Stockport
NHS Foundation Trust

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Annual Report and Accounts 2024-25

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Presented to Parliament pursuant to Schedule 7, paragraph 25(4) (a) of the National Health Service Act 2006.

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Chair’s Introduction

I am delighted to introduce the Annual Report for Stockport NHS Foundation Trust following my appointment as Joint Chair to Stockport NHS Foundation Trust and Tameside Integrated Care NHS Foundation Trust in April 2025.

Since I joined, I have experienced and witnessed the extreme pressures faced every day by our teams and the way we have responded to them. It remains the case that, some years on from the pandemic, as a nation, we are still dealing with the difficulties and backlogs in treatment caused by it. We started the year with an objective of radically reducing waiting times and improving the experience of every single patient. We have largely succeeded in that and I would like to recognise the extraordinary efforts and contributions of our staff in dealing with the ever increasing demands placed upon them. I would also like to thank our patients for their patience and understanding, many of whom have faced lengthy delays in their treatment. And, I would like to thank our Council of Governors for both their support and encouragement throughout the year.

The year just gone is likely to be remembered for a long time. Right across the country Emergency Departments were engulfed with unprecedented demand in what was described as one of the worst winters in memory and every trust saw a spike in ambulance delays and long waits in A&E. Here in Stockport, our clinicians worked heroically in dealing with the pressures whilst facing the added disruptions of building works as we enhanced and enlarged our Emergency Department and the development and rehousing of outpatients on a temporary basis. I would like to personally thank every member of staff for ensuring that patients were kept safe during this period and for the positive way they responded to the daily challenges they faced.

In terms of investment and growing our Trust, the last year saw the completion of an ambitