

ANNUAL REPORT & ACCOUNTS

2025/26





Alder Hey Children's
NHS Foundation Trust

Alder Hey Children's NHS Foundation Trust
Annual Report & Accounts
2025/26

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A Message from Our Chair and Chief Executive

We are pleased to present our Annual Report and Accounts for 2025/26. This year's report tells the story of Alder Hey's continued commitment to our Vision 2030 ambition for a healthier, happier and fairer future where every child and young person achieves their potential. It also reflects the determination and compassion of our teams as we navigated ongoing pressures across the NHS while continuing to deliver specialist care to children, young people and families from across our region and beyond.

Over the year, our focus has remained on delivering outstanding care and experience, strengthening safety and learning, and improving access to timely treatment. Demand continued to rise across urgent and emergency care, and we continued to deliver strong performance against national standards. At the same time, we made further progress in elective recovery, reducing our waiting list and improving the proportion of children and young people treated within 18 weeks, through targeted pathway improvements and continued commitment from clinical and operational teams.

We have also continued to build strong partnerships across Cheshire and Merseyside and beyond, working with local authorities, the Integrated Care System, community and voluntary sector organisations, and peer providers to improve outcomes and reduce inequalities. As an anchor institution, we are focused on practical action- supporting neighbourhood models of care, strengthening prevention, and improving access for children and families who face the greatest barriers. This includes work to reduce 'Was Not Brought' appointments through improved follow-up and, importantly, testing digital and AI approaches that help us identify where additional support is needed.

Innovation and research remain at the heart of Alder Hey. During 2025/26 we strengthened our position as a leader in paediatric research, digital transformation and innovation through Alder Hey Futures—working with partners to translate new ideas into real improvements for children and young people. We have continued to invest in digitally enabled care, including a dedicated AI Strategy and the safe adoption of tools that reduce administrative burden and support clinical decision-making. Alongside this, our campus vision continues to progress, with major developments supporting a modern, integrated environment for clinical care, research and collaboration.

We would like to thank every member of our staff for their professionalism, skill and kindness, and our volunteers, governors and partners, including Alder Hey Children's Charity, for their continued support. This report recognises achievements we can all be proud of, while also being clear about the challenges that remain. In the year ahead, we

will keep focusing on safety, access, productivity and quality, and on delivering the next phase of our Vision 2030 Programme so that children and young people can receive the right care, in the right place, at the right time.



Dame Jo Williams

Chair



John Grinnell

Chief Executive



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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 children, young people and their 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 approximately 4,180 staff and provides specialist healthcare services to over 450,000 children and young people each year. The Trust's primary site is located at West Derby in North Liverpool, supplemented by a network of community outreach sites across Liverpool and Sefton.

Working in collaboration with partner organisations, Alder Hey clinicians also deliver care closer to home through local clinics spanning a wide geographical area, including Cumbria, Shropshire, Wales and the Isle of Man.

The Trust provides a regional Tier 4 inpatient mental health unit, *Sunflower House*, delivering specialist care for children under the age of 13 requiring inpatient mental health treatment. 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 and Young People's Gender Service (North West).

Alder Hey has held NHS Foundation Trust status since August 2008 and is overseen by an active Council of Governors, representing patients, parents and carers, staff, the general public, and partner organisations. The Council represents a membership of over 13,500 people across the regions served by the Trust.

The Trust also benefits from a well-established Children and Young People's Forum ('The Forum'), which plays a central role in influencing the Trust's plans and activities. The Forum ensures that children and young people's voices remain at the heart of decision-making and continue to contribute meaningfully to the recruitment of Board-level and other senior leadership roles.

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 2025/26 our operating turnover was £470m, of which £431m 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 £133m 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 Trust's vehicle for delivering pioneering breakthroughs that improve children's health and wellbeing, strengthening Alder Hey's position as a global leader in digital, research, innovation, and education. Futures brings together expertise across these areas and invests in collaborations that design, develop and implement new healthcare knowledge and solutions. It focuses on attracting training and retaining leading innovators, clinicians, and researchers in paediatric healthcare, providing the conditions they need to succeed and enabling them to collaborate and share knowledge worldwide.

The Trust receives support from two primary registered charities whose contributions are vital in enabling Alder Hey to advance its innovative work. Alongside Alder Hey Children's Charity, Ronald McDonald House is situated on the hospital grounds, providing families with accommodation and support in a comfortable environment during challenging times. The partnership with these charitable organisations remains essential, and the Trust maintains close collaboration with them to further progress in 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 •Response and Resuscitation Team •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 •Physiotherapy •Occupational Therapy •Speech and Language Therapy	•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 •Perfusion •ECG •Vascular Access Service •Tissue Viability

•Gastro Physiology •Respiratory Physiology •Histopathology •Microbiology •Neuromuscular Services	
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) •Neurodevelopmental Paediatrics •Neurodevelopmental Service (ASD/ADHD) •Mental Health & Acute Liaison 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 •NHS Children and Young People's Gender Service (North West) •Host of Children and Young People's National Provider Network (Gender Service) •Clinical Health Psychology •Outpatients •Booking and Scheduling •Phlebotomy •Public Health	Clinical Research •Research Management •Research Delivery •Research Support Services •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	

The Care Quality Commission undertook an unannounced inspection of the Trust's surgical services on 24th-26th March 2026. At the time of writing this report, the outcome of the inspection is awaited.

Our Vision and Our Strategy

2025/26 marks Year 3 of the Trust's Strategy - Vision 2030, initially approved by Alder Hey Board in March 2023, built upon clear, long term strategic ambitions (originally set out as a blueprint in 2011) and endorsed by the Board and Council of Governors throughout its development and implementation.

During 2025/26 the Trust has made a step change in delivery, strengthening the foundations of a coherent children and young people's system, embedding clinically led change, new system partnerships, and new ways of working such as 'How We Will Work in the Future' (HWWWITF) that translate ambition into impact. Year 3 of the Vision 2030 Transformation Programme has been defined and is under implementation with underpinning programme and benefits realisation plans. This year saw a refresh of the Trust's values, making them more reflective of Vision 2030 and our people's feedback, and these values underpin all that we do and how we do it as we continue to traverse the most challenging period in NHS history.

Our 2030 Vision

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. As part of the NHS Cheshire and Merseyside Integrated Care Board (ICB), 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 focuses on four areas of children and young people's needs:

1. Get me well
2. Personalise my care
3. Improve my life chances
4. Bring me the future

These are supported by five strategic objectives:

1. Outstanding care and experience
2. Collaborate for children and young people
3. Revolutionise care
4. Support our people
5. Pioneering breakthroughs

At Alder Hey, our approach to collaborating in and with our communities is focused on practical, measurable action across the following priorities:

- Tackling health inequalities and embedding prevention into our pathways.
- Advocating for children and young people at local, regional, national and global level.
- Expanding access to high-quality employment opportunities that reflect the diversity of our communities.
- Procuring goods and services locally wherever possible.
- Building a network of beneficial partnerships that support a sustainable system for children and young people.
- Recognising and reducing our impact on climate change through a credible net zero plan.
- Understanding, maximising and clearly demonstrating our economic impact and the social value we deliver.

Through these commitments, we strengthen our role across Cheshire and Merseyside as an anchor institution - working alongside partners to improve lives in the communities around us in significant and lasting ways.

Delivering on Our Strategic Aims and Our Operational Plan: Highlights From 2025/26

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 established the groundwork to shift our patient experience and clinical effectiveness boards to operate using the Brilliant Basics approach and launched our Quality Strategy.
- With ongoing work through our Tissue Viability Team, we saw a continued 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 continues, and there are plans to expand the Paediatric Assessment Unit (PAU), same day emergency care (SDEC) and extended emergency medicine ambulatory care (EEMAC) pathways in early 2026/27. This will maximise the impact of those pathways changes in reducing the number of children and young people who are admitted for inpatient care.
- We were recognised as the first NHS Trust in England to achieve all aspects of *Sophie's Legacy* by providing free meals to resident parents, improving the standards of our hospital food and expanding our play service to cover seven days a week. Collectively these interventions have made a positive difference to our children, young people and families and their experience of care at Alder Hey.
- Our state-of-the-art cinema, in association with Alder Hey Children's Charity and Medicinema UK, continued to enhance the experience of our children, young people and families. 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 4,000 children and young people have enjoyed the benefit of escapism through film.

- Our patient safety partners worked with outpatient safety investigators on a range of projects, providing unique insight as partners in care. Our patient safety investigators continued to evolve our Patient Safety Incident Response Framework (PSIRF) investigation processes with a focus on creating a just, restorative and learning culture.
- *Martha's Rule* is operational in all acute wards across the main hospital site and the team are working on piloting the approach in outpatients, ED and our community services.
- The Neonatal Intensive Care Unit was awarded Stage 2 in their Baby Friendly Initiative assessment, focussing on promoting breastfeeding and supporting new parents with bonding in those early days of life. The Trust more widely has been selected as a pilot site for the Children's Hospital Standards and successfully awarded stage 1 on the BFI assessment, with work in the coming year in readiness for stage 2 assessment.

Supporting Our People

- As an integral part of the Trust's 2030 Vision, the People Plan outlines how to address workforce challenges whilst building a thriving workforce that helps improve the life chances of children and young people; a plan which also considers 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.
- 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.
- Our 2025 Staff Survey results achieved a response rate of 53% with 2,426 staff completing a questionnaire (a decrease from 62% last year). 66.8% of staff responded that they would recommend Alder Hey as a place to work and 88.41% as a place for friends and family to receive care. Both results are a decrease from

2024, however the latter remains the top score in our comparator group of 121 acute and community trusts for the 6th year in succession.

- Our commitment to staff wellbeing and to the development of a compassionate and inclusive culture continued throughout 2025/26. The Staff Advice and Liaison Service (SALS) celebrated its sixth 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 20,500 contacts from colleagues, representing over 3,500 individuals (55% of the workforce).
- The Trust has continued to enhance its digital capabilities within workforce systems, with an emphasis on increasing proficiency in our e-roster system as a key tool for optimising workforce productivity. This includes more effective rostering and improved management of bank and agency staff. Additionally, there have been notable advancements in pay accuracy and rota administration. Ongoing improvements in workforce systems have resulted in a further reduction of the average Time to Hire metric to 25 days.
- We have seen significant progress with 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 remain committed to fostering a workplace where every employee feels empowered to 'speak up' and is encouraged to 'listen up', thanks to our Freedom to Speak Up Guardian and Champion Team. The Guardian works closely with Human Resources and SALS to strengthen a secure and fair learning culture, implementing extra measures and actions to address avoidable employee harm.

People Promise



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.

- Our Academy delivers a wide range of projects and programmes which support young people to develop the knowledge, skills and confidence to remain in education and/or move into employment. We offer focused work experience to those aged 16+, run employer taster sessions and careers fairs, deliver in-school workshops and coaching, offer bespoke arts-based projects for young people unable to stay in their home/school for health reasons and work with other NHS trusts locally to run a supported internship programme. In addition to this, in 2025/26 we entered into a new strategic partnership with Edge Hill University, which has seen us work together on the development and delivery of the first PGCE Primary Education Mental Health and Wellbeing with QTS Programme in England, as well as deliver interdisciplinary mental health professional development workshops for secondary school trainees to improve education and mental health outcomes in schools. This will be extended to wider school-based staff in 2026/27. As a Trust we also support a range of local and national programmes for care-experienced young people as it is recognised that this group may benefit from targeted support when navigating entry to the workplace/moving through education.
- 'Beyond', the Children and Young People's Transformation Programme hosted by Alder Hey on behalf of the Cheshire and Merseyside Integrated Care System continues to champion a preventative, community-focussed and digitally enabled vision for children and young people, aligned with the NHS 10-Year Plan, Core20PLUS5 and the wider ambitions of the Cheshire and Merseyside system.

Highlights from 2025/26 include rolling out supervised toothbrushing programmes across nine 'places' in Cheshire and Merseyside, providing strategic oversight for implementation of neighbourhood care for children and young people, and continued work to support those with complex multi-agency needs in need of safe places of care.

- 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. The symptom checker provides 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 (LCC) Public Health and Children's Services teams, as a member of the LCC CYP Partnership Board, alongside City Council services, NHS trusts, education/schools, primary care and voluntary and community sector organisations to drive systematic improvement in outcomes for children, young people and families. Our shared work programme includes the mobilisation of family hubs across the city, a multi-agency approach to improving lung health within the city, the children and young people's neighbourhood model and supporting Liverpool's progress towards becoming a UNICEF Child Friendly City.
- Alder Hey's *Wellbeing Hub* continues to make a meaningful difference to the lives of children, young people and families in our care. A joint programme with Citizens Advice Bureau, Health Junction, and Alder Hey Children's Charity, the Hub delivers integrated health-linked social welfare advice to families, particularly those caring for children with long-term or life-limiting conditions. This pioneering model demonstrates how embedding welfare advice within clinical settings can reduce health inequalities, improve mental wellbeing and enhance clinical engagement. In its first six months, the Wellbeing Hub secured an additional income of £170,163 for families, averaging £2,153 per household.
- Alder Hey remains a key member of the North West Congenital Heart Disease (CHD) Partnership and also hosts the CHD Operational Delivery Network. These regional collaborations focus on providing seamless, collaborative CHD services for all age groups across the North West. Joint governance has been established between the Partnership and the CHD ODN, effectively eliminating duplication within the system. In 2025/26, the development and launch of a North West CHD database took place, offering benefits to all providers of CHD services throughout the region.

- During 2025/26 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 and the new Unit is expected to reach completion in Autumn 2026. Ahead of the opening, key simulation and familiarisation work is taking place with staff. The Charity has worked extremely hard to provide amazing support to the neonatal campaign and they have provided £3million towards 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.
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- Alder Hey continues to deliver new models of care within community and mental health services for children and young people. This includes the transformation of ASD and ADHD assessment and diagnostic services into a single Neurodevelopmental Service which supports children and young people to access assessment, diagnosis and treatment for ASD and ADHD. 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.

- 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.
- Alder Hey plays an active role in the ICS Digital Programme, actively contributing to ICS wide programmes and developments. The Trust Chief Transformation and 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 and Innovation

As one of only a handful of NIHR-funded paediatric clinical research facilities (CRFs) in the UK, we provide a rare, dedicated space for children's research. With very few CRFs focused solely on paediatrics, our facility opens the door to early-phase, cutting-edge experimental medicine trials. Key achievements for 2025/26 include:

- Recruited 2,068 children and young people into research studies (April 2025 – March 2026) and opened 64 new studies (47 observational, 17 interventional).
- Maintained status as the highest-recruiting standalone children's Trust in the UK over the last five years, with over 29,000 participants recruited since April 2021.
- Achieved excellent participant experience, with 96.8% rating their experience as good or very good and 97.4% likely to recommend taking part in research at Alder Hey.
- Appointed as the Paediatric Hub for the NIHR Cheshire and Merseyside Commercial Research Delivery Centre, supporting growth in commercial research and life sciences investment.
- Installed Europe's first paediatric 3-Tesla MRI scanner dedicated to research, with the first research scan completed in August 2025.

- Strengthened community-based research delivery, including monthly engagement via the Mobile Research Unit and partnerships with 16 local community centres.
- Generated strong academic impact with over 300 peer-reviewed publications since April 2025 and continued delivery of national and international research “firsts”.
- Secured over £4m from the Liverpool City Region Combined Authority as part of the £9.44m Paediatric Open Innovation Zone (POIZ), strengthening Alder Hey’s position as a global leader in paediatric innovation. On track to deliver against 4-year targets which include:
 - 15 NHS organisations engaged in the innovation network and 10 innovation partnerships
 - 30 NHS staff trained in innovation methods
 - Four businesses supported (seven receiving challenge funding)
 - Six clinical innovation fellowships and four MSc students supported
 - 60 jobs created (20 direct, 40 indirect)
 - One spin-out company created.
- Supported the introduction and scale-up of ambient AI (Lyrebird), transforming clinic delivery and clinical documentation.
- Delivered extensive children and young people (CYP) engagement, including sessions with the Youth Forum and patient safety partners, and establishment of an innovation subgroup.
- Strengthened international collaboration through a new Memorandum of Understanding with Children’s Health Ireland (CHI).
- Marked 10 years of Alder Hey Innovation with a two-day international conference attended by over 180 delegates, showcasing leadership in paediatric healthcare innovation.
- Delivered a major quality improvement through robotic process automation (RPA), by combining ASD and ADHD pathways into a single Neurodevelopment Service, improving safety, efficiency and sustainability.

Key Priorities (2026/27)

- Meet new national study set-up targets (≤ 150 days) by transforming internal processes and removing barriers to rapid study delivery.
- Recruit to time and target in line with sponsor expectations, while sustaining high volumes of participation from children and young people.
- Increase commercial research activity and strengthen collaboration with industry sponsors.
- Expand research beyond hospital settings, enabling recruitment through community venues, schools and the Mobile Research Unit.
- Continue to improve and evidence participant experience, including delivery against NIHR PRES response targets.
- Continue delivery of POIZ targets to 2030, maintaining momentum across NHS engagement, workforce development, business support, fellowships and job creation.
- Further embed and scale digital innovation, including Co-Create and Test-Bed platforms and safe adoption of AI technologies.
- Strengthen system, industry and international partnerships to accelerate translation of innovation into clinical practice.
- Expand meaningful involvement of our children and young people in innovation design and delivery.

Revolutionising Care

Digital

The Digital and Data Futures Strategy continues to drive digitally enabled transformation across Alder Hey, focused on improving care delivery, staff experience and operational insight. Delivery is centred on optimisation and continuous improvement, with clinical and operational teams prioritising enhancements to ensure technology delivers tangible benefits for children, young people and staff.

Digital transformation activity has focused on the delivery of high-value programmes that improve patient care, safety and operational efficiency. Key initiatives include Community Electronic Prescribing, Integrated Observations and the Patient Demographic Service, enabling more joined-up clinical workflows, improved decision-making and reduced administrative burden for frontline teams. The Trust has also designed and built a digital family portal platform, Alder Connect, providing children, young people and families with improved access to appointments, clinical information and communications, supporting a more connected and transparent care experience.

A dedicated Artificial Intelligence (AI) Strategy has been launched to support the safe, ethical and purposeful adoption of AI across the Trust. AI solutions deployed include Microsoft Copilot, Ambient Voice Technology and Observation Management within Critical Care, delivering benefits such as increased clinical productivity, improved documentation quality and enhanced clinical insight, while maintaining appropriate governance and assurance.

Looking ahead, priorities for the coming year include completion of the Trust's data platform, expansion of Lyrebird into additional clinical areas, further rollout of the Trusts Family Portal - Alder Connect, and delivery of the Alder Care 2.2 upgrade. These developments will continue to strengthen the Trust's digital foundations and support delivery of the 2030 Vision.

Corporate Services Collaborative

Now in its fourth year, the Corporate Services Collaborative Group continues to meet monthly, with representation from all 12 non-clinical service departments. The group operates using a Brilliant Basics approach, focusing on priority issues and improvement opportunities identified through aggregated performance information. Performance is considered against the same metrics used for the clinical divisions, supporting a consistent organisation-wide view.

In addition to workforce and financial performance, the monthly meetings (chaired by the Chief Corporate Affairs Officer and attended by corporate heads of department or deputy directors) review the Corporate Services Risk Register (moderate risks and above) and provide oversight of open complaints, PALS cases and incidents.

A 'hot spots' approach is used to target specific areas of risk for focused discussion and action. This collaborative approach supports cross-departmental working, enables the

sharing of good practice and facilitates the identification of practical solutions to strengthen support to clinical services.

Throughout the year, the collaborative has maintained focus on the organisation's response to the challenges set out by the ICB, including finance, workforce and automation across Cheshire and Merseyside.

Performance Analysis

The Trust's Integrated Performance Report continues to serve as the principal mechanism for monitoring all relevant performance metrics across the organisation. This comprehensive report is regularly reviewed by the Board, its assurance committees, and the divisional teams, ensuring consistent and robust oversight of operational, clinical, and financial performance.

The report is carefully constructed to encompass the Care Quality Commission (CQC) domains and maintains alignment with the Trust's strategic objectives and priorities, as outlined in the 2025/26 Annual Plan. In addition, it incorporates a variety of locally determined measures, reflecting the unique requirements and challenges faced by the Trust. Emphasis is placed on the implementation of SMART actions to address and recover any performance indicators that deviate from expected targets, ensuring timely and effective responses.

Supporting the Performance Report is an electronic business intelligence system, which provides divisions with the capability to examine key financial, operational, and clinical metrics in detail. This allows for granular analysis at both the service line and individual patient level, facilitating informed decision-making and targeted improvement initiatives throughout the Trust.

Quality Improvement

Brilliant Basics Improvement System

Brilliant Basics is our approach to quality improvement. During 2025/26, 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 enable them to continuously improve.
- Effective and productive sub-board committee meetings; aligning the use of data to drive focused improvement alongside existing assurance mechanisms.
- Productivity improvement; helping teams and services to utilise improvement principles to deliver change.
- Empowering front-line staff; to undertake improvement activities which have a beneficial effect on children, young people and families.

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 all colleagues are supported to undertake improvement, either through individual learning or team-based approaches delivered in person, online or self-paced through a digital platform.

We have continued to embed these behaviours to create a culture of continuous improvement, seeking opportunities to celebrate success and to look for opportunities to improve further.

Our diverse network of improvement connectors has continued to grow to support further capability building within their teams, enabling a sustainable spread of improvement skills, particularly by front line colleagues.

A dedicated 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.

Moving forward into 2026/27, 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 children, young people 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 2026/27 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 2025/26, ensuring compliance with national standards of care and commitments under the NHS Constitution has been challenging due to the rising demand for elective and urgent care services alongside the effect of industrial action by NHS trade unions. Nonetheless, our teams have delivered good access to care for the vast majority of our children and young people, through hard work, ingenuity and commitment.

Urgent and Emergency Care

Our Emergency Department provided care to 76,170 children and young people, this is an increase of 128% in the attendance levels recorded in 2019/20 before the pandemic. Despite this increase in numbers, 84.2% 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 22 minutes (national target is 15 minutes) and we are actively collaborating with NWS to improve this further.

Elective Care

Diagnostic performance has improved throughout the year with 97% of children and young people waiting under six weeks for a diagnostic test.

We have successfully reduced our elective care waiting list by 12% (April 2025 total was 20,043 compared to March 2026 which was 15,739), which has decreased the time it takes for children and young people to access care. Only 54.4% of patients were treated within 18 weeks of referral in April 2025, increasing to 68.5% by March 2026. Additionally, the number of children and young people waiting over a year for treatment has dropped by 44%, with just under 200 patients waiting longer than 52 weeks for treatment.



Our performance against national access and other mandated targets for 2025/26 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	3	1	0	0
C. Difficile - Rates per 100,000 Bed Days	n/a	19.80	6.52	0	0
18 Week RTT Target Open Pathways (Patients Still Waiting for Treatment)	92%	57.37%	61.76%	63.30%	64.68%
All Cancers: Two-Week GP Referrals	93%	91.03%	97.67%	97.78%	93.06%
All Cancers: One Month Diagnosis (Decision to Treat) to Treatment	70%	95.45%	88.24%	97.22%	100%
All Cancers: 31 Day Wait Until Subsequent Treatments	98%	100%	100%	100%	100%
Diagnostics % Waiting Under 6 Weeks	99%	95.44%	95.21%	95.31%	94.82%
A&E - Total Time in A&E (95th Percentile) <4 Hours	76%	85.16%	87.32%	84.90%	83.40%
Rate of Patient Safety Incidents per 1000 Bed Days	n/a	105.38	98.03	108.93	83.10
Clinical Incidents and the Percentage That Result in Severe Harm or Death	n/a	0%	0.07%	0%	0.11%
Readmission Rate Within 28 days of Discharge ²	0-15	7.75%	7.77%	8.70%	7.36%
	16+	3.77%	3.74%	2.35%	2.78%

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

During 2025/26, we continued to strengthen our approach to environmental sustainability, carbon reduction and climate resilience in line with national NHS Net Zero ambitions and the requirements of *Delivering a Net Zero National Health Service*. The Trust recognises that climate change presents both a risk to health outcomes and a challenge to the long - term sustainability and resilience of healthcare services.

Following Board approval during the year, a refreshed Green Plan was formally adopted. The Green Plan provides a clear strategic framework for delivering carbon reduction, improving environmental performance and strengthening climate adaptation across the organisation. Governance arrangements were further reinforced alongside approval, with clear Board-level oversight and executive sponsorship established to support effective delivery.

Task Force on Climate-Related Financial Disclosures (TCFD)

The Trust Board retains oversight of climate-related issues through its established governance framework. Sustainability and net zero matters are embedded within existing performance, risk and assurance reporting arrangements, ensuring that climate-related risks and opportunities are considered alongside wider strategic, operational and financial priorities.

Operational responsibility for coordinating delivery of the Green Plan sits within the Sustainability and Net Zero function, working collaboratively with Estates, Procurement, Digital, Clinical Services and workforce teams. Progress against sustainability objectives, including carbon reduction performance, is reviewed through internal governance mechanisms, with escalation to Board level where appropriate.

The Trust's Sustainability Strategy focuses on reducing its environmental impact while continuing to deliver safe, high-quality care for children and young people. Key priority areas within the Green Plan include:

- Decarbonisation of the Trust estate through energy efficiency, building optimisation and longer-term planning for low-carbon heat solutions.
- Embedding sustainable clinical practice, including sustained reductions in high-carbon anaesthetic gases and improved waste segregation.

- Reducing Scope 3 emissions through greener travel, digital-first service delivery, procurement and supply-chain engagement.
- Strengthening climate adaptation and resilience planning to address risks such as extreme weather, flooding and service disruption.

The Green Plan aligns with system-level priorities within the Integrated Care System and supports our broader objectives for efficiency, resilience and population health improvement.

Climate-related risks are identified, assessed and managed through the Trust's established risk management framework. These include physical risks, such as extreme weather events impacting estate resilience, and transition risks associated with regulatory change, energy costs and decarbonisation requirements. Material, climate-related risks are incorporated into existing risk registers and reviewed alongside other principal risks to the delivery of Trust objectives. This integrated approach ensures that climate-related considerations are embedded within routine governance and assurance processes rather than managed in isolation.

The Trust contributes to NHS-wide Net Zero targets, with emissions baselines and estimates produced centrally by NHS England. Locally, the Trust uses a range of robust and verifiable performance metrics to monitor progress against the Green Plan, including:

Energy consumption and energy efficiency performance across the estate.

Scope 1 and Scope 2* carbon emissions associated with gas and electricity use.

Waste production, segregation and recycling rates.

Adoption of low-carbon clinical practices, including reductions in high-impact anaesthetic gases.

Staff engagement in sustainability initiatives, including participation in the Green Champions Network.

Targets and milestones set within the Green Plan reflect national NHS trajectories and are reviewed periodically to ensure they remain achievable, evidence-based and aligned with available resources. During 2025/26, the Trust delivered continued and measurable progress in reducing carbon emissions and energy consumption from directly controlled sources.

Scope 1 and Scope 2 carbon emissions associated with energy use (gas and electricity) have reduced by 26% compared to the 2021/22 baseline, alongside a 10% year-on-year reduction compared to 2024/25. This performance reflects sustained improvement driven by energy-efficiency initiatives, optimisation of building management systems and operational controls across the estate.

Breaking this down by energy source:

- Gas consumption has reduced by approximately 26% compared to the 2021/22 baseline, reflecting improved building optimisation, system controls and reduced reliance on fossil-fuel based heat where possible.
- Electricity consumption has reduced by approximately 12% compared to the 2021/22 baseline, supported by estate-wide LED lighting upgrades, digital optimisation and more efficient use of electrical systems.

This reduction reflects sustained improvements in energy efficiency, optimisation of building management systems, and targeted estate-based interventions delivered in partnership with PFI partners and key suppliers including MITIE. Progress was also supported by continued clinical engagement, improved waste segregation and increased staff awareness of sustainability objectives.

Our Green Plan represents a significant milestone, providing clear executive backing and a structured delivery roadmap for the coming years. Progress achieved during 2025/26 demonstrates that the Trust remains on a positive trajectory towards meeting interim Green Plan milestones and supporting the NHS ambition to deliver an 80% reduction in directly controlled emissions by 2032.

** 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.*

Equality of Service Delivery to Different Groups

We know that equality, diversity and inclusion are essential to achieving our strategic aims and to reducing health inequalities in access, experience and outcomes for children and young people. We meet our responsibilities under the Equality Act 2010 and the public sector equality duty. In line with NHS England's statement on health inequalities, we use data, evidence and insight to understand need, identify unwarranted variation, improve data quality, take action, evaluate impact and report transparently.

The new 10 Year Health Plan sets out how the NHS will tackle inequalities in both access and outcomes - by intervening earlier, providing more care closer to home and using digital approaches to make services more joined-up and accessible. Through our Vision 2030 strategy, we worked with partners across 2025/26 to coordinate paediatric care and improve access and outcomes for children and young people. This work is underpinned by Vision 2030, including our commitment to *Improve My Life Chances*, ensuring that all children, young people and families, particularly those unfairly impacted by health inequalities, can find the right care when they need it.

We recognise the scale of need across our region. Around a quarter of children live in poverty, and there is a difference of nearly 10 years in life expectancy across Cheshire and Merseyside. During 2025/26, we delivered the following actions, programmes and service models to reduce health inequalities:

- Identified population health needs: using local analysis, demographic insight and outcomes data to understand which groups of children and young people are most affected, and why. Key activity included:
 - Using neighbourhood and place-based intelligence to inform Liverpool's children and young people's neighbourhood model.
 - Aligning priorities through partnership programmes such as Beyond (Cheshire & Merseyside Children and Young People's Transformation Programme).
 - Employing a Consultant in Paediatric Public Health Medicine (May 2024) to lead preventative healthcare and support population health and prevention.
- Analysed inequalities in healthcare access, outcomes and experience: disaggregating information (for example by deprivation, ethnicity, age and sex) to identify unwarranted variation across population groups and geographies. Key activity included:
 - Reducing 'Was Not Brought' (WNB) rates (where a child does not attend an appointment): strengthening processes to identify and proactively support children and families at risk of missed appointments, including improved follow-up and rebooking pathways, clearer communication and closer working with community and safeguarding teams where appropriate.
 - Testing an AI WNB risk tool to help identify children and young people most at risk of missing outpatient appointments; over 4,000 appointments were saved over a two-month period.

- Addressed data quality issues: identifying gaps (including where key demographic data is recorded as unknown or not stated) and taking practical steps to improve completeness and usability. Examples include:
 - Improving the percentage of children and young people with ethnicity recorded (reducing ‘unknown/not stated’) to strengthen analysis and targeting.
 - Using agreed health equity frameworks (e.g., through the Beyond Programme) to standardise how inequalities data is captured and used.
- Used information to inform targeted action and service improvement by shaping commissioning and service delivery decisions, implementing targeted improvement, and evaluating impact on inequalities.
- The *Improve My Life Chances* Partnership Group aims to deliver targeted action to support children and young people to miss less school due to illness, and create job and training opportunities through widening participation.
- Neighbourhood models of care (including family hubs and the 0–19 healthy child programme).
- Preventative ‘test, learn, grow’ work with Liverpool City Council to improve lung health in neighbourhoods.
- Neurodevelopmental pathway: a single diagnostic and assessment pathway alongside a treatment pathway, supporting earlier identification and more coordinated care.
- Opened the NHS’s first vaping cessation clinic for children and young people, sharing learning across the UK and Ireland.
- Vaccination equity actions (MMR and flu); improving data so we can routinely check MMR status and deploying ‘flu fairies’ who administered over 1,000 vaccinations in 2025.
- Complications from Excess Weight Clinic; designed with health inequalities in mind (over 70% of referrals from areas of high deprivation) to support families who can struggle to access specialist care.
- Mental health support teams in primary schools; working with over 160 schools to reduce inequalities and improve access to support.

- Wellbeing Hub; co-locating welfare advice with clinical services, securing an additional £170,163 income for families in its first six months.
- Monitoring a range of measures to understand where inequalities exist and to track improvement. Examples include:
 - Children aged under 10 waiting over 52 weeks for tooth extraction (Core20PLUS5 for children and young people).
 - Differences in waiting times for children and young people with a recorded learning disability compared with those without.
 - Continued improvement in the percentage of patients with ethnicity recorded
- Continued to develop neighbourhood models of care for children and young people to shift care closer to home and reduce inequalities in access and outcomes, including:
 - Establishing a Neighbourhood Clinical Collaborative to lead the Trust's contribution to Liverpool's Children and Young People's neighbourhood model.
 - Leading the children's offer to Sefton who have national Neighbourhood Pioneer Status.
 - Through leadership of Beyond – as named leaders of the Cheshire and Merseyside Children and Young People's Neighbourhood MDT focus group, we invited nine Places to pilot neighbourhood-based care for children and young people to generate an evidence base and scalable models.
 - Working with local industry partners on an integrated digital platform and partnership for children and young people to support our future neighbourhood development.
 - Partnership with Mersey Care NHS Foundation Trust to deliver the 0-19 healthy child programme, embedding services in neighbourhood family hubs and working with all key wider system partners from local authorities and VCSE as well as across health.
 - Leading the children and young people's health offer as part of the Cabinet Office national 'test, learn, grow' programme with Liverpool City Council, developing more preventative models of care to improve lung health in neighbourhoods.
- Established 'inequalities and prevention' as one of four key priority research themes in The Liverpool Institute of Child Health and Wellbeing - a collaboration between the Trust, Alder Hey Children's Charity and the University of Liverpool.

- Successfully achieved accreditation from Fairer, Healthier Liverpool as part of Liverpool's Marmot City status. The panel were particularly impressed by the strong and well-evidenced range of initiatives across all Marmot principles, with a clear emphasis on prevention and early intervention, and our strong collaboration with Alder Hey Children's Charity.

Examples of Action (Local, Regional and National)

Regional Examples

- Children and young people are recognised as a key priority within Cheshire and Merseyside's five-year Integrated Care Board (ICB) strategic commissioning intentions, supporting improved access and outcomes through a more joined-up system. Alder Hey is working with partners to develop a more accountable, prevention-focused approach to care and treatment for children and young people.
- Ongoing hosts of the 'Beyond' Children and Young People's Transformation Programme on behalf of the Cheshire and Merseyside ICB, convening partners around shared priorities to improve children and young people's outcomes and reduce inequalities, including:
 - 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, through creation of a health equity framework to address health inequalities based on evidence-based interventions.
 - Supporting the regional Child Poverty Agenda led by CHAMPS Public Health Collaborative and Directors of Public Health in Cheshire and Merseyside, with the ambition that no child in Cheshire and Merseyside lives in poverty.
 - The Children and Young People's Alliance met throughout 2025/26 to ensure children and young people with health needs receive the right care in the right place through collaborative delivery.
 - Alder Hey has continued to work in partnership with Royal Manchester Children's Hospital, as the two providers of specialist paediatric services in the North West. We actively oversee joint clinical services and networks, with a shared ambition to support fragile specialised services, and shape a better future for children and young people in partnership with our commissioners.

- Alder Hey has made strides towards testing and scaling digital first virtual urgent care models, including through our Paediatric Clinical Assessment Service (i.e. NHS 111 for 0-5s) which has rapidly become a high-utilisation paediatric urgent-care asset across Cheshire and Merseyside. Early impact data shows 45–60% of children are fully managed within PCAS, with very low A&E conversion.

National Examples

- We maintained strong links to national children and young people transformation leadership through clinical and policy roles at the Trust, including the National Clinical Director for Children and Young People, Professor Simon Kenny OBE.
- Continued to host the Children's Health Alliance as a partner alongside the 12 other largest children's trusts in England, focusing on advancements in research, digital and innovation, neighbourhood models of care for children and young people, and ongoing advocacy to ensure children and young people are properly considered in national policy development.
- Alder Hey Children Charity's national advocacy, including the 'Put Children First' campaign, convened a coalition to take action to end child health inequality in the UK and hosted a campaign event in Parliament.

The Trust is committed to delivering the best possible care for children and young people and has a Patient Access Policy that ensures patients have access to care and treatment based on fair and objective criteria. We have built a strong foundation towards Vision 2030 and recognise that we must evolve in line with the changing needs of children and young people. Aligned with the 'three key shifts' from the 10 Year Health Plan, the Trust will be organised to go further, faster in improving outcomes and reducing health inequalities. Through our How We Will Work in the Future Programme, we are changing the way we are organised, so care becomes simpler, fairer and easier for children and families.

Alder Hey is one of eight trusts nationally to be nominated to apply for *Advanced Foundation Trust (AFT) status, marking a significant milestone in the Trust's journey towards achieving its strategic ambitions. Achieving AFT status will enable us to play an increasingly strong leading role in the Cheshire and Merseyside system to deliver the three key shifts of the NHS 10 Year Health Plan, supporting our future vision of a truly integrated health and care system for children and young people. Achieving AFT would enable us to create stronger conditions and keep bringing stakeholders together to tackle

complex challenges collaboratively, using our position to unite partners around shared goals for children and young people.

**At the time of publication of this report (June 2026), the Trust had been notified that its application for Advanced Foundation Trust status was successful, with AFT status awarded on 1st June 2026.*



External Awards and Achievements in 2025/26

2025/26 has been another busy and inspiring period for Alder Hey, defined by the dedication of our people and our unwavering focus on delivering exceptional care for children, young people, and their families. Throughout the year we continued to make meaningful progress across our strategic priorities, strengthened key services and advanced initiatives that support better outcomes and brighter futures.

Alder Hey Named Top Performing Children's Hospital



In June, Alder Hey was recognised as one of the top performing NHS trusts in England for seeing A&E patients within four hours. Alder Hey came second in national rankings, with 89.3% of patients seen within the target, and the second lowest number of patients waiting more than 12 hours. Alder Hey was also in the top five trusts with the highest four-hour performance when comparing March 2024 to March 2025.

Alder Hey Wins Two RIBA Awards



Alder Hey won two awards at this year's RIBA Awards. Our Catkin Centre and Sunflower House building project won *Scheme of the Year*, and Alder Hey also won *Client of the Year*.

The panel of judges said of the Catkin and Sunflower House project: *"It is hard to overestimate the challenging nature of the project brief, or indeed the amazing work the staff and users of the building undertake. Those that the jury met were full of praise for the way this project enhances the possibilities for a therapeutic environment."*

Topping Out Event Takes Place for Groundbreaking Facility

Alder Hey and construction company Morgan Sindall celebrated a major milestone in June; our new dedicated surgical NICU and expanded emergency care facilities are now structurally complete and set to open at Alder Hey in 2026. The new purpose-built facility is the latest addition to Alder Hey's growing healthcare campus as part of its overarching commitment to provide the very best care to children and young people now and in the future.



During a special event, staff from Alder Hey joined colleagues from Liverpool Women's Hospital, Alder Hey Children's Charity and others involved in the project including contractors from Morgan Sindall to celebrate the progress made on the new development. Joining clinical and construction teams at the event was Betty (Young Fundraising Ambassador for Alder Hey Children's Charity) who attended with her family.

