

Gateshead Health NHS Foundation Trust

Annual Report and Accounts 2024/25

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of the National Health Service Act 2006**

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Annual Report and Account 2024/25
(for the period 1 April 2024 to 31 March 2025)

Contents

Performance Report	9
Overview of performance	9
Chair and Chief Executive's statement	9
About us – our history, purpose and services.....	12
About us – our strategic objectives and risks	13
Going concern	16
Performance analysis	17
Operational Performance	17
Financial performance	21
QE Facilities	25
Environmental matters	26
Emergency preparedness, resilience and response.....	29
Addressing health inequalities.....	31
Social, community, anti-bribery and human rights issues.....	33
Equality of service delivery	33
Accountability Report	35
Directors' report	35
Board composition.....	35
QE Facilities Board of Directors	43
Trust Board appointments and performance	43
Group Audit Committee.....	43
Council of Governors	45
Foundation Trust membership	51
Mandatory declarations.....	54
Well-led arrangements	54
Patient care	54
Remuneration Report	72
Annual statement on remuneration	72
Non-Executive Directors	73
Executive Directors	73

QE Facilities' Remuneration Committee	74
Senior managers' remuneration policy.....	74
Annual report on remuneration	78
Director and governor expenses.....	78
Remuneration tables (subject to audit)	78
Staff Report	85
Analysis of staff costs and numbers (subject to audit)	87
Staff equality, diversity and inclusion	88
Communicating, consulting and engaging with our colleagues	91
Freedom to Speak Up	92
Health and safety performance	93
Occupational health & wellbeing.....	94
Countering fraud and corruption.....	94
Trade union facility time	95
Expenditure on consultancy.....	96
Exit packages (subject to audit)	96
Off-payroll transactions	96
Staff survey report	97
Statement of approach	97
NHS staff survey	98
Code of Governance for NHS Provider Trusts.....	101
Mandatory disclosures.....	101
Comply or explain	106
NHS Oversight Framework.....	107
Segmentation.....	107
Modern Slavery and Human Trafficking Act 2015 Annual Statement 2024/25	108
Statement of Accounting Officer's Responsibilities.....	110
Annual Governance Statement.....	112
Scope of responsibility	112
The purpose of the system of internal control	112
Capacity to handle risk.....	112
Risk management leadership.....	112
Risk management training	113
The risk and control framework.....	113
Governance processes and structures.....	114
Quality governance	116

Key risks during 2024/25.....	117
Safe staffing.....	119
Data security	119
Mandatory disclosures.....	120
Review of economy, efficiency and effectiveness of the use of resources	120
Information governance	121
Data quality and governance	121
Review of effectiveness	121
Conclusion.....	122
Independent auditor’s report to the Council of Governors of Gateshead Health NHS Foundation	
Trust	123
Annual Accounts 2024/25.....	128
Glossary of terms	177

Performance Report

Overview of performance

Chair and Chief Executive's statement

We are delighted to introduce our Annual Report and Accounts for the year ended 31 March 2025.

Our three strategic ambitions - to become a Northern Centre of Excellence for Women's Health; to be an outstanding district general hospital; and to be a leading provider of diagnostic services – shaped our work throughout the year and helped us to continue to strive to deliver the best services possible for our patients, people and partners.

Our performance

Whilst the operating environment has continued to present challenges during the year, our teams worked hard to improve our responsiveness to patients, seeing and treating our patients as quickly and efficiently as possible.

By the year-end there were no patients waiting more than 52 weeks for their treatment and all three national cancer targets achieved the goals set within our annual plan. With regards to urgent and emergency care we significantly reduced the amount of time that patients spent within the accident and emergency department, although achievement of the 4-hour waiting standard continued to present a challenge. Working with partners at North East Ambulance Service NHS Foundation Trust we saw a real improvement in ambulance handover times and were delighted to be asked to share our practices and learning with NHS partners regionally and nationally.

As we move into 2025/26 we are undertaking a review of our model of care to support us to further reduce long waits and improve patient flow through the hospital. We recognise that we need to work differently across the whole organisation to prevent our patients being cared for over long periods in our emergency department and ensure patients reach speciality teams quickly to receive their expert care. This will support timely discharge and shorter lengths of stay for our patients.

With regards to finance we delivered a deficit position in line with the submitted financial plan for the year. Financial sustainability has been a key focus for us and we strengthened our financial planning and efficiency processes in readiness for 2025/26, ensuring that safeguards are in place to assess any potential unintended consequences on quality and safety.

Service developments and achievements

We were delighted to open the Community Diagnostic Centre (CDC) at the Metro Centre, Gateshead in October 2024 in partnership with The Newcastle-upon-Tyne Hospitals NHS Foundation Trust. The partnership, as part of the Great North Healthcare Alliance, allows us to offer cutting-edge diagnostic services in a convenient retail setting with good public transport links, reducing the impact of health inequalities on our communities. The CDC created over 130 new jobs, contributing to the local economy. This



is an excellent development for patients in the Gateshead and Newcastle areas. We are proud of our Trust and QE Facilities colleagues who worked so hard on this development and helped us to progress towards our ambition of being a leading provider of diagnostic services.

Our maternity services were ranked as number one in the country by patients who completed the annual Care Quality Commission national survey. This prestigious recognition reflects the dedication and compassion of the maternity team in providing exceptional care to pregnant people and their families. It is a fantastic example of our passion for leading the way in the delivery of women's health services.

We were thrilled to be shortlisted for the Health Service Journal Trust of the Year Award. We were one of only nine contenders for the award, reflecting the Trust's dedication to excellence and positive impact on the healthcare community. Whilst we didn't win, we were honoured to be recognised and incredibly proud to have the chance to not only celebrate our success but share our knowledge and experiences with colleagues from across the country.



Our people

Our people are central to everything we do at the Trust and QE Facilities – without their hard work and dedication we would not be able to deliver responsive and high quality care and services to our patients, partners and communities.

Developing our culture has been a central focus during 2024/25. We have made significant strides in our cultural work, emphasising the importance of civility and zero tolerance towards any form of harassment or discrimination. The "It's not okay..." campaign reflects our proactive approach to fostering a respectful and supportive workplace culture. Additionally, we have reinforced our commitment to sexual safety through targeted training and awareness programs, ensuring a safe and respectful environment for all colleagues and patients.

We are delighted that a number of our people and teams have been recognised for their achievements this year, including our diabetes team for their work around digital inclusion and our Secondary Prevention Service for their work in identifying and reviewing risk factors for patients shortly after an adverse event.

Partnership working and collaboration

The Great North Healthcare Alliance has continued to develop and embed throughout the year following its launch in late 2023/24. After an initial focus on governance we are now seeing real tangible benefits for patients across the Alliance footprint. This includes reduced waiting times for cardiology patients and increased capacity for paediatric services, as well as the opening of the Community Diagnostic Centre.

A Joint Committee was established with The Newcastle-upon-Tyne Hospitals NHS Foundation Trust and Northumbria Healthcare NHS Foundation Trust. The Committee is chaired by our Chair, Alison Marshall, and has had an initial focus on three workstreams – digital, finance and research and innovation.

As we head into 2025/26 we are moving forwards with plans to commence a shared Chair model across Gateshead, Newcastle and Northumbria, a process led by our Council of Governors. This will further embed a joined-up approach and deliver real benefits across our communities.

Alongside the Alliance, we have continued to work closely with colleagues at place and across the Provider Collaborative. This has included the development of our women's health hub with partners to support health and prevention for women and girls in the community.

Looking ahead

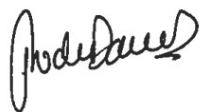
We are in a period of change and challenge for the NHS locally, regionally and nationally as we move into 2025/26.

For Gateshead maintaining a focus on our financial sustainability and increasing our productivity will be key, whilst ensuring we maintain patient safety and strive to enhance our care and quality for patients. Our clinically-led and management supported approach will be really important here.

Collaborative working will also be crucial and we are excited to continue to work closely with our Alliance partners to deliver the Alliance vision and demonstrate tangible outputs and benefits for our patients.

We look forward to the launch of the Trust's 5 year strategy in early 2025/26, alongside the new strategy for QE Facilities. The strategy development will be informed by extensive engagement with our people, Governors and stakeholders, as well as the NHS 10-year plan. We are excited to share the strategies and our progress towards achieving them as part of next year's annual report.

On behalf of the Board we would like to record our sincere thanks to all colleagues, valued volunteers and our Council of Governors across the Trust and QE Facilities for their hard work and dedication in 2024/25.



Trudie Davies
Chief Executive
25 June 2025



Alison Marshall
Chair
25 June 2025



About us – our history, purpose and services

Gateshead Health NHS Foundation Trust (referred to as 'the Trust') was authorised as a Foundation Trust in January 2005. We provide secondary care, community services and older persons' mental health services to a local population of approximately 200,000. We also provide specialist screening services, gynaecology-oncology, pathology and breast services across a wider population, including other parts of the North East, Humberside, Cumbria and Lancashire.



Our services are primarily delivered from four locations in the Gateshead area – the Queen Elizabeth Hospital site, Bensham Hospital, Blaydon Urgent Treatment Centre and the Community Diagnostic Centre at the Metro Centre.

As a group we employ over 5,000 staff and are also supported by many valued volunteers from our local communities.

The Trust also wholly owns its subsidiary QE Facilities Limited (QEF), which was established in 2014. QEF provides estates, facilities, procurement, materials and supply chain management, equipment maintenance and transport services to the Trust. QEF also provides services to other NHS organisations as well as the private sector, with profits reinvested into patient care. QEF's vision is '*to work together with all of our partners to always provide the best non-clinical support services for the benefit of every patient across the NHS and within the communities we serve*'.

Our corporate strategy 2022/23 to 2024/25 puts our patients, people and partners at the heart of everything we do and sets out our vision, which is:

#GatesheadHealth, proud to deliver outstanding and compassionate care to our patients and communities.

The strategy also outlines our five core values. Our values are really important to us and we are deeply committed to ensuring that they are embedded in all that we do to care for our patients and look after each other.



About us – our strategic objectives and risks

Our corporate strategy outlines five strategic aims, which help to focus the work of both the Trust and QE Facilities. In addition there are three areas of strategic intent with which the aims align:

- To be a Northern Centre of Excellence for Women's Health
- To be an outstanding district general hospital; and
- To be a leading provider of diagnostic services.

The three strategic intents and five strategic aims are underpinned by a set of strategic objectives, which are reviewed and revised annually. In 2024/25 our strategic objectives were:



Strategic Aim 1

We will continuously improve the quality and safety of our services for our patients

- Evidence full compliance with the Maternity Incentive Scheme (MIS) and the Ockenden actions.
- Full delivery of the actions within the Quality Improvement Plan (QIP) leading to improved outcomes and patient experience with particular focus on improvements relating to mental health, learning disabilities and cancer.
- Evidence an agreed strategic approach to the development of an Electronic Patient Record (EPR) supported by a documented and timed implementation plan.
- Development and implementation of an estates strategy that provides a 3 year capital plan to address the key critical infrastructure and estates functional risks across the organisation by March 2025.

Strategic Aim 2

We will be a great organisation with a highly engaged workforce

- Caring for our people in order to achieve the sickness absence and turnover standards by March 2025.
- Growing and developing our people in order to improve patient outcomes, reduce reliance on temporary staff and deliver the 24-25 workforce plan.
- Evidence an improvement in the staff survey outcomes and increase staff engagement score to 7.3 in the 2025 NHS staff survey.

Strategic Aim 3

We will enhance our productivity and efficiency to make the best use of our resources

- Improve the quality of care delivery and accessibility for patients by meeting the locally agreed stretch standards by March 2025.
- Evidence of reduction in cost base and an increase in patient care related income by the end of March 2025 leading to a balanced financial plan for 2025-26.
- Review and revise the 2022-25 Green Plan and align with the group structure by the end of quarter 2.

Strategic Aim 4

We will be an effective partner and be ambitious in our commitment to improving health outcomes

- Work collaboratively as part of the Gateshead system to improve health and care outcomes to the Gateshead population.
- Work collaboratively with partners in the Great North Healthcare Alliance to evidence an improvement in quality and access domains leading to an improvement in healthcare outcomes demonstrating 'better together'.
- Work at place with public health, place partners and other providers to ensure that reductions in health inequalities are evidenced with a focus on women's health.

Strategic Aim 5

We will develop and expand our services within and beyond Gateshead

- Contribute effectively as part of the Provider Collaborative to maximise the opportunities presented through the regional workforce programme.
- Evidenced business growth by March 2025 with a specific focus on diagnostics, women's health and commercial opportunities.

Progress against all objectives was monitored by the Tier 1 Board committees during the year through the *Strategic Objectives: Leading Indicators and Breakthrough Objectives* report.

We actively utilised our risk management framework and systems to proactively manage the principal risks faced during the year. Strategic and organisational-wide risks were recognised on the Organisational Risk Register (ORR), with cross-linkage to the Board Assurance Framework (BAF) to understand the potential impact of risks on the delivery of the strategic objectives.

In 2024/25 the Executive Risk Management Group identified the top 3 / 4 organisational risks each month following review of the ORR. The top 3 / 4 risks were shared at each meeting of the Tier 1 Board committees to inform their work and strategic discussions.

The top 3 / 4 risks varied throughout the year but included:

- Risks relating to patient care, such as winter pressures and the length of stay within our emergency department;
- Risks relating to financial sustainability, including the delivery of financial plans and efficiency requirements;
- Risks relating to our people, including our organisational culture and our medical staffing support function; and
- Risks relating to the clinical and operational impact on patient care resulting from technical issues with our digital imaging system.

Whilst mitigating actions were taken over the year some of these risks are by their nature long term risks and will remain on the ORR into 2025/26. At the year-end the top 4 categories of strategic risk reported to the Board related to financial delivery in 2025/26; the impact of the length of stay in the emergency department on patients; the impact on colleagues in respect of promoting a speak-up culture; and the clinical and operational impact of issues with our digital imaging system.

Both the ORR and BAF were regularly reviewed and monitored by the Board and its committees throughout the year. This assisted in monitoring the effectiveness of mitigations and enabled additional actions to be taken to manage risks where required.

Further information on the principal risks and mitigations can be found in the Annual Governance Statement section of the Annual Report.

Despite the challenging operating environment and the identified risks, good progress was made against a number of the strategic objectives for the year. This includes the continued development of the Great North Healthcare Alliance and full compliance with the Maternity Incentive Scheme (MIS). The following table summarises the key indicators and metrics aligned to each of the five strategic aims throughout the year, providing a snapshot of performance.

Objective 1: We will continuously improve the quality & safety of our services for our patients:				
Key Indicators:	Target	Start	End	Position
Achieve compliance with Ockenden recommendations	100%	78%	100%	Achieved
Achieve compliance with Maternity Incentive Scheme	100%	63%	100%	Achieved
Reduction in patient safety incidents linked to estate issues	<=4	3	2	Achieved
Compliance with Quality Improvement Plans	100%	88%	68%	Deteriorated
Breakthrough Objectives:	Target	Start	End	Trend
Risk score reduction linked to estates issues	-	252	256	Deteriorated
Harm Rates from falls	<=3.20	3.5	4.8	Deteriorated
C.Difficile per 100k bed days	<=3.2	21.1	70.1	Deteriorated
Mental Health Act Training	90.0%	89.7%	85.0%	Deteriorated
Learning Disability & Autism Training	85.0%	33.7%	68.3%	Improved
Objective 2: We will be a great organisation with a highly engaged workforce:				
Key Indicators:	Target	Start	End	Trend
Maintain the vacancy rate at <=2.5%	<=2.5%	1.7%	5%	Deteriorated
Improve staff engagement score	>=7.3	6.6	6.2	Deteriorated
Breakthrough Objectives:	Target	Start	End	Trend
Workforce Turnover	<=9.7%	12%	11.5%	Improved
Sickness Absence Rates	4.9%	5.5%	5.7%	Deteriorated
Temporary Staffing Spend as % of pay bill	<=2.3%	1.4%	0.5%	Achieved
Objective 3: We will enhance our productivity and efficiency to make the best use of our resources:				
Key Indicators:	Target	Start	End	Trend
Reduce the Average Length of Stay	<4 days	5.19	7.18	Same*
4-Hr ED	>=78%	71.8%	74.5%	Improved
Achieve Zero 52 week waiters at year end	0	72	0	Achieved
Achieve the 2024/25 Financial Plan	-	-2,312	0.046	Achieved
Out-turn deficit	-	12,650	2,146	Achieved
Breakthrough Objectives:	Target	Start	End	Trend
Reduce >12-hr in ED Dept.	2%	3.8%	0.7%	Achieved
Reduce the no.of patients with no criteria to reside	<10	35	47	Deteriorated
1-hour to a Bed for NEL Admissions	60%	9.7%	6.3%	Deteriorated
Outpatients with Procedures	>=33%	29.9%	32.4%	Improved
CRP	-	0	0	Achieved
Cash forecast	>£5m	£5m	£5m	Achieved
Objective 4: We will be an effective partner and be ambitious in our commitment to improving health				
Breakthrough Objectives:	Target	Start	End	Trend
Reduction in Gynaecology Outpatient Waits	<26 wks	35.9	29	Improved
Reduction in paediatric autism assessment	<30 wks	80	74	Improved
Recording of smoking status	>=98%	92.1%	92.8%	Improved
Repurposing of digital devices	>300	100	318	Achieved
Objective 5: We will develop and expand our services within and beyond Gateshead				
Key Indicators:	Target	Start	End	Trend
0.5% increase in QEF externally generated income	>=0.5%	0.20%	6%	Achieved

Going concern

As an NHS Foundation Trust, the directors are required to make an assessment as at the balance sheet date as to whether the Trust remains a going concern.

In summary following our assessment, 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. In summary following our assessment, these accounts have been prepared on a going concern basis, in accordance with the definition as set out in section 4 of the DHSC Group Accounting Manual (GAM) which outlines the interpretation of International Accounting Standard 1 (IAS1) 'Presentation of Financial Statements' as "the anticipated continuation of the provision of a service in the future, as evidenced by the inclusion of financial provision for that service in published documents".

The Directors have 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 North East and North Cumbria Integrated Care System (NENC ICS). The Integrated Care Strategy for the North East and North Cumbria was published in December 2022 as a joint plan between the region's local authorities, the NHS and other partners. No circumstances were identified within the strategy that would cause the Directors to doubt or question the continued provision of NHS services by the Trust.

This year the Trust excluding the charity returned a deficit of £2.569m as reported in the Trusts Statement of Comprehensive Income.

2025/26 sees a continuation of the previous year's financial framework. This is blended tariff approach which consists of fixed and variable payments, with most services being on a fixed payment. For those services on a variable tariff income will be earned based on volume of activity at national tariff and is consistent with the historic PbR (payment by results) funding model. The Trust has planned to achieve variable income based on a volume of activity aligned to published activity trajectories. We recognise achievement of activity trajectories and consequently planned income targets is potentially uncertain but as it amounts to less than 2% of income to the Trust, we regard this as immaterial to the Going Concern assessment.

The Trust has produced its financial plans based on these assumptions which have been approved by the Trust Board.

The Trust has prepared a cash forecast modelled on the 2025-26 financial plan assumptions for funding during the going concern period to June 26. The cash forecast shows sufficient liquidity for the Trust to continue to operate during that period and there is no current expectation of cash support being required, should the assumptions in the cash forecast change that option remains available to Foundation Trusts.

In conclusion, these factors, 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.

Performance analysis

Operational Performance

In 2024/25 the Trust placed emphasis on recovering core services, improving performance and productivity to provide the highest possible care for patients, whilst continuing with all elements of our People Promise to improve working lives of our staff.

Performance Management – Structure and Tools

Ambitious national targets were set out in the 2024/25 Operational Planning Guidance. National objectives were aligned to:

- Implementing the Patient Safety Incident Response Framework (PSIRF);
- Focusing on maternity and neonatal services;
- Improving access to community services and reducing waiting times;
- Supporting ambulance services in improving response times whilst reducing A&E waiting times;
- Reducing long elective waits, whilst improving performance against the core cancer and diagnostic standards; and
- Improving the working lives of our staff and increasing staff retention and attendance.

Progress against all objectives was monitored by Tier 1 Board-level committees with weekly stringent performance monitoring and review processes in place to support our clinical and operational teams in recovery challenges, providing regular feedback through our governance structures to manage risk and uncertainty.



24,315
Ambulance Arrivals



154,575
Urgent & Emergency Care



105,761
Diagnostic Tests



45,374,954
Laboratory Tests



197,700
Population



460
Beds



+5,000
Workforce



38,839
Elective Care



269,623
Outpatients



230,000
Community Visits



1,750
Cancer Treatments



1,978
Babies Born

Operational performance

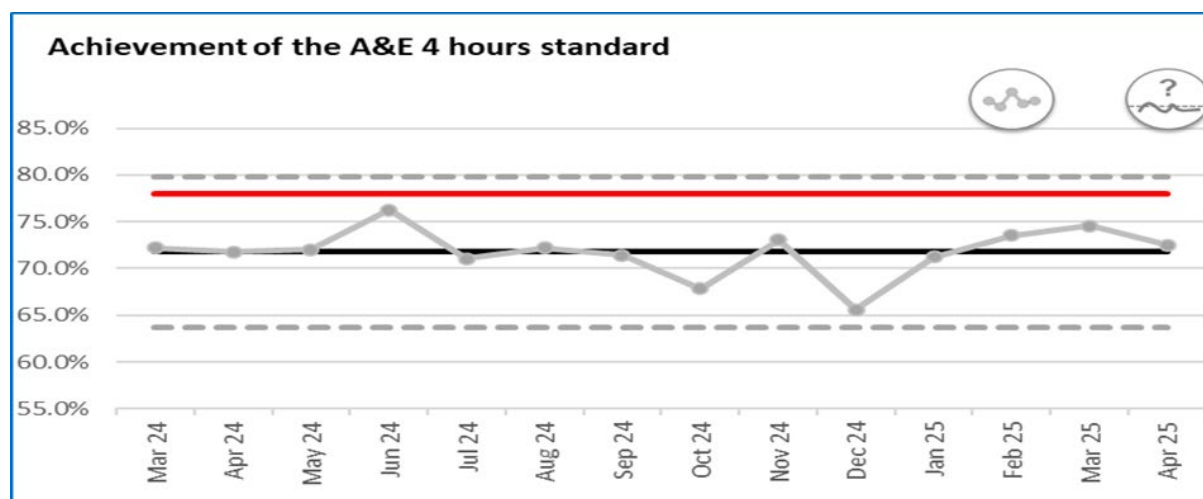
The table below details our key performance areas measured against the constitutional standards and our planning objectives as set out in the NHS planning guidance for 2024/25.

We have made positive strides against many of the key operational standards set out in the planning guidance although recognise that returning to constitutional standards remains challenging in some areas and is the focus for the coming year.

Performance Summary for 2024/25: Measured against Constitutional Standards and Planning Objectives					
	Constitutional Standard / National Expectation	Planning Objective 2024/25	Performance 2023/24	Performance 2024/25	Position
Urgent & Emergency Care:					
4-Hr ED In Department	95%	78%	71%	72%	Not achieved
Time in Department > 12 Hours	2%	N/A	5%	5%	Not achieved
Waits more than 12 hours for Admission	Zero	N/A	98	43	Improved
Ambulance handover & turnaround times within 15 mins	<15 Mins	N/A	44mm 46ss	13mm 54ss	Achieved
Community Rapid Response within 72 Hours	N/A	70%	72.2%	71.4%	Achieved
Elective Care:					
RTT: Patients receive planned hospital treatment within 18 weeks	92%	N/A	69%	70%	Improved
RTT: Eliminate long waits > 65 weeks	N/A	Eliminate	Zero	Zero	Achieved
RTT: Reduce Waits > 52 Weeks	N/A	Reduce	76	Zero	Achieved
Increase value added outpatient appointments with procedures	N/A	33%	N/A	33%	Achieved
Cancer: Improve Faster Diagnosis (within 28 Days)	75%	Improve to 77% by March 25	77%	82%	Achieved
Cancer: Diagnosis to Treatment (within 31 Days)	96%	N/A	99%	99%	Achieved
Cancer: Improve Patients waiting for treatment with Cancer (within 62 Days)	85%	Improve to 70% by March 25	71%	75%	Achieved
Diagnostic waits (within 6 weeks)	99%	95% by March 25	91%	85%	Not achieved

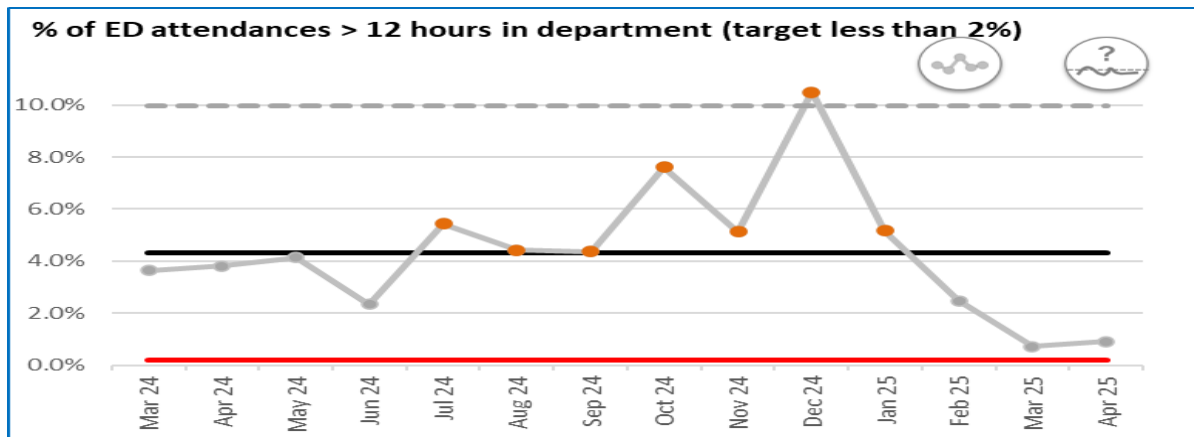
Urgent and emergency care

The ability to create flow to facilitate timely access to a bed has impacted on the 4-hour standard with performance reported at 72% against the national standard of 78%. Performance levels deteriorated over the summer period and going into winter, with improvements made towards the end of the year.



Improvements were supported by a number of initiatives implemented to improve flow front house including streaming patients to alternative services, ringfencing Same Day Emergency Care (SDEC) capacity, as well as securing additional funding to support front of house resourcing. Improving A&E performance remains a priority to the Trust and we identified the risk of not doing so as one of our top risks at the year-end.

Despite the challenges of winter pressures, significant improvements were made in reducing the time patients spend within the department. The percentage of patients spending more than 12 hours in the A&E department improved from 3.82% at the start of the year to 0.72% at the end of the year.



In line with the national picture the volumes of patients arriving by ambulance continues to demonstrate a growing trend, with a 7% growth from the previous year. During 2024/25 handover times improved considerably - taking an average of 13 minutes and 54 seconds to handover / transfer patient care from ambulance staff to hospital staff, improving upon last year's performance of 44 minutes and achieving the national requirement of less than 15 minutes.

Rapid response teams provide urgent care to people in their own homes to avoid hospital admissions and enable people to live independently for longer. Through these teams, older people and adults with complex health needs receive access to health care professionals within 2 hours. During 2024/25 our teams achieved the target response times in over 70% of the calls, with 95% of the patients avoiding hospital attendances / admission.

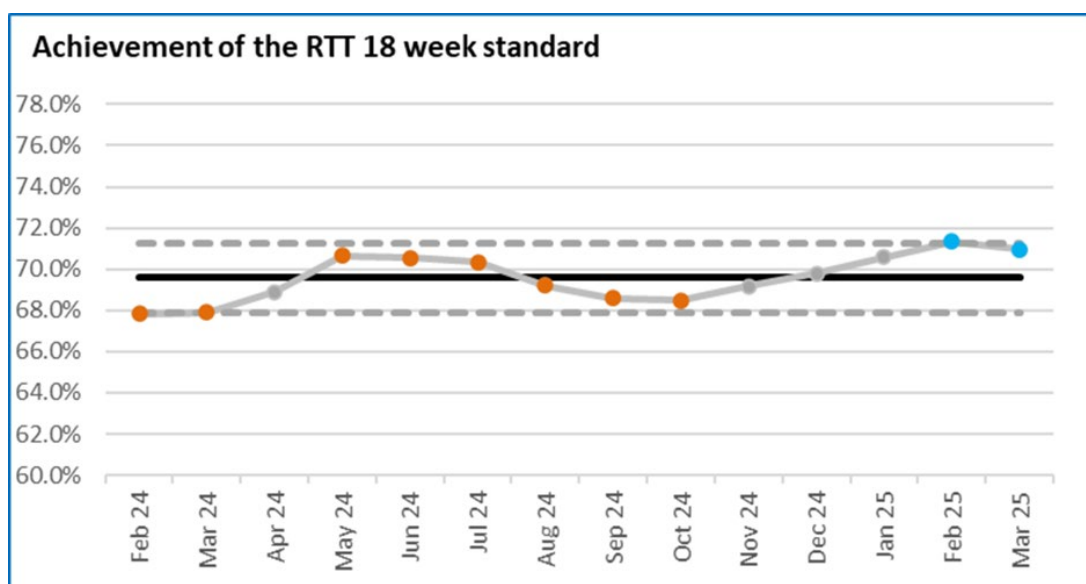
Elective care

As in the previous year, our annual operating activity plans were based on recovering core services and increasing elective activity by 103% over 2019/20 activity levels, whilst maintaining a balanced financial plan. Elective activity was funded on a block income basis, with access to elective recovery funds for additional activity to support improvement in waiting times and elimination of long waiters.

Elective activity delivery in 2024/25 improved upon the previous year and was above planned-for levels by 7%. Diagnostic activity was 5% higher than the previous year and marginally higher (1%) than planned for levels.

	2023/24	2024/25	2024/25 Plan	2024/25 as % of plan
Total Inpatient Activity	34,549	38,839	34,411	112.9%
Daycase	31,479	35,714	31,012	115.2%
Elective	3,070	3,125	3,399	91.9%
Outpatient Activity	249,104	269,623	254,373	106.0%
New Outpatient	66,551	76,574	72,945	105.0%
Follow up Outpatient	182,553	193,049	181,428	106.4%
Elective Delivery	283,653	308,462	288,784	7%
Diagnostics	101,076	105,761	104,020	101.7%
MRI	10,571	12,694	10,372	122.4%
CT	29,680	30,503	29,128	104.7%
Non Obs Ultrasound	29,921	30,108	30,356	99.2%
Colonoscopy	3,279	3,335	3,319	100.5%
Flexi Sigmoidoscopy	853	799	855	93.5%
Gastroscopy	3,546	3,629	3,531	102.8%
Echocardiography	6,766	7,094	7,020	101.1%
DEXA	3,742	4,020	4,146	97.0%
Audiology	12,718	13,579	15,293	88.8%

Treatment often requires a combination of outpatient attendances, diagnostic tests and inpatient care. The focus in year was to reduce our backlog of long waiters and deploy transformational approaches to reducing both waiting times and the waiting list. Whilst our overall waiting list has grown circa 12% - significant reductions have been made to our long waiters – no patient waited longer than 52 weeks by year end and our inpatient waiting list has steadily reduced. The dip in Referral To Treatment (RTT) performance correlates to a growth in outpatients waiting over the summer.



We opened our flagship Community Diagnostic Centre (CDC) in the Metrocentre in October 2024. Whilst our activity was generally in line with plan, our overall waiting times increased due to performance issues with Computer Tomography (CT) scanners and workforce pressures in cardiac diagnostics and non-obstetric ultrasound scanning. We plan to recover this position during 2025/26.

Our performance within cancer diagnosis and treatments improved significantly in-year, with all three cancer measures achieving the planning objectives and we achieved better than the

national constitutional standards in diagnosing patients within 28 days and diagnosis to treatment within 31 days.

Productivity

We improved across a range of internal measures during 2024/25. Analysis using the Model Hospital national benchmarking tools identifies a number of areas to improve productivity. Our greatest area of opportunity and improvement are within our outpatient delivery.

Productivity Measures:	Planning Objective	Performance 2023/24	Performance 2024/25	Position
Advice & Guidance as % of New Outpatient Attendances	Improve	8.01%	6.58%	Deteriorated
DNA Rates in Outpatients	Improve	8.30%	7.50%	Improved
Ratio of New to Follow-up	Decrease	2.7	2.5	Improved
Patients Placed on Patient Initiated Follow-up (PIFU) pathways.	Increase	3%	5%	Improved
Theatre Utilisation Rates Capped	Improve	84%	87%	Improved

A revised and realigned programme of elective care transformation will continue to oversee elective recovery, improving productivity whilst maintaining financial balance to provide excellent outcomes to patients.

Financial performance

The financial framework for 2024/25 was broadly the same as 2023/24 whereby the Trust received a block payment allocation for most services from the commissioners of NHS Services. The Group returned a deficit in 2024/25 inclusive of QEF, our subsidiary company, and our Charitable Funds. The returned deficit was in line with our approved 2024/25 planned deficit.

Emphasis on the achievement of overall financial breakeven for the North East and North Cumbria Integrated Care System (NENC ICS) was a priority.

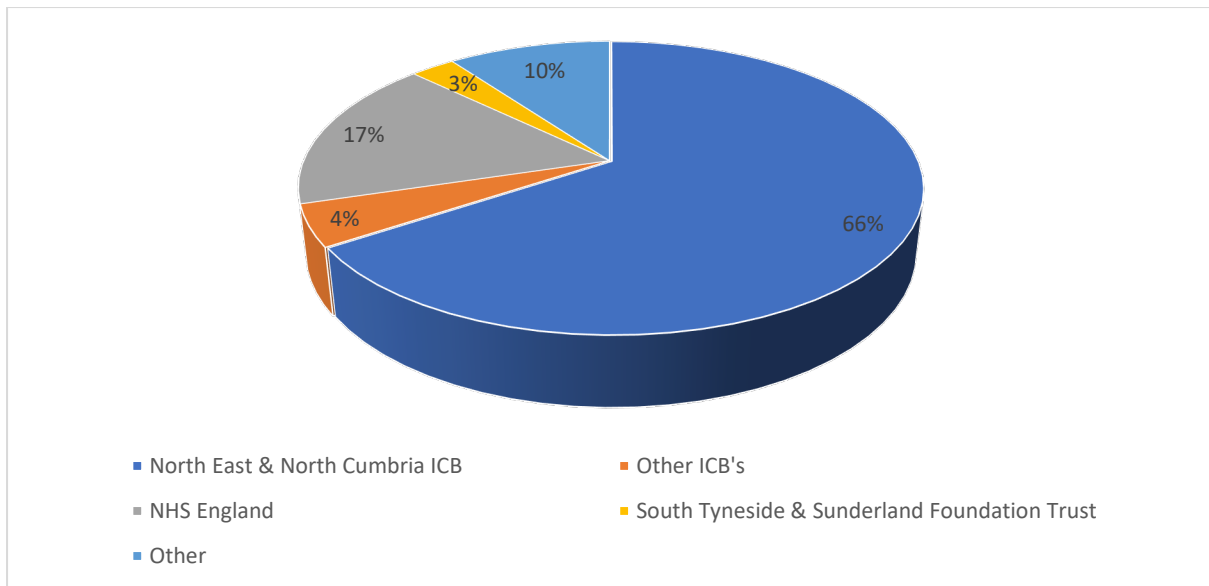
The Trust and NHS England focus on the non-GAAP (Generally Accepted Accounting Principles) measure of surplus / (deficit) for the year, excluding impairments, revaluations and movements in charitable funds, as being the primary financial Key Performance Indicator (KPI), and against this measure the Group reported a deficit of £2.145m.

	Group £'000
Income	443,502
Expenditure	(440,853)
Operating Surplus	2,649
Net Finance Costs	(3,270)
Other Gains and Losses	0
Corporation Tax	(1,849)
(Deficit)/Surplus for the Financial Year	(2,470)
I&E (Reversals)/Impairments	255
(Deficit)/Surplus before Impairments and Transfers	(2,215)
Impact of DEL I&E Reversals/(Impairments)	0
Capital Donations/Grants	24
Remove net impact of DHSC centrally procured inventories	46
(Deficit)/Surplus for the year before Impairments, Revaluations and Charitable Funds	(2,145)

The Trust prepares the accounts under International Financial Reporting Standards (IFRS) and in line with the HM Treasury Financial Reporting Manual, Annual Reporting Manual and approved accounting policies. The Group accounts include QE Facilities, a wholly owned subsidiary of the Trust, incorporated in 2014/15, as well as the Trust's Charitable Funds.

Income

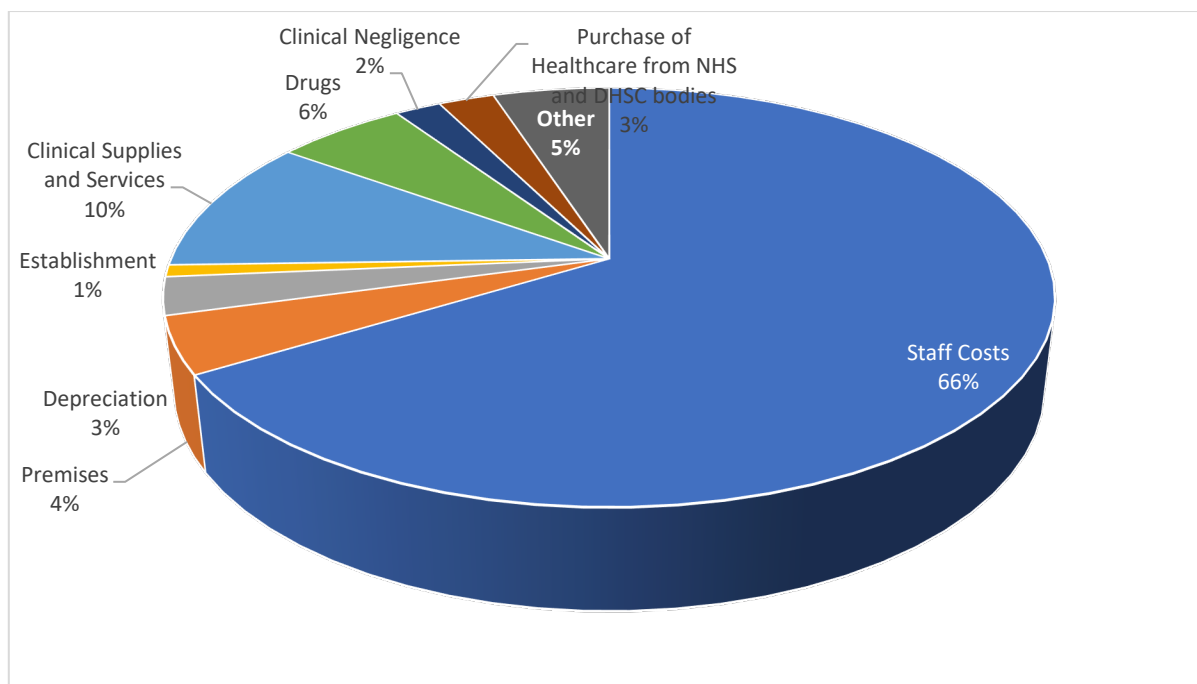
The Trust received £443.502m of total income for 2024/25, with income for patient care services amounting to £403.037m, of which £386.600m (95.92%) came directly from commissioners of NHS services including NHS England for specialised and public health screening contracts and the North East & North Cumbria Integrated Care Board (NENC ICB) for secondary and community care. An analysis of the total income received in 2024/25 is shown in the following chart.



For 2024/2025 the Trust's income from private sources stood at 0.18% of total income, marginally lower than previous years. Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) requires that the income from the provision of goods and services for the purposes of the health service in England must be greater than its income from the provision of goods and services for any other purposes. The Trust has met this requirement.

Expenditure

Total expenditure for the year was £440.853m. By far the largest proportion is spending on pay and related expenses for our people which amounts to £292.301m (66%) of the total. Other material items of expenditure include medical and surgical consumables and drugs, amounting to £70.669m and premises costs of £19.338m. The following chart shows the full range of expenditure.



