occur by understanding the potential incentives and pressures for management to manipulate the financial statements, and performed procedures to understand the areas in which this would most likely arise. Based on our risk assessment procedures, we identified manipulation of reported financial performance (through improper recognition of revenue and expenditure), inappropriate capitalisation of revenue expenditure, cut-off risk on capitalised expenditure and management override of controls to be our fraud risks to be our fraud risks.
- To address our fraud risk around the manipulation of reported financial performance through improper recognition of revenue, we performed procedures that tested whether income and income accruals occurred, challenging assumptions and corroborating the income to appropriate evidence.
- To address our fraud risk around the manipulation of reported financial performance through improper recognition of expenditure, we performed procedures that tested whether expenditure, and liabilities were recorded in the correct financial year, challenging assumptions and testing the completeness of expenditure and associated liabilities.

- To address our fraud risk of inappropriate capitalisation of revenue expenditure we [tested the Trust's capitalised expenditure to ensure the capitalisation criteria were properly met and the expenditure was genuine.
- To address our fraud risk around the cut-off of capital expenditure, we performed procedures that tested whether capital expenditure recognised approaching the year-end had been incurred and the Trust had an asset at the statement of financial position date.
- To address the presumed fraud risk of management override of controls, we implemented a journal entry testing strategy, assessed accounting estimates for evidence of management bias and evaluated the business rationale for significant unusual transactions. This included testing specific journal entries identified by applying risk criteria to the entire population of journals. For each journal selected, we tested specific transactions back to source documentation to confirm that the journals were authorised and accounted for appropriately. We also tested and challenged the assumptions used in calculating accounting estimates and considered any significant and unusual transactions outside the normal course of business.

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

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

We have undertaken our review in accordance with the Code of Audit Practice 2024, having regard to the guidance on the specified reporting criteria issued by the Comptroller and Auditor General in November 2024, as to whether the Foundation Trust had proper arrangements for financial sustainability, governance and improving economy, efficiency and effectiveness. The Comptroller and Auditor General determined these criteria as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Foundation Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2025.

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

We are required under schedule 10(1)(d) of the National Health Service Act 2006 to be satisfied that the Foundation Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. Under the Code of Audit Practice, we are required to report to you if the Foundation Trust has not made proper arrangement for securing economy, efficiency and effectiveness in the use of resources. We are not required to consider, nor have we considered, whether all aspects of the Foundation Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

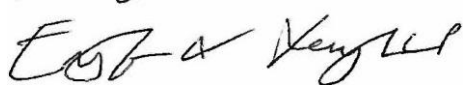
Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate until the NAO, as group auditor, has confirmed that no further assurances will be required from us as component auditors of Alder Hey Children's NHS Foundation Trust.

Use of our report

This report is made solely to the Council of Governors of Alder Hey Children's NHS Foundation Trust in accordance with Schedule 10 of the National Health Service Act 2006 and for no other purpose. Our audit work has been undertaken so that we might state to the Council of Governors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted

by law, we do not accept or assume responsibility to anyone other than the Council of Governors, for our audit work, for this report, or for the opinions we have formed.

*Hassan Rohimun (Key Audit Partner) Ernst & Young LLP
(Local Auditor) Manchester
27 June 2025*