Alder Hey and Ain Shams University Sign Official Partnership



Alder Hey and Ain Shams University in Cairo, Egypt, signed a Memorandum of Understanding (MoU) in June, marking the beginning of a long-term partnership centred on clinical training, research, and academic collaboration. The agreement aims to elevate the standards of paediatric cardiology and cardiac surgery in Egypt.

Professor Calum Semple Appointed New Chief Scientific Adviser for Scotland

Professor Calum Semple OBE, Consultant in Paediatric Respiratory Medicine was appointed the Scottish Government's Chief Scientific Adviser (CSA).



Professor Semple has held key advisory roles during public health emergencies, serving as a UK Government adviser during the 2009 Swine Flu pandemic, on the World Health Organisation Scientific Advisory Committee during the Ebola Emergency and as a member of the Scientific Advisory Group for Emergencies during the Covid pandemic.

Alder Hey Opens First NHS Ketamine Clinic for Children and Young People in the UK



In July, Alder Hey opened a specialist clinic for children and young people with complications from ketamine use. The multi-disciplinary clinic is the first of its kind in the UK and has been set up in response to a significant rise in young people presenting with ketamine-induced uropathy, also known as 'Ketamine Bladder'.

Children and young people under 16 who are referred to the clinic will benefit from care provided by a specialist Urology Team who will treat the physical effects the drug has had on the urinary system) alongside a Consultant in Paediatric Public Health Medicine (who will provide further support and, where appropriate, include other relevant community services in the young person's ongoing care).

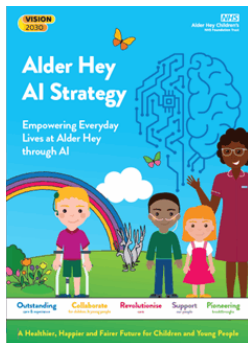
Europe's First MRI Scanner of its Kind Arrives at Alder Hey



This year, Alder Hey became the first paediatric hospital in Europe to install a ground-breaking 3-Tesla MRI research scanner. This state-of-the-art scanner is only the second of its kind in the world and will provide faster, more detailed imaging and improve patient comfort. It will primarily support research and will be used to improve diagnosis and treatment for patients of all ages, from newborns to older adults.

This new scanner, funded by the National Institute for Health and Care Research (NIHR) offers increased capacity for research scans at a time when clinical demand for MRI continues to grow. Its availability enables researchers to conduct vital studies, including early-phase clinical trials and high-intensity experimental medicine research, without competing with routine clinical imaging needs. The scanner also strengthens our ability to collaborate with academic institutions, clinical researchers, and industry partners.

Alder Hey Transforming Care Through AI



Alder Hey launched a new strategy in July aiming to revolutionise care and improve experience using the latest digital advances.

By transforming care for children and young people using safe, effective, and ethical AI, we aim to empower staff by: automating administrative tasks and enhancing decision-making; revolutionising diagnostics and care pathways using data and AI-driven tools; and positioning Alder Hey as a national and international leader in paediatric AI healthcare.

First Vestibular Screening Programme for Children in the UK

In July, we launched the first Vestibular Screening Programme (VIS-L) for infants in the UK. The new programme will see infants who have been diagnosed with permanent hearing loss and who have been referred through the neonatal hearing screening programme. Using new technology called the cVEMP test, screening tests will be able to check saccular function (part of the inner ear that helps in sensing gravity that is crucial to balance and spatial awareness) and indicate how well a child moves and carries out physical tasks. A special state of the art video head impulse test will also be able to examine how semicircular canals (essential for sensing movement) work during movement.



Outstanding Rating for Community Mental Health, ADHD and ASD Services

Alder Hey's community mental health, ASD & ADHD services were rated as outstanding by the Care Quality Commission (CQC) following an inspection in March. The CQC highlighted the strength in leadership across the service, its kind and compassionate staff and collaboration with local schools.

Lisa Cooper, Director of Community and Mental Health Services at Alder Hey Children's NHS Foundation Trust said: *"We are delighted with the rating received which recognises the quality of care we provide to children and young people. The result is a reflection of the dedication and hard work of our teams, to ensure children and young people receive the safe, effective and responsive care they deserve."*

Lifesaving Technique Pioneered at Alder Hey



In March, Alder Hey clinicians successfully carried out a pioneering life-saving procedure for an extremely rare brain condition. Diagnosed at just 11 months old with Vein of Galen Aneurysmal Malformation (VGAM), three year old Conor faced the risk of severe brain damage, heart failure and progressive paralysis. The condition, caused by abnormal blood flow deep within the brain, is usually treated using a

minimally invasive catheter inserted through a blood vessel in the groin. However, in Conor's case, that route was blocked, leaving doctors with no conventional treatment options.

A specialist team led by consultant paediatric neurosurgeon Mr Conor Mallucci developed an innovative new approach believed to be among the first of its kind in the world. Surgeons performed a craniotomy to directly access the abnormal blood vessel inside the brain before sealing it with a glue-like substance to redirect blood flow away from Conor's spinal cord and brain stem. The complex operation, carried out in Alder Hey's unique hybrid angiography theatre suite (with support from specialists at The Walton Centre and Great Ormond Street Hospital) was successful. Just ten days after surgery, Conor returned home "happy and alert" - and asking for chips!



Alder Hey Shines in National Patient Experience Survey

Alder Hey was ranked among the very best in the country in the 2024 NHS Children and Young People's Patient Experience Survey, commissioned by the Care Quality

Commission (CQC). The survey gathered feedback from children, young people, and parents/carers across 120 NHS trusts, covering ten key areas of care. Alder Hey achieved outstanding results, placing in the top five nationally for every category, as rated by either children and young people or their parents/carers.

Some of the highlights from the survey include:

- 1st place for children and young people when it comes to talking to hospital staff
- 1st place for hospital food
- 4th overall as rated by parents and carers
- 1st place for both children and parents in operations and procedures
- 2nd overall in the country as rated by children and young people

Pauline Brown, Director of Nursing said: *“We are incredibly proud of these results and the recognition they give to the care and compassion shown by our teams every single day. I want to thank every member of staff and all our volunteers for playing a part in this. Well done!”*

Alder Hey Ranked Top Children’s Hospital in New NHS Performance League Table

Alder Hey was ranked 16th out of 134 acute and specialist NHS trusts in the country, in new performance league tables published by the Government in September. This placed the Trust amongst the highest performing in England, and the highest-ranking specialist children’s Trust. The new NHS Oversight Framework assesses trusts using a range of performance metrics, the aim being to promote improvement while helping to identify which trusts need support.



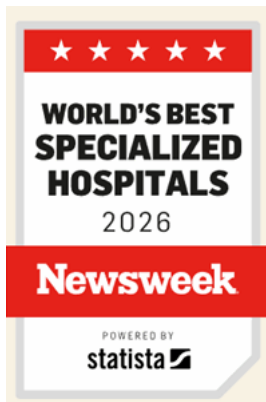
John Grinnell, Chief Executive said: *“We’re pleased to be recognised as amongst the top performing trusts in the country, and indeed the highest-ranking specialist children’s hospital in England. This reflects the incredible dedication of our people across every service and at every level to providing outstanding care for children and young people. Achieving this standard takes real teamwork, and we know that more of the same will be required if we are to maintain and continuously improve upon it. I’m deeply grateful to everyone at Alder Hey for the dedication they show in meeting the needs of the families we serve, today and in the future.”*

NHS England Deputy Chief Nursing Officer Visits Alder Hey



Deputy Chief Nursing Officer for NHS England, Acosia Nyanin, visited Alder Hey in September to consult with staff about the development of the Professional Strategy for the Future of Nursing, Midwifery and Nursing Associates. The strategy will look at how the professions need to transform over the next 15 years to meet the opportunities and demands of the future health and care system, as set out in the 10 Year Health Plan.

Alder Hey Ranked in Top 20 of World's Best Paediatric Hospitals



Alder Hey was ranked the 17th best paediatric hospital in the world by Newsweek. This ranking is based on a worldwide online survey conducted from May to July 2025 using recommendations from medical professionals, as well as accreditation data and certifications, and Statista's PROMs Implementation Survey.

Chief Executive John Grinnell said: *"Being recognised among the world's best paediatric hospitals reflects our commitment to providing outstanding care for the children and their families we care for."*

Professor Dan Hawcutt Appointed Founding Director of Liverpool Institute of Child Health and Wellbeing



Professor Dan Hawcutt was appointed as the Founding Director of the Liverpool Institute of Child Health and Wellbeing in October. The Institute brings together world-leading expertise from across the University of Liverpool, Alder Hey, and other partners to transform research and outcomes for children and young people. Through collaboration, the Institute will tackle some of the most pressing health and wellbeing challenges affecting children and young people today and serve as a global centre of excellence in research, innovation and digital health, dedicated to improving the futures of children and young people.

Professor Hawcutt, Director of Research said: *“This is a once-in-a-generation opportunity to link up the voice of children and young people, the research infrastructure and excellence of the University, with the clinical knowledge and brilliance of hospital teams. It creates some very exciting possibilities, and the chance to do what I think everyone involved with child health wants - make a step change for the better in the lives of children, both here, across the UK, and internationally.”*

Alder Hey Trials Innovative Blood Test

In 2025/26, an innovative 15-minute blood test, which can fast-track the diagnosis of children with potentially life-threatening conditions, was trialled by Alder Hey and other NHS hospitals. The hi-tech blood test can distinguish between bacterial or viral infections much more quickly than traditional tests, so serious diseases like sepsis or meningitis can be picked up sooner. Doctors taking part in the trial highlighted the benefits of the test, including in a child with meningococcal meningitis, who could be treated much more quickly as a result, and in a child with sepsis, who was able to start antibiotics straight away.



Radiology Receive Grant for Groundbreaking Study

Our Radiology Team were awarded £187,000 in grant funding by Children with Cancer UK in November, for a new research study focused on improving the lives of children and young people with brain tumours.

The three-year study, titled “Early imaging Predictors of Quality of Life in Children and Young People. A pilot study in Paediatric Ependymoma (EPIQ – Ependymoma)”, is the first imaging study to be launched under the European Society of Paediatric Oncology (SIOPE) Brain Tumour Group. It’s a pilot study, aiming to find early imaging features that could help predict how children will recover and live after treatment.

Professor Shivaram Avula, Consultant Radiologist said: *“Quality of Survival is becoming a key focus in research and care for children with brain tumours, as rehabilitation has its challenges. This funding gives us the chance to explore how early imaging findings might help predict the development of late effects so that it can improve access to appropriate intervention or rehabilitative management.”*

Alder Hey Invited to Apply for Advanced Foundation Status

In November, Wes Streeting, Secretary of State for Health and Social Care, announced that Alder Hey will be among a small number of organisations invited to apply for Advanced Foundation Trust status.

Alder Hey is one of eight trusts that will be among those assessed as part of the first wave of the Advanced Foundation Trust Programme. If successful, Alder Hey will have increased freedom to work with partners to plan and deliver health services for local communities, allowing an even sharper focus on what matters most to children, young people and their families. It would also enable any surpluses to be reinvested directly into patient care, innovation and staff development, while simplifying oversight processes so that decisions can be made more quickly and locally.

The Advanced Foundation Trust Programme was introduced as part of the Government's 10 Year Health Plan, published in July. The plan sets out a refreshed vision for NHS foundation trusts, with a stronger focus on quality, partnership working and supporting care closer to home.

John Grinnell, Chief Executive said: *“Advanced Foundation Trust status would help us work with our partners across Cheshire and Merseyside, and beyond, in even more flexible and collaborative ways, so together we can design services that deliver better outcomes for children, young people and families. This announcement is the first step on a longer journey, and we look forward to working closely with NHS England through the assessment process over the coming months.”*

**At the time of publication of this report (June 2026), the Trust had been notified that its application for Advanced Foundation Trust status was successful, with AFT status awarded on 1st June 2026.*

Transforming Paediatric Cancer Care Across the North West

Together with the North West Children's Cancer Operational Delivery Network (ODN), Alder Hey launched a new model of children's cancer treatment in November, bringing chemotherapy and other care directly into patients' homes. The *Care Closer to Home* pilot will transform how children and young people with cancer receive treatment, reducing travel, stress, and time away from home, school, and family life, and complementing



existing services provided by local paediatric oncology shared care units and children's community nursing teams.

Alder Hey nurses are visiting children and families across Cheshire, Merseyside, and North Wales, safely delivering selected chemotherapy and supportive treatments at home rather than in Hospital.

UK's First Paediatric Pharmacogenomics Service at Alder Hey

In December, Alder Hey launched the first-of-its-kind paediatric pharmacogenomics service in the UK. Pharmacogenomics is the study of how a person's genes affect the way their body reacts to medicines. This new service will support us in personalising drug therapy for children and young people, improving drug effectiveness and reducing the risk of adverse reactions. One in 15 UK hospital admissions is linked to adverse drug reactions; by using pharmacogenomics, we can make prescribing drugs safer and more effective.



Alder Hey Awarded National Funding to Boost Recovery and Reduce Waiting Times

Alder Hey was one of just eight NHS hospital trusts awarded £2m funding through a new NHSE incentive scheme in December, recognising performance in reducing waiting times and improving access to planned care. The Trust made a significant improvement of 7.87% to its referral-to-treatment (RTT) performance while also ensuring continued progress in reducing waiting lists, including long waits.

This was achieved through a focused programme of improvement that included: accelerating plans to digitise patient pathways to make them more accessible for children, young people and their families; analysing appointments lost through non-attendance in specialties with the longest waits; introducing a new process in theatres to identify and prioritise any long-waiting patients; and delivering additional outpatient clinics and theatre sessions.

The £2m funding will be used to support further recovery of planned care including new equipment to enable procedures to safely take place in the Trust's surgical day case unit or outpatient clinic instead of main theatres; increasing physical outpatient room capacity

to see more children and young people in clinic; and enhancing efficiency by increasing equipment across several specialities.

Alder Hey's Kate Warriner Named Top CIO in the UK



Alder Hey Chief Transformation and Digital Officer Kate Warriner was named number one Chief Information Officer (CIO) on the CIO 100 UK 2025 list.

Often referred to as the 'Oscars of the IT industry', the CIO 100 Awards acknowledge the 100 best and brightest CIOs and technology leaders in the UK.

Kate said: "This Award is a testament to the talents and hard work of our brilliant iDigital, CXIO and transformation teams at Alder Hey. Without this amazing group of colleagues, their talent, dedication and support, this accolade would be going elsewhere. I am extremely grateful to my colleagues more broadly at Alder Hey who recognise that digital, data and technology initiatives are central to delivering our strategic objectives and to our clinical and operational colleagues whom we work with day in day out to continually improve and transform our digital services."

Private MRI Service Launched

This year, we launched a specialised private paediatric MRI service for children and young people aged 5–18. The service has been designed for families and clinicians already on a private care pathway who require high-quality paediatric imaging following a medical referral.



Alder Hey Announces Blinx Collaboration

In January we announced a new collaboration with Blinx Healthcare to enhance paediatric care through modern, connected technology. The collaboration will support clinicians,

operational teams, patients and families by enabling more seamless care delivery and intuitive digital experiences.

Kate Warriner, Chief Transformation and Digital Officer said: *“This collaboration with Blinx reflects our commitment to using thoughtful, well-designed technology to support children, young people and families to digitally access our services easily and in a joined up way with other local health and care services. We are excited at the opportunity for families and our colleagues to strengthen care pathways and create more joined up, intuitive experiences across our services. By working closely with partners who understand the realities of paediatric care, we can continue to push digital innovation in ways that will make a huge difference.”*

Cerebral Palsy Pathway to Benefit from AI

In January, researchers from universities of Manchester and Liverpool, together with Alder Hey clinicians and Manchester Imaging Ltd, received a £1.2 million grant from the National Institute for Health and Care Research’s (NIHR) ‘Invention for Innovation’ (i4i) Programme, to build an AI system for measuring hip displacement in cerebral palsy patients.

The system is intended to be integrated into the Cerebral Palsy Integrated Pathway (CPIP), the national framework used to monitor the musculoskeletal systems of children with cerebral palsy. CPIP involves affected children receiving regular assessment, physical examination and regular hip X-rays, which are then examined by medical experts in order to identify changes and predict risks.

The AI algorithm has been trained using thousands of X-ray images and is capable of automatically locating the outline of children’s hip bones, and is able to detect cases where the hips are just beginning to dislocate, through to full dislocation. The accuracy of the tool has been thoroughly tested and was found by researchers to be similar to that of human medical experts, while taking a fraction of the time to perform the analysis.

Professor Daniel Perry, Consultant Orthopaedic Surgeon said: *“AI will revolutionise the care we provide, enhance diagnostics and care pathways and free up time for our clinicians to do what they do best: caring for our children and young people. This is a great example – a practical tool directly focused on better care for children with cerebral palsy.”*

Alder Hey Creates Europe's Largest Hospital Map

This year we announced a major expansion of our online 360° virtual tour, offering children, young people and families an even more immersive way to explore the hospital before visiting.

Funded by Alder Hey Children's Charity, the enhanced virtual tour lets users take a 360° view of Alder Hey's hospital environment and walk through key spaces as if they were there, all from the comfort of their home. The project supports Alder Hey's Vision 2030 ambitions to improve patient and family experience through innovation.

Since its original launch, the virtual tour has attracted more than 30,000 visits and has been used by over 17,000 people, demonstrating its value in helping families feel more prepared and confident ahead of appointments or admissions.



Alder Hey First Hospital in the UK to Fulfil Sophie's Legacy



In January Alder Hey became the first hospital in the country to fully deliver all commitments of Sophie's Legacy, setting a new national standard for compassionate, family-centred care.

Created in memory of nine-year-old Sophie Fairall, Sophie's Legacy calls for simple but powerful changes to improve the hospital experience for children and their families. Alder Hey has now fulfilled its commitment to provide play specialists seven days a week in hospital, make improvements to food for children in hospital, and ensure parents are fed when staying with a child.

Nathan Askew, Chief Nurse said: *"Fulfilling all of Sophie's wishes is something we are incredibly proud of. Sophie's Legacy is about listening to children and families and acting on what really matters to them, and these changes reflect that commitment in a very real way. This is about compassion, dignity and putting families at the heart of everything we do at Alder Hey."*

Alder Hey and Edge Hill University Announce Partnership

Alder Hey was proud to announce a new strategic partnership with Edge Hill University in January, aimed at transforming the health and wellbeing outcomes for children and young people across the North West. By bridging the gap between clinical excellence, academic research and community insight, this five-year partnership will allow both institutions to work more creatively and collaboratively.

Alder Hey and Hartree Centre to Tackle NHS challenges with AI

In February, we announced that we are working with The Science and Technology Facilities Council's Hartree Centre to develop a smart staff scheduling system that will ease complex rota planning, reduce clinician admin time and support staff wellbeing.

The work is the first phase of a new strategic agreement to collaborate using advanced digital technologies and AI to tackle practical challenges in the NHS, to improve staff wellbeing and enhance resilience for even better patient care.

In close collaboration with Alder Hey clinicians, the Hartree National Centre for Digital Innovation team has developed an AI-driven system that automatically generates balanced on-call schedules. By incorporating real-world factors such as annual leave, working patterns and staff skills, it can produce rotas that are fair, practical, and more predictable. A user-friendly interface enables clinicians to review and adjust schedules quickly, maintaining human oversight while replacing manual spreadsheets with a more efficient and reliable approach. While the first phase of the project supports on-call planning, future development will work towards full workforce rota management.

The new agreement between Alder Hey and the Hartree Centre represents a strategic commitment to developing technologies that improve patient care and staff wellbeing.

Alder Hey Receives North West in Bloom Awards



Alder Hey received two awards at the RHS North West in Bloom Awards in February, winning a Gold Award in the Hospital category and the Jolly Josh Inclusive Greenspace Award. The awards, held at the end of last year, were formally presented to Alder Hey Chair Dame Jo Williams by the Lord Mayor of Rochdale, Councillor Janet Emsley, and the Lord Mayor of Liverpool, Councillor Barbara Murray.

Alder Hey and Children's Health Ireland Strengthen Paediatric Innovation Partnership



Alder Hey and CHI formalised their long-standing collaboration through the signing of a joint Memorandum of Understanding (MOU) in February, reinforcing a shared commitment to advancing paediatric innovation and improving outcomes and experiences for children and families.

Alder Hey's Innovation Team and CHI Innovation have worked closely together over recent years, building a strong relationship grounded in shared values, learning and collaboration. Looking ahead, the partnership will focus on developing joint paediatric innovation projects. The first planned initiative will explore remote supports for families whose babies are born with severe congenital heart defects, with a focus on proactive care and early prevention.

Arts for Health Shortlisted for Regional Award



Our Arts for Health Programme was shortlisted for a People's Choice Award at the Liverpool City Region Culture and Creativity Award in February, recognising the impact of creativity in supporting children and young people's wellbeing across our hospital and beyond. Funded by Alder Hey Children's Charity, the programme supports more than 11,000 children and young people each year, delivering a wide-ranging programme of patient-led creative activity.

Alder Hey Performs Groundbreaking Surgery on Nine-Year Old Boy



In March Alder Hey clinicians carried out a groundbreaking leg-lengthening procedure that will transform treatment options for young children. Traditional leg-lengthening in the UK relies on an external frame fixed to the bone, a method that can be painful and difficult for children to manage. Intramedullary nails (rods placed inside the bone) offer a more comfortable alternative, but they haven't been suitable for younger children because they have open growth plates

and narrow bones. To overcome this, surgeons in the US developed a technique that places the lengthening nail on the outside of the bone but still within the leg, avoiding damage to developing joints. After careful evaluation, Alder Hey's Orthopaedic Team adopted the method making it available to children who previously had no suitable option. Nine-year-old Alfie from Northampton became the first person in the UK to receive this innovative surgery which will reshape how younger patients are treated.

Alder Hey and Make-A-Wish UK Announce Partnership

In February we were proud to announce a new partnership with Make-A-Wish UK, helping to bring life-changing wishes to children and young people in our care. This partnership, supported by Alder Hey Children's Charity, will help some of our children and young people with critical illnesses experience a 'wish' that brings joy, hope, and lasting, positive memories for them and their families.



UK's First Mobile Children's Cancer Care Unit Launches

A pioneering service bringing children's cancer treatment closer to home launched in March. The specially designed mobile cancer care unit will deliver chemotherapy and other treatments to children and young people in communities across the region. The service aims to transform how patients receive cancer treatment, reducing long journeys and time spent away from home, school, and family life.



The service is the first of its kind in the country and is being trialled as a pilot project in a partnership between Alder Hey and the North West Children's Cancer Operational Delivery Network (NWCCODN), charity Hope For Tomorrow, the Royal Manchester Children's Hospital and the region's cancer alliances. The three North West cancer alliances (Greater Manchester, Cheshire and Merseyside, and Lancashire and South Cumbria) have helped to fund the project while Alder Hey Children's Charity has also funded nearly £4,000 of equipment including toys, a TV, fridges, and iPads.

Celebrating 75 Years of Life-Saving Children's Heart Surgery

Alder Hey celebrated 75 years of children's cardiac surgery in March, marking a remarkable milestone in the city's history of pioneering heart care.



Children's cardiac surgery in Liverpool began in 1950, when one of Europe's first centres dedicated to children's heart surgery opened at Myrtle Street. The service moved to Alder Hey in 1990 and soon became a specialist centre for heart conditions and the regional cardiac surgical centre for the North of England, North Wales and the Isle of Man. Today, Alder Hey is one of the largest paediatric cardiac centres in

the UK, caring for children and young people with complex heart conditions from across the country and beyond.

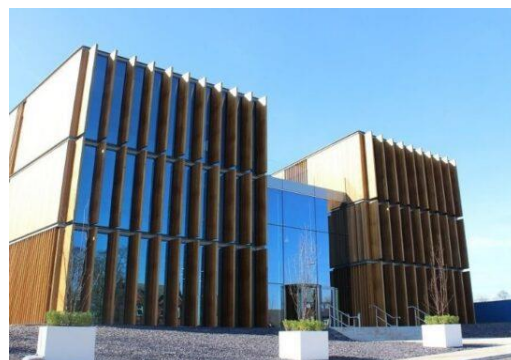
Over the decades, generations of clinicians, nurses and support staff have helped build a world-class service, combining expertise, innovation and compassionate care to support families during some of the most challenging moments of their lives.



Alder Hey Nominated for Prestigious Education Award

In March, the Alder Hey Academy, in partnership with Edge Hill University and Liverpool Medical Needs Education, was shortlisted in the Mental Health and Wellbeing category of the Educate North Wards Awards Programme, which recognises innovative work to support children and young people.

The Academy has worked closely with Edge Hill University to help ensure trainee teachers can recognise the early signs of poor mental health and feel confident promoting positive wellbeing in the classroom. Through the partnership, trainees gain insight into the real world challenges children face today and learn practical approaches for supporting emotional health within school environments.



Celebrating a Decade of Innovation at Alder Hey

Key industry partners in healthcare and innovation came together at Alder Hey's Innovation Conference in March, to showcase how the Trust and the wider Liverpool City Region are fast becoming a hub for child health innovation.

Bringing together international innovators, healthcare organisations, designers and engineers, local SMEs and voluntary sector representatives, the conference provided a platform to showcase cutting-edge developments in paediatric healthcare, explore new opportunities for partnership working and inspire future innovators. The event also provided an opportunity to highlight the Paediatric Open Innovation Zone (POIZ) Programme led by Alder Hey and funded with more than £4m from the Liverpool City Region Combined Authority's Innovation Zone Programme.



Mayor of Liverpool City Region, Steve Rotherham said: *“Alder Hey has spent the last decade showing how innovation can make a real difference to children’s lives, not just here in our region, but far beyond it. And it’s not just world-class care, it’s a constant drive to find better ways of doing things to give young people the best possible start in life.”*

Inspiring the Next Generation

Alder Hey's Innovation Team and Academy invited Key Stage 2 and 3 pupils from several participating schools to step into the shoes of real-life innovators and design concepts to make hospitals less scary for children. Over several weeks, students worked individually or in groups, developing creative solutions and submitting posters, models, videos and presentations to a judging panel. The standard of entries was incredibly high, with students demonstrating creativity, empathy and a strong understanding of the needs of children and young people in healthcare settings. Congratulations to our winning teams from Dovecot Primary School and Holly Lodge Girls' College.



Financial Performance

The Trust ended the year with a reported deficit of £7.37m. 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 £7.16m surplus against its Control Total for the purpose of system achievement for the year.

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

	2025/26 £000	2024/25 £000
Reported (Deficit) for the Year	(7,369)	(9,874)
Exceptional Items		
Impairment	7,933	10,995
Donated Income	(1,902)	(3,099)
Donated Depreciation	1,945	1,873
Technical PFI Adjustments	6,553	2,860
NHS England and Improvement 'Normalised' Surplus on Control Total Basis for the Purpose of System Achievement	7,160	1,852

Capital expenditure for the year is £26.1m. This expenditure related to medical equipment, works on the new neonatal building, Eating Disorder Daycase Facility, core and Electronic Patient Record (EPR) data refresh and Public Dividend Capital (PDC) schemes for LED lights and solar panels as well as moves to complete the new campus and enable the full reinstatement of Springfield Park.

The Trust had a cash balance of £35.9m at the end of March 2026.



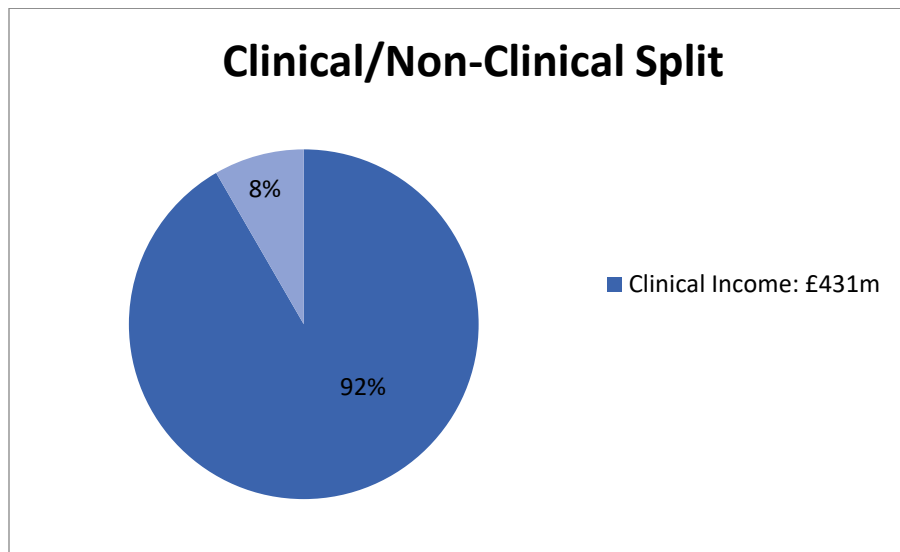
Income

Total operating income received by the Trust in the year ended 31st March 2026 was £470m, with £431m (92%) coming from the delivery of clinical services. In 2025/26 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. From 2025/26 onwards there will be a review of block funding across all contracts with, over time, a realignment to reflect actual activity delivered in those areas.

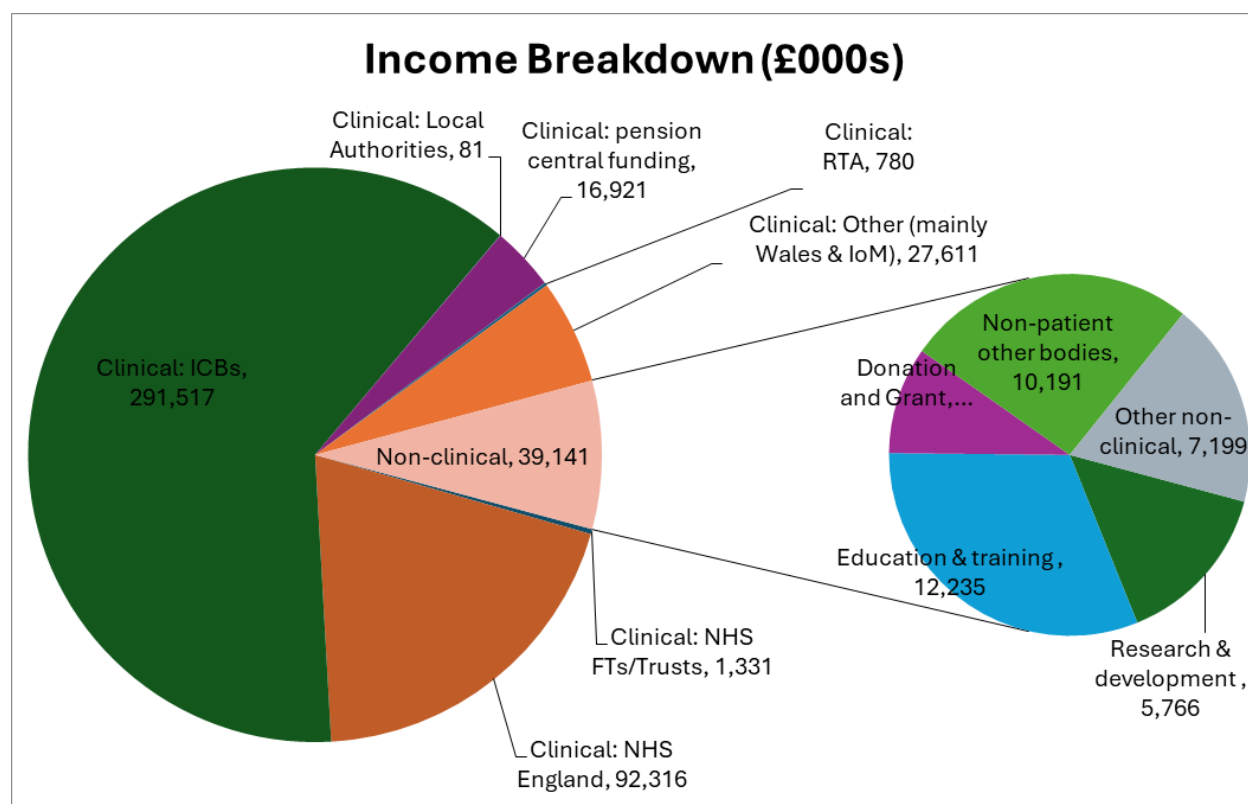
Welsh commissioners follow the same funding model as in England, while Isle of Man, Northern Irish and Scottish activity continues to be paid on a full Payment By Results (PBR) basis.

The delegation of specialist activity from NHSE to ICBs is an ongoing national process. In 2025/26, accountability and commissioning remained with NHSE but payment came from the ICBs. The only cohorts retained by NHSE are high-cost drugs, devices and highly specialised activity.

Income by Source 2025/26

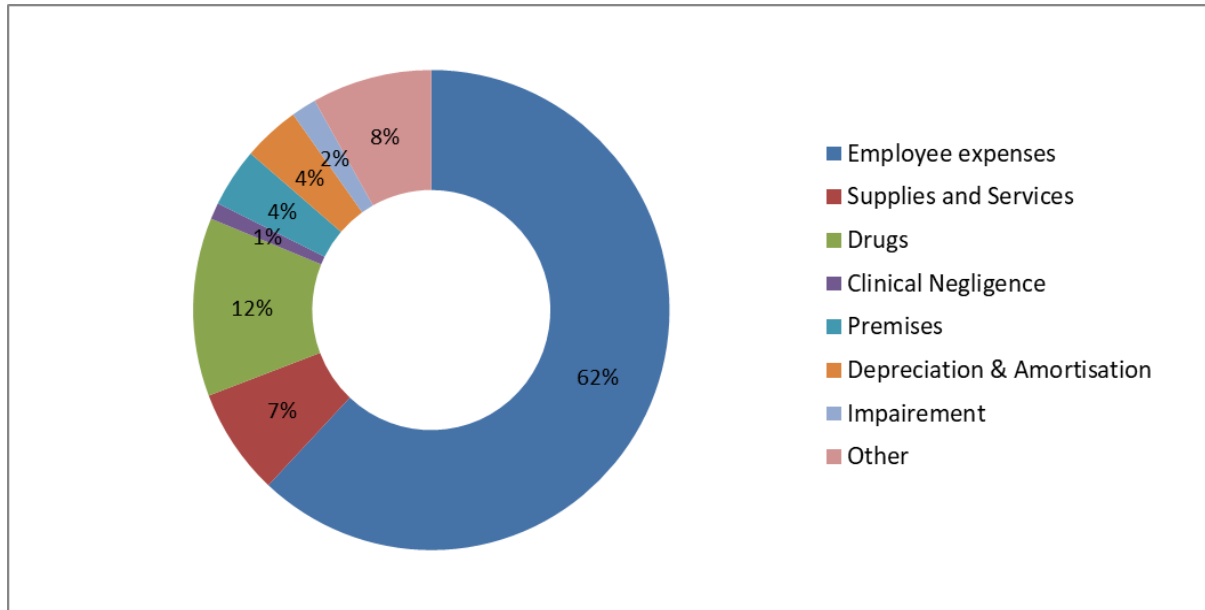


Clinical Income	2025/26	2024/25
	£000s	£000s
Aligned payment & incentive (API) income - variable (based on activity)	85,225	81,313
Aligned payment & incentive (API) income - fixed (not variable based on activity)	205,410	196,274
High-cost drugs income from commissioners	46,688	48,998
Other NHS clinical income	22,708	22,745
Mental Health Services		
Aligned payment & incentive (API) income	34,791	22,175
Community Services		
Aligned payment & incentive (API) income	18,783	22,944
Income from other sources (e.g. local authorities)	81	322
All Trusts		
Private patient income	29	147
Pay award central funding		745
Additional pension contribution central funding	16,921	15,852
Other clinical income		300
Total Income from Patient Care Activities	430,636	411,815



Expenditure

Operating expenses totalled £465m for the year and, as in previous years, staff costs account for the largest use of resources at 62%. An analysis of operating expenses by type is shown in the chart below:



Financial and Operating Risk

Total clinical income for the year was £431m, which exceeded the plan figure by £21m. This was largely related to the income received in relation to additional anticipated staff costs for pension and pay awards. Total normalised expenditure for the year (excluding technical issues) was £458m, which was £18m higher than the plan of £440m. 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 £26.4m of capital investments which will significantly improve services for both our children and young people and our 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	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	2,003
Total Capital Investment 2025/26		21,603



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. Our performance against this code is provided in the table below:

	2025/26	2025/26	2024/25	2024/25
Non-NHS Payables	Number	£000	Number	£000
Total non-NHS trade invoices paid in the year	59,294	232,119	64,377	227,097
Total non-NHS trade invoices paid within target	54,981	215,357	60,382	209,192
Percentage of Non-NHS Trade Invoices Paid Within Target	92.7%	92.8%	93.8%	92.1%
NHS Payables				
Total NHS trade invoices paid in the year	2,823	56,819	2,709	64,444
Total NHS trade invoices paid within target	2,120	48,101	2,159	57,671
Percentage of NHS Trade Invoices Paid Within Target	75.1%	84.7%	79.7%	89.5%

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. Our 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 2025/26

Risk is inherent in all healthcare activities, and we operate a comprehensive risk management framework. This framework enables us to proactively and continuously manage risks to people, systems and processes, supporting the efficient and effective delivery of our service aims and objectives and protecting our children and young people, families, visitors and staff from harm. Further detail is provided in the Annual Governance Statement (page 190 of this document).

The Trust's key strategic risks are set out in the Board Assurance Framework, which is reviewed monthly by the Board and its assurance committees.

The most significant risks to the Trust in delivering our long-term objectives include access and flow; specialist mental health waiting times; workforce sustainability; finance and capital delivery; strategic delivery within the current operating context; system working; and digital, data and IT resilience. The mitigations in place for these risks are set out in the Annual Governance Statement.

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 23rd June 2026.

Signed on behalf of the Board.

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

John Grinnell
Chief Executive
23rd June 2026



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 is currently serving her final term of office which was extended by the governors with approval from NHS England to February 2027.

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.

John Grinnell – Chief Executive

John joined Alder Hey in April 2017 as Director of Finance and Deputy Chief Executive. He became Managing Director and Chief Finance Officer in April 2023, having previously served as Interim Chief Executive in 2021/22, and was appointed Chief Executive in November 2024.

He began his career on the National Finance Graduate Trainee Scheme and went on to hold 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 (RJAHS) in Oswestry as Director of Finance, supporting the organisation's successful Foundation Trust application and strengthening governance and financial sustainability. He became Acting Chief Executive in October 2015 and then Deputy Chief Executive from 1 April 2016, working with teams across the Trust to deliver sustainable improvements for patients and staff.

With nearly 30 years of Board-level experience in the NHS, John is committed to ensuring children, young people and families receive safe, compassionate care and an excellent experience every time they use the Trust's services. He focuses on improving quality and performance, directing resources where they make the greatest difference, strengthening

organisational culture and staff morale, and reducing health inequalities for children and young people.

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.

Adam is the Executive lead for performance, operations, planning and delivery. He is passionate about innovation and patient-centred service improvement. He is also the Chair of the Cheshire and Merseyside COO Network.