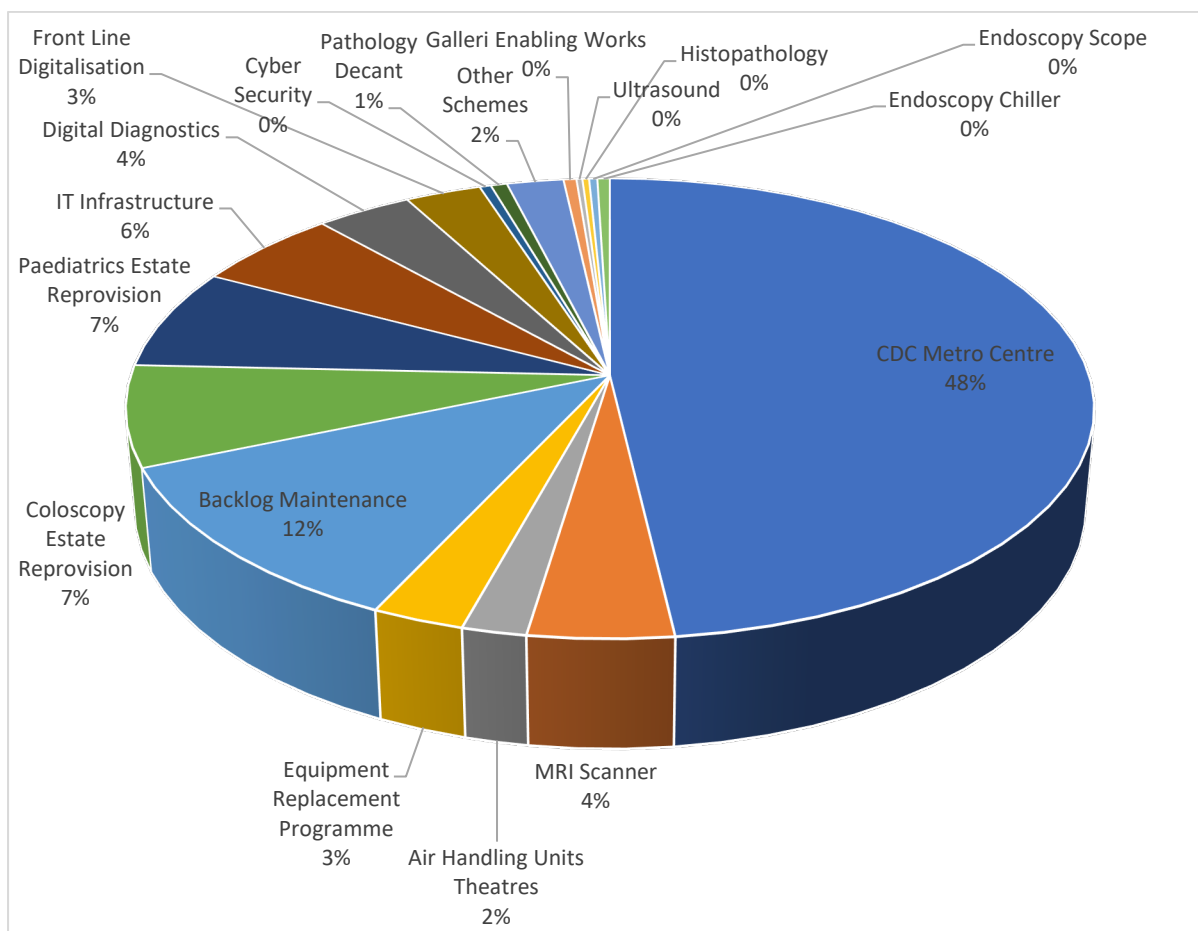
The Trust has complied with the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information guidance. This is relevant to areas such as Elective Recovery Funding (the mechanism by which the Trust receives some of its income from ICBs) and the production of the annual cost return.

Fees and charges levied by the Group did not exceed £1m and were not otherwise material to the accounts. The total amount of any liability to pay interest which accrued by virtue of failing to pay invoices within the 30-day period where obligated to do so was £11k, although the total amount of interest actually paid in discharge of any such liability was nil.

We continue to work towards compliance with the Better Payment Practice Code which requires the Trust to aim to pay all valid invoices by the due date of within 30 days of receipt of goods or a valid invoice. In 2024/25 93.8% of invoices (98.1% of value) met this standard. Detailed performance against the Code can be found in note 3.4 to the Financial Statements.

Capital Expenditure

Capital expenditure for the year was £17.430m. Funding for the capital programme was made available from internal depreciation, cash, charitable funds, grant income and external funding of £7.781m. The breakdown of the capital programme is shown in the following chart.



Audit of the accounts

The full accounts are included at the end of this report. They have been prepared under the Direction issued by NHS England under the National Health Service Act 2006.

The accounts have been fully audited, and the appropriate certificate is included within the body of the accounts.

The Board of Directors acknowledge their responsibilities for the financial statements included in this report. All of the accounting records have been made available to the auditors for the purpose of their audit and all transactions undertaken by the Trust have been properly reflected and recorded in the accounting records. All other relevant records and related information has been made available to the auditors.

The Board is also satisfied that there are no issues arising since the balance sheet date that would materially affect the 2024/25 accounts.

QE Facilities

As outlined earlier in this report, QE Facilities Ltd provides non-clinical services to the Trust and other clients, with the aim of generating financial contributions to aid our overall sustainability, as well as supporting innovation and improvement.

In 2024/25 QE Facilities were instrumental in the opening of the new Community Diagnostic Centre (CDC) in October 2024, ranging from overseeing the capital element of the project,

wider estates and facilities management and delivery through to the provision of medical devices training for the full CDC clinical team.

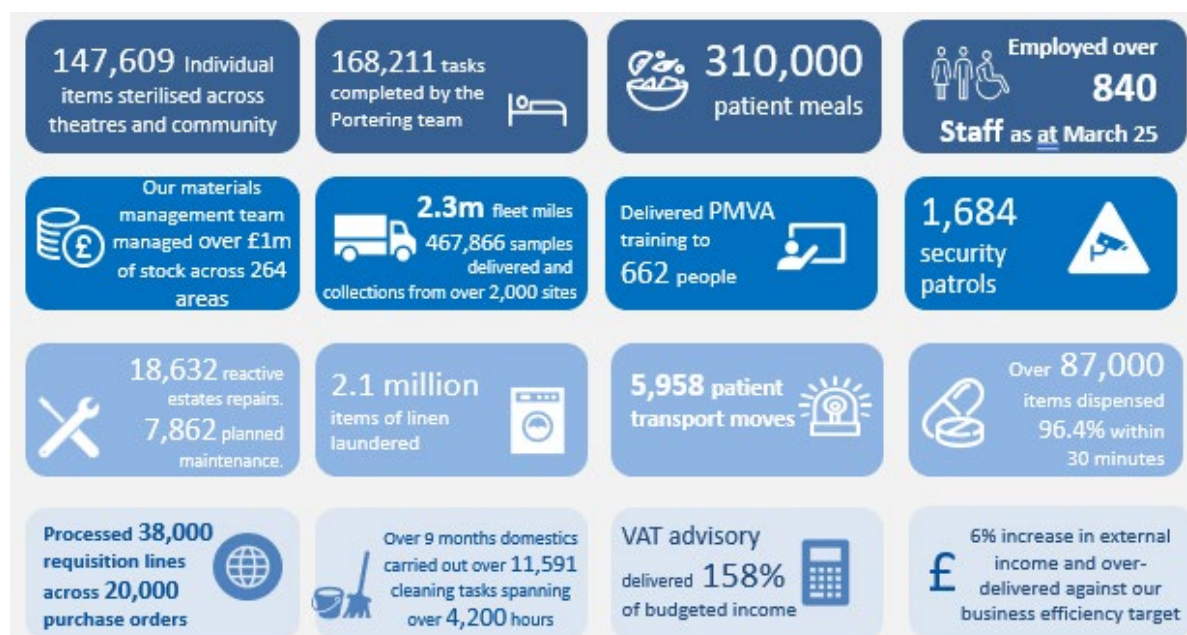
Throughout the year QE Facilities played a significant role in the formation of the Great North Healthcare Alliance estates strategy, setting out the collective ambition and priority areas for collaboration over the next five years.

In 2024/25 the logistics services saw significant expansion, including new contracts with The Newcastle-upon-Tyne Hospitals NHS Foundation Trust for a pharmacy home delivery service and inter-trust courier service. The securing of the new contracts increased the fleet by a third and expanded the team by over 30 people.

QE Facilities has had a direct impact on patient care throughout the year including through the hard work of the domestic services teams, the portering team, catering team, the patient transport team, security team and the outpatient pharmacy team. We were delighted that the domestic and catering teams were ranked in the top 5 Patient-Led Assessments of the Care Environment (PLACE) scores out of a pool of 20 acute trusts.

In quarter 4 2024/25 work began on developing a new strategy for QE Facilities. This focussed on understanding the impact the services make and identifying future trends and opportunities that QE Facilities will need to be ready to respond to. The strategy development involves listening to our people, customers and stakeholders to understand what matters most to them. We are excited to launch our strategy and vision for the future in early 2025/26.

The below statistics provide a look back over the achievements of QE Facilities in 2024/25.



Environmental matters

We are committed to ensuring that the care we provide our patients has minimal impact on the environment to ensure a healthy future for current and future generations.

The group's Sustainability Group is comprised of leaders and experts from across the Trust, bringing together our ambitions and plans to meet our sustainability and net zero objectives.

Our Green Plan 2022 - 2025 was launched in April 2022 detailing our vision, which is to be a leader in sustainable healthcare within the NHS, to the benefit of our local community.

Our objectives to support this vision are:

- To have an educated and engaged workforce who embed sustainability in their everyday actions;
- To improve local air quality through reducing and eliminating (where possible) emissions from vehicles;
- To achieve net zero of our NHS Carbon Footprint by 2040 and NHS Carbon Footprint Plus by 2045 (this is aligned to NHS “Delivering a ‘Net Zero’ Health Service” Report); and
- To ensure that our activities and care benefit the wider local community.

The Green Plan identifies actions to be taken to deliver our vision and objectives across nine key areas:

1. Workforce System & Leadership
2. Sustainable Models of Care
3. Digital Transformation
4. Travel & Transport
5. Estates & Facilities
6. Medicines
7. Supply Chain & Procurement
8. Food & Nutrition
9. Adaptation

The Group (the Trust and QE Facilities) maintains its commitment to attaining the NENC ICS’s target of becoming the greenest region in England by 2030. Some of the measures that we have taken in the last year is the segregation and collection of food waste from our catering department, removing it from our domestic waste stream and processing it at a local anaerobic digestion plant. In theatres we have replaced single use plastic bowls with metal reusable bowls and switched to reusable laparoscopic instruments with a combined saving of over 1.1 tonnes of CO₂e.

Our Sustainability Group is progressing actions on our 2025 Green Plan objectives to further enhance our commitment to being net zero by 2040 for the NHS Carbon Footprint and net zero by 2045 for the NHS Carbon Footprint Plus but we anticipate having to accelerate our interventions, where it is possible, to beat these targets and help be part of England’s greenest region in our ICS.

We are committed to reducing emissions that we directly control and as such our commitment to having at least 90% of the fleet vehicles being either Ultra-Low Emission Vehicles (ULEV) or zero emission vehicles by 2025 with all transport drivers having undertaken fuel efficient driver training as part of their role. We have undertaken a staff travel survey and are currently analysing the data to understand the challenges which we face with regards to influencing staff commuting and business travel behaviour. We continue to offer and promote staff benefits such as public transport passes and cycle schemes as well as participating in national events. We have



also signed a pledge along with other trusts in the ICS against idling vehicles on site to reduce emissions and improve air quality on our hospital sites.

We actively encourage the use of digital technologies for not only patient appointments but data collections that can be uploaded from their device. Staff are also encouraged to use Microsoft Teams meetings to reduce the need to travel to meetings.

As a part of the North East and North Cumbria Waste Group we are actively involved in looking for solutions to a reuse scheme that involves multiple trusts. As part of our Green Plan we are prioritising reusing equipment and stock across the organisation and have an “Item Exchange” page on the intranet where colleagues can share their available and wanted items. Our Medical Engineering department services and repairs 1000s of pieces of equipment every year and we have contracts with third parties for the repair and servicing of equipment that the manufacturer deems to be obsolete, thus preserving the life of usable equipment.

Where it is viable, our procurement department are sourcing and switching from single use plastics and single use items to reusable items. The use of reusable items reduces emissions from the supply chain through to disposal.

We actively encourage staff to recycle and think before they dispose of waste and as a result recycling rates have increased year on year. We are continually recruiting Green Champions at department level to communicate messages to staff on sustainability issues and support the staff member’s respective department on any sustainability issues that may arise.

We have completed our Heat Decarbonisation plan using a “whole building approach” methodology, and are working closely and collaboratively with the Local Authority around the potential of extending the Gateshead decarbonised district heating system up to the Queen Elizabeth Hospital site. The feasibility design has been completed and we are exploring funding opportunities to take the feasibility through to detailed design.

Below is a brief snapshot of our biggest contributors of greenhouse gases.

Financial Year	2024/25	2024/25
	Volume (kWh)	Emissions (tCO2e)
Energy		
Electricity - other consumed (kWh)	0	0
Electricity - green electricity consumed (kWh)	11,808,650	2,444.98
Gas consumed (kWh)	21,987,476	4,021.51
Total	33,796,126.00	6,466.49

	Volume (tonnes)	Emissions (tCO2e)
Waste		
Incineration (clinical waste) volume (Tonnes)	19	17.12
Alternative Treatment (clinical waste) volume (Tonnes)	283	101.68
Offensive waste volume (Tonnes)	287	1.84
Domestic waste (recycling) volume (Tonnes)	153	0.98
Domestic waste (incineration) volume (Tonnes)	517	3.31
Confidential waste volume (Tonnes)	47	1
Total	1,306	125.93

	Volume (m³)	Emissions (tCO2e)
Water		
Water volume (including borehole) (m³)	103,787	15.89
Sewerage (m³)*	83,029	12.71
Total	186,816	28.60

*For Greener NHS reporting, a sewerage volume of 80% of water volume is assumed

	2024/25
Total emissions	6,608.31

We are currently on target for the clinical waste segregation target of 20:20:60 having reduced our alternative treatment waste from 52.6% in 2023/24 to 48.1% in 2024/25 and offensive waste has increased from 44.2% in 2023/24 to 48.7% in 2024/25. High temperature incineration has remained at 3.2%. These figures stand us in good stead for the coming year and we remain on course to hit our target.

For the year 2024/25 the organisation produced 1,306 tonnes of waste and this converts to 142 tCO2e.

Task force on climate-related financial disclosures (TCFD)

NHS England's NHS Foundation Trust Annual Reporting Manual has adopted a phased approach to incorporating the TCFD recommended disclosures as part of sustainability annual reporting requirements for NHS bodies, stemming from HM Treasury's TCFD aligned disclosure guidance for public sector annual reports. TCFD recommended disclosures as interpreted and adapted for the public sector by the HM Treasury TCFD aligned disclosure application guidance, will be implemented in sustainability reporting requirements on a phased basis up to the 2025/26 financial year. Local NHS bodies are not required to disclose scope 1, 2 and 3 greenhouse gas emissions under TCFD requirements as these are computed nationally by NHS England. The phased approach incorporates the disclosure requirements of the governance pillar for 2024/25. These disclosures relate to the Board's oversight of climate-related issues and the role of management in assessing and managing climate-related issues. Information pertaining to these disclosures is already available within our Green Plan, which can be found here [XQE0171-JH-Green-Plan-2022-25.pdf](#) (gatesheadhealth.nhs.uk)

Emergency preparedness, resilience and response

It is a requirement that all NHS providers submit an annual self-assessment statement of assurance against Emergency Preparedness, Resilience and Response (EPRR) core standards to their Board of Directors.

The purpose of the EPRR annual assurance process is to assess the preparedness of the NHS, both commissioners and providers, against common NHS EPRR core standards. <https://www.england.nhs.uk/ourwork/eprr/gf/#annual-process>

The overall EPRR assurance rating is based on the percentage of core standards the organisation can self-assess as fully compliant. This is explained in more detail below:

Organisational rating	Criteria
Fully compliant	The organisation is fully compliant against 100% of the relevant NHS EPRR Core Standards
Substantial compliance	The organisation is fully compliant against 89-99% of the relevant NHS EPRR Core Standards
Partial compliance	The organisation is fully compliant against 77-88% of the relevant NHS EPRR Core Standards
Non- compliant	The organisation is fully compliant up to 76% of the relevant NHS EPRR Core Standards

There were no significant changes to the core standards assurance process nationally in 2024, however there were changes to the local submission and check and challenge process.

The NENC Integrated Care Board (ICB) implemented a revised local check and challenge timeline and submission governance process that included:

- All organisations submitted their core standards self-assessments to the NENC ICB for 2024;
- The focus was on the core standards where an organisation had assessed that their compliance had increased from red (non-compliant) or amber (partially compliant) to green (compliant); and
- This was complemented with a robust internal check and challenge process with executive oversight from the Accountable Emergency Officer prior to the submission.

Following this robust check and challenge process, the self-assessment of the EPRR core standards resulted in a compliance rating of **94% - substantial compliance**.

Our priority areas in 2025 include:

- A focus on sustaining a substantial compliance rating;
- A clear Trust ambition to continue to develop and enhance our EPRR capabilities and capacity, strengthening our quality of evidence;
- A continued focus on training and exercising across all domains;
- Implementation of the business continuity software solution to allow us to provide consistency to alleviate and assist with the day-to-day management of issues;
- A continued review of plans, frameworks and protocols to strengthen our arrangements;
- An embedding of identified organisational learning;
- Use of the self-assessment as a benchmark for prioritisation of the Trust EPRR development work-plan for 2025; and
- A trajectory to continue to work collaboratively with the NENC ICB and other health providers to identify best practice and enhance the threshold of evidence.

Our annual assurance report for 2024, including the NHSE Core Standards final submission, was presented to Gateshead Health Board of Directors in January 2025 (item 16): <https://www.gatesheadhealth.nhs.uk/resources/board-papers-january-2025/>

Addressing health inequalities

Our aim is that the population we serve will live more years in good health, closing the gap in healthy life expectancy between people living in the most and least disadvantaged communities in Gateshead.

As an NHS provider we report progress against [NHS England's statement on information on health inequalities](#). The NHS England statement was published in November 2023 and provides information on how powers should be exercised in connection with health inequalities. The statement requires NHS bodies to report the extent to which they have exercised their functions in addressing health inequalities.

We collect, analyse and publish internally the indicators for trusts in relation to elective recovery, urgent and emergency care and smoking cessation as outlined in the NHS England statement. We recognise the value of data in better understanding the needs of our communities and that a lack of data can be a barrier to actively progressing and addressing needs.

In 2024/25 we have progressed a number of data-driven workstreams to support us to understand the make-up of key data such as waiting list data by ethnicity and the Index of Multiple Deprivation (IMD). We have taken actions to mitigate against digital exclusion, including measuring our face to face and remote service offerings by IMD and profiling high Did Not Attend (DNA) specialities by protected characteristics and health inequalities.

The following table sets out the wider programme / workstreams, the metrics, the overall trend, whether the inequality is measured against deprivation and / or ethnicity, and the trend of that inequality. The table represents movement from 1st April 2024 to 31st March 2025.

KEY: Arrow indicates direction of travel and green indicates positive movement, red indicates a deterioration, amber is static or very little change.

Health & Health Inequalities: Summary table		Data collection	Source	Trust level	Indicator trend	Inequality by deprivation	Trend in indicator by deprivation	Inequality by ethnicity	Trend in indicator by ethnicity
Elective Recovery	Size & Shape of waiting list for those waiting longer than: 18 weeks	Yes	IP WL	✓	↑	↔	↑	↔	↑
	Size & Shape of waiting list for those waiting longer than: 52 weeks	Yes	IP WL	✓	↓	↔	↓	↔	↓
	Elective activity v Pre pandemic levels <18s and >18s	Yes	SUS	✓	↑	↔	↑	↔	↑
	DNA rates	Yes	SUS	✓	↓	↔	↓	↔	↓
UEC	Emergency admissions <18 years	Yes	SUS	✓	↓	↔	↓	↔	↓
Respiratory	Reduce Emergency admissions due to acute COPD exacerbations	Yes	SUS	✓	To review				
Cancer	Size & Shape of waiting list for those waiting longer than 62 days	Yes	Cancer	✓	↓	↔	↓	↔	↓
Tobacco	Smoking at booking	Yes	Maternity	✓	↔				
	Smoking at delivery	Yes	Maternity	✓	↔				
	CO testing at booking	Yes	Maternity	✓	↔				
	CO testing at delivery	Yes	Maternity	✓	↑				
	Proportion of maternity inpatient settings offering smoking cessation services	Yes		✓	↑				
Alcohol	Reduce alcohol related emergency admissions by 20%	Yes	CDS	✓	↔				
Maternity & Neonatal	Pre term births <37 weeks	Yes	Maternity	✓	↑				
	% of women on continuity of care pathway	Yes	Maternity	✓	↔	↔	↔	↔	↔

Many of the metrics have demonstrated some improvement compared with the baseline position and although inequalities remain, a reduction has been reported. The top three metrics to highlight as demonstrating improvement are:

- Referral To Treatment (RTT) waiting lists have reduced significantly in quarters 3 and 4 of 2024/25;
- We achieved our 62-day cancer back-log targets across the year of 2024/25; and
- Whilst the ratios of deprived and ethnic statuses have remained the same, the waiting list has reduced equitably in year and
- Our DNA / Was Not Brought rate showed signs of improvement from an increase in rates experienced in 2023/24.

Emergency admissions of patients under 18 years old demonstrated a reduction compared to the baseline.

Our data demonstrates we have remained static for smoking indicators with an improvement in our maternity inpatient settings offering smoking cessation services.

Through the latter half of 2024/25 we revised our Health Inequalities Group terms of reference and membership with the Medical Director as Executive Sponsor. The Group worked closely with Public Health who provided the expertise and advice to support the organisation to identify 4 key priority areas to be taken forward for 2025/26 with clear plans for delivery in progress. These priorities are: Making Every Contact Count (MECC); Health Literacy; Reasonable Adjustment Flag, and Equitable Access to Elective Care.

We are committed to ensuring that health inequalities is high on our business intelligence agenda for further development, enabling us to utilise timely data to support clinical teams in data driven decision-making.

Social, community, anti-bribery and human rights issues

We recognise the importance of developing strong links with the communities we serve and working collaboratively with our partners to ensure that we are not only responsive, but proactive in our approach to meeting current healthcare and community needs.

In respect of anti-bribery, there is a Counter-Fraud, Bribery and Corruption Policy in place with regular updates on activity and investigations provided to the Group Audit Committee. The Local Counter Fraud Specialist ensures that fraud awareness is communicated and promoted to our people through regular articles in the weekly staff newsletter.

We are fully committed to meeting our obligations in respect of human rights, equality, diversity and inclusion (EDI). This is detailed further in the next section and in the Staff Report section of the Annual Report.

Equality of service delivery

As an NHS organisation, we aim to provide our services to all groups equally. We are subject to the Public Sector Equality Duty, which was introduced as part of the Equality Act 2010 and requires NHS organisations to eliminate unlawful discrimination, advance equality of opportunity and foster good relations.

We have continued to meet our obligations in respect of the Public Sector Equality Duty by:

- Gathering specific and relevant data as per the Equality Diversity and Inclusion (EDI) metrics for both the Workforce Race Equality Standard and Workforce Disability Equality Standards (WRES / WDES);
- A specific detailed EDI action plan in respect of these metrics has been produced and has measurable outcomes; and
- Having reflected on the existing Human Rights Equality Diversity and Inclusion Programme Board (HREDI), we have revised our approach to addressing the EDI agenda. We now have two groups – one is the HREDI Delivery Group and the other the Oversight Human Rights Group, both of which meet on a six-weekly basis.

We have four staff networks within the Trust – Global Ethnic Majority (GEM) network, Disability network for disability equality, LGBT+ (Lesbian, Gay, Bisexual and Transgender) network and our Women's network. Our staff networks gave valuable input into the Equality Strategy, which was approved by the Trust. This strategy and the associated EDI action plans underpin the priorities in the short, medium and longer term.

EDI is part of the induction programme for all new employees. A number of bespoke EDI training sessions have been delivered across services, alongside Show Racism the Red Card training sessions.

We ensure that colleagues have access to appropriate learning and development opportunities in respect of EDI. This ensures that we can support the needs of our service users with protected characteristics.


Following the Health and Care Act 2022, the Government introduced a requirement for Care Quality Commission (CQC) registered service providers to ensure their employees receive learning disability and autism training appropriate to their role. This is to ensure health and social care workforce have the right skills and knowledge to provide safe, compassionate,

and informed care to autistic people and people with a learning disability. We have taken steps to address this and will continue to do so into 2025/26.

Some of our achievements in relation to EDI are as follows:

- The D-Ability network members have been instrumental in raising the neurodiversity agenda, resulting in a training session being provided to our people to support understanding of neurodiversity. Further sessions around this are being assessed;
- A number of drop-in sessions around disability were held and more are planned for the coming year;
- There was strong promotion of Disability History Month;
- The GEM network contributed in ensuring Black History Month was celebrated;
- The GEM network has been proactively working with colleagues in how to relay the message around zero tolerance and 'its not ok campaign';
- Members of the LGBTQ+ group were involved in the local Pride events; and
- LGBT History Month was celebrated.

Gateshead has a significant Jewish community, and we work closely with volunteers from the community who help us to ensure that we are respectful of strict cultural practices and provide tailored support to our patients. Further information on our commitment to EDI can be found in the Staff Report section.



Trudie Davies
Chief Executive
25 June 2025

Accountability Report

Directors' report

The Trust's Board of Directors is responsible for the overall leadership and strategic direction of the Trust. The Board is comprised of Executive and Non-Executive Directors.

The Board operates a committee structure, with each committee responsible for seeking assurance on matters within its remit. The Board delegates some of its powers to a committee of Directors or to an individual Executive Director and these are set out in the Trust's Scheme of Delegation. Decision making for the operational running of the Trust is delegated to the Executive Team.

Our Chair and Chief Executive have complementary roles in leadership. Our Chair, Alison Marshall, leads the Board of Directors and ensures its effectiveness. The Chair of the Board also chairs our Council of Governors. The Chair is supported by the Vice Chair, Maggie Pavlou. Our Senior Independent Director is Martin Hedley. Our Chief Executive, Trudie Davies, leads the Executive Team and the organisation.

All Directors are required to comply with the requirements of the fit and proper persons test and make an annual declaration of compliance in this regard. All Directors also have a responsibility to declare relevant interests, as defined within our Constitution and conflicts of interest policy. A copy of the register of interests is available on request from the Company Secretary (contact details are contained at the end of the Annual Report).

Board composition

The Board of Directors has a range of skills and experience gained from the public, private and voluntary sectors that complement our service delivery. This includes a wealth of senior experience in the NHS, finance, legal, people and organisational development and senior clinical experience and expertise. The Board of Directors is well-balanced and appropriately experienced and qualified to lead the Trust.

Our Non-Executive Directors bring strong, independent oversight to the Board and all our Non-Executive Directors are independent.

During 2023/24 there were some changes in the composition of the Trust Board. With regards to our Non-Executive Directors Anna Stabler left the Board in October 2024 to take up a position as a Non-Executive Director with The Newcastle-upon Tyne Hospitals NHS Foundation Trust, having assisted as an interim Non-Executive Director for a period of time. The Board welcomed Dr Gerry Morrow as a Non-Executive Director in December 2024 for a term of three years.

Dr Gerry Morrow is a highly experienced healthcare professional and leader and brings extensive experience to the Board. A GP by background, he has served as a Non-Executive Director at North East Ambulance Service NHS Foundation Trust for seven years. In addition he is a medical director and editor at a healthcare technology company. He also contributes to the National Institute for Health and Care Excellence (NICE) as an editor for clinical knowledge.

From an Executive Director perspective, Carmen Howey was appointed as the Group Medical Director in July 2024, having previously been Clinical Head of Service for the Medicine Business Unit at the Trust. Carmen is a Consultant Paediatrician and has held a number of positions within the Paediatric Team within the Trust.

With regards to the QE Facilities Board of Directors Darren Warneford was appointed as an external Non-Executive Director (i.e. he is not also a Non-Executive Director on the Trust Board) in June 2024 for a term of 3 years. Darren Warneford has an extensive background in business development, commercial and strategic leadership and governance, coupled with a commitment to the values and principles of the NHS.

In addition, the QE Facilities' Chair, Maggie Pavlou, and Non-Executive Director, Hilary Parker, were both reappointed for a further 12 months from 1 October 2024 by the Trust Board.

The Trust and QE Facilities' Boards would like to formally record their sincere thanks to all Board colleagues who left the Trust and QE Facilities in 2024/25.

The Trust Board held 19 meetings in total in 2024/25 (counting public and private Board meetings separately). Where Board Members were not eligible to attend certain meetings, an adjusted denominator is shown (for example private Council of Governors' meetings or where a Board Member served on the Board for only part of the year).

Name and Position	Background	Board	Group Audit Committee	Group Remuneration Committee	Council of Governors
		19 meetings in total	5 meetings in total	5 meetings in total	10 meetings in total
Executive Directors					
Trudie Davies, Group Chief Executive	Trudie joined the Trust in March 2023 from Mid Yorkshire Hospitals NHS Trust where she had held the role of Deputy Chief Executive and Chief Operating Officer. Originally training as a nurse, Trudie has significant operational management experience and system leadership experience.	19 of 19	N/a	5 of 5	3 of 4
Dr Gillian Findley, Group Deputy Chief Executive / Chief Nurse and Professional Lead for	Gill trained as a Registered General Nurse and a Registered Sick Children's Nurse at Great Ormond Street in London. Since qualifying Gill has held various clinical, managerial and Board-level positions in both	18 of 19	5 of 5	N/a	2 of 4

Name and Position	Background	Board 19 meetings in total	Group Audit Committee 5 meetings in total	Group Remuneration Committee 5 meetings in total	Council of Governors 10 meetings in total
Midwifery and AHPs	providers and commissioners.				
Joanne Halliwell, Group Chief Operating Officer	Joanne Halliwell is a registered general nurse with a wealth of experience in various operational and leadership roles. She previously held the position of Director of Operations (Medicine) at the Trust from June to September 2023. Prior to this, she worked at Mid Yorkshire Hospitals NHS Trust, where she held several key positions including Deputy Chief Operating Officer and a number of Director level positions.	19 of 19	N/a	N/a	3 of 4
Kris Mackenzie, Group Director of Finance and Digital	Kris joined the Trust in 2018 as Assistant Director of Finance, having previously held the position of Senior Finance Lead at NHS Improvement. Kris became Deputy Director of Finance in 2019, was Acting Group Director of Finance during the 2021/22 financial year and substantively appointed to the role in September 2022.	13 of 14	4 of 5	N/a	1 of 3
Amanda Venner, Group Director of People and Organisational Development	Amanda Venner is a Chartered CIPD professional. Previously, she held the position of Deputy Director of People and Organisational Development at the Trust, where she was the senior operational lead for the function,	18 of 19	N/a	4 of 5	2 of 4

Name and Position	Background	Board 19 meetings in total	Group Audit Committee 5 meetings in total	Group Remuneration Committee 5 meetings in total	Council of Governors 10 meetings in total
	overseeing the full range of services. Prior to this role, Amanda held senior workforce positions in the ICS and at Cumbria, Northumberland, Tyne and Wear NHS Foundation Trust,				
Carmen Howey, Group Medical Director <i>(Appointed July 2024)</i>	Dr Carmen Howey, a Consultant Paediatrician, graduated from Newcastle University in 2001 and following completion of training was appointed as a Consultant at Gateshead NHS Foundation Trust in 2012. Positions held within the Paediatric Team included College Tutor, Named and Designated Doctor for Safeguarding Children, and Clinical Lead Paediatrician. In 2021 she became Clinical Head of Service for the medicine Business Unit and became Medical Director in July 2024.	10 of 14	N/a	N/a	3 of 3
Neil Halford, Medical Director for Strategic Relations <i>(non-voting member, appointed July 2024)</i>	Neil Halford was appointed as the Medical Director for Strategic Relations in July 2024 as a non-voting member of the Board. He was previously the Medical Director of Operations at the Trust and	15 of 19	N/a	N/a	4 of 4

Name and Position	Background	Board 19 meetings in total	Group Audit Committee 5 meetings in total	Group Remuneration Committee 5 meetings in total	Council of Governors 10 meetings in total
	Interim Medical Director.				
Gavin Evans, Managing Director, QE Facilities (non-voting attendee)	Gavin was appointed as Managing Director of QE Facilities in February 2024. He has significant estates and facilities experience in the NHS and joined QE Facilities from Newcastle upon Tyne Hospitals NHS Foundation Trust where he was the Deputy Director of Estates.	18 of 19	n/a	n/a	2 of 4
Jane Fay, Interim Group Director of Finance (from January – March 2025)	Jane was Interim Group Director of Finance from January – March 2025. Her substantive post is Deputy Director of Finance.	5 of 5	1 of 1	n/a	1 of 1
Non-Executive Directors					
Alison Marshall, Chair (second term ends 30 September 2025)	Alison Marshall has been Chair since October 2019, having previously been a non-executive director at Northumbria Healthcare NHS Foundation Trust. Before working in the NHS, Alison was a partner in a large law firm specialising in regulatory law and dispute resolution advising clients from both the public and private sector.	19 of 19	N/a	5 of 5	10 of 10

Name and Position	Background	Board 19 meetings in total	Group Audit Committee 5 meetings in total	Group Remuneration Committee 5 meetings in total	Council of Governors 10 meetings in total
Mike Robson, Vice Chair and Senior Independent Director to 30 June 2024 <i>(second term ended 30 June 2024 – reappointed for a one year extension to 30 June 2025)</i>	Mike is a public sector accountant. He worked in the NHS for over 34 years having been Director of Finance and Corporate Governance and Deputy Chief Executive at South Tyneside NHS Foundation Trust. He previously carried out a similar role at the Royal Victoria Infirmary, Newcastle.	18 of 19	N/a	5 of 5	5 of 5
Hilary Parker <i>(second term to 30 June 2026)</i>	Hilary joined the Trust Board in July 2020. She joined the Board of QE Facilities in October 2020. She has a wide experience in both the public and private sectors. She was a partner in a solicitors' practice for 30 years and was also a non-executive director of the Newcastle Hospitals NHS Foundation Trust for many years.	17 of 19	4 of 5	3 of 3	3 of 4
Andrew Moffat <i>(second term to 30 June 2026)</i>	During his executive career, Andrew has gained experience in the water, telecommunications and ports sectors, occupying senior financial, commercial and strategic roles both in the UK and internationally. He was Chief Executive at Port	13 of 19	5 of 5	3 of 5	3 of 4

Name and Position	Background	Board 19 meetings in total	Group Audit Committee 5 meetings in total	Group Remuneration Committee 5 meetings in total	Council of Governors 10 meetings in total
	of Tyne for 10 years until 2018.				
Anna Stabler <i>(reappointed for a second term commencing on 1 July 2024. Left the Board in October 2024)</i>	Anna has worked in senior leadership positions across the NHS in commissioning, regulation and provider services. Prior to becoming a Non-Executive Director Anna was Executive Chief Nurse in Cumbria. She maintains her registration as a nurse and midwife.	8 of 11	1 of 2	0 of 2	1 of 2
Maggie Pavlou, Vice Chair from 1 July 2024 <i>(reappointed for a second term commencing on 1 October 2024)</i>	Maggie joined the Trust in October 2021. Maggie is a qualified HR professional with extensive experience operating at Board level. Most recently Maggie was the Chief People Officer for Parkdean Resorts. Maggie also has significant experience of non-executive director and trustee roles and was the first female president and chair of the North East Chamber of Commerce. Maggie joined the Board of QE Facilities on 1 October 22 and became Chair on 1 October 2023.	13 of 19	3 of 5	5 of 5	1 of 4

Name and Position	Background	Board 19 meetings in total	Group Audit Committee 5 meetings in total	Group Remuneration Committee 5 meetings in total	Council of Governors 10 meetings in total
Martin Hedley, Senior Independent Director from 1 July 2024 <i>(first term commenced 1 July 2023)</i>	Martin Hedley is the Managing Director of Vision Achievement Limited, a company which delivers specialised recruitment, learning and development services. He has extensive experience in transformation and change management for companies such as Citibank, Chase Manhattan Bank, and American Airlines. He is an experienced NHS Non-Executive Director and is also Vice Chair at Gateshead College.	16 of 19	N/a	4 of 5	2 of 4
Adam Crampsie <i>(first term commenced 1 July 2023)</i>	Adam Crampsie is a clinician by background. He has spent 18 years working in healthcare, starting in the NHS before moving into corporate healthcare. Adam is the Chief Executive of Everyturn Mental Health, a charity that delivers specialist mental health services across the North East and England.	18 of 19	N/a	1 of 3	1 of 4
Dr Gerry Morrow <i>(first term commenced 1 December 2024)</i>	Dr Gerry Morrow is a GP by background. He has served as a Non-Executive Director at North East Ambulance Service NHS Foundation Trust for seven years. In addition, he is a medical director and editor at a healthcare technology company.	5 of 5	2 of 3	1 of 2	1 of 1

QE Facilities Board of Directors

The QE Facilities Board of Directors is chaired by Maggie Pavlou, with Hilary Parker and Darren Warneford also serving as Non-Executive Directors on the Board. Gavin Evans, Managing Director leads the Senior Leadership Team within QE Facilities and is a Board Member. Philip Glasgow is QE Facilities' Director of Finance and also forms part of the QE Facilities' Board of Directors.

Trust Board appointments and performance

The appointment, re-appointment and, if appropriate, removal of the Chair and Non-Executive Directors is the responsibility of the Council of Governors. The Council of Governors delegates responsibility to its Governor Remuneration Committee to oversee these processes and make recommendations to the full Council of Governors. Chair and Non-Executive Director appointments are made based on three-year terms, with appointees serving no more than two terms unless exceptional circumstances arise.

Executive Directors are appointed by the Group Remuneration Committee. The Committee is chaired by the Senior Independent Director, with Non-Executive Director membership. The Executive Director of People and Organisational Development acts as the professional advisor to the Committee, which is also routinely attended by the Chief Executive (except during discussions on her own remuneration). Further information about the Remuneration Committee can be found within the Remuneration Report section.

A robust appraisal process is in place for all Directors. The Chair appraises the Chief Executive, and the Chief Executive carries out performance reviews of the other Executive Directors.

The Chair undertakes the performance review of Non-Executive Directors, and the outcomes of these appraisals are reported to the Council of Governors. During 2024/25, as in previous years, the performance review of the Chair was led by the Senior Independent Director in accordance with a process agreed by the Council of Governors. The process aligned to the Code of Governance, NHS Leadership Competency Framework and NHS Fit and Proper Person Framework. The outcome was then reported to the Council by the Senior Independent Director.

Group Audit Committee

The Group Audit Committee is a formal committee of the Board with delegated responsibility to conclude upon the adequacy and effective operation of the overall internal control system including an effective system of integrated governance and risk management. The Audit Committee is a Group Audit Committee, overseeing the controls, governance and risk environment of Gateshead Health NHS Foundation Trust and QE Facilities.

The Committee receives the internal and external audit work plans and reports, as well as the counter-fraud work plan, updates and reports.

The Committee also routinely reviews and approves the schedule of losses and special payments, as well as receiving updates on the work of the Group's Executive Risk Management Group.

In 2024/25 the Committee:

- Reviewed the annual report, Annual Governance Statement, financial statements and other year-end submissions for the Trust and the Charitable Fund before making recommendations to the respective Boards on the approval of these key documents;
- Reviewed the year-end accounts for QE Facilities, and recommended them for approval at the QE Facilities Board;
- Reviewed the Charitable Funds Accounts.
- Sought assurance over the robustness of risk management processes including the Board Assurance Framework (BAF), with regular update reports from the Executive Risk Management Group. This also helped to provide assurance over the work of the Board committees;
- Reviewed Internal Audit updates throughout the year, including providing input on the draft plans presented at the beginning of the year. Progress in implementing audit recommendations was reviewed at each meeting;
- Approved the counter fraud annual work plan and received progress updates as well as updates on ongoing investigations;
- Reviewed the external audit reports in respect of the 2023/24 year-end;
- Approved the losses and special payment reports;
- Received the Managing Conflicts of Interest policy compliance report;
- Received an update on compliance with the Non-Audit Services Policy;
- Received a report providing assurances on the process in place for the management of clinical audit across the organisation and the clinical audit annual report, seeking assurance over the processes and controls in place to develop and deliver the plan;
- Reviewed the Freedom to Speak Up processes and controls;
- Reviewed the effectiveness of internal audit, external audit, counter-fraud and the effectiveness of the Committee itself. This was undertaken in a multi-disciplinary way with the aim of identifying good practice and any areas for consideration going forwards. This also included the alignment of the terms of reference for the Committee with the latest Healthcare Financial Management Association (HFMA) Audit Committee Handbook.

Forvis Mazars LLP are the Trust's external auditor, as appointed by the Council of Governors. The audit of the 2024/25 accounts is the fourth year of external audit contract (an initial three year contract which was extended by the Council of Governors for a further two years). Forvis Mazars LLP's fee for the core audit work for 2024/25 was proposed to be £115k.

Forvis Mazars LLP also undertake the audit of QE Facilities and a fee of £50k is proposed for 2024/25.

In line with the previous year Robson Laidler will complete the 2024/25 audit of the Charitable Fund before the statutory deadline of 31 January 2025. The fee for this work is proposed to be £7k.

During the year no non-audit services were provided, with the exception of the audit of the subsidiary company, QE Facilities. The audit of the subsidiary company is excluded from the National Audit Office's 70% threshold for non-audit services work.

The internal audit function for the Trust and QE Facilities continues to be provided by the NHS Audit Consortium AuditOne. AuditOne also provide the counter-fraud service to the Trust.

Council of Governors

The Council of Governors is the accountability forum between the Board of Directors and the Trust's stakeholders. It represents local interests and holds Non-Executive Directors to account as well as exercising its statutory powers.

The Council is comprised of elected Governors and appointed Governors, who are all volunteers. Elected Governors (public and staff constituencies) may hold office for a period of up to three years, and may stand for re-election twice. After nine years in the role, elected Governors must leave the Council of Governors.

There are 31 members of the Council of Governors, plus the Chair. The composition of the Council is as follows:

- Ten public governors representing the Central and Eastern Gateshead constituency (three vacancies at the year-end);
- Six public Governors representing the Western Gateshead constituency (three vacancies at the year-end);
- One public Governor representing the Patient / Out-of-Area constituency (one vacancy at the year-end);
- Six staff Governors representing the views and interests of the colleagues; and
- Seven appointed Governors representing the Trust's key stakeholders and partners (one vacancy at the year-end).

The Council of Governors has several important statutory duties, including appointing and re-appointing the Chair and the Non-Executive Directors, determining their remuneration and terms of service, and approving the appointment of the Chief Executive.

The Council of Governors represents the interests of Foundation Trust public and staff members within the constituencies served, the public and more generally the interests of the stakeholders who hold a position at the Council.

The Council of Governors also holds the Non-Executive Directors to account for the performance of the Board. In setting the Trust's strategy and annual plans, the Board have regard for the views of the Council of Governors.

All Governors are required to comply with the Code of Conduct for Governors and to declare any interests which may result in a potential conflict of interest in their role. A copy of the register of interests can be obtained from the Company Secretary using the contact details at the end of the Annual Report.

The Council of Governors met four times in public and six times in private during the year. The Council received regular email communications to inform Governor colleagues of the latest updates and developments throughout the year. Governor committees are in place to support and advise the Council.

The Council of Governors recently agreed to merge the Membership Strategy Group and Governance and Development Committee into a single committee, making the most effective use of Governor time and resources. It was recognised that at times, there could be duplication and overlap in discussions at the two committees therefore the merged committee supports a joined-up approach.

The Membership, Governance and Development Committee is chaired by the Lead Governor. The Committee meets quarterly and all Governors are considered to be members and therefore receive invitations to attend. The Committee seeks to review a range of

governance-related items and leads on membership engagement and recruitment on behalf of the Council and makes recommendations to the Council where appropriate. It is also responsible for working with the Company Secretary to develop a training / development programme for Governors. During the year the Committee endorsed changes to the Constitution in relation to the merger of Central and Eastern Gateshead constituencies. This also included an exercise to refine the membership database (removing any members who no longer wished to continue their membership) with the view that the remaining constituencies will be cleansed during the next elections. The Committee also reviewed the results of the Council of Governors' effectiveness survey and continues to review the attendance rates for the Council of Governors meeting.

The Governor Remuneration Committee is responsible for making recommendations to the Council of Governors on the appointment of the Chair and Non-Executive Directors, having satisfied itself that its recommendations fulfil the Trust's needs in terms of skills and experience. It also sets the remuneration, allowances and terms of appointments of the Chair and Non-Executive Directors. The Committee works with the Senior Independent Director and the Chair to agree the process for the evaluation of the Chair and Non-Executive Directors and then subsequently reviews the outcomes of the performance appraisals, which inform remuneration and benefits decisions. The Committee recently updated its membership to include an additional public Governor. This was considered as it was felt that the Committee would benefit from an additional member to provide extra resilience to support decision-making in relation to Non-Executive Director recruitment and shared Chair arrangements (as the workload of the Committee due to these appointments was heavy in late 2024/25 and early 2025/26). The Committee met six times during the year to consider items within its remit, including Chair and Non-Executive Director remuneration, the recruitment of Non-Executive Directors, Deputy Chair and Senior Independent Director appointments, re-appointment of the Trust Chair for a period of up to 12 months, and the Chair and Non-Executive Director appraisal process. The Committee made recommendations to the Council of Governors on these items.

Towards the end of the financial year, the Committee took a lead role in the development of plans to recruit a shared Chair for Gateshead Health, The Newcastle-upon-Tyne Hospitals and Northumbria Healthcare (three of the four Trusts within the Great North Healthcare Alliance). This included meeting with counterparts at Newcastle and Northumbria. Each Trust nominated three members of their respective Governor Remuneration Committees (or equivalent) to form a Joint Nominations Committee (JNC), alongside the Senior Independent Directors of the three Trusts. The JNC is chaired by Martin Hedley, Senior Independent Director for Gateshead Health.

The Joint Nominations Committee formally met once prior to the year-end. At this meeting the JNC considered the proposed shared Chair recruitment process, role description, remuneration and the recommendations in relation to the appointment of a recruitment partner. The JNC made recommendations to each Council of Governors meeting of the three Trusts in February 2025 with all recommendations being ratified, enabling the recruitment process to commence prior to the year-end.

During 2024/25 the Council of Governors considered a range of items, which included:

- Ratifying a proposed extension of the Trust Chair's term which may allow flexibility for moving to the shared Chair arrangement should this be required (note any extension would be subject to formal approval from NHS England);
- Ratifying the proposed timeline and recruitment process for the shared Chair;
- Ratifying the terms of reference for the Joint Nominations Committee;

- Approving the appointment of one new Non-Executive Director – Dr Gerry Morrow;
- Approving the appointment of the Lead Governor and Deputy Lead Governor;
- Approving the constitutional amendment to merge the Central and Eastern Gateshead constituencies which also included an exercise to refine the membership database
- Ratifying the proposal to merge the Membership Strategy Group and Governance and Development Committee to a single Governor committee now known as the Membership, Governance and Development Committee, and subsequent approval of its Terms of Reference;
- Providing valuable input into the Quality Account for 2024/25;
- Receiving Board committee presentations from each Non-Executive Director chair, supporting the Council in its role of holding Non-Executive Directors to account;
- Engaging in the re-development of the Trust Strategy and providing feedback;
- Engaging in the annual planning process and providing feedback on the draft plans;
- Receiving updates on the Great North Healthcare Alliance and providing feedback on the proposed vision and workplan;
- Reviewing the outcome of the Council of Governors' effectiveness survey to shape future ways of working; and
- Receiving an assurance report on the outcome of the Chair and Non-Executive Director appraisals, with Governor input into the process facilitated by the Lead Governor and Deputy Lead Governor.



Governor elections 2024/25

Elections in both public and staff constituencies are undertaken on behalf of the Trust by Civica Election Services who are engaged to act as the Returning Officer and Independent Scrutineer for the election process of Gateshead Health NHS Foundation Trust.

Elections for the terms commencing on 5 January 2025 were held for eight public Governor positions and two staff Governor positions. The results are as follows:

Constituency	Available Seats	Outcome
Staff	2	2 nominations received and 2 candidates were therefore elected unopposed: <ul style="list-style-type: none"> • Dr Andy Lowes – re-elected to second term of office (5 January 2025 – 4 January 2028) • Janet Thompson – elected to first term of office (5 January 2025 – 4 January 2028)
Central Gateshead	2	4 nominated received and therefore a contested election was held. The following candidates received the most votes and were therefore elected: <ul style="list-style-type: none"> • Mark Learmouth – elected to first term of office (5 January 2025 – 4 January 2028) • Carol Hindhaugh – elected to first term of office (5 January 2025 – 4 January 2028)

Western Gateshead	3	1 nomination received and therefore 1 candidate elected unopposed, with 2 vacancies remaining: <ul style="list-style-type: none"> Gordon Main – re-elected to second term of office (5 January 2025 – 4 January 2028). <i>Note Gordon Main subsequently resigned from the Council on 6 February 2025.</i>
Eastern Gateshead	3	0 nominations received – 3 vacant seats remained

A number of Governors left the Council in January 2025 at the end of their terms including John Bedlington, Public Governor for Central Gateshead, who had served as a Governor since January 2019; Brenda Webb, Public Governor for Central Gateshead, who had served as a Governor since January 2022; Ged Quinn, Public Governor for Western Gateshead, who had served as a Governor since January 2022; and Richard Morrell, Staff Governor, who had served as a Governor since January 2022. We would like to formally record our sincere thanks to all Governors who left the Council during the year.

During the year we also welcomed four new appointed Governors to the Council – Dr Joanne Atkinson representing Northumbria University, Julia Perry representing the Voluntary Sector via Connected Voice, Councillor Dorothy Burnett representing Gateshead Council and Michael Brown representing Healthwatch Gateshead.

Following Board and Council approval, the public constituencies of Central and Eastern Gateshead have now been merged to become Central and Eastern Gateshead. The by-election process began on 6th February 2025 to fill the three vacant seats that remain within the constituency and will conclude in April 2025.

The table below shows the composition of the Council during the 2024/25 financial year, including the term dates of Governors and their attendance at the Council of Governors meetings. Where Governors were not eligible to attend certain meetings, an adjusted denominator is shown (for example where a Governor served on the Council for only part of the year). Those Governors shown in italics were no longer part of the Council of Governors on 31 March 2025.

Constituency	Governor	Term	Council of Governors meetings attended (maximum of 4)
Central & Eastern			
	<i>John Bedlington</i>	<i>First term: 5 January 2019 – 4 January 2022</i> <i>Second term: 5 January 2022 – 4 January 2025</i>	3 of 3
	Steve Connolly	Initial term – 5 January 2016 to 4 January 2019 Term as a staff Governor – 5 January 2021 – 2 October 2022 (due to constitutional change affecting the categorisation)	4 of 4

Constituency	Governor	Term	Council of Governors meetings attended (maximum of 4)
		of volunteers as staff Governors) Third term: 5 January 2023 – 4 January 2026	
	Carol Hindhaugh	First Term: 5 January 2025 – 4 January 2028	1 of 1
	Helen Jones	First term: 5 January 2017 – 4 January 2020 Second term: 5 January 2020 – 4 January 2023 Third term: 5 January 2023 – 4 January 2026	4 of 4
	Mark Learmouth	First term: 5 January 2024 – 4 January 2028	1 of 1
	Michael Loome	First term: 5 January 2024 – 4 January 2027	4 of 4
	Abe Rabinowitz	First term: 5 January 2017 – 4 January 2020 Second term: 5 January 2020 – 4 January 2023 Third term: 5 January 2023 – 4 January 2026	1 of 4
	Karen Tanriverdi	First term: 5 January 2018 – 4 January 2021 Second term: 5 January 2021 – 4 January 2024 Third term: 5 January 2024 – 5 January 2027	3 of 4
	<i>Brenda Webb</i>	<i>First term: 5 January 2022 – 4 January 2025</i>	<i>3 of 4</i>
	<i>3 vacancies as at year-end</i>		
Western			
	Les Brown	First term: 5 January 2020 – 4 January 2023 Second term: 5 January 2023 – 4 January 2026	3 of 4
	Ray Dennis	First term: 5 January 2023 – 4 January 2026	4 of 4
	<i>Gordon Main</i>	<i>First term: 5 January 2023 – 4 January 2025</i> <i>Resigned 6 February 2025</i>	<i>2 of 3</i>
	Dr Lakkur Murthy	First term: 5 January 2024 – 4 January 2027	2 of 2
	<i>Ged Quinn</i>	<i>First term: 5 January 2022 – 4 January 2025</i>	<i>0 of 3</i>
	<i>3 vacancies as at year-end</i>		
Patient / Out of Area			
	<i>Agatha Kanyangu</i>	<i>First term: 5 January 2022 – 4 January 2024</i>	<i>0 of 3</i>

Constituency	Governor	Term	Council of Governors meetings attended (maximum of 4)
		<i>Second term: 5 January 2024 – 4 January 2027 Resigned 10 February 2025</i>	
	<i>1 vacancy as at year-end</i>		
Staff			
	Helen Adams	First term: 5 January 2022 – 4 January 2024 Second term: 5 January 2024 – 4 January 2027	4 of 4
	Lynsey Curry	First term: 5 January 2023 – 4 January 2024 Second term: 5 January 2024 – 4 January 2027	3 of 4
	Andrew Lowes	First term: 5 January 2022 – 4 January 2025 Second term: 5 January 2025 – 4 January 2028	1 of 4
	<i>Richard Morrell</i>	<i>First term: 5 January 2022 – 4 January 2025</i>	<i>0 of 3</i>
	Adaeze Obiayo	First term: 5 January 2024 – 4 January 2027	3 of 4
	Kiran Singiseti	First term: 5 January 2023 – 4 January 2026	0 of 4
	Janet Thompson	First term: 5 January 2025 – 4 January 2028	1 of 1
Appointed			
<i>Northumbria University</i>	<i>Sasha Ban</i>	<i>April 2024 to September 2024</i>	<i>1 of 1</i>
Northumbria University	Joanne Atkinson	From September 2024	3 of 3
Newcastle University	Dr Gemma Frances Speirs	-	3 of 4
Gateshead College	Chris Toon	-	3 of 4
Gateshead Jewish Community	Aron Sandler	-	3 of 4
Gateshead Council	Cllr Dorothy Burnett	From July 2024	2 of 3
Gateshead Voluntary Sector – Connected Voice	Julia Perry	From September 2024	3 of 3
Healthwatch Gateshead	Michael Brown	From January 2025	1 of 1

Constituency	Governor	Term	Council of Governors meetings attended (maximum of 4)
Gateshead Youth Assembly	Vacancy		

Governor training and development

During 2024/25 we provided our Governors with a number of training and development opportunities. Governor workshops were held in April 2024, August 2024, January 2025 and March 2025. This included opportunities to engage in the development of the Quality Account priorities for 2025/26; the annual plan for 2025/26; development and engagement of the Trust Strategy; as well as receiving updates from services including the finance team, Integrated Care Board and an insightful presentation on the role of the Non-Executive Director.

Quarterly Governor workshops are diarised throughout 2025/26 to protect time for further training, development and engagement out-with the Council meetings.

Lead and Deputy Lead Governors

The Council of Governors appoints a Lead Governor and a Deputy Lead Governor on an annual basis. In 2024/25 the Council appointed Steve Connolly as the Lead Governor and Michael Looime was appointed as the Deputy Lead Governor. Both posts were effective from 19th May 2024.

The process for appointing the Lead and Deputy Lead Governors for 2025/26 commenced in February 2025 and prior to the year-end it was confirmed that Steve Connolly, would continue his role as Lead Governor. The nomination and voting period for the Deputy Lead Governor was underway at the year-end, with subsequent confirmation that Michael Looime, will continue this role and will take up the post from 19th May 2025.

The Board's relationship with the Council of Governors

The Board of Directors and the Council of Governors work together closely throughout the year. All Board Members are invited to attend all meetings of the Council of Governors. Non-Executive Directors are also invited to attend quarterly Governor workshops.

There are two Governor observers appointed to attend specific Board committees. The Governor observers have an opportunity to meet with the Non-Executive Director chairs of the committees to share feedback following the meeting. The Governor observers also share feedback privately with Governor colleagues, supporting them to discharge the role of holding Non-Executive Directors to account.

The Standing Orders detail the procedure through which the Council of Governors can raise concerns about the Board of Directors, as required by the Code of Governance for NHS Provider Trusts.

Foundation Trust membership

Foundation Trust membership seeks to give local people and staff a greater influence on how our services are provided and developed. As part of the development of the annual plan, our Governors are invited to share the views of their communities and members through a series of workshops with the Board.

There are several different constituencies to which our members belong. Those eligible to become public members are people over the age of 16 who live in Gateshead and the immediate surrounding area which is divided into two constituencies: Western; and Central and Eastern Gateshead. We also have an Out-of-Area constituency, which is coterminous with the geographical boundaries of the NENC ICS.

People over 16 years of age, living in these areas who wish to become a public member of Gateshead Health NHS Foundation Trust, must complete and have accepted a membership application form. Members can vote to elect Governors for their constituency and can choose to be nominated to stand for election as a Governor.

Patient membership is available to individuals who live outside constituency areas but who have used any of the Trust's services within the seven years immediately preceding the date of their application for membership. Patient members are included in the Out of Area constituency.

Membership profile

The Central and Eastern constituencies have recently been merged and during the by-election process, a data cleansing process was undertaken to ensure that our membership database is accurate and up to date for this new constituency. The benefit of the exercise is that we will have an up-to-date membership database, and we can be assured that it accurately reflects those who wish to be current members and want to receive communications and opportunities to engage with the Trust. Other public constituencies will be cleansed during the next round of elections.

As of 31st March 2025, the total number of public members was 5,524, compared to 12,374 at 31st March 2024, and equates to a 55% decrease. Our public membership profile as at 31st March 2025 is as follows:

Population/Public Membership Ratio at 31 March 2025			
	Western	Central & Eastern	Out of Area
Population (estimate)	77,471	134,443	Unknown
Membership	3,184	1,841	499
%	4.1	1.4	Unknown

As highlighted earlier, the Trust carried out a database streamlining / cleanse during the by-election for the recently merged Central and Eastern Gateshead constituency. All members were asked to inform the election company via email or a pre-paid return whether they wished to remain on the database. Members were provided with a month to respond and clear communication that following this period of time anyone who had not responded would be removed as a member. A comparison table which demonstrates the decrease in the membership base is highlighted below:

Membership base for Central and Eastern Gateshead			
	Central	Eastern	Total
Membership prior to cleanse	6,501	2,134	8,635
Membership following cleanse	1,410	431	1,841
Decrease %	78%	80%	79%

Following the cleanse, we now have 1,721 members who will receive email correspondence and 120 members who wish to remain postal members for the Central and Eastern constituencies.

Whilst the database streamlining exercise has resulted in a significant reduction in members within this constituency it ensures that our database accurately reflects those who wish to be current members of the Trust. Our Governors supported the view that a small but actively engaged membership is an appropriate strategic approach which helps to ensure we comply with data protection principles.

Staff directly employed by the Trust or its subsidiary, QE Facilities, are automatically Foundation Trust members for the duration of their employment, unless they choose to 'opt out'. Employees of the Trust cannot be public members.

Staff whose services are contracted for by the Trust and staff not employed by the Trust but who in effect work in and with the Trust for most of their time are given the same status as staff, if they wish, provided they have worked with the Trust for a minimum of one year.

The number of staff members as at 31st March 2025 was 5,347 (compared to 5,373 members as at 31st March 2024).

The Council of Governors represents the views of members and helps to shape the way our services are delivered. The Trust has held Medicine for Members events throughout the year. Showcase topics have included; community services and the support available to keep people safe at home; women's health services; and Living Well where attendees could choose between small group sessions on physiotherapy and exercise, nutrition and diet, stop smoking and the menopause. We have received positive feedback from attendees and look forward to holding more events in 2025/26.



Get in touch

To find out more about becoming a Governor or to contact a Governor, please send your enquiry to: ghnt.governors@nhs.net, alternatively you can submit your query to: Corporate Services Office, FREEPOST NAT14353, Gateshead Health NHS Foundation Trust, Queen Elizabeth Hospital, Sheriff Hill, Gateshead NE9 5BR

You can also visit <https://www.gatesheadhealth.nhs.uk/about/governors/>

Mandatory declarations

The Directors consider the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the NHS Foundation Trust's performance, business model and strategy.

Well-led arrangements

The Board has demonstrated due regard to well-led principles and the well-led framework throughout the year. This included a number of different workstreams / projects which align with well-led principles / key lines of enquiry, including:

- The implementation of a new governance structure to strengthen the rigour, scrutiny and assurance at sub-Tier 1 Board committee level;
- Focussed work on organisational culture, particularly in relation to encouraging colleagues to speak up and anti-racism. This has included the commissioning of a number of external reviews to support our learning and improvement;
- Commencing work on the development of our five year-strategy using extensive engagement internally and externally to inform this; and
- Developing our partnership and collaborative working at place and particularly through the Great North Healthcare Alliance.

Ensuring that we have effective governance in place enables our Board to be assured over the services we provide to our patients and the working environment we provide for our people.

There are no material inconsistencies between the annual governance statement, other parts of the annual report and reports arising from CQC inspections.

Patient care

Continuously improving the quality and safety of our services for patients is one of five strategic aims - providing high quality and compassionate care is at the heart of everything we do.

Overview of performance against key quality targets

The Quality Governance Committee and the Board of Directors monitor performance against several key quality targets through the *Strategic Objectives: Leading Indicators and Breakthrough Objectives* report. This aligns to the strategic objectives of the Trust. Trust performance is measured against a mixture of nationally mandated indicators and locally determined measures.

The Quality Governance Committee and Board of Directors also receive a dedicated maternity integrated oversight report, which includes detailed quality and performance information on our maternity services. This report is presented by the Head of Midwifery.

In addition, the Quality Governance Committee receives a suite of other reports providing assurance against key quality targets, including patient safety reports, patient experience reports, safeguarding reports, health inequalities reports and learning from deaths reports.

Our performance against a range of quality metrics is outlined in this section, although our Quality Account for 2024/25 provides more detail on our performance against a wider range of key quality targets across the three domains of patient safety, clinical effectiveness and patient experience.

With regards to key safety metrics:

- The **Summary Hospital-level Mortality Indicator (SHMI)** reports death rates (mortality) at a Trust level across the NHS in England and is regarded as the national standard for monitoring of mortality. Since October 2011 the mortality of the Trust in respect of the SHMI has been banded as at least 'as expected' (equal or less than 1). The SHMI for December 2023 to November 2024 was 1.04.
- We reported 48 cases of **clostridium difficile infections (CDIs)** against the threshold of 37. The threshold is calculated by Public Health England (PHE) and we reported a yearly increase of 22.92% against this threshold. Internal reviews of all healthcare associated cases are undertaken in accordance with the Patient Safety Incident Response Framework (PSIRF) to identify learnings and required actions.
- There was 1 **Methicillin-Resistant Staphylococcus Aureus (MRSA) bacteraemia** apportioned to the Trust post-48 hours of admission compared to 0 in the previous year;
- Our overall **rate of falls per 1000 bed days** increased from 7.77 in 2023/24 to 8.38 in 2024/25, but remained below the threshold of 8.5;
- The **rate of harm falls per 1,000 bed days** was 3.87, above the threshold of 2.25, and the ratio of harm to no harm falls increased from 34.5% in 2023/24 to 46.1% in 2024/25. We recognise the importance of reducing the rate of harm falls and this is priority area for 2025/26;
- We reported one **never event** in 2024/25, with one never event reported in 2023/24;
- Our **patient incidents per 1,000 bed days** increased to 39.5 compared to 37 in the previous year;
- The proportion of patients who are **readmitted within 28 days** across the Trust reduced from 13.57% to 5.65%, sustaining year-on-year improvement; and
- The percentage of patients who **returned to theatre within 30 days** also continued to reduce from 4.21% in 2023/24 to 4.17% in 2024/25.

Monitoring quality compliance

Gateshead Health NHS Foundation Trust are appropriately registered with the Care Quality Commission (CQC) and our current registration status is 'registered without conditions'.

The CQC has not taken enforcement action against Gateshead Health NHS Foundation Trust during 2024/25.

We have not participated in any special reviews or investigations by the CQC during the reporting period. There were no announced or unannounced inspections by the CQC during 2024/25.

There were two Mental Health Act (1983) Monitoring visits during 2024/25, one on Craggside ward in May 2024 and one on Sunnyside ward in July 2024. Positive feedback was received both verbally and by way of a formal report to the Chief Executive noting areas of good practice and stating that improvements were noted in response to past concerns identified.

In both reports CQC shared that patients were very complimentary about the care and support being provided to them, stating that they were treated with dignity and respect by staff. They felt that they could always access support from staff if they needed help and reassurance. Patients understood their treatment plan and felt they had been included in meetings about their care and support. Patients told CQC there were a range of activities available to them. They added that they had been able to share ideas for the proposed improvement works on the outdoor areas, which they were looking forward to being completed.

Carers spoken with on Craggside praised the quality of care being provided to their loved one, stating that all staff were very good and genuinely caring. One carer added that communication with the ward was consistently good and regular updates were always provided and described the area as welcoming and comfortable for their relative and there was always flexibility with visiting times, with protected mealtimes for patients being clearly explained to the carer and their family.

During their visit to Craggside CQC saw examples of patients' religious and cultural needs being promoted on the ward. A multi-faith box had been created which contained copies of religious texts and visits to the ward from religious leaders could be arranged as and when required. Catering could also provide halal and kosher foods for patients.

Carers spoken to on Sunnyside praised the staff and level of care provided to their relatives. They stated that staff behaved in a professional manner and always made them feel welcome during visits, providing a "personal touch" during interactions by always checking on their wellbeing as well as providing an update on the patient's presentation. The carer added that staff had kept them up to date with the Mental Health Act (MHA) status of their relative and had also provided detailed information on carer support networks to promote their wellbeing. The carer told CQC that they were kept up to date with their relative's progress, stating that the responsible clinician had been proactive in providing regular updates throughout the course of their relative's admission. They described the ward environment as "immaculate" and felt that their relative was safe.

During their visit to Sunnyside CQC reported that respect and dignity had been observed including access to facilities to promote the patients' personal grooming needs. CQC noted that on the day of the visit they saw patients having their hair cut and dried, with one patient stating that the experience had made her feel better about herself, as well as observing multiple interactions between staff and patients where reassurance was provided to the patients in a kind and compassionate manner.

Service developments and achievements

We have continued to develop and enhance our services during the year to ensure that we provide the best possible care to our patients.

In October 2024, we opened a new **Community Diagnostic Centre (CDC)** to provide shared diagnostic capacity for Gateshead Health NHS Foundation Trust and The Newcastle-upon-Tyne Hospitals NHS Foundation Trust. This significant service development offers a wide range of diagnostic tests including Computed Tomography (CT) scans, Magnetic Resonance Imaging (MRI) scans, non-obstetric ultrasound, echocardiography, sleep studies, lung function,



phlebotomy, and other physiological assessments. The CDC supports patient pathways by delivering faster, more accessible diagnostics in a community setting, helping to reduce pressure on acute hospital services. It plays a vital role in supporting delivery against key performance targets, including diagnostic waiting times, RTT, and cancer standards, while improving the overall patient experience and access to care across both Trusts' populations.

The partnership with Newcastle Hospitals, as part of the Great North Healthcare Alliance, allows us to offer cutting-edge diagnostic services in a convenient retail setting with good public transport links, reducing the impact of health inequalities on our communities. The CDC created over 130 new jobs, contributing to the local economy.

In collaboration with South Tyneside and Sunderland NHS Foundation Trust we manage the **bowel screening service** in South of Tyne. In March 2025 the South of Tyne Bowel Cancer Screening Programme commenced with the final roll out of age extension, reducing the age of screening down to 50 years which extends the age range for screening invitations to include individuals aged 50 to 74 years old. Lowering the screening age helps to prevent bowel cancer or spot it early when it is most treatable. The expansion is a commitment outlined in the NHS Long Term Plan and also aligns to our strategic ambition to be a diagnostic centre of excellence.

In 2024/25 we installed our new **pharmacy robot**. The department has used robotic systems for over 20 years but the new robot revolutionises medicine dispensing, supporting faster, safer and more efficient dispensing processes. It enables pharmacy and clinical colleagues to dedicate more time to patient-facing activities. Automated processes significantly reduce the risk of medication errors, the time spent ordering stock, minimises wastage and reduces the risk of expired medicines. The new robot represents a significant investment in innovation and a forward-thinking approach to healthcare. It underlines our dedication to improving patient outcomes and experiences, ensuring that care is delivered efficiently and safely.



We have been delivering the **Abdominal Aortic Aneurysm (AAA) screening programme** across North East and North Cumbria and Lancashire and South Cumbria since 2011 with an outstanding reputation for its delivery. Following a procurement process we were awarded the contract again until March 2029. AAA screening is vital in identifying swelling in the aorta early on when it is most treatable. We are delighted to continue to deliver this service as part of our commitment to being a diagnostic centre of excellence.

As a member of the region's Imaging Network a **new artificial intelligence (AI) tool has been added to our X-ray kit** to help catch lung cancer quicker. The AI technology acts like a second pair of eyes for clinicians, with the ability to prioritise cases where the X-ray has found something suspicious which may indicate possible lung cancer. It has been shown to improve diagnostic accuracy by 45% and increase diagnostic efficiency by 12%.

A **new mental health room** for young people in crisis was created within our Paediatrics Emergency Care Department. This offers a quiet, safe space for young people experiencing a mental health crisis. Local young artists from the Baltic Arts Centre hand painted floral patterns onto the walls to create a peaceful atmosphere and craft a space that could support the young people who use it. The room uses bean bags and comfy chairs rather than typical hospital furniture and when young people arrive they are provided with a mental health first aid kit designed with ideas from young people who have been through similar crises.

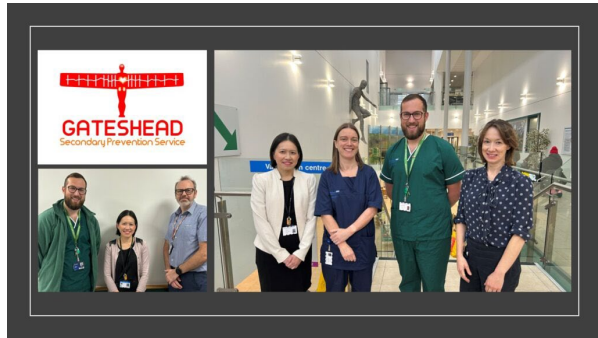


Our Emergency Department colleagues worked as part of an improvement collaborative with North East Ambulance Service (NEAS) NHS Foundation Trust to improve **ambulance handover** time and share good practice with other Trusts to better deliver timely appropriate care for patients. As a result of the success of this work we were invited to showcase the work we have done to deliver our **performance improvements and sustained reduction in ambulance handovers** in a number of forums. These included a System Winter Debrief event, wider regional team event and an NHS England virtual workshop on ambulance handovers (in partnership with colleagues at NEAS).

Our liver service was inspected and has achieved full **Improving Quality in Liver Services (IQILS) accreditation**. This is a fantastic achievement for the team and the accreditation will be in place for 5 years, subject to completion of annual reviews. The team were congratulated on their high standard of achievement and their hard work during the accreditation process.

Our Endoscopy Unit received its **Joint Advisory Group (JAG) reaccreditation** in March 2025 following assessment against the global rating score to benchmark practice. This demonstrates that we provide a high quality, safe and effective endoscopy service, delivered by a highly trained, high supported workforce.

We were delighted that Dr Su Ann Tee and the Secondary Prevention Service won the **Outstanding NHS Industry Collaboration award** at the Bright Ideas in Health Awards. The project provided personalised care for patients to help identify and review risk factors contributing to their condition, shortly after an adverse event. The work supports people in achieving cholesterol, diabetes, and blood pressure targets and stopping smoking using approved medical therapies.



Our **Breast Care Nursing** team were commended at the Northern Cancer Alliance (NCA) annual awards. The team created a six week programme to help patients with breast cancer feel supported and learn more about their illness. The programme created a place where patients could meet other people going through the same thing, share advice and learn new things to help them feel less anxious and more knowledgeable about their condition.



In early 2024/25 our **new second MRI scanner** was installed on the Queen Elizabeth hospital site. This is a great development for our patients and aligns with our ambition to be a diagnostic centre of excellence. The new scanner is technologically advanced, enabling faster scanning and therefore more patients to be seen.

Our **diabetes team** has been recognised for their commitment to digital inclusion. The North East and North Cumbria Child Health and Wellbeing Network, led by Gateshead Health won at the Health Service Journal Awards 2024. Our project - Healthier Together Champions Supporting Access in Underserved Communities - was awarded the Digital Equality, Diversity and Inclusion Award. The project uses mobile phones and laptops donated by the Trust to support families to access new technologies for diabetes care.



Our **Cervical Screening Service** hosted a mobile screening unit at the 2024 Pride in the City Festival in Newcastle. This project aims to raise awareness and improve accessibility for individuals facing barriers to screening services. This unique initiative is delivered with support from the Northern Cancer Alliance, NHS England, Roche, and the dedicated local Healthworks team. Sharon Denise Clark, Joint Lead Clinical Nurse for the service, discussed and promoted this unique service on BBC Radio Newcastle.

Service user feedback

Listening to the views of our patients, carers and members of the public is important to us. We use this feedback to help us to continually improve our services and the care we provide.

Each weekday our Patient Experience Volunteers visit the wards and spend time talking to patients with the aim of enhancing the experience of our patients during their time in

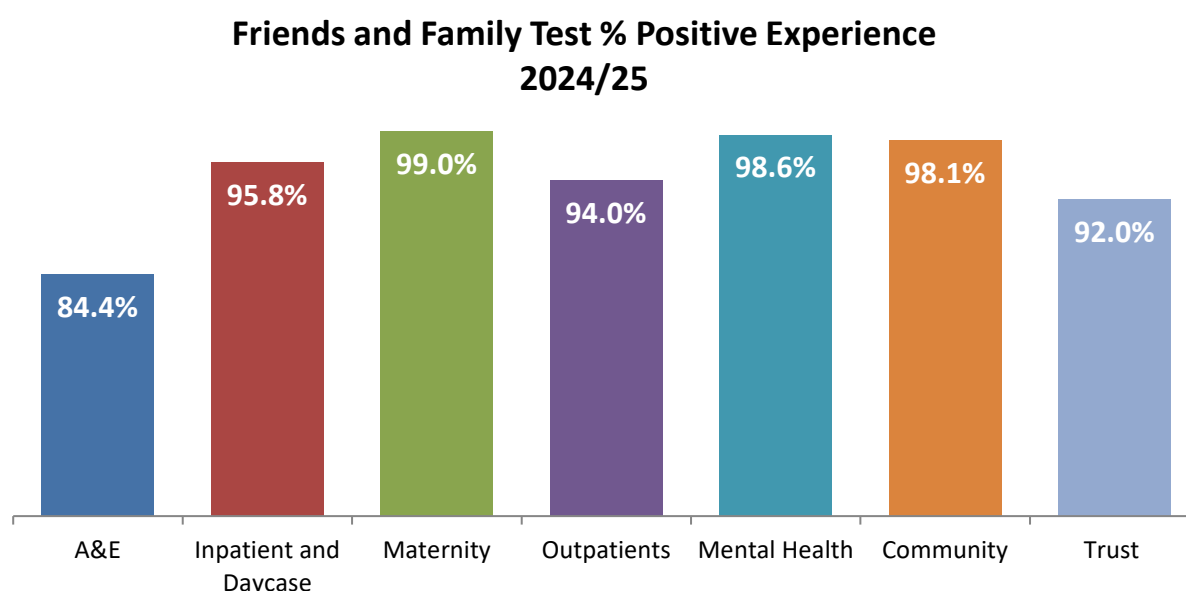
hospital. If a patient raises any concerns, the volunteers feed this back to the ward managers and / or the patient experience team with any issues logged for early resolution.

The 15 Steps Challenge has been in place over 2024/25 to promote a positive patient experience. The 15 Step Challenge focuses on seeing care through a patient's eyes and exploring their first impressions. Our volunteers and Governors have supported the implementation and ongoing facilitation of the challenge and are a vital part of the team.

Further to this, the Friends and Family Test (FFT) continues to be one of the key tools we use to understand how patients feel about their experiences with Gateshead Health NHS Foundation Trust. It offers valuable, real-time feedback from those who use our services, helping us to celebrate what we're doing well and identify areas where we can improve.

Over the past 12 months, we are proud to report a strong and consistent level of positive feedback across the Trust. Our overall Trust-wide average for the year was 92%, reflecting the high quality of care and compassion our teams deliver every day. In particular, our Maternity services received exceptional praise, with a rate of 99%, testament to the dedication of our Midwifery teams and their focus on personalised and safe care for women and families. Similarly, our Mental Health services scored an impressive 98.6%, and our Community Services were close behind at 98.1%, both of which highlight the importance of continuity, accessibility and compassionate engagement in these areas.

Inpatient and day case services also performed very strongly, with a positive score of 95.8%, showing that patients consistently feel well cared for and supported throughout their hospital stays. Our Emergency Department, while operating under the pressure of increasing demand, achieved a solid 84.4% rate. We recognise that A&E can be a challenging environment for patients and staff alike, and we are continuing to explore improvements in communication, waiting times and care pathways to further enhance the patient experience.



We remain committed to acting on the feedback we receive through FFT and ensuring that every voice contributes to shaping our services. Whether the response is one of gratitude or highlights an opportunity to do better, each comment matters and drives our ambition to deliver the highest possible standard of care.

At the end of November 2024 we were named as the **top provider of maternity** care in England according to the 2024 CQC patient survey. This is a significant achievement that reflects the dedication and hard work of our maternity colleagues. In the survey we received outstanding scores in key areas including:

- **Antenatal support** – new parents praised the comprehensive information and guidance provided
- **Labour and birth** – patients commended the supportive and respectful environment, with positive comments on how well colleagues work together to support patients
- **Postnatal care** – praise was received for the commitment to wellbeing, offering support to mothers and their newborns in the early days and weeks.



We received excellent results in the **CQC's 2024 Urgent and Emergency Care Survey**. Over 270 patients rated their experience highly and we achieved an overall score of 8.5, up from 7.4 in 2023. We performed better than the majority of trusts in three essential areas: the cleanliness of the A&E department, support with communication needs during hospital visits, and ensuring patients knew who to contact for advice post-discharge.

Improvements in patient and carer information

We are continually seeking to improve the information that we provide to our patients and their carers, and this featured as a core priority in our 2023/24 Quality Account. This involved a programme of work to ensure that carers who wished to use a carer's passport could access the information relating to passports. We conducted an audit to enable us to understand the current carer's passport and its usage across the organisation. The results showed that it was being used by most areas but not to its full extent. Work was started in November 2024 to revamp the carer's passport. A new carer's leaflet was produced to give to carers when a carer's passport is issued. A new audit form was produced to enable the team to collect information on carer's passport usage, and a carer's feedback form to give to carers when a patient is discharged.

As a result of this programme of work, all wards now have an improved 'Yellow Box' which contains all the resources and up to date information to give to carers. The Patient Experience Team have disseminated these and provided the relevant information to teams. We now plan to further audit this area, and collect patient and carer feedback on a monthly basis to ensure monitoring and support further quality improvements (as required) of the carer's passport.

We continue to offer an interpreting and translation service (via an external provider) to improve our communication with patients. The service provides face to face interpretation, video interpreting services, telephone interpreting, translation of documents and British Sign Language (BSL). We have provided wards and departments with carts where they have access immediately to a BSL interpreter.

During the year we have also worked closely with teams across the Trust to ensure our Patient Information Leaflets are up-to-date and following best practice in information design. This work remains ongoing.

Complaints handling

We acknowledge the value of feedback from patients and visitors and continue to encourage the sharing of personal experiences. This type of feedback is invaluable in helping us ensure that the service provided meets the expectations and needs of our patients through a constructive review.

For 2024/25 we received a total of 313 formal complaints. Promoting a culture of openness and truthfulness is a prerequisite to improving the safety of patients, staff and visitors as well as the quality of healthcare systems. It involves apologising and explaining what happened to patients who have been harmed as a result of their healthcare treatment when inpatients or outpatients of the Trust. It also involves apologising and explaining what happened to staff or visitors who have suffered harm. It encompasses communication between healthcare organisations, healthcare teams and patients and/or their carers, staff and visitors and makes sure that openness, honesty and timeliness underpins responses to such incidents.

The Patient Advice and Liaison Service (PALS) offer confidential advice, support and information on health-related matters. They provide a point of contact for patients, their families and carers.

Complaints Performance Indicators	2024/25	2023/24
Complaints received	313	353
Acknowledged within three working days	313	353
Complaints closed	322	303
Closed within agreed timescale (eight weeks)	158	172
Number of complaints upheld	280 (89%)	248 (70%)
Concerns received by PALS	636	635
Number of closed complaints re-opened	40	57
Number of closed complaints referred to the Parliamentary and Health Service Ombudsman	13	19

The table demonstrates that there has been a 12% decrease in complaints received and an increase of just 1 PALS concern (in 2024/25 compared to 2023/24). All complaints were acknowledged within 3 days and 49% of complaints were closed within the agreed timescales. Whilst this is an improvement from 48% in the previous year, we still want to deliver much more timely responses for our patients and this is an area of focus in 2025/26.

We note that there has been an increase in the number of complaints upheld in 2024/25.

During 2024/25, the top four main reasons to raise a formal complaint were in relation to:

- Implementation of care;
- Communication, confidentiality and consent;
- Access, admission and discharge; and
- Clinical assessment.

During 204/25, the top four main reasons to raise a PALS concern were in relation to:

- Communication, confidentiality and consent;
- Implementation of care;
- Access, admission and discharge; and
- Car parking.

We are committed to learning from complaints and concerns raised and several initiatives have been implemented during the year.

In response to a complaint regarding Trauma and Orthopaedics:

- The team discussed the importance of meaningful interaction with patients whilst delivering co-horted nursing care, where staff engage with the patient such as conversations or playing games. Concerns had also been raised about a patient falling in hospital and communication of this with the patient's family. Following these concerns, we created a checklist for registered staff to follow, should a patient fall, which includes all essential assessments that must be completed, and we added this to each patient's nursing file. This will support staff to ensure timely communication with relatives.