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 joined the Trust in 2009 and leads the people agenda, with responsibility for culture, leadership, talent, inclusion, staff engagement and workforce wellbeing. With over 25 years' experience in human resources and organisational development, Melissa began her career in the airline industry after graduating from the University of Liverpool, before joining the NHS. She has held senior HR and OD roles across London and the North West and is a Chartered Fellow of the Chartered Institute of Personnel and Development (CIPD).

Melissa is passionate about creating inclusive, high-performing and compassionate workplaces and has played a key role in shaping Alder Hey's organisational culture and colleague experience. Her work focuses on developing strong leadership, supporting talent, advancing equality, diversity and inclusion, and promoting staff health and wellbeing.

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 Jones is the Executive lead for the Trust's Strategic Plan, Vision 2030, an award-winning initiative that places children, young people, families, and staff at the heart of strategy through their voices and innovative analytics. Dani leads system-wide health and care partnerships across Cheshire and Merseyside, spearheads the 'Beyond' Children and Young People's Transformation Programme to improve outcomes for children, and champions health equity with key national, regional and local partners. With over 20 years' experience in NHS innovation and partnership working, including pioneering telehealth, Dani specialises in developing collaborative models for better patient care. She holds a BA in Economics and an MSc in Health Care Ethics from the University of Liverpool and completed the 'Nye Bevan' Executive Leadership programme in 2017.

Rachel Lea – Chief Finance Officer

Rachel was appointed Chief Finance Officer at Alder Hey in January 2025. 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.

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

Kate is Chief Transformation and Digital Officer, the Executive Lead for Transformation, Digital, and Data, and the Board's Senior Information Risk Owner. She 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. She has been recognised several times in the CIO 100 list and was named the #1 CIO in the UK in 2025.

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) (to 31st March 2026)

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 Accountants 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 (to 31st July 2025)

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, was reappointed for a second three-year term to October 2025, and is currently serving a final 12-month term through October 2026.

Fiona is Emeritus Professor at the University of Liverpool. She was Executive Pro-Vice-Chancellor for the Faculty of Humanities and Social Sciences at the University of Liverpool

from 2013-2025, representing the University in a wide range of fora and leading a number of internal developments and initiatives.

Fiona was 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 published a wide range of papers on this topic and completed two studies for the European Parliament FEMM Committee, 'A New Strategy for Gender Equality Post 2015' and 'The EU Budget for Gender Equality'.

Garth O. Dallas - Non-Executive Director, Board EDI Champion

Garth joined Alder Hey as a Non-Executive Director in November 2021 and subsequently reappointed for a second three-year term to November 2027. 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 and is currently serving his second term of office. 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 and has subsequently been reappointed by the Council of Governors for a second three-year term. 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. She runs a Dorset charity, Mosaic, which supports children and young people who have been bereaved.

Gerald Meehan - Non-Executive Director

Gerald was appointed as a Non-Executive Director with Alder Hey on 1st March 2024. He has an extensive career in public service, spanning both local government and the NHS across the South West and North West of England. His experience includes a wide range of senior leadership roles in social care, including Strategic Director and Statutory Director of Children's Services (DCS).

Gerald has previously served as Chief Executive of Cheshire West and Chester Council. He also acted as a Local Government Adviser to the shadow NHS Integrated Care Partnership for Cheshire and Merseyside. In addition, he has held several non-executive roles within the NHS, including Vice Chair and Interim Chair at Wirral Community Health and Care NHS Trust.

Gerald brings particular expertise in addressing health inequalities, with a strong focus on the impact of poverty on health outcomes. He also has significant specialist experience in safeguarding and local government systems. Gerald is a registered Statutory Social Worker.

Mark Jennings - Non-Executive Director, Chair of the Growth and Opportunities Committee

Mark joined Alder Hey in May 2025 having started his career as a software developer working on critical national infrastructure systems for the UK government. He has retained a strong technology focus throughout his career.

Mark spent 25 years at a large global technology consultancy, rising up through the ranks to lead their UK and Ireland business for Health and Public Sector. Previously Mark also led their European Technology Consulting work and was Chief Operating Officer for the European public sector business, always working closely with public sector clients in health and central government. After leaving big corporate, Mark has focused on healthcare.

He got to know Alder Hey well through work with Strasys as their Chief Solutions and Services Officer. It was his admiration for the mission and team at Alder Hey that prompted him to apply for the post of Non-Executive Director. Mark will be focused on supporting our work in Transformation, Innovation and Strategy.

Mark is hugely impressed by the innovation focus and culture at Alder Hey, but even more excited about what we can do to improve the health and well-being of children throughout the country as we lead by example.

Bola Owolabi - Non-Executive Director

Bola joined the Alder Hey Board in October 2025. She is a medical practitioner with over 25 years' experience in the NHS in various roles as GP Partner, NHS England National Director for Healthcare Inequalities, and Clinical Commissioning Lead for Maternity, Children and Young People, to name a few.

Bola recently joined the Care Quality Commission as Chief Inspector of Primary Care and Community Services. She has a keen interest in tackling the issue of health inequalities for children and young people and brings a strong network of influence in this regard.

Internationally, Bola has twice been a member of the Danish Ambassador's Tour De Health - a 10 nation healthcare policy leaders' summit. Additionally, she was the UK representative on the Commonwealth Fund/Academy Health Tour 2023, exploring equity in national health policy across the United States, Australia, New Zealand, and Singapore.

She was recognised in the King's 2025 Birthday Honours with a CBE for services to reducing health inequalities.

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 2025/26.

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. In 2025/26, Alder Hey did not undertake a well-led framework review, as the Trust prioritised delivery of the extensive programme with Strasys to develop the new 2030 Strategy and maintained assurance through the established governance and oversight arrangements in place. The Annual Governance Statement (page 190) provides a detailed account of how the Trust assures itself that services are well led.

We were last inspected by the CQC in 2020 achieving a rating of 'good' for the well led domain.

Patient Care

Infection Prevention and Control (IPC)

IPC Workplan and Structure

The Infection Prevention and Control (IPC) Team provides expert advice to staff, children, young people, families, visitors, and contractors across all Trust settings. Effective infection control is a Trust priority, supported by strong management, clear processes, and consistent staff compliance.

The IPC Team consists of the following roles:

- Director of Infection Prevention and Control (DIPC)
- Director of Allied Health Professionals (AHPs)
- Specialist IPC Nurses

- Data Scientist
- IPC Programme Administration Manager

Alder Hey redesigned the structure of the IPC Team following the COVID pandemic: the DIPC is a Medical Consultant, Senior Leadership sits with the Director of AHPs, and the team is multi professional. Executive responsibility is held by the Chief Medical Officer.

The IPC Team works closely with the DIPC and Director of AHPs, demonstrating resilience and adaptability. They support outbreak responses while maintaining routine IPC functions, ensuring high standards of patient safety.

Governance and Assurance

- The IPC Committee (IPCC) meets bi-monthly, providing assurance to SQAC and the Trust Board.
- Governance has strengthened through revised IPC policies and updated IPC Assurance Framework workplans.
- Operational groups report directly to the IPCC via these workplans.
- All IPC policies, guidelines and SOPs have been reviewed and updated.
- The DIPC also attends monthly subdivision IPC committees.
- Funding for ICNet has been secured, with implementation planning underway.

IPC Achievements

IPC Care Plans

During the year, the Infection Prevention and Control (IPC) Team worked closely with digital colleagues to improve clinical workflows within the electronic patient record. Several IPC care plans were brought together into a more streamlined approach, making it easier for staff to record key actions, support safe care, and improve the consistency of documentation and audit.

The updated process is now in place and represents an important step forward in digital IPC integration. New supporting templates have also been introduced to give staff clearer guidance on the precautions required when caring for patients with infectious conditions.

Outbreak/Exposure Management

Throughout the year, the IPC Team responded to a significant number of outbreaks and exposure incidents, providing timely risk assessment, advice and coordination to help prevent the spread of infection across the Trust.

This included the successful management of norovirus, measles and other infectious disease incidents. These responses required close working across clinical teams, public health partners and support services, with a strong focus on surveillance, isolation arrangements, contact tracing and staff guidance. The Team's rapid action helped to contain incidents effectively and minimise disruption to services wherever possible.

Overall, this work demonstrates the scale and complexity of the IPC service and the value of a proactive approach to prevention, surveillance and rapid response. By acting quickly and consistently, the team was able to reduce the risk of onward transmission and support safe care for patients, families and staff.

The move from manual to more automated tracking and tracing processes has also improved efficiency, helping the team to identify potentially exposed patients more quickly and strengthen oversight during periods of increased infection activity.

IPC Champions

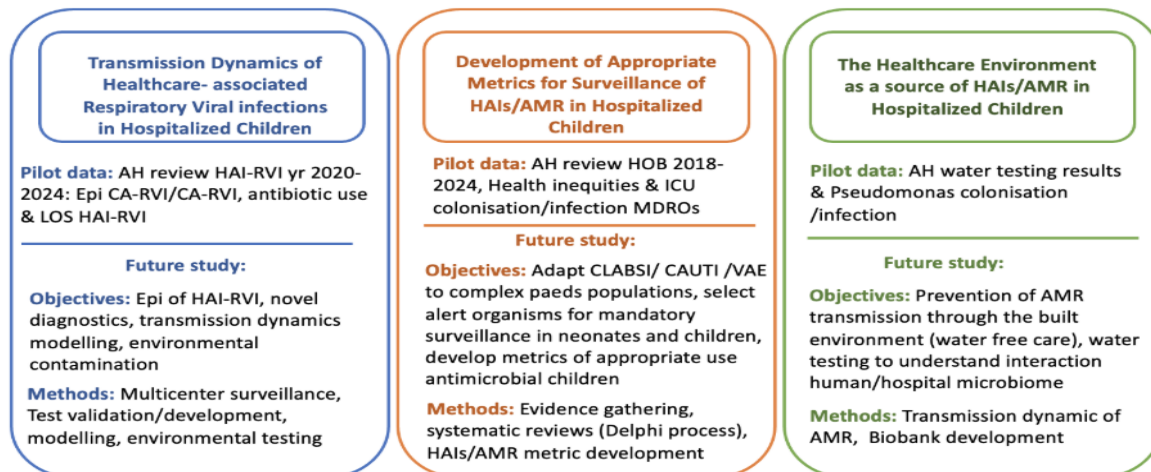
The IPC Champions Programme continued to support staff across both acute and community services. By tailoring sessions to different clinical settings, the team has been able to provide more relevant support, share learning and strengthen infection prevention practice across the organisation. This has been supported by an ongoing programme of education and regular updates for staff, helping to maintain awareness and promote consistent standards of infection prevention and control.

Research and Collaboration

The Trust has continued to strengthen its research partnerships, including collaboration with the University of Liverpool to develop paediatric measures for monitoring healthcare-associated infection, antimicrobial resistance and water safety in children's services.

IPC and University of Liverpool Research Collaborative Projects

This work is helping to build a stronger evidence base for future improvement and funding opportunities, while also raising the profile of the Trust's IPC contribution to paediatric research and innovation.



Additional national funding was secured to support opportunistic flu vaccination for children and young people in the Emergency Department, outpatient settings and among long-stay patients, helping to increase protection for vulnerable groups.

The Director of Infection Prevention and Control has also continued to contribute to regional and national improvement work through specialist networks and collaborative groups, supporting the development of shared resources and best practice.

Within the Trust, IPC has continued to play an important role in major building projects and specialist safety groups, including work linked to the new surgical Neonatal Unit, water safety and ventilation. During the year, the Trust also began a pilot of a new outbreak intelligence system designed to improve the early identification of infection risks and support faster, data-informed responses in the future.

Research Project (John Hopkins): Bright Star

The DIPC has actively contributed to this research collaborative, a multidisciplinary PICU initiative aimed at improving blood culture practices through diagnostic stewardship to reduce unnecessary testing, antibiotic exposure, and associated risks such as antimicrobial resistance. The project evaluated the impact of standardised, evidence-based approaches to blood culture use across participating PICUs, examining links with culture rates, antibiotic utilisation, and patient outcomes. By providing local data

and engaging clinical teams, Alder Hey has participated in an international effort to optimise decision-making, promote appropriate antibiotic use, and enhance the safety and quality of care for critically ill children. Participation in BRIGHT STAR reflects the Trust's ongoing commitment to research, quality improvement, and antimicrobial stewardship within paediatric critical care.

IPC Dashboards, Surveillance Data and Statistical Process Control (SPC) Charts

The IPC dashboard continues to provide divisions and wards with clearer oversight of infection prevention data, supporting routine reporting and local improvement. During the year, statistical process control charts were embedded into reporting to help teams identify meaningful trends more quickly and strengthen assurance around infection prevention performance.

IPC Challenges

Clostridioides Difficile

The Trust experienced a notable rise in *C. difficile* infections, particularly among oncology patients, reflecting national trends. A UKHSA supportive review was invited to help strengthen our approach and identified several areas for improvement, including inconsistent decontamination practices, lapses in equipment and environmental hygiene, and a lack of product standardisation. The review also highlighted challenges such as historical testing inconsistencies, the need for more robust terminal cleaning processes, improved documentation, and enhanced multidisciplinary learning from infections. Together, these insights provide a valuable foundation for targeted improvement work across clinical, operational, and environmental teams to reduce infection risk and restore optimal IPC performance.

Intelligent Communication and Networking Technologies (ICNet)

The delay to the ICNet go-live continues to pose a significant IPC challenge, limiting access to real-time surveillance, streamlined case management, and timely trend monitoring. Without key functionality such as automated alerts, improved data accuracy, and integrated reporting, the IPC Team must rely on manual processes that are more labour-intensive, variable, and slower to respond during periods of heightened infection activity. As a result, the delay reduces the Team's ability to rapidly identify risks, coordinate actions, and maintain the level of oversight needed to minimise healthcare-associated infection risks across the organisation.

Water Safety

The IPC Team experienced challenges following an increase in patients colonised or infected with *Pseudomonas Aeruginosa*, prompting a review of the standard operating procedure to strengthen management processes. In 2025, the Team investigated 49 cases, with 24 water outlets linked to patient areas testing positive; however, UKHSA reference laboratory typing confirmed all isolates were genetically unique with no links between patient and environmental samples. To improve practice, the Team has engaged with colleagues from other hospitals and established a clinical water safety group, bringing together a dedicated multidisciplinary team to proactively address water-related risks, implement best practices, conduct risk assessments, and strengthen protocols to ensure safe clinical environments.

Recruitment

Workforce development remained an important priority. During the year, the Team has successfully recruited an IPC Specialist Practitioner, strengthening its workforce. However, filling a senior post remains challenging, and the service is reviewing its needs and the appropriate level of seniority, with a new capability and education-focused model proposed for 2026/27. A Senior Apprentice Data Scientist has joined the Team, providing scientific support for ICNet development and expanding research capacity.

IPC Future Plans

IPC Continuous Professional Development: Staff Development Pathway

Looking ahead, the Trust will continue to invest in the development of the IPC workforce through a structured professional pathway aligned to national competencies. This will help ensure staff have the knowledge, skills and leadership capability needed to respond to emerging risks and support high standards of safe care.

IPC Audits

A refreshed approach to hand hygiene and IPC audit is also planned, with a greater focus on reliable data, timely feedback and targeted improvement support for clinical areas. This will help strengthen learning and promote more consistent practice across the Trust.

Implementation of ICNet

The planned introduction of ICNet remains a key priority and is expected to improve the speed and quality of surveillance, reporting and case management once fully implemented. This will support earlier identification of infection risks and strengthen organisational oversight.

Post Infection Reviews

Further work will also focus on strengthening post-infection reviews and expanding preventative rounds in clinical areas. Together, these actions will support shared learning, earlier identification of risks and a more preventative approach to infection prevention and control.



Ward/Departmental Accreditation Scheme

The Journey to the STARs (Safe Together Always Right) Ward/Department Accreditation Scheme was originally designed in partnership with children and young people in 2016. 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.

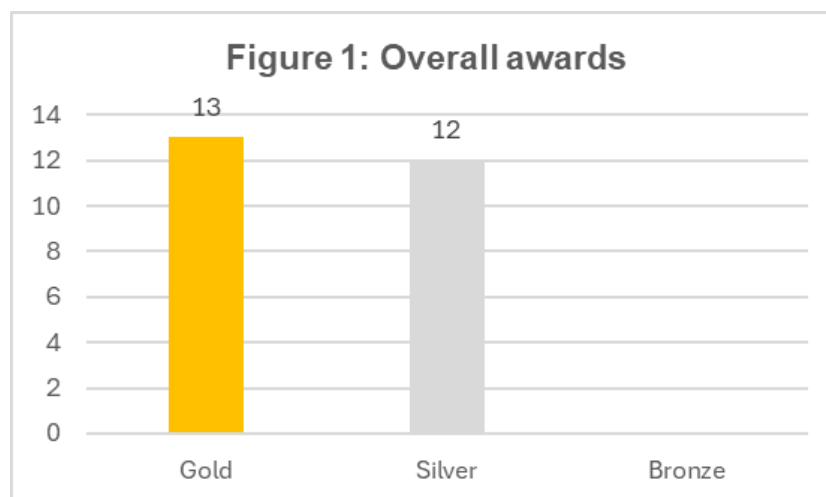
The Accreditation Assessment Team comprises of both clinical and non-clinical staff from across the Trust. Each member of the team will undertake an aspect of the assessment which includes the following:

1. Interviewing the Ward/Departmental Manager
2. Talking to children, young people 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 (except outpatient clinics)

The assessment criteria is aligned to the CQC quality statements set out within each of the 5 key questions. Ward and departmental managers receive an award classification of Gold, Silver, Bronze or White and they also receive a CQC style rating of 'Outstanding', 'Good', or 'Requires Improvement' utilising the CQC scoring principles.

The assessment takes place unannounced with the exception of community outpatient clinics, inpatient CAMHS, Dental and the 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.

All 25 identified wards and departments have had an accreditation assessment in the last 12 months and assessments are planned for 2026. Two wards have been reassessed in line with the accreditation guidelines as they were both previously awarded a Bronze award and 'Requires Improvement' CQC style rating. However, both of these wards have now achieved a Silver award and a 'Good' CQC style rating.



A number of themes have been identified and shared with teams in order to share the learning and improve the experience and safety of our children, young people and families. These are across the 5 key questions but predominantly in 'Safe' and include:

- Staff awareness of incidents and learning at local level. A number of excellent examples of sharing have been shared and observed such as incident boards, newsletters and confirmation of discussion at safety huddles.
- Safeguarding assessment not documented as undertaken on Meditech on admission.
- Staff not aware of the legal obligations of the Trust in relation to the Duty of Candour.
- Staff compliant with Mental Health Act training but are not able to describe the principles of mental health.
- Estimated day of discharge (EDD) not documented.
- Cannulas bandaged.
- Parents and carers not asked how they would like to be addressed (Trust has launched the "Call me" initiative).

For the first time, a Ward/Departmental Accreditation Celebration Event was held on 15th August 2025, where the Chief Executive acknowledged the levels of excellence in quality, safety and experience attained and presented the ward/departmental teams with a certificate of achievement. Managers and their teams and all of the staff who have taken part in the assessment process were invited to attend as a way of saying thank you for their contribution and in recognition of their achievements. Alder Hey Children's Charity kindly supported the event with refreshments.

In 2026, it is planned to devise and implement a fully electronic assessment and scoring tool utilising InPhase.

Incident Reporting and Learning

During 2025/26, Alder Hey continued to demonstrate a strong incident reporting culture. Incident reporting volumes improved compared with 2024/25, with 8,623 incidents recorded (2024/25: 9,078). Throughout the year there was:

- 5% reduction in incidents of harm per 1,000 bed days compared with 2024/25

- 5% increase in incidents rated *no harm* per 1,000 bed days compared with the 2024/25 baseline.
- Reporting rates per 1,000 bed days: 2nd highest children's Trust for Q1–Q3 2025/26 (national data for Q4 2025/26 has not yet been published).
- 91% compliance with national PSIRF standards (an 8% improvement from 2024/25), reflecting strengthened governance, increased capacity to deliver patient safety responses, and improved evidence of PSIRF competencies across the staffing structure.
- 100% compliance with CQC Regulation 20 (Duty of Candour) responses

In line with the transition to PSIRF, the Trust continues to meet the reporting requirements of Learning from Patient Safety Events (LfPSE) v5. The next iteration (LfPSE v6 taxonomy) is pending a national release date from InPhase.

Following a successful recruitment campaign in 2024/25, Alder Hey now has 27 patient safety partners (PSPs). Recognising the unique needs of a children's hospital, the PSP role has been adapted to ensure meaningful involvement for patients and families.

The PSP cohort includes former patients, family members, and young people from the local community. Over the past year, PSPs have contributed to a range of patient safety activities, including:

- Promoting World Patient Safety Day
- Participating in quality walk rounds
- Reviewing patient safety initiatives
- Contributing to patient safety action plans

The Trust achieved 99% compliance with NHSE Patient Safety Training Level 1 (Essentials for Patient Safety) for all clinical and non-clinical staff.

During 2025/26, the Trust made significant progress in developing the Incident and Risk Management System (InPhase). The Risk Systems Development Lead, appointed in March 2025, led a focused programme of work across the year.

The final apps within the core InPhase system have now been launched. The Audit, Mortality and NICE apps were implemented during the year, expanding audit capability and enabling automated CDOP processes. The Legal app has been developed and remains in testing, pending additional capacity within the Clinical Legal Team.

Custom InPhase applications were introduced to strengthen oversight of adverse events in Clinical Research and to improve monitoring of resuscitation reviews. The ability to develop bespoke solutions within InPhase will enable broader triangulation of safety and quality data.

A new Reports Hub has been established, providing ward, specialty and divisional dashboards and automated reporting. This strengthens assurance and reduces administrative burden. Further refinement of existing applications continues, including development of a more intuitive Risk app to support effective risk management.

InPhase has transitioned to business-as-usual oversight, supported by a fortnightly Risk Systems Governance Group. Engagement across governance teams remains strong, and contract renewal discussions for a further two-year term are underway. Priorities for 2026/27 include:

- Enhancing the use of system data for assurance
- Expanding application functionality
- Reviewing the Feedback app to enable direct reporting from patients and families
- Scoping a new Clinical Audit app
- Progressing developments linked to Freedom to Speak Up, accreditation and data warehouse integration

We are committed to fully implementing the patient safety incident response requirements, including the engagement and involvement standards that apply to all those affected by a patient safety event involving harm.

The Trust recognises the scale of work required to deliver the national requirements and the culture change needed at all levels of the organisation. We believe these changes will deliver tangible, sustainable safety improvements and support a kinder, more compassionate and inclusive approach to how patient safety events are evaluated and responded to.

Quality Assurance Ward/Department Rounds (QAR's)

Quality assurance rounds continued to provide robust ward-to-Board assurance on compliance with the CQC five domains: safe, responsive, effective, caring and well-led,

plus the associated Health and Social Care Act regulations and the Trust's Vision 2030 priorities. The rounds combine discussion with ward/department leaders, staff engagement, review of key quality and performance metrics, and observation of the care environment to identify strengths, risks and opportunities for improvement. Findings and agreed actions are captured and monitored through established governance routes, supporting a strong culture of openness, learning and continuous improvement.

Six QARs were completed between September 2025 and February 2026, covering a range of wards and clinical/non-clinical services. The programme was temporarily paused by Executive decision to support delivery of five-year operational plans and associated planning requirements. The QAR Programme is scheduled for full reinstatement from April 2026, with a refreshed timetable and continued emphasis on closing actions, spreading learning, and ensuring assurance aligns to the Trust's highest-rated strategic and quality risks.

Recurrent challenges centred on workforce capacity and resilience (including recruitment/retention pressures, reliance on temporary staffing and the impact of sickness absence), service demand exceeding capacity (with consequences for flow, waiting times and timely access), estate and clinic space constraints (impacting privacy, dignity and operational efficiency), and equipment management (availability, maintenance and standardisation). These themes align with known Trust-wide risks and are being actively managed through established risk governance processes, including escalation onto risk registers where appropriate, agreed mitigating actions, and continued monitoring through divisional and corporate assurance forums.

QARs consistently identified strong visible leadership, effective multidisciplinary teamwork, good governance arrangements and a clear patient-centred culture. Services demonstrated high levels of staff commitment, innovation and resilience, often under challenging conditions, with examples of staff proactively identifying issues, testing improvements, and sharing learning across teams. Notable developments included:

- Use of AI-supported scheduling and coordination tools to improve utilisation, reduce delays and support safer, more reliable patient flow.
- Proactive research and audit activity within services, supporting evidence-based practice, learning from variation, and demonstrable improvement against agreed standards.

- Service redesigns improving access, flow and patient experience, including clearer pathways, strengthened triage, and better use of digital and multidisciplinary approaches.

Several services achieved national recognition and accreditation, reinforcing the Trust's reputation for quality. Feedback from friends and family test surveys and direct engagement consistently reflected high standards of care, compassion, and professionalism.

Risks identified through QARs were addressed at service level with clear actions and escalation where required. Governance teams continue to support services to strengthen understanding of risk management and risk appetite, ensuring risks are appropriately owned and mitigated.

Themes, risks, and actions arising from QARs were routinely reported through the Trust's governance structures, enabling effective oversight by the Safety and Quality Assurance Committee and supporting Board assurance. The Trust is strengthening triangulation between QARs, quality rounds, ward/service accreditation and risk intelligence to improve organisational learning and spread best practice.

From April 2026, the reinstated programme will prioritise areas of highest risk and opportunity, ensure timely review of action completion, and strengthen feedback loops so that learning from QARs is routinely embedded within local quality improvement plans and shared across divisions. This will support sustained compliance, improved patient outcomes and experience, and clearer Board assurance throughout 2026/27.

Alder Hey Volunteering Services

Volunteers are crucial to the NHS's vision for the future of health and social care. NHS volunteers are widely known for providing practical help, emotional support, and community connection within hospitals and health services across the UK. They play a vital supporting role alongside NHS staff.

Our established recruitment and training process ensures that the Volunteer Programme is both accessible and inclusive, offering opportunities for volunteers from diverse backgrounds. Volunteers dedicated over 17,950 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 15 active young volunteers, recruited from local school or previous and current patients, with more young volunteers to be recruited by summer 2026.

Volunteers Make a Difference

Alder Hey volunteers make a difference through the small, human actions that have a big impact on children, families, and staff. Their difference is felt every day in very practical ways:

- Offering reassurance, a smile, or a listening ear
- Helping families navigate the hospital and understand where to go
- Providing emotional support at stressful moments
- Strengthen Alder Hey's caring, compassionate culture
- Act as ambassadors and positive role models
- Taking on non-clinical tasks that free up staff time
- Helping manage busy environments like entrances and waiting areas
- Reducing pressure during peak times

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.

Reading and Storytelling Project

Following the success of the Reading Corner with our children and young people, we felt it would be valuable to develop something similar that our inpatients could enjoy on the wards. Building on this idea, we began recording staff and volunteers reading their favourite bedtime stories. These recordings will be shared via a dedicated YouTube channel once it is fully established, allowing children to access comforting and familiar stories at any time during their hospital stay.

This initiative has had a positive impact not only on patients but also on staff morale. Staff have thoroughly enjoyed taking part, finding the experience rewarding and uplifting. Volunteers have led this initiative from the outset, managing all aspects of the project

independently, including recording and editing the videos. Their creativity, commitment, and leadership have been key to bringing this project to life and ensuring its success.

Arts, Craft and Facepainting

Volunteers deliver arts and craft 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:

- 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.

Achievements in 2025/26

Wellbeing Hub

A key development this year has been the strengthening of the Family Support and Wellbeing Hub model. Through ward-based engagement, volunteers identify emerging needs early and support families through compassionate conversations, active listening and timely signposting. This includes access to emotional wellbeing support, financial advice and social prescribing options, ensuring families are connected to both immediate and longer-term sources of help. This integrated approach supports prevention, reduces anxiety, and improves overall experience during admission and length of stay.

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

Volunteer Choir and Social Events

Social events play a vital role in supporting volunteer wellbeing, engagement, and retention. They provide opportunities for volunteers to connect with one another, feel valued, and develop a strong sense of belonging within Alder Hey.

One example of this is the establishment of a Volunteer Choir, which has been a hugely positive and inclusive initiative. The Choir has performed at the Trust's Christmas light switch-on and featured on **On Demand Radio** and **BBC Radio Merseyside**, giving volunteers a sense of pride, achievement, and shared purpose. These performances not only celebrate volunteers' talents but also raise the profile of volunteering within the Trust and wider community.

Volunteering and Vision 2030

By 2030, volunteering at Alder Hey will be fully embedded at the heart of the Trust and extended beyond the hospital into the community, recognised as an essential partner in delivering outstanding care, wellbeing and experience for children, young people, families, staff, and local communities.

Our Volunteer Programme will be inclusive, diverse, and reflective of the populations we serve, offering flexible and meaningful opportunities both within Alder Hey and across community settings. Volunteers will feel valued, supported, and empowered, with clear pathways for development, leadership, and involvement in shaping services.

By 2030, volunteers will also play an active role in shaping improvements across the Trust and community by sharing feedback, lived experience, and insight. Their voices will be valued in co-production, service development and engagement work, helping to ensure services remain compassionate, accessible, and patient-centred. This will include a quarterly meeting with the Trust Chair to share their feedback.

Above all, the 2030 vision is for a Volunteer Programme that is compassionate, innovative, and sustainable - one that brings Alder Hey's values to life both inside the hospital and beyond its walls, making a lasting difference now and into the future.

A Big Thank You

Alder Hey volunteers are appreciated so much. Whether they are supporting children and families on the wards, welcoming and guiding visitors, helping with special events, supporting in the atrium or up on the wards, their contribution is deeply valued and truly appreciated.

They bring comfort during difficult moments, joy during challenging times and a warm, welcoming presence that helps make Alder Hey more than a Hospital. The moments they create, from reading stories and supporting wellbeing to spreading festive cheer and celebrating staff, have a lasting impact on everyone who walks through our doors.

Every smile offered, every conversation shared, every initiative led and every hour given helps shape the experiences of children, young people, families, staff, and the wider community. They are ambassadors for Alder Hey, both within the Hospital and beyond, and their passion and dedication do not go unnoticed.



Management of Complaints and Concerns

Alder Hey places enormous value on the views and feedback from patients, parents and carers including when they raise concerns or submit formal complaints. The Trust will always try to resolve any concerns at a local ward or departmental level, through our Family Wellbeing Hub and Patient Advice and Liaison Service (PALS) and 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.

In 2025/26 the Trust received 1,560 informal PALS concerns and 237 formal complaints. The Trust aims to respond to concerns as quickly as possible as we understand how important it is to families that their concerns are taken seriously, that they are fully supported and that appropriate action is taken to resolve any issues. Therefore, a continued key quality improvement driver for 2025/26 was to improve compliance in line with the Trust policy to resolve informal PALS concerns within five working days, and formal complaints within 25 working days. The Trust continued the great work from 2024/25 through 2025/26 with an average of 95% of informal PALS concerns responded to within five working days and an average of 86% of formal complaints responded to within 25 working days. Staff from various areas, including nursing, medical, operational, risk and governance, complaints and PALS, the Family Wellbeing Hub and Patient Experience, worked together collaboratively to ensure patients and families have received a timely, compassionate and supportive resolution to their concerns and are committed to improving this further still.

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Formal complaints	121	114	159	158	155	142	162	237
PALS	1,371	1,279	915	1,524	1,903	1,987	2,051	1,560

Learning From Complaints and PALS

Alder Hey 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 include the following:

- If staff have concerns regarding any aspect of the care plan, this should be escalated to the Senior Leadership Team.

- Prioritise and improve communication with family and improve handover and record keeping to facilitate this.
- Introduce families to the seclusion room as part of orientation and induction to the ward and review of mandatory seclusion documentation underway.
- Review underway of the process for communicating changes in care plans. Additional daily safety huddle introduced where all patient documentation is available.
- Record keeping audits to be undertaken.
- Further guidance on age for independent attendance at outpatient appointments to be recommunicated to reception staff.
- PCO Team has added the department email address to their voicemail so that parents have an alternative point of contact.
- Discuss the criteria for requesting imaging in patients with slow healing wounds after two courses of antibiotics.
- Reminder of the importance of escalating patients to member of the Consultant Team when parents have ongoing concerns.
- Service manager to review the laser inbox to ensure that families are responded to in a timely way.
- The importance of accuracy when documenting details of consultations in letters.
- Continue with the Quality Improvement Project to ensure timely administration of patient's own medications.
- Children with rashes should be uncovered to be assessed at ED streaming desk or triage where appropriate, to ensure the most suitable care decisions are made.
- The importance of clear, compassionate communication during consultations, particularly when discussing differential diagnoses.

In 2026/27 the new Trust Complaint Policy will be implemented which reflects the latest guidance published in 2025 from the Parliamentary and Health Service Ombudsman (PHSO). The policy will include a reviewed process with the aim of quicker local resolution and response to informal PALS concerns.

Stakeholder Relations

Involvement in the Local Health Economy

Our approach is underpinned by our strong commitment to partnerships with the ICB, system partners and wider health economy. We also work 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 and young people served within available resources. Our leadership on behalf of children and young people through hosting the 'Beyond' CYP Transformation Programme in Cheshire & Merseyside has enabled us to convene partners and coalesce around a number of priorities, including improved pathways of care and a reduction in health inequality to ensure children and young people are accessing the right advice and treatments at the right time. This includes through community-based care and neighbourhood health.

During 2025/26, the Trust established several key partnerships which explicitly support and enable the CYP neighbourhood model:

- North Mersey Provider Partnership - a partnership between Alder Hey, Mersey Care and University of Liverpool Hospitals Group to join up care across children's, community, mental health and adult services, to co-ordinate service delivery and support the neighbourhood direction of travel, beginning with co-producing and delivering a coordinated proactive lung health pathway.
- Cheshire & Merseyside "Beyond" Programme - setting the standard for neighbourhood transformation whereby Alder Hey is recognised as a trusted partner across integrated care initiatives. We continue to share learnings and participate in national learning collaboratives via the regional CYP Team.
- Digitally integrated neighbourhoods (Blinx) - our collaboration with local industry partners on an integrated digital platform and partnership for children and young people to support our future neighbourhood development.

Alder Hey has continued to be at the heart of designing and leading the children and young people's system across Cheshire & Merseyside throughout 2025/26. Cheshire & Merseyside is a highly complex system and one of the largest ICBs in the country. Through close working with the ICB, the Trust has been recognised as a key partner to convene the children and young people's system to develop an Accountable Care Organisation approach to prevention, care and treatment - underpinned by an important ambition to improve outcomes, tackle inequalities and maximise resource across the system.

Alder Hey is represented and plays a leading role for children and young people at a wide range of system partnership groups, with the ambition to sustain and improve the quality of care provided to children and young people and their families, including:

- C&M Provider Collaborative groups
 - CEOs Group
 - Chairs Group
 - Peer Executive Groups
- C&M Digital and Data Strategy Group
- C&M AVT Programme Board and C&M AI Forum
- North West Digital Skills Development Network
- C&M COO Professional Network Chair
- Children's Hospital Alliance Finance Group
- C&M Collaboration at Scale

The Trust leads on and engages with multiple strategic collaborations and partnerships locally, regionally and nationally. We leverage this involvement to actively shape health care services and to deliver a better future for children and young people as set out in our Vision 2030. During 2025/26, we continued to support and drive the following partnerships with the ambition to improve standards and consistency of paediatric care and reduce unnecessary variation, including through:

- C&M CYP Alliance - now formally sitting within the 'Beyond' Programme, the alliance is committed to making significant improvements in the delivery of urgent care and elective procedures for children and young people in our region. Alder

Hey provides leadership via the CMO as the Alliance Co-Chair and has identified an Associate COO to direct the programme of work.

- North West Paediatric Partnership Board - Alder Hey work in partnership with Royal Manchester Children's Hospital, as the two providers of specialist paediatric services in the North West. We actively oversee joint clinical services and networks, with a shared ambition to support fragile specialised services, and shape a better future for children and young people in partnership with our commissioners.
- Operational Delivery Networks (ODNs) - Alder Hey hosts the North West Neonatal ODN and the North West Congenital Heart Disease ODN. ODNs are formal structures commissioned by NHSE that coordinate patient pathways between different providers to ensure patients receive specialist care, optimise patient outcomes, and manage resources efficiently across a wide area.
- Children's Hospital Alliance - Alder Hey plays an active role in hosting, leading and supporting the workstreams of the Children's Hospital Alliance (CHA) as the host Trust for the partnership. Priorities and programmes of work are currently centred on service transformation, innovation and research, policy and advocacy, insights and metrics, and comms and member engagement.

International Child Health Developments

Established in 2018, Alder Hey's International Child Health Programme supports the Trust's ambition to be an internationally recognised children's hospital of excellence by extending clinical expertise, education and collaboration beyond the UK.

Through international partnerships, the programme contributes to improvements in paediatric care, strengthens clinical capability and enables Alder Hey staff to share specialist knowledge in areas of significant child health need.

Programme Reach and Partnerships

During the year, the programme continued to support work across India, Nepal, Pakistan and Malawi, with activity shaped by local population health needs and delivered through long-standing clinical, educational and charitable partnerships.

In India, Alder Hey clinicians continued to support cardiac surgery through work with Healing Little Hearts. This long-standing partnership has enabled specialist teams, led by

Alder Hey cardiac surgeon Ram Dhannapuneni, to provide life-saving surgery and clinical support in underserved areas.

In Nepal, Alder Hey's longstanding relationship with Kanti Children's Hospital in Kathmandu continued to support paediatric service development, building on more than two decades of collaboration to strengthen care for children and young people.

In Pakistan, the programme continued to support paediatric ophthalmology through collaboration with the Fred Hollows Foundation, with Alder Hey specialists contributing to training, education and wider capacity-building for tertiary eye care teams.

In Malawi, members of Alder Hey's International Child Health Team remained involved in clinical and research activity focused on key child health priorities, including neonatal care, non-communicable disease and adolescent health.

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 during 2025/26 through the completion of the following projects:

Blossom House

Work is now complete on the building previously occupied by the Dewi Jones Unit. The Unit relocated to Sunflower House in May 2023.

This project brings together therapy and Speech and Language Therapy (SALT) services from two community sites. It also provides a base for the recently established eating disorders service. Key improvements include:



- **Enhanced clinical facilities:** New multi-purpose spaces, including multi-disciplinary (MD) rooms, education rooms, and an indoor/outdoor gym.

- **Integrated working:** Improved MD collaboration, supported by dedicated hot-desk spaces for Alder Hey teams.
- **Increased capacity:** Expanded clinic space to meet growing demand for consultations and examinations.
- **Strategic alignment:** A dedicated facility for children and young people that supports delivery of the Trust Vision 2030 Strategy.

Demolition of Histopathology and Gas Meter Housing



The former Histopathology building has been successfully demolished, and the site has been fully cleared. This milestone paves the way for the final phase of the Springfield Park development, ensuring the land is ready for the project's concluding delivery stages.

Retained Estate: Solar PV Installations and Submetering



The Trust secured PDC funding to install solar photovoltaic (PV) panels across the retained estate. Work is now complete on the Institute, Catkin, and Sunflower buildings. These installations will contribute to a significant reduction in annual energy costs and support the Trust's carbon reduction targets.

New submeters have been installed across the retained estate to improve visibility of energy usage:

- **Precise monitoring** of energy usage by individual buildings.
- **Granular data** to support accurate environmental returns.
- **Stronger evidence base** for future funding bids.



Footpaths and Wayfinding Improvements

The Trust has completed a series of upgrades to site footpaths and directional wayfinding. These improvements are designed to enhance the patient and visitor experience by:

- **Improving Accessibility:** Ensuring smoother, safer pedestrian routes across the campus.
- **Ease of Navigation:** Providing clearer signage to reduce stress for patients and families navigating the site.
- **Safety:** Enhancing the physical environment to ensure a welcoming and professional first impression of the Trust.



Site Boundary Repairs

Following the receipt of additional funding, the Trust has undertaken essential repairs to the site's boundary treatments. These works ensure the security and appearance of the hospital perimeter are maintained to a high standard.

Completed works include:

- **Structural Repairs:** Remedial work to the existing boundary walls to ensure long-term integrity.
- **Railings:** Removal and replacement of damaged and corroded railings.
- **Arboriculture:** The felling of dead or diseased trees to ensure public safety and improve the overall landscape of the estate.

Memorial Tree Planting

This year, the Trust has undertaken two significant commemorative plantings, further enhancing the hospital's green spaces and heritage:

- **Sycamore Gap Sapling:** Alder Hey was honoured to be selected as one of only 49 organisations nationwide to receive a National Trust sapling, propagated from the iconic Sycamore Gap tree. This historic sapling has been permanently planted

in a prominent position in front of the Institute, serving as a symbol of resilience and hope.

- **Leah Bennett's Tree:** In a meaningful relocation, Leah Bennett's memorial tree has been permanently planted in a new, distinguished position near the Eaton Road entrance, ensuring it remains a central and respected feature of our site.



Works in Progress

Expansion of Neonatal Service (NICU) and Paediatric Assessment Unit

Construction of the new Neonatal Intensive Care Unit (NICU) and Paediatric Assessment Unit has progressed significantly and is now nearing completion. Current activity is focused on final internal finishing works and the completion of both hard and soft landscaping. The project remains on track for a formal handover in Summer 2026, representing a transformative expansion of our urgent care and specialist neonatal capabilities.



Relocation of Backup Generator and Demolition of Substation 1

The Trust secured specific funding to relocate the primary backup generator to a more strategic position on the estate. This infrastructure project is a critical enabler for the next phase of our site development.

- **Site Readiness:** Groundworks, fencing, and perimeter hedging at the new location are now complete.
- **Next Steps:** The generator move is scheduled for May 2026.
- **Future Impact:** The successful relocation, followed by the demolition of Substation 1, will clear the necessary space for the development of the new Emergency Department car park, significantly improving access for patients and families.

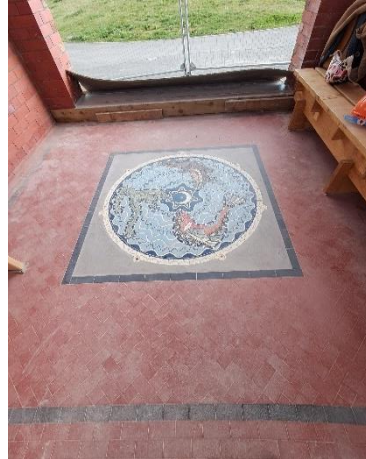


Portico Refurbishment

In a creative collaboration with The King's Foundation, the Trust has transformed the former hospital entrance Portico into a landmark feature within Springfield Park. Artistic and architectural enhancements include:

- A new domed roof and intricate feature-stained glass.
- A decorative floor mural and integrated seating.
- A striking "Dragonfly" mobile installation.

This project was made possible through the generosity of Alder Hey Children's Charity, which funded the essential access modifications and surrounding landscaping. These additions ensure the Portico is a fully accessible, welcoming space that can be enjoyed by patients, staff, and the local community.



2026/27 New Projects

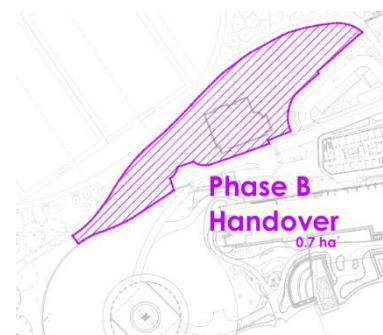
New Emergency Department (ED) Car Park

To support the expanded capacity of the new NICU development, a dedicated ED Car Park is being established. This project optimises site usage and provides essential amenities for both staff and visitors. Key features include:

- **Enhanced Parking:** The creation of 27 new parking spaces to improve access for emergency services and families.
- **Sustainable Travel:** New cycle storage facilities to encourage active travel among staff and visitors.
- **Estate Efficiency:** The construction of a permanent bin store for the Institute in the Park, streamlining waste management and improving the site's aesthetic.

Springfield Park: Final Phase

Following the demolition of the former Histopathology building and the remaining substation, the Trust has entered the final phase of the Springfield Park development. This milestone ensures the full delivery of our obligations under the land exchange agreement and completes the transformation of the parkland. Key features of this final stage include:



- **Landscaping and Biodiversity:** The creation of new feature mounds designed to enhance the park's topography.
- **Environmental Stewardship:** Extensive wildflower planting and the addition of new trees, scheduled for later this year, to support local biodiversity and provide a vibrant green space for the community.

CT Scanning Resilience and Major Trauma Capability

To fulfil our role as a Major Trauma Centre and deliver on the Trust Vision 2030, ensuring 24/7 diagnostic resilience is essential. The acquisition of a second CT scanner is a critical step in improving life chances and bringing future-ready healthcare to our patients. Strategic benefits include:

- **Clinical Resilience:** Transitioning to a dual-scanner model ensures the Trust provides 24/7, 365-day access to CT imaging. This eliminates the risk of service downtime and ensures we meet the core criteria for major trauma centres.
- **National Alignment:** This investment brings Alder Hey into alignment with all other paediatric major trauma centres, which operate with a minimum of two on-site scanners.
- **Regional Leadership:** With expanded capacity, the Trust is positioned to provide mutual aid to other organisations within the CAMRIN region and beyond.
- **Innovation and Education:** The additional capacity will unlock opportunities for specialist training and simulation sessions, further establishing the Trust as a centre for diagnostic excellence.

Elective Hub: Future Strategic Outlook

As we move into the next phase of the Elective Hub Programme, our focus shifts from preparatory works to the delivery of major construction and full clinical integration. Following the initial regulatory challenges of the 2024/25 period, the programme has been redesigned to ensure long-term resilience and compliance with the latest safety standards.

Key Future Milestones

The programme is currently progressing through a revised implementation timeline with several critical goals scheduled for the coming year:

- **BSR Submission (2):** A comprehensive second submission to the Building Safety Regulator is a primary focus to secure the necessary approvals for major works.
- **On-Site Construction:** Major construction activity is projected to go live in August 2025.
- **Phase 4 Implementation:** This phase will see the full execution of the redesigned Hub, incorporating the latest cost plans and inflationary adjustments to ensure a state-of-the-art facility.
- **Hub Activity Go-Live:** Following the completion of construction, the Hub will transition to full operational status, significantly expanding the Trust's elective and outpatient capacity.

The successful delivery of these future phases will represent a major step forward in our commitment to reducing elective backlogs and providing world-class facilities for our patients.

Alder Hey Children's Charity

Every day, Alder Hey Children's Charity helps transform lives. Thanks to the generosity of our supporters, we fund state-of-the-art equipment, pioneering research, therapeutic services and the special extras that help make Alder Hey an extraordinary place for children, young people and their families. Donations also help to bring the unique Alder Hey 'magic' to life, providing comfort, reassurance and moments of joy at some of the most difficult times in a child's life.

In 2025/26, charitable funding has continued to make a powerful difference across Alder Hey, from major capital investment and innovation to smaller grants with direct and lasting benefits for children, families and staff. The following provides a snapshot of that impact.

- A grant of **£952,000** helped support the purchase of an enhanced CT scanner, significantly strengthening imaging capacity, resilience and patient safety. Alder Hey's second CT scanner has enabled rapid, low-dose, non-general anaesthetic cardiac scans, increased throughput of up to ten patients per hour, and provided vital resilience for major trauma cases. For children and families, this means faster diagnosis, fewer anaesthetics and reduced waiting times.


- A further **£503,671** was granted to support the upgrade and replacement of the Trust's patient entertainment system. New smart TVs and an enhanced server will provide streaming apps, content casting, ward information, menus, events and patient surveys directly at the bedside during 2026. The upgraded system improves comfort, reduces stress, keeps families better informed and modernises the inpatient experience for children and young people across the hospital.
- Charitable funding of **£489,149** supported our pioneering Arts for Health Programme, which continues to enhance hospital life for children and families by championing the arts in a health environment. Through child-led, holistic support, the programme promotes physical and mental wellbeing, builds confidence and helps ensure that every child is treated as an individual. Alongside this, £285,576 supported Alder Hey's Play Service, whose team provides therapeutic preparation and distraction for babies, children and young people undergoing procedures and interventions, while also helping families manage anxieties and fears ahead of treatment.
- The Charity also invested **£387,381** in the Alder Hey Futures Programme, supporting early-stage development and clinical engagement initiatives that build the skills and capacity of the research and innovation workforce. This investment is helping to advance research, education, digital transformation and innovation across Alder Hey, ultimately benefiting children, young people and their families for years to come. In addition, **£56,514** was agreed to trial a new learning and development approach, enabling staff without access to other funding streams to attend world-class courses and conferences and bring that learning back into the Trust. A further **£18,150** supported an Innovation Celebration Conference and Innovation Schools Competition in March 2026, marking ten years as a pioneer of child health innovation.

- Research, innovation and prevention have remained a key part of the Charity's impact this year. **£17,409** supported the development of the UK's first ketamine detox pathway for under-18s, enabling Alder Hey to work with young people, families and professionals to create a safe, holistic outpatient model and wider community care pathways.



- A number of grants this year have directly improved clinical care and patient safety. **£118,831** supported the purchase of a point-of-care blood machine, enabling full blood count results in just five minutes on the Day Unit. This improves patient flow, supports faster and safer decision-making, and benefits children on chemotherapy, febrile patients and families of children with sickle cell disease through fewer delays. **£50,190** funded five Bluetooth ECG machines, helping clinicians receive secure digital ECG results directly into patient records and improving speed, safety and ease of comparison with previous traces. **£16,239** funded four community TCB monitors, handheld devices used to screen newborns for jaundice, enabling rapid, non-invasive bilirubin checks at home and reducing unnecessary hospital visits for families.
- Other targeted equipment grants, though smaller in value, are no less important in the difference they make. **£9,816** funded breast pumps and milk warmers, helping mothers' express milk at the bedside and stay close to their critically ill babies, improving maternal wellbeing, nutrition and bonding. **£10,877** funded a "Lab-in-a-box" system to support realistic simulation for complex paediatric neurosurgery, giving consultants and trainees a safer and more accessible way to practise high-risk procedures. **£11,000** improved the Therapies Gym space, ensuring clinicians can better support rehabilitation and help children reach their goals. **£3,300** funded a vein finder for Ward 4A, reducing trauma and repeated IV access attempts for children with difficult-to-access veins.
- Support for emotional wellbeing remains central to the Charity's work. **£72,122** funded a Music Therapist, providing vital psychological and rehabilitative support through creative, non-verbal therapy for children facing complex or lengthy hospital stays. **£2,664** supported the Home Safari project, where monthly animal therapy sessions have reduced anxiety,



improved mood and increased confidence for young patients, families and staff at Sunflower House. **£2,199** funded access to physiotherapy and occupational therapy in a group setting, reaching pre-school children and families.

- Even the smallest grants can make a real difference - for example, **£139** for refreshments at a MediCinema orthoptic event helped create a supportive, confidence-building experience for fourteen children undergoing occlusion therapy. Charitable support has also strengthened Alder Hey's wider campus and community environment. **£13,980** funded privacy screens around the Sunflower House playground, creating a calmer and more dignified space that reduces anxiety and supports confidence. **£9,000** supported the Stoma Friendly Trust Project, leading to the installation adapted toilets that improve dignity, independence and comfort for children, families and staff living with a stoma. **£21,301** funded resources for Alder Park to provide distraction support for children and young people attending appointments. **£10,000** supported clothing and toiletry items for the Rainbow Centre, helping to meet immediate practical needs for the children and families who rely on the service.
- The Charity has continued to back inclusion, dignity and compassionate care across the Trust. **£4,922** funded Bereavement and Remembrance installations across Alder Hey, including sculptures and a book of remembrance, as well as a sculpture in memory of the victims of the Southport tragedy. **£3,567** supported LGBTQIA+ inclusion activity, including events, workshops and more than 300 Pride Badge pledges. **£8,000** supported the provision of complimentary sanitary products across the Trust, improving dignity and wellbeing for patients, families, visitors and staff. Meaningful grants such as **£1,392** for post-surgery cleft advice bags and **£1,747** for diabetes transition toolkits have also helped provide tailored support and reassurance to children and families at important stages in their care.
- Alongside the activity the Charity leads over Christmas, £31,900 was approved to help support festive activity across the Trust. This funding helped underpin moments of joy, comfort and seasonal magic for children and families spending time at Alder Hey during the festive period.



Together, these grants demonstrate the breadth of Alder Hey Children's Charity's impact in 2025/26 – helping to make Alder Hey safer, kinder, more inclusive and more hopeful for every child and family who relies on it.

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 2025/26

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

- Committee Chair Dame Jo Williams
- Non-Executive Director Shalni Arora (to July 2025)
- 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
- Non-Executive Director Bola Owolabi (from October 2025)
- Non-Executive Director Mark Jennings (from May 2025)

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

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

- the proposal to adjust the remuneration of the Chief Strategy and Partnerships Officer, recognising expanded responsibilities, high level of performance, and critical role in strategic leadership and growth.
- The 2025/26 Very Senior Manager pay award in accordance with the NHS VSM Pay Framework and Guidance.
- Chief Medical Officer revised contractual arrangements to support succession planning.
- A controlled Voluntary Redundancy (VR) scheme as one of the levers to support workforce transition and the 2026/27 financial plan.

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

Remuneration Committee Attendance 2025/26

Member	1st July 2025	30th Sept 2025	2nd March 2026
Dame Jo Williams	ü (Chair)	ü (Chair)	ü (Chair)
John Kelly	ü	ü	x
Shalni Arora	ü	n/a	n/a
Kerry Byrne	ü	ü	ü
Fiona Beveridge	ü	x	ü
Garth Dallas	x	ü	ü
Gerald Meehan	ü	ü	ü
Jo Revill	ü	ü	ü
Bola Owolabi	n/a	n/a	x
Mark Jennings	x	x	ü

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 England'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	ü	ü	x	On a case by case basis	ü	x	On a case by case basis

All 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 five 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, AHP and Experience Officer, and the Chief Transformation and Digital Officer. 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 Council of Governors Nominations Committee is responsible for determining the remuneration, allowances and other terms and conditions of appointment for the Trust's non-executive directors. The Committee comprises one appointed Governor, two elected Governors (one of whom must be a Staff Governor) and the Trust Chair (or, where a new substantive Chair is being appointed, the Acting or Vice Chair). The Chief Executive attends in an advisory capacity. The Committee reviews the balance of skills, knowledge and experience required by the Board in the context of forthcoming challenges and, in

that context, agrees role profiles, person specifications and the approach to advertising; undertakes shortlisting; and makes formal appointments. During the year, the Committee conducted a recruitment exercise for two new non-executive directors and subsequently recommended their appointment to the Council of Governors.

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

In relation to non-executive directors' remuneration, the Nominations Committee receives comparative benchmarking information from peer organisations. Fee levels have remained at the rate set by the Committee in 2009/10 and are reviewed annually against the NHS Providers remuneration survey and other relevant sources, including the NHS Improvement and NHS England implementation document, *Structure to align remuneration for chairs and non-executive directors of NHS trusts and NHS foundation trusts* (November 2019). This confirms that Alder Hey's remuneration for non-executive directors remains within the proposed range for organisations of comparable size.

During 2025/26, there were 21 board directors in post across the period. Of these, 12 individuals claimed £16,224 in expenses; for 2024/25 the figures were eight directors claiming £8,762.05 in expenses.

In the year there were 34 governors in office. The total amount of expenses paid to governors in 2025/26 was £0 whereas in 2024/25 governors claimed £1,626.86.

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 2025/26 was £240-245k (2024/25, £230-235k). This is a change between years of +4.3%. Total remuneration includes salary, non-consolidated performance-related pay,

benefits-in-kind, but not severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

For employees of the Trust as a whole, the range of remuneration in 2025/26 was from £987.07 to £283,025.44 (2024/25 £1,118.47 to £269,347.74). 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 5%. Five employees received remuneration in excess of the highest-paid Director in 2025/26 (three in 2024/25).

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.

	2025/26	2025/26	2025/26	2024/25	2024/25	2024/25
	25th Percentile	Median	75th Percentile	25th Percentile	Median	75th Percentile
Salary Component of Pay	£34,339	£47,236	£62,109	£32,370	£44,415	£60,847
Total Pay and Benefits Excluding Pension Benefits	£34,339	£47,236	£62,109	£32,370	£44,415	£60,847
Pay and Benefits Excluding Pension: Pay Ratio for Highest Paid Director	7.06:1	5.13:1	3.90:1	7.18:1	5.23:1	3.82:1

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:



John Grinnell
Chief Executive
23rd June 2026



Salary and Pension Entitlements of Senior Managers (Subject to Audit)

**Total
Remuneration**

Name	Title	A	B	C	E	Total (F)					
		2025/26					2024/25				
		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	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
John Grinnell (1)	Chief Executive	215-220	400	0	167.5-170	385-390	195-200	100	0	80-82.5	275-280
Alfie Bass (2)	Chief Medical Officer	240-245	0	0	0	240-245	230-235	0	0	0-2.5	230-235
Rachel Lea (3)	Chief Finance Officer	145-150	0	0	130-132.5	275-270	35-40	0	0	0-2.5	35-40
John Chester (4)	Chief Scientific Officer	105-110	0	0	0	105-110	150-155	0	0	0-2.5	150-155
Dame Jo	Chair (R)	50-55	3,300	0	0	50-55	50-55	3,300	0	0	50-55

Williams (5)												
Bola Owolabi (6)	Non-Executive Director (R)	5-10	0	0	0	5-10	0	0	0	0	0	0
Mark Jennings (7)	Non-Executive Director (R)	10-15	0	0	0	10-15	0	0	0	0	0	0
Louise Shepherd (8)	Chief Executive	0	0	0	0	0	135-140	300	0	0-2.5	135-140	
Mark Flannagan (9)	Director of Communications & Marketing	0	0	0	0	0	40-45	0	0	7.5-10	45-50	
Shalni Arora (10)	Non-Executive Director	0-5	0	0	0	0-5	10-15	0	0	0	10-15	
John Kelly	Non-Executive Director (R)	10-15	0	0	0	10-15	15-20	0	0	0	15-20	
Nathan Askew	Chief Nursing, RHP and Experience Officer	160-165	0	0	55-57.5	215-220	155-160	0	0	77.5-80	235-240	
Melissa Swindell	Chief People Officer	145-150	200	0	50-52.5	195-200	145-150	100	0	67.5-70	215-220	
Erica Saunders	Chief Corporate Affairs Officer	145-150	100	0	55-57.5	200-205	140-145	0	0	87.5-90	230-235	

Kate Warriner	Chief Digital & Transformation Officer	155-160	0	0	52.5-55	210-215	155-160	0	0	72.5-75	230-235
Adam Bateman	Chief Operating Officer / Deputy Chief Executive	175-180	100	0	122.5-125	295-300	160-165	300	0	65-67.5	225-230
Dani Jones	Chief Strategy & Partnership Officer	140-145	400	0	20-22.5	165-170	130-135	100	0	127.5-130	260-265
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	1,400	0	0	15-20	15-20	2,700	0	0	20-25
Garth Dallas	Non-Executive Director (R)	10-15	0	0	0	10-15	10-15	0	0	0	10-15
Jo Revill	Non-Executive Director (R) (A)	10-15	2,400	0	0	15-20	10-15	1,900	0	0	10-15
Gerald Meehan	Non-Executive Director (R) (A)	10-15	0	0	0	10-15	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) John Grinnell was appointed from Chief Finance Officer to the position of Interim Chief Executive on 03/11/2024 and was appointed as Chief Executive on 15/11/2024.
- (2) Alfie Bass was not part of the NHS pension scheme in 2024/25.
- (3) Rachel Lea was appointed interim Chief Finance Officer on 18/12/24, she was appointed Chief Finance Officer 27/10/2025.
- (4) John Chester left the organisation 31/03/2026.
- (5) Dame Jo Williams, Chair - Expense Payments relate to Business Mileage and other Travel taxed at source.
- (6) Bola Owolabi commenced in role 01/10/2025.
- (7) Mark Jennings commenced in role 01/05/2025.
- (8) Louise Shepherd left the Organisation on 02/11/2024.
- (9) Mark Flannagan left the organisation on 12th April 2024, salary included contractual payments in lieu of notice and payments related to annual leave.
- (10) Shalni Arora left the organisation on 31/07/2025.

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.

Where the value of this calculation has returned a negative figure, this has been substituted for a zero.

	Real Increase in Pension at Age 60 (bands of £2,500)	Real Increase in Lump Sum at Aged 60 (bands of £2,500)	Total Accrued Pension at Age 60 at 31 March 2026 (bands of £5,000)	Lump Sum at Age 60 Related to Pension at 31 March 2026 (bands of £5,000)	Cash Equivalent Transfer Value at 1 April 2025	Real Increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2026	Employer's Contribution to Stakeholder Pension
Name and Title	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
John Grinnell Chief Executive	7.5-10	15-17.5	65-70	165-170	1,269	168	1,483	0
Nathan Askew Chief Nursing, AHP and Experience Officer	2.5-5	0-2.5	45-50	110-115	859	44	938	0
Melissa Swindell Chief People Officer	2.5-5	0-2.5	45-50	105-110	903	51	987	0
Alf Bass Chief Medical Officer	0.00	0.00	0.00	0.00	0	0	0	0
Erica Saunders Chief Corporate Affairs Officer	2.5-5	2.5-5	60-65	155-160	1,434	72	1,548	0
Kate Warriner Chief Digital & Transformation Officer	2.5-5	0-2.5	45-50	105-110	796	42	871	0
Adam Bateman Chief Operating Officer / Deputy Chief Executive	5-7.5	10-12.5	45-50	100-105	698	95	827	0

Dani Jones Chief Strategy and Partnerships Officer	0-2.5	0-2.5	40-45	95-100	755	14	800	0
Rachel Lea Chief Finance Officer	5-7.5	10-12.5	30-35	75-80	478	102	606	0
John Chester Chief Scientific Officer	0-2.5	0-2.5	70-75	175-180	164	60	240	0

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.

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

Our people are central to delivering outstanding care, and our ambition to create a workforce where inclusion, equity, and belonging are embedded into everything that we do. We are dedicated to recruiting, nurturing, and retaining a talented and compassionate workforce that reflects our communities and is empowered to deliver world-class care to our children, young people, and their families. Our focus is on moving from commitment to measurable impact. We are strengthening how we listen to staff and act on their lived experiences, using insight and engagement to ensure all colleagues feel valued, supported, and able to thrive. Staff networks remain a vital part of this approach, with an enhanced role in shaping policies, influencing leadership decisions, and driving meaningful cultural change.

We recognise that a diverse and inclusive workforce is essential to reducing inequalities and improving outcomes. Through targeted action and strong partnerships, including the partnership we have built with Liverpool City Region Race Equality Hub, we are working to improve representation, address disparities, and create fair and inclusive opportunities for career progression at all levels.

The Equality, Diversity and Inclusion (EDI) Steering Group continues to provide clear oversight and accountability, ensuring delivery against our priorities and alignment with national frameworks. Our focus has been to embed sustainable, organisation-wide change that strengthens leadership capability, improve staff experience, and ensure inclusion is integral to everyday practice. Building on our progress, we remain committed to transparency, continuous improvement, and delivering meaningful outcomes that benefit both our workforce and the patients and families we serve. This year we:

- Co-produced and launched a Mutual Mentoring Programme
- Introduced EDI into the 'Thriving Leaders' Programme, which also includes the Anthony Walker Foundation Anti-Racism training
- Provided neurodiversity training to teams
- Applied for bronze status to the North West Anti-Racist Framework
- Trained 12 staff to deliver Active Bystander Training across the Trust

- Launched 'Grow to Lead' Development Programme specifically for our internationally educated staff
- Secured funding to create more stoma friendly toilets all across the Trust, improving accessibility for both our staff and our children and young people
- Re-awarded Navajo Charter Mark following a robust reassessment process
- Worked collaboratively with our staff networks to ensure policies and practices are inclusive
- Developed a Managers Reasonable Adjustments Guidance Group and Resource Hub
- Developed a Supporting Gender Diverse Staff Policy
- Revised the quality, equality impact assessment process with training and support for staff

The Trust continues to uphold its status as a Disability Confident Employer, with a clear commitment to recruiting and retaining colleagues with disabilities and long-term health conditions wherever possible. We ensure our recruitment processes are inclusive and accessible, and provide ongoing support through Occupational Health, Access to Work, and tailored health and safety advice, including individual risk assessments. We remain focused on building on this progress by implementing initiatives that further improve staff experience and support Alder Hey to be an inclusive place to work.



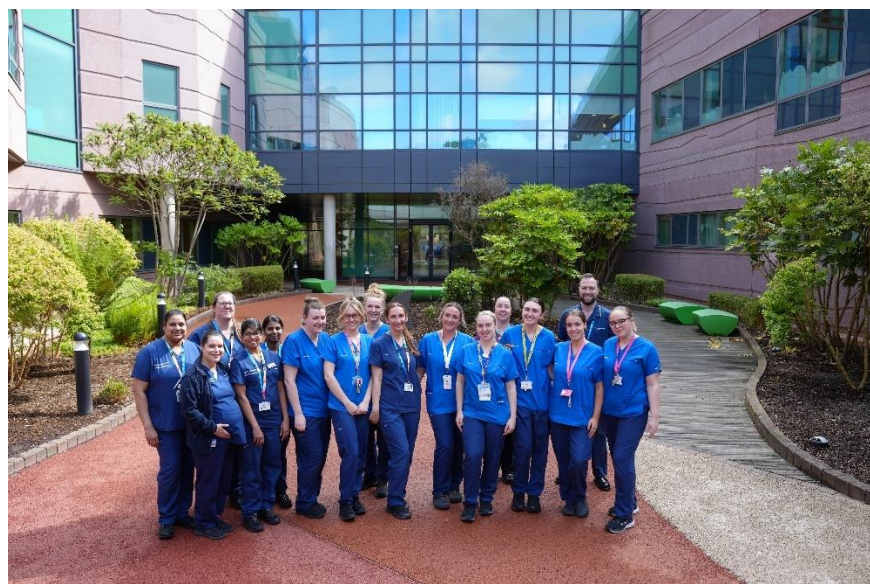
Staff Turnover

The total staff turnover for the Trust in 2025/26 was 11.7% and the table below shows this breakdown per staff group.

Staff Group	Leaver Headcount	Turnover % by Headcount
Add Prof Scientific and Technic	33	8.99%
Additional Clinical Services	82	14.92%
Administrative and Clerical	145	15.45%
Allied Health Professionals	35	8.24%
Estates and Ancillary	32	13.17%
Healthcare Scientists	18	12.20%
Medical and Dental	103	24.09%
Nursing and Midwifery Registered	87	5.97%
Grand Total	535	11.67%

Focused activity and interventions to reduce turnover, improve stability and increase retention have positively impacted on turnover. The Trust offered a Mutually Agreed Resignation Scheme in 2025, which will account for a slightly higher turnover rate.

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 2025, 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	5	8
Other Employees	750	3816
Total	760	3829

Analysis of Trust staff by type and cost during the year 2025/26 is set out in the table below, together with a comparison with 2024/25 (subject to audit):

	Total	Permanent	Other	Total	Permanent	Other
	2025/26			2024/25		
	No.	No.	No.	No.	No.	No.
Medical and Dental	583	582	1	570	520	1
Ambulance Staff						
Administration and Estates	835	823	12	940	907	33
Healthcare Assistants and Other support Staff	245	223	22	243	202	24
Nursing, Midwifery and Health visiting Staff	1,507	1,453	54	1,554	1,382	100
Nursing, Midwifery and Health visiting Learners						
Scientific, Therapeutic and technical Staff	1,018	1,008	9	983	910	15
Other	0	0	0	0	0	0
Total Average Numbers	4,188	4,089	98	4,290	3,922	173
Of Which:						
Number of Employees (WTE) engaged on Capital Projects	23	23	0	30	30	0

Staff Costs (Subject to Audit)

			2025/26	2024/25
	Permanent	Other	Total	Total
Salaries and Wages	211,502	20,756	232,257	219,712
Social Security Costs	26,132	-	26,132	20,473
Apprenticeship Levy	1,018	-	1,018	983
Employers Contributions to NHS Pensions	25,791	-	25,791	24,371
Employers Contributions to NHS Pensions Paid by NHSE	16,921	-	16,921	15,852
Temporary Staff	-	5408	5408	9,560
Total Gross Staff Costs	281,364	26,163	307,527	290,951
Recoveries in Respect of Seconded Staff	-2,654		-2,654	-2,336
Total Staff Costs	278,710	26,163	304,873	288,616
Of Which	-	-	-	
Costs Capitalised as Part of Assets	3,141	57	3,198	2,964

Sickness Absence Data

In 2025/26, we continued to advance initiatives that support positive health and wellbeing, recognising the significant challenges experienced by our staff and the wider NHS in recent years, as well as their impact on our workforce. Through sustained and enhanced provision from our Staff Advice and Liaison Service (SALS), we prioritised and actively supported the physical, mental, social, and financial health and wellbeing of our employees.

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 2025/26, 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 Staff Partnership Forum (SPF) and Local Negotiating Committee (LNC), 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 2025/26 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 is required to publish the following information relating to trade union officials and facility time.

Trust Trade Union Facility Time 2025/26

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

Communications activity in 2025/26 has remained focused on strengthening how we inform, engage and support our staff, children, young people and families.

This year we have refreshed our internal communications approach and delivered a comprehensive change-communications strategy to help ensure clarity, consistency and transparency for colleagues as we progress on our journey to 2030. Supporting colleagues to feel informed, valued and recognised throughout the year has remained central to our work.

Alongside this we continued to provide timely, accessible information to our children, young people and families during incidents, industrial action and public-health pressures. We continued to enhance the Trust's profile through proactive media relations, effective press office management and strategic use of traditional and social media. This work helped highlight the dedication of our staff and the impact of our services on both a national and international stage. We also expanded our role in promoting colleagues' efforts to address health inequity and raise awareness of preventable illnesses.

Throughout this, Vision 2030 steered our strategic communications activity through established key areas of focus: Outstanding Care and Experience; Collaborating for Children and Young People; Delivering Pioneering Breakthroughs; Revolutionising Care; Supporting our People; and Creating Healthier Fairer Futures.

Outstanding Care and Experience

We continued to celebrate our staff, families and Alder Hey's outstanding work throughout 25/26.

This included the inspiring story of nine-year-old Seirian, who opened her very own art exhibition after bravely battling leukaemia. Seirian's story featured across regional media, including the Wrexham and Flintshire Leader.





We also captured the powerful moment when 16-year-old Callum rang the end-of-treatment bell in our Oncology Unit, surrounded by his family and teammates from Heath Rangers Barca. Callum was diagnosed with T-cell lymphoblastic lymphoma in February 2023 and spent lengthy periods on Ward 3B. Two years on, now in remission, Callum scored the decisive goal that took his team to a cup final victory. Back at school and inspired by his journey, he now hopes to pursue a career in medicine. His story gained widespread regional coverage, including the **Liverpool Echo, Manchester Evening News and Surrey Live.**

In July 2025, we shared the story of 16-year-old Ellie who had a decompressive craniectomy, which involved removing part of her skull to relieve pressure on her brain and temporarily placing it in her abdomen to keep it sterile. Ellie's story was covered widely by national media including **Good Morning Britain, The Independent, Sky News, The Telegraph and The Mirror.**



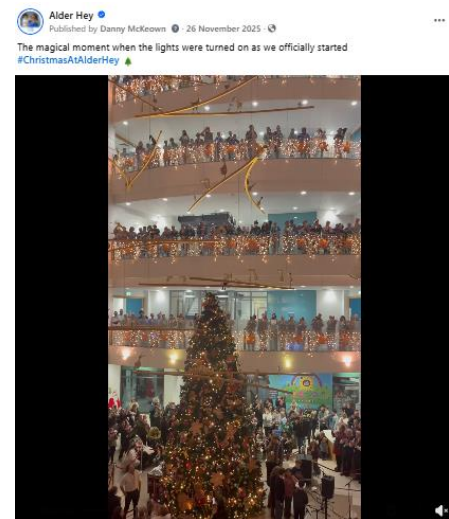
The following month we shared with BBC Newsround what Alder Hey is doing to ensure children with disabilities or mental health conditions and neurodivergence have as positive experience as possible when they come into hospital.

Other highlights from 2025/25 included securing inspiring coverage of three-year-old Eden who had life-saving surgery at Alder Hey, 17-year-old Daniella who was treated for Juvenile Arthritis and is now racing with the British F4 Championships and Amy who, after 18 operations on her leg, completed the Manchester half marathon.



Our Christmas Light Switch On took place in November 2025 featuring appearances from Father Christmas and entertainment from Cascade Music, the Alder Hey Volunteer Choir and Malvern Primary School Choir. The event was once again hosted by local presenters Jay Hynd and Gemma Cutting who turned on the Hospital Christmas lights with some of our neurosurgery patients and the Lord Mayor of Liverpool, Councillor Barbara Murray.

The festive season was made even more special with visits from both Everton FC and Liverpool FC. These high-profile visits created magical moments for children and families and also helped showcase the work of Alder Hey to a wider audience. One highlight included 12-year-old Aoife from Belfast meeting her Everton heroes, including fellow Irish captain Seamus Coleman. By delivering shared content about the visits through strategic social media collaborations with both football clubs, we were able to maximise reach, significantly increasing brand visibility and audience engagement across our digital channels.



Our Christmas campaign also included the production of our annual festive mash-up video, featuring teams from across the Trust singing *Merry Xmas Everyone*, as well as a much-loved *Naughty Elf* sketch created with Alder Hey's Youth Forum and produced (and starring) the Communications Team.

Together, these moments helped our Christmas campaign reach over **ten million people**, highlighting the spirit, compassion and community at the heart of Alder Hey.

We also generated widespread and positive media coverage across the festive period. The annual football visits were extensively covered by media including **BBC Radio Merseyside and Sky News**. We hosted a live Christmas programme from **In Demand Radio**, which aired from the hospital and raised over £6,000 for Alder Hey Children's Charity. The broadcast featured interviews with a wide range of staff, patients, families, and volunteers, sharing powerful personal stories and highlighting the dedication of teams working over the festive period. Additional coverage from **BBC Radio Merseyside and The Guide Liverpool** included features on long-serving staff and patient experiences.



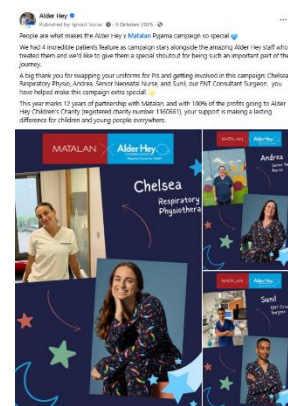
In January 2026, we announced that Alder Hey had become the first Trust in the country to fulfil every wish of Sophie's Legacy, setting a new national standard for compassionate, family-centered care. Created in memory of nine-year-old Sophie Fairall, Sophie's Legacy calls for simple but powerful changes to improve the hospital experience for children and their families. The story was celebrated on Alder Hey's internal and external channels and was featured across regional media, including **BBC Online**.

Collaborating for Children and Young People



In April 2025 we teamed up with the Jockey Club to celebrate the Randox Grand National Festival. Jockeys, including Rachel Blackmore, Harry Skelton and Sam Twiston-Davies, joined Charity champions Mick Fitzgerald and AP McCoy as well as 2012 Grand National winner Neptune Collonges, on a special visit to the Hospital. Alder Hey patient Joshua was also named as the Honorary 35th runner in the big race. The event was captured by **ITV Racing** and shown in the buildup to the big race.

We continued to support and celebrate the valuable work of Alder Hey Children's Charity throughout the year. This year we supported the 12th year of the Charity's collaboration with Matalan by promoting both a summer and autumn campaign, through traditional media outlets and across social media. Both campaigns featured across various media outlets including the **Liverpool Echo** and the **Mail Online**.



We also continued to celebrate the Trust's partnership with Alder Hey Children's Charity and MediCinema, welcoming BAFTA for a special visit in April 2025 before marking the first anniversary of a specially designed cinema at Alder Hey in November 2025.

Also in November we teamed up with Everton Football Club to celebrate World Diabetes Day. A group of Diabetes patients were invited to enjoy a memorable day at Everton's Finch Farm training ground and meet defender Jake O'Brien. 12-year-old Jack also had

the opportunity to interview Jake about how he manages his own Diabetes before, during and after football matches. Coverage included **The Times and the Liverpool Echo**, helping to raise awareness of the condition both locally and nationally while giving encouragement to children and young people with Diabetes.

We continued to support and promote partnership working across the Trust and in January 2026, we shared news of a new strategic partnership with Edge Hill University, aimed at transforming health and wellbeing outcomes for children and young people across the North West. The collaboration was shared widely across our social media channels and appeared in regional media including **St Helens Star and The Guide**. We were also proud to announce a new partnership with Make-a-Wish UK in February 2026, helping to bring life-changing wishes to children and young people in our care.



In March 2026, we worked closely with colleagues across the region to secure and deliver an exclusive feature on **BBCNW** about the launch of a specially designed mobile cancer care unit now delivering chemotherapy and other treatments to children and young people in communities across the region. The service aims to transform how patients receive cancer treatment, reducing long

journeys and time spent away from home, school, and family life. The story was also featured on **BBC Online**.

Throughout the year we also welcomed visits from various other stakeholders and supporters, including Dame Rachel De Souza (Children's Commissioner), Dame Kelly Holmes, Steve Rotherham (Metro Mayor), NHS England, Professor Matt Ashton (Director of Public Health for Liverpool City Council), University of Liverpool, The Kings Fund, Midland Partnership Trust and the India Health Authority.