In response to a complaint regarding Surgery:

- As part of this complaint, we have reviewed our processes regarding making patients nil by mouth and the processes surrounding regular medications that are not classed as critical, as per national guidelines, so they can be re-started as soon as possible. This learning and reflections from this were also presented at SafeCare (divisional quality) meetings in general surgery.

Stakeholder relationships

We know that partnership and collaborative working are crucial to support the delivery of services to the communities that we serve along with delivery of our strategy and the national priorities.

Representatives from across the Trust play a significant role in a number of partnerships and alliances both in leading discussions and also horizon scanning to identify opportunities to further develop levels of integration. These include opportunities to deliver the three national shifts around hospital to community; treatment to prevention; and analogue to digital.

We have expanded access to endovascular surgery, including critical limb ischemia procedures. The Newcastle-upon-Tyne Hospitals NHS Foundation Trust vascular consultants now deliver up to three endovascular surgery lists per week using our

Interventional Radiology (IR) Suite at Gateshead. These sessions are fully supported by Gateshead's radiographers and nursing staff, demonstrating a truly integrated model of care between the two organisations.

This collaboration is delivering significant benefits to patients across both Trusts:

- **Reduced waiting times:** prior to this partnership, patients could wait up to 11 months for intervention, often resulting in deterioration of their condition and limiting limb salvage options;
- **Improved outcomes:** earlier access to endovascular procedures increases the likelihood of successful limb salvage and reduces the need for life-altering surgery such as major amputations; and
- **Care closer to home:** Gateshead patients can now access these procedures locally, reducing travel burden and improving the patient experience.

The initiative has been made possible through shared resource utilisation, including joint planning and service delivery, without requiring new capital investment. It reflects a commitment to making best use of existing infrastructure and workforce across the system, in line with ICS objectives.

[Gateshead Place](#)

Our Chief Executive, Trudie Davies chairs the Gateshead Place Committee which brings together senior leaders from across Gateshead and the ICB with the aim of setting the strategic priorities at Place. The committee is a sub-committee of the ICB.

Our Director of Strategy and Partnerships, Nicola Bruce, and Medical Director for Strategic Relations, Neil Halford, work closely with partners across health and social care including voluntary community and social enterprise organisations (VCSE) to maximise access and health outcomes for the populations that we serve.

The Trust is an active member of the Gateshead Health and Wellbeing Board and Gateshead Cares System Board, both of which oversee the delivery of the [Gateshead Health and Wellbeing Strategy](#). This includes six aims:

1. Give every child the best start in life, with a focus on conception to age two;
2. Enable all children, young people and adults to maximise their capabilities and have control over their lives;
3. Create the conditions for fair employment and good work for all;
4. Ensure a healthy standard of living for all, in accordance with international law on economic and social rights;
5. Create and develop sustainable place and communities; and
6. Strengthen the role and impact of ill health prevention.

Our clinicians work closely with colleagues in primary care supported by a monthly interface group that brings together representatives from the Trust and primary care including Primary Care Networks (PCNs), the GP Federation, the Local Medical Committee (LMC) and the ICB to discuss and address issues of strategic importance with the objective of improving access

and outcomes for patients. The group facilitated a recent 'walk in each other's shoes' event as part of their 24/25 activities.

We aim to grow our presence and role as an anchor institute at Place as the role of neighbourhood health services become clearer with the NHS 10 Year Plan.

Women's Health

Building on several publications including Gateshead's Director of Public Health Report from 2022, [Mind the Gap – Women and health inequalities](#), the Northern Health Science Alliance's Health Equity North report [Woman of the North](#), and the National [Women's Health Strategy for England](#), partners across Gateshead Place have a collective ambition to improve access and outcomes for women and girls. Aligned to our strategic intent around being a centre of excellence for women's health, we have led a significant piece of transformation work to change the operational model and pilot women's health hubs across the borough. This was supported by investment from the ICB. Additional investment has been secured for 2025/26 to develop this further.



We have worked with the Regional Specialist Commissioners, the ICB and the Northern Cancer Alliance to help deliver a **Managed Clinical Network model of care for gynaecological oncology**. This has resulted in the Trust moving into the role as host provider for the regional service working in collaboration with the South Tees and The Newcastle-upon-Tyne Hospitals NHS Foundation Trusts. By doing this, we have helped to stabilise a fragile regional service and started to build a sustainable regional clinical team that will improve cancer outcomes for the women in the North East and North Cumbria. This model of delivery has been held up as a regional and national example of good practice and may be used for other regional services in the future. Our Medical Director for Strategic Relations chairs the regional Managed Clinical Network helping to build our position within the developing regional service design.

Aligned to our strategic intent of becoming a centre of excellence for women's health, we actively participated in the Accelerating FemTech programme (2024/2025), providing clinical insights and assessments of emerging technologies with the potential to improve women's health outcomes both within the Trust and across the wider community. Our people have contributed as expert panellists at programme events, supporting the national conversation around innovation in women's health and helping shape the future of FemTech within the NHS.

As a signatory of the Health and Life Sciences Pledge, we are broadening our partnerships with academia and industry to explore how digital and technological solutions can enhance our service delivery. We have entered into several strategic collaborations, underpinned by non-disclosure agreements, which are already demonstrating impact—for example, through improved and more efficient stroke recovery therapies that are engaging and impactful for our patients.

These initiatives have been supported in part by Health Innovation North East and North Cumbria (HI NENC), whose funding enables us to pursue innovation in line with our strategic objectives and deliver tangible benefits to patient care.

Great North Healthcare Alliance (GNHA)

The Newcastle-upon-Tyne Hospitals NHS FT, Gateshead NHS FT, Northumbria Healthcare NHS FT and North Cumbria Integrated Care NHS FT have been working together as the Great North Healthcare Alliance since January 2024. The Alliance has continued to develop through 2024/25 in line with the wider national direction to support productive collaborations between NHS organisations.

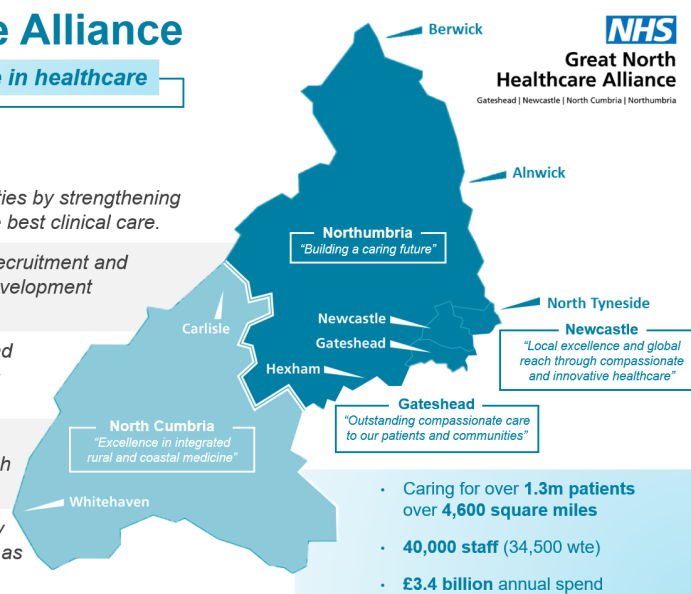
An overview of the Alliance and its guiding objectives are as follows:

Great North Healthcare Alliance

Working together to deliver excellence in healthcare

By working together we will:

- Improve patient outcomes and reduce inequalities by strengthening our services and making it easier to access the best clinical care.
- Create great places to work by joining up our recruitment and staff experience offer and by sharing career development opportunities.
- Pioneer innovation, transformation, research and development, making the most of our academic and commercial opportunities.
- Reduce health inequalities and do more for our economy, environment and communities through local and national partnerships.
- Create a financially sustainable value for money health economy that raises revenue by treating as many patients as possible within the resources available, commercial activity and cost reduction.



The Alliance has changed ways of working across the four trusts, strengthening partnership between neighbouring organisations to drive better decision making for the benefit of patients, staff and external partners.

Our Alliance vision has been developed and approved by each of the Alliance Trust Boards and there has been positive engagement and feedback from partners, including the ICB, local authorities, the wider NHS and universities.

Our vision

How we will work



Great North
Healthcare Alliance

Gateshead | Newcastle | North Cumbria | Northumbria

--- The foundations ---

Our purpose is to deliver high quality, safe and reliable care to our population, with fairer outcomes for all and equal access regardless of geography.	Our patients are at the centre of our decision making but our staff are key to success	Our Alliance is based upon creating energy, engagement and innovation within our workforce, to enable them to deliver what we aspire to	We believe that working together at scale across our different leadership domains will breed cultural and clinical change
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----- Principles for how we will work -----

Acting together	Subsidiarity	Effective planning	Accountability and engagement
<ul style="list-style-type: none"> • Patients see us as 'one NHS', so we must work and design our services to meet this. • We will speak with one voice to influence collectively and ensure our communities get the investment and support we deserve • We will keep focused on the fact that we are first and foremost healthcare delivery organisations <ul style="list-style-type: none"> ➢ we exist to serve patients with rapid access to care, positive experiences, the best possible outcomes, and preventing illness in the first place • Excellence – our ambition is to achieve the highest possible standards in healthcare, national and global leaders, supported by technology, commercial, innovation, education, research and development. 	<ul style="list-style-type: none"> • We understand the value in care being delivered locally – we will take every opportunity to provide the widest range of services in local settings, whilst recognising that services need the appropriate infrastructure to be safe. • The identities of and sense of belonging in our individual organisations must be retained and built on – no Trust wants to lose what is special about them, and what is good for one Trust is good for all. • We will leverage the best of each organisation for the benefit of all, building on the distinct strengths of each organisation. • We will trust, empower and give permission to all leaders to work across the Alliance to co-design services, feeling both accountable for and supported to deliver, under pinned by our ICB-wide leadership compact. 	<ul style="list-style-type: none"> • Our Alliance activities will be made where opportunities to do so arise, and to an agreed plan. We will plan and deliver jointly where possible and desirable, and work with commissioners jointly. • We want to grow the support and opportunities our teams have, and our work plan will have this at its heart. • We want to put as much money as possible into frontline care treating and preventing illness, which is why our planning will seek to maximise value for the Alliance £ ensuring affordability, productivity, minimal waste and duplication, and maximising external investment. • Our collective planning and decision making will be supported by strong governance processes that are shared where desirable and possible. 	<ul style="list-style-type: none"> • In delivering our work plan and ways of working we want to maintain and increase our lines of local accountability, to our staff, communities and our local partners. • We will retain accountability within our individual places and the visibility of local leaders in local places. Alongside this, we want to improve the accountability that local places have over issues that are greater, multi-place scale. • Our principles of partnership working and behaviours will be led by our ICB-wide leadership compact. • We want genuine and honest engagement with partners both within our organisations and externally. • Local partners will have a say in the decisions that affect them, and we will continue to develop our Alliance work plan and vision with their input.

Our vision

What we will deliver in the next five years



**Great North
Healthcare Alliance**

Gateshead | Newcastle | North Cumbria | Northumbria

Clinical pathways	People and processes	Physical assets
<ul style="list-style-type: none"> • CQC 'good' or above rating in each organisation, exceeding the constitutional standards, simplified patient flow using all available resources, and a reputation for being best in the country once again • Improved and sustainable footing for services, starting with urology, oral and maxillofacial surgery, urgent and emergency care, cancer, and women's services. • Brought together clinical teams from across the Trusts to jointly review each clinical specialty and to prioritise a programme of clinical pathway redesigns to improve services for patients. This will be informed by rich access, experience and outcomes insights and data, demographic pressures that we know are coming, and the views of patients, staff and partners • Improved local access to all constituent parts of specialised service pathways and clinical research – from tertiary settings, to acute and community, so that more patients can benefit. • Boosted and prioritised primary and community care, we will work closely with PCNs, and provide a strong, dedicated strategic leadership with supporting corporate infrastructure to deliver integration with community and secondary care • Made a positive step change in tackling health inequalities - including in reducing poverty by helping local people not at work due to sickness to get healthcare support to get back to work as fast as possible. • Ensure individuals are treated in the right place at the right time by working with social care partners in local government and private providers to maximise our delivery of social care integration and respond to national policy 	<ul style="list-style-type: none"> • Remove the barriers and annoyances for our people that stop them from making full use of their professional skills, creating new opportunities, delegating power and responsibility so they work to their potential level. • Opportunities for joined up recruitment, brand and workforce development programmes that supports local people into stretching careers, with succession and that recognises specific fragile staffing areas. • Community promise that supports local growth - including promotion of health careers, social value, and a healthy green environment . • Single point of contact for local and regional partners to raise and discuss issues and opportunities – including the ICB, LAs / NECA, Universities, PCNs. • Innovation, research and development that helps design and deliver improvements to patients and local services, reaches its commercial potential, is led by our centres of excellence, and is internationally recognised. • NHSE SOF2 or better positions for each organisation, with financial sustainability across the Alliance. • Explore joined up corporate services to support value for money and reduce outliers – for instance, coordinated procurement • Commercial strategy delivery that takes rapid decisions, moves first, and is based on our combined assets. • Single, unified governance structure for decision-making across the Alliance, supported by a collaboration model that is in itself, innovative. 	<ul style="list-style-type: none"> • Coordinated estates strategy and decisions with 'big build' developments in each Alliance trust that is supported by external investment • Because 20% of our patients already flow between our hospitals, deliver: <ul style="list-style-type: none"> ➢ digital interoperability across the Alliance trusts, ➢ seamless service pathways, whilst not risking system resilience, ➢ a clear & accessible interface for patients that supports patient choice. • Prioritise money for patient care by ensuring organisations maximise the benefits from subsidiaries.

We have had a number of notable successes that demonstrate progress against the objectives and vision outlined above. A few highlights include:

- **Community Diagnostic Centre (CDC)** – the Metro Centre CDC opened in October 2024 and has already enabled over 16,000 people to have a diagnostic test more quickly. A CDC in Workington will open in June 2025;
- **Cardiology** – positive engagement between clinical teams led to a 30% reduction in waiting times for patients with Acute Coronary Syndromes requiring revascularisation to be transferred between the Royal Victoria Infirmary, Queen Elizabeth Hospital and Northumbria Specialist Emergency Care Hospital;
- **Audiology** – improvements in the service provided by Newcastle Hospitals means many more patients are now having their hearing assessments done within the 6-week national waiting time standard. This is creating resource to improve local provision across Northumberland and North Tyneside;
- **Paediatrics** – this joint workstream has built positive relationships between the four Trust teams, leading to increased hospital capacity being opened compared to the past ten years and better sharing of best practice;
- **Urology** – honest and positive discussions between the Trusts led to joint solutions to issues in these patient services. Although performance is still not where any Trust would want it to be, positive progress has been seen;
- **Interstitial Lung Disease (ILD)** – changing pathways for patients with ILD to transfer to more local provision for them in Northumbria. Around 120 patients are being offered the opportunity to transfer their care;
- **Hepato-pancreato-biliary (HPB)** – Northumbria are taking on appropriate patients to share capacity more evenly, and Northumbria surgeons are looking to use the Freeman Hospital Day Treatment Centre to increase capacity;
- **Digital** – a longer-term plan to deliver an interoperable set of digital services to enable information and data exchange across the Alliance will support patients and frontline services. A lead Chief Digital Information Officer was appointed to coordinate this work across Newcastle, Gateshead and Northumbria, working closely with North Cumbria;
- **Research and innovation** – driving an Alliance-wide agenda to agree priority areas for our combined research and innovation experience, expertise and assets to work together for the benefit of the Alliance;



- **Estates planning** – a shared business case looking at long-term estates opportunities across the four Trusts has been developed, for discussion on possible investment sources to deliver this; and
- **Financial planning** – open engagement between Finance Directors to support short and medium-term financial planning in particular to plan a path for the Alliance Trusts to return to a sustainable balanced position.

Governance arrangements:

Relationships across the four organisations have developed at pace to support joint working on Alliance priorities. The Alliance Steering Group of the Chairs and Chief Executives from the four organisations meets monthly as Committees in Common. During 2024/25, these arrangements have been strengthened through a Joint Committee and three sets of bilateral arrangements. The Committees in Common and Joint Committee are chaired by Alison Marshall, Chair of Gateshead Health NHS Foundation Trust.

- Joint Committee: a tighter form of governance, with delegations from Trust Boards, has been established between Newcastle Hospitals, Northumbria Healthcare and Gateshead Health as members, and with North Cumbria colleagues attending. The Joint Committee has a specific focus initially on certain financial planning for 2025/26, digital interoperability, and research and innovation.
- Bilateral arrangements: to progress work bilaterally between organisations, more formal arrangements have been put in place between Newcastle Hospitals and North Cumbria. Sub-Committees in Common will help ensure high quality tertiary services across North Cumbria alongside other clinical and corporate workstreams. Other bilateral arrangements have also been established between organisations, for instance Newcastle and Northumbria, and Newcastle and Gateshead who meet regularly to work through shared clinical service issues and improve service delivery for patients.

Developing and delivering the work plan in collaboration:

We have developed the work plan in collaboration with Trust Boards and Governing Bodies, as well as external partners where appropriate.

The members of the four Trust Boards have met together twice for half day workshops looking at progress made and future opportunities. A joint event for Governors was also planned to take place in April 2025.

In addition, we have ensured that the ICB for the North East and North Cumbria has been involved in informing the vision, work plan and governance arrangements for the Alliance. In December 2024 the Alliance steering group met with the ICB Chair and Chief Executive. The ICB provided an update on some stakeholder engagement work on the Alliance vision and work plan that they had supported with external partners. This included important and helpful feedback from local universities, primary care groups, and local authorities. This has informed the work plan and will be built on in the next 12 months.

The governance arrangements are intended to be as *de minimus* as possible and support collaborative working relationships across all levels of the Alliance partners. They have been

established and agreed by Trust Boards in such a way to not change the independence of Trust Boards and Governing Bodies, or the delegations, powers and authorities held by Chief Executive Officers.

Summary assessment:

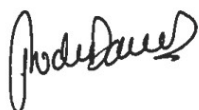
Looking back over the first year of the Alliance, progress has been good. Enthusiasm for working together across organisations has delivered a number of tangible benefits, and there is momentum in support of greater collaboration. Trust and relationships between the organisations have never been in such a positive position. Leadership and communication have been critical parts of our work at different levels throughout our organisations. We have also recognised that there is a strong need to measure and celebrate progress, and that project governance and management works best for the Alliance where it is kept as light touch as possible.

As we move into 2025/26 the Councils of Governors for Gateshead Health, Newcastle Hospitals and Northumbria Healthcare are progressing with the proposal to recruit a shared Chair for the three Trusts. Further information can be found within the *Council of Governors* section of this report.

Consultation with local groups, our patients and the local community

We regularly attend Gateshead's Care, Health and Wellbeing Overview and Scrutiny Committee, as well as the Gateshead Health and Wellbeing Board. Over the past year, we have worked closely with partners to provide updates on health services, including women's health, health inequalities, the quality accounts, mental health provision as well as general updates.

We have collaborated with Gateshead Council, the voluntary sector and community organisations to improve access to women's health services across the borough. Throughout the year, we have also built-up stronger partnerships within Gateshead including Healthwatch, Connected Voices and well as other organisations working in the Gateshead community.



Trudie Davies
Chief Executive
25 June 2025

Remuneration Report

The Trust has in place two remuneration committees:

- In accordance with legislation, the Board has a Group Remuneration Committee which is responsible for approving Executive Director appointments and determining their remuneration, allowances and other terms and conditions of office. It is also responsible for approving recommendations on the composition and remuneration of particular roles on the QE Facilities' Board of Directors; and
- The Governor Remuneration Committee approves the remuneration, allowances and other terms and conditions for the Chair and Non-Executive Directors. The Committee formulates recommendations regarding appointments for the consideration of the Council of Governors.

Our subsidiary company, QE Facilities, also has its own Remuneration Committee. This makes recommendations to the Group Remuneration Committee on appointment, remuneration and terms and conditions of certain QE Facilities' Board Members.

Within this report the term 'senior manager' is used. Guidance issued by NHS England defines senior managers as *'those persons in senior positions having authority or responsibility for directing or controlling the major activities of the NHS Foundation Trust'*. The guidance states that the Board of Directors should be treated as senior managers as a matter of course. As this report is prepared on a group basis, this also includes members of the QE Facilities' Board of Directors. No other members of staff are defined as senior managers for the purposes of this report in the context of Gateshead Health NHS Foundation Trust.

In accordance with the NHS Foundation Trust Annual Reporting Manual 2024/25 this remuneration report is divided into three parts:

- **Annual Statement on Remuneration**, which sets out the major decisions on senior managers' remuneration as well as any substantial changes to senior managers' remuneration which were made during the year and the context in which those changes occurred and decisions have been taken;
- **Senior Managers' Remuneration Policy**, which sets out information about our policy; and
- **Annual Report on Remuneration**, which includes details about the directors' service contracts and other related matters.

Annual statement on remuneration

The remuneration committees aim to ensure that both Non-Executive and Executive Directors' remuneration is set appropriately, taking into account relevant market conditions. As Senior Independent Director, I chair the Group Remuneration Committee (from July 2024, following my appointment to the role of Senior Independent Director).

I attend the Governor Remuneration Committee and make recommendations in relation to the remuneration and appointment of the Trust Chair, whilst the Chair of the Trust routinely attends and makes recommendations in relation to the Non-Executive Directors. The Governor Remuneration Committee is chaired by Chris Toon, Appointed Governor from Gateshead College.

Non-Executive Directors

The Governor Remuneration Committee met six times during 2024/25. During the year the Committee:

- Approved the proposed appraisal process for the Chair and Non-Executive Directors for 2023/24, which had been updated to include an assessment against the NHS Leadership Competency Framework;
- Received assurance that due process had been followed in relation to the Chair and Non-Executive Director appraisal process and outcomes;
- Formally noted the appointments of the Vice Chair and the Senior Independent Director, noting that there had been Governor input into the appointment process;
- Led the recruitment process to identify a clinical Non-Executive Director to replace Anna Stabler, who left the Board in October 2024 – this resulted in the appointment of Dr Gerry Morrow;
- Leading the recruitment process to identify Non-Executive Directors from financial / audit digital backgrounds to replace Mike Robson and Andrew Moffat who will be leaving the Board on 30 June 2025;
- Considering and recommending to the Council the option to extend the term of the Chair, Alison Marshall, for up to 12 months should a transition period be required in relation to a shared Chair taking up post across the three eastern Alliance Trusts, as previously outlined (noting that this would require NHS England approval overall);
- On behalf of the Council leading the shared Chair recruitment, including through identifying 3 members to represent the Trust on the Joint Nominations Committee (as previously outlined earlier in the Annual Report);
- Considering the annual remuneration of the current Chair and Non-Executive Directors and endorsing the recommendation to maintain current rates pending a fuller review once the shared Chair arrangement is in place or NHS England guidance is published, whichever comes soonest; and
- Reviewing the effectiveness of the meetings to ensure that the duties and responsibilities had been discharged in accordance with the terms of reference. This included expanding the Committee to include an additional public Governor, given the workload of the Committee generated by the level of appointments.

Executive Directors

The Group Remuneration Committee met five times during 2024/25. During the year the Committee:

- Expanded its membership to include all Non-Executive Directors;
- Formally ratified the appointment of Dr Carmen Howey as Medical Director;
- Considered proposals in relation to the structure of the QE Facilities' Board of Directors, including recommending to the Trust Board the re-appointment of Maggie Pavlou as Chair and Hilary Parker as Non-Executive Director for a further 12 months from 1 October 2024;
- Reviewing the outputs of an annual skills audit conducted internally, alongside the development of succession plans for Executive Director positions;
- Sought assurance regarding the outcome of the Executive Director appraisal process;
- Reviewed the national recommendations in relation to Very Senior Manager pay and used this to inform decisions regarding remuneration;
- Reviewed its terms of reference and effectiveness with no changes required to the terms of reference;

- Approved changes to Director portfolios in relation to digital and IT responsibilities, including the move to appoint a Chief Digital Information Officer for the three east coast Alliance Trusts (with the appointment being effective from 1 April 2025); and
- Approval of acting arrangements to cover the short term absence of the Group Director of Finance.

QE Facilities' Remuneration Committee

The QE Facilities' Remuneration Committee met twice times during 2024/25.

At its meeting in August 2024, the Committee considered proposals for the remuneration of two Senior Leadership Team posts. Following review, the Committee approved the proposal for one of the posts and referred the proposal for the second post to the QE Facilities Board in accordance with QE Facilities' Standing Financial Instructions.

In September 2024, the Committee reviewed pay award proposals for the QE Facilities Managing Director and Finance Director. The Committee endorsed the proposals and subsequently referred them to the Group Remuneration Committee for final approval.



Martin Hedley
Chair of the Group Remuneration Committee
25 June 2025

Senior managers' remuneration policy

The table below sets out the component parts of our remuneration package for senior managers, excluding Non-Executive Directors.

Component	Specific to:	Strategic Link	Maximum Possible	Description
Salary	All senior managers	To attract and retain suitably qualified individuals to lead and direct the Trust's activities.	Dependent on salary scale, mindful of the need to attract and retain suitable individuals, subject to periodic benchmarking and retention considerations.	<p>Senior managers, clinical and non-clinical will attract an Agenda for Change / Medical and Dental nationally agreed salary.</p> <p>All QEF employees employed in QE Facilities Ltd terms and conditions are covered by the company pay and grading structure.</p> <p>Executive Directors are subject to a pay range for each</p>

Component	Specific to:	Strategic Link	Maximum Possible	Description
				<p>post, which includes three pay zones dependent on experience.</p> <p>QEF Executive Directors' remuneration will be determined through market analysis and comparison with similar posts in terms of job size and responsibility within the region.</p>
Performance bonus	All senior managers	To attract and retain suitably qualified individuals to lead and direct the company's activities.	Not defined	There is no bonus scheme in place although the Committee reserves the right to award a bonus for exceptional performance as recommended by the Chief Executive or Chair. This is subject to an exceptional appraisal and all core skills training being up to date.
Lease car scheme	All staff	To attract and retain suitably qualified individuals to lead and direct the company's activities.	Not defined	We operate a salary sacrifice / salary deduction lease car scheme. There is no longer a car allowance payment for postholders.
Pension	All staff	To attract and retain suitably qualified individuals to lead and direct the Trust / company's activities.	<p>In line with NHS pensions</p> <p>In line with Nest scheme for QEF staff</p>	<p>NHS pension scheme and set contribution rates</p> <p>Nest pension scheme</p>
Expenses	All staff	Reimbursement of necessary	No limit	Reimbursed in line with the Trust's

Component	Specific to:	Strategic Link	Maximum Possible	Description
		business expenses		travel and subsistence policy and national terms and conditions.
On call allowance	Senior managers	To attract and retain suitably qualified individuals to lead and direct the Trust / company's activities.	None	Reimbursed in line with the Local On call Agreement.
Additional duties enhancement	Senior managers	To attract and retain suitably qualified individuals to lead and direct the Trust's activities.	Discretionary – usually no more than £10k per annum	To recognise additional temporary responsibilities

The policy in respect of the Non-Executive Directors and Chair is reviewed annually by the Governor Remuneration Committee. The Committee sets remuneration having regard for benchmarking information and guidance issued by NHS England, as outlined in the Group Remuneration Committee Chair's statement on remuneration. The key components are set out in the below table:

Component	Specific to:	Strategic Link	Maximum Possible	Description
Fees	Chair and Non-Executive Directors	To attract and retain suitably qualified individuals to Non-Executive Director positions	As determined by the Council of Governors based on national guidance and local benchmarking.	<p>The fees are set by the Council of Governors having regard to guidance issued by NHS England and local benchmarking.</p> <p>Non-Executive Directors do not participate in any performance-related schemes, nor do they receive any pension or private medical insurance or taxable benefits.</p>
Other fees payable to Non-	Chair and Non-	To attract and retain suitably qualified	Vice Chair - £1,583 per annum	Enhancements were applied on appointment to

Component	Specific to:	Strategic Link	Maximum Possible	Description
Executive Directors or items considered to be remuneration in nature	Executive Directors	individuals to Non-Executive Director positions	Senior Independent Director - £1,583 per annum Group Audit Committee Chair - £3,165 per annum	the additional role.
QE Facilities fees	QE Facilities Non-Executive Directors including the Chair	To attract and retain suitably qualified individuals to Non-Executive Director positions	Salary levels determined by independent benchmarking	Additional payment to reflect company Non-Executive Director role.

During the year five senior managers of the Trust and its subsidiary were paid more than the threshold set by the Civil Service (the Prime Minister's ministerial and parliamentary salary). The policy on very senior manager pay is reviewed and benchmarked regularly. Pay ranges are set with reference to publicly available, independently produced, sector specific benchmarking information, considering the local market too. They also are reflective of the 2024/25 annual pay increase recommendations for Very Senior Managers as part of the public sector pay round and where pay is proposed beyond the normal thresholds, and the reason is not related to the pay awards, NHS England opinion has been sought. This ensures that the Trust can offer salaries to recruit and retain the best candidates for these important roles which are proportionate to the market place.

All posts are permanent and may be terminated by mutual agreement, resignation or dismissal. The notice period for Executive Directors is six months. The Trust currently has no provision for compensation for early retirement or payments for loss of office (subject to audit). No payments were made to past senior managers.

In setting the remuneration policy for senior managers, consideration was given to the pay and conditions of employees on Agenda for Change and relevant national guidance. In determining non-incremental pay uplift for executive directors and other senior managers, consideration is given to any national pay award decisions and to appropriate national guidance.

We are committed to the principles of diversity and inclusion, and we recognise the importance of having a Board that is reflective of the population that we serve. We recognise as part of our Workforce Race Equality Standard (WRES) that there are no Board Members from the Global Ethnic Majority (GEM) community, and this remains an area of focus. Our recruitment processes encourage the emergence of candidates from diverse backgrounds, and we ensure that diversity and inclusion are taken into consideration when evaluating the skills, knowledge and experience needed for each Board-level vacancy. This is in line with our wider recruitment processes for the Trust. We have engaged with a number of diversity networks as part of Board recruitment during 2024/25 to encourage applications from a wide range of candidates, including those with protected characteristics.

We will continue to do this as part of any forthcoming recruitment to seek to ensure that the Board is representative of the population served.

Annual report on remuneration

The attendance statistics for those Board Members who are members / regular attendees at the Group Remuneration Committee are shown in the table within the Directors' Report section of the Accountability Report. As outlined in the Chair of the Committee's statement the composition of the Committee changed during the year.

The Governor Remuneration Committee met six times during 2024/25 and the Governor membership and attendance can be seen in the below table:

Member	Number of meetings attended (out of a maximum of 6)
Chris Toon – Appointed Governor and Committee Chair	6
Steve Connolly, Lead Governor and Public Governor for Central and Eastern Gateshead	5
Les Brown – Public Governor for Western Gateshead	4
Agatha Kanyangu – Public Governor for Out of Area	3
Lynsey Curry – Staff Governor	2
Adaeze Okereke, Staff Governor	3

The QE Facilities' Remuneration Committee met twice times during the year and was attended by all of its members on each occasion – Hilary Parker (QE Facilities Non-Executive Director), Maggie Pavlou (QE Facilities Chair of the Board) and Trudie Davies (Group Chief Executive).

Director and governor expenses

There were 23 Governors in post at 31 March 2025 (compared to 22 as at 31 March 2024) and 1 Governor claimed expenses totalling £137.30 during the year (compared to 1 Governor claiming expenses totalling £35.40 during 2023/24).

As at 31 March 2025 there were 18 Board Members on the Trust and QE Facilities' Boards (noting that 2 individuals sit on both Boards and are only counted here once), compared to 16 as at 31 March 2024. 7 Directors claimed expenses totalling £3,761.74, compared to 4 Directors claiming expenses totalling £5,070.24 in the previous year.

Remuneration tables (subject to audit)

The remuneration tables on the following pages are subject to audit.

2023/24						Name and Title	2024/25					
Salary and fees	Expense payments & BiK	Performance Bonus	Long Term Performance Bonus	Pension-related Benefits	Total		Salary and fees	Expense payments & BiK	Performance Bonus	Long Term Performance Bonus	Pension-related Benefits	Total
(bands of £5,000) £000	Rounded to the nearest £100	(bands of £5,000) £000	(bands of £5,000) £000	(bands of £2,500) £000	(bands of £5,000) £000		(bands of £5,000) £000	Rounded to the nearest £100	(bands of £5,000) £000	(bands of £5,000) £000	(bands of £2,500) £000	(bands of £5,000) £000
50 - 55	0	0	0	0	50 - 55	Mrs AR Marshall, Chair	50 - 55	0	0	0	0	50 - 55
195 - 200	10,400	0	0	185.0 - 187.5	390.0 - 395.0	Mrs T Davies, Chief Executive	210 - 215	1,200	0	0	7.5 - 10.0	220 - 225
125 - 130	0	0	0	0	125 - 130	Mrs J Baxter, Chief Operating Officer (left 2nd October 2023)	N/A	N/A	N/A	N/A	N/A	N/A
75 - 80	4400	0	0	60.0 - 62.5	140 - 145	Mrs J Halliwell, Chief Operating Officer (from 11th September 2023)	150 - 155	2,600	0	0	90.0 - 92.5	240 - 245
145 - 150	1200	0	0	87.5 - 90	235 - 240	Mrs K Mackenzie, Director of Finance	155 - 160	400	0	0	32.5 - 35.0	190 - 195
35 - 40	100	0	0	0	35 - 40	Mrs L Crichton-Jones, Director of People & OD (left 30th June 2023)	N/A	N/A	N/A	N/A	N/A	N/A
120 - 125	600	0	0	122.5 - 125.0	250 - 255	Mrs A Venner, Director of People & OD (from 12th June 2023)	145 - 150	0	0	0	92.5 - 95.0	240 - 245
145 - 150	0	0	0	90.0 - 92.5	235 - 240	Mrs G Findley, Chief Nurse and Deputy Chief Executive	160 - 165	0	0	0	67.5 - 70.0	225 - 230
N/A	N/A	N/A	N/A	N/A	N/A	Ms C Howey, Medical Director (from 1st July 2024)	190 - 195**	1,500	0	0	137.50 - 140.0	330 - 335
N/A	N/A	N/A	N/A	N/A	N/A	Mr N Halford, Interim Medical Director (from 1st April 2024 to 30th June 2024)	200 - 205***	300	0	0	90.0 - 92.5	290 - 295
105 - 110	0	0	0	0	105 - 110	Mr P Glasgow, Finance Director QE Facilities Ltd	110 - 115	700	0	0	0	110 - 115
10 - 15	0	0	0	0	10 - 15	Mr G Evans, Managing Director QE Facilities Ltd (from 1st March 2024)	155 - 160	2,300	0	0	0	155 - 160
120 - 125	0	0	0	0	120 - 125	Mr S Harrison, Managing Director QE Facilities Ltd (from 11th April 2023, left 17th March 2024)	N/A	N/A	N/A	N/A	N/A	N/A
0 - 5	0	0	0	0	0 - 5	Dr R Bonnington, Non Executive Director (left 30th June 2023)	N/A	N/A	N/A	N/A	N/A	N/A

2023/24						Name and Title	2024/25					
Salary and fees	Expense payments & BiK	Performance Bonus	Long Term Performance Bonus	Pension-related Benefits	Total		Salary and fees	Expense payments & BiK	Performance Bonus	Long Term Performance Bonus	Pension-related Benefits	Total
(bands of £5,000) £000	Rounded to the nearest £100	(bands of £5,000) £000	(bands of £5,000) £000	(bands of £2,500) £000	(bands of £5,000) £000		(bands of £5,000) £000	Rounded to the nearest £100	(bands of £5,000) £000	(bands of £5,000) £000	(bands of £2,500) £000	(bands of £5,000) £000
N/A	N/A	N/A	N/A	N/A	N/A	Mr D Warneford, Non Executive Director (started 17th June 2024)	0 - 5	0	0	0	0	0 - 5
N/A	N/A	N/A	N/A	N/A	N/A	Dr G Morrow, Non Executive Director (started 2nd December 2024)	0 - 5	0	0	0	0	0 - 5
0 - 5	0	0	0	0	0 - 5	Cllr M Gannon, Non Executive Director (left 30th June 2023)	N/A	N/A	N/A	N/A	N/A	N/A
15 - 20	0	0	0	0	15 - 20	Mr M Robson, Non Executive Director	10 - 15	0	0	0	0	10 - 15
10 - 15	0	0	0	0	10 - 15	Mr M Hedley, Non Executive Director (from 1st July 2023)	10 - 15	0	0	0	0	10 - 15
15 - 20	100	0	0	0	15 - 20	Mr A Moffat, Non Executive Director	15 - 20	0	0	0	0	15 - 20
15 - 20	0	0	0	0	15 - 20	Mrs H Parker, Non Executive Director	15 - 20	0	0	0	0	15 - 20
N/A	N/A	N/A	N/A	N/A	N/A	Mr Jane Fay, Acting Group Director of Finance (from 27th January 2025)	110 - 115****	400	0	0	82.5 - 85.0	195 - 200
10 - 15	0	0	0	0	10 - 15	Mr A Crampsie, Non Executive Director (from 1st July 2023)	10 - 15	0	0	0	0	10 - 15
10 - 15	0	0	0	0	10 - 15	Ms M Stabler, Non Executive Director (to October 2024)	5 - 10	0	0	0	0	5 - 10
15 - 20	0	0	0	0	15 - 20	Ms M Pavlou, Trust Non Executive Director and QEF Chair (Chair post from 1st Oct 2023).	15 - 20	0	0	0	0	10 - 15
150 - 155*	0	0	0	27.5 - 30.0	180 - 185	Mr AR Beeby, Medical Director (left 31st March 2024)	N/A	N/A	N/A	N/A	N/A	N/A

* In 2023/24 £30k - £35k relates to Mr A Beeby's role as a consultant. Mr Beeby left the Medical Director role on 21st March 2024 so there is no equivalent disclosure for 2024/25.

** In 2024/25 £65k - £70k relates to Ms C Howey's role as a consultant. Ms Howey commenced the Medical Director role on 1st July 2024 so there is no equivalent disclosure for 2023/24.

*** In 2024/25 £160k - £165k relates to Mr N Halford's role as a consultant. Mr Halford in the role of Medical Director role from 1st April 2024 to 30th June 2024 so there is no equivalent disclosure for 2023/24.

**** In 2024/25 £85k - £90k relates to Mrs J Fay's Acting Group Director of Finance role. Mrs Fay commenced in the role of Acting Group Director of Finance from 27th January 2025 so there is no equivalent disclosure for 2023/24.

Benefits in Kind (BiK) relate to lease car payments made by the Trust.

No other remuneration or pensions contributions are paid to/for these senior managers.

There were no golden hellos or compensation for loss of office.

Pension entitlements (subject to audit)

Name and title	Real increase in pension at pension age	Real increase in lump sum at pension age	Total accrued pension at pension age at 31 March 2025	Lump sum at pension age related to accrued pension at 31 March 2025	Cash Equivalent Transfer Value at 1 April 2024	Real Increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2025	Employers Contribution to Stakeholder Pension
	(bands of £2500) £000	(bands of £2500) £000	(bands of £5000) £000	(bands of £5000) £000	£000	£000	£000	£000
Mrs T Davies, Chief Executive	0.0 - 2.5	Nil	70.0 - 75.0	180.0 - 185.0	1,243	0	1,258	0
Mrs J Halliwell, Chief Operating Officer	5.0 - 7.5	5.0 - 7.5	55.0 - 60.0	155.0 - 160.0	1,033	17	1,137	0
Mrs K Mackenzie, Director of Finance	2.5 - 5.0	Nil	40.0 - 45.0	105.0 - 110.0	626	0	642	0
Mrs J Fay, Acting Director of Finance from 27th Jan 25 to 31st Mar 25	0.0 - 2.5	0.0 - 2.5	45.0 - 50.0	120.0 - 125.0	796	0	888	0
Ms C Howey, Medical Director from 1st Jul 2025	5.0 - 7.5	7.5 - 10.0	45.0 - 50.0	110.0 - 115.0	591	29	696	0
Mr N Halford, Interim Medical Director from 1st Apr 24 to 30th Jun 24	0.0 - 2.5	0.0 - 2.5	95.0 - 100.0	255.0 - 260.0	1,887	0	2,042	0
Mrs A Venner, Director of People & OD	5.0 - 7.5	7.5 - 10.0	25.0 - 30.0	65.0 - 70.0	352	8	401	0
Mrs G Findley, Chief Nurse and Deputy Chief Executive	2.5 - 5.0	0.0 - 2.5	90.0 - 95.0	120.0 - 125.0	1,366	0	1,457	0

Mr G Evans is not included as he participates in a defined contribution scheme not a defined benefit scheme.

Mr P Glasgow is not included as he participates in a defined contribution scheme not a defined benefit scheme.