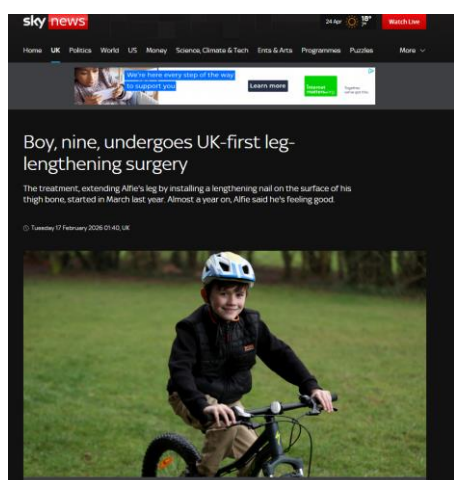
Delivering Pioneering Breakthroughs

BBC Radio Merseyside, BBC Online, Med-tech Insights, Healthcare Management Magazine and the Guide Liverpool featured Alder Hey's new state of the art 3-T MRI scanner in July 2025. Funded by the National Institute for Care and Research (NIHR), the new scanner is among the first of its kind in Europe



and will be used to help identify early signs of disease. The scanner was also promoted across our social media channels.

In August 2025 we raised awareness of a life-saving new treatment designed by a skilled team of experts at Alder Hey and used to treat three-year-old Conor for a rare condition called Vein of Galen Aneurysmal Malformation. Conor's story was covered widely by media including **The Times**, **The Independent**, **BBC News**, **ITVX**, **Daily Mail**, **The Metro**, **The Mirror** and **GB News**.



Later in the year, we gained widespread coverage for a story about nine-year-old Alfie undergoing extramedullary femoral lengthening surgery. This was the first time this operation had taken place in the UK. Some of the media outlets that featured the story in February 2026 were: **BBC Breakfast**, **Good Morning Britain**, **ITV Granada**, **ITV East Anglia**, **BBC North West**, **BBC East Anglia**, **Channel 5**, **ITV X**, **Sky News**, **BBC Online**, **The Telegraph**, **The Times**, **People Magazine (USA)**, **Evening Standard**, **Sky News Radio**, **LBC**, Italian newspaper "**La Repubblica**" and more!

Revolutionising Care

In June 2025, we arranged a special celebration to mark a major milestone in the development of Alder Hey's new dedicated surgical NICU and expanded emergency care facilities. During a special event, staff from Alder Hey were invited to join colleagues from Liverpool Women's Hospital, Alder Hey Children's Charity and others involved in the project, including contractors from Morgan Sindall to celebrate the progress made on the new development.

Joining clinical and construction teams at the event was also Young Fundraising Ambassador for Alder Hey Children's Charity Betty who attended with her family. Betty and her parents Karen and Phil wrote the first 'wish' on a commemorative design piece for the new facility. Their wish was *"For mum's and dad's to be right by their*



baby's side - fully involved in their care and making precious memories.” The event was covered by **Place North West, Health Estate Journal and the Guide Liverpool.**



In January 2026, we completed phase two of the Hospital's Virtual Tour (**Matterport**), giving children, young people and families a more immersive way to explore the hospital before visiting. Funded by Alder Hey Children's Charity, the expansion adds 52 embedded videos, bringing the total to 110. It

also includes avatars of staff and young people, alongside improved signage to help users navigate the environment and better understand what to expect in different areas. The enhanced model now showcases a broader range of clinical, research and community spaces across the campus and beyond, including the MediCinema, Catkin Centre, medical laboratories and Innovation Hub, as well as several outreach locations. This phase mapped an additional 125,585 square feet, increasing the total coverage to 313,585 square feet. The result is the first complete digital map of a hospital of this kind and the largest 360° hospital model in Europe.

We also supported the promotion of Alder Connect, the hospital's new Patient Portal. Activity focused on raising awareness, encouraging family pre-registration and informing staff. A dedicated staff hub and FAQs were developed to support this. Over 8,000 people have already pre-registered ahead of the portal's launch in April 2026.

Supporting our People



Recognising colleague excellence and celebrating achievement remain key in creating a well-informed, high-morale, and cohesive workforce.

Throughout 2025/26 we have regularly celebrated our 'Star of the Month' colleagues, nominated by their peers for going above and beyond.

On Friday 19th September 2025, colleagues and teams from across Alder Hey gathered together for our annual Alder Hey Stars Awards. The awards are an annual celebration recognising the outstanding contributions of staff and teams from across the Trust. Over 400 colleagues and volunteers attended the event, as well as our event sponsors, special guest Lord Mayor Cllr Barbara Murray and host Greatest Hits Radio's Simon Ross.

As part of our Christmas celebrations, we invited 100 colleagues to a special Star Lunch - a complimentary festive meal with all the trimmings. The event featured musical performances and created a warm, celebratory space for colleagues to come together. It also provided an opportunity to recognise and thank staff for their exceptional efforts throughout the year.

We also explored opportunities with external partners to strengthen a culture of recognition and appreciation, ensuring colleagues' achievements are celebrated beyond the Trust. In collaboration with Everton Football Club, we arranged a special surprise for Julia Roberts, Clinical Manager in our Integrated Community Nursing Team. Everton Captain Seamus Coleman surprised Julia with flowers, tickets to an upcoming Everton match, and a behind-the-scenes trip to Everton's training ground, Finch Farm. The moment was widely covered across social media (**over 917,000 views and 69,000 engagements**), across Everton FC channels and in regional media, including **BBC Radio Merseyside**.

Highlighting the work of individual teams through national awareness days and supporting the roll out of new Trust values across the Trust further demonstrates how we have celebrated and connected with our staff throughout the year.

Together with colleagues, we also rolled out a new rhythm of communications cascade in 2025. *Connecting* is an approach focused on strategically building and strengthening connections and trust between the Executive and Senior Leadership Team and the wider organisation by increasing and aligning engagement, visibility and communications. This new monthly cascade process includes:



- Key Message Setting - messages of the month agreed with Chief Executive.
- Connecting Leaders - a mandated Teams session briefing of these key messages to all leaders and managers, followed by opportunities for dialogue.
- Connecting Alder Hey - a broadcast for all staff to hear the key messages increasing clarity and reducing misunderstanding.
- Supporting content - leaders provided with briefings/toolkit to support the cascade process.
- Evaluation - managers and team leaders asked for post-event feedback on the efficacy and impact of the briefing.

Throughout the year, communications played a key role in raising awareness and driving key initiatives to our colleagues. This included our annual NHS Staff Survey campaign which involved drafting and signing off the core narrative, developing and publishing a comprehensive Intranet hub site to hold all relevant information, developing and sharing a managers and leaders toolkit, promotional screensavers and inclusion in broadcast content.



To support the Trust through change, we developed a dedicated communications plan for the How We Will Work in The Future Programme, guided by three principles: Thoughtfulness, Timeliness and Transparency. A core narrative and key messaging framework underpin the plan, which focuses on timely cascade through existing channels and rhythms alongside face-to-face engagement sessions and a dedicated Intranet section. Communications will continue to play an integral role as the Trust moves into a new way of working in 2026.

Towards the end of 2024, we undertook a comprehensive review of Alder Hey's internal communication channels to better understand how we can engage with our people and ensure that everyone feels informed, connected and valued. A Trust-wide staff communications survey built on an audience profiling exercise as well as anecdotal feedback and evaluation in relation to channel effectiveness and content. This engagement provided valuable insight into how our internal communications are perceived, where they are working well and where improvements could be made to enhance clarity, consistency and reach.

The findings will help shape a refreshed communication approach for 2026/27 and have been central to the development of a new Internal Communications Strategy organised into seven pillars of activity:

- Channel refresh; improving communication channels to enhance clarity, relevance, and accessibility.
- Engagement framework; ensuring alignment of internal communications with organisational priorities, brand values, employer voice and staff experience.
- Journey to 2030; continue to support Vision 2030, particularly the How We Will Work In The Future Programme.
- Connecting Alder Hey; monthly communication rhythms ensure key messages are consistently cascaded through leaders and across the Trust.
- Awareness days; supporting engagement and celebrating diversity.
- Celebration and Recognition; initiatives such as Stars of the Month, Staff Awards, celebrating staff contributions.
- Structured campaigns; ensuring effective delivery of the staff survey, winter pressures, vaccinations and Staff Awards.

Creating Healthier, Fairer Futures

We have continued to use proactive media engagement and social media content to tackle health inequalities and raise awareness of public health issues.

In response to rising measles cases locally and nationally, we delivered a targeted communications campaign to raise awareness and support increased uptake of the MMR vaccine. With vaccination rates below the 95% threshold required for disease elimination, the campaign focused on addressing this gap through clear, consistent messaging about the risks of measles and the benefits of vaccination.

Working in partnership with organisations across the city region, including UKHSA, NHSE and public health partners, the campaign aimed to improve understanding of measles, build confidence in the MMR vaccine, and encourage both the public and staff to ensure their vaccinations were up to date. A strong emphasis was placed on collective

responsibility, reinforcing that protecting children and young people from serious illness requires action from the whole community.

A multi-channel approach was implemented to maximise reach and engagement. Internally, this included Trust-wide emails and intranet updates, alongside visible on-site promotion through digital screensavers and banners in key areas such as the Emergency Department and outpatient spaces. Externally, the campaign utilised the Trust's website, social media platforms and traditional media. A jointly signed open letter from senior leaders and partners was published and widely shared, supported by press activity and interviews with clinical experts.

Additional campaign activity included the production of video content featuring senior clinicians discussing the risks of measles and the safety of vaccination, as well as child-focused social media materials to engage younger audiences. National campaign assets were also incorporated to strengthen messaging. This coordinated and collaborative approach helped to raise awareness, reinforce key public health messages, and support efforts to increase vaccination uptake across the region.

The campaign received significant media coverage, with Alder Hey's open letter and spokespeople appearing across regional and national outlets including **BBCNW Tonight**, **ITVX**, **GB News**, **Daily Express**, **Sunday Times**, **The Independent**, **Liverpool Echo**, **Liverpool World**, **Daily Star** and **Global Radio**.



We also achieved strong overall performance across all social media channels, generating a total reach of **656,370** and **10,896 engagements**, alongside **496 hours of video watch time**. This demonstrates high levels of audience engagement and sustained interest in campaign content, particularly video assets and key messaging posts.

The open letter was the standout piece of content across multiple platforms. On Facebook, it achieved over **209,000 views** and successfully reached the target audience of adults aged 25+. Similarly, on Instagram, it gained over **92,000 views**, with more than

57% of viewers being non-followers, indicating strong reach beyond existing audiences. The top-performing video on Facebook reached **60,000 views** with significant watch time and engagement, while Instagram content generated over **26,000 views**.

Additional content, including myth-busting and videos, further boosted campaign visibility. These posts collectively generated tens of thousands of views and strong engagement, with a video featuring our Forum reaching **88,000 views**. Overall, a mix of informative, authoritative, and engaging content proved effective in reaching target audiences and driving interaction across platforms.

Our measles campaign supported our wider efforts to raise awareness of the challenges faced by Alder Hey and the NHS during the winter period. To support our clinical teams in managing winter pressures, we produced and shared a number of videos and assets encouraging people to seek alternative options where appropriate. This included a video of Megan Healey, an Emergency Department Sister, directly talking to parents, which reached over **50,000 people**. We also produced **21 radio ads on Smooth Radio** at the beginning of January, reaching over **841,000 people**.

We continued to drive messaging on health inequalities and other preventable illnesses throughout the year, developing messages and narratives for key topics including obesity, dental health, vaping and ketamine induced uropathy.

In July 2025, we promoted the opening of a specialist clinic at Alder Hey for children and young people with complications from ketamine use. Coverage included: **Good Morning Britain, BBC Radio Five Live, BBC Online, Liverpool Echo, Ladbible, The Metro, Daily Mail, Hits Radio and Capital FM**. Interest and follow up coverage about the clinic, the rise in young people requiring treatment and research into ketamine-related harm continued throughout the year including a feature in **The Guardian** in February 2026. Following efforts to promote Alder Hey's vaping cessation clinic in March 2025, we also continued to raise awareness of the risks of vaping for young people, including another feature in **The Guardian** newspaper in January 2026. One of our respiratory nurses was also interviewed by the **Nursing Times** about the impact of health inequalities on respiratory complications in children and young people. Further

Ketamine clinic opened at children's hospital



messaging promoting flu vaccination and meningitis awareness was amplified across our social media channels.

Other notable activity throughout 2025/26 included:

- Cuddle Manager Holly the Dog's retirement featured on **BBCNW** and **ITV Granada Reports**.
- We raised awareness of the dangers of E-Scooters in national media (**The Observer, BBC, Liverpool Echo**).
- We supported our Cardiac colleagues in celebrating 75 years of cardiac surgery at Alder Hey.
- The launch of the first vestibular clinic for children in the UK featured in **The Guide Liverpool**.
- Multiple media outlets (including **The Guardian and ITV News**) covered the trial of a new 15-minute blood test at Alder Hey to distinguish between bacterial and viral infections in children, potentially speeding up diagnosis of sepsis and meningitis and enabling quicker treatment decisions.
- We raised awareness of fundraising challenges and community fundraising for Alder Hey Children's Charity, including the Santa Paddle and marathon runners.
- We highlighted the vital work of our Innovation Team throughout Alder Hey's Innovation Conference in March 2026, which brought together key partners from healthcare, industry and the wider Liverpool City Region.
- We worked in collaboration with Merseyside Police to open a new police station within the Alder Hey campus.
- **CBBC's Operation Ouch** returned to Alder Hey to film our children, young people and staff for a new series of the popular children's show.
- We promoted the launch of the Trust's AI Strategy, gaining coverage in **Digital Health, National Health Executive, HTN Health Tech News, UK Authority**.
- We continued to promote ongoing developments of the Alder Hey campus, including supporting a special goodbye event for the Rocking Horse Nursery.

- We supported the Trust's statutory governance requirements in the production of the Annual Report and Accounts and developed a dedicated website section for membership, 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.
- We enhanced our website through significant accessibility improvements.
- Our website received **633,000 views and 176,000 new users (unique visitors)** in 2025/26.
- We continued to grow our social media channels. We currently have **over 259,000 followers, an increase of 18,000 from last year. Facebook (110,000 followers), X (56,500), Instagram (47,900), LinkedIn (19,000), TikTok (15,700), Threads (6,000), YouTube (3,200) and BlueSky (530).**
- This year, our organic social media reached almost **54 million impressions**, an increase of 14 million from last year, and had **1.5 million engagements** (likes, comments, shares).
- Our biggest performing post reached over **5.8m impressions** when former footballer Wayne Rooney visited some of our children and young people in November 2025.

Counter Fraud

The Trust engages Mersey Internal Audit Agency (MIAA) to provide counter fraud services. The Local Anti-Fraud Specialist (AFS), supported by the Trust, continues to enhance anti-fraud arrangements through activities set out in the Trust's Anti-Fraud Workplan for 2025/26. The Trust also has a local Counter Fraud Champion, in line with core requirements promoted by the Government Counter Fraud Function.

Governance and Reporting

Routine reports on progress against the Anti-Fraud Workplan are received by the Audit and Risk Committee. Success is measured by the delivery of outcomes across the defined areas of anti-fraud work.

Principles and Aims

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

The aim of anti-fraud work is to support improved NHS services by raising awareness and undertaking proactive local activity so that fraud is clearly seen as unacceptable. Preventing the theft of public money helps ensure funds are deployed for the public good, as intended. During the year, the Local Counter Fraud Specialist undertook a range of preventative and investigatory activities in pursuit of this aim.

Assurance and Compliance (2025/26)

The 2025 annual self-assessment against the Government Functional Standard 013 for Counter Fraud, known as the Counter Fraud Functional Standard Return (CFFSR), was submitted in Quarter 1 by the AFS. The Trust received a Green rating overall. 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 implements a cohesive organisational approach to supporting health and wellbeing where healthcare 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.

Health and Safety Team Collaboration

The Health and Safety Team is dedicated to working collaboratively with various departments throughout the Trust. This partnership is fundamental in maintaining a safe environment for all patients and staff members, ensuring that safety remains a top priority across the organisation.

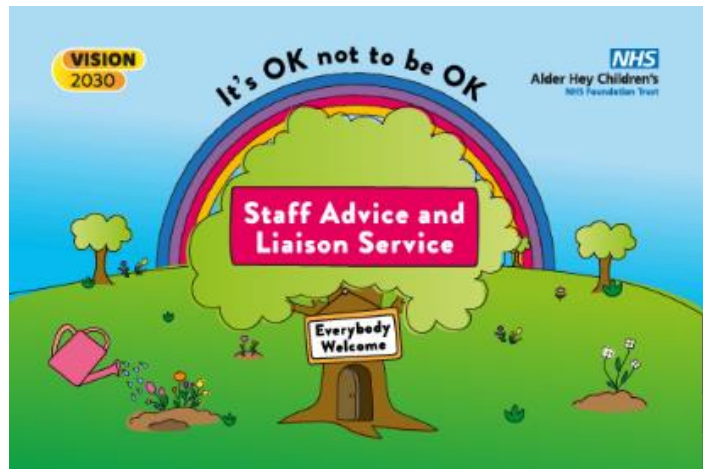
Comprehensive Staff Support

In addition to the efforts of the Health and Safety Team, Alder Hey provides extensive support for its workforce through both the Occupational Health Department and the Staff Advice and Liaison Service (SALS). These services offer wide-ranging assistance to

address the physical, mental and psychological wellbeing of every staff member. The Trust remains committed to fostering a healthy and supportive workplace for all colleagues.

Staff Advice and Liaison Service

The Staff Advice and Liaison Service (SALS) is entering its sixth year at Alder Hey and continues to provide support within the organisation as a one door 'listening service' for all staff, including students. The service acts as a hub within the organisation and has responded to over **20,000** contacts since its launch, equating to **3500** individuals or 55% of the workforce. Average employee assistance programmes in healthcare are utilised by approximately 10% of the workforce.



From the 1st of April 2025 to the 13th of March 2026, SALS has continued to be in demand, with 4,117 contacts in the last year, representing 894 new individuals. This equates to an average of 4.67 sessions, consistent with the brief intervention service and previous years. 99.7% of contacts were responded to within 24 hours. The attendance rate is 89%, with a DNA rate of 5.7% in keeping with previous years with a 1% increase in sessions being rearranged or cancelled due to competing pressures. Regional DNA rates for first appointments at improving access psychological therapies services in Cheshire and Merseyside can be as high as 30-40%, with an average number of treatment sessions being 8.4.

The most frequent reason that staff have contacted SALS over the last year has been a workplace issue with over 55% of contacts reporting an issue at work. Themes connected to workplace stressors include support following workplace incidents, child deaths, incivility, investigations, and team culture. Additional issues relate to ward staff being moved, reasonable adjustments, and flexible working requests being denied. The service has seen a rise in individuals seeking support to help them navigate organisational change and uncertainty. Approximately 25% of contacts relate to staff seeking support for their mental health. This includes staff seeking support for post-traumatic stress, grief, anxiety, and depression including individuals presenting in a mental health crisis requiring

support to stay safe. The SALS Team continue to liaise with external services to ensure specialist care is received when required.

Demographic data shows that in the last year, 89% of individuals who access the service are female; 87% are white, and 13% from the global majority. Our demographic data suggests that engagement in SALS for these demographics is representative of our wider workforce. However, 28% of staff that filled in the demographic form identified as having a disability. This is relevant given that only 8.14% declared a disability, suggesting the service is utilised by more individuals with a disability.

Service Experience

Feedback from staff remains positive with 100% saying they would recommend the service to friends or colleagues in the organisation. 100% of the 190 feedback forms in the last year gave the service a 5-star rating, indicating there is a high level of satisfaction with the service. Qualitative feedback from these forms demonstrates the wider impact:

“SALS resolved the issue for me and without her I think the issue would have carried on. This helped me get back into the office which in turn made me feel more able to do my job properly.”

“Without SALS I think I would have been forced to take time off.”

“I would recommend highly to anyone. My role as a front-line member of staff is hard enough and having someone to talk through past traumas and new issues has really helped me when I was burnt out. This service is vital and should be encouraged.”

“Communication with a person who has listened to me as I have become a carer for both my parents. I felt isolated from everyone. I am now going to try and join in the carers group in work.”

“I would recommend the service to everyone. Even if you are a person like me that helps others, sometimes you may be the one needing help.”

Addressing Wider Health-Inequalities

SALS consistently support a whole community approach to proactively supporting health and wellbeing through an inclusive, proactive, preventative approach. This includes spotlight features and live educational sessions for mental health awareness, physical health and financial health aimed at everybody.

SALS has continued to develop partnerships with People Services and connects into a wider Health and Wellbeing Forum working in partnership with Clinical Health Psychology, the Alder Centre, lead for nurse retention, Arts for Health, SALS, SALS Pals, Chaplaincy, EDI lead, HR and divisional leads. A thriving Physical Health Programme is

now well established, and a Financial Support offer includes a bespoke partnership with the local Citizens Advice Bureau, a period poverty project, Welfare Packs, Wage Stream and Pay it Forward schemes in the canteen.

The partnership with the Citizens Advice Bureau (CAB) has led to advice being given on 70 separate issues for 28 members of staff, 67% of whom declared a disability. The highest number of enquiries have been linked to benefit users, then debt and money management. The latest CAB report shows that the service has maximised employee income by £28,028 over the year. This equates to an average saving of £1,121 per employee.

Thriving at Work

Support offered to staff through SALS is one aspect of a broader programme of culture work focussed on thriving at work. SALS works closely with organisational development under the leadership of a new Director of Culture to ensure that health and wellbeing interventions are targeted, responsive and have demonstrable impact on the aspects of working culture and experience that impact staff and the delivery of care most significantly. Acknowledging and responding to the emotional impact of work across the organisation is a central part of this programme with a focus on evidence-based interventions that build compassion, such as schwartz rounds.

Significant focus has been placed this year on ensuring that our long-running Schwartz Rounds Programme continues to go from strength to strength. Rounds this year have been attended by hundreds of staff and steering group participation has grown. Round themes have been selected in line with live topics, including a ten-year special focused on 'Living Our Values' which coincided with the launch of the new Trust values; 'Holding on to Hope' to support morale through the winter in November; 'Belonging' to address themes about inclusivity in January; and 'Coping with change' in March following the announcement of organisational change. In the last year, 100% of responses from Schwartz feedback forms said that staff felt stories were relevant, helped them have a better understanding of colleagues, and 100% would recommend them to colleagues. Additional feedback has included the following:

"Intimate, engaging and honest. Came from a very busy day and thought changing gear to slow down might be difficult, but the moment the first story started, everything in my head quietened to make the space and it was lovely to have an hour of connecting with others with no pressure, no deadlines. Just being together."

"It was very engaging. I have not attended anything like this before."

“Just the most amazingly supportive community of people. Learned so much and felt a true sense of Alder Hey togetherness. We all need a reminder sometimes of the things that we can’t see about the lives and experiences of our colleagues.”

“Inspirational, emotional and in awe of the bravery/vulnerability of the panel, they should be proud. It helped me feel less alone.”

Impact and Outcomes

Since the launch of SALS in 2020, the proportion of staff absent from work due to mental Health reasons has reduced from 43.49% in 2020 to 36% in 2025/26. Approximately 20% of staff accessing SALS are on the sickness pathway. This is higher than the 16% average to date and reflects a recent rising trend in sickness absence. In response, SALS formed a partnership with HR in a Sickness Absence Task and Finish Group. Analysis of absence data revealed patterns in teams where there were high volumes of stress-related absences. Using this intelligence, an outreach programme for leaders has been developed which includes a warm invitation letter to SALS for those off sick and a ‘Stress Consultation Pathway’. Working closely with the EDI lead, FTSU and Organisational Development Team, some key areas of focus on our wards (where sickness absence rates are higher) have included supporting inclusion of international colleagues, improving the quality and frequency of welfare reviews with refresher training from HR, and ongoing leadership coaching supported by team temperature checks. SALS also offered a Trust-wide session focused on coping with stress that has been viewed by over 300 hundred of staff and widely shared, alongside Stress Risk Assessment drop-ins for managers in a proactive preventative approach.

Finally, despite the increase in operational and financial challenges over the past year, the 2025 Staff Survey data shows that Alder Hey is the number one rated NHS Trust within the comparator group for the question “If a friend or relative needed treatment I would be happy with the standard of care provided by this organisation” with 88.41% of staff agreeing with this statement. However, in line with a national trend, the data also shows a reduction in the percentage of staff agreeing that their organisation takes positive action on health and wellbeing, going from 67% in 2024 to 62% in 2025, alongside a rise in the number of staff coming to work, despite not feeling well enough to perform duties, from 52% to 58% in the last year. Moreover, the percentage of staff reporting that they feel burnt out has risen from 27% to 31%. Whilst there is a 2% increase on average, a 4% increase in burnout suggests there may be a higher risk to staff due to a widening demand resource gap.

To mitigate these increased risks to the wellbeing of our staff, SALS continue to focus on offering evidence-based interventions that integrate the dual responsibility of individuals and their organisations to stay well. Despite a rise in demand for the service, the service

remains rapidly responsive, focused on high-quality person-centred care, delivered with a focus on systems and context, with an increasing focus on supporting staff to navigating organisational change.

Relationships

A range of networks are now accessible to staff, designed to support relationship-building and foster a sense of belonging within the organisation. These networks comprise the Race Ethnicity and Cultural Heritage (REACH) Staff Network, which focuses on celebrating and supporting diverse cultural backgrounds; the Lesbian, Gay, Bisexual, Transgender, Transsexuals, Queer, Questioning, Intersex, Asexual, Agender + (LGBTQIA+) Staff Network, offering a safe and supportive environment for staff identifying across the spectrum; the Ability Celebrate Educate (ACE) Network, which champions inclusion for those with disabilities and promotes education around ability; and the Armed Forces Network, providing support and connection for staff with links to the armed forces.

Freedom to Speak Up (FTSU)

During the reporting period, the Trust's Freedom to Speak Up Guardian (FTSUG) strengthened organisational capacity and capability, consolidating collaboration with the Staff Advice and Liaison Service (SALS). The integrated operating model ensures staff are directed to the most appropriate service, with ongoing alignment of activity data and strict adherence to anonymisation protocols.

Intelligence triangulation was enhanced through regular participation in Thriving Teams meetings, facilitating cross-departmental insight. The FTSU Team prioritised building confidence, psychological safety, and clear, trusted routes for raising concerns, ensuring learning and improvement follow. Confidential, independent listening and guidance were maintained, with leaders and teams engaged to ensure concerns are addressed and used to improve culture, experience, and safety.

Deputy FTSUG Appointment

A Deputy Freedom to Speak Up Guardian was appointed, increasing capacity, resilience, and service continuity. This role expanded visibility across clinical and corporate environments and strengthened organisational learning through improved data analysis and thematic review. Key benefits include:

- Enhanced responsiveness and timely support

- Improved resilience and consistent cover
- Greater visibility Trust-wide
- Stronger organisational learning
- Expanded support for FTSU Champions
- Alignment with national expectations for a sustainable FTSU model

Embedding Trust Values

- Compassion: Maintained a person-centred approach, introduced follow-up check-ins, and strengthened access to wellbeing services
- Courage: Delivered “Courageous Conversations” sessions and promoted openness through senior leader engagement.
- Commitment: Strengthened leadership development and improved reporting and learning pathways.
- Community: Increased collaborative events with staff networks and direct engagement with colleagues.

Partnership with Staff Networks

Connections with staff networks were strengthened to promote inclusion and safe access:

- ACE Network: Supported accessible discussions for colleagues with disabilities or long-term conditions.
- REACH Network: Advanced anti-racism and inclusion initiatives.
- Military Network: Provided tailored support for colleagues with armed forces backgrounds.
- LGBTQI+ Network: Supported inclusion campaigns and confidential access routes.

Executive Visibility Walkabouts

Executive walkabouts demonstrated leadership commitment, offered informal opportunities for colleagues to raise issues, and strengthened presence across all systems. Staff reported increased confidence in leadership support and walkabouts identified opportunities to improve communication, wellbeing, and team culture.

Learning, Themes, and Improvements

Recurring themes included communication, civility, behaviours, team dynamics, and clarity of expectations. Targeted actions addressed these areas, including enhanced leadership visibility, improved team-based support, strengthened support for new colleagues, and clearer escalation pathways. Learning was disseminated through governance processes and Trust-wide communication.

Priorities for 2026/27

- Expand the Freedom to Speak Up Champion Programme
- Strengthen links between Champions, staff networks, and system leadership
- Develop a real-time learning and culture dashboard
- Continue Executive-led visibility walkabouts
- Deliver improvements from National Guardian's Office Self-Assessment
- Transition to the In-Phase system for anonymous reporting and improved data capture
- Ensure FTSUG input at all staff inductions

FTSU Champion Recruitment Process

The recruitment process for FTSU champions was evaluated to ensure clarity, fairness, and support. The review aims to strengthen role clarity, training, visibility, and ongoing support, enabling champions to confidently support colleagues across all systems.

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.

Performance Data/Quality Standards

In 2025/26 we welcomed over 800 medical students to Alder Hey on placement, predominantly from the University of Liverpool, Edge Hill University and the University of Lancashire. We also provided over 1,300 clinical placements to nursing and allied health students as well as offering placement weeks for BTEC students and students seeking work experience. All pre-registration placements are delivered in line with the relevant professional body/national standards for education, and we receive regular feedback from students as well as undertaking local audits and being reviewed by our University partners to ensure that these standards are maintained. For child nursing for example, 96% of the placement areas within the organisation received a student evaluation score of 90% or above, with all having an up-to-date educational audit.

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. These modules consistently achieve excellent pass rates and student feedback. We are delighted to have entered into a new strategic partnership with Edge Hill in January 2026 which will see us further develop focused opportunities as well as work more closely with colleagues in the Faculty of Education.

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 2025/26, a further 32 staff started an apprenticeship, and to date nearly 330 staff have enrolled onto an apprenticeship, across 40+ different subjects. Alder Hey remains one of the first NHS trusts in England to be awarded the Matrix Standard for our Information, Advice and Guidance service and in January 2026, our Apprenticeship Team successfully retained Matrix Accreditation.

For all staff, having a regular Performance Development Review (PDR) is crucial as it functions as a two-way conversation between a manager and colleague to reflect on past performance, understand how each individual contributes to our success, discuss career aspirations/development needs and set future objectives. Our PDR compliance rate is currently over 90% for senior staff and almost 80% for wider staff groups (noting this is a rolling programme across the year). Our overall compliance with key mandatory training sits above 90%, with some variation by topic and staff group.

To support the ongoing development of colleagues and to provide enhanced focus on career pathways, our Learning and Development Team deliver and co-ordinate a wide range of training events, courses and bespoke learning interventions for all staff. We have recently launched our Professional Development Hub, which provides clear information for staff about career routes and development opportunities. Further examples of our work to support the ongoing development of our workforce include a new Band 5 development programme for nurses and the wider work to create a programme for Band 6 nurses.

In addition to specific development pathways, our wider offer includes over 80 internally delivered courses as well as supporting colleagues to engage with external development opportunities. Leadership and management development training has continued to be a priority, alongside the Care Certificate, Simulation, Research, Innovation, Digital Skills and wider topics such as Safe and Respectful Behaviour, Customer Service and Change Management.

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 Programme. As part of this we:

- Offer supported internships in partnership with Liverpool City Council, local education providers and University Hospitals 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 an 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 (including SEN provision).

- Run our Aspiring Medics Programme for those interested in medicine as a career.
- 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 maintain our EBP Patron Status in 2025.

Since 2024 the total Social Value¹ of these activities is over £400,000.

At national level, particular attention has been given to the experiences of resident (formerly 'junior') doctors and pre-registration students who spend time on placement with us. New national standards have been introduced in respect of resident doctors (a 10 Point Plan) and we are currently over 80% compliant with these. A focused action plan is in place to further address specific areas. Our pre-registration quality enhancement programme for medical students has also delivered improvement, and we received very positive feedback on the quality of the learning opportunities we provide.

In June 2025 we underwent a postgraduate education visit by NHSE, which resulted in a series of actions being agreed, as well as considering how best we can share areas of good practice across the organisation and beyond.

Narrative and Learning (The “So What?”)

Overall, our continued focus on enhancing learner experience, creating more efficient processes and supporting opportunities has delivered improvements in learner experience across the board and in terms of how we work. We have automated some core systems (such as PDR) and are continually striving to innovate and respond to priority needs. Our IV pilot for pre-registration nursing students, for example, was showcased at the national RCN education conference and our work with Edge Hill University's Faculty of Education has been shortlisted in the Education North Awards. Our

¹ <https://www.socialvalueportal.com/measurement>

portfolio of courses now includes topics such as AI and Customer Service alongside academic modules and courses.

As a team, we look to address areas where further action is required and our Mandatory Training Task and Finish Group and our Resident Doctor 10 Point Plan Group have delivered targeted improvements, reporting into our Education Governance Committee. We continue to face challenges in terms of staffs' attendance at some specific training, and a number of aspects of the 10 Point Plan are under review, given the experience of doctors who rotate through different organisations. We are currently working with divisional teams and subject experts to explore options and improve compliance, reflecting our unwavering focus on improving learners' experiences and delivering impactful learning opportunities.

Expenditure on Consultancy

Expenditure on consultancy during 2025/26 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 2025/26 were £460k (£611k 2024/25).



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 2026

For all Off-Payroll Engagements as of 31st March 2026, for More Than £245 per Day and That Last Longer Than Six Months	2025/26 Number of Engagements Number	2024/25 Number of Engagements Number
No. Of Existing Engagements 31 March 2026	4	1
Of Which:		
Number That Have Existed for Less Than One Year at the Time of Reporting	4	0
Number That Have Existed for Between One and Two Years at the Time of Reporting	0	0
Number That Have Existed for Between Two and Three Years at the Time of Reporting	0	0
Number That Have Existed for Between Three and Four Years at the Time of Reporting	0	0
Number That Have Existed for Four or More Years at the Time of Reporting	0	1

Table 2: All off-payroll workers engaged at any point during the year ended 31 March 2026.

All Off-Payroll Workers Engaged at any Point During the Year Ended 31st March 2026	2025/26 Number of Engagements Number
Number of Off-Payroll Workers Engaged During Year Ended March 2024	5
Of Which:	
No. Assessment as Within Scope of IR35	0
No. Assessment as Outside Scope of IR35	5
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 2025 and 31 March 2026.

No. of Off-Payroll Engagements of Board Members, and/or Senior Officials with Significant Financial Responsibility, During the Financial Year	0
No. of Individuals That Have Been Deemed "Board Members and/or Senior Officials with Significant Financial Responsibility" During the Financial Year	39

Exit Packages 2025/26 (Subject to Audit)

Exit Packages 2025/26

	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	6	32	38
£10,000 - £25,000	-	31	31
£25,001 - £50,000	-	22	22
£50,001 - £100,000	-	16	16
£100,001 - £150,000	-	2	2
£150,001 - £200,000	-	-	-
>£200,000	-	-	-
Total Number of Exit Packages by Type			
	£42,624	£2,685,595	£2,728,219

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
	2025/26	2025/26	2024/25	2024/25
			No.	£'000
Voluntary Redundancies Including Early Retirement Contractual Costs	13	498	-	-
Mutually Agreed Resignations (MARS) Contractual Costs	68	2,038	20	569
Early Retirements in the Efficiency of the Service Contractual Costs	-	-	-	-
Contractual Payments in Lieu of Notice	22	150	20	116
Exit Payments Following Employment Tribunals or Court Orders	-	-	-	-
Non-Contractual Payments Requiring HMT Approval (Special Severance Payments)	-	-	-	-
Total	103	2,686	40	685
Of Which: Non-Contractual Payments Requiring HMT Approval Made to Individuals Where the Payment Value Was More Than 12 Months of Their Annual Salary	-	-	-	-

The majority of exit packages relate to the Mutually Agreed Resignation Scheme which allows staff to leave their role for compensation. There was also a Voluntary Redundancy Scheme launched in the year which allowed staff to apply for redundancy, which a number were agreed and staff left on or before 31st March 2026. The remaining exit packages relate to payments made to employees to terminate their employment in line with contractual obligations.



Staff Survey

Approach to Engagement

For the 2025 Staff Survey, we continued to focus our engagement efforts on encouraging staff to complete the survey 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 continued focus on empowering our divisions and teams to drive engagement within their own areas alongside Trust-wide communications to support this. Whilst we continue to value the breadth and volume of feedback that the annual Staff Survey provides to us as a Trust, we also continue to utilise a number of other opportunities to promote engagement formally including the People Pulse, our internal team temperature checks, OD interventions and our staff networks.

In addition, we continue to strive to ensure that we embed everyday listening opportunities through appraisals, health and wellbeing conversations, 'stay' conversations, 'Connecting Alder Hey' sessions, 'Ask for an Exec' visits, 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, we continue to run our monthly Thriving Teams multi-disciplinary group meetings 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 2025, the Trust achieved a response rate of 53% with 2,426 staff completing a questionnaire which is a decrease from 62% last year. 66.80% of staff responded that they would recommend Alder Hey as a place to work and 88.41% as a place for friends and family to receive care. Both results are a decrease from last year, however the latter

remains the top score in our comparator group of 121 acute and community trusts for the 6th year in succession.

Compared with 2024, our scores have decreased across all People Promises and both themes in the 2025 Staff Survey. However, we continue to score higher than our comparator group of 121 acute and acute and community trusts in six out of the seven People Promises and both themes. Although overall results decreased compared with 2024, Alder Hey ranked highest within its comparator group for the 'Negative Experiences' sub-score and for seven individual survey questions.

Our own decrease since last year is set against a national picture of decline in Staff Survey results with the average score this year within our comparator group decreasing in six of the seven People Promises and both themes, with one People Promise remaining static from last year.



The table below provides an overview of our results across the seven People Promises and the additional themes of staff engagement and morale over the last three years, showcasing our own performance as a Trust as well as a comparison to our comparator group (acute and acute and community trusts).

People Promise/Theme			2023	2024	2025	Change From Last Year
	We are compassionate and inclusive	Alder Hey	7.6	7.7	7.7	-0.10
		Comparator	7.2	7.2	7.3	-0.01
	We are recognised and rewarded	Alder Hey	6.2	6.2	6.1	-0.14
		Comparator	5.9	5.9	5.9	-0.05
	We each have a voice that counts	Alder Hey	7.0	7.1	6.9	-0.16
		Comparator	6.7	6.7	6.6	-0.07
	We are safe and healthy	Alder Hey	6.3	6.4	6.3	-0.19
		Comparator	6.1	6.1	6.1	-0.06
	We are always learning	Alder Hey	5.6	5.7	5.5	-0.15
		Comparator	5.6	5.6	5.6	-0.07
	We work flexibly	Alder Hey	6.4	6.6	6.5	-0.13
		Comparator	6.2	6.2	6.2	-0.02
	We are a team	Alder Hey	6.9	6.9	6.9	-0.07
		Comparator	6.8	6.7	6.8	No Change
	Staff engagement	Alder Hey	7.2	7.3	7.1	-0.18
		Comparator	6.9	6.8	6.7	-0.10
	Morale	Alder Hey	6.2	6.3	6.0	-0.25
		Comparator	5.9	5.9	5.8	-0.09

How We Are Using Our Staff Survey Results

As in the past few years, the overall Trust results were reviewed at Trust Board and shared with staff across the organisation.