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

purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

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

Name and title	Real increase in pension at pension age	Real increase in lump sum at pension age	Total accrued pension at pension age at 31 March 2024	Lump sum at pension age related to accrued pension at 31 March 2024	Cash Equivalent Transfer Value at 1 April 2023	Real Increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2024	Employers Contribution to Stakeholder Pension
	(bands of £2500) £000	(bands of £2500) £000	(bands of £5000) £000	(bands of £5000) £000	£000	£000	£000	£000
Mrs T Davies, Chief Executive	5.0 - 7.5	70.0 - 72.5	65.0 - 70.0	175.0 - 180.0	874	434	1,420	0
Mrs J Baxter, Chief Operating Officer (to 2 October 2023)	Nil	Nil	50.0 - 55.0	150.0 - 155.0	1,137	0	0	0
Mrs J Halliwell, Chief Operating Officer (from September 2023)	0.0 - 2.5	0.0 - 2.5	50.0 - 55.0	135.0 - 140.0	998	32	1,175	0
Mrs K Mackenzie, Acting Group Director of Finance	2.5 - 5.0	37.5 - 40.0	35.0 - 40.0	95.0 - 100.0	451	233	747	0
Mrs L Crighton-Jones, Director of People & OD (to 30 June 2023)	Nil	7.0 - 7.5	40.0 - 45.0	115.0 - 120.0	793	22	980	0
Mrs A Venner, Director of People & OD (from 12 June 2023)	2.5 - 5.0	27.5 - 30.0	20.0 - 25.0	50.0 - 55.0	221	156	457	0
Mrs G Findley, Chief Nurse and Deputy Chief Executive	5.0 - 7.5	2.5 - 5.0	80.0 - 85.0	110.0 - 115.0	1,148	256	1,540	0

Mr G Evans is not included as he participates in a defined contribution scheme not a defined benefit scheme.

Mr AR Beeby left the NHS pension scheme prior to 22/23 and started participating into a defined contribution scheme, details of which are not disclosed above as it is not a defined benefit scheme.

Mr P Glasgow is not included as he participates in a defined contribution scheme not a defined benefit scheme.

Mr S Harrison is not included as he participates in a defined contribution scheme not a defined benefit scheme.

Fair pay multiple (subject to audit)

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

The banded remuneration of the highest-paid director in the organisation in the financial year 2024/25 was £210k - £215k (in 2023/24 it was £195k - £200k). This is an increase between years of +7.4%.

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

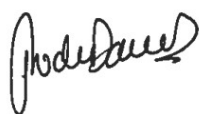
For employees of the Trust as a whole, the range of remuneration in 2024/25 was from £20K - £25k to £270k - £275k (in 2023/24 the range was £15k - £20k to £350k - £355k). The percentage change in average employee remuneration (based on total for all employees on an annualised basis divided by full time equivalent number of employees) between years is 11.4%, due to pay awards and additional enhancements being paid. 19 employees received remuneration in excess of the highest-paid director in 2024/25, this compares with 7 in 2023/24.

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

2024/25	25th Percentile	Median	75th Percentile
Salary component of pay	£27,030	£36,483	£47,519
Total pay and benefits excluding pension benefits*	£27,020	£36,483	£47,519
Pay and benefits excluding pension: pay ratio for highest paid director	7.8:1	5.8:1	4.5:1

*There are no material difference between salary component of pay and total pay and benefits excluding pension benefits as there is no significant BiK and no performance pay

The median pay in 2024/25 is £36,483 (for 2022/23 it was £34,073). This is a change between years of +7.1% and is a result of pay awards. The median is 5.8 times the remuneration of the highest director, which remains static year-on-year with 2023/24 also being 5.8 times the remuneration of the highest director.



Trudie Davies
Chief Executive
25 June 2025

Staff Report

Under our corporate strategy one of our strategic aims is '*We will be a great organisation with a highly engaged workforce*'. We recognise the importance of looking after our people and making our Trust a great place to work. It has been proven that a supportive and positive working environment for NHS colleagues has a direct impact on patient care and experience. We have placed significant focus on health and wellbeing, growing and developing our workforce and developing our culture to be the best in the NHS.

2024/25 has seen significant people-related developments here at Gateshead Health NHS Foundation Trust. There have been a number of significant national developments and we have reacted to ensure we are responsive to emerging challenges and we are taking proactive steps to introduce initiatives and strategic actions aimed at improving staff engagement, development, and well-being.

This year we concluded a project driven by Unison's "Pay Fair for Patient Care" campaign which involved a comprehensive re-banding exercise to ensure that as a Trust our Healthcare Assistant role aligned with the national profile changes. We sought to work in partnership with key stakeholders, involving extensive negotiations and reflecting our dedication to recognising and rewarding the invaluable contributions of our healthcare support staff.

As a People and Organisational Development (OD) team at the beginning of 2025 we successfully developed and implemented a structured pay progression system for all colleagues. This system ensures that essential criteria are in place for individuals to progress to the next pay step.

As part of the annual planning cycle the Trust has taken a refreshed approach which has included moving to an agreed methodology for workforce planning, the introduction of a triangulated planning template, between finance, workforce and operational and performance teams and support available for managers.

The People and OD team has also been responsive in providing support and expertise to large-scale organisational change programmes, such as the establishment of the CDC and working collaboratively with our partners in the Great North Healthcare Alliance.

Over the past year, as a Trust we have also been participating in the NHS People Promise Exemplar Programme which has supported us to focus on improving staff experience and retention. During this time, we have implemented schemes such as 30-60-90-day new starter conversations, a refreshed approach to reward and recognition, retirement cafes and self-rostering pilot.

This year, we have been pleased to see a reduction in our temporary staffing spend, consistently maintaining spend below the target of 2.5% of the pay bill, demonstrating a clear commitment to reducing reliance on temporary staff.

The launch of our flexible retirement scheme has provided staff with more options to manage their career transitions. This initiative supports our employees in achieving a better work-life balance while retaining their valuable expertise within the Trust and enabling them to share their skills and knowledge with colleagues.

We have made significant strides in our cultural work over the past 12 months emphasising the importance of civility and zero tolerance towards any form of harassment or discrimination. The "It's not okay..." campaign reflects our proactive approach to fostering a respectful and supportive workplace culture. Additionally, we have reinforced our commitment to sexual safety through targeted training and awareness programs, ensuring a safe and respectful environment for all staff and patients. The launch of the Sexual Safety Policy and the signing of the NHS Sexual Safety in Healthcare Charter demonstrate our dedication to eradicating sexual misconduct in the workplace.



Our newly developed EDI dashboard has been an invaluable tool to support monitoring and promoting of equality, diversity, and inclusion across the Trust. The dashboard tracks progress against strategic objectives, providing valuable insights into population comparisons, values scores by protected characteristics, and training and recruitment metrics.

During the year a thorough review has taken place of all our Trust training programs to ensure they remain relevant and aligned with our strategic goals. The intention is that this will lead to enhanced training offerings, including the introduction of new courses and the optimisation of existing ones. Our training initiatives are designed to support career progression, adapt to changes in healthcare, and promote a culture of lifelong learning.

Our commitment to continuous improvement is also reflected in the advancements made within our Library and Knowledge Services. The development of a Library Digital Plan and the integration of electronic resources into clinical systems have significantly enhanced access to information and supported evidence-based practice. The establishment of a multi-disciplinary library committee and the promotion of tailored current awareness bulletins further highlight our dedication to supporting staff development and improving patient care.

Information on sickness absence is collated nationally by NHS Digital and can be found at the following link <https://digital.nhs.uk/data-and-information/publications/statistical/nhs-sickness-absence-rates>.

The latest information about our staff turnover can also be found on the NHS Digital website: <https://digital.nhs.uk/data-and-information/publications/statistical/nhs-workforce-statistics>



Analysis of staff costs and numbers (subject to audit)

An analysis of our average staff numbers for the year is shown below (in respect of whole-time equivalent numbers). The 'other' category includes apprentices.

	Group				Foundation Trust			
	2024/25 total number	Permanently employed number	Other number	2023/24 total number	2024/25 total number	Permanently employed number	Other number	2023/24 total number
Medical and dental	544	517	27	499	544	517	27	499
Ambulance staff	0	0	0	0	0	0	0	0
Administration and estates	1,029	1,012	17	1,013	856	839	17	845
Healthcare assistants and other support staff	1,008	991	17	1,075	511	504	7	596
Nursing, midwifery and health visiting staff	1,533	1,432	101	1,443	1,533	1,432	101	1,443
Healthcare scientists	396	392	4	391	384	380	4	381
Scientific, therapeutic and technical staff	509	506	3	482	508	505	3	482
Other	12	12	0	21	5	5	0	8
Total	5,031	4,862	169	4,924	4,341	4,182	159	4,253

*Note that the table does not cast due to minor rounding differences

As at 31 March 2025 the gender split of the workforce was as follows (this table is not subject to audit):

	Male	Female
Directors (Trust and QE Facilities' Board Members)	8	10
Other senior managers	79	140
Employees	1130	3983

An analysis of our staff costs for the year is shown in the following table (subject to audit):

	Group				Foundation Trust			
	2024/25 total	Permanently employed	Other	Total 2023/24	2024/25 total	Permanently employed	Other	Total 2023/24
	£000	£000	£000	£000	£000	£000	£000	£000
Salaries and wages	227,546	220,460	7,086	209,733	205,476	198,588	6,888	188,769
Capitalised salaries and wages	90	90	0	989	0	0	0	0
Social security costs	21,983	21,187	796	20,980	20,006	19,223	783	19,064
Apprenticeship levy	1112	1,076	36	1,048	1,004	969	35	934
Pension costs -defined contribution plans. Employers' contributions to NHS Pensions	23,916	23,037	879	22,221	23,210	22,300	910	21,471
Pension cost – employer contributions paid by NHSE on provider's behalf (6.3% in 2023/24 and 9.4% 2024/25)	15,687	15,184	503	9,693	15,217	14,692	525	9,362
Pension costs – other	362	0	362	362	42	42	0	56
External bank	1,200	0	1,200	1,200	1,200	0	1,200	1,490
Agency / contract staff	1,779	0	1,779	1,779	1,563	0	1,563	3,230
NHS Charitable Funds staff	0	0	0	0	0	0	0	0
Termination benefits	97	97	0	143	97	97	0	143
Total	293,772	281,131	12,641	270,905	267,815	255,911	11,904	244,519

*Note that the table does not cast due to minor rounding differences

Staff equality, diversity and inclusion

At Gateshead Health we are passionate about equality, diversity and inclusion (EDI) and we have continued to take steps to ensure that EDI considerations are part of everything that we do. Our Board Members are committed to equality, diversity and inclusion.

We operate within a legislative framework which is underpinned by the Equality Act 2010, which means we need to comply with a range of different requirements, including but not limited to:

- Public Sector Equality Duty;

- Human Rights – Mental Health Code of Practice;
- Equality Delivery System (EDS2);
- Workforce Race Equality Standard (WRES);
- Workforce Disability Standard (WDES);
- Gender Pay Gap; and
- Accessible Information Standard.

Ensuring equality for all is a core part of our organisational culture and compassionate leadership approach. Our policies help us to ensure that we embrace equality, diversity and inclusion both in service delivery and employment with the Trust. As part of policy review and development, all policies must be accompanied by an equality and quality impact assessment (EQiA). The EQiA is reviewed by the Trust's dedicated Policy Review Group and signed off by the EDI and Engagement Manager prior to a policy being approved. This ensures that there are no unintended negative consequences of a policy for anyone with a protected characteristic. An EQiA training session was run for People and OD colleagues as well as other members of staff. The purpose of this was to ensure that colleagues assessing any policies and procedures would be able to cross check and make any recommendations if required to ensure that there is no detriment in respect of protected characteristics.

We have four staff networks in place within the Trust, as outlined earlier in the report – the GEM network, D-Ability network, Women's network and LGBT+ network. Each of these networks have an Executive Sponsor. The networks help us to understand the views of members of staff who share an affiliation with a protected characteristic and support us to shape our services and working environment to ensure that we are as inclusive and equitable as we can be, embracing the value of diversity.

Our four staff networks provide an invaluable space for mutual peer support, networking and opportunities for personal and professional development of members. Our networks provide a safe space where information, knowledge and experiences can be shared. Their activity helps us to support organisational and cultural development in positive and innovative ways.

Our staff networks played an integral role in helping us to promote and celebrate key occasions with events, celebrations and training.

Workforce Disability Equality Standard (WDES)

The WDES was developed to help NHS organisations make a positive impact for all disabled colleagues working in the NHS. The WDES aims to inform year-on-year improvements in reducing those barriers that impact most on the career opportunities and workplace experiences of disabled staff.

The D-Ability network has been integral to this work and has helped us to develop a greater understanding of the experiences of disabled staff. A detailed action plan for the Trust has been developed and this will enable us to measure our progress in this area.

Our latest staff survey results show increases in the following areas:

- Percentage of staff experiencing harassment, bullying or abuse from patients/ service users their relatives or other members of the public;
- Staff experiencing harassment, bullying or abuse from managers; and
- Staff experiencing harassment, bullying or abuse from colleagues.

The metric around disabled and non-disabled colleagues reporting incidents has decreased. This however is not a positive measure as individuals should feel safe to report incidents for appropriate actions to be undertaken.

The metric around equal opportunities for career progression or promotion has also shown a substantial drop for both disabled and non-disabled staff.

In respect of the WDES, there is still work to be done in relation to bullying and harassment at work, and feeling pressure from managers to come to work. This will form part of our cultural development work with our people to ensure that we provide a supportive and inclusive workplace for all our colleagues.

Our D-Ability Group and the Trust's Equality, Diversity and Inclusion Oversight Group continue to be focussed on the WDES results and improvement actions, but we recognise that it is the responsibility of every member of staff to embrace this.

We are a Disability Confident Level 2 employer which means that we are recognised for actively attracting and recruiting disabled people to help fill opportunities, providing a fully inclusive and accessible recruitment process and we offer guaranteed interviews to disabled people who meet the minimum criteria for roles.

We are flexible when assessing applicants to give disabled applicants the best opportunity to demonstrate that they can fulfil the role, and we commit to proactively offering and making reasonable adjustments.

Workforce Race Equality Standard (WRES)

The WRES was developed with similar principles in mind, helping to ensure that NHS organisations make a positive impact for colleagues from the Global Ethnic Majority (GEM).

In respect of the WRES indicators the NHS staff survey 2024 data shows that:

- For GEM colleagues the percentage of staff experiencing harassment, bullying or abuse from patient's relatives or public in the last 12 months increased from 25.6% to 26.5% and for white colleagues this figure has dropped from 21.1% to 20.2%;
- For GEM colleagues the percentage of staff experiencing harassment, bullying or abuse from staff in the last 12 months decreased from 29.4% to 26.4% and for white colleagues has increased from 18.5% to 19.3%; and
- For both GEM and white colleagues the percentage of staff experiencing discrimination at work from a manager / team leader or other colleagues rose from 14.6% to 17.1% and 4.8% to 5.8% respectively.

On a positive note, the figure for our staff believing that the Trust provides equal opportunities for career progression, increased from 53% to 54.7%.

Detailed analysis is being undertaken to understand why there has been an increase in the percentage of our GEM colleagues experiencing these unacceptable behaviours compared to the previous year. Trained Cultural Ambassadors are available for any member of staff if and when a disciplinary and grievance processes is to be undertaken.

We routinely capture information around who has been successful in applying and being recruited within the Trust and are using this information to address and understand how we are reflective of the diverse communities we serve. This information is captured in our EDI KPI metrics which are tabled at the Human Rights Equality Diversity Oversight group.

We have implemented practices to assess where the pitfalls are for candidates in respect of their protected characteristics using the data available. Within the recruitment and selection training elements pertaining to conscious and unconscious bias in the recruitment process have been built in. We are also reviewing the assessment methods and scoring systems used by hiring managers to ensure reasonable and fair decisions are being made during the selection process.

In terms of gender pay gap reporting, in 2024/25 overall data shows that 83% of our workforce was female and 17% male. The gender split across the lower, lower middle, and upper middle quartiles is fairly proportionate to the organisational gender split and has been for the last few years.

There is however a higher percentage of men within the upper quartile proportionate to the organisation and although overall there is a decrease in the upper male quartile, the decrease is insignificant.

Because the number of women in the organisation is much higher than the number of men in the organisation, when divided into four quartiles, the number of men in each quartile is much smaller than the number of women in their quartiles. In the upper quartile, the average hourly rate for women is £19.10, whereas for men, is £25.01. This is influencing the organisation's 23.64% mean gender pay gap.

Further information on gender pay gap reporting can be found on the Cabinet Office website: [Find and compare gender pay gap data - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/collections/find-and-compare-gender-pay-gap-data)

Further information on our approach to EDI can be found on our website via the following link:

<https://www.gatesheadhealth.nhs.uk/about/trust/equality-diversity>

Communicating, consulting and engaging with our colleagues

We actively encourage our colleagues to become involved in identifying improvements and shaping our performance and operations.

We have several consultative forums in place. Our Joint Consultation Committee and Local Negotiation Committee are the most formal arenas for consultation with staff side colleagues. They are also supported by several sub-committees (such as policy sub-committee and working groups for example the Medical Workforce Group). In addition, there are forums such as Junior Doctor Forum. Staff side colleagues are involved in our staff network groups.

The Communications and Involvement Strategy for 2023/24 to 2025/26 is in its final year. It sets out our key priorities for communications and involvement and how this will support our achievement of our overall corporate strategy. Our key communications priorities are:

- Maintain positive and effective communication with colleagues;
- Raise the profile of the Trust and proactively promote its work, performance and reputation;
- Demonstrate the Trust's development as an organisation in regard to equality, diversity and inclusion;
- Share proactive and positive stories about patient care that highlight the quality and safety of our services;
- Support and empower senior leaders across the organisation to communicate and engage effectively; and

- Work in partnership with communication professionals to support our patients across Gateshead and wider within the North East and North Cumbria area and beyond.

The key internal communication channels include the weekly newsletter, Gateshead Health Weekly, the weekly Chief Executive's update and the intranet (StaffZone), which colleagues can access on any device. We also use a monthly Team Brief to engage with senior leaders in the organisation and have introduced quarterly Chief Executive roadshows.

Freedom to Speak Up

All NHS providers are required to have a Freedom to Speak Up Guardian (FTSUG). We are committed to achieving the highest possible standards for our patients and people and as such we are committed to promoting an open and transparent culture to ensure that all members of staff feel safe and confident to speak up.

The FTSUG is employed by the Trust but is independent and works alongside Trust leadership teams to support this goal. The FTSUG reports to the Board, the People and OD Committee and Quality Governance Committee twice per year, as well as continuing to report to the National Guardian's Office on a quarterly basis. Our FTSUG supports the delivery of the Trust's corporate strategy and vision as encapsulated in our values.

As well as via the FTSUG, staff may also raise concerns with their trade union or professional organisations as per our Freedom to Speak Up Policy. When concerns are raised via the FTSUG, the Guardian commissions an investigation and feeds back outcomes and learning to the person who has spoken up. The FTSUG reports directly to the Deputy Chief Executive and has regular meetings with the Executive Director of People and OD and the Non-Executive Director responsible for FTSU.

Throughout 2024/25 the FTSUG has continued to raise the profile and awareness of FTSU service across the Trust, including promotional events, education and training sessions, as well as being involved in a number of Team Briefs to share work we are undertaking across the Trust on areas of discrimination, racial abuse, hate crimes, and sexual safety to name only some of the programs of improvement. This has been achieved through collaboration with the People and OD teams and Culture Board Program supporting changes to policies and supporting staff with our zero tolerance responses as well as highlighting the importance of FTSU through our 'It's not ok' campaign. As a result of staff survey responses and feedback from some of our investigations a road map has been developed to support staff having clear guidance for how and where they will gain support to raise concerns.

We had hoped to achieve an increase in our FTSU Champions with an aim to add a further 10 Champions. Due to the excellent uptake by colleagues we have exceeded this and now have 30 Champions trained and some more waiting to undertake training. We have also

National Guardian
Freedom to Speak Up

NHS
Gateshead Health
NHS Foundation Trust

Freedom to Speak Up Champions

Clare Chubb Medical Secretary	Helen Burn Community Nurse Practitioner	Heather Pitt Staff Nurse	Helen Atwell Specialist Radiographer	Greg Wilson Senior Medical Engineer	Ruth McDonald Clinical Pharmacist	Lynsey Curry Lead Clinical Pharmacist	Louise Wardle Wardle Health	Sharon Berry Senior SQU
Silvynne Win Staff Nurse	Judith Curry Patient Experience & Volunteer Manager	Anita Nadeau Staff Nurse	Ankita Pareek Senior SQU	Maria Connolly Senior SQU	Vicky Graham Ward SQU	Sarah Graham Head of ELD	Chakrapani Kaler Consultant Anaesthetist	Julia Taylor Domestic services business support
Karen Straghan Domestic	Kidjo Scheraga EDI Lead	Steve Connolly Volunteer	Lisa Heaton ODP Theatre	Ngyl Liff Security	Maria Roberts Receptionist	Clare Ebbson Service Improvement Lead	Andrew Lamb LSD Follower	Karen Singlet Consultant Surgeon T&O
Aileen Hickman	Ryan Turner	Penny Day						

It's not okay

We won't accept abuse of any kind

If you see it, or experience it, speak to us

increased ways of reporting concerns with the introduction of an electronic system, the InPhase FTSU App, where staff can raise their concerns anytime.

We have seen an increase in FTSU concerns raised when compared to the previous financial year. FTSU information and its triangulation with other information enabled hot spot areas to be identified and supported with intervention work. The majority of concerns relate to people rather than patient safety / quality, which is consistent with regional trends.

Health and safety performance

We are committed to ensuring the health, safety and wellbeing of our people, patients, contractors and members of the public who are in any way affected by the activities of the Trust or QE Facilities across all locations.

We ensure the provision of appropriate resources, including staff, finance and equipment in a timely manner so as to conduct our activities in accordance with all statutory and regulatory requirements, seeking to exceed such requirements wherever reasonably practicable.

Our key objectives are to:

- prevent accidents and cases of work-related ill health;
- manage health and safety risks in our workplace;
- provide clear instructions and information, and adequate training, to ensure our people are competent to do their work;
- provide suitable personal protective equipment;
- consult with our people on matters affecting their health and safety;
- provide and maintain safe plant and equipment;
- ensure safe handling and use of substances;
- maintain safe and healthy working conditions;
- implement emergency procedures, including evacuation in case of fire or other significant incident;
- review and revise the Health & Safety Policy on a regular basis;
- maintain a culture of co-operation, communication, competency and control for health and safety; and
- protect patients and people other than those at work against risks to their health and safety arising out of work activities.

The Board has identified and assigned roles and responsibilities to management, specialist support subject matter experts and individual staff members including bank and volunteering colleagues across the Group's organisational structure, to ensure the aims and objects of our Group Health & Safety Policy are achieved and maintained.

In delivering these aims, we expect all staff, bank staff, students and contractors to always conduct themselves in line with the policy and to fully engage in all identified health & safety initiatives to deliver continual health & safety improvements.

Assurance on all matters relating to health & safety continued to be achieved through the Group Health & Safety Group meetings and team structure.

As part of the Trust's drive for continued improvement the work of the Group Health and Safety Group is supported by a number of Tier 3 sub-groups within the governance structure. They include the Fire Safety Management Group, Radiation Protection Group and Violence Reduction Group.

The Group Health & Safety Group is well attended across the year, with members representing staff from across the Group, our union colleagues across all locations and all levels of management including our Trust Board accountable Health & Safety lead.

We continue to promote and drive a safe working culture by providing additional education and awareness of shared learnings via internal communications, newsletters and staff social media forums.

Occupational health & wellbeing

The Occupational Health and Wellbeing team focused efforts on reducing the wait time for management referral nursing appointments.

The other focus was to reduce the wait time to access the counselling service. This allowed those referred to be seen in a much timelier manner. Work is underway to monitor the data to allow us to predict how many counselling hours are required to meet the current demand.

The team have been working on our SEQOHS (Safe, Effective, Quality Occupational Health Service) revalidation, which assesses the services against 6 key domains; Governance & Finance; Resources and Processes; Outputs and Outcomes; Information and Communication; Quality Assurance and Improvement; and Sector Specific Standards. Our assessment will be in the Summer of 2025.

Our physiotherapy service continues to see staff who refer to the treatment service within the timescales set out in the KPI. The physiotherapist has focused work on targeting areas with high sickness absence due to musculoskeletal injuries and proactively working with the teams to improve their musculoskeletal health.

Continued development of our health and wellbeing offer has seen the Trust achieve the Better Health at Work Continuing Excellence award. This accreditation was awarded as a reflection of the holistic nature of the organisational wellbeing offer, as well as the successful enactment of awareness-raising campaigns pertaining to topics including stress and mental health; musculoskeletal and physical health; women's health; and financial wellbeing.

Elsewhere, the health and wellbeing service has also integrated within wider work across the People & OD agenda. Included in this is the formation of the 'Zero Tolerance' support hub for staff, providing colleagues with a directory of appropriate reporting and targeted support options following any occurrences of unacceptable behaviours in the workplace. Another example is the efforts to drive retention through associated strands of work supporting the People Promise Exemplar agenda, as well as upskilling colleagues while strengthening support networks across the organisation through the provision of Mental Health First Aider training offers for both staff and line manager

Countering fraud and corruption

Local Counter Fraud Specialist Services (LCFS) were provided under contract arrangements with AuditOne. As referred to in the *Performance Report* a Counter-Fraud, Bribery and Corruption Policy is in place with regular updates on activity and investigations provided to the Group Audit Committee. The Trust's Conflicts of Interest policy also includes reference to bribery. The Local Counter Fraud Specialist ensures that fraud awareness is regularly communicated and promoted to Trust colleagues through regular articles in the weekly staff newsletter.

Trade union facility time

The tables below outline the facilities we have provided for trade union colleagues during the year and collectively they constitute our facility time report for 2024/25.

Relevant union official:

Number of employees who were relevant union officials during the relevant period	Full Time Equivalent (FTE)
37	35.04

Percentage of time spent on facility time:

Percentage of Time	Number of Employees
0%	23
1%-50%	13
51%-99%	0
100% of their working time	1

Percentage of pay bill spent on facility time

Total Pay Bill	£293,585.00
Total cost of facility time	£36,927.01
Percentage of the total pay bill spent on facility time, calculated as: (Total cost of facility time / total Pay Bill x 100	0.01%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	3.37%
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Here in Gateshead, whether providing support to individual colleagues, to teams going through changes, or by playing a valuable role in contributing to Trust-wide agendas (for example via Joint Consultative Committees) we recognise that the participation of trade union representatives supports our partnership approach and our values of openness, respect and engagement.

Expenditure on consultancy

The Group spent £0.815m on consultancy during 2024/25 (2023/24: £0.956m).

Exit packages (subject to audit)

Exit packages during 2024/25 are detailed in the following table. All payments made were due to contractual or legal obligations.

Exit package cost band	2024/25 Group				2023/24 Group			
	Number of compulsory departures agreed	Cost of compulsory departures agreed	Number of other departures agreed	Cost of other departures agreed	Number of compulsory departures agreed	Cost of compulsory departures agreed	Number of other departures agreed	Cost of other departures agreed
		£000	£000	£000		£000	£000	£000
<£10,000	2	10	0	0	0	0	0	0
£10,001 - £25,000	1	11	0	0	0	0	0	0
£25,001 - £50,000	1	49	0	0	0	0	0	0
£50,001 - £100,000	1	73	0	0	0	0	0	0
£100,001 - £150,000	0	0	0	0	1	143	0	0
£150,001 - £200,000	0	0	0	0	0	0	0	0
>£200,000	0	0	0	0	0	0	0	0
Total	5	143	0	0	1	143	0	0
Redundancy	5	143	0	0	1	143	0	0
Voluntary Severance Scheme	0	0	0	0	0	0	0	0
Total	5	143	0	0	1	143	0	0

Two redundancy packages were agreed in 2023/24 but were not included in the note. These are now disclosed in 2024/25 – 1 at £49k and 1 at £4.7k.

Off-payroll transactions

The Trust makes every effort to minimise the use of off-payroll arrangements, which are only used as a last resort, for example where recruitment has failed for critical posts. Only in very exceptional circumstances would off-payroll engagements be undertaken for highly paid staff. When off-payroll engagements arise we strictly apply NHS England requirements to ensure proper protocols are followed and disclosures made.

The following table shows all off-payroll engagements as of 31 March 2025:

Number of existing arrangements as of 31 March 2025	0
Of which:	
Number that have existed for less than one year at time of reporting	0
Number that have existed for between one and two years at time of reporting	0
Number that have existed for between two and three years at time of reporting	0

of reporting	
Number that have existed for between three and four years at time	0
of reporting	
Number that have existed for four or more years at time	0
of reporting	

The following table shows all new off-payroll engagements, or those that reached six months in duration, in between 1 April 2023 and 31 March 2024, for more than £245 per day that last longer than six months.

Number of existing arrangements as of 31 March 2024	0
Of which:	
Number that have existed for less than one year at time of reporting	0
Number that have existed for between one and two years at time	0
of reporting	
Number that have existed for between two and three years at time	0
of reporting	
Number that have existed for between three and four years at time	0
of reporting	
Number that have existed for four or more years at time	0
of reporting	

There were no off-payroll engagements of Board Members and / or senior officials with significant financial responsibility between 1 April 2024 and 31 March 2025, as shown by the following table.

Number of off-payroll engagements of Board Members, and/or, senior officials with significant financial responsibility, during the financial year.	0
Number of individuals that have been deemed 'Board Members and/or senior officials with significant financial responsibility' during the financial year. This figure must include both off-payroll and on-payroll engagements.	19

Staff survey report

Statement of approach

Our approach to staff engagement is centred on fostering a culture that reflects our ICORE values: innovation, care, openness, respect, and engagement.

We have implemented a range of feedback mechanisms to ensure all colleagues have the opportunity to 'have their say', share their views, and contribute to decision-making. Feedback is reviewed by the Executive Team and senior leaders and directly informs our organisational strategy and workforce development plans.

Key priorities for the coming year include:

- **Enhancing staff engagement** by increasing visibility and accessibility of our Health and Wellbeing (HWB) offer. This involves understanding what support is needed, what is currently available, how it can be accessed, and how colleagues can take proactive steps to support their own wellbeing and remain well at work; and
- **Stopping incivility** by encouraging respectful behaviour, kindness, and appreciation across all teams. We are committed to addressing bullying and harassment, with particular attention to the experiences of under-represented groups, including LGBTQ+ staff, staff from GEM backgrounds, women, and those colleagues with disabilities.

As part of our strategic focus, we are aiming to improve our staff engagement score to 7.3 by 2025.

NHS staff survey

The NHS staff survey is conducted annually. From 2021/22 the survey questions align to the seven elements of the NHS 'People Promise', retaining two previous themes of engagement and morale. All indicators are based on a score out of 10 for specific questions with the indicator score being the average of those.



The response rate to the 2024/25 survey among trust staff was 53% (2023/24: 49 %).

Scores for each indicator together with that of the survey benchmarking group (the benchmarking group are 58 acute and acute community trusts commissioned by Picker to run their survey) are presented below.

Indicators People Promise elements and themes	2024/25		2023/24		2022/23	
	Trust	Benchmarking group score	Trust	Benchmarking group score	Trust	Benchmarking group score
We are compassionate and inclusive	7.4	7.2	7.5	7.3	7.5	7.2
We are recognised and rewarded	5.9	5.9	6.1	6.0	5.9	5.7
We each have a voice that counts	6.7	6.7	6.9	6.7	6.8	6.6
We are safe and healthy	6.1	6.1	6.2	6.1	6.0	5.9
We are always learning	5.8	5.6	5.9	5.6	5.5	5.4
We work flexibly	6.4	6.2	6.4	6.3	6.1	6.0
We are a team	6.8	6.7	6.8	6.8	6.8	6.6
Staff Engagement	6.8	6.8	7.0	6.9	6.9	6.8
Morale	5.9	5.9	6.0	5.9	5.8	5.7

Despite a slight decline in our staff engagement score, this mirrors national benchmark trends and remains an area of focus for 2024/25.

The Trust continues to perform at or above the benchmark level across all People Promise themes, with highlights including:

- 63% of staff would recommend the organisation as a place to work;
- 71% would be happy with the care provided to a friend or relative; and
- 77% believe patient care is the organisation's top priority — 10% above the benchmark.

Areas for development

The 2024 survey identified several areas requiring targeted improvement:

- A **decline in incident reporting** for physical violence (from 69% to 64%);
- An **8% drop** in positive responses related to health and wellbeing;
- A reduction in perceived **respect and value among colleagues**; and
- **Lower satisfaction** among under-represented groups, particularly LGBTQ+, disabled, and non-binary staff. A 16% drop in positivity was noted among those who preferred not to disclose their gender.

Progress since 2023 survey

Following the 2023 survey, we prioritised:

- Promoting a culture of **speaking up**;
- Developing the '**We Are a Team**' People Promise through civility and respect; and
- Tackling bullying, harassment, discrimination and abuse via the **Zero-Tolerance Working Group**

Key actions included:

Freedom to Speak Up

- ✓ Enhanced visibility of the FTSU Guardian
- ✓ Recruitment and embedding of FTSU Champions to strengthen the FTSU service

Civility and Respect

- ✓ Standardised 'Civility' training piloted and delivered to nearly 300 staff
- ✓ Launch of the *Civility Gateshead* guide
- ✓ Integration of civility training into corporate induction
- ✓ Development of local civility questions now included in the National Quarterly Pulse Survey

Zero-Tolerance Approach

- ✓ Anti-Racism Charter signed
- ✓ Bullying and Harassment policy revised to include a behavioural framework
- ✓ Over 800 staff trained via *Show Racism the Red Card*
- ✓ Sexual Safety Charter signed and new policy introduced
- ✓ Training of facilitators for sexual safety and active bystander interventions

Wider Engagement and Communication

- ✓ Improved two-way communication through weekly Chief Executive updates, executive roadshows, and “tea and chat” sessions
- ✓ Restructuring of the organisation to reduce bureaucracy and increase clinical representation
- ✓ Estates and capital plan revised to prioritise key clinical areas

Looking ahead: priorities for 2024–25

Building on this progress, our upcoming priorities include:

- Continued action on **bullying, harassment, discrimination, and abuse**, with particular attention to the experiences of under-represented groups;
- Enhanced visibility and **accessibility of health and wellbeing resources**; and
- Ongoing **promotion of civility**, to encourage respectful behaviour, kindness, and appreciation across all teams.

A renewed emphasis on strengthening a ‘speak up’ culture further supports our goal of raising staff engagement to 7.3 by 2025.

While some progress is evident, we will continue to monitor key areas such as morale and wellbeing through both national and quarterly feedback surveys to ensure we build a positive and inclusive workplace for all.

Code of Governance for NHS Provider Trusts

Gateshead Health NHS Foundation Trust has applied the principles of the Code of Governance for NHS Provider Trusts on a comply or explain basis.

The Code sets out a common over-arching framework for the corporate governance of NHS providers.

Mandatory disclosures

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

Code Section Ref	Code of Governance – Mandatory Disclosure Requirements – Schedule A	Annual Report Section Reference
	organisations and any associated risk management arrangements.	
B 2.6	<p>The board of directors should identify in the annual report each non-executive director it considers to be independent. Circumstances which are likely to impair, or could appear to impair, a non-executive director's independence include, but are not limited to, whether a director:</p> <ul style="list-style-type: none"> • has been an employee of the trust within the last two years • has, or has had within the last two years, a material business relationship with the trust either directly or as a partner, shareholder, director or senior employee of a body that has such a relationship with the trust • has received or receives remuneration from the trust apart from a director's fee, participates in the trust's performance-related pay scheme or is a member of the trust's pension scheme • has close family ties with any of the trust's advisers, directors or senior employees • holds cross-directorships or has significant links with other directors through involvement with other companies or bodies • has served on the trust board for more than six years from the date of their first appointment • is an appointed representative of the trust's university medical or dental school. <p>Where any of these or other relevant circumstances apply, and the board of directors nonetheless considers that the non-executive director is independent, it needs to be clearly explained why.</p>	This is referred to in the Board composition section
B 2.13	The annual report should give the number of times the board and its committees met, and individual director attendance.	This is referred to in the Board composition and Directors' report section. Individual attendance statistics are provided for

Code Section Ref	Code of Governance – Mandatory Disclosure Requirements – Schedule A	Annual Report Section Reference
		those committees which the Code mandates must exist.
B 2.17	For foundation trusts, this schedule should include a clear statement detailing the roles and responsibilities of the council of governors. This statement should also describe how any disagreements between the council of governors and the board of directors will be resolved. The annual report should include this schedule of matters or a summary statement of how the board of directors and the council of governors operate, including a summary of the types of decisions to be taken by the board, the council of governors, board committees and the types of decisions which are delegated to the executive management of the board of directors.	This is included in the Board's Relationship with the Council of Governors section
C 2.5	If an external consultancy is engaged, it should be identified in the annual report alongside a statement about any other connection it has with the trust or individual directors	This is included in the Annual Statement on Remuneration
C 2.8	The annual report should describe the process followed by the council of governors to appoint the chair and non-executive directors. The main role and responsibilities of the nominations committee should be set out in publicly available written terms of reference.	This is included in the Council of Governors section of the Directors' Report, as well as in the Annual Statement on Remuneration. The terms of reference for the Governor Remuneration Committee are available on the Trust's website as part of the Council of Governors' papers.
C 4.2	The board of directors should include in the annual report a description of each director's skills, expertise and experience	This is referred to in the Board composition table in the Directors' report section.
C 4.7	All trusts are strongly encouraged to carry out externally facilitated developmental reviews of their leadership and governance using the Well-led framework every three to five years, according to their circumstances. The external reviewer should be identified in the annual report and a statement made about any connection it has with the trust or individual directors	This is referred to in the Well-led Arrangements section of the Directors' Report
C 4.13	The annual report should describe the work of the nominations committee(s), including: <ul style="list-style-type: none"> the process used in relation to appointments, its approach to succession planning and how both 	This is included in the Annual Statement on Remuneration and Senior Managers' Remuneration Policy sections.

Code Section Ref	Code of Governance – Mandatory Disclosure Requirements – Schedule A	Annual Report Section Reference
	<p>support the development of a diverse pipeline</p> <ul style="list-style-type: none"> • how the board has been evaluated, the nature and extent of an external evaluator's contact with the board of directors and individual directors, the outcomes and actions taken, and how these have or will influence board composition • the policy on diversity and inclusion including in relation to disability, its objectives and linkage to trust vision, how it has been implemented and progress on achieving the objectives • the ethnic diversity of the board and senior managers, with reference to indicator nine of the NHS Workforce Race Equality Standard and how far the board reflects the ethnic diversity of the trust's workforce and communities served • the gender balance of senior management and their direct reports. 	
C 5.15	<p>Foundation trust governors should canvass the opinion of the trust's members and the public, and for appointed governors the body they represent, on the NHS foundation trust's forward plan, including its objectives, priorities and strategy, and their views should be communicated to the board of directors. The annual report should contain a statement as to how this requirement has been undertaken and satisfied.</p>	<p>This is included in the Foundation Trust Membership section.</p>
D 2.4	<p>The annual report should include:</p> <ul style="list-style-type: none"> • the significant issues relating to the financial statements that the audit committee considered, and how these issues were addressed • an explanation of how the audit committee (and/or auditor panel for an NHS trust) has assessed the independence and effectiveness of the external audit process and its approach to the appointment or reappointment of the external auditor; length of tenure of the current audit firm, when a tender was last conducted and advance notice of any retendering plans • where there is no internal audit function, an explanation for the 	<p>This is included in the Group Audit Committee section within the Directors' Report.</p>

Code Section Ref	Code of Governance – Mandatory Disclosure Requirements – Schedule A	Annual Report Section Reference
	<p>absence, how internal assurance is achieved and how this affects the external audit</p> <ul style="list-style-type: none"> an explanation of how auditor independence and objectivity are safeguarded if the external auditor provides non-audit services 	
D 2.6	The directors should explain in the annual report their responsibility for preparing the annual report and accounts, and state that they consider the annual report and accounts, taken as a whole, is fair, balanced and understandable, and provides the information necessary for stakeholders to assess the trust's performance, business model and strategy	This is included in the Audit of the Accounts section of the Performance Report
D 2.7	The board of directors should carry out a robust assessment of the trust's emerging and principal risks. The relevant reporting manuals will prescribe associated disclosure requirements for the annual report.	This is included in the About Us – Our Strategic Objectives and Risks section of the Performance Report, as well as being covered in the Annual Governance Statement.
D 2.8	The board of directors should monitor the trust's risk management and internal control systems and, at least annually, review their effectiveness and report on that review in the annual report. The monitoring and review should cover all material controls, including financial, operational and compliance controls. The board should report on internal control through the annual governance statement in the annual report.	This is included in the About Us – Our Strategic Objectives and Risks section of the Performance Report, as well as being covered in the Annual Governance Statement.
D 2.9	In the annual accounts, the board of directors should state whether it considered it appropriate to adopt the going concern basis of accounting when preparing them and identify any material uncertainties regarding going concern. Trusts should refer to the DHSC group accounting manual and NHS foundation trust annual reporting manual which explain that this assessment should be based on whether a trust anticipates it will continue to provide its services in the public sector. As a result, material uncertainties over going concern are expected to be rare.	This is included in the Going Concern section of the Performance Report.
E 2.3	Where a trust releases an executive director, eg to serve as a non-executive director elsewhere, the remuneration disclosures in the annual report should include a statement as to	No Executive Directors have been released to serve as a Non-Executive Director elsewhere.