As well as the Trust level results, we have refreshed our approach to how we use the results at a team level. Under the new title of a Thriving Teams Conversation, teams are given greater ownership and invited to review their own local Staff Survey results as a

group alongside other key workforce data to reflect on the last 12 months and identify areas of improvement and actions that they can act on as a team to improve their own experience.

We have created a Thriving Teams Index, allowing us to categorise teams under three headings 'Struggling, Functioning or Thriving' and are using this to offer tailored support to those teams and the leaders of those areas.

We have also utilised this year's results to measure safety culture at a team level and are utilising this data alongside our Safety Culture Lead to develop and deliver a pilot focused on improving safety culture in those areas where results are low.

There is also a particular focus on the People Promise 'We are always learning' which continues to be an area of challenge for the Trust and we will commit to working closely with our key leads around learning, education and appraisals to ensure that these areas are reviewed and opportunities for improvement identified and progressed.

Future Priorities and Targets

Whilst our results for 2025 have decreased, we also acknowledge that 47% 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.

The Trust is also particularly focused on supporting and improving staff morale through a Thriving Culture Programme of work, designed to support staff in the context of a large-scale organisational restructure and beyond. One area we would hope to see a measurable improvement is in the percentage of staff who would recommend Alder Hey as a place to work where after a challenging year we have seen a 7% drop (down to 66.80% against our target which remains at 80%).



John Grinnell
Chief Executive
23rd June 2026

The Code of Governance for NHS Provider Trusts

The NHS England Code of Governance for Provider Trusts (the Code) has applied to all trusts since April 2023. It brings together current NHS and private-sector best practice into a common framework for corporate governance, alongside trusts' statutory and regulatory obligations, and includes disclosure requirements set out in the sections below.

Alder Hey has applied the Code's principles on a 'comply or explain' basis; the Trust's arrangements and related disclosures are set out in the sections below and, where relevant, elsewhere in this report.

Our Council of Governors



2025/26, the Council of Governors underwent a number of changes following the annual elections. To support the integration of new members, incoming governors completed the *GovernWell* induction programme delivered by NHS Providers. The programme helped governors understand their responsibilities and the scope of the role within the Trust. The *GovernWell* induction covered:

- the role of foundation trusts and the implications of Integrated Care Systems legislation
- the responsibilities and statutory duties of the Council of Governors
- NHS regulation
- an overview of foundation trust finances
- how governors can hold the Trust to account
- how governors can engage with members and the wider public

In addition to the induction, governors attended virtual learning sessions through *GovernWell*, including modules on NHS finance and business skills. These sessions supported governors to provide financial assurance and contribute to the approval of significant transactions. Several governors also attended the Governor Focus Conference 2025, which brought together more than 270 NHS governors from over 110 foundation trusts, providing opportunities to network, share learning and exchange good practice.

Training and development opportunities for governors remain flexible and responsive, ensuring governors are supported to meet the Trust's evolving needs and to fulfil their responsibilities.

In September 2025, governors from across the region met at the Cheshire and Merseyside Governor Symposium in Liverpool. The symposium provided an opportunity to strengthen understanding of how different hospitals operate, share good practice and discuss the ongoing changes across the NHS. Alder Hey was well represented; our Lead Governor, Ana Samuel, supported the delivery of the event as part of the team responsible for chairing and facilitation. Members of our Youth Forum also contributed, showcasing the valuable role that young people play in our engagement and governance activity.

Board reports are made available to governors to enable them to provide informed feedback on the Trust's activities to members and other stakeholders, including host organisations of appointed governors. Governors gather views through a range of formal and informal mechanisms, including personal networks, newsletters, and engagement at the Annual Members' Meeting. Feedback is provided to the Board through regular formal

meetings, enabling governors to discuss key strategies and contribute to the Trust's plans. The Council of Governors has continued to work closely with the Board to support this engagement.

The Council met formally four times during the year. The Council approved the reappointment of the Trust Chair and their annual appraisal; reappointed two existing non-executive directors (NEDs) for a second three-year term of office and one for a further twelve-month term; approved the appointment of two new NEDs; received the Quality Account 2024/25; received an update on the development of the new Trust Values; received the Trust's Annual Report and Accounts for 2024/25, including the External Auditors Report; received assurance reports from each of the Non-Executive Director Committee Chairs in respect of their committees; received an update on International and Private Patients; and received an update on the 2025 Staff Survey. The Council also approved the extension of the External Auditors for a 12-month period.

Executive and non-executive directors attend meetings of the Council of Governors, providing updates on committee activity, while the Chair and Chief Executive report on the Trust's overall performance and key strategic and operational developments. This ensures that the work and agendas of both bodies remain closely aligned, and that decisions are taken appropriately in line with their respective Standing Orders.

The 2025 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 members of the Executive Team and members of the Alder Hey Youth Forum. The video presented some key messages from Alder Hey's performance and achievements during 2024/25. This was followed by a formal presentation of the Trust's Annual Accounts 2024/25 and the report of the Council of Governors. The meeting was concluded by updating members on progress against our 2030 Strategy 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 Board members present, enabling open discussion and helping to identify issues for

consideration at formal Council meetings. These discussions provided governors with additional assurance on a range of key topics, including preparations for and feedback from the Governors' Symposium held on 19 September 2025, succession planning for staff governors ahead of future elections, mentoring arrangements, and the visibility and promotion of governor roles. Other areas of focus included membership recruitment activity, GovernWell training for governors, governor allocation to Board Assurance Committees, the importance of appointing a Deputy Lead Governor, legislative changes that may affect the future of governor roles within foundation trusts, and governor attendance at a family hub event in February to support membership recruitment.

Informal governor meetings, established by Dame Jo, continued throughout the year and were well received by the Council. These sessions enabled timely sharing of information on key issues outside the formal meeting cycle. Relevant subject matter experts attended as needed, and updates were provided on matters raised during the year.

In addition to formal Council meetings, governors remained actively involved in the Membership Strategy Committee, chaired by Public Governor Daniel Casson. The Committee continued to progress its ambition to build an engaged and representative membership that actively contributes to the co-production of future service design and delivery, with a particular focus on amplifying the voice of children and young people. Patient governors played a key role in sharing insights to inform this work. The Committee also strengthened alignment between membership engagement and the wider Trust Communications Strategy to support collaborative working. Members continue to be recognised as important advocates for the Trust, supporting its reputation as a leading children's healthcare campus and contributing to broader engagement and fundraising activity.

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:

- Exploring social media platforms for membership purposes
- 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 2025/26	Total no. of Attendance at Council Meetings
Joanne Kennedy	Appointed	Local Authorities (LCR)	-	n/a	4	0
Tom Cardwell	Appointed	Local Authorities (LCR)	-	n/a	4	0
Rob Tabb	Appointed	Local Authorities (LCR)	-	n/a	4	2
Francine Watkins	Appointed	Liverpool University	-	n/a	4	3
Salman Khan	Appointed	Stakeholders (Local Dental Committee)	-	n/a	4	2
Jane Roberts	Appointed	Edge Hill University	-	n/a	4	2

Governor	Constituency	Class	Term	Term of Office	Council Meetings Eligible to Attend in 2025/26	Total no. of Attendance at Council Meetings
Lila Bennett	Appointed	Local Authorities (LCC)	To July 2025	n/a	1	0
John Patterson	Appointed	Stakeholders (Education)	-	n/a	4	2
Monique Collier	Appointed	Voluntary/ Local Interest/ Community Groups	-	n/a	4	4
Howard Lewis	Appointed	Voluntary/ Local Interest/ Community Groups	-	n/a	4	3
Bella Plows	Patient	Merseyside	First Term	01.09.22 – 31.08.25	1	1
Emily Carragher -Leigh	Patient	Merseyside	First term	01.09.22 – 31.08.25	1	0
Ava Kilbride	Patient	Merseyside	First Term	01.09.25 - 31.08.28	3	2
Victoria Adetunji	Patient	Merseyside	First Term	01.03.26-28.02.29	1	1
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	1	0
Cheryl Danher	Patient	Parent & Carer	Second Term	04.04.24 –	4	1

Governor	Constituency	Class	Term	Term of Office	Council Meetings Eligible to Attend in 2025/26	Total no. of Attendance at Council Meetings
				03.04.27		
*Ana Samuel	Patient	Parent & Carer	Second Term	01-09-23 – 31.08.26	4	4 1
Nicola Thorbinson	Patient	Parent & Carer	Second Term	01-09-23 – 31.08.26	4	2
Carly Brown	Patient	Parent & Carer	First Term	01.09.23 - 31.08.26	4	3
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	1	1
Emma Freeman	Public	Merseyside	First Term	15.09.24 – 14.09.27	4	3
Brian Lawless	Public	Merseyside	First Term	01.09.23 – 31.08.26	4	0
Rebecca Moore	Public	Merseyside	First Term	01.03.23 – 28.02.26	3	0
Jenny Devine	Public	Merseyside	First Term	01.09.25 - 31.08.28	3	2

Governor	Constituency	Class	Term	Term of Office	Council Meetings Eligible to Attend in 2025/26	Total no. of Attendance at Council Meetings
Paul Denny	Public	Merseyside	First Term	01.03.26 - 28.02.29	1	1
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	0
**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 <i>Relocated March 2026 – no longer eligible to represent N. Wales</i>	4	3
**Sujata De	Staff	Doctors and Dentists	Third Term	15.09.24 – 14.09.27	4	2
Mike Travis	Staff	Nursing Staff	First Term	01.09.22 – 31.08.25	1	1

Governor	Constituency	Class	Term	Term of Office	Council Meetings Eligible to Attend in 2025/26	Total no. of Attendance at Council Meetings
Jacqui Pointon	Staff	Nursing Staff	Second Term	01.09.25 - 31.08.28	3	2
Raji Thomas	Staff	Nursing Staff	First Term	01.03.26 - 28.02.29	1	0
Geoff Bagnall	Staff	Other & Trust Volunteers	First Term	01.09.25 - 31.08.28	3	3
Wendy Blumenow	Staff	Other Clinical Staff	First Term	30.09.24 - 29.09.27	4	3 1
Lachlan Stark	Staff	Other & Trust Volunteers	First Term	01.09.25 - 31.08.25	1	1
John Ashton	Staff	Other & Trust Volunteers	First Term	22.03.23 - 21.03.26	4	2
Smitha Joseph	Staff	Nursing Staff	First Term	22.03.25 - 21.03.28 <i>Left the Trust in Dec 2025</i>	2	2

* Lead Governor

** Members of the Nominations Committee

Attendance at Council of Governors by Board Members

Number of Meetings Held in 2025/26	4
Dame Jo Williams	4
John Grinnell	2
Shalni Arora	0/1
Nathan Askew	1 + Deputy representation
Alfie Bass	Deputy representation (all)
Adam Bateman	4
Fiona Beveridge	4
Kerry Byrne	4
Garth Dallas	4
Mark Jennings	2
Rachel Lea	3 + Deputy representation
Gerald Meehan	4
Bola Owolabi	1/2
Jo Revill	3
Melissa Swindell	3
Kate Warriner	2 + Deputy representation
John Chester	1
Dani Jones	2
Erica Saunders	4
John Kelly	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 overseen by the Membership Strategy Committee, a committee of the Council of Governors. During 2025/26, the Committee met as planned via Microsoft Teams and was chaired by public governor Daniel Casson. The Committee's terms of reference, approved by the Council of Governors, are to:

- Develop, on behalf of the Council of Governors, a Membership Development Strategy that clearly sets out the processes by which the Trust will develop as a membership organisation.
- Ensure that the membership profile is analysed regularly to inform recruitment activity and to maintain a membership that is representative of the communities served by the Trust.
- Establish and maintain effective communication with the wider membership to ensure members are actively engaged in key activities, including elections.
- Develop and implement appropriate monitoring arrangements to evaluate the membership strategy in terms of openness, diversity, representativeness, and sustainability.

- Engage with other membership-based organisations to identify best practice in recruitment and communication and assess its applicability 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 aligned to the aims of the Membership Strategy. Key achievements during 2025/26 included:

- Governors attended a range of community events throughout the year to engage with potential members and support new sign-ups.
- The Trust continued to communicate regularly with members, sharing information for patients, parents, families and members via the Trust website.
- Updating the Membership section of the Trust website to ensure it remained current and accessible, including information on the Council of Governors and its role, the latest newsletters and annual reports, and the facility to register as a member.
- Hosting the Annual Members' Meeting virtually in November 2025 to provide members with an update on the Trust's operational and financial performance. Key highlights included:
 - Reflections on the previous year, highlighting progress in delivering the 2030 Strategy.
 - A video from the Alder Hey Forum, showcasing highlights from the 2024/25 Annual Report and Accounts.
 - A presentation on the Trust's Annual Accounts 2024/25 and the Council of Governors' report.
 - An overview of key priorities for the next 12 months in support of the Trust's 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 13,000 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 2026/27 include a range of initiatives to enhance member engagement and to ensure that the Council continues to meet its statutory duties:

- Provide ongoing support and training for governors to enable them to promote Alder Hey effectively to constituents and external networks.
- Liaise with community leads within the Trust and Alder Hey Children's Charity to explore opportunities to increase membership sign-ups from local community groups.
- Explore partnerships with schools to ensure that patient members are actively involved and able to contribute to the delivery of Vision 2030.
- Increase awareness and recruit new members through Trust careers and apprenticeship events.
- Continue a social media campaign targeting younger audiences to increase recruitment within younger age groups.
- Strengthen the membership content and sign-up journey on the website.
- Work closely with the Youth Forum to encourage patient member sign-ups.
- Re-launch membership and pathway options through a targeted campaign, including refreshed website content, internal communications, social media messaging, and a sign-up stall in the Atrium.
- Adopt digital-first approaches where possible, using the Trust website and social media, in support of the Trust's Green Plan ambitions.
- Ensure that the Trust's overarching brand narrative and core messages are consistently reflected across all member communications.
- Increase staff engagement with membership by improving the visibility of staff governors through internal communication channels, including Alder Hey Life.
- Strengthen mechanisms through which the Council of Governors can consider and represent the views of the wider public.

Membership Profile

Constituency	Number of Members 2025/26 (Actual as at 31 st March 2026)
Public	4,515
Patients & Parent Carer	4,293
Staff (Including Volunteers)	4,156
Total	12,964

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 2025/26 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 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
- Growth and Opportunities 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	Growth and Opportunities Committee
No. of Meetings Held 2025/26		11	6	11	12	6	1	3
Dame Jo Williams	Chair	11 Chair	-	-	12	-	-	
John Grinnell	Chief Executive	11	Attended April 2025 meeting to present the AGS	-	10	-	1	3
Gerald Meehan	Non-Executive Director	11	6	11	-	-	-	-
Fiona Beveridge	Non-Executive Director	10	-	11 Chair	-	4	-	-
Jo Revill	Non-Executive Director	11	5	-	-	6 Chair	-	-

Shalni Arora	Non-Executive Director	1/2	-	-	2/3	-	1 Chair	-
John Kelly	Non-Executive Director	10	Attended June meeting for presentation of the accounts	-	12 Chair	-	1	3
Kerry Byrne	Non-Executive Director	11	6 Chair	9	-	-	-	-
Garth Dallas	Non-Executive Director	11	-	-	-	5	0	2
Adam Bateman	Chief Operating Officer / Deputy Chief Executive	11	4/5 attendee	9	11	3	1	2
Erica Saunders	Chief Corporate Affairs Officer	10	6 attendee	8	6	5	0	-
Melissa Swindell	Chief People Officer	11	-	-	12	6	-	-

Alfie Bass	Chief Medical Officer	9	-	6	-	1	0	-
Nathan Askew	Chief Nursing, AHP and Experience Officer	11	-	10	7	3	0	-
Dani Jones	Chief Strategy and Partnerships Officer	8	-	-	6	-	1	3
Mark Jennings	Non-Executive Director	10/10	-	-	7/11	-	1	3 Chair
Kate Warriner	Chief Transformation and Digital Officer	10	-	7	11	-	1	2
John Chester	Chief Scientific Officer	11	-	-	-	-	1	3
Rachel Lea	CFO	10	4 attendee	-	11	-	1	2
Bola Owolabi	Non-Executive Director	5/6	-	-	-	-	-	-

Audit and Risk Committee Report

The Audit and Risk Committee is comprised of non-executive directors only, excluding the Trust Chair. The Committee is chaired by Kerry Byrne, a Non-Executive Director with 'recent relevant financial experience', in line with best practice. The 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. The Committee may also request the attendance of the Chief Executive or any other Trust officer to address matters arising.

The aim of the Audit and Risk Committee is to provide a key mechanism through which the Board of Directors gains assurance that effective internal control arrangements are in place. The Committee also provides an independent check on the Executive arm of the Board. As defined in the NHS Audit Committee Handbook (2024), the Committee is responsible for reviewing governance, risk management, and internal control across both clinical and non-clinical areas. In discharging these duties, the Committee is required to:

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

The Committee delivers this remit by being appropriately constituted and by operating effectively to promote internal accountability and support 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 to NHS and public sector organisations. The Director of Internal Audit Opinion and Annual Report for 2025/26 confirms that MIAA has demonstrated compliance with the Global Internal Audit Standards (UK Public Sector). Internal Audit provides an independent and objective opinion to the Accountable Officer, the Board, and the Audit and Risk Committee on the extent to which risk management, internal control, and governance arrangements support delivery of the organisation's agreed objectives.

On request, MIAA can also provide independent and objective consultancy support to help management strengthen the organisation's risk management, internal control, and governance arrangements.

The Audit and Risk Committee contributed to the risk assessment that informed, and subsequently approved, the Internal Audit Plan for 2025/26. The Plan is designed to support the Director of Internal Audit Opinion by providing 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 reported during the year, taking account of the relative materiality of systems reviewed and management progress in addressing control weaknesses identified; and
- organisation's response to internal audit recommendations and the extent to which they have been implemented.

The key conclusion from MIAA's work for 2025/26, as set out 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 LLP, who, following a tendering exercise undertaken during summer 2022 were appointed by the Council of Governors in September 2022 for a three-year period to September 2025 (extendable to five years). Following a thorough benchmarking exercise to determine that the audit contract remained reasonable value for money and to assess their ongoing independence, Ernst & Young were approved by the Governors for a one-year extension to September 2026.

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 Trust has an approved Policy to ensure that any non-audit work commissioned from the Trust's External Auditors is tightly controlled so their independence and objectivity are not (and are not seen to be) compromised in giving an opinion on the Trust's financial statements. Ernst & Young LLP did not undertake any non-audit work during the year.

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 2025/26 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. Six meetings were held during the financial year 2025/26, 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 2025/26 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 Board (CEOB) was established to oversee all clinical audit delivery reporting into SQAC. CEOB is chaired by a senior clinician and Co-Chaired by the Associate Director of Nursing and Governance. 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 CEOB 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 2025/26 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 2025/26 Counter Fraud Plan.

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

- Annual Governance Statement
- Annual Reports from all the Trust's Assurance Committees
- Terms of Reference and Work Plan for the Audit and Risk Committee
- Corporate Governance Manual inc. Standing Financial Instruction and Scheme of Reservation and Delegation
- Accounting Policies
- External Audit Strategy and Accounting Issues Update
- Outcome of effectiveness reviews of External Audit, Internal Audit and Counter Fraud Service and progress updates
- Waiver Activity Report including exemptions to the waiver process.
- Gifts and Hospitality Registers
- BAF Policy
- Updates on the roll out of Risk Appetite and Tolerances
- Risk Management Strategy
- Risk Management Training Options
- Presentations of risk management processes within the divisions and corporate services.

- Risk Management Forum Updates
- Internal Audit Charter
- Annual effectiveness reviews of Audit & Risk Committee, Internal Audit, External Audit and the Counter Fraud Service
- External Audit Planning Report and Fees
- 2025/26 Annual Accounts (for the year ending 31 March 2026)
- External Audit report on the financial statements to 31 March 2026 and ISA 260.
- External Audit Year-End Report 2025/26.
- Key findings from analysis of data during the external audit
- Letter of Representation
- Statement of Going Concern
- Reports from key risk areas including project assurance, clinical claims, non-clinical claims, data protection, data quality and compliance with the Freedom of Information Act.
- InPhase Programme (Phase 2) Update
- Cyber Risk and iDigital Session
- Report on improvements to the process to review control accounts
- Update on Contract Management National Preventative Exercise
- Agency/Bank Staffing (ID validation and vetting) Local Proactive Exercise

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.

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. Throughout the year, the Audit and Risk Committee (ARC) has systematically conducted in-depth analyses at each of its meetings, focusing specifically on Board Level risks associated with the individual committees. This process ensures that all significant risks are thoroughly examined and discussed at the appropriate level.

Any noteworthy observations identified during these deep dives are subsequently referred to the relevant committee. This allows each committee to consider and address the risks pertaining to its area of responsibility, thereby strengthening the organisation's overall approach to risk management.



A domestic cleaning

NHS Oversight Framework

NHS England's *NHS Oversight Framework 2025/26* is the framework for assessing health systems including providers. It promotes transparency, improvement, and helps identify potential support or interventional needs. NHS organisations are allocated to one of five 'segments'.

Segmentation indicates performance and whether improvement is required, from high-performing across all domains (segment 1) to low performance across a range of domains (segment 4). An organisation assessed as segment 4 combined with a low capability to improve is allocated to segment 5.

NHS England's oversight response to an organisation is based on:

- a) Its segment derived from scored metrics under five performance domains (being access to services, effectiveness and experience of patient care, patient safety, people and workforce, and finance and productivity)
- b) considering financial override which may limit a segment to be no better than 3
- c) contextual metrics which are not scored (for example those under sixth domain of improving health and reducing inequality) and
- d) capability assessments which consider the organisation's leadership and governance

Segmentation

Alder Hey has been placed in Segment 1.

This segmentation information is the Trust's position as of 31st March 2026. Current segmentation information for NHS trusts and foundation trusts is published on the NHS England website: [NHS England » Segmentation and league tables](#). The Trust is included on the acute trust dashboard.

Voluntary Disclosures

Equality Report

Alder Hey is dedicated to promoting equality, diversity, and inclusion, ensuring a positive experience and welcoming environment for patients, families, visitors and staff. We value the richness that a diverse workforce brings, recognising and respecting differences in backgrounds, perspectives, beliefs, and ways of working and learning.

Embracing diversity enables us to deliver high-quality, compassionate care to children and young people, and their families. Our commitment to inclusion is embedded within our values and underpins everything we do as an organisation. As a public sector employer, we are committed to providing fair opportunities, advancing equality, and actively tackling discrimination, in line with the Equality Act 2010. We believe that creating a culture of inclusion and belonging is a shared responsibility. We encourage our staff to work, collaboratively, treat one another with respect, and value the unique contributions everyone brings, ensuring the best possible outcomes for those we care for.



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
23rd June 2026



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 2026 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, senior leaders and divisional and corporate teams. All staff at Alder Hey share responsibility for identifying and managing risk, and managers must understand and apply the Strategy within their areas

Divisional and Corporate leadership teams are accountable for ensuring effective risk management systems and regularly scrutinising risk registers. Risk and governance

leads and associate chief nurses review incidents, risk assessments, claims, and complaints, ensuring actions are completed and learning is shared.

During 2025/26, the Trust continued to deliver its newly developed risk management training module. This programme is specifically designed to educate staff on the foundational principles of risk management and to demonstrate how these principles support both individual staff members and the organisation in achieving local and strategic objectives.

Ward and departmental line managers play a pivotal role in ensuring that relevant staff are proficient in using InPhase, the Trust's electronic risk and incident reporting system. They oversee the reporting of incidents, ensure that appropriate actions are taken, and provide timely feedback to staff. Through this process, line managers help to ensure that Trust policies, procedures, and guidelines are adhered to, thereby reducing risk and facilitating the sharing of learning from incidents and near misses.

Every staff member is individually responsible for reporting any identified risks so that these can be addressed promptly. Staff are also accountable for maintaining their own competency, identifying their training needs in discussion with their line managers, and participating in induction, statutory, and mandatory training as required. Furthermore, all staff are expected to practise in accordance with the standards set by their professional bodies, national guidelines, and the Trust's own policies and procedures.

The Trust's line management arrangements are structured to support both staff and managers in effective risk management. Comprehensive advice and guidance are readily available from the Risk Management Team to assist staff in fulfilling their responsibilities.

Now in its third 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.

The Board Assurance Framework (BAF) is the Trust's main tool for evaluating risks to achieving the Vision 2030 strategic objectives. Each year, the Board conducts a strategic risk review to identify principal risks for the coming financial year, assigning oversight to the relevant Executive Director. Throughout the year, the Board and its assurance committees regularly review BAF risks, request further scrutiny where needed, and carry out standardised deep dives to assess current scores, mitigations, and the robustness of planned actions.

Assurance committees also monitor corporate risks linked to BAF risks, ensuring visibility of operational issues that could affect delivery of the strategic plan. The BAF continues to shape the Board agenda and supported a positive opinion from Internal Audit, which confirmed that:

- **Structure:** The BAF meets NHS assurance best-practice requirements.
- **Risk Appetite:** Risk appetite is regularly considered and informs BAF management.
- **Engagement:** The BAF is visibly used across the organisation.
- **Quality and Alignment:** The BAF clearly reflects risks discussed by the Board.

The Trust received a 'met requirements' rating for its AF in the 2025/26 Director of Audit Opinion.

The Risk and Control Framework

Key Elements of the Risk Management Strategy

The Trust's Risk Management Strategy is monitored through the Audit and Risk Committee and supported by the Executive-led Risk Management Forum. Throughout 2025/26, the Board of Directors and its assurance committees have maintained strategic oversight of changes to the Trust's risk profile.

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. The Strategy therefore provides a clear framework for identifying, assessing, treating and monitoring all types of risks - financial, clinical, organisational, technological, and environmental. Its purpose is to minimise risks to patients, staff, visitors and the organisation by ensuring effective, regularly reviewed risk management processes across all services. Key elements include:

- purpose and strategic intent
- scope
- risk management approach
- governance structure; strategic and operational
- risk appetite and tolerance
- duties, accountabilities and responsibilities

Quality Governance Arrangements

Risk registers are fully embedded across the Trust's governance structures, supporting effective risk identification, mitigation and oversight at all levels. The Trust

uses a consistent, industry-aligned risk assessment and grading framework to evaluate causes, impacts, likelihood and required levels of management. This supports informed decisions on risk appetite and resource allocation.

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. 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.

Alder Hey operates a well-established clinically led management model in which the divisional clinical directors for Medicine, Surgery, Community and Mental Health Services, and Research and Innovation attend Board meetings as part of the Executive Team. This approach has strengthened engagement, improved cross-divisional collaboration, and enhanced the quality of discussion and decision-making. It is now firmly embedded within the Trust's governance framework and supports the effective functioning of the unitary board model.

The Trust continues to embed risk management across its clinical divisions and corporate functions. Each division and corporate area has a designated risk and governance lead who coordinates governance activity, works closely with the Risk Management Team, and ensures consistent application of Trust-wide processes. Risks are discussed monthly through divisional integrated governance meetings and the Corporate Services Collaborative.

The Risk Management Forum undertakes structured review of the Corporate Risk Register (covering all risks scored 15+) within the context of the Board Assurance Framework. The Forum also invites risk owners to present deep-dive reviews where trends or concerns have been identified. These discussions frequently result in escalation to the Executive Team or relevant assurance committee when additional scrutiny or action is required.

Risks to Data Security

The Trust recognises the importance of data security and the increasing threat to digital services from cyber-attack. A range of controls are in place to reduce the risk from ransomware, malware and service disruption, including local technical safeguards alongside national monitoring and threat intelligence.

During 2025/26, the Trust has strengthened its cyber capability by increasing dedicated resource and bringing in experienced, senior-level expertise to provide greater oversight and assurance in what is an increasingly complex and high-risk area.

This has enhanced the Trust's ability to respond to threats, guide improvement activity and provide informed challenge.

The Trust continues to seek independent external assurance, including through completion of the Data Security and Protection Toolkit (DSPT) and targeted audits, with a particular focus on remote access arrangements. This approach supports continual learning, improvement and assurance that controls remain appropriate and effective.

Cyber security risks and improvement actions are overseen through established governance arrangements, including the Audit and Risk Committee.

During the 2024/25 period, MIAA conducted an audit of the Trusts key risk management controls, which led to a substantial assurance conclusion.

Risk Appetite

Ongoing work continues to strengthen governance processes and provide assurance to the Board on the effective management of risk and application of risk appetite. Risk appetite is defined within the Risk Management Strategy and associated Policy as a clear narrative statement for each category of risk to which the Trust is exposed. In setting out an appetite for risk, the Trust used a risk appetite framework based upon best practices promoted by the Good Governance Institute. Our risk appetite sets out that the Trust:

- has NO appetite for risk that compromises patient safety
- has MINIMAL risk appetite for risks that may compromise the delivery of outcomes for our patients
- has a CAUTIOUS appetite for risks that may threaten the sustainability of its workforce, in terms of numbers, skill, health and wellbeing
- has a CAUTIOUS appetite for risk which may compromise its plans to develop a more diverse and inclusive workforce
- has a CAUTIOUS appetite for risk which may compromise the ongoing development and sustainability of the organisational culture that enables staff and teams to thrive and deliver outstanding care to children and families
- has a MINIMAL appetite for risk which may compromise the Trust's compliance with its statutory duties and regulatory requirements

- has an OPEN appetite for risk to support investments for return and minimise the possibility of financial loss by managing associated risks to a tolerable level
- has an OPEN appetite for investments which may grow the size of the organisation
- has a CAUTIOUS appetite for actions and decisions that whilst taken in the interest of ensuring quality and sustainability of the patients in our care, may affect the reputation of the organisation
- has an OPEN appetite for risks related to the Trust's estate and infrastructure **except** where they adversely impact on patient safety and regulatory compliance
- has an OPEN risk appetite for the adoption and spread of new technologies whilst ensuring quality for our service users

The Board began its annual risk appetite review in September 2025 and agreed to pause it pending assessment of the impact of Financial Improvement Programme (FIP) decisions on risk appetite/tolerance.

In December 2025, the Risk Management Forum convened an extraordinary meeting with the following objectives:

- To assess the impact of financial decisions implemented through the Trust's Financial Improvement Programme (FIP), specifically reviewing how cost-saving measures such as recruitment pauses and changes to workforce composition are influencing operational pressures, patient safety, and overall organisational risk.
- To re-evaluate current risk ratings and the validity of divisional risk registers in light of evolving pressures, interdependencies, and cumulative risks.
- To examine broader financial, workforce, and incident-related risks by triangulating FIP-related decisions with InPhase risk registers, workforce vacancy and availability data, and incidents associated with financial controls, with the aim of ensuring alignment and facilitating early identification of concerns.
- To enhance risk governance and improve the quality of risk registers by advancing risk aggregation techniques, clarifying documentation standards, promoting consistent assessment methods, and strengthening connections between interdependent risks.

The Board's review of risk appetite has now recommenced, further informed by the 10 Year Health Plan (10YHP) and the Trust's Medium-Term Plan, this work will be submitted to the May 2026 Board.

The Organisation's Major Risks

The Trust faces several in-year and future risks that may impact its ability to deliver long-term objectives, these are described below:

Financial Risk

One of the most significant challenges is the potential failure to meet financial targets. This includes risks associated with changes in the NHS regime, which could affect funding and regulatory requirements. Additionally, there is a risk related to the Trust's ability to meet ongoing capital commitments; essential for maintaining and improving facilities and services. The Trust is managing and mitigating this risk through various controls such as active engagement with ICB, NHSE (regional and national), establishment of a Capital Management Group, a clear financial performance framework, financial decision making through our Financial Improvement Programme ensuring quality and safety impact is minimised, focussed programme on closing the financial gap in year, monthly monitoring of top five risks at Finance Board Assurance Committee and weekly transformation collaborative meetings focussing on benefits realisation and cost reduction and savings.

Workforce Sustainability

The Trust must also address the risk of failing to maintain a sustainable workforce. Trust is managing and mitigating this risk through various controls such as ensuring that recruitment, retention, and staff development strategies are robust enough to support service delivery and organisational growth over the long term, a well embedded Health and Wellbeing Forum, a dedicated Nurse Retention Lead, engagement with pre-employment programmes with local job centres to support supply routes, absence management process to reduce short and long term absence and support staff and professional development hub.

Building and Infrastructure Risks

Defects or issues within our buildings and infrastructure pose a risk to both the quality and provision of services. Maintaining safe, reliable, and high-quality facilities is crucial to delivering care and ensuring patient and staff wellbeing.

The Trust has a Private Finance Initiative (PFI) contract in place for the main hospital building. In 2025/26, contractual performance mechanisms were applied where required standards were not met. The Trust continues to work with the operator to address building defects and agree short-term arrangements to support remedial

works, alongside longer-term discussions to place the contract on a more sustainable footing, while maintaining patient safety and service continuity.

This risk is mitigated through external specialist advice, monitored action plans for defects, regular liaison with the special purpose vehicle (SPV), and routine reporting to the Trust Board on key risks and progress.

Strategic Vision and Impact

Another key risk is the potential failure to deliver the Trust's Vision 2030 and achieve a demonstrable, positive impact for children and young people, particularly in the current operating environment. External pressures and internal challenges may affect the Trust's ability to deliver its strategic objectives and improve outcomes for its population.

The Trust manages and mitigates this risk through established governance and delivery arrangements, including:

- Dedicated delivery programmes, including the Strategy Board and Transformation Board, overseeing delivery of Vision 2030.
- A programme assurance framework encompassing: FIP Strategic Command; Clinical Transformational Collaboratives; Digital, Data & AI Collaborative; HWWWITF Steering Group; and the Growth and Opportunities Acceleration Group.

Compliance with CQC Registration Requirements

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 March 2025, the CQC inspected the Trust's Specialist Mental Health Services, specifically ASD and ADHD provision for children and young people. The findings, received in July 2025, rated the service as Outstanding.

In March 2026, the Trust was subject to an unannounced inspection by the CQC focused on surgical services; the results of this review are pending.

Monitoring of compliance with registration requirements and essential standards is undertaken routinely. Clinical divisions provide assurance through monthly key issues reports submitted to the Safety and Quality Assurance Committee (SQAC), incorporating performance against CQC standards, constitutional and regulatory targets, and key indicators relating to clinical effectiveness, patient experience and patient safety, including incidents, risks, medication errors and infections. The weekly patient safety meeting reviews significant incidents, agrees immediate actions, and monitors progress against serious incident action plans, ensuring learning is shared across divisions and emerging themes are identified early. In addition, the Trust Board acts on insight and quality issues elsewhere in the NHS, examples of this include self-assessments undertaken in response to the Fuller Inquiry, learning from maternity reviews which is applicable to neonatal care.

Alder Hey cooperated fully as a Core Participant in the Southport Public Inquiry and the Board accepts Sir Adrian Fulford's findings regarding shortcomings in children and young people's community mental health services. An internal learning review submitted to the Inquiry identified areas for improvement, and we have implemented key actions, resulting in stronger record keeping, risk assessment, care planning and safeguarding processes, supported by enhancements to our digital systems. We will now take forward the Inquiry's recommendations and continue to learn and improve, both at Alder Hey and across the wider children's healthcare system.

The Trust also receives updates from the Health Services Safety Investigations Body and where learning is appropriate this is assessed against Trust services.

Regular engagement meetings between the Trust's local CQC inspectors and executive directors continued throughout the year, supporting continuous self-assessment against regulatory expectations. These meetings, supported by an agreed dataset provided to inspectors, have recently shifted to an exception-based format to allow deeper scrutiny of specific issues or services. This ongoing dialogue remains constructive and provides valuable insight into the CQC's evolving inspection approach.

The Board continues to review its quality governance arrangements to ensure they remain robust and responsive. SQAC, comprising all divisional directors and relevant Board members, has delegated authority to oversee compliance with regulatory quality requirements and delivery of the Trust's quality priorities across clinical effectiveness, patient safety and patient experience. SQAC is further supported by the Clinical Effectiveness and Outcomes Group, the Patient Safety Board and the Patient Experience and Engagement Group, each providing regular reports that offer assurance on delivery of the Quality Strategy. The Audit and Risk Committee complements this by overseeing the wider system of integrated governance, risk management and internal control.

Alder Hey has continued to demonstrate a strong incident reporting culture. There was a sustained improvement in the Trust's 2025/26 performance position in relation to incident reporting compared to previous years with a total of 8,949 incidents recorded compared to 9,078 in 2024/24.

The Trust continues to work closely with NHSE and our Local Risk Management System provider to progress the implementation of LfPSE v6, ensuring alignment with national patient safety reporting requirements. NHSE's analytical team is also developing enhanced data-download functionality to support Trusts in undertaking routine data validation; this work is expected to be completed by late spring, strengthening the accuracy and reliability of our reporting processes.

An audit to evaluate the operating effectiveness of controls and level of consistency in place for the management, monitoring and recording of incidents following the adoption of PSIRF was undertaken by MIAA during 2024/25 resulting in substantial assurance.

Clinical audit provides assurance on quality and safety by measuring practice against agreed standards and supporting implementation and re-audit of improvement actions. The Trust's programme is aligned to quality priorities, national requirements and areas of highest clinical risk, and includes national and local audits across clinical divisions.

Delivery and action tracking are overseen through established quality governance, with assurance through SQAC and supporting clinical effectiveness arrangements. Participation in relevant national audits remained strong in 2025/26, with monitoring of registration, submission and data completeness and follow-up of exceptions. Audit findings supported service improvement, with recurring themes including documentation and pathway compliance, medicines optimisation and antimicrobial stewardship, and reducing unwarranted variation through standardised guidance; during 2025/26 further work strengthened the link between audit, quality improvement and routine governance reporting.

The Trust continued its Quality Assurance Round (QAR) programme in 2025/26. The QARs provide a clear "ward-to-board" line of sight by enabling multidisciplinary teams, executives, non-executive directors and governors to undertake structured reviews of quality, safety and performance at ward, departmental or specialty level. These deep dives highlight good practice, review local actions to address risks, and provide teams with access to support from senior leaders. The QARs include both qualitative and quantitative insights aligned to the CQC's five domains. During 2025/26, 14 QARs were completed across the Trust's diverse service portfolio. Key themes identified included:

Successes

- Strong staff commitment and leadership: QARs consistently highlighted high levels of staff engagement, resilience and visible leadership, with teams demonstrating a strong commitment to patient safety, quality and continuous improvement.
- Collaborative working and best practice: Services demonstrated effective multidisciplinary working, achievement of national standards, and examples of best practice, supported by innovation including use of the ISLA digital platform.
- Positive patient and family feedback: Feedback gathered through Friends and Family Test and parent forums was consistently positive, providing assurance on patient experience and caring behaviours.
- Comprehensive assurance coverage: QARs provided both qualitative and quantitative assurance across the CQC domains, offering Board-level visibility of safety, effectiveness, responsiveness, caring and leadership at service level.

Challenges

- Workforce and recruitment pressures: Challenges included staffing shortages, sickness, burnout and resilience pressures, which impacted service delivery and occasionally required QARs to be rescheduled.
- Capacity, demand and waiting list pressures: QARs identified service delivery concerns linked to rising demand, clinic space constraints and waiting list backlogs.
- Technology and external constraints: Issues such as digital system challenges and national medication shortages were highlighted as system-wide risks impacting services

Any risks arising from QAR findings are managed immediately through a solution-focused approach, strengthened leadership and integration and improved triangulation of assurance ensuring that themes and risks were monitored and mitigated through established governance routes.

Quality of Performance Information

The Integrated Performance Report (IPR) remains the Board's primary source of timely, accurate and comprehensive performance information. Structured around CQC domains, the IPR continues to align with the Trust's strategic objectives and Vision 2030.

During the year, the Board undertook a review of the IPR in line with objectives and priorities contained in the 2025/26 Integrated Operational Plan and national planning

guidance applying the principles of continuous improvement and agreed the following changes:

- A new summary page
- Alignment with national objectives for 2025/26 Integrated Performance Report
- New metrics to monitor important service developments, for example virtual care and Martha's rule
- Focus on productivity and associated metrics

The new report was implemented from May 2025. 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 maintained its commitment to the Brilliant Basics Programme, which serves as a central vehicle for quality enhancement. The primary objective of Brilliant Basics is to translate strategy into tangible outcomes via several workstreams, overseen by an Executive scorecard that provides a monthly summary of progress toward organisational strategic priorities. This dashboard incorporates both driver and watch metrics to support the Board and assurance committees in evaluating effectiveness. Core to our dedication to delivering exceptional healthcare for Children and Young People is our improvement methodology, Brilliant Basics. Throughout the year, initiatives have been facilitated to advance patient care, uphold safety standards, and enhance operational efficiency. Our improvement efforts are designed to strengthen capability and capacity, leverage data to prioritise areas of focus, optimise processes, and nurture a culture of ongoing learning and improvement. The adoption of *A3 Brilliant Basics* reporting has strengthened Board-level information clarity, consistency and decision-readiness.

The Care Quality Commission and NHS England Well-Led Framework

In 2025/26, the Board did not undertake a formal review of its performance against the Well-Led Governance Framework. This was a considered decision, reflecting the substantial programme of work delivered over the past three years in collaboration with Strasys. That programme focused on developing the Trust's new Strategy, Vision 2030; the Board considered it appropriate to complete this work before commissioning a further external assessment. The Board has also continued to refine the Trust's

target operating model and considers that the next well-led assessment should be undertaken within this context, including the Trust's role within the wider system and the associated leadership responsibilities.

The Board continues to oversee compliance with the Well-Led Framework through established systems and processes, including external assurance arrangements, routine review of the Trust's objectives, vision and values, and Board Director appraisals incorporating the NHS Leadership Framework. In the absence of a formal assessment this year, a review against the eight lines of enquiry was completed, with a summary of activity for each domain. 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.

The Fit and Proper Persons Test has been successfully met, with substantial assurance provided by internal audit findings.

The Staff Advice and Liaison Service (SALS) has remained an important source of health and wellbeing support for staff. The Trust has also kept working to put national wellbeing guardian principles into practice, guided by Jo Revill, one of our non-executive directors, strengthening both the SALS framework and Trust Values. The Board continues to prioritise giving staff opportunities and resources to express their views at Alder Hey, building on the established Freedom to Speak Up approach.

Good communication is fundamental to this, and the introduction of the new Connected Leadership is strengthening visibility between executives and teams, supported by a monthly rhythm of engagement activities such as Exec Briefings, Connecting Alder Hey sessions, and a team based "Ask for an Exec" Programme.

The Board was pleased to see that the results of the 2025 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. The Board is satisfied with the timeliness and accuracy of information to assess risks to compliance with the Foundation Trust's licence and the degree of rigour of oversight it has over performance. Alder Hey remains in Segment '1' under NHS England's Oversight Framework demonstrating that the organisation is consistently high-performing across all domains, delivering against plans.

In November 2025, the Board undertook its yearly Provider Capability Assessment, which is a central part of NHS England's National Oversight Framework. This involved

a self-evaluation across six key areas based on *The Insightful Provider Board*. After a regional review, Alder Hey was awarded an overall capability rating of 'Green' for 2025/26.

Each of the Board's assurance committees submits an annual report to the Board, setting out the extent to which it has discharged its responsibilities in accordance with its terms of reference and annual work plan, summarising principal areas of focus during the year and identifying priorities for the year ahead. The annual reports are also submitted to the Audit and Risk Committee to enable it to satisfy itself that committee activity contributes appropriately to the Trust's overall control environment and is aligned to the Board Assurance Framework. In addition, the assurance committees review their terms of reference on an annual basis to provide assurance that governance arrangements remain fit for purpose, reflect the organisation's evolving needs and operating environment, and maintain clear lines of accountability.

Equality, Diversity and Human Rights Legislation

The Trust has developed a robust and established process for integrating equality impact assessments (EIAs) into its core decision-making mechanisms. This approach is designed to achieve greater procedural integration, ensuring that the Trust responds appropriately to the diverse needs of both staff and patients. By doing so, the organisation not only fulfils its statutory and policy obligations, but also upholds its own values and the commitments laid out in the NHS Constitution.

EIAs are systematically applied across a range of organisational activities. These include the development of Trust policies and procedures, service redesign or development initiatives, strategic and business planning, and organisational changes that may affect patients, employees, or both. The process also extends to procurement activities, cost improvement programmes, and the commissioning or decommissioning of services, ensuring that equality considerations are embedded at every stage.

In order to reinforce the Trust's commitment to equality and quality, the EIA process has been integrated into the Quality Impact Assessment Framework. This deliberate linkage ensures that the organisation's priorities with regard to equality and quality are addressed together and that both are given due consideration in decision-making processes.

Control measures are implemented to ensure the organisation's compliance with the Equality Act 2010. The Trust consistently adheres to statutory and regulatory obligations associated with this legislation, including the publication of information to fulfil the Public Sector Equality Duty. The Trust's Equality Objectives remain aligned with the NHS EDI Improvement Plan, EDS22, WRES, WDES and Gender Pay Gap requirements, and continue to evolve in response to commissioner expectations. In

2025, the Trust also published its first Ethnicity Pay Gap Report, strengthening its commitment to transparency and addressing workforce inequalities.

The Trust has further strengthened its commitment to anti-racism through adoption of the North West BAME Assembly Anti-Racist Framework, enabling a more intentional and structured approach to addressing racial inequalities across both the workforce and patient experience. Key areas of focus include improving representation, embedding anti-racist leadership, enhancing cultural competence, and strengthening the use of data and lived experience to drive measurable change. In addition, the Trust has expanded its preventative and cultural improvement work by training staff to deliver Active Bystander training, supporting the creation of a more confident, respectful and inclusive workplace culture.

Strategic oversight of delivery against the Trust's equality objectives and anti-racism priorities remains an important component of our governance arrangements. The Equality, Diversity and Inclusion Steering Group (EDISG), chaired by Non-Executive Director Garth Dallas, provides effective assurance through maintaining alignment, offering appropriate challenge, and ensuring accountability for all EDI related activity.

The Trust supports our active staff networks, each of which plays an increasingly influential role in shaping organisational culture and informing decision-making. Collectively, the LGBTQIA+ Network, the ACE Network (Disability and Long-Term Conditions), the REACH Network (Race, Ethnicity and Cultural Heritage), and the Armed Forces Network contribute to fostering an inclusive workplace by providing insight, amplifying lived experience and supporting ongoing cultural improvement. All four networks also collaborated in the co-design of a Mutual Mentoring Programme, launched in 2025, which has been highly successful in strengthening relationships, enhancing understanding and supporting inclusive leadership across the organisation. In addition, the Trust has introduced a Carers Support Group for staff with caring responsibilities and an Endometriosis Support Group to ensure support continues to respond to staff needs.

In July 2025, following a robust assessment process, the Trust was successfully reassessed and re-awarded the Navajo Charter Mark, recognising its ongoing commitment, knowledge and good practice in supporting LGBTQIA+ communities across Merseyside. This achievement further demonstrates the Trust's dedication to fostering an inclusive environment for all staff and patients

For the last reporting period, the Trust's Emergency Preparedness, Resilience and Response (EPRR) Core Standards return was submitted as 'Partially-Compliant', this is an improved position on the 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.

Alder Hey actively collaborates with partners across the Cheshire and Merseyside 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 children and young people is the partnership with the Royal Manchester Children's Hospital who are 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.

Compliance with the Developing Workforce Safeguards

The Trust has reviewed the *Developing Workforce Safeguards* recommendations issued by NHS Improvement in October 2018 and is satisfied that these principles are fully embedded within the established workforce planning framework. The Chief Nurse submits an annual report to the Trust Board setting out the applicable standards and supporting processes, thereby providing assurance that nursing staffing levels remain safe, effective and sustainable, consistent with the CQC 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. This year the Trust has deployed the Safer Nursing Care Tool across mental health, ED and inpatient services. The Trust has continued to support the role of lead for nurse retention who also supports the Trust PNA and Restorative Clinical Supervision across our nursing and AHP services.

Register of Interests

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>

The NHS Pension Scheme

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

As an employer whose staff are entitled to membership of the NHS Pension Scheme, the Trust has robust control measures in place to ensure full compliance with all obligations set out in the Scheme regulations. These controls cover the following key areas:

- Ensuring that all deductions from salary, employer contributions, and associated payments into the Scheme are conducted strictly in accordance with the Scheme's rules.
- Maintaining accurate and up-to-date records for members of the Pension Scheme, with updates made in line with the timescales specified within the relevant regulations.

Through these measures, the Trust fulfils its responsibilities as an employer, safeguarding both its staff and the integrity of the NHS Pension Scheme.

Green Plan

The Trust has undertaken risk assessments on the effects of climate change and severe weather and developed a Green Plan 2025-2028 following the guidance of the Greener NHS Programme.

The Trust ensures that its obligations under the Climate Change Act (CCA) and the Adaption Reporting requirements are complied with. The Climate Change Act 2008 (amended 2019) commits the UK to Net Zero greenhouse gas emissions by 2050, supported by statutory carbon budgets, national adaptation requirements, and mandatory reporting expectations across the public sector. Alder Hey's progress to date shows clear alignment with The CCA particularly in:

- Net Zero Duty
 - Achieved a >15% reduction in carbon footprint and a >5% reduction in energy consumption, directly supporting sector-wide reductions
 - Eliminated high-carbon anaesthetic gases including **desflurane**, supporting NHS guidelines aligned with UK decarbonisation policy.
 - Reduced medical gas consumption through targeted programmes
 - Contribution to Statutory Carbon Budgets
 - Major reductions across gas and electricity use: energy-efficiency improvements, building optimisation, staff behaviour-change initiatives (clean air day, digital education) and medical gas reduction.
 - Implementation of the Green Travel Plan (2020) reducing transport-related emissions over time.

- 100% recycling of decommissioned electronics through certified suppliers.
- Early movement toward circular practices (e.g., reusable theatre caps, device reuse).
- Adaptation Duties
 - Completion of the **Sustainable Development Assessment Tool (SDAT)**, which includes adaptation and resilience metrics.
 - Inherent organisational strengths in adaptation due to the **hospital's parkland setting**, supporting natural cooling, biodiversity, and patient wellbeing.
- Reporting and Governance Alignment
 - Appointed a **Board-level sustainability lead** and **Sustainability Programme Manager**, embedding accountability consistent with public-sector reporting expectations.
 - Established organisational structures such as:
 - Sustainability Action Group
 - Green Champions Network
 - Multidisciplinary engagement models

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

As Accounting Officer, I am responsible for ensuring robust mechanisms are established to secure value for money in the allocation of the Trust's resources. The financial plan is endorsed by the Board and subsequently submitted to both the Cheshire and Merseyside Integrated Care Board (ICB) and NHS England. Detailed monitoring of the plan and its forward projections is conducted by the Finance, Transformation and Performance Committee, which serves as an assurance committee of the Board. Throughout 2025/26, the Trust continued to assess various operational efficiency metrics, including productivity and recovery, via the Integrated Performance Report. Resource management adheres to the framework outlined in the Corporate Governance Manual, encompassing Standing Financial Instructions and the Scheme of Reservation and Delegation. Internal and external audits regularly review financial governance arrangements to ensure the economic, efficient, and effective utilisation of resources.

Alder Hey assures the quality and accuracy of elective waiting time data through a combination of real-time visibility, routine validation, and formal assurance processes.

Front-end Patient Tracking Lists (PTLs) and key performance indicators (KPIs), typically delivered via Power BI dashboards, provide operational teams with near real-time insight into RTT pathways, enabling immediate identification and correction of anomalies throughout the day. This is complemented by daily validation undertaken by a dedicated data assurance team, who review pathway movements, clock starts/stops, and breach positions to ensure compliance with RTT rules. In addition, there is internal validation of external submissions.

The primary risks to data quality and accuracy relate to user error at the point of data entry or pathway management. This includes incorrect clock starts or stops, misclassification of patient pathways, delays in updating outcomes, or inconsistent use of administrative codes. Such errors can propagate through PTLs and reporting layers if not identified early, impacting both operational decision-making and reported performance. Robust training, clear standard operating procedures, and continuous validation processes are therefore critical to mitigating these risks.

The Trust has made strong progress in reducing care backlogs, achieving the national target for 18-week RTT waits, eliminating all waits over 65 weeks by March 2026, and ensuring no patients are waiting over 52 weeks in Community Paediatrics. Performance against the national 4-hour Emergency Department standard was 83.5%, exceeding the national target of 78%.

During 2025/26, our contracting arrangements have continued to follow the simplified financial framework put into place in 2022/23.

The key areas of the 2025/26 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 defined process for dealing with over activity in the form of issuance of Activity Query Notice, with ability for commissioners to mandate actions to manage activity if mutual agreement cannot be found.

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 2025/26 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.
- Finance, Transformation & Performance Committee applies risk-based agenda planning with monthly monitoring of top 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. The Financial Improvement Programme that was stood up in 2024/25 continued in 2025/26 financial year to 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 framework is supported by the activities of the Trust's internal auditors, Mersey Internal Audit Agency (MIAA), under the oversight of the Audit and Risk Committee. Annually, the Committee establishes an audit programme designed to address areas of weakness or potential risk within internal controls, and proposes recommendations to resolve any identified deficiencies. MIAA maintains a database of agreed management actions resulting from audits, which are subsequently monitored by the Audit and Risk Committee until completion. Over the past year, the Committee Chair has placed significant emphasis on enhancing the processes for tracking the implementation of internal audit recommendations. This has included ensuring the provision of regular updates from lead officers and the internal audit team, thereby enabling timely execution of agreed actions.

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 2025/26 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.

The 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.

The Trust has designated a Counter Fraud Champion to oversee Alder Hey's continuous strategy regarding fraud, bribery, and corruption, and to assist the Local Counter Fraud Specialist in their responsibilities.

Information Governance

The Data Security and Protection Toolkit (DSPT) v8 for 2025/26 continued to focus on 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 2025 and will publish its final submission by 30th June 2026. 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 2025/26, the Trust reported one data security incident to the Information Commissioners Office (ICO). Appropriate remedial measures were implemented with no further action required from the ICO.

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.

During 2025/26, the Trust commenced the transition to a new cloud-based data platform, providing improved resilience, stronger performance and greater flexibility to support future innovation, including the safe adoption of advanced analytics and artificial intelligence.

The Trust has continued its waiting list validation activity, maintaining focus on assurance and accuracy of patient records. Alongside this, improvements have been delivered across national and commissioning datasets, including MHSDS improvements and the implementation of ePMA datasets, strengthening the completeness and reliability of statutory reporting. In addition, a new sepsis dashboard has been delivered, improving the visibility, accuracy and timeliness of sepsis reporting to support clinical oversight and patient safety.

Data quality remains a priority. Through the work of the Data Quality and Training Team, the Trust has maintained a strong focus on improving data quality at source. Rather than solely correcting data issues retrospectively, the approach emphasises education and support for staff responsible for data entry, ensuring sustainable improvement and reducing recurrence of errors.

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 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;
- the published results of the quarterly performance management processes undertaken by NHSE under the NHS Oversight Framework including the Trust's quarterly risk ratings and segmentation; and
- the results of the NHS Staff Survey.

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:

- Care Quality Commission (MHA Inspection)
- Quality Assurance of Aseptic Preparation Services
- Patient Led Assessments of the Care Environment
- United Kingdom Accreditation Service (laboratory medicine)
- GIRFT peer review of our rheumatology service
- Haemophilia Peer review (UKHCDO)

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 2025/26 no significant internal control issues have been identified.

Signed:



John Grinnell
Chief Executive
23rd June 2026

Annual Accounts

Foreword to the Accounts

These accounts, for the year ended 31 March 2026, 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
23rd June 2026



Statement of Comprehensive Income

		2025/26	2024/25
	Note	£000	£000
Operating income from patient care activities	3	430,586	411,815
Other operating income	4	39,141	42,698
Operating expenses	6, 8	(465,074)	(453,063)
Operating surplus/(deficit) from continuing operations		4,653	910
Finance income	10	1,591	3,078
Finance expenses	11	(9,383)	(9,976)
PDC dividends payable		(4,200)	(3,620)
Net finance cost		(11,992)	(10,518)
Other gains / (losses)	12	(30)	(266)
Corporation tax expense		-	-
Surplus / (deficit) for the year from continuing operations		(7,369)	(9,874)
Surplus / (deficit) for the year		(7,369)	(9,874)

Other Comprehensive Income			
Will not be reclassified to income and expenditure			
Impairments	7	8	(445)
Revaluations	16	138	300
Other recognised gains and losses		-	-
Remeasurements of the net defined benefit pension scheme liability / asset	28	-	-
Other reserve movements		-	-
May be reclassified to income and expenditure when certain conditions are met:			
Recycling gains/(losses) recognised directly with OCI	12	-	-
Total other comprehensive income for the period		146	(145)
Total comprehensive income / (expense) for the period		(7,223)	(10,019)

Statement of Financial Position

		31 March 2026	31 March 2025
	Note	£000	£000
Non-current assets			
Intangible assets	13	19,043	23,005
Property, plant and equipment	14	268,894	261,122
Right of use assets	17	1,908	5,387
Receivables	20	266	313
Total non-current assets		290,111	289,827
Current assets			
Inventories	19	5,238	4,784
Receivables	20	31,296	31,272
Cash and cash equivalents	22	35,925	53,712
Total current assets		72,459	89,768
Current liabilities			
Trade and other payables	23	(49,143)	(50,386)
Borrowings	25	(5,620)	(6,227)
Other financial liabilities	26	-	-
Provisions	26	(1,191)	(2,579)
Other liabilities	24	(1,747)	(7,154)
Total current liabilities		(57,701)	(66,346)
Total assets less current liabilities		304,869	313,249
Non-current liabilities			
Trade and other payables	23	-	-
Borrowings	25	(127,393)	(132,963)
Other financial liabilities	26	-	-
Provisions	26	(480)	(594)
Other liabilities	24	(2,536)	(2,673)
Total non-current liabilities		(130,409)	(136,230)
Total assets employed		174,460	177,019
Financed by			
Public dividend capital		114,469	109,805
Revaluation reserve		19,451	20,918
Financial assets reserve		-	-
Other reserves		-	-
Merger reserves		-	-
Income and expenditure reserve		40,540	46,296
Total taxpayers' equity		174,460	177,019

The notes on pages 222 to 284 form part of these accounts.

Name: John Grinnell
Position: Chief Executive
Date: 23rd June 2026

Signed



Statement of Changes in Taxpayers' Equity for the Year Ended 31 March 2026

	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' equity at 1 April 2025 – brought forward	109,805	-	-	-	-	42,296	177,019
Withdrawal of revaluation model for intangible assets on 1 April 2025	-	-	-	-	-	-	-
Surplus/(deficit) for the year	-	-	-	-	-	-	-
Transfers by absorption: transfers between reserves	-	-	-	-	-	-	-
Transfer from revaluation reserve to income and expenditure reserve for impairments arising from consumption of economic benefits	-	(1,613)				1,613	
Other transfers between reserves	-	-	-	-	-	-	-
Impairments	-	8	-	-	-	-	-
Revaluations	-	138	-	-	-	-	-
Transfer to retained earnings on disposal of assets	-			-	-	-	-
Share of comprehensive income and associates and joint ventures	-	-	-	-	-	-	-
Fair value gains/(losses) on financial assets mandated at fair value through OCI	-	-	-	-	-	-	-
Fair value gains/(losses) on equity instruments designated at fair value through OCI	-	-	-	-	-	-	-
Recycling gains/(losses) on disposal of financial assets mandated at fair value through OCI	-	-	-	-	-	-	-
Foreign exchange gains/(losses) recognised directly through OCI	-	-	-	-	-	-	-
Other recognised gains and losses	-	-	-	-	-	-	-
Remeasurements of the defined net benefit pension scheme liability/asset	-	-	-	-	-	-	-
Public dividend capital received	4,664	-	-	-	-	-	4,664
Public dividend capital repaid	-	-	-	-	-	-	-
Public dividend capital written off	-	-	-	-	-	-	-
Other movements in public dividend capital in year	-	-	-	-	-	-	-
Other reserve movements	-	-	-	-	-	-	-
Taxpayers' equity at 31 March 2026	114,469	19,451	-	-	-	40,540	174,460

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' equity at 1 April 2025 – brought forward	107,939	21,063	-	-	-	56,170	185,172
Surplus/(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 and 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' equity at 31 March 2025	109,805	20,918				46,296	177,019

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

		2025/26	2024/25
	Note	£000	£000
Cash flows from operating activities			
Operating surplus / (deficit)		4,653	910
Non-cash income and expense:			
Depreciation and amortisation	6.1	17,925	18,989
Net impairments	7	7,934	10,092
Income recognised in respect of capital donations	4	(1,903)	(3,099)
Amortisation of PFI deferred credit		(137)	(137)
Non-cash movements in on-SoFP pension liability		-	-
(Increase) / decrease in receivables and other assets		(548)	(10,649)
(Increase) / decrease in inventories		(454)	188
Increase / (decrease) in payables and other liabilities		687	(636)
Increase / (decrease) in provisions		(1,512)	(5,312)
Tax (paid) / received		-	-
Operating cash flows from discontinued operations		-	-
Other movements in operating cash flows		-	-
Net cash flows from / (used in) operating activities		26,645	10,346
Cash flows from investing activities			
Interest received		1,677	3,221
Purchase and sale of financial assets / investments		-	-
Purchase of intangible assets		(5,003)	(1,314)
Sales of intangible assets		-	-
Purchase of PPE and investment property		(28,958)	(22,698)
Sales of PPE and investment property		240	162
Initial direct costs or up front payments in respect of new right of use assets		-	-
Receipt of cash lease incentives (lessee)		-	-
Lease termination fees paid (lessee)		-	-
Receipt of cash donations to purchase assets		1,903	2,977
Prepayment of PFI capital contributions		-	-
Finance lease receipts (principal and interest)		-	-
Investing cash flows from discontinued operations		-	-
Cash from acquisitions / disposals of subsidiaries		-	-
Net cash flows from / (used in) investing activities		(30,141)	(17,652)
Cash flows from financing activities			
Public dividend capital received		4,664	1,866
Public dividend capital repaid		-	-
Movement on loans from DHSC		(2,529)	(2,759)
Movement on other loans		-	-
Other capital receipts		-	-
Capital element of lease rental payments		(988)	(965)
Capital element of PFI, LIFT and other service concession payments		(3,646)	(3,259)

Interest on loans		(740)	(800)
Other interest		-	-
Interest paid on lease liability repayments		(81)	(74)
Interest paid on PFI, LIFT and other service concession obligations		(7,522)	(7,702)
PDC dividend (paid) / refunded		(3,449)	(3,569)
Financing cash flows of discontinued operations		-	-
Cash flows from (used in) other financial activities		-	-
Cash flows from (used in) financing activities		(14,291)	(17,262)
Increase / (decrease) in cash and cash equivalents		(17,787)	(24,568)
Cash and cash equivalents at 1 April – brought forward		53,712	78,280
Unrealised gains / (losses) on foreign exchange		-	-
Cash and cash equivalents at 31 March	22.1	35,925	53,712



Notes to the Accounts

Note 1 Accounting Policies and Other Information

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 2025/26 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 (C&M) 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 £4,653k (2024/25 £910k) and recorded an accounting deficit of £7,369k (24/25 £9,874k), primarily due to in year impairments against assets brought into use. The Trust also achieved a control total surplus of £7,160k against its control total of £7,160k (23/24 £1,852k) against which its financial performance is measured by NHSE.

Income from Commissioners was largely based on a 'blended' approach to funding in England. Some elements will be 'variable': elective points of delivery will be funded based on actual activity undertaken, and there will be some adjustments for quality performance. All other areas will remained block funded.

The Trust has produced its financial plans for 2026/27 through to 2028/19 based on these assumptions which have been approved by the Trust Board and by the Cheshire & Merseyside

ICS level. The control target for the 2026/27 year agreed with ICS is a £677kk surplus, £6,493k surplus 2027/28 and £8,933 surplus in 2028/29. The Trust has a proven track record of consistently meeting the performance and control totals set by the regulator and over the last five years has delivered significant surpluses to support the sustainability of the Trust, and the Trust is therefore reasonably assured of the achievability of these financial targets.

Our going concern assessment is made up to the end of September 2027, with internal base case and downside scenarios for liquidity assessed to September 2027. This includes assessment of the full 2026/27 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 2026/27 plans; and
- capital development plans and capital expenditure cash requirements will progress in line with the current plans and timetable.

The Trust has prepared a cash forecast modelled on the above expectations for funding during the going concern period to 30 September 2027. The cash forecast shows sufficient liquidity for the Trust to continue to operate during that period with a minimum cash position of £16.6m. 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.

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 (eg revaluation gains on the entity's property, plant and equipment) following acquisition. It is also reduced when any distribution, eg, share dividends are received by the Trust from the Associate. Associates which are classified as held for sale are measured at the lower of their carrying amount and "fair value less costs to sell".

Joint Ventures

Joint ventures are arrangements in which the Trust has joint control with one or more other parties, and where it has the rights to the net assets of the arrangement. Joint ventures are accounted for using the equity method.

Joint Operations

Joint operations are arrangements in which the Trust has joint control with one or more other parties and has the rights to the assets, and obligations for the liabilities, relating to the arrangement. The Trust includes within its financial statements its share of the assets, liabilities, income and expenses.

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 two months after the reporting period. Therefore, the Trust has included a number of accounting estimates in its financial statements, which will be transacted within the first quarter of the next reporting period

Revenue from NHS Contracts

The main source of income for the Trust is contracts with commissioners for healthcare services. Funding envelopes are set at an Integrated Care System (ICS) level. The majority of the Trust's NHS income is earned from NHS commissioners under the NHS Payment Scheme (NHSPS). 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 the Best Practice Tariff (BPT) scheme. Delivery under the scheme is part of how care is provided to patients. As such 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 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.

Additional payments for specialised services reflecting patient complexity are included within the fixed element of API contracts. This is accounted for as variable consideration under IFRS 15. 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.

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.

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.

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.

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 Insurance Contracts (Trust as the Insurer)

IFRS 17 is effective from 2025/26 for the insurer accounting for such contracts. The standard is applied retrospectively with a transition date of 1 April 2024, restating prior periods.

Note 1.9 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 1.10 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 value in existing use is defined as market value except where a building is so specialised in nature no active market exists from which to draw satisfactory transactional evidence. In this case a valuer will adopt a depreciated replacement cost (DRC) model on a modern equivalent asset (MEA) basis.

A DRC model estimates current value in existing use 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. 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.

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	15	58
Dwellings	-	-
Plant & machinery	1	20
Transport equipment	7	7
Information technology	5	11
Furniture & fittings	2	11

Note 1.11 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. From 1 April 2025, subsequent measurement of intangible assets is at cost less amortisation.

Prior to 1 April 2025, intangible assets were held under a revaluation approach reflecting current value in existing use. Revaluation gains and losses and impairments were treated in the same manner as for property, plant and equipment. On 1 April 2025, the carrying value of these assets was carried forward as 'deemed cost' and any related revaluation surpluses in the revaluation reserve were transferred to the I&E reserve.

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

Impairments

Where indicators of impairment exist, the recoverable amount is assessed as the higher of its fair value and the cost to replace the service capacity. Where this is lower than the carrying value an impairment is recognised in expenditure. The recoverable amount of intangible assets under construction is assessed annually, irrespective of indicators of impairment.

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 1.12 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.

Note 1.13 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 1.14 Cash and Cash Equivalents

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

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

Note 1.15 Financial Assets and Financial Liabilities

Recognition

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

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

Classification and Measurement

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

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

Financial assets are classified as subsequently measured at amortised cost.

Financial liabilities classified as subsequently measured at amortised cost.

Financial Assets and Financial Liabilities at Amortised Cost

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

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

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

Financial Assets Measured at Fair Value Through Other Comprehensive Income

A financial asset is measured at fair value through other comprehensive income where business model objectives are met by both collecting contractual cash flows and selling financial assets and where the cash flows are solely payments of principal and interest. Movements in the fair value of financial assets in this category are recognised as gains or losses in other comprehensive income except for impairment losses. On derecognition, cumulative gains and losses previously recognised in other comprehensive income are reclassified from equity to income and expenditure, except where the Trust elected to measure an equity instrument in this category on initial recognition.

Financial Assets and Financial Liabilities at Fair Value Through Income and Expenditure

Financial assets measured at fair value through profit or loss are those that are not otherwise measured at amortised cost or at fair value through other comprehensive income. This category also includes financial assets and liabilities acquired principally for the purpose of selling in the short term (held for trading) and derivatives. Derivatives which are embedded in other contracts, but which are separable from the host contract are measured within this category.

Movements in the fair value of financial assets and liabilities in this category are recognised as gains or losses in the Statement of Comprehensive income.

Impairment of Financial Assets

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

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

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 1.16 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 4.81% applied to new leases commencing in 2025 and 5.32% to new leases commencing in 2026.

The Trust does not apply the above recognition requirements to leases with a term of 12 months or less or to leases where the value of the underlying asset is below £5,000, excluding any

irrecoverable VAT. Lease payments associated with these leases are expensed on a straight-line basis over the lease term or other systematic basis. Irrecoverable VAT on lease payments is expensed as it falls due.

Subsequent Measurement

As required by a HM Treasury interpretation of the accounting standard for the public sector, the Trust employs a revaluation model for subsequent measurement of right of use assets, unless the cost model is considered to be an appropriate proxy for current value in existing use or fair value, in line with the accounting policy for owned assets. Where consideration exchanged is identified as significantly below market value, the cost model is not considered to be an appropriate proxy for the value of the right of use asset.

The Trust subsequently measures the lease liability by increasing the carrying amount for interest arising which is also charged to expenditure as a finance cost and reducing the carrying amount for lease payments made. The liability is also remeasured for changes in assessments impacting the lease term, lease modifications or to reflect actual changes in lease payments. Such remeasurements are also reflected in the cost of the right of use asset. Where there is a change in the lease term or option to purchase the underlying asset, an updated discount rate is applied to the remaining lease payments.

The Trust as a Lessor

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

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

Finance Leases

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

Operating Leases

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

Note 1.7 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 2026:

		Nominal rate	Prior year rate
Short-term	Up to 5 years	3.64%	4.03%
Medium-term	After 5 years up to 10 years	4.22%	4.07%
Long-term	After 10 years up to 40 years	5.32%	4.81%
Very long-term	Exceeding 40 years	5.07%	4.55%

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 2026:

	Inflation rate	Prior year rate
Year 1	2.5%	2.60%
Year 2	2.0%	2.30%
Into perpetuity	2.0%	2.00%

Early retirement provisions and injury benefit provisions both use the HM Treasury's post-employment benefits discount rate of 2.95% in real terms (prior year: 2.40%).

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 26.2 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 1.18 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 27 where an inflow of economic benefits is probable. Contingent liabilities are not recognised, but are disclosed in Note 27.

Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed 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 1.19 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 [Finance available to NHS trusts and foundation trusts - GOV.UK](https://www.gov.uk/government/policies/finance-available-to-nhs-trusts-and-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 1.20 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 1.21 Corporation Tax

As an NHS body the Trust is not directly subject to Corporation Tax.

Note 1.22 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 1.23 Foreign Exchange

The functional and presentational currency of the Trust is sterling.

A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction.

Where the Trust has assets or liabilities denominated in a foreign currency at the Statement of Financial Position date:

- monetary items are translated at the spot exchange rate on 31 March;
- non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction; and
- non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

Exchange gains or losses on monetary items (arising on settlement of the transaction or on re-translation at the Statement of Financial Position date) are recognised in income or expense in the period in which they arise.

Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

Note 1.24 Third Party Assets

Assets belonging to third parties in which the Trust has no beneficial interest (such as money held on behalf of patients) are not recognised in the accounts. However, they are disclosed in a separate note to the accounts in accordance with the requirements of HM Treasury's FReM.

Note 1.25 Losses and Special Payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis.

The losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

Note 1.26 Gifts

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

Note 1.27 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 1.28 Early Adoption of Standards, Amendments and Interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2025/26.

Note 1.29 Standards, Amendments and Interpretations in Issue but Not Yet Effective or Adopted

IFRS 18 — Presentation and Disclosure in Financial Statements

The Standard has been adopted by the UK Endorsement Board to be effective for accounting periods beginning on or after 1 January 2027. The Standard has not yet been adopted by the FReM and early adoption is not permitted. The expected impact of applying the standard in future periods has not yet been assessed

IFRS 19 - Subsidiaries Without Public Accountability: Disclosures

The Standard is effective 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. The expected impact of applying the standard in future periods has not yet been assessed.

Changes to Valuation of Property, Plant and Equipment (PPE) Assets

The DHSC GAM for 2026/27 and associated consultation response document confirms future changes which will impact on the financial statements.

From 2026/27 NHS bodies' valuation methodology will be a mandated quinquennial revaluation frequency (or rolling programme) supplemented by annual indexation in the intervening years. The requirement in IAS 16 to revalue an asset when its fair value differs materially from its carrying value is being withdrawn for the public sector. Given the variation in PPE valuations in any given year, and future changes in indices, it is not possible to quantify the impact of applying these changes in future periods. PPE and right of use assets currently subject to revaluation have a total book value of £Xm as at 31 March 2026.

Note 1.30 Critical Judgements in Applying Accounting Policies

The Trust has nothing significant to disclose in this area.

Note 1.31 Sources of Estimation Uncertainty

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

In the current reporting period, the Trust has applied indices to determine the movement in valuation since the last full asset revaluation of PPE, in line with the Trust's policy for asset valuation. The Trust has a full asset revaluation, undertaken independently, every five years, the last valuation was as at 31st March 2023.

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.

Note 3.1 Income from Patient Care Activities (By Nature)

	2025/26	2024/25
	£000	£000
Acute services		
Income from commissioners under API contracts – variable element*	85,225	81,313
Income from commissioners under API contracts – fixed element*	205,360	196,274
High cost drugs from commissioners	46,688	48,998
Other NHS clinical income	22,708	22,745
Mental Health services		
Income from commissioners under API contracts*	34,791	22,175
Services delivered under a mental health collaborative	-	-
Income for commissioning services in a mental health collaborative	-	-
Clinical partnerships providing mandatory services (including S75 agreements)	-	-
Clinical income for the secondary commissioning of mandatory services	-	-
Other clinical income from mandatory services	-	-
Ambulance services		
A&E income	-	-
Patient transport services income	-	-
Other income	-	-
Community services		
Income from commissioners under API contracts*	18,783	22,944
Income from other sources (e.g. local authorities)	81	322
All services		
Private patient income	29	147
National pay award central funding***	-	745
Additional pension contribution central funding**	16,921	15,852
Other clinical income	-	300
Total income from activities	430,586	411,815

*Aligned payment and incentive contracts are the main form of contracting between NHS providers and their commissioners. More information can be found in the 2025/26 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 14.38% with the additional amount being paid over by NHS England on providers' behalf. The full cost of employer contributions (23.7%) and related NHS England funding (9.4%) have been recognised in these accounts.

***Additional funding was made available directly to providers by NHS England in 2024/25 for implementing the backdated element of pay awards where government offers were finalised after the end of the 2023/24 financial year. NHS Payment Scheme prices and API contracts are updated for the weighted uplift in in-year pay costs when awards are finalised.

The C&M ICB block funding within the overall C&M offer has been redefined to show the categorisation of 'programme' funding more accurately. Hence the change in the community and MH shown in note 3.1. This strengthens the breakdown within our accounts for 25/26 and going forwards.

Note 3.2 Income from Patient Care Activities (by Source)

	2025/26	2024/25
Income from patient care activities received from:	£000	£000
NHS England	109,236	108,850
Integrated care boards	291,517	270,314
Department of Health and Social Care	-	-
Other NHS providers	1,331	1,201
NHS other	-	-
Local authorities	81	322
Non-NHS: private patients	29	147
Non-NHS: overseas patients (chargeable to patient)	26	16
Injury costs recovery scheme	780	285
Non-NHS: other	27,586	30,680
Total income from activities	430,586	411,815
Of which:		
Related to continuing operations	430,586	411,815
Related to discontinued operations	-	-

Note 3.3 Overseas Visitors (Relating to Patient Charges Directly by the Provider)

	2025/26	2024/25
	£000	£000
Income recognised this year	26	16
Cash payments received in-year	26	16
Amounts added to provision for impairment of receivables	-	-
Amounts written off in-year	-	3

Note 4 Other Operating Income

	2025/26			2024/25		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total
	£000	£000	£000	£000	£000	£000
Research and development	5,766		5,766	6,854		6,854
Education and training	12,235		12,235	11,712		11,713
Non-patient care services to other bodies	10,191		10,191	12,728		12,728
Income in respect of employee benefits accounted on a gross basis	527		527	595		595
Receipt of capital grants and donations and peppercorn leases		1,903	1,903			3,099
Charitable and other contributions to expenditure		1,847	1,847			1,182
Support from the Department of Health and Social Care for mergers			-			-
Revenue from finance leases (variable lease receipts)			-			-
Revenue from operating leases			-			-
Amortisation of PFI deferred income / credits		137	137			137
Other income	6,535		6,535	6,391		6,391
Total other operating income	32,254	3,887	39,141	38,280	4,418	42,698
Of which:						
Related to continuing operations			39,141			42,698
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

	2025/26	2024/25
	£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 2026	31 March 2025
	£000	£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:

	2025/26	2024/25
	£000	£000
Income from services designated as commissioner requested services	411,414	393,210
Income from services not designated as commissioner requested services	58,397	61,303
Total	469,811	454,513

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.