Code Section Ref	Code of Governance – Mandatory Disclosure Requirements – Schedule A	Annual Report Section Reference
	whether or not the director will retain such earnings.	
Appendix B 2.14	The annual report should identify the members of the council of governors, including a description of the constituency or organisation that they represent, whether they were elected or appointed, and the duration of their appointments. The annual report should also identify the nominated lead governor.	This is included in the Council of Governors section of the Directors' Report
Appendix B 2.14	The board of directors should ensure that the NHS foundation trust provides effective mechanisms for communication between governors and members from its constituencies. Contact procedures for members who wish to communicate with governors and/or directors should be clear and made available to members on the NHS foundation trust's website and in the annual report.	This is included in the Foundation Trust Membership section of the Directors' Report
Appendix B 2.15	The board of directors should state in the annual report the steps it has taken to ensure that the members of the board, and in particular the non-executive directors, develop an understanding of the views of governors and members about the NHS foundation trust, eg through attendance at meetings of the council of governors, direct face-to-face contact, surveys of members' opinions and consultations.	This is included in the Board's Relationship with the Council of Governors section of the Directors' Report
FT ARM	If, during the financial year, the Governors have exercised their power under paragraph 10C of schedule 7 of the NHS Act 2006, then information on this must be included in the annual report. This is required by paragraph 26(2)(aa) of schedule 7 to the NHS Act 2006, as amended by section 151 (8) of the Health and Social Care Act 2012	Governors have not exercised this power and therefore no disclosure is required.

Comply or explain

We have complied with the “comply or explain” disclosures of the Code of Governance.

NHS Oversight Framework

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

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

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

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

Segmentation

As at 29 May 2025 the Trust was positioned in segment 3, consistent with its placement in segment 3 at the end of 2023/24. Segment 3 is described in the NHS Oversight Framework as requiring significant support needs against one or more of the five national oversight themes. The driving factor for placement in segment 3 relates to our underlying financial deficit.

We have met regularly with NHS England and shared our financial sustainability plans. No enforcement action has been taken against the Trust.

Current segmentation information for NHS Trusts and Foundation Trusts is published on the NHS England website: <https://www.england.nhs.uk/publication/nhs-system-oversight-framework-segmentation/>

Modern Slavery and Human Trafficking Act 2015 Annual Statement 2024/25

Gateshead Health NHS Foundation Trust offers the following statement regarding its efforts to prevent slavery and human trafficking in its supply chain.

Section 54 of the Modern Slavery Act 2015 requires all organisations to set out the steps the organisation has taken during the financial year to ensure that slavery and human trafficking is not taking place in any of its supply chains and in any part of its own business or supply chain.

The Organisation

Gateshead Health NHS Foundation Trust provides secondary care, community and older persons' mental health services to a local population of approximately 200,000. Wider populations are served for specialist screening services, gynaecology-oncology services and some breast services, including South of Tyne, Northumberland, Humberside, Cumbria and Lancashire. Our annual turnover is around £440m and we have a workforce of around 5,000 people.

Our Commitment

The Trust considers the potential social impact and effect of its supply chain prior to the commencement of a procurement. It is committed to ensuring its suppliers adhere to the highest standards of ethics and undertakes due diligence when considering new suppliers as well as regularly reviewing existing suppliers.

The Trust recognises that it has a responsibility to take a robust approach preventing and addressing any concerns to slavery and human trafficking.

The organisation is committed to preventing slavery and human trafficking in its corporate activities and to ensuring that its supply chains are free from slavery and human trafficking.

We are committed to acting ethically and with integrity and transparency in all business dealing and to putting effective systems and controls in place to safeguard against any form of modern slavery taking place within the business of our supply chain.

Training

Advice and training regarding modern slavery and human trafficking is available to staff through our safeguarding children and adults training programmes, our safeguarding policies and procedures and our safeguarding lead.

Although specific training has not been undertaken for staff, Trust staff undertake safeguarding training as part of core training which references Modern Day Slavery and informs staff how to raise concerns regarding any vulnerable adult.

Members of the Procurement senior team are Chartered Institute of Purchasing and Supply (CIPS) qualified and abide by the CIPs code of professional conduct.

The Trust's Policy Framework

The Trust has several policies in place which support this agenda including-

- a Recruitment and Selection policies
- b Safeguarding policies

c Raising Concerns – Freedom to Speak Up

d Managing Conflicts of Interest

Our Due Diligence

As part of our efforts to monitor and reduce the risk of slavery and human trafficking occurring within our supply chain we have taken the following steps:

- Gathered information from the business concerning existing suppliers;
- Identified tier 1 suppliers to our business; and
- Sought confirmation from those suppliers of their own compliance with the Modern Slavery Act (where appropriate) and their commitment to ethical business practices and transparency in their own supply chains.

These steps have been taken to enable us to:

- Establish and assess areas of potential risk in our business and supply chains;
- Monitor potential risk areas in our business and supply chains;
- Train our employees on what to look for (the signs of modern slavery);
- Reduce the risk of slavery and human trafficking occurring in our business and supply chains;
- Provide adequate protection for whistle blowers.

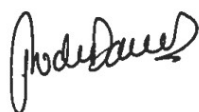
As a result, we undertake a process of due diligence to provide assurance to all relevant interested parties (ie our staff and our customers) that we work alongside reputable organisations.

We also confirm the identities of all new employees and their right to work in the United Kingdom in line with NHS employment check standards within our recruitment and selection practices and pay all our employees above the National Living Wage.

Our core values give staff a platform for our employees to raise concerns about poor working practices or behaviours not in line with those expected.

Risk and Compliance

The Trust has taken steps to evaluate the nature and extent of its exposure to the risk of modern slavery occurring within our supply chain, measured against legislative and regulatory requirements.



Trudie Davies
Chief Executive
25 June 2025

Statement of Accounting Officer's Responsibilities

Statement of the chief executive's responsibilities as the accounting officer of Gateshead Health 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 Gateshead Health 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 Gateshead Health NHS Foundation Trust and of its income and expenditure, other items of comprehensive income and cash flows for the financial year.

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

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

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

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

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

A handwritten signature in black ink, appearing to read 'Trudie Davies', with a stylized flourish at the end.

Trudie Davies
Chief Executive
25 June 2025

Annual Governance Statement

Scope of responsibility

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

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Gateshead Health 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 Gateshead Health NHS Foundation Trust for the year ended 31 March 2025 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

Risk management leadership

As Accounting Officer, I have ultimate accountability and responsibility for leading our risk management arrangements on behalf of the Board of Directors. Executive leadership for risk management is delegated to the Chief Nurse, as outlined within our risk management framework. The Chief Nurse is responsible for providing leadership for the development and implementation of the Group's risk management strategy, ensuring that we constantly monitor and evaluate the effectiveness of our systems of internal control. This includes ensuring that there is central support in terms of resource and systems in place to deliver the risk management strategy. The Chief Nurse, along with the Medical Director, also leads on all aspects of clinical risk.

Each executive director has responsibility for leadership in respect of risks relating to their own portfolio areas. As an example, the Chief Operating Officer had specific responsibility for operational risk, performance, planning and Emergency Preparedness, Resilience and Response (EPRR)-related risks in 2024/25.

Professional support in respect of the implementation of the risk management strategy and risk systems is provided by the Corporate and Clinical Risk Lead (who reports to the Chief Nurse), with the Company Secretary providing support in relation to the Board Assurance Framework (BAF).

The Executive Risk Management Group is a dedicated group within our governance structure which seeks assurance over the effective risk management within both the Trust and its wholly-owned subsidiary, QE Facilities (which provides a range of functions including estates, facilities, transport and procurement). During the year the Group was chaired by the Chief Executive, which demonstrates the importance placed on risk management by the senior leadership team.

The Group met 11 times during the year and reviewed the Organisational Risk Register (ORR) at each meeting, as well as the risk registers for each division (corporate and operational) and QE Facilities on a cyclical basis. The work of the Group provides constructive challenge and debate on the completeness of risk registers, the appropriateness of risk scores and the frequency and robustness of risk review. The Group formally reports into the Group Audit Committee, with assurance reports provided to every meeting of the Committee to demonstrate the impact of the Group and provide an insight into the risk management control environment.

The work of the Group also informed the risk reporting to other key forums within the governance structure, with the full ORR presented monthly to the Gateshead Health Leadership Group (GHLG), as well as the relevant extracts being presented to the Tier 1 Board Committees throughout the year (alongside the BAF extracts). The ORR was presented in full to the Board of Directors at every Board meeting held in public throughout the year, with the BAF presented three times.

Risk management training

We ensure through our management structures that we provide training and support on the delivery of risk management activities.

Our statutory and mandatory training programme supports staff in risk identification and assessment through subject-specific modules including health and safety, fire safety, moving and handling and falls training, for example. It is recognised that the pandemic has had an impact on training compliance rates, although note that compliance improved during the year.

The Group risk management policy (which applies to the Trust and QE Facilities) provides detailed information on risk reporting, risk register usage, risk review and risk escalation. The Trust's intranet includes additional guidance and information on how to implement the policy.

The Corporate and Clinical Risk Lead has also delivered one-to-one and group training throughout the year as well as holding bespoke risk review sessions with risk owners.

The Board has received a number of sessions on risk management during the year. In April 2024 an externally facilitated Board development session was held to support the Board in defining risk appetite and to review how to utilise the BAF to greatest effect.

In June 2024 a further session was held to re-align the risks on the Board Assurance Framework to the new strategic objectives and determine the summary risks and target risk scores for each area (building on the previous session's risk appetite work). The Company Secretary provided a training session for Board Members to aid the effectiveness and utilisation of the BAF at Board and committees.

The risk and control framework

The Trust's risk management policy sets out the framework for the management of risk including how risks are being identified, evaluated and controlled. The risk management strategy for the Group was reviewed and approved by the Board of Directors in May 2023, with the next review due by March 2026.

The risk management policy was updated in October 2024 and describes how we use the National Patient Safety Agency (NPSA) risk matrix as a tool to assist in assigning a consequence and likelihood level to risks (using a 5x5 matrix). A standardised approach to risk assessment, scoring and grading is used, with risks being assigned an initial, current

and target score. Our response to risk is in proportion to the level of risk identified and in accordance with the risk appetite and tolerance levels set by the Board of Directors.

The Board of Directors set an escalation level of 15, which means that any risks with a current risk score of 15 or above are reported to the Executive Risk Management Group to be considered for inclusion on the ORR. The risk management policy includes a full risk management governance framework to outline how risks escalate from ward to Board. Risks scored at 12 or above on divisional or corporate risk registers are also shared with the Group for completeness and information as part of the cyclical presentation of risk registers, alongside the risks of 15 or above. This enables assurance to be sought regarding the consistency of the application of risk scores across the Group.

Another key part of the risk and control framework is the BAF. The BAF provides a method for seeking assurance over the management of the principal strategic risks to meeting the Trust's strategic objectives. The BAF identifies key controls and assurances, as well as any gaps and corresponding action plans. Each of the Board's committees has responsibility for seeking assurance over the delivery of specific Board-priority strategic objectives and consequently reviews the related BAF extracts at every committee meeting. During the year committees have tracked the actions taken to address control and assurance gaps, which helped to mitigate risks which may have impacted upon the ability to deliver the strategic objectives.

A number of enhancements have been made to the format of the BAF during the year to support Board Members to utilise this important document to best effect. This has included a trend analysis graph which tracks the current summary risk score against the target set at the beginning of the year. This shows the movement in the current risk score throughout the year.

The detailed reviews of the committees informed the Board's review of the full BAF document during year. A new summary narrative against each BAF risk is presented to the Board as part of the BAF reporting – this provides a clearer overview of the discussions at each Board committee, including the rationale for maintaining or changing the summary risk score.

Our internal auditors undertake an annual review of risk management and the BAF. The 2024/25 review of Trust arrangements concluded that *'governance, risk management and control arrangements provide a good level of assurance that the risks identified are managed effectively. A high level of compliance with the control framework was found to be taking place'*. This provides good external assurance around the risk and control framework in place during 2024/25.

Governance processes and structures

Our broader governance processes and structures help to ensure that there are effective controls and escalation mechanisms in place to support decision-making and risk management.

Our Board of Directors is supported by the work of six Board committees (also referred to under the revised governance structure as Tier 1 committees):

- Group Audit Committee;
- Finance and Performance Committee;
- Quality Governance Committee;
- People and Organisational Development Committee;

- Group Remuneration Committee; and
- Digital Committee.

Each committee has delegated authority from the Board to review matters outlined with the terms of reference. The committees are chaired by Non-Executive Directors and are assurance-focussed committees. Each committee chair presents a report to the next Board meeting outlining key items for alerting, advising or assuring the Board. The '3A' report is a risk-based approach to reporting into the next tier within the governance structure.

The Trust's subsidiary, QE Facilities, reports into the Finance and Performance Committee in respect of performance against its contract with the Trust. The Chair of QE Facilities presents an assurance report to every Trust Board meeting in the 3A format, reporting on the key items emerging from each QE Facilities Board meeting. In addition QE Facilities also provides six monthly reports on performance to the Board of Directors to provide a more in-depth overview of strategic developments and performance.

A new supporting governance structure was introduced during 2024/25, introducing a series of new / revised sub-groups (known as Tier 2 groups) which are chaired by Executive Directors. These Tier 2 groups report into the Gateshead Health Leadership Group (GHLG) first and then into the Tier 1 Board committees. This helps to ensure Executive Directors are appropriately sighted on core business, issues and risks and supports the Executive Directors to act as corporate directors. As a result it supports the Tier 1 Board committees to be more strategic by ensuring that items presented to Board committees have been subject to thorough review and scrutiny prior to consideration at Tier 1 level, enabling clear articulation of assurances, risks and well-formulated action plans.

The Group Audit Committee has a key role in seeking assurance over the effectiveness of systems of internal control within both the Trust and QE Facilities. It therefore has an important and different role to play in respect of the governance structure.

As referred to earlier within the annual report, the Board has demonstrated due regard to well-led principles and the well-led framework throughout the year. This included a number of different workstreams / projects which align with well-led principles / key lines of enquiry, including:

- The implementation of a new governance structure to strengthen the rigour, scrutiny and assurance at sub-Tier 1 Board committee level;
- Focussed work on organisational culture, particularly in relation to encouraging colleagues to speak up and to promote anti-racism. This has included the commissioning of a number of external reviews to support our learning and improvement;
- Commencing work on the development of our five year-strategy using extensive engagement internally and externally to inform this; and
- Developing our partnership and collaborative working at place and particularly through the Great North Healthcare Alliance.

Ensuring that we have effective governance in place enables our Board to be assured over the services we provide to our patients and the working environment we provide for our people.

Having an effective governance structure supports in the identification and management of principal risks to compliance with the NHS provider licence section 4 (FT governance). Where we have identified potential control weaknesses or opportunities for improvement

during the year, we have proactively commissioned reviews – for example reviews of specific services. An Executive Cultural Review Group was established to look strategically at the findings of the reviews (alongside staff survey results), identify key themes and ensure that we are learning lessons and focussing on improvement.

The reviews undertaken and the actions implemented as a result support our compliance with this licence condition. The following actions taken during the year are examples of the actions we have taken to mitigate risks to compliance:

- Implementing the new governance structure to ensure effective and clear assurance, risk management, escalation and decision-making processes are in place;
- Reviewing the governance structure within QE Facilities to strengthen the governance at sub-Board level;
- Strengthening the implementation of clinically-led and management supported principles through the decision-making structures, for example through the membership of the newly created Gateshead Health Leadership Group; and
- Strengthening the focus on speaking up and raising concerns, providing earlier insight into emerging issues enabling timely action to be taken to mitigate risk.

As well as formal governance processes and structures, culture is key to ensuring that risk management principles are embedded into the everyday activity of the Trust. Risk management is also embedded into the activity of the organisation through incident reporting and the Patient Safety Incident Response Framework (PSIRF).

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with. We are committed to complying with the general and specific duties of the Public Sector Equality Duty and monitoring risks and the potential impact on people with protected characteristics. There was a significant focus on the completion of Equality and Quality Impact Assessments (EQIAs) for service changes and policy reviews, which again demonstrates an important focus on the wider aspects of risk. We work closely with our staff networks in assessing EDI-related risks and mitigating action plans to help us to continue to improve our services and offerings for both patients and colleagues.

Quality governance

The Quality Governance Committee leads on seeking assurance over all aspects of the quality of clinical care; quality and clinical governance systems; clinical risk issues; research and development; and compliance with regulatory standards of quality and safety.

The Quality Governance Committee is supported by the Tier 2 sub-group SafeCare Steering Group which reports into the Committee via Gateshead Health Leadership Group. SafeCare Steering Group is chaired by the Chief Nurse.

The quality of performance information is assessed through a rolling multi-year programme of audit, data quality spot checks and reviews against updated guidance.

The Trust is fully compliant with the registration requirement of the Care Quality Commission (CQC). The CQC last fully inspected the Trust in April 2019, when the Trust received an overall rating of 'good'. During 2023/24 our maternity service received a 'good' rating from the CQC. In July 2024 the CQC undertook unannounced Mental Health Act (MHA) monitoring visits to Cragside and Sunnyside wards. The findings were largely positive about the care provided and included positive feedback from staff and patients. The actions identified as part of previous MHA monitoring visits were confirmed as being resolved.

Key risks during 2024/25

Our key risks during 2024/25 as recorded on our Organisational Risk Register as at 31 March 2025 and where relevant referred to in our BAF were:

Theme	Key risk	Score at year-end	Mitigating actions
Quality	Risk of considerable clinical and operational impact to patient care due to the instability of our Picture Archiving and Communication System (PACS) environment	20	<ul style="list-style-type: none"> Support and mutual aid from other providers in the Integrated Care System, particularly partners in the Great North Healthcare Alliance. Implementation of a formal incident management response with business continuity plans enacted
Quality	A risk that emergency treatment is delayed for maternity patients due to the location of maternity in a separate building to critical care.	15	<ul style="list-style-type: none"> Pre-assessment process at place with elective patients who are likely to require critical care following their procedure are operated on in the main theatres. Protocols are in place for major haemorrhages. Full estates review completed. Risk mitigated to the extent that is within the capital resources available
Quality	Risk of significant service disruption due to GP collective action, including reduction in shared care service provision	15	<ul style="list-style-type: none"> Multi-disciplinary group led by the Medical Director to co-ordinate the response and quantify the potential impact Centralised monitoring of developments through a dedicated mailbox and database Communications plan in place Reporting structures in place across the Integrated Care System.
People	Risk that promoting an environment that encourages speaking out and creating a psychologically safe culture has led to increased reports of poor behaviour. This could have a negative impact on staff and require additional time and capacity to appropriately address the concerns. This	15	<ul style="list-style-type: none"> Zero tolerance campaign launched with training and support for colleagues. Increased numbers of Freedom to Speak Up Champions in place. Actions undertaken in response to specific reviews with oversight by the Cultural Review Group

Theme	Key risk	Score at year-end	Mitigating actions
	could result in further health and well being concerns and staff absence.		
Finance	Risk that the Trust will not achieve a break-even revenue plan for 2025-26 and a deterioration from the 2024-25 planned deficit, resulting in a deterioration to the Trust's NHS Oversight Framework rating.	20	<ul style="list-style-type: none"> • 2025-26 cost reduction plan (CRP) development process in place with monitoring by the CRP Steering Group. • Executive-led vacancy control process in place. • Financial accountability framework in place. • Collaborative working in place with partners in the Great North Healthcare Alliance.
Finance	The 2025-26 financial plan requires the delivery of the cost reduction programme on a recurring basis. There is a risk that if this is not achieved the Trust will not achieve its 25-26 financial plan and fail to reduce its underlying deficit.	16	<ul style="list-style-type: none"> • Dedicated strategic lead and programme management office in place for CRP. • New CRP framework and governance in place. • Meeting structure in place to monitor CRP development and delivery and hold departments and divisions to account.
Finance	There is a risk to maintaining business continuity of services and recovery plans due to the estate infrastructure, age and backlog maintenance requirements which exceed the Trust's capital allocation.	16	<ul style="list-style-type: none"> • Clinically-led estates strategy develop and prioritised. • Business continuity plans in place. • Risk assessment processes in place. • Work undertaken with Great North Healthcare Alliance partners to assess wider estates perspective, risks and opportunities.
Regulation	There is a risk of patient harm due to the potential length of stay within the emergency department	20	<ul style="list-style-type: none"> • Operational and escalation frameworks and protocols in place. • Patient flow meetings take place regularly. • Improvement workstreams focussing on urgent and emergency care, patient flow and discharge.
Regulation and compliance	The current mixed economy of health records - paper held offsite, active paper	16	<ul style="list-style-type: none"> • A strategic approach to digital records is being developed which seeks to manage this risk in

Theme	Key risk	Score at year-end	Mitigating actions
	records managed on site, digital copies within the electronic document management system, live records within clinical system - may impact the Trust's ability to comply with records management best practice and legislative requirements (such as retention/destruction periods for records). This could lead to regulatory and reputational harm.		accordance with risk appetite and affordability requirements.

A number of these risks will remain live into 2025/26 with the implementation of mitigating actions to reduce the risks down to their target scores, in line with our risk appetite. Our most significant risks will continue to be reported and monitored at every Board committee and Board of Directors meeting.

Safe staffing

We adhere to the principles of safe staffing, as defined in the national guidance, *Developing Workforce Safeguards*. We use evidence-based tools and data such as the Safer Nursing Care tool, Birthrate Plus, eRostering and Model Hospital. Alongside this we use professional judgement and other key forms of information (such as patient and staff feedback) to ensure workforce planning is responsive to need and proactive in relation to forward planning.

Nurse staffing is reported to the Board of Directors at every meeting and reported to the Quality Governance Committee on those months when a Board meeting is not held. This ensures that there is Non-Executive Director scrutiny on a monthly basis.

The People and Organisational Development Committee oversees our wider workforce planning, metrics and talent management. The Committee has received regular updates on workforce including sickness absence, turnover, vacancy rates and strategic updates / contributions in relation to the regional workforce programme.

Data security

The Digital Committee receives assurance on data security as part of key reports presented throughout the year. Under the new governance structure introduced in 2024/25 the Digital Data and Technology Steering Group supported the work of the Committee. The Committee receives a key performance indicator (KPI) report at every meeting which provides assurance over several indicators. This includes KPIs relating to cyber security, health records management, IT service effectiveness, Information Governance, clinical coding, systems adoption and data coding.

Mandatory disclosures

The Foundation Trust is fully compliant with the registration requirements of the CQC.

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

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

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

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

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

We have robust arrangements in place for ensuring that resources are used economically, efficiently and effectively. In 2024/25 these included:

- Approval of annual budgets by the Board;
- Approval of the annual plan by the Board;
- Approval of the strategic objectives by the Board, with in-year monitoring and reporting to the Board Committees and the Board;
- Reporting to Board committees and the Board of Directors on key aspects of performance via the *Strategic Objectives: Leading Indicators and Breakthrough Objectives* report. This enabled triangulation of performance across several different metrics and areas;
- Monthly group financial reporting to the Finance and Performance Committee, enabling close monitoring and scrutiny of performance against revenue and capital plans;
- Reporting on financial performance at every Board meeting;
- Implementation of Executive-led Tier 2 Groups in the governance structure to strengthen governance, scrutiny, oversight and accountability at the sub-Board committee level;
- Implementation of Gateshead Health Leadership Group to triangulate the outputs from the Tier 2 groups, strengthen clinically-led decision-making and support the flow of assurance to Tier 1 Board committees and the Board of Directors;
- Implementation of a robust process for cost reduction programme development and delivery as part of future planning; and
- Effective use of external reviews and internal audit to seek independent assessments of control environments, enabling actions to be taken to strengthen controls and streamline our governance and processes.

Information governance

The Trust reported three incidents to the Information Commissioner's Office (ICO) during 2024/25. One of the incidents was reported to be prudent, as at the time of reporting the impact was uncertain. It was later confirmed that it did not meet the reporting threshold requirement. The two incidents which met the threshold were reported in June and October 2024 and no further action was taken by the ICO.

Data quality and governance

We recognise that all our decisions – whether clinical, managerial or financial – should be based on information which is of the highest quality.

The Digital Committee seeks assurance over data quality, with data quality KPIs routinely reported to the Committee as part of the KPI report. Significant work has also been undertaken around the accuracy of counting and coding of data, alongside waiting list validation.

Processes are in place to validate our performance data and external monitoring returns. Divisions and the information team work closely to review exceptions and validate data. The Trust has scored above the national average on the Data Quality Maturity Index (DQMI) throughout the year.

Internal audit also undertake a number of audits each year which provide an independent assessment of data quality processes and controls. In 2024/25 this included an audit of the 4 hour wait performance target aligned to the System Oversight Framework. The audit received a good assurance rating, providing independent assurance over data quality in this area.

Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit, Executive Directors, clinical and non-clinical 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, the Group Audit Committee and Executive Risk Management Group and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Maintaining and reviewing the effectiveness of the system of internal control has been undertaken with consideration of the following:


- The BAF provides evidence of the effectiveness of controls and assurances in respect to the principal risks to the achievement of our strategic objectives. The Tier 1 Board committees review the BAF extract at every meeting and the Board reviews the BAF three times a year;
- The Board, Tier 1 Board committees and Gateshead Health Leadership Group advise me of key assurances, risks and issues, which enable actions to be taken to address identified weaknesses;
- Our corporate governance structure and meeting calendar is planned to enable timely escalation of issues;

- Clinical audit processes are a key element of maintaining and reviewing the effectiveness of the system of internal control. We have an annual clinical audit programme, and the Quality Governance Committee reviews the content and outcomes of the programme throughout the year. The Group Audit Committee has a key role in seeking assurance over the process for developing and delivering the programme;
- Internal audit deliver an annual plan for the group, which is developed in conjunction with the Group Audit Committee and Executive Directors with a goal of seeking assurance over controls and processes across several key areas and systems;
- The Group Audit Committee, with full support of executive management, plays a key role in monitoring the implementation of audit recommendations, holding owners to account to ensure that recommendations are implemented (which ultimately should strengthen the control environment);
- There are no 2024/25 core assurance audits with a 'limited assurance' level; and
- The independent reviews commissioned by the Board support us in strengthening our controls and processes. This has demonstrated the importance that the Board places on controls and governance and good progress has been made in implementing the recommendations from these reviews.

Whilst recognising that there are areas for us to improve on, the Head of Internal Audit Opinion for the period 1 April 2024 to 31 March 2025 provides 'good assurance' in respect of the systems of internal control.

Conclusion

Taking into account the above, my review confirms no significant control issues have been identified.



Trudie Davies
Chief Executive
25 June 2025

Independent auditor's report to the Council of Governors of Gateshead Health NHS Foundation Trust

Report on the audit of the financial statements

Opinion on the financial statements

We have audited the financial statements of Gateshead Health NHS Foundation Trust ('the Trust') and its subsidiaries ('the Group') for the year ended 31 March 2025 which comprise the Group and Trust Statements of Comprehensive Income, the Group and Trust Statements of Financial Position, the Group and Trust Statements of Changes in Taxpayers' Equity, the Group and Trust Statements of Cash Flows, and notes to the financial statements, including material accounting policy information.

The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual 2024/25 as contained in the Department of Health and Social Care Group Accounting Manual 2024/25, and the Accounts Direction issued under the National Health Service Act 2006.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Trust and Group as at 31 March 2025 and of the Trust's and the Group's income and expenditure for the year then ended;
- have been properly prepared in accordance with the Department of Health and Social Care Group Accounting Manual 2024/25; and
- have been properly prepared in accordance with the requirements of the National Health Service Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 Trust and Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and 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, and taking into account the requirements of the Department of Health and Social Care Group Accounting Manual, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Trust's or the Group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

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

We have nothing to report in these regards.

Responsibilities of the Accounting Officer for the financial statements

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

The Accounting Officer is required to comply with the Department of Health and Social Care Group Accounting Manual 2024/25 and prepare the financial statements on a going concern basis, unless the Trust is informed of the intention for dissolution without transfer of services or function to another public sector entity. The Accounting Officer is responsible for assessing each year whether or not it is appropriate for the Trust and Group to prepare financial statements on the going concern basis and disclosing, as applicable, matters related to going concern.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the Trust and Group, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation, data protection, environmental protection, corruption and anti-bribery.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- inquiring with management and the Audit Committee, as to whether the Trust and the Group is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- considering the risk of acts by the Trust and the Group which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as the National Health Service Act 2006 (as amended by the Health and Social Care Act 2012).

In addition, we evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to: posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, and the risk of fraud in revenue and expenditure recognition (which we pinpointed to the cut off assertion), and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- making enquiries of management, Internal Audit and the Audit Committee on whether they had knowledge of any actual, suspected or alleged fraud;
- gaining an understanding of the internal controls established to mitigate risks related to fraud;
- discussing amongst the engagement team the risks of fraud;
- addressing the risks of fraud through management override of controls by performing journal entry testing;
- addressing the risk of fraud in revenue recognition by performing appropriate sample testing of revenue; and
- addressing the risk of fraud in expenditure recognition by performing appropriate sample testing of expenditure.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management and the Audit Committee. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

We are also required to conclude on whether the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. We performed our work in accordance with Practice Note 10: Audit of financial statements and regularity of public sector bodies in the United Kingdom, (Revised 2024) and Supplementary Guidance Note 01, issued by the Comptroller and Auditor General in November 2024.

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

Report on the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources

Matter on which we are required to report by exception

We are required to report to you if, in our opinion, we are not satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2025.

On the basis of our work, having regard to the guidance issued by the Comptroller and Auditor General in November 2024, we have identified the following significant weakness(es) in the Trust's arrangements for the year ended 31 March 2025:

Significant weakness in arrangements	Recommendation
<p>In 2024/25 the Trust set and reported delivery of a deficit financial plan. Delivery included receipt of non-recurrent deficit support funding. As a result the 2024/25 outturn has increased the underlying deficit.</p> <p>Additionally, the Trust has set an overall deficit plan for 2025/26 which relies on receipt of non-recurrent deficit support funding and a CRP of £32.8m which is higher than that achieved in 2024/25. Should the Trust deliver its 2025/26 plan, with no adjustments, it would still have an underlying deficit.</p> <p>In our view the increasing underlying deficit, underperformance in recurrent savings and continuous reliance on receipt of deficit support funding is evidence of a significant weakness in arrangements in the financial sustainability criteria - how the body plans to bridge its funding gaps and identifies achievable savings. Without an improvement in arrangements the Trust risks being unable to deliver services in an affordable way.</p>	<p>The Trust should continue to work with local ICS partners to develop a medium-term plan to address the underlying deficit position.</p>

Responsibilities of the Accounting Officer

The Chief Executive as Accounting Officer is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in the Trust's use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

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

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

We have undertaken our work in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in November 2024.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Code of Audit Practice

In our opinion:

- the parts of the Remuneration and Staff Report subject to audit have been properly prepared in accordance with the requirements of the NHS Foundation Trust Annual Reporting Manual 2024/25; and
- the other information published together with the audited financial statements in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception under the Code of Audit Practice

We are required to report to you if:

- in our opinion the Annual Governance Statement does not comply with the NHS Foundation Trust Annual Reporting Manual 2024/25; or
- we refer a matter to the regulator under Schedule 10(6) of the National Health Service Act 2006; or
- we issue a report in the public interest under Schedule 10(3) of the National Health Service Act 2006.

We have nothing to report in respect of these matters.

Use of the audit report

This report is made solely to the Council of Governors of Gateshead Health NHS Foundation Trust as a body in accordance with Schedule 10(4) of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust 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 of the Trust as a body for our audit work, for this report, or for the opinions we have formed.

Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate until we have received confirmation from the NAO that the group audit of the Department of Health and Social Care has been completed and that no further work is required to be completed by us.



James Collins, Key Audit Partner
For and on behalf of Forvis Mazars LLP (Local Auditor)

The Corner
Bank Chambers
26 Mosley Street
Newcastle upon Tyne
NE1 1DF

27 June 2025

FOREWORD TO THE ACCOUNTS

Gateshead Health NHS Foundation Trust

These accounts for the year ended 31 March 2025 have been prepared, on a going concern basis, by Gateshead Health NHS Foundation Trust under Schedule 7 (paragraphs 24 and 25) of the National Health Service Act 2006 in a form which NHSIE has, with the approval of the Treasury, directed.



Trudie Davies
Chief Executive

**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED
31 March 2025**

		Group 2024/25	Foundation Trust 2024/25	Group 2023/24	Foundation Trust 2023/24
	Note	£000	£000	£000	£000
Revenue					
Operating Income from patient care activities	2	403,037	402,567	366,710	366,710
Other operating income	2	40,750	27,500	34,414	21,789
Operating expenses	3	(441,338)	(432,752)	(406,942)	(398,556)
Operating (deficit)/surplus from continuing operations		2,449	(2,685)	(5,818)	(10,057)
Finance Costs					
Finance income	6	1,881	1,567	2,371	2,076
Finance expense - financial liabilities	6.1	(714)	(1,882)	(681)	(1,796)
PDC Dividends payable		(4,336)	(4,336)	(3,669)	(3,669)
Net Finance Costs		(3,169)	(4,651)	(1,979)	(3,389)
Other Gains/ (Losses)		0	0	0	0
Corporation tax (expense)/income	5	(1,849)	0	(994)	0
(Deficit)/Surplus from continuing operations		(2,569)	(7,336)	(8,791)	(13,446)
Surplus / (Deficit) of discontinued operations		0	0	0	0
Surplus/(Deficit)for the financial year		(2,569)	(7,336)	(8,791)	(13,446)
Other comprehensive income					
Impairments	7	(509)	(509)	0	0
Revaluations	7	0	0	3,385	3,385
Other recognised gains and losses		0	0	0	0
Actuarial gains/(losses) on defined benefit pension schemes		0	0	0	0
Other reserve movements		(43)	0	92	0
Total Comprehensive (Expense)/Income for the year		(3,121)	(7,845)	(5,314)	(10,061)

The notes on pages 6 to 49 form part of these accounts.

**STATEMENT OF FINANCIAL POSITION AS AT
31 March 2025**

		Group 31 March 2025	Foundation Trust 31 March 2025	Group 31 March 2024	Foundation Trust 31 March 2024
	Note	£000	£000	£000	£000
Non-current assets					
Property, plant and equipment	8.1-8.4	169,678	168,601	162,396	161,227
Right of Use Assets	9	13,825	6,846	8,760	2,102
Investment Property	8.5	80	0	80	0
Investments in Subsidiaries	8.9	0	16,824	0	16,824
Loans to Subsidiaries	8.9	0	0	0	2,988
Other Investments (Charitable)	22	1,362	0	1,364	0
Trade and other receivables	10.1	2,273	1,568	2,337	1,494
Total non-current assets		187,218	193,839	174,937	184,635
Current assets					
Inventories	11.1	4,308	1,515	5,410	2,352
Trade and other receivables	10.1	29,339	26,251	21,529	22,204
Non-Current assets for Sale and Assets in disposal Groups		0	0	0	0
Cash and cash equivalents	12	26,960	17,367	40,764	34,977
Total current assets		60,607	45,133	67,703	59,533
Current liabilities					
Trade and other payables	13.1	(54,231)	(48,086)	(50,609)	(50,195)
Borrowings	14.1	(3,958)	(4,167)	(4,714)	(2,154)
Provisions	15	(2,573)	(2,503)	(5,306)	(4,673)
Other liabilities	13.2	(2,777)	(2,199)	(7,162)	(6,758)
Total current liabilities		(63,539)	(56,955)	(67,791)	(63,780)
Total assets less current liabilities		184,286	182,017	174,849	180,388
Non-current liabilities					
Trade and other payables	13.1	(146)	(146)	0	0
Borrowings	14.1	(21,760)	(54,713)	(16,499)	(52,868)
Provisions	15	(2,105)	(2,105)	(2,387)	(2,386)
Other Liabilities	13.2	(1,421)	(276)	(1,769)	(293)
Total non-current liabilities		(25,432)	(57,240)	(20,655)	(55,547)
Total assets employed		158,854	124,777	154,194	124,841
Financed by taxpayers' equity					
Public Dividend Capital		172,317	172,317	164,536	164,536
Revaluation reserve		12,671	12,671	13,180	13,180
Charitable Fund Reserve		2,357	0	2,499	0
Other Reserves		99	99	99	99
Income and expenditure reserve		(28,590)	(60,310)	(26,120)	(52,974)
Total taxpayers' equity		158,854	124,777	154,194	124,841

The financial statements on pages 147 to 176 were approved by the Board on: and signed on its behalf by:



Trudie Davies
Chief Executive

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY

	Group						Foundation Trust				
	Total	Public Dividend Capital	Revaluation Reserve	Charitable Fund Reserve	Other Reserves	Income and Expenditure Reserve	Total	Public Dividend Capital	Revaluation Reserve	Other Reserves	Income and Expenditure Reserve
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Taxpayers' Equity at 1 April 2024	154,194	164,536	13,180	2,499	99	(26,120)	124,841	164,536	13,180	99	(52,974)
Changes in taxpayers' equity for 2024/25											
Retained surplus/(deficit) for the year	(2,569)	0	0	(99)	0	(2,470)	(7,336)	0	0	0	(7,336)
Impairments	(509)	0	(509)	0	0	0	(509)	0	(509)	0	0
Transfer from Revaluation Reserve to I & E reserve	0	0	0	0	0	0	0	0	0	0	0
Revaluations Property, Plant and Equipment	0	0	0	0	0	0	0	0	0	0	0
Asset disposals	0	0	0	0	0	0	0	0	0	0	0
Other Recognised gains / losses	0	0	0	0	0	0	0	0	0	0	0
Other reserve movements	(43)	0	0	(43)	0	0	0	0	0	0	0
	151,073	164,536	12,671	2,357	99	(28,590)	116,996	164,536	12,671	99	(60,310)
Public Dividend Capital received	7,781	7,781	0	0	0	0	7,781	7,781	0	0	0
Public Dividend Capital repaid	0	0	0	0	0	0	0	0	0	0	0
Taxpayers' Equity at 31 March 2025	158,854	172,317	12,671	2,357	99	(28,590)	124,777	172,317	12,671	99	(60,310)

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY

	Group						Foundation Trust					
	Total	Public Dividend Capital	Revaluation Reserve	Charitable Fund Reserve	Other Reserves	Income and Expenditure Reserve	Total	Public Dividend Capital	Revaluation Reserve	Other Reserves	Income and Expenditure Reserve	
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Taxpayers' Equity at 1 April 2023	144,741	149,768	9,795	2,338	99	(17,259)	120,134	149,768	9,795	99	(39,528)	
Changes in taxpayers' equity for 2023/24												
Impact of implementing IFRS 16 on 1 April 2022	0					0	0				0	
Retained surplus/(deficit) for the year	(8,791)	0	0	70	0	(8,861)	(13,446)	0	0	0	(13,446)	
Impairments	0	0	0	0	0	0	0	0	0	0	0	
Transfer from Revaluation Reserve to I & E reserve	0	0	0	0	0	0	0	0	0	0	0	
Revaluations Property, Plant and Equipment	3,385	0	3,385	0	0	0	3,385	0	3,385	0	0	
Asset disposals	0	0	0	0	0	0	0	0	0	0	0	
Other Recognised gains / losses	0	0	0	0	0	0	0	0	0	0	0	
Other reserve movements	91	0	0	91	0	0	0	0	0	0	0	
	139,426	149,768	13,180	2,499	99	(26,120)	110,073	149,768	13,180	99	(52,974)	
Public Dividend Capital received	14,768	14,768	0	0	0	0	14,768	14,768	0	0	0	
Public Dividend Capital repaid	0	0	0	0	0	0	0	0	0	0	0	
Taxpayers' Equity at 31 March 2024	154,195	164,536	13,180	2,499	99	(26,120)	124,841	164,536	13,180	99	(52,974)	

**STATEMENT OF CASHFLOWS FOR THE YEAR ENDED
31 March 2025**

	Note	Group		Foundation Trust	
		2024/25	2023/24	2024/25	2023/24
		£000	£000	£000	£000
Cash flows from operating activities					
Operating surplus /(deficit) from continuing operations		2,449	(5,818)	(2,685)	(10,057)
Operating surplus /(deficit) of discontinued operations		0	0	0	0
		2,449	(5,818)	(2,685)	(10,057)
Non-cash or non-operating income and expense:					
Depreciation and amortisation		12,839	10,525	12,586	10,436
Impairments and Reversals		255	668	255	668
Non Cash Donations credited to Income		(248)	0	(248)	0
Change in Trade and Other Receivables		(8,092)	4,801	(1,409)	7,636
I/(Increase)/Decrease in Other assets		(139)	0	0	0
Change in Inventories		1,102	(655)	837	(75)
Change in Trade and other Payables		4,773	(8,158)	(106)	(5,210)
Change in Other Liabilities		(4,733)	(591)	(4,576)	(576)
Change in Provisions		(3,069)	1,862	(2,505)	1,806
Corporation Tax (paid)/received		(931)	(1,006)	0	0
Other movements in operating cash flows		(1)	(7)	(127)	(79)
NHS Charitable Funds - working capital adjustments	22	200	(105)	0	0
Net cash (outflows)/inflows from operating activities		4,405	1,516	2,022	4,549
Cash flows from investing activities					
Interest received		1,780	2,304	1,567	2,076
Purchase of Property, Plant and Equipment		(19,209)	(19,760)	(19,394)	(24,008)
Proceeds From the Sale of Property, Plant and Equipment		0	0	0	0
Initial direct costs or up front payments in respect of right of use assets (lessee)		0	0	0	0
Receipt of cash lease incentives (lessee)		0	0	0	0
Lease termination fees paid (lessee)		0	0	0	0
Receipt of cash grants/donations to purchase capital assets		65	18	65	0
Finance lease receipts (principal and interest)		60	60	60	60
NHS Charitable Funds - net cash flow from investing activities	22	0	0	0	0
Net cash outflow from investing activities		(17,304)	(17,378)	(17,702)	(21,872)
Net cash (outflow) / inflow before financing		(12,899)	(15,862)	(15,680)	(17,323)
Cash flows from financing activities					
Public dividend capital received		7,781	14,768	7,781	14,768
Public dividend capital repaid		0	0	0	0
Movement in Loans from the DHSC		(999)	(999)	(999)	(999)
Capital element of lease liability payments		(3,013)	(3,190)	(1,594)	(1,607)
Interest element of lease liability		(215)	(156)	(31)	(31)
Movement in Finance Lease		0	0	(746)	(721)
Loan Interest paid		(447)	(483)	(447)	(483)
Finance Lease Interest		0	0	(1,882)	(1,452)
PDC Dividend paid		(4,012)	(3,879)	(4,012)	(3,879)
Net cash inflow / (outflow) from financing activities		(905)	6,061	(1,930)	5,596
(Decrease)/Increase in cash and cash equivalents		(13,804)	(9,801)	(17,610)	(11,727)
Opening Cash and Cash equivalents at 1 April 2024		40,764	50,565	34,977	46,704
Closing Cash and Cash equivalents at 31 March 2025		26,960	40,764	17,367	34,977

Notes to the Accounts

1 Accounting policies and other information

Basis of preparation

NHS England has directed that the financial statements of NHS foundation trusts shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury.