	2025/26	2024/25
	£000	£000
Income	-	-
Full cost	-	-
Surplus / (deficit)	-	-

Note 6.1 Operating Expenses

	2025/26	2024/25
	£000	£000
Purchase of healthcare from NHS to DHSC bodies	4,473	3,639
Purchase of healthcare from non-NHS and non-DHSC bodies	1,129	2,042
Purchase of social care	-	-
Staff and executive directors costs	288,364	271,916
Remuneration of non-executive directors	182	164
Supplies and services - clinical (excluding drugs costs)	31,120	30,765
Supplies and services - general	2,457	2,687
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	55,889	56,905
Inventories written down	-	62
Consultancy costs	460	332
Establishment	2,105	2,135
Premises	18,471	16,853
Transport (including patient travel)	615	634
Depreciation on property, plant and equipment	13,675	13,477
Amortisation on intangible assets	4,250	5,512
Net impairments	7,934	10,092
Movement in credit loss allowance: contract receivables / contract assets	(107)	(798)
Movement in credit loss allowance: all other receivables and investments	174	26
Increase/(decrease) in other provisions	-	-
Change in provisions discount rate(s)	(3)	-
Fees payable to the external auditor		
audit services- statutory audit*	228	222
other auditor remuneration (external auditor only)	-	-
Internal audit costs	107	103
Clinical negligence	5,174	5,256
Legal and professional fees	1,129	483
Insurance (as a policy holder)	449	464
Research and development	5,938	7,294
Education and training	8,477	10,643
Expenditure on short term leases	-	-
Expenditure on low value leases	-	-
Variable lease payments not included in the liability	-	-

Early retirements	57	63
Redundancy	1,994	599
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (e.g. PFI / LIFT)	3,356	5,803
Charges to operating expenditure for off-SoFP PFI / LIFT schemes	-	-
Car parking & security	970	1,248
Hospitality	(12)	1
Losses, ex gratia & special payments	-	-
Grossing up consortium arrangements	-	-
Other services, e.g. external payroll	328	308
Other	5,691	4,674
Total	465,074	453,603
of which:		
Related to continuing operations	465,074	453,603
Related to discontinued operations	-	-

Prior year Internal Audit Costs have been adjusted to show the relevant balance for the year, these costs were originally shown and reporting in "Other" in 2025/26.

*Audit services - statutory audit cost in 2025/26 includes £11.4k additional fees from 2024/25 that were agreed and paid in year.

Note 6.2 Other Auditor Remuneration

	2025/26	2024/25
	£000	£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 6.3 Limitation on Auditor's Liability

The limitation on auditor's liability for external audit work is £2,000k (2024/25: £2,000k).

Note 7 Impairment of Assets

	2025/26	2024/25
	£000	£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	3,826	-
Loss as a result of catastrophe	-	-
Changes in market price	2,133	5,335
Other	1,975	4,757
Total new impairments charged to operating surplus / deficit	7,934	10,092
Impairments charged to the revaluation reserve	(8)	455
Total net impairments	7,926	10,537

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. Other impairments have arisen with assets under construction review where the Trust has deemed there is no useful asset following the review. Impairment of the Alder Park site has been incurred as a result of a valuation by Cushman and Wakfield following the refurbishment of the site. As per accounting policies for Right of Use (RoU) assets, the Trust has taken the revaluation model for measuring the asset value, this has led to all RoU properties asset values to be at market price, rather than lease measurement.

Note 8 Employee Benefits

	2025/26	2024/25
	£000	£000
Salaries and wages	232,257	219,712
Social security costs	26,132	20,473
Apprenticeship levy	1,018	983
Employer's contributions to NHS pensions	42,712	40,223
Pension costs – other	-	-
Other post employment benefits	-	-
Other employment benefits	-	-
Termination benefits	-	-
Temporary staff (including agency)	5,408	9,560
Total gross staff costs	307,527	209,951
Recoveries in respect of seconded staff	(2,654)	(2,336)
Total staff costs	304,873	288,616
of which		
Cost capitalised as part of assets	3,198	2,964

Note 8.1 Retirements Due to Ill-Health

During 2025/26 there were two early retirements from the Trust agreed on the grounds of ill-health (2 in the year ended 31 March 2025). The estimated additional pension liabilities of these ill-health retirements is £86k (£73k in 2024/25).

These estimated costs are calculated on an average basis and will be borne by the NHS Pension Scheme.

Note 9 Pension Costs

Past and present employees are covered by the provisions of the NHS Pension Schemes. Details of the benefits payable and rules of the schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”. An outline of these follows:

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 2026, is based on valuation data as at 31 March 2024, updated to 31 March 2026 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 has also been used.

The latest assessment of the liabilities of the scheme is contained in the Statement by the Actuary, which forms part of the annual NHS Pension Scheme Annual Report and Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

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 (considering recent demographic experience), and to recommend the contribution rate payable by employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from 1 April 2024 to 23.7% of pensionable pay. The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.

The 2024 actuarial valuation is currently being prepared and will be published before new contribution rates are implemented from April 2027.

Note 10 Finance Income

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

	2025/26	2024/25
	£000	£000
Interest on bank accounts	1,591	3,078
Interest income on finance leases	-	-
Interest on other investments / financial assets	-	-
Other finance income	-	-
Total finance income	1,591	3,078

Note 11 Finance Expenditure

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

	2025/26	2024/25
Interest expense:	£000	£000
Interest on loans from the Department of Health and Social Care	736	794
Interest on other loans	-	-
Interest on overdrafts	-	-
Interest on lease obligations	81	74
Interest on late payment of commercial debt	-	-
Finance costs on PFI, LIFT and other service concession arrangements:		
Main finance costs	7,521	7,702
Contingent finance costs	-	-
Remeasurement of the liability resulting from change in index or rate	1,035	1,395
Total interest expense	9,373	9,965
Unwinding of discount on provisions	10	11
Other finance costs	-	-
Total finance costs	9,383	9,976

Note 12 Other Gains/(Losses)

	2025/26	2024/25
	£000	£000
Gains on disposal of assets	123	33
Losses of disposal of assets	(153)	(299)
Total gains / (losses) on disposal of assets	(30)	(266)
Gains / (losses) on foreign exchange	-	-
Fair value gains / (losses) on investment properties	-	-
Fair value gains / (losses) on financial assets / investments	-	-
Fair value gains / (losses) on financial liabilities	-	-
Recycling gains / (losses) on disposal of financial assets mandated as fair value through OCI	-	-
Gains/(losses) on remeasurement of finance lease receivables (lessor)	-	-
Gains/(losses) on termination of finance leases (lessor)	-	-
Other gains / (losses)	-	-
Total other gains / (losses)	(30)	(266)



Note 13.1 Intangible Assets – 2025/26

	Software licences	Licenses & trademarks	Patents	Internally generated information technology	Development expenditure	Goodwill	Websites	Intangible assets under construction	Other (purchased)	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost at 1 April 2025 – brought forward*	50,526	-	-	-	-	-	-	1,235	-	51,491
Transfers by absorption	-	-	-	-	-	-	-	-	-	-
Additions	2,796	-	-	-	-	-	-	1,959	-	4,755
Reclassifications	506	-	-	-	-	-	-	(760)	-	(254)
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-	-
Disposals / derecognition	(414)	-	-	-	-	-	-	-	-	(414)
Cost at 31 March 2026	53,144	-	-	-	-	-	-	2,434	-	55,578
Amortisation at 1 April 2025 – brought forward	28,486	-	-	-	-	-	-	-	-	28,486
Transfers by absorption	-	-	-	-	-	-	-	-	-	-
Provided during the year	4,250	-	-	-	-	-	-	-	-	4,250
Impairments	3,826	-	-	-	-	-	-	-	-	4,094
Reversal of impairments	-	-	-	-	-	-	-	268	-	-
Reclassifications	-	-	-	-	-	-	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-	-
Disposals / derecognition	(295)	-	-	-	-	-	-	-	-	(295)
Amortisation at 31 March 2026	36,267	-	-	-	-	-	-	-	-	36,535
Net book value at 31 March 2026	16,877	-	-	-	-	-	-	2,166	-	19,043
Net book value at 1 April 2025	21,770	-	-	-	-	-	-	1,235	-	23,005

* From 1 April 2025, the option to apply the revaluation model in IAS 38 to intangible assets has been withdrawn prospectively. Where assets were previously revalued, the carrying value at the transition date was carried forward as 'deemed cost'.

Note 13.2 Intangible Assets – 2024/25

	Software licences	Licenses & trademarks	Patents	Internally generated information technology	Development expenditure	Goodwill	Websites	Intangible assets under construction	Other (purchased)	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost at 1 April 2024 – as previously stated	44,118	-	-	-	-	-	-	7,609	-	51,727
Transfers by absorption	-	-	-	-	-	-	-	-	-	-
Additions	939	-	-	-	-	-	-	169	-	1,108
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)
Cost at 31 March 2025	50,256	-	-	-	-	-	-	1,235	-	51,491
Amortisation at 1 April 2025 – brought forward	23,125	-	-	-	-	-	-	-	-	23,1255

Transfers by absorption	-	-	-	-	-	-	-	-	-	-
Provided during the year	5,512	-	-	-	-	-	-	-	-	5,512
Impairments	-	-	-	-	-	-	-	-	-	-
Reversal of impairments	-	-	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-	-
Disposals / derecognition	(151)	-	-	-	-	-	-	-	-	(151)
Amortisation at 31 March 2026	28,486	-	-	-	-	-	-	-	-	28,486
Net book value at 31 March 2026	21,770	-	-	-	-	-	-	1,235	-	23,005
Net book value at 1 April 2025	20,993	-	-	-	-	-	-	7,609	-	28,602

Note 14. Property, Plant and Equipment – 2025/26

	Land	Buildings excluding dwellings	Dwellings	Under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2025 – brought forward	9,050	198,799		31,149	41,758	122	21,241	10,670	312,789
Transfers by absorption	-	-	-	-	-	-	-	-	-
Additions	-	2,558	-	18,609	2,553	-	613	241	24,547
Other additions	-	(2,944)	-	-	-	-	-	-	(2,944)
Impairments	-	-	-	(3,006)	-	-	-	-	(3,006)
Reversals of impairments		8	-	-	-	-	-	-	8
Revaluations	39	138	-	-	-	-	-	-	177
Reclassifications		4,673	-	(4,419)	-	-	-	-	254
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-
Disposals / derecognition	-	(167)	-	(317)	(940)	-	(45)	(347)	(1,636)
Valuation/gross cost at 31 March 2026	9,089	203,065		42,196	43,371	122	21,809	10,537	330,189
Accumulated depreciation at 1 April 2025 – brought forward	-	10,190	-	-	24,365	4	11,947	5,161	51,667
Transfers by absorption	-		-	-	-	-	-	-	-
Provided during the year	-	5,617	-	-	3,852	17	2,633	1,015	13,134
Impairments	-	909	-	-	-	-	-	-	909
Reversal of impairments	(39)	(2,949)	-	-	-	-	-	-	(2,988)
Revaluations	39	-	-	-	-	-	-	-	39
Reclassifications	-	-	-	-	-	-	-	-	-

Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-
Disposals / derecognition	-	(138)	-	-	(940)	-	(45)	(343)	(1,466)
Accumulated depreciation at 31 March 2026	-	13,629	-	-	27,277	21	14,535	5,833	61,295
Net book value at 31 March 2026	9,089	189,436	-	42,196	16,094	101	7,274	4,704	268,894
Net book value at 1 April 2025	9,050	188,609	-	31,149	17,393	118	9,294	5,509	261,122

The negative figure in other additions relates to the outcome of a review of VAT treatment regarding the cost of construction of the Catkin building which was agreed as a refund in year. Other negatives in this figure relate to the reduction of costs accrued for construction following contract settlement.

Note 14.2 Property Plant and Equipment – 2024/25

	Land	Buildings excluding dwellings	Dwellings	Under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£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	-	748	-	11,109	6,130	122	1,271	190	19,570
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	9,050	198,799		31,149	41,758	122	21,241	10,670	312,789
Accumulated depreciation at 1 April 2024 – brought forward	-	4,974	4	-	24,365		10,746	4,221	43,269
Transfers by absorption	-		-	-	-	-	-	-	-
Provided during the year	-	5,216	3	-	3,595	4	2,458	1,201	12,477
Impairments	-		-	-	-	-	-	-	-
Reversal of impairments	-		-	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-
Disposals / derecognition	-	-	(7)	-	(2,554)	-	(1,257)	(261)	(4,079)
Accumulated depreciation at 31 March 2025	-	10,190	-	-	24,635	4	11,947	5,161	51,667
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 14.3 Property Plant and Equipment Financing – 31 March 2026

	Land	Buildings excluding dwellings	Dwellings	Assets Under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Owned – purchased	9,089	26,457	-	42,196	11,478	-	6,945	4,382	100,547
On-SoFP PFI contracts and other service concession arrangements	-	156,863	-	-	-	-	-	-	156,863
Off-SoFP PFI residual interests	-	-	-	-	-	-	-	-	-
Owned – donated/granted	-	6,116	-	-	4,616	101	329	322	11,484
Total net book value at 31 March 2026	9,089	189,436	-	42,196	16,094	101	7,274	4,704	268,894

Note 14.4 Property Plant and Equipment Financing – 31 March 2025

	Land	Buildings excluding dwellings	Dwellings	Assets Under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£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 14.5 Property Plant and Equipment Assets Subject to an Operating Lease (Trust as Lessor) – 31 March 2026

	Land	Buildings excluding dwellings	Dwellings	Assets Under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Subject to an operating lease									-
Not subject to an operating lease									-
Total net book value at 31 March 2026	-	-	-	-	-	-	-	-	-

Note 14.6 Property Plant and Equipment Assets Subject to an Operating Lease (Trust as Lessor) – 31 March 2025

	Land	Buildings excluding dwellings	Dwellings	Assets Under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Subject to an operating lease									-
Not subject to an operating lease									-
Total net book value at 31 March 2025	-	-	-	-	-	-	-	-	-

Note 15 Donations of Property, Plant and Equipment

The Trust received £456k from The National Institute of Health Research (NIHR) as part of its capital funding award towards research equipment. There was also £1,446k contributed from Alder Hey Children's Charity towards the purchase of various equipment and building work towards the new Neonatal Unit currently under construction.

Note 16 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 17 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 17.1 Right of Use Assets – 2025/26

	Property (land and buildings)	Plant and 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 2025 – brought forward	7,164	533	-	-	-	-	7,697	3,390
Transfers by absorption	-	-	-	-	-	-	-	-
Additions	-	59	-	-	-	-	59	-
Remeasurements of the lease liability	-	-	-	-	-	-	-	(142)
Movements in provisions for restoration / removal costs	-	-	-	-	-	-	-	-
Impairments	-	-	-	-	-	-	-	-
Reversal of impairments	-	-	-	-	-	-	-	-
Revaluations	(5,173)	-	-	-	-	-	(5,173)	(2,999)
Reclassifications	-	-	-	-	-	-	-	-
Disposals / derecognition	(233)	-	-	-	-	-	233	(30)
Valuation/gross cost at 31 March 2026	1,758	592	-	-	-	-	2,350	219
Accumulated depreciation at 1 April 2025 – brought forward	2,283	27					2,310	1,035
Transfers by absorption	-	-	-	-	-	-	-	-
Provided during the year	432	109	-	-	-	-	541	109
Impairments	2,913	-	-	-	-	-	2,913	1,897
Reversal of impairments	-	-	-	-	-	-	-	-
Revaluations	(5,173)	-	-	-	-	-	(5,173)	(2,999)
Reclassifications	-	-	-	-	-	-	-	-
Disposals / derecognition	(149)	-	-	-	-	-	(149)	(14)
Accumulated depreciation at 31 March 2026	306	163	-	-	-	-	422	28
Net book value at 31 March 2026	1,452	456	-	-	-	-	1,908	191

Net book value at 1 April 2025	4,881	506	-	-	-	-	5,387	2,355
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Net book value of right of use assets leased from other NHS providers 9

Net book value of right of use assets leased from other DHSC group bodies

Note 17.2 Right of Use Assets – 2024/25

	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 2024 – brought forward	6,390	-	-	-	-	-	6,930	3,407
Transfers by absorption	-	-	-	-	-	-	-	-
Additions	-	533	-	-	-	-	533	74
Remeasurements of the lease liability	372	-	-	-	-	-	372	-
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
Accumulated depreciation at 1 April 2025 – 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 2026	2,283	27	-	-	-	-	2,310	1,035
Net book value at 31 March 2026	4,881	506	-	-	-	-	5,387	2,355
Net book value at 1 April 2025	5,540	-	-	-	-	-	5,540	2,735

Net book value of right of use assets leased from other NHS providers254

Net book value of right of use assets leased from other DHSC group bodies 2,101



Note 17.3 Revaluations of Right of Use Assets

See note 1.16

Note 17.4 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 25.1.

	2025/26	2024/25
	£000	£000
Carrying value at 1 April	5,555	5,676
Transfers by absorption	-	-
Lease additions	59	533
Lease liability remeasurements	-	372
Interest charge arising in year	81	74
Early terminations	(104)	(61)
Lease payments (cash flows)	(1,069)	(1,039)
Other changes	-	-
Carrying value at 31 March	4,522	5,555

Lease payments for short term leases, leases of low value underlying assets and variable lease payments not dependent on an index or rate are recognised in operating expenditure.

These payments are disclosed in Note 6.1. Cash outflows in respect of leases recognised on-SoFP are disclosed in the reconciliation above.

Income generated from subleasing right of use assets is £0k and is included within revenue from operating leases in note 4.

Note 17.5 Maturity Analysis of Future Lease Payments

	Total	of which leased from DHSC group bodies:	Total	of which leased from DHSC group bodies:
	31 March 2026	31 March 2026	31 March 2025	31 March 2025
Undiscounted future lease payments payable in:	£000	£000	£000	£000
- no later than one year;	1,073	382	1,121	409
- later than one year and not later than five years;	3,116	1,197	3,628	1,373
- later than five years.	503	317	1,014	668
Total gross future lease payments	4,692	1,896	5,790	2,450
Finance charges allocated to future periods	(170)	(49)	(235)	(65)
Net lease liabilities at 31 March 2026	4,522	1,847	5,555	2,385
Of which				

Leased from other NHS providers		122		258
Leased from other DHSC group bodies		1,625		2,127

Note 17.6 Leases - Other Information

Nothing to disclose in this area.

Note 18 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
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 19 Inventories

	31 March 2026	31 March 2025
	£000	£000
Drugs	1,728	1,796
Work in progress	-	-
Consumables	3,510	2,988
Energy	-	-
Other	-	-
Total inventories	5,238	4,784
of which:		
Held at fair value less costs to sell	-	-

Inventories recognised in expenses for the year were £62,749k (2024/25: £63,277k). Write-down of inventories recognised as expenses for the year were £0k (2024/25: £62k).

Note 20.1 Receivables

	31 March 2026	31 March 2025
	£000	£000
Current		
Contract receivables	24,252	21,847
Contract assets	-	-
Capital receivables	-	-
Allowance for impaired contract receivables / assets	(128)	(279)
Allowance for other impaired receivables	(899)	(762)
Deposits and advances	-	-
Prepayments (non-PFI)	5,858	8,338
PFI prepayments - capital contributions	-	-
PFI lifecycle prepayments	-	-
Interest receivable	146	232
Finance lease receivables	-	-
Operating lease receivables	-	-
PDC dividend receivable	-	485
VAT receivable	1,092	817
Corporation and other taxes receivable	-	-
Other receivables	975	594
Total current receivables	31,296	31,272
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)	4	-
PFI prepayments - capital contributions	-	-
PFI lifecycle prepayments	-	-
Interest receivable	-	-
Finance lease receivables	-	-
Operating lease receivables	-	-
VAT receivable	-	-
Corporation and other taxes receivable	-	-
Other receivables	262	313
Total non-current receivables	266	313
of which receivable from NHS and DHSC group bodies:		
Current	12,812	11,192
Non-current	262	313

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 20.2 Allowances for Credit Losses

	2025/26		2024/25	
	Contract receivables and contract assets	All other receivables	Contract receivables and contract assets	All other receivables
	£000	£000	£000	£000
Allowances as at 1 April – brought forward	279	762	1,092	771
Transfers by absorption	-	-	-	-
New allowances arising	93	277	131	215
Changes in existing allowances	-	-	-	-
Reversals of allowances	(200)	(103)	(929)	(189)
Utilisation of allowances (write offs)	(44)	(37)	(15)	(35)
Changes arising following modification of contractual cash flows	-	-	-	-
Foreign exchange and other changes	-	-	-	-
Allowances as at 31 Mar 2026	128	889	279	762

Note 20.3 Exposure to Credit Risk

The Trust's Financial risk management is set out in note 40.1.

Note 21 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 21.1 Assets De-recognised under Finance Leases with Other DHSC Group Bodies

The Trust has nothing to disclose in this area.

Note 22.1 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.

	2025/26	2024/25
	£000	£000
At 1 April	53,712	78,280
Transfers by absorption	-	-
Net change in year	(17,787)	(24,568)
At 31 March	35,925	53,712
Broken down into:		
Cash at commercial banks and in hand	58	71
Cash with the Government Banking Service	35,867	53,641
Deposits with the National Loan Fund	-	-
Other current investments	-	-
Total cash and cash equivalents as in SoFP	35,925	53,712
Bank overdrafts (GBS and commercial banks)	-	-
Drawdown in committed facility	-	-
Total cash and cash equivalents as in SoCF	35,925	53,712

Note 23.1 Trade and Other Payables

	31 March 2026	31 March 2025
	£000	£000
Current	10,230	5,380
Trade payables	4,912	12,515
Capital payables	22,429	22,791
Accruals	-	-
Receipts in advance and payments on account	-	-
PFI lifecycle replacement received in advance	-	-
Social security costs	-	-
VAT payables	-	-
Other taxes payable	5,947	5,443
PDC dividend payable	266	-
Pension contributions payable	3,584	3,559
Other payables	1,775	698
Total current trade and other payables	49,143	50,386
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 DHDC group bodies:

Current 6,862 2,495

Non-current - -

Note 24 Other Liabilities

	31 March 2026 £000	31 March 2025 £000
Current		
Deferred income: contract liabilities	1,610	7,017
Deferred grants	-	-
Deferred PFI credits / income	137	137
Other deferred income	-	-
Insurance contract liabilities	-	-
Reinsurance contract liabilities	-	-
Total other current liabilities	1,747	7,154
Non-current		
Deferred income: contract liabilities	-	-
Deferred grants	-	-
Deferred PFI credits / income	2,536	2,673
Other deferred income	-	-
Insurance contract liabilities	-	-
Reinsurance contract liabilities	-	-
Net pension scheme liability	-	-
Total other non-current liabilities	2,536	2,673

Note 25.1 Borrowings

	31 March 2026 £000	31 March 2025 £000
Current		
Bank overdrafts	-	-
Drawdown in committed facility	-	-
Loans from DHSC	2,331	2,571
Other loans	-	-
Lease liabilities	1,005	1,045
Obligations under PFI, LIFT or other service concession contracts	2,284	2,611
Total current borrowings	5,620	6,227
Non-current		
Loans from DHSC	28,227	30,520

Other loans	-	-
Lease liabilities	3,517	4,510
Obligations under PFI, LIFT or other service concession contracts	95,649	97,933
Total current borrowings	127,393	132,963

Note 25.2 Reconciliation of Liabilities Arising from Financing Activities

	Loans from DHSC	Other loans	Lease liabilities	PFI and LIFT schemes	Total
	£000	£000	£000	£000	£000
Carrying value at 1 April 2025	33,091	-	5,555	100,544	139,190
Cash movements:					
Financing cash flows - payments and receipts of principal	(2,529)	-	(988)	(3,646)	(7,163)
Financing cash flows - payments of interest	(740)	-	(81)	(7,522)	(8,343)
Non-cash movements					
Transfers by absorption	-	-	-	-	-
Additions	-	-	59	-	59
Lease liability remeasurements					-
Remeasurement of PFI / other service concession liability resulting from change in index or rate	-	-	-	1,035	1,035
Application of effective interest rate	736	-	81	7,521	8,338
Change in effective interest rate	-	-	-	-	-
Changes in fair value	-	-	-	-	-
Early terminations	-		(104)	-	(104)
Other changes	-	-	-	-	-
Carrying value at 31 March 2026	30,558	-	4,522	97,933	133,013

	Loans from DHSC	Other loans	Lease liabilities	PFI and LIFT schemes	Total
	£000	£000	£000	£000	£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					
Transfers by absorption	-	-	533	-	533
Additions	-	-	372	-	372
Lease liability remeasurements	-	-	-	-	-

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
Change in effective interest rate	-	-	-	-	-
Changes in fair value	-	-	-	-	-
Early terminations	-	-	(61)	-	(61)
Other changes	-	-	-	-	-
Carrying value at 31 March 2025	33,091	-	5,555	100,544	139,190



Note 26.1 Provisions for Liabilities and Charges Analysis

	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Re- structuring	Pay-related claims (including Agenda for Change)	Redundancy	Other	Total
	£000	£000	£000	£000	£000	£000	£000	£000
At 1 April 2025								
Transfers by absorption								
Change in the discount rate								
Arising during the year								
Utilised during the year								
Reclassified to liabilities held in disposal groups								
Reversed unused								
Unwinding of discount								
At 31 March 2026								
Expected timing of cash flows:								
- not later than one year;								
- later than one year and not later than five years;								
- later than five years.								
Total								

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 are relating to liabilities from contract arrangements, and a provision for Clinical Pensions.

Note 26.2 Clinical Negligence Liabilities

At 31 March 2026, £160,776k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Alder Hey Children's NHS Foundation Trust (31 March 2025: £161,452k).

Note 27 Contractual Capital Commitments

	31 March 2026	31 March 2025
	£000	£000
Property, plant and equipment	5,200	14,317
Intangible assets	17	3
Total	5,217	14,320

Note 28 Defined Benefit Pension Schemes

The Trust has no disclosures for defined benefit schemes.

Note 29 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 29.1 On-SoFP PFI, LIFT or Other Service Concession Arrangements

The following obligations in respect of the PFI, LIFT or other service concession arrangements are recognised in the statement of financial position:

	31 March 2026	31 March 2025
	£000	£000
Gross PFI, LIFT or other service concession liabilities	192,363	202,823
of which liabilities are due:		
- no later than one year;	10,673	11,168
- later than one year and not later than five years;	38,659	39,113
- later than five years	143,031	152,542
Finance charges allocated to future periods	(94,430)	(102,279)
Net PFI, LIFT or other service concession arrangement obligation	97,933	100,544
- no later than one year;	2,284	2,611
- later than one year and not later than five years;	15,659	15,123
- later than five years	79,990	82,810

Note 29.2 Total on-SoFP PFI, LIFT and Other Service Concession Arrangement Commitments

Total future commitments under these on-SoFP schemes are as follows:

	31 March 2026	31 March 2025
	£000	£000
Total future payments committed in respect of the PFI, LIFT or other service concession arrangements	345,267	360,449
of which liabilities are due:		
- no later than one year;	17,447	17,105
- later than one year and not later than five years;	63,643	62,762
- later than five years	264,177	280,582

Note 29.3 Analysis of Amounts Payable to Service Concession Operator

This note provides an analysis of the unitary payments made to the service concession operator:

	2025/26	2024/25
	£000	£000
Unitary payment payable to service concession operator		
Consisting of:		
- Interest charge	7,521	7,702
- Repayment of balance sheet obligation	3,646	3,259

- Service element and other charges to operating expenditure	1,813	4,289
- Capital lifecycle maintenance	-	-
- Revenue lifecycle maintenance	1,543	1,541
- Contingent rent	-	-
- 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	14,523	16,764

Note 30 Financial Instruments

Note 30.1 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

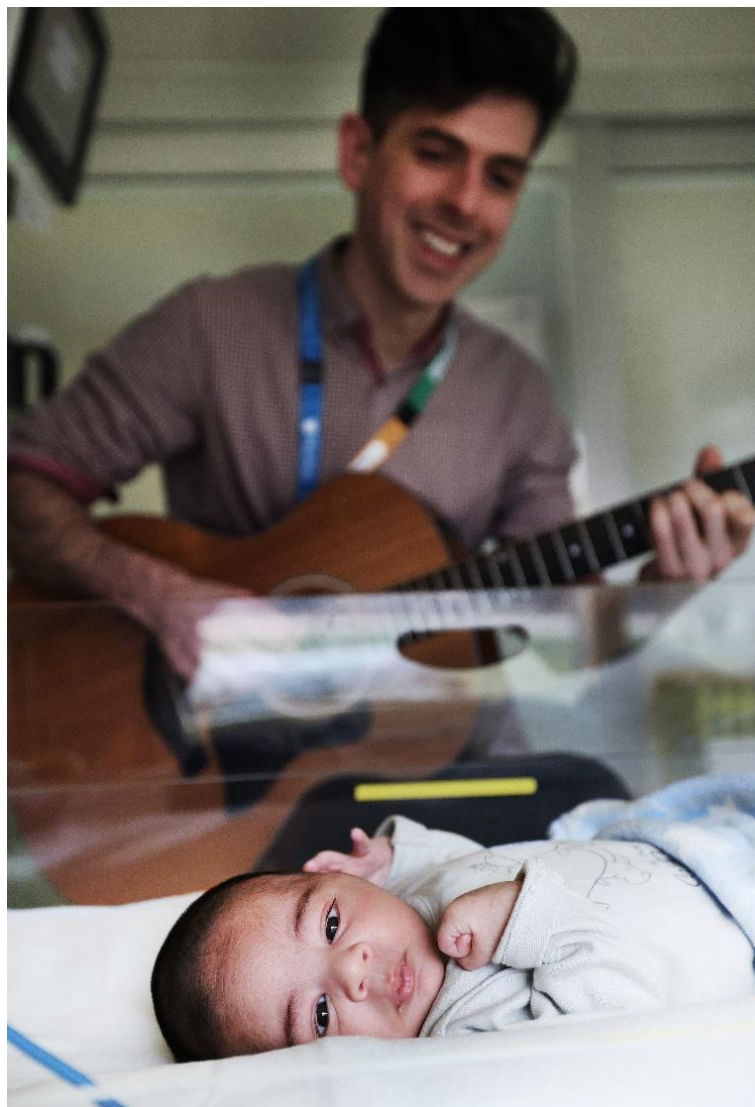
The Trust is principally a domestic organisation with the majority of transactions, assets and liabilities being in the UK and sterling based. The Trust has limited business with overseas clients. The Trust therefore has low exposure to currency rate fluctuations.

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 30.2 Carrying values of financial assets

	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Carrying values of financial assets as at 31 March 2026				
Trade and other receivables excluding non financial assets	24,424	-	-	24,424
Other investments / financial assets	-	-	-	-
Cash and cash equivalents	35,925	-	-	35,925
Total at 31 March 2026	60,349	-	-	60,349
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

Note 30.3 Carrying Values of Financial Liabilities

	Held at amortised cost	Held at fair value through I&E	Total book value
	£000	£000	£000
Carrying values of financial liabilities as at 31 March 2026			
Loans from the Department of Health and Social Care	30,558	-	30,558
Obligations under leases	4,522	-	4,522
Obligations under PFI, LIFT and other service concession contracts	97,933	-	97,933
Other borrowings	-	-	-
Trade and other payables excluding non financial liabilities	39,346	-	39,346
Other financial liabilities	-	-	-
Provisions under contract	-	-	-
Total at 31 March 2026	172,359	-	172,359
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

Note 30.4 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 2026	31 March 2025
	£000	£000
In one year or less	54,066	56,381
In more than one year but not more than five years	53,138	54,317
In more than five years	164,451	177,261
Total	271,655	287,959

Note 30.5 Fair Values of Financial Assets and Liabilities

It is considered that the book value (carrying value) is a reasonable approximation of fair value.



Note 31 Losses and Special Payments

	2025/26		2024/25	
	Total number of cases	Total value of cases	Total number of cases	Total value of cases
	Number	£000	Number	£000
Losses				
Cash losses	37	54	25	35
Fruitless payments and constructive losses	1	-	-	-
Bad debts and claims abandoned	34	44	21	16
Stores losses and damage to property	-	-	-	-
Total losses	72	98	46	51
Special payments				
Compensation under court order or legally binding arbitration award	-	-	-	-
Extra-contractual payments	-	-	-	-
Ex-gratia payments	30	117	20	130
Special severance payments	-	-	-	-
Extra-statutory and extra-regulatory payments	-	-	-	-
Total special payments	30	117	20	130
Total special losses and special payments	102	215	66	181
Compensation payments received				

Note 32 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 £3,250k, and are largely related to rates associated with Trust sites.

Expenditure with Strasys is £103k and relates to professional fees.

Expenditure with Primary Care 24 (Merseyside) Limited is £993k and is related to Primary Care costs within Urgent Treatment Centre.

Net expenditure with University of Liverpool is £1,071k and is related to staff costs.

Note 33 Transfers by Absorption

The Trust has nothing to disclose in this area

Note 34 Prior Period Adjustments

The Trust has nothing to disclose in this area

Note 35 Events after the Reporting Date

The Trust has nothing to disclose in this area

Note 36 Final Period of Operation as a Trust Providing NHS Healthcare

Note is not applicable to Alder Hey Children's NHS Foundation Trust.

Note 37 Better Payment Practice Code

	2025/26	2025/26	2024/25	2024/25
	Number	£000	Number	£000
Non-NHS Payables				
Total non-NHS trade invoices paid in the year	59,294	232,119	64,377	227,097
Total non-NHS trade invoices paid within target	54,981	215,357	60,382	209,192
Percentage of non-NHS trade invoices paid within target	92.7%	92.8%	93.8%	92.1%
NHS Payables				
Total non-NHS trade invoices paid in the year	2,823	56,819	2,709	64,444
Total non-NHS trade invoices paid within target	2,120	48,101	2,159	57,671
Percentage of NHS trade invoices paid within target	75.1%	84.7%	79.7%	89.5%

The Better Payment Practice code requires the NHS body to aim to pay all valid invoices by the due date or within 30 calendar days of receipt of goods or a valid invoice (whichever is later) unless other payment terms have been agreed.

Staff Costs

			2025/26	2024/25
	Permanent	Other	Total	Total
	£000	£000	£000	£000
Salaries and wages	211,502	20,756	232,257	219,712
Social security costs	26,132	-	26,132	20,473
Apprenticeship levy	1,018	-	1,018	983
Employer's contributions to NHS pension scheme	42,712	-	42,712	40,223
Pension cost – other	-	-	-	-
Other post employment benefits	-	-	-	-
Other employment benefits	-	-	-	-
Termination benefits	-	-	-	-
Temporary staff	-	5,408	5,408	9,560
Total gross staff costs	281,364	26,163	307,527	290,951
Recoveries in respect of seconded staff	(2,654)	-	(2,654)	(2,336)

Total staff costs	278,710	26,163	304,873	288,616
of which				
Costs capitalised as part of assets	3,141	57	3,198	2,964

Average Number of Employees (WTE Basis)

			2025/26	2024/25
	Permanent	Other	Total	Total
	Number	Number	Number	Number
Medical and dental	582	1	583	570
Ambulance staff	-	-	-	-
Administration and estates	823	12	835	940
Healthcare assistants and other support staff	223	22	245	243
Nursing, midwifery and health visiting staff	1,453	54	1,507	1,554
Nursing, midwifery and health visiting learners	-	-	-	-
Scientific, therapeutic and technical staff	1,008	9	1,018	983
Healthcare science staff	-	-	-	-
Social care staff	-	-	-	-
Other	-	-	-	-
Total average numbers	4,090	98	4,188	4,290
of which:				
Number of employees (WTE) engaged on capital projects	23	-	23	30

Reporting of Compensation Schemes – Exit Packages 2025/26

	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
	Number	Number	Number
Exit package cost band (including any special payment element)			
<£10,000	6	32	38
£10,000 - £25,000	-	31	31
£25,001 - 50,000	-	22	22
£50,001 - £100,000	-	16	16
£100,001 - £150,000	-	2	2
£150,001 - £200,000	-	-	-
>£200,000	-	-	-
Total number of exit packages by type	6	103	109
Total cost (£)	£42,624	£2,685,595	£2,728,219

Reporting of Compensation Schemes – Exit Packages 2024/25

	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
	Number	Number	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	42
Total cost (£)	£86,976	£685,463	£722,439

Exit packages: Other (Non-Compulsory) Departure Payments

	2025/26		2024/25	
	Payments agreed	Value of agreements	Payments agreed	Value of agreements
	Number	£000	Number	£000
Voluntary redundancies including early retirement contractual costs	13	498	-	-
Mutually agreed resignations (MARS) contractual costs	68	2,038	20	569
Early retirements in the efficiency of the service contractual costs	-	-	-	-
Contractual payments in lieu of notice	22	150	20	116
Exit payments following Employment Tribunals or court orders	-	-	-	-
Non-contractual payments requiring HMT / DHSC approval	-	-	-	-
Total	103	2,686	40	685
of which:				
Non-contractual payments requiring HMT / DHSC approval made to individuals where the payment value was more than 12 months' of their annual salary	-	-	-	-

The majority of exit packages relate to the Mutually Agreed Resignation Scheme which allows staff to leave their role for compensation. There was also a Voluntary Redundancy scheme launched in the year which allowed staff to apply for redundancy, which a number where agreed and staff left on or before 31st March 2026. The remaining 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 2026 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 37, 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: 2025-26 as contained in the Department of Health and Social Care Group Accounting Manual 2025 to 2026 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 2026 and of the Foundation Trust's income and expenditure for the year then ended;
- have been properly prepared in accordance with the Department of Health and Social Care Group Accounting Manual 2025 to 2026; 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 September 2027.

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.

In evaluating the Accounting Officer's conclusions, we have considered the requirement of the DHSC Group Accounting Manual for entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services they provide will continue into the future, and had regard to the guidance provided in Practice Note 10: Audit of financial statements and regularity of public sector bodies in the United Kingdom (Revised 2024) regarding the application of ISA (UK) 570 Going Concern to public sector entities.

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 2025/26.

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 2025/26 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 188, 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 Foundation 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), inappropriate capitalisation of revenue expenditure, cut-off risk on capitalised expenditure and management override of controls to be our fraud risks.

To address our fraud risk around the manipulation of reported financial performance through improper recognition of revenue and expenditure, we performed procedures that tested whether income and income accruals occurred, challenging assumptions and corroborating the income to appropriate evidence, and 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 Foundation Trust's capitalised expenditure to ensure the capitalisation criteria were properly met and the expenditure was genuine.

To address our fraud risk of cut-off of capital expenditure, we performed procedures that tested whether capital expenditure recognised approaching the year-end had been incurred and the Foundation 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 2026.

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.

Delayed Certificate

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.

Handwritten signature of Hassan Rohimun in black ink.

Hassan Rohimun (Key Audit
Partner) Ernst & Young LLP
(Local Auditor) Manchester
25 June 2026

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HAS OVER 13,000
MEMBERS. THROUGH OUR
MEMBERSHIP, WE CAN
GAIN A BETTER
UNDERSTANDING OF THE
NEEDS OF OUR PATIENTS,
PARENTS AND CARERS
WHICH WILL HELP US TO
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