Accounting convention

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

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.

In summary following our assessment, these accounts have been prepared on a going concern basis, in accordance with the definition as set out in section 4 of the DHSC Group Accounting Manual (GAM) which outlines the interpretation of International Accounting Standard 1 (IAS1) 'Presentation of Financial Statements' as "the anticipated continuation of the provision of a service in the future, as evidenced by the inclusion of financial provision for that service in published documents".

The Directors have 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 North East and North Cumbria Integrated Care System (NENC ICS). The Integrated Care Strategy for the North East and North Cumbria was published in December 2022 as a joint plan between the region's local authorities, the NHS and other partners. No circumstances were identified within the strategy that would cause the Directors to doubt or question the continued provision of NHS services by the Trust.

This year the Trust excluding the charity returned a deficit of £2.569m as reported in the Trusts Statement of Comprehensive Income.

2025/26 sees a continuation of the previous year's financial framework. This is blended tariff approach which consists of fixed and variable payments, with most services being on a fixed payment. For those services on a variable tariff income will be earned based on volume of activity at national tariff and is consistent with the historic PbR (payment by results) funding model. The Trust has planned to achieve variable income based on a volume of activity aligned to published activity trajectories. We recognise achievement of activity trajectories and consequently planned income targets is potentially uncertain but as it amounts to less than 2% of income to the Trust, we regard this as immaterial to the Going Concern assessment.

The Trust has produced its financial plans based on these assumptions which have been approved by the Trust Board.

The Trust has prepared a cash forecast modelled on the 2025-26 financial plan assumptions for funding during the going concern period to June 26. The cash forecast shows sufficient liquidity for the Trust to continue to operate during that period and there is no expectation of cash support being required, although that option remains available to Foundation Trusts.

In conclusion, these factors, 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.

Accounting policies and other information (continued)

Consolidation

NHS Charitable Fund

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

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

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

Other subsidiaries

QE Facilities Limited is a wholly owned subsidiary of the Trust. Subsidiary entities are those over which the Trust is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The income, expenses, assets, liabilities, equity and reserves of subsidiaries are consolidated in full into the appropriate financial statement lines.

Where subsidiaries' accounting policies are not aligned with those of the trust (including where they report under UK FRS 102) then amounts are adjusted during consolidation where the differences are material. Inter-entity balances, transactions and gains/losses are eliminated in full on consolidation. The primary statements and notes to the accounts are presented with separate Group and Trust columns.

Critical accounting judgements and key sources of estimation uncertainty

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

Critical judgements in applying accounting policies

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

The Trust has made critical judgements, based on accounting standards, in the classification of leases and arrangements containing a lease. The Trust's view in accounting for leases is that when a lease is in place and no definition of term is in place, it is reasonable to assume that the Trust will occupy the property for the next five years as it needs to deliver its services in a local area and there is no intention for these services to be withdrawn. The Trust will review this each year with a view to immediately altering this approach where adjustments are known.

Under IFRS 16 and per the GAM, subsequent measurement of the ROU asset should be consistent with the principles for subsequent measurement of property, plant and equipment set out in IAS 16 as adapted by the FReM. Accordingly, the right of use assets should be measured at either fair value or current value in existing use. Where market data is not readily available a regular valuation is expected to be required to estimate the current value in existing use, although noted that there is a practical expedient in place for the cost model to be used where it results in a reliable proxy for current value. The Trust has made the judgement that the cost model is appropriate to use as the basis for representing the right of use assets current value.

The Trust has made critical judgements in relation to the Modern Equivalent Asset (MEA) revaluation as at 31st March 2025. Cushman & Wakefield as the Trust's valuer carries out a professional valuation of the modern equivalent asset required to have the same productive capacity and service potential as existing Trust assets. Judgements have been made by the Trust in relation to floor space, bed space, garden space, car parking areas and all areas associated with the capacity required to deliver the Trust's services as at 31st March 2025.

1 Accounting policies and other information (continued)

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The Trust's revaluations of land and buildings are based upon the professional valuations provided by Cushman & Wakefield on a Modern Equivalent Asset basis and include estimates relating to the use of BCIS indices by the valuer which can fluctuate year on year. Impairments are recognised on the basis of these valuations.

Consolidation

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 relates to a performance obligation that is to be satisfied in a future period, the income is deferred and recognised as a contract liability.

Revenue from NHS Contracts

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

Aligned payment and incentive contracts form the main payment mechanism under the NHSPS. In 2024/25 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.

In 2024/25 fixed payments were set at a level assuming the achievement of elective activity targets within aligned payment and incentive contracts. The Trust also receives income from commissioners under Commissioning for Quality Innovation (CQUIN) and Best Practice Tariff (BPT) schemes. Delivery under these schemes is part of how care is provided to patients. As such CQUIN and BPT payments are not considered distinct performance obligations in their own right; instead they form part of the transaction price for performance obligations under the overall contract with the commissioner and accounted for as variable consideration under IFRS 15. Payment for CQUIN and BPT on non-elective services is included in the fixed element of API contracts with adjustments for actual achievement being made at the end of the year. BPT earned on elective activity is included in the variable element of API contracts and paid in line with actual activity performed.

Where the relationship with a particular integrated care board is expected to be a low volume of activity (annual value below £0.5m), an annual fixed payment is received by the provider as determined in the NHSPS documentation. Such income is classified as 'other clinical income' in these accounts. Elective recovery funding provides additional funding to integrated care boards to fund the commissioning of elective services within their systems. Trusts do not directly earn elective recovery funding, instead earning income for actual activity performed under API contract arrangements as explained above. The level of activity delivered by the trust contributes to system performance and therefore the availability of funding to the trust's commissioners.

Accounting policies and other information (continued)

Elective Recovery Fund (ERF)

The ERF enables providers to earn income linked to the achievement of recovery trajectories and weighted activity.

Grants and donations

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

Apprenticeship service income

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

Expenditure on employee benefits

Short-term employee benefits

Salaries, wages and employment-related payments 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 employer, general practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care, in England and Wales. The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore the scheme is accounted for as though it is a defined contribution scheme; the cost to the Trust is taken as equal to the employer's contributions payable to the scheme for the accounting period. The contributions are charged to operating expenses as they become due.

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

The scheme is subject to a full actuarial valuation every four years and an accounting valuation every year.

Other Pension Schemes

The group also operates a defined contribution workplace pension scheme which is the National Employment Savings Trust Scheme (NEST). The amount charged to the Statement of Comprehensive Income represents the contributions payable to the scheme in respect of the accounting period.

Ill Health Retirements

There were two ill health retirements in 2024/2025 at a cost of £264,850

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.

Accounting policies and other information (continued)**Discontinued operations**

Discontinued operations occur where activities either cease without transfer to another entity, or transfer to an entity outside of the boundary of 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 Whole of Government Accounts are 'machinery of government changes' and treated as continuing operations.

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 and
 - the cost of the item can be measured reliably; and
- assets individually have a cost of at least £5,000, or collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, e.g., plant and equipment, then these components are treated as separate assets and depreciated over their own useful 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 (i.e. operational assets used to deliver either front line services or back office functions) are measured at their current value in existing use. Assets that were most recently held for their service potential but are surplus with no plan to bring them back into use are measured at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

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

Land and non-specialist buildings - market value for existing use

Specialist buildings - depreciated replacement cost on a modern equivalent asset basis

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

Valuation guidance issued by the Royal Institute of Chartered Surveyors and adopted by the Trust states that valuations are performed net of VAT where the VAT is recoverable by the entity.

Accounting policies and other information (continued)

Property, plant and equipment (continued)

Depreciation

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

Property, plant and equipment which has been reclassified as 'held for sale' ceases to be depreciated upon the reclassification. Assets in the course of construction and residual interests 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 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'.

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

Accounting policies and other information (continued)

Property, plant and equipment (continued)

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 are reversed. Reversals are recognised in operating income to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

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

De-recognition

Assets intended for disposal are reclassified as 'held for sale' once all of the following criteria are met. The sale must be highly probable and the asset available for immediate sale in its present condition.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged 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 economic 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.

Investment property

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, to 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.

Accounting policies and other information (continued)

Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

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

Inventories

Inventories are valued at the lower of cost and net realisable value. Inventories are valued on a first in first out basis by reference to supplier information.

Between 2020/21 and 2023/24 the Trust received inventories including personal protective equipment from the Department of Health and Social Care at nil cost. In line with the GAM and applying the principles of the IFRS Conceptual Framework, the Trust has accounted for the receipt of these inventories at a deemed cost, reflecting the best available approximation of an imputed market value for the transaction based on the cost of acquisition by the Department. Distribution of inventories by the Department ceased in March 2024.

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, i.e. 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. 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.

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), except where the asset or liability is measured at fair value through income and expenditure. 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.

Accounting policies and other information (continued)

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.

De-recognition

Financial assets are de-recognised when the contractual rights to receive cash flows from the assets have expired or the Trust has transferred substantially all the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

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 lessee

Recognition and initial measurement

At the commencement date of the lease, being when the asset is made available for use, the Trust recognises a right of use asset and a lease liability.

The right of use asset is recognised at cost comprising the lease liability, any lease payments made before or at commencement, any direct costs incurred by the lessee, less any cash lease incentives received. It also includes any estimate of costs to be incurred restoring the site or underlying asset on completion of the lease term.

The lease liability is initially measured at the present value of future lease payments discounted at the interest rate implicit in the lease. Lease payments includes fixed lease payments, variable lease payments dependent on an index or rate and amounts payable under residual value guarantees. It also includes amounts payable for purchase options and termination penalties where these options are reasonably certain to be exercised.

Where an implicit rate cannot be readily determined, the Trust's incremental borrowing rate is applied. This rate is determined by HM Treasury annually for each calendar year. A nominal rate of 4.72% applied to new leases commencing in 2024 and 4.81% to new leases commencing in 2025.

Operating leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially in other liabilities on the statement of financial position and subsequently as a reduction of rentals on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the period in which they are incurred.

Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

Accounting policies and other information (continued)

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 lessor

Finance leases

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

Operating leases

Rental income from operating leases is recognised on a straight-line basis 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.

The Trust as lessor

The Trust assesses each of its leases and classifies them as either a finance lease or an operating lease. Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases. Where the Trust is an intermediate lessor, classification of the sublease is determined with reference to the right of use asset arising from the headlease.

Finance leases

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

Operating leases

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.

Accounting policies and other information (continued)

Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rates effective from 31 March 2025:

HM Treasury's discount rates effective for 31 March 2025

Up to 5 years nominal rate 4.03% (2024: (4.26%))

After 5 years up to 10 years nominal rate 4.07% (2024: 4.03%)

After 10 years up to 40 years nominal rate 4.81% (2024: 4.72%)

Exceeding 40 years nominal rate 4.55% (2024: 4.40%)

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 15 but is not recognised in the Trust's accounts.

Non-clinical risk pooling

The Foundation Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the 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.

Contingencies

Contingent liabilities are not recognised, but are disclosed in note 16.3, unless the probability of a transfer of economic benefits is remote.

Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

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.

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.

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 remunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

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 trust. 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 repayment of PDC from, the Trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the NHS Foundation 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 NHS foundation 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 in the PDC dividend policy issued by the Department of Health and Social Care. This policy is available at <https://www.gov.uk/government/publications/guidance-on-financing-available-to-nhs-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 of the audit of the annual accounts.

Value added tax

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

Corporation tax

QE Facilities Limited is a wholly owned subsidiary of Gateshead Health NHS Foundation Trust and is subject to corporation tax on its profits.

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years. Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided for is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

The Finance Act 2021, was enacted in May 2021 and included the increase to the main rate of corporation tax continues to be 25% .

Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2024/25.

Standards, amendments and interpretations in issue but not yet effective or adopted

IFRS 17

IFRS 17 Insurance Contracts – The Standard is effective for accounting periods beginning on or after 1 January 2023. IFRS 17 is yet to be adopted by the FReM which is expected to be from the 1 April 2025. Early adoption is not permitted.

IFRS 18 Presentation and Disclosure in Financial Statements - 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.

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.

IFRS 17 was issued in May 2017 and applies to annual reporting periods beginning on or after 1 January 2023. We do not expect this to have a material impact in the Group accounts.

Note 1.1 Segmental analysis

The Foundation Trust operates within a single reportable segment i.e. healthcare. This primarily covers the provision of a wide range of healthcare related services to the community of Gateshead and additionally the provision of an increasing range of more specialised services to patients outside of the area.

The Board of Directors/Chief Executive acts as the Chief Operating Decision Maker for the Foundation Trust and the monthly financial position of the Foundation Trust is presented/reported to them as a single segment.

	Group		Foundation Trust	
	2024/25 Total £000	2024/25 Healthcare £000	2024/25 Total £000	2024/25 Healthcare £000
Income				
Income from activities	403,037	403,037	402,567	402,567
Other operating income	40,750	40,750	27,500	27,500
Total Operating Income	443,787	443,787	430,067	430,067

The majority of the Trust's total income from activities is received/derived from Integrated Care Boards and NHS England. Of the £402,567k reported in 2024/25 (2023/24: £366,710k), an amount of £386,600k i.e. 96.03% was attributable to Integrated Care Boards and NHS England (2023/24: £351,126k i.e. 95.75%)

	Group		Foundation Trust	
	2023/24 Total £000	2023/24 Healthcare £000	2023/24 Total £000	2023/24 Healthcare £000
Income				
Income from activities	366,710	366,710	366,710	366,710
Other operating income	34,414	34,414	21,789	21,789
Total Operating Income	400,982	400,982	388,414	388,414

Note 2. Income**2.1 Operating Income from activities by classification**

	Group	Foundation Trust	Group	Foundation Trust
	2024/25	2024/25	2023/24	2023/24
	£000	£000	£000	£000
Aligned payment & incentive (API) income - Fixed (not variable based on activity)	264,829	264,829	253,828	253,828
Aligned payment & incentive (API) income - Variable (based on activity)	49,407	49,407	44,744	44,744
High Cost Drug Income from Commissioners	21,236	21,236	19,886	19,886
Other NHS Clinical income*	14,868	14,868	13,858	13,858
Community Income	26,688	26,688	22,819	22,819
Additional Income for the delivery of healthcare services	310	310	311	311
Private patient income	722	722	574	574
Elective Recovery Fund	7,962	7,962	0	0
Pay award central funding	807	807	159	159
Additional pension contribution central funding	15,687	15,217	9,693	9,693
Other clinical income	521	521	838	838
Total Income from Activities	403,037	402,567	366,710	366,710
Research and Development	1,135	1,135	1,185	1,185
Education and training	12,229	12,182	11,262	11,164
Non-patient care services to other bodies	14,609	5,236	10,971	2,684
Re-imbursement & Top Up Funding	0	0	0	0
Other income	9,973	6,623	8,310	4,585
Profit on disposal of other tangible fixed assets	0	0	0	0
Profit on disposal of land and buildings	0	0	0	0
Rental revenue from finance leases	0	0	0	0
Income in respect of staff costs	924	982	911	911
Notional Income from Apprentice Fund	1,071	1,071	940	940
Charitable and other contributions to expenditure - received from NHS charities	183	183	0	0
Cash donations for the purchase of capital assets - received from other bodies (including independent charities)	65	65	0	0
Donated Equipment from DHSC for Covid response non cash	0	0	0	0
Contributions to expenditure - inventory donated by NHSE for Covid response	0	0	0	0
Contributions to expenditure - inventory donated by DHSC for Covid response	0	0	270	270
Donation/Grant of Physical Assets	0	0	0	0
Cash Grants for the Purchase of Physical Assets	0	0	0	0
Rental revenue from operating leases	276	23	250	0
NHS Charitable Funds Incoming resources excluding investment income	285	0	265	0
	40,750	27,500	34,414	21,789
Total Operating Income	443,787	430,067	401,124	388,499

All services are commissioner requested except private patients

2.1.1 Private patient income

	Group	
	2024/25	2023/24
	£000	£000
Private patient income	722	574
Total patient related income	403,037	366,710
Proportion (as percentage)	0.18%	0.16%

	Foundation Trust	
	2024/25	2023/24
	£000	£000
Private patient income	722	574
Total patient related income	402,567	366,710
Proportion (as percentage)	0.18%	0.16%

Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) requires that the income from the provision of goods and services for the purposes of the health service in England must be greater than its income from the provision of goods and services for any other purposes. The Foundation Trust has met this requirement.

2.2 Operating lease income

	Group & Foundation Trust	
	2024/25	2023/24
	£000	£000
Rents recognised as income in the period	276	250
Total	276	250
Future minimum lease payments due		
- not later than one year	373	388
- later than one year and not later than two years	77	78
- later than two years and not later than three years	77	78
- later than three years and not later than four years	77	78
- later than four years and not later than five years	77	78
- later than five years	1,388	1,457
Total	2,069	2,157

2.3 Income from activities by source

	Group	Foundation Trust	Group	Foundation Trust
	2024/25	2024/25	2023/24	2023/24
	£000	£000	£000	£000
NHS Foundation Trusts	14,868	14,868	13,858	13,858
NHS Trusts	0	0	0	0
Integrated Care Boards and NHS England	386,600	386,130	351,126	351,040
Local Authorities	310	310	311	311
Department of Health - grants	0	0	0	0
Department of Health - other	0	0	0	0
Department of Health - social care	7	7	3	3
NHS Other	0	0	0	0
Non-NHS Private patients	722	722	574	574
Non-NHS Overseas patients (non-reciprocal)	169	169	170	170
NHS injury scheme	340	340	527	527
Non NHS other	21	21	141	142
Additional Income for the delivery of healthcare services	0	0	0	0
Total Income from continuing Activities	403,037	402,567	366,710	366,625

Injury cost recovery income is subject to a provision for impairment of receivables of 24.45% to reflect expected rates of collection

2.4 Other Operating Income

	Group	Foundation Trust	Group	Foundation Trust
	2024/25	2024/25	2023/24	2023/24
	£000	£000	£000	£000
Research and development	1,135	1,135	1,185	1,185
Education and Training	12,229	12,182	11,262	11,164
Charitable and other contributions to expenditure	0	0	50	50
Non-patient care services to other bodies	14,609	5,236	10,971	2,684
Re-imburement and Top-Up funding	0	0	0	0
Rental revenue from operating leases	276	23	250	0
Income in respect of staff costs	924	982	911	911
Notional Income from Apprentice Fund	1,071	1,071	940	940
Charitable Funds NHS income excluding investing	285	0	265	0
Donated Equipment from DHSC for Covid response non cash	0	0	0	0
Contributions to expenditure - inventory donated by DHSC for Covid response	0	0	0	0
Contributions to expenditure - inventory donated by NHSE for Covid response	0	0	270	270
Charitable and other contributions to expenditure - received from NHS charities	183	183	0	0
Cash donations for the purchase of capital assets - received from other bodies (including independent charities)	65	65		
Cash Grants for the Purchase of Physical Assets	0	0	0	0
Car Parking	1,297	1,297	1,207	1,207
Pharmacy Sales	201	5	176	2
Creche Services	24	24	29	29
Clinical Test Services	313	313	316	316
Catering	842	0	813	0
Other (note 2.4.1)	7,296	4,984	5,769	3,031
Total Other Operating income	40,750	27,500	34,414	21,789

2.4.1 Other Operating Income - Other

	Group	Foundation Trust	Group	Foundation Trust
	2024/25	2024/25	2023/24	2023/24
	£000	£000	£000	£000
Central Sterile Supplies Dept.	0	0	7	0
Salary sacrifice	682	682	602	599
Other	6,614	4,302	5,160	2,432
Total Other Operating Income - other	7,296	4,984	5,769	3,031

Note 3. Expenses

Notes to the Accounts

3.1 Operating expenses comprise:

	Group 2024/25 £000	Foundation Trust 2024/25 £000	Group 2023/24 £000	Foundation Trust 2023/24 £000
Purchase of healthcare from NHS and DHSC Bodies	10,654	10,653	8,505	8,504
Purchase of healthcare from non NHS Bodies	3,632	3,632	4,177	4,174
Purchase of Social Care	0	0	0	0
Staff and Executive Director Costs	292,120	266,253	268,403	243,006
Employee Expenses - Non-executive directors	181	171	169	168
Supplies and services - clinical (excluding drugs costs)	45,779	48,159	39,914	42,519
Supplies and services - consumables donated from DHSC group bodies for Covid response	0	0	310	310
Supplies and services - general	3,107	11	2,875	(72)
Supplies and services - general: notional cost of equipment donated from DHSC for Covid response below capital threshold	0	0	0	0
Supplies and services - general notional cost of equipment donated from NHSE for Covid response below capital threshold	0	0	0	0
Establishment	4,047	2,582	4,571	3,223
Research and development - (not included in employee expenses)	3	0	40	31
Research and development - (included in employee expenses)	1,162	1,160	1,096	1,096
Change in Provisions discount rates	6	6	(97)	(97)
Provisions arising / released in year	0	0	2,562	2,562
Transport (Business travel only)	724	677	850	808
Transport (Other)	890	3,920	792	3,872
Premises	19,338	42,045	18,867	39,319
Increase/(decrease) in bad debt provision	234	237	(103)	(84)
Drugs Inventories consumed	24,890	24,010	22,726	22,342
Inventories written down (consumables donated from DHSC group bodies for Covid response)	46	46	8	8
Inventories written down (net including drugs)	640	0	0	0
Operating Lease Expenditure Net	0	0	0	0
Depreciation on property, plant and equipment	12,839	12,586	10,525	10,436
Net Impairments/(Revaluations) of Property, Plant & Equipment	255	255	668	668
Audit fees				
* audit services- statutory audit	165	115	111	95
Other auditors' remuneration				
Other services	0	0	0	0
Audit Fees payable to external auditor of charitable funds accounts	7	0	5	0
Clinical negligence	8,794	8,794	7,645	7,645
Legal Fees	318	239	124	109
Consultancy Costs	815	224	956	870
Internal Audit costs - (not included in employee expenses)	288	218	259	189
Training, courses and conferences	2,067	1,881	2,407	2,246
Lease expenditure - short term leases <= 12 months	1,510	(615)	493	(1,276)
Car parking & Security	168	20	139	21
Voluntary Severance Payments	0	0	0	0
Redundancy	97	97	143	143
Insurance	605	323	526	241
Other Services	4,357	4,355	4,208	4,209
NHS Charitable funds other resources expended	478	0	256	0
Protective Clothing	0	0	0	0
Professional Fees	0	0	0	0
Other	1,122	698	2,812	1,271
	<u>441,338</u>	<u>432,752</u>	<u>406,942</u>	<u>398,556</u>

* Forvis Mazars LLP There is no limitation on auditor's liability for external audit work carried out for the financial years 2024/25 and 2023/24

Statutory audit fees are shown as inclusive of VAT for the Trust and net of VAT for the subsidiary

3.2 The Late Payment of Commercial Debts (Interest) Act 1998/ Public Contract Regulations 2015

	2024/25 £000	2023/24 £000
Total liability accruing in the year under this legislation as a result of late payments	11	4

No claims were made against the Foundation Trust during the accounting period under this legislation. No compensation was paid to cover debt recovery under this legislation.

3.3 Better Payment Policy

	2024/25		2023/24	
	Number	£000	Number	£000
Total bills paid in the year	34,583	239,821	32,360	206,109
Total bills paid within target	32,427	235,150	30,071	199,363
Percentage of bills paid within target	93.8%	98.1%	92.9%	96.7%

The Better Payment Practice Code recommends the Trust to aim to pay all valid invoices by the due date or within 30 days of receipt of goods or a valid invoice, with the exception of small to medium sized businesses which, under the recommendation of central government, are paid within 10 days of receipt of goods and services wherever possible. The Group met the required standard by paying 98.1% of value of invoices (standard 95%) within 30 days.

Note 4. Employee expenses, numbers and benefits

4.1 Employee expenses (Including Executive Directors' Costs)

	Group		Foundation Trust	
	2024/25	2023/24	2024/25	2023/24
	£000	£000	£000	£000
Salaries and wages	227,546	209,733	205,477	187,780
Capitalised Salaries and wages	90	989	0	989
Social Security Costs	21,983	20,980	20,006	19,064
Apprenticeship levy	1,112	1,048	1,004	934
Pension costs - defined contribution plans				
Employers' contributions to NHS Pensions	23,916	22,221	23,209	21,471
Pension cost - employer contributions paid by NHSE on provider's behalf (6.3% in 2023/2024; 9.4% in 2024/2025)	15,687	9,693	15,217	9,362
Pension costs - Other	362	343	42	56
External bank	1,200	1,490	1,200	1,490
Agency/contract staff	1,779	4,266	1,563	3,230
NHS Charitable Funds staff	0	0	0	0
Termination Benefits	97	143	97	143
Total Gross Staff Costs	293,772	270,906	267,815	244,519

4.2 Number of persons employed at 31st March

(The figures shown represent the Average Whole Time Equivalent as opposed to the number of employees)

	Group				Foundation Trust			
	2024/25 Total	Permanently Employed	Other	2023/24 Total	2024/25 Total	Permanently Employed	Other	2023/24 Total
	Number	Number	Number	Number	Number	Number	Number	Number
Medical and dental	544	517	27	499	544	517	27	499
Ambulance staff	0	0	0	0	0	0	0	0
Administration and estates	1,029	1,012	17	1,013	856	839	17	845
Healthcare assistants and other support staff	1,008	991	17	1,074	510	504	7	595
Nursing, midwifery and health visiting staff	1,533	1,432	101	1,443	1,533	1,432	101	1,443
Healthcare scientists	396	392	4	391	384	380	4	381
Scientific, therapeutic and technical staff	509	506	3	483	509	505	3	483
Other *	12	12	0	21	5	5	0	7
Total	5,031	4,862	169	4,924	4,341	4,182	159	4,253

* Other relates to Apprentices employed by the Trust

4.3 Staff Exit Packages

	2024/25 Group				2023/24 Group			
Exit package cost band	Number of compulsory departures agreed	Cost of compulsory departures agreed £000s	Number of other departures agreed	Cost of other departures agreed £000s	Number of compulsory departures agreed	Cost of compulsory departures agreed £000s	Number of other departures agreed	Cost of other departures agreed £000s
< £10,000	2	10	0	0	0	0	0	0
£10,001 - £25,000	1	11	0	0	0	0	0	0
£25,001 - £50,000	1	49	0	0	0	0	0	0
£50,001 - £100,000	1	73	0	0	0	0	0	0
£100,001 - £150,000	0	0	0	0	1	143	0	0
£150,001 - £200,000	0	0	0	0	0	0	0	0
> £200,001	0	0	0	0	0	0	0	0
Total	5	143	0	0	1	143	0	0
Redundancy	5	143	0	0	1	143	0	0
Voluntary Severance Scheme	0	0	0	0	0	0	0	0
Total	5	143	0	0	1	143	0	0

Two redundancy packages were agreed in 2023/24 but were not included in the note. These are now disclosed in 2024/25, 1 at £49k and 1 at £4.7k

5. Corporation Tax

	Group	Group
	2024/25 £000	2023/24 £000
UK corporation tax expense	1,849	994
Adjustments in respect of prior years	0	0
Current tax expense	1,849	994
Origination and reversal of temporary differences	0	0
Change in tax rate	0	0
Adjustment in respect of previous years	0	0
Deferred tax charge/(credit)	0	0
Total corporation tax expense in Statement of Comprehensive Income	1,849	994

The Foundation Trust has no corporation tax expense (2023/24 £nil)

Reconciliation of effective tax rate

	2024/25 £000	2023/24 £000
Surplus for the year	4,765	4,587
Total tax expense	1,849	994
	6,614	5,581
Tax using the UK corporation tax rate of 25% (2024:25%)	1,654	1,395
Adjustments to current tax charge in respect of prior years	195	0
Tax exempt revenues	0	0
Recognition of previously unrecognised deferred tax asset	0	0
Change in tax rate	0	0
Other	0	(401)
Total tax (income)/expense	1,849	994

	Group	Foundation Trust	Group	Foundation Trust
	2024/25 £000	2024/25 £000	2023/24 £000	2023/24 £000
6. Finance Income				
Interest received on commercial bank accounts	1,780	1,567	2,305	2,076
NHS Charitable Funds Investment Income	101	0	66	0
Intragroup Loan Interest	0	0	0	0
	1,881	1,567	2,371	2,076

	Group	Foundation Trust	Group	Foundation Trust
	2024/25 £000	2024/25 £000	2023/24 £000	2023/24 £000
6.1 Finance Expense				
Finance Leases - external	0	143	0	0
Finance Leases - inter group	0	1,241	0	1,115
Loan Interest	714	498	681	681
	<u>714</u>	<u>1,882</u>	<u>681</u>	<u>1,796</u>

	Group & Foundation Trust	
	2024/25 £000	2023/24 £000
7. Impairment / Revaluation of Assets		
Gross Impairment	0	0
Gross Revaluation	0	0
(Reversal of Impairment)/Impairment SOCI Charge	(255)	(668)
Increase/(Decrease) in valuation of assets	(509)	3,385
Total (Impairment) / Revaluation in OCI	<u>(764)</u>	<u>2,717</u>

In 2024/25 £0.255m has been charged to operating expenses and £0.509m debited as a revaluation in other comprehensive income.

The Foundation Trust had no recorded intangible assets at the Statement of Financial Position date nor in the prior period.

Notes to the Accounts

8.1 Property, plant and equipment 2024/25 - Group

	Total	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant and Machinery	Transport Equipment	Information Technology	Furniture & fittings
	£000	£000	£000	£000	£000	£000	£000	£000	£000
2024/25									
Cost or valuation at 1 April 2024	205,446	4,494	126,636	0	14,370	34,615	406	24,664	261
Additions purchased	17,183	0	10,734	0	2,429	1,843	0	2,177	0
Additions donated	248	0	76	0	0	172	0	0	0
Impairments	(255)	245	(500)	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	8,102	0	(14,370)	5,291	0	977	0
Revaluations	(4,805)	566	(5,371)	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0
Cost or valuation at 31 March 2025	217,817	5,305	139,677	0	2,429	41,921	406	27,818	261
Accumulated Depreciation at 1 April 2024	43,050	89	60	0	0	23,920	216	18,504	261
Provided during the year	9,385	0	4,222	0	0	2,955	36	2,172	0
Impairments	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluation	(4,296)	(89)	(4,207)	0	0	0	0	0	0
Revaluation surpluses	0	0	0	0	0	0	0	0	0
Transferred to disposal group as asset held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0
Accumulated Depreciation at 31 March 2025	48,139	0	75	0	0	26,875	252	20,676	261
Net book value - 31 March 2024									
- Owned	161,275	4,405	126,194	0	14,370	9,955	190	6,161	0
- Finance lease	0	0	0	0	0	0	0	0	0
- Donated	1,121	0	382	0	0	739	0	0	0
Total NBV at 31 March 2024	162,396	4,405	126,576	0	14,370	10,694	190	6,161	0
Net book value at 31st March 2025									
- Owned	168,594	5,305	139,157	0	2,429	14,407	154	7,142	0
- Finance lease	0	0	0	0	0	0	0	0	0
- Donated	1,084	0	445	0	0	639	0	0	0
Total NBV at 31 March 2025	169,678	5,305	139,602	0	2,429	15,046	154	7,142	0

8.1 Analysis of tangible fixed assets

	Total	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant & Machinery	Transport Equipment	Information Technology	Furniture & fittings
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value									
- Protected assets at 31 March 2025	147,336	5,305	139,602	0	2,429	0	0	0	0
- Unprotected assets at 31 March 2025	22,342	0	0	0	0	15,046	154	7,142	0
Total at 31 March 2025	169,678	5,305	139,602	0	2,429	15,046	154	7,142	0

Notes to the Accounts

Note 8. Property, plant and equipment

8.2 Property, plant and equipment 2024/25 - Foundation Trust

	Total	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant and Machinery	Transport Equipment	Information Technology	Furniture & fittings
	£000	£000	£000	£000	£000	£000	£000	£000	£000
2024/25									
Cost or valuation at 1 April 2024	203,781	4,494	125,834	0	14,370	34,291	64	24,467	261
Additions purchased	17,183	0	10,734	0	2,429	1,843	0	2,177	0
Additions donated	248	0	76	0	0	172	0	0	0
Additions -transfer of assets from QEF Limited	0	0	0	0	0	0	0	0	0
Impairments	(255)	245	(500)	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	8,102	0	(14,370)	5,291	0	977	0
Revaluations	(4,805)	566	(5,371)	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0
Cost or valuation at 31 March 2025	216,152	5,305	138,875	0	2,429	41,597	64	27,621	261
Accumulated Depreciation at 1 April 2024	42,554	89	0	0	0	23,806	64	18,334	261
Provided during the year	9,293	0	4,207	0	0	2,923	0	2,163	0
Transfer of assets from QEF Limited	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluation	(4,296)	(89)	(4,207)	0	0	0	0	0	0
Revaluation surpluses	0	0	0	0	0	0	0	0	0
Transferred to disposal group as asset held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0
Net book value - 31 March 2025	47,551	0	0	0	0	26,729	64	20,497	261
Net book value - 31 March 2024									
- Owned	160,106	4,405	125,322	0	14,370	9,876	0	6,133	0
- Finance lease	0	0	0	0	0	0	0	0	0
- Donated	1,121	0	512	0	0	609	0	0	0
Total NBV at 31 March 2024	161,227	4,405	125,834	0	14,370	10,485	0	6,133	0
Net book value - 31 March 2025									
- Owned	167,517	5,305	138,300	0	2,429	14,359	0	7,124	0
- Finance lease	0	0	0	0	0	0	0	0	0
- Donated	1,084	0	575	0	0	509	0	0	0
Total NBV at 31 March 2025	168,601	5,305	138,875	0	2,429	14,868	0	7,124	0
8.2 Analysis of tangible fixed assets									
	Total	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant & Machinery	Transport Equipment	Information Technology	Furniture & fittings
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value									
- Protected assets at 31 March 2025	146,609	5,305	138,875	0	2,429	0	0	0	0
- Unprotected assets at 31 March 2025	21,992	0	0	0	0	14,868	0	7,124	0
Total at 31 March 2025	168,601	5,305	138,875	0	2,429	14,868	0	7,124	0

Property is deemed "protected" if it is required for the purposes of providing either the mandatory goods and services or the mandatory education and training as defined in the Terms of Authorisation of the Trust.

8.1 Property, plant and equipment 2023/24 - Group

	Total	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant and Machinery	Transport Equipment	Information Technology	Furniture & fittings
	£000	£000	£000	£000	£000	£000	£000	£000	£000
2023/24									
Cost or valuation at 1 April 2023	182,036	4,806	119,043	0	2,325	33,374	406	21,821	261
Additions purchased	23,990	0	5,536	0	14,370	1,241	0	2,843	0
Additions donated	18	0	18	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	2,325	0	(2,325)	0	0	0	0
Revaluations	(598)	(312)	(286)	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0
Cost or valuation at 31 March 2024	205,446	4,494	126,636	0	14,370	34,615	406	24,664	261
Accumulated Depreciation at 1 April 2023	39,182	89	45	0	0	21,740	181	16,866	261
Provided during the year	7,183	0	3,330	0	0	2,180	35	1,638	0
Impairments	668	0	668	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluation	(3,983)	0	(3,983)	0	0	0	0	0	0
Revaluation surpluses	0	0	0	0	0	0	0	0	0
Transferred to disposal group as asset held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0
Accumulated Depreciation at 31 March 2024	43,050	89	60	0	0	23,920	216	18,504	261
Net book value - 31st March 2023									
- Owned	141,353	4,717	118,472	0	2,325	10,659	225	4,955	0
- Finance lease	0	0	0	0	0	0	0	0	0
- Donated	1,501	0	526	0	0	975	0	0	0
Total NBV at 31 March 2023	142,854	4,717	118,998	0	2,325	11,634	225	4,955	0
Net book value at 31st March 2024									
- Owned	161,275	4,405	126,194	0	14,370	9,955	190	6,161	0
- Finance lease	0	0	0	0	0	0	0	0	0
- Donated	1,121	0	382	0	0	739	0	0	0
Total NBV at 31 March 2024	162,396	4,405	126,576	0	14,370	10,694	190	6,161	0

8.1 Analysis of tangible fixed assets

	Total	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant & Machinery	Transport Equipment	Information Technology	Furniture & fittings
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value									
- Protected assets at 31 March 2024	145,351	4,405	126,576	0	14,370	0	0	0	0
- Unprotected assets at 31 March 2024	17,045	0	0	0	0	10,694	190	6,161	0
Total at 31 March 2024	162,396	4,405	126,576	0	14,370	10,694	190	6,161	0

Notes to the Accounts

Note 8. Property, plant and equipment

8.2 Property, plant and equipment 2023/24 - Foundation Trust

	Total	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant and Machinery	Transport Equipment	Information Technology	Furniture & fittings
	£000	£000	£000	£000	£000	£000	£000	£000	£000
2023/24									
Cost or valuation at 1 April 2023	180,372	4,806	118,242	0	2,325	33,050	64	21,624	261
Additions purchased	23,990	0	5,536	0	14,370	1,241	0	2,843	0
Additions donated	18	0	18	0	0	0	0	0	0
Additions -transfer of assets from QEF Limited	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	2,325	0	(2,325)	0	0	0	0
Revaluations	(599)	(312)	(287)	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0
Cost or valuation at 31 March 2024	203,781	4,494	125,834	0	14,370	34,291	64	24,467	261
Accumulated Depreciation at 1 April 2023	38,775	89	0	0	0	21,658	64	16,703	261
Provided during the year	7,095	0	3,316	0	0	2,148	0	1,631	0
Transfer of assets from QEF Limited	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluation	(3,316)	0	(3,316)	0	0	0	0	0	0
Revaluation surpluses	0	0	0	0	0	0	0	0	0
Transferred to disposal group as asset held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0	0
Accumulated Depreciation at 31 March 2024	42,554	89	0	0	0	23,806	64	18,334	261
Net book value - 31 March 2023									
- Owned	140,096	4,717	117,716	0	2,325	10,417	0	4,921	0
- Finance lease	0	0	0	0	0	0	0	0	0
- Donated	1,501	0	526	0	0	975	0	0	0
Total NBV at 31 March 2023	141,597	4,717	118,242	0	2,325	11,392	0	4,921	0
Net book value - 31 March 2024									
- Owned	160,106	4,405	125,322	0	14,370	9,876	0	6,133	0
- Finance lease	0	0	0	0	0	0	0	0	0
- Donated	1,121	0	512	0	0	609	0	0	0
Total NBV at 31 March 2024	161,227	4,405	125,834	0	14,370	10,485	0	6,133	0
8.2 Analysis of tangible fixed assets									
	Total	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant & Machinery	Transport Equipment	Information Technology	Furniture & fittings
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value									
- Protected assets at 31 March 2024	144,609	4,405	125,834	0	14,370	0	0	0	0
- Unprotected assets at 31 March 2024	16,618	0	0	0	0	10,485	0	6,133	0
Total at 31 March 2024	161,227	4,405	125,834	0	14,370	10,485	0	6,133	0

Property is deemed "protected" if it is required for the purposes of providing either the mandatory goods and services or the mandatory education and training as defined in the Terms of Authorisation of the Trust.

8.5 Investment property

Valuation	£000
At 1 April 2024	80
At 31 March 2025	80
Net Book Value	
at 31 March 2025	80

Group

	2024/25	2023/24
	£000	£000
Carrying value at 1 April	80	80
Carrying value at 31 March	80	80

8.6 Economic life of property, plant and equipment

Group & Foundation Trust

	Min Life Years	Max Life Years
Buildings excluding dwellings	1	88
Plant & Machinery	5	6
Transport Equipment	5	7
Information Technology	5	5
Furniture & Fittings	5	5

8.7 Profit /loss on disposal of fixed assets

	2024/25 £000	2023/24 £000
Profit / Loss on the disposal of fixed assets is made up as follows:		
Profit / Loss on disposal of Property, Plant & Equipment	0	0
	0	0

8.8 Revaluation reserve - property, plant and equipment

Group & Foundation Trust	Total £000
Revaluation reserve at 1 April 2024	13,180
Impairments	(509)
Revaluations	0
Other reserve movements	0
Revaluation reserve at 31 March 2025	12,671
Revaluation reserve at 1 April 2023	9,795
Impairments	0
Revaluations	3,385
Other reserve movements	0
Revaluation reserve at 31 March 2024	13,180

8.9 Investments in subsidiary undertakings

	Foundation Trust 2024/25 £000	Foundation Trust 2023/24 £000
Shares in subsidiary undertakings	16,824	16,824
Loans to subsidiary undertakings > 1 Year	0	2,988
	16,824	19,812
Loans to subsidiary undertakings < 1 Year	2,988	4,415
	19,812	24,227

The shares in the subsidiary company QE Facilities Limited comprises a 100% holding in the share capital consisting of 16,824,382 ordinary £1 shares.

The principal activity of QE Facilities Limited is to provide estate management and facilities services.

Note 9.1 Right of use assets Group - 2024/25

Group	Property (land and buildings)	Plant & machinery	Transport equipment	Total	Of which: leased from DHSC group bodies
	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2024 - brought forward	6,398	7,586	1,164	15,148	2,250
Recognition of Right of use assets for existing operating leases on initial application of IFRS 16 on 1 April 2022					
Transfers by absorption	-	-	-	-	-
Additions	562	7,459	500	8,521	447
Remeasurements of the lease liability	-	-	-	-	-
Movements in provisions for restoration / removal costs	-	-	-	-	-
Impairments	-	-	-	-	-
Reversal of impairments	-	-	-	-	-
Revaluations	-	-	-	-	-
Reclassifications	-	-	-	-	-
Disposals / derecognition	-	-	-	-	-
Valuation /gross cost 31 March 2025	6,960	15,045	1,664	23,669	2,697
Accumulated depreciation at 1 April 2024 - brought forward	1,096	4,657	635	6,388	981
IFRS 16 implementation - reclassification of existing leased assets from PPE or intangible assets	-	-	-	-	-
IFRS 16 implementation - adjustments for existing subleases	-	-	-	-	-
Transfers by absorption	-	-	-	-	-
Provided during the year	593	2,489	374	3,456	344
Impairments	-	-	-	-	-
Reversal of impairments	-	-	-	-	-
Revaluations	-	-	-	-	-
Reclassifications	-	-	-	-	-
Disposals / derecognition	-	-	-	-	-
Accumulated depreciation at 31 March 2025	1,689	7,146	1,009	9,844	1,325
Net book value at 31 March 2025	5,270	7,899	655	13,825	1,372

Group	Property (land and buildings)	Plant & machinery	Transport equipment	Total	Of which: leased from DHSC group bodies
	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2023 - brought forward	6,398	7,243	702	14,343	2,250
Recognition of Right of use assets for existing operating leases on initial application of IFRS 16 on 1 April 2022					
At start of period for new FTs					
Transfers by absorption	0	0	0	0	0
Additions	0	343	462	805	0
Remeasurements of the lease liability	0	0	0	0	0
Movements in provisions for restoration / removal costs	0	0	0	0	0
Impairments	0	0	0	0	0
Reversal of impairments	0	0	0	0	0
Revaluations	0	0	0	0	0
Reclassifications	0	0	0	0	0
Disposals / derecognition	0	0	0	0	0
Valuation /gross cost 31 March 2024	6,398	7,586	1,164	15,148	2,250
Accumulated depreciation at 1 April 2023 - brought forward	565	2,204	278	3,047	450
IFRS 16 implementation - reclassification of existing leased assets from PPE or intangible assets	0	0	0	0	0
IFRS 16 implementation - adjustments for existing subleases	0	0	0	0	0
At start of period for new FTs					
Transfers by absorption	0	0	0	0	0
Provided during the year	531	2,453	357	3,341	531
Impairments	0	0	0	0	0
Reversal of impairments	0	0	0	0	0
Revaluations	0	0	0	0	0
Reclassifications	0	0	0	0	0
Disposals / derecognition	0	0	0	0	0
Accumulated depreciation at 31 March 2024	1,096	4,657	635	6,388	981
Net book value at 31 March 2024	5,302	2,929	529	8,760	1,269

Note 9.2 Right of use assets Trust - 2024/25

Trust	Property (land and buildings) £000	Plant & machinery £000	Transport equipment £000	Total £000	Of which:
					leased from DHSC group bodies £000
Valuation/gross cost at 1 April 2024 - brought forward	-	-	-	-	-
Recognition of Right of use assets for existing operating leases on initial application of IFRS 16 on 1 April 2023	624	4,623	-	5,247	624
Transfers by absorption	-	-	-	-	-
Additions	108	6,383	-	6,491	108
Remeasurements of the lease liability	-	-	-	-	-
Movements in provisions for restoration / removal costs	-	-	-	-	-
Impairments	-	-	-	-	-
Reversal of impairments	-	-	-	-	-
Revaluations	-	-	-	-	-
Reclassifications	-	-	-	-	-
Disposals / derecognition	-	-	-	-	-
Valuation /gross cost 31 March 2025	732	11,006	-	11,738	732
Accumulated depreciation at 1 April 2024 - brought forward	125	3,020	-	3,145	125
IFRS 16 implementation - reclassification of existing leased assets from PPE or intangible assets	-	-	-	-	-
IFRS 16 implementation - adjustments for existing subleases	-	-	-	-	-
Transfers by absorption	-	-	-	-	-
Provided during the year	83	1,664	-	1,747	83
Impairments	-	-	-	-	-
Reversal of impairments	-	-	-	-	-
Revaluations	-	-	-	-	-
Reclassifications	-	-	-	-	-
Disposals / derecognition	-	-	-	-	-
Accumulated depreciation at 31 March 2025	208	4,684	-	4,892	208
Net book value at 31 March 2025	524	6,322	-	6,846	524

Note 9.3 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 14.1

	Group 2024/25 £000s	Trust 2024/25 £000s
Carrying Value at 31 March 2024		
IFRS 16 implementation - adjustments for existing operating leases	9,181	2,132
At start of period for new FTs		
Transfers by absorption	-	-
Lease additions	8,521	6,491
Lease liability remeasurements	-	-
Interest charge arising in year	215	31
Early terminations	-	-
Lease payments (cash outflows)	(3,227)	(1,594)
Other changes	-	-
Carrying Value at 31 March 2025	14,689	7,060

Note 9.4 Maturity analysis of future lease payments at 31 March 2025

	Group		Trust	
	Of which leased from DHSC group bodies:		Of which leased from DHSC group bodies:	
	Total 31-Mar-25 £000s	31-Mar-25 £000s	Total 31-Mar-25 £000s	31-Mar-25 £000s
Undiscounted future lease payments payable in:				
- not later than one year;	2,943	475	1,081	113
- later than one year and not later than five years;	8,550	1,425	4,059	339
- later than five years.	5,507	0	3,099	0
Total gross future lease payments	17,000	1,900	8,239	452
Finance charges allocated to future periods	(2,311)	(490)	(1,179)	(119)
Net lease liabilities at 31 March 2015	14,689	1,410	7,060	333
Of which:				
- Current	2,943	469	1,081	130
- Non-Current	11,746	941	5,979	203

Notes to the Accounts

Note 10. Receivables**10.1 Trade and other receivables**

	31st March 2025	Financial assets	Non-financial assets	31st March 2024
	£000	£000	£000	£000
Current - Group				
NHS Contract Receivables *	4,257	4,257	0	2,642
Other receivables with related parties	4,461	0	4,461	8,299
Provision for impaired receivables	(1,744)	(1,543)	(201)	(1,408)
Prepayments	7,358	0	7,358	4,025
Accrued Income	10,030	10,030	0	2,691
Other receivables	4,977	4,969	8	5,280
Total Current Trade and Other Receivables	29,339	17,713	11,626	21,529
Current - Foundation Trust				
NHS Contract Receivables *	3,549	3,549	0	2,335
Other receivables with related parties	1,817	1,817	0	6,469
Provision for impaired receivables	(1,738)	(1,537)	(201)	(1,365)
Prepayments	6,508	0	6,508	3,467
Accrued Income	8,995	8,995	0	1,831
Loan repayments from QEF Limited (note 8.9)	2,988	2,988	0	4,415
Other receivables	4,132	4,132	0	5,052
Total Current Trade and Other Receivables	26,251	19,944	6,307	22,204
* The majority of NHS receivables are with Integrated Care Board and NHS England, as commissioners for NHS patient care services. NHS receivables that are neither past due date nor impaired are expected to be paid within their agreed terms.				
Non-Current Group				
NHS Contract Receivables *	528	528	0	1,528
Provision for impaired receivables	(201)	0	(201)	(379)
Deferred tax	644	0	644	784
Other receivables	1,302	480	822	404
Total Non Current Trade and Other Receivables	2,273	1,008	1,265	2,337
Non-Current Foundation Trust				
NHS Receivables *	528	528	0	588
Provision for impaired receivables	(201)	0	(201)	(379)
Other receivables	1,241	419	822	1,285
Non current trade and other receivables (excluding loans)	1,568	947	621	1,494
Loan repayments from QEF Limited (note 8.9)	0	0	0	2,988
Total Non Current Trade and Other Receivables	1,568	947	621	4,482

Notes to the Accounts

Note 10.2 Allowances for Credit Losses - 2023/2024**Group & Foundation Trust**

	Receivables and contract assets	All other
	£000's	£000's
At 1 April 2024 brought forward	1,786	0
Transfers by absorption	0	0
New allowances arising	407	0
Changes in existing allowances	329	0
Reversals of allowances	(502)	0
Utilisation of allowances (write offs)	(76)	0
Changes arising following modification of contractual cash flows	0	0
Foreign exchange and other changes	0	0
At 31 March 2025	1,944	0
Loss/(gain) recognised in expenditure	234	

Note 10.2 Allowances for Credit Losses - 2023/2024

At 1 April 2023 brought forward	1,904
Transfers by absorption	0
Transfers by absorption	0
New allowances arising	604
Changes in existing allowances	128
Reversals of allowances	(836)
Utilisation of allowances (write offs)	(14)
Changes arising following modification of contractual cash flows	0
Foreign exchange and other changes	0
At 31 March 2024	1,786
Loss/(gain) recognised in expenditure	(103)

Note 10.4 Deferred Tax Asset**Recognised deferred tax assets**

Deferred tax assets are attributable to the following:

	Group	Group
	2024/2025	2023/2024
	£000	£000
Property, plant and equipment	598	685
Temporary tax differences	20	99
Total deferred tax asset	618	784

Movement in deferred tax during the year

	2024/2025	2023/2024
	£000	£000
Recognised in income	25	6
Property, plant and equipment	0	0
Prior Year Adjustment	0	24
	25	30

Note 11. Inventory**Note 11.1 Inventory Balances**

	Group		Foundation Trust	
	31 March	31 March	31 March	31 March
	2025	2024	2025	2024
	£000	£000	£000	£000
Drugs	2,068	2,306	1,335	1,402
Consumables	2,141	3,005	180	950
Energy	99	99	0	0
Work in Progress	0	0	0	0
Total Inventories	4,308	5,410	1,515	2,352

Note 11.2 Inventories Recognised as an Expense

	Group		Foundation Trust	
	2024/2025	2023/2024	2024/2025	2023/2024
	£000	£000	£000	£000
Inventories recognised in expenses	36,741	33,863	15,191	14,119
	36,741	33,863	15,191	14,119

Note 12. Cash and cash equivalents

	Group		Foundation Trust	
	31 March	31 March	31 March	31 March
	2025	2024	2025	2024
	£000	£000	£000	£000
At 1 April	40,764	50,565	34,977	46,704
Net change in year	(13,804)	(9,801)	(17,610)	(11,727)
At 31 March	26,960	40,764	17,367	34,977
Broken down into:				
Cash at commercial banks and in hand	9,593	5,787	0	0
Cash with Government Banking Service	17,367	34,977	17,367	34,977
Other current investments	0	0	0	0
Cash and cash equivalents as in Statement of Financial Position	26,960	40,764	17,367	34,977
Bank overdraft	0	0	0	0
Cash and cash equivalents as in Statement of Cashflows	26,960	40,764	17,367	34,977

Notes to the Accounts

Note 13. Payables and other Liabilities**13.1 Trade and other payables**

Group	Total 31st March 2025	Financial liabilities	Non-financial liabilities	Total 31st March 2024
Current	£000	£000	£000	£000
NHS payables and accruals	8,567	8,567	0	2,749
Trade Payables-Capital	2,286	2,286	0	4,249
Other payables	15,173	6,526	8,647	11,713
Corporation Tax	1,146	0	1,146	369
Accruals	27,059	27,059	0	31,529
Total current trade and other payables	54,231	44,438	9,793	50,609
Non-Current				
Other payables	146	146	0	0
Total current trade and other payables	146	146	0	0

Trust	Total 31st March 2025	Financial liabilities	Non-financial liabilities	Total 31st March 2024
Current	£000	£000	£000	£000
NHS payables and accruals	7,579	7,579	0	2,673
Trade Payables-Capital	2,286	2,286	0	0
Other payables	19,914	11,842	8,072	27,630
Accruals	18,307	18,307	0	19,892
Total current trade and other payables	48,086	40,014	8,072	50,195
Non-Current				
Other payables	146	146	0	0
Total current trade and other payables	146	146	0	0

13.2 Other Liabilities

	Group		Foundation Trust	
	31st March 2025	31st March 2024	31st March 2025	31st March 2024
	£000	£000	£000	£000
Current				
Deferred Income	2,777	7,162	2,199	6,758
Total other current liabilities	2,777	7,162	2,199	6,758
Non-current				
Deferred Income	1,421	1,769	276	293
Total other non current liabilities	1,421	1,769	276	293

Note 14. Borrowings**14.1 Borrowings**

	Group		Foundation Trust	
	31 March		31 March	
	2025	31 March 2024	2025	31 March 2024
	£000	£000	£000	£000
Current				
Loans from Independent Trust Financing Facility	1,015	1,021	1,015	1,019
Revenue Support Working Capital Loans	0	0	0	0
Lease liabilities*	2,943	3,631	2,380	389
Obligations under finance leases	0	0	772	746
Total current borrowing	3,958	4,652	4,167	2,154
Non-current				
Loans from Independent Trust Financing Facility	10,014	12,012	10,014	11,013
Revenue Support Working Capital Loans	0	0	0	0
Lease liabilities*	11,746	7,935	4,892	1,276
Obligations under finance leases	0	0	39,807	40,579
Total other non current liabilities	21,760	19,947	54,713	52,868

The Trust Finance Leases have been accounted for in accordance with the GAM.

The £43m obligation under finance leases in the Foundation Trust arises from the arrangements between the Foundation Trust and its subsidiary undertaking, QEF Ltd, for the supply of operational healthcare facilities. This liability and the associated property have both been recognised in the balance sheet of the Foundation Trust following a detailed consideration of the lease terms and the risks and rewards of the arrangement.

*The Trust has applied IFRS 16 to lease arrangements within these accounts from 1 April 2022 without restatement of comparatives. More information about leases and the impact of this change in accounting policy can be found in note 9

	31 March	31 March
	2025	2024
	£000	£000
14.2 Finance lease obligations - Foundation Trust		
Gross Lease Liabilities	40,579	41,326
Of which liabilities are due:-		
- Not later than one year	2,173	2,173
- Later than one year and not later than five years	8,690	8,690
- Later than five years	84,868	87,041
Finance charges allocated to future periods	(55,152)	(56,578)
Net Lease Liabilities	40,579	41,326
- Not later than one year	772	746
- Later than one year and not later than five years	3,370	3,256
- Later than five years	36,437	37,324
	40,579	41,326

The Group does not have any Finance Lease Obligations.

Note 15. Provisions for liabilities and charges - Group

	Current		Non Current	
	31 March 2025 £000	31 March 2024 £000	31 March 2025 £000	31 March 2024 £000
Pensions early departure costs	134	137	567	843
Pensions injury benefits	124	116	1,118	1,139
Restructuring	0	0	0	0
Equal pay	0	0	0	0
Redundancy	0	0	0	0
2019/20 clinicians' pension reimbursement	18	8*	420	405
Legal claims	60	62	0	(0)
Other	2,237	4,983	0	0
	<u>2,573</u>	<u>5,306</u>	<u>2,105</u>	<u>2,387</u>

*2023/24 comparator has been updated to show Clinicians Pension Liability on a separate line, noting that last year it was included within the 'Other' balance

	Pensions early departure costs £000	Pensions injury benefits £000	Legal claims £000	Restructuring	Equal Pay £000	Redundancy £000	Clinician's Pension £000	Other £000	Total £000
At 1 April 2024	980	1,255	62	0	0	0	413	4,983	7,693
Change in the discount rate	2	4	0	0	0	0	(4)	0	2
Arising during the year	60	80	41	0	0	0	14	454	649
Utilised during the year	(139)	(128)	(28)	0	0	0	(6)	(901)	(1,202)
Reclassified	0	0	0	0	0	0	0	0	0
Reversed unused	(225)	0	(15)	0	0	0	0	(2,299)	(2,539)
Unwinding of discount	23	31	0	0	0	0	21	0	75
At 31 March 2025	<u>701</u>	<u>1,242</u>	<u>60</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>438</u>	<u>2,237</u>	<u>4,678</u>

Expected timing of cash flows:

-not later than one year;	134	124	60	0	0	0	18	2,237	2,573
-later than one year and not later than five years;	441	469	0	0	0	0	53	0	963
-later than five years;	126	649	0	0	0	0	367	0	1,142
	<u>701</u>	<u>1,242</u>	<u>60</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>438</u>	<u>2,237</u>	<u>4,678</u>

	Pensions early departure costs £000	Pensions injury benefits £000	Legal claims £000	Restructuring	Equal Pay £000	Redundancy £000	Clinician's Pension £000	Other £000	Total £000
At 1 April 2023	1,108	1,414	73	0	0	0	0	3,193	5,788
Change in the discount rate	(28)	(69)	0	0	0	0	(89)	0	(186)
Arising during the year	142	6	30	0	0	0	498	3,496	4,172
Utilised during the year	(140)	(120)	(11)	0	0	0	0	(745)	(1,016)
Reclassified	0	0	0	0	0	0	0	0	0
Reversed unused	(121)	0	(30)	0	0	0	(23)	(961)	(1,135)
Unwinding of discount	19	24	0	0	0	0	27	0	70
At 31 March 2024	<u>980</u>	<u>1,255</u>	<u>62</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>413</u>	<u>4,983</u>	<u>7,693</u>

Expected timing of cash flows:

-not later than one year;	137	116	62	0	0	0	8	4,983	5,306
-later than one year and not later than five years;	513	438	0	0	0	0	18	0	969
-later than five years;	330	701	0	0	0	0	387	0	1,418
	<u>980</u>	<u>1,255</u>	<u>62</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>413</u>	<u>4,983</u>	<u>7,693</u>

£72,768k is included in the provisions of the NHS Resolution at 31/3/2025 in respect of clinical negligence liabilities of the trust which are managed through the NHS risk pooling scheme on behalf of the Foundation Trust (31/3/2024 £65,714k).

i) Pensions relating to directors and other staff represents the present value of quarterly payments to the NHS Pensions Agency in respect of the unfunded element of the pensions of staff and directors who have taken early retirement. The provisions are uncertain to the extent that the period over which payments will be made is an estimate.

ii) Other Legal claims £60k relates to a provision for Employer Liability claims which are covered under the terms of the Trust's commercial insurance. The Trust is liable for excess payments against each claim under the terms of the commercial insurance.

iii) Pensions Injury Provisions £1,242k relate to Service Injury Benefit payments reimbursed to the NHS Pensions Agency in respect of former staff with service related injuries. The provision represents the present value of quarterly payments to the NHS Pensions Agency. The provisions are uncertain with regard to the value of the cash reimbursements and the period of time over which the contribution will be made.

Note 15. Provisions for liabilities and charges - Trust

	Current		Non Current	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
	£000	£000	£000	£000
Pensions early departure costs	134	137	567	843
Pensions injury benefits	124	126	1,118	1,130
Restructuring	0	0	0	0
Redundancy	0	0	0	0
2019/20 clinicians' pension reimbursement	18	0	420	413
Legal claims	60	62	0	0
Other	2,167	4,348	0	0
	<u>2,503</u>	<u>4,673</u>	<u>2,105</u>	<u>2,386</u>

	Pensions early departure costs £000	Pensions injury benefits £000	Legal claims £000	Equal Pay £000	Redundancy £000	Clinician's Pension £000	Other £000	Total £000
At 1 April 2024	980	1,256	62	0	0	413	4,348	7,059
Change in the discount rate	2	4	0	0	0	(4)	0	2
Arising during the year	60	80	41	0	0	14	454	649
Utilised during the year	(140)	(128)	(28)	0	0	(6)	(880)	(1,182)
Reclassified	0	0	0	0	0	0	0	0
Reversed unused	(225)	0	(15)	0	0	0	(1,755)	(1,995)
Unwinding of discount	23	31	0	0	0	21	0	75
At 31 March 2025	<u>700</u>	<u>1,243</u>	<u>60</u>	<u>0</u>	<u>0</u>	<u>438</u>	<u>2,167</u>	<u>4,608</u>

Expected timing of cash flows:

-not later than one year;	134	124	60	0	0	18	2,167	2,503
-later than one year and not later than five years;	441	469	0	0	0	53	0	963
-later than five years;	125	650	0	0	0	367	0	1,142
	<u>700</u>	<u>1,243</u>	<u>60</u>	<u>0</u>	<u>0</u>	<u>438</u>	<u>2,167</u>	<u>4,608</u>

	Pensions early departure costs £000	Pensions injury benefits £000	Legal claims £000	Equal Pay £000	Redundancy £000	Clinician's Pension £000	Other £000	Total £000
At 1 April 2023	1,108	1,414	73	0	0	0	2,614	5,209
Change in the discount rate	(28)	(69)	0	0	0	(89)	0	(186)
Arising during the year	142	7	30	0	0	498	2,608	3,285
Utilised during the year	(140)	(120)	(11)	0	0	0	(746)	(1,017)
Reclassified	0	0	0	0	0	0	0	0
Reversed unused	(121)	0	(30)	0	0	(23)	(128)	(302)
Unwinding of discount	19	24	0	0	0	27	0	70
At 31 March 2024	<u>980</u>	<u>1,256</u>	<u>62</u>	<u>0</u>	<u>0</u>	<u>413</u>	<u>4,348</u>	<u>7,059</u>

Expected timing of cash flows:

-not later than one year;	137	116	62	0	0	8	4,348	4,671
-later than one year and not later than five years;	513	438	0	0	0	18	0	969
-later than five years;	330	702	0	0	0	387	0	1,419
	<u>980</u>	<u>1,256</u>	<u>62</u>	<u>0</u>	<u>0</u>	<u>413</u>	<u>4,348</u>	<u>7,059</u>

£72,768k is included in the provisions of the NHS Resolution at 31/3/2025 in respect of clinical negligence liabilities of the trust which are managed through the NHS risk pooling scheme on behalf of the Foundation Trust (31/3/2024 £65,741k).

i) Pensions relating to directors and other staff represents the present value of quarterly payments to the NHS Pensions Agency in respect of the unfunded element of the pensions of staff and directors who have taken early retirement. The provisions are uncertain to the extent that the period over which payments will be made is an estimate.

ii) Other Legal claims £60k relates to a provision for Employer Liability claims which are covered under the terms of the Trust's commercial insurance. The Trust is liable for excess payments against each claim under the terms of the commercial insurance.

iii) Pensions Injury Provisions £1,243k relate to Service Injury Benefit payments reimbursed to the NHS Pensions Agency in respect of former staff with service related injuries. The provision represents the present value of quarterly payments to the NHS Pensions Agency. The provisions are uncertain with regard to the value of the cash reimbursements and the period of time over which the contribution will be made.

16.1 Contractual capital commitments - Group and Foundation Trust

Contractual capital commitments at 31 March 2025 not otherwise included in these financial statements:

	31 March 2025 £000	31 March 2024 £000
Property, plant and equipment	4,929	7,015
Total	4,929	7,015

16.2 Events after the reporting period - Group and Foundation Trust**16.3 Contingent liabilities - Group and Foundation Trust**

	31 March 2025 £000	31 March 2024 £000
Gross estimated value of Non-Clinical Liabilities	0	0
Expected recoverable amount	0	0
Net value contingent liabilities	0	0

16.4 Related Party Transactions - Group and Foundation Trust

The Department of Health and Social Care is regarded as a related party. During the year the Group has had a significant number of material transactions with the Department and with other entities for which the Department is regarded as the parent Department in addition to those in the public sector. These entities are listed below:-

NHS England
North East and North Cumbria ICB
Cumbria, Northumberland, Tyne and Wear NHS Foundation Trust
South Tyneside and Sunderland NHS Foundation Trust
The Newcastle upon Tyne Hospitals NHS Foundation Trust
HMRC
NHS Pension Scheme
Gateshead Council

16.5 Related Party Transactions - Group and Foundation Trust

Gateshead Health NHS Foundation Trust is required under IAS 24 to disclose material transactions undertaken with a related party.

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

The Foundation Trust has received revenue and capital payments from the Gateshead Health NHS Foundation Trust Charitable Fund. The Foundation Trust acts as the Corporate Trustee for the Charitable Fund.

The total value of Funds Held on Trust at 31st March 2025 was £2,357k. The Foundation Trust owed the Charity £0k and the Charity owed the Trust £142k.

Note 17. Financial assets/liabilities - Group and Foundation Trust

Note 17.1 Carrying Value of Financial Assets

Assets as per Statement of Financial Position	Group		Foundation Trust	
	Total £000	Loans and receivables £000	Total £000	Loans and receivables £000
Trade and other receivables excluding non financial assets - Note 10	18,721	18,721	20,890	20,890
Cash and cash equivalents at bank and in hand - Note 12	26,960	26,960	17,367	17,367
Charitable Fund Financial Assets - Note 22	1,371	1,371	0	0
Total at 31 March 2025	47,052	47,052	38,257	38,257
Trade and other receivables excluding non financial assets - Note 10	14,623	14,623	13,277	13,277
Cash and cash equivalents at bank and in hand - Note 12	40,764	40,764	34,977	34,977
Charitable Fund investments - Note 23	1,443	1,443	0	0
Total at 31 March 2024	56,830	56,830	48,254	48,254

Note 17.2 Financial liabilities by category

Liabilities as per Statement of Financial Position	Group		Foundation Trust	
	Total £000	Other financial liabilities £000	Total £000	Other financial liabilities £000
Borrowings excluding Finance lease liabilities - Note 14	11,029	11,029	11,029	11,029
Obligations under leases - Note 14	14,689	14,689	47,851	47,851
NHS Trade and other payables excluding non financial liabilities - Note 13	44,438	44,438	40,014	40,014
Provisions under contract - Note 15	0	0	0	0
Charitable Fund Financial Liabilities	142	142	0	0
Total at 31 March 2025	70,298	70,298	98,894	98,894
Borrowings excluding Finance lease liabilities - Note 14	12,032	12,032	12,032	12,032
Obligations under finance leases - Note 14	9,181	9,181	42,990	42,990
NHS Trade and other payables excluding non financial liabilities - Note 13	38,745	38,745	42,232	42,232
Provisions under contract - Note 15	0	0	0	0
Charitable Fund Financial Liabilities	72	72	0	0
Total at 31 March 2024	60,030	60,030	97,254	97,254

17.3 Liquidity Risk

The Foundation Trust's net operating costs are incurred for the provision of services commissioned under the NHS standard contract with Integrated Care Boards and NHS England, which are financed from resources voted annually by Parliament. The Foundation Trust also finances its Capital expenditure from retained depreciation and accumulated surpluses. The Foundation Trust has a loan financed by the Independent Trust Financing Facility for £22m which partly funded the construction of the Emergency Care Centre. Deficit support loans totalling £12.235m were drawn in 2018/2019, these loans were converted to PDC in 2020/2021.

17.4 Interest rate risk

49% of the Foundation Trust's current financial assets consist of cash which carries a floating rate of interest.
Finance Lease arrangements are subject to a fixed rate of interest.
The current ITFF loan of £22m is subject to a fixed interest repayment rate of 3.78%

17.5 Foreign currency risk

The Trust has no foreign currency income or expenditure.

17.6 Credit Risk

Due to the continuing service provider relationship that the Trust has with local commissioning bodies and the way those bodies are financed, the NHS Foundation Trust is not exposed to the degree of financial risk faced by other business entities. No collateral is held as security and there are no other credit enhancements.

The carrying value of financial instruments held by the Trust is equal to their fair value and as such this represents the maximum exposure to risk as at the operating date.

Financial assets held by the Trust are made up of cash and other cash equivalents and trade receivables. As the majority of these trade receivables are due from related parties (mainly commissioning bodies) the Trust expects that all non-impaired financial instruments are fully recoverable.

Note 18. Carrying Values - Group and Foundation Trust

The Trust considers book value (carrying value) to be a reasonable approximation of fair value

Note 18.1 Carrying values of financial assets

Group				
	31 March 2025 Book Value £000	31 March 2025 Fair value £000	31 March 2024 Book Value £000	31 March 2024 Fair value £000
Cash & cash equivalents	26,960	26,960	40,764	40,764
Current Receivables	17,713	17,713	13,274	13,274
Non Current Receivables	a 1,008	1,008	1,349	1,349
Charitable Fund Financial Assets	1,371	1,371	1,233	1,233
Total	47,052	47,052	56,620	56,620

Foundation Trust				
	31 March 2025 Book Value £000	31 March 2025 Fair value £000	31 March 2024 Book Value £000	31 March 2024 Fair value £000
Cash & cash equivalents	17,367	17,367	34,977	34,977
Current Receivables	16,956	16,956	9,473	9,473
Non Current Receivables	a 947	947	817	817
Loan to Subsidiary	2,988	2,988	2,988	2,988
Total	38,258	38,258	48,255	48,255

Note 18.2 Carrying values of financial liabilities

Group				
	31 March 2025 Book Value £000	31 March 2025 Fair value £000	31 March 2024 Book Value £000	31 March 2024 Fair value £000
Provisions under Contract	0	0	0	0
Obligations under finance leases - Note 14	14,689	14,689	9,181	9,181
Trade & Other Payables	44,438	44,438	38,745	38,745
Loans	11,029	11,029	12,032	12,032
Charitable Fund Financial Liabilities	142	142	72	72
Total	70,298	70,298	60,030	60,030

Foundation Trust				
	31 March 2025 Book Value £000	31 March 2025 Fair value £000	31 March 2024 Book Value £000	31 March 2024 Fair value £000
Provisions under Contract	0	0	0	0
Obligations under finance leases - Note 14	47,851	47,851	42,990	42,990
Trade & Other Payables	40,014	40,014	42,232	42,232
Loans	11,029	11,029	12,032	12,032
Total	98,894	98,894	97,254	97,254

Note 18.3 Maturity of financial liabilities

	Group	Trust	Group	Trust
	31 March	31 March	31 March	31 March
	2025	2025	2024	2024
	£000	£000	£000	£000
In one year or less	41,051	43,274	39,715	52,351
In more than one year but not more than five	13,795	12,820	10,269	8,527
In more than five years	12,270	46,299	10,718	44,341
Total financial liabilities	<u>67,116</u>	<u>102,393</u>	<u>60,702</u>	<u>105,219</u>

Note 19. Third party assets

The Trust held £9,077.70 cash at bank and in hand at 31/03/25 (£6,926.84 at 31/03/24) which relates to monies held on behalf of patients. This has been excluded from the cash at bank and in hand figure reported in the accounts as the Trust holds no beneficial interest.

Note 20. Public dividend capital dividend

The Foundation Trust is required to absorb the cost of capital at a rate of 3.5% of average relevant net assets. The resulting calculation of PDC (Public Dividend Capital) dividend, totalling £4,336,000 was calculated on the average relevant net assets of £123,885,714.

Note 21. Losses and special payments - Group and Foundation Trust

NHS Foundation Trusts are required to follow the guidance issued by the Department of Health and Social Care in accounting for losses and special payments:

- These 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 divided into different categories, which govern the way each individual case is handled.

The number and value of losses and special payment cases:

		1 April 2024 - 31 March 2025		1 April 2023 - 31 March 2024	
Ref.	Category of loss / special payment	Number of cases	Value of cases £000	Number of cases	Value of cases £000
Losses					
1a	Losses of cash due to theft, fraud etc.	0	0	0	0
1b	Losses of cash due to overpayment of salaries etc.	11	11	8	6
1c	Losses of cash due to other causes	0	0	0	0
2	Fruitless payments	0	0	0	0
3a	Bad debts and claims abandoned – private patients	19	5	0	0
3b	Bad debts and claims abandoned – overseas visitors	8	19	4	6
3c	Bad debts and claims abandoned – other	45	49	35	1
4a	Damage to buildings, loss of equipment and property due to theft, fraud etc.	0	0	0	0
4b	Damage to buildings, loss of equipment and property due to other causes	1	6	1	24
4c	Other	0	0	0	0
Total Losses		84	90	48	37
Special Payments					
5	Compensation under legal obligation	0	0	0	0
7a	Ex-gratia payments for loss of personal effects	16	4	15	9
7b	Clinical Negligence with advice	0	0	0	0
7c	Ex-gratia payments for personal injury with advice	0	0	0	0
7d	Other negligence and injury	0	0	0	0
7e	Other employment payments	0	0	0	0
7f	Patient Referrals outside the UK and EEA Guidelines	0	0	0	0
7g	Other	0	0	1	10
Total Special Payments		16	4	16	19
Total Losses and Special Payments		100	94	64	56

The above values have been calculated on an accruals basis whereby expenditure is recognised in the period in which the associated liability was incurred.

22 Charitable fund reserve

The Trust is the corporate trustee to Gateshead Health NHS Foundation Trust Charitable Fund. The Trust has assessed its relationship to the charitable fund and determined it to be a subsidiary in accordance with IFRS 10, because the Trust has the power to govern the financial and operating policies of the charitable fund so as to obtain benefits from its activities for itself, its patients or its staff. Prior to 2013/14 the Treasury had directed that IFRS 10 should not be applied to NHS Charities, and therefore the FT ARM did not require the Trust to consolidate the charitable fund.

The main financial statements disclose the Foundation Trust's financial position alongside that of the group (which comprises the Foundation Trust, subsidiary and charitable fund).

Gateshead Health NHS Foundation Trust Charity - Summary Statement of financial activities;

	Year ended 31 March 2025 £000	Year ended 31 March 2024 £000
Donated income	181	153
Income from legacies	104	112
Investment income	101	66
Grant Income	0	0
Total incoming resources	<u>386</u>	<u>331</u>
Patients' welfare and amenities	192	201
Staff welfare and amenities	103	55
Medical research	0	0
Contributions to the Foundation Trust	183	0
Governance costs	7	5
Total outgoing resources	<u>485</u>	<u>261</u>
Unrealised gain/(loss) on investments	(43)	92
Net incoming/(outgoing) resources	<u>(142)</u>	<u>162</u>

Gateshead Health NHS Foundation Trust Charity - Summary Statement of financial position;

	Year ended 31 March 2025	Year ended 31 March 2024
Investments	1,362	1,364
Receivables	9	79
Cash	1,128	1,128
Payables	(142)	(72)
Total net assets	<u>2,357</u>	<u>2,499</u>
Represented by:		
Unrestricted funds	2,189	2,150
Restricted funds	103	281
Endowment funds	65	68
	<u>2,357</u>	<u>2,499</u>

The total funds are represented in the Group accounts as Charitable Funds Reserve.

Restricted funds are funds donated for a specific purpose. Unrestricted funds may be designated for a particular area but are not restricted on the purpose of expenditure. Endowment funds relate to capital funds where the charity does not hold the power to convert capital into income. The capital must generally be held indefinitely; the income generated by the investment of the funds can be used for charitable purposes at the discretion of the Trustee.

Glossary of terms

AAA	Abdominal Aortic Aneurysm	FTSUG	Freedom to Speak Up Guardian
A&E	Accident and Emergency		
AI	Artificial Intelligence	GAAP	Generally Accepted Accounting Principles
BAF	Board Assurance Framework	GEM	Global Ethnic Majority
BSL	British Sign Language	GNHA	Great North Healthcare Alliance
CDC	Community Diagnostic Centre	HFMA	Healthcare Financial Management Association
CDI	Clostridium Difficile Infections	HI	Health Innovation
CETV	Cash Equivalent Transfer Value	HPB	Hepato-Pancreato-Biliary
CIPS	Chartered Institute of Purchasing and Supply	HREDI	Human Rights Equality Diversity and Inclusion
CNTW	Cumbria, Northumberland, Tyne and Wear NHS Foundation Trust	HWB	Health and Wellbeing
CO	Carbon Monoxide	ICB	Integrated Care Board
CQC	Care Quality Commission	ICO	Information Commissioner's Office
CT	Computerised Tomography Scan	ICORE	Innovation, Caring, Openness, Respect, Engagement (Trust values)
DHSC	Department of Health and Social Care	ICS	Integrated Care System
DNA	Did Not Attend	IFRS	International Financial Reporting Standards
EDI	Equality, Diversity and Inclusion	ILD	Interstitial Lung Disease
EDS	Equality Delivery System 2	IMD	Index of Multiple Deprivation
EPRR	Emergency Preparedness, Resilience and Response	IQILS	Improving Quality in Liver Services
EQiA	Equality and Quality Impact Assessment	IR	Interventional Radiology
FFT	Friends and Family Test	JAG	Joint Advisory Group
FTE	Full Time Equivalent	JNC	Joint Nominations Committee
FTSU	Freedom to Speak Up	KPI	Key Performance Indicator

LCFS	Local Counter Fraud Specialist	POD	People and Organisational Development
LGBT	Lesbian, Gay, Bisexual and Transgender	PSIRF	Patient Safety Incident Response Framework
LMC	Local Medical Committee	PSIRP	Patient Safety Incident Response Plan
MECC	Making Every Contact Count	QEF	QE Facilities
MHA	Mental Health Act	RTT	Referral to Treatment
MIS	Maternity Incentive Scheme	SDEC	Same Day Emergency Care
MRI	Magnetic Resonance Imaging Scan	SEQOHS	Safe Effective Quality Occupational Health Service
MRSA	Methicillin-Resistant Staphylococcus Aureus	SHMI	Summary Hospital-level Mortality Indicator
NCA	Northern Cancer Alliance	SIRO	Senior Information Risk Officer
NEAS	North East Ambulance Service NHS Foundation Trust	SOF	System Oversight Framework
NENC	North East and North Cumbria	TFCD	Task Force on Climate-Related Financial Disclosures
NHSE	NHS England	UEC	Urgent and Emergency Care
NICE	National Institute for Health and Care Excellence	ULEV	Ultra Low Emissions Vehicle
NPSA	National Patient Safety Agency	VCSE	Voluntary Community and Social Enterprise
OD	Organisational Development	VSM	Very Senior Manager
ORR	Organisational Risk Register	WDES	Workforce Disability Equality Standard
PALs	Patient Advice and Liaison Service	WRES	Workforce Race Equality Standard
PbR	Payment by Results		
PCN	Primary Care Networks		
PHE	Public Health England		
PIFU	Patient-Initiated Follow-Up		
PLACE	Patient-Led Assessments of the Care Environment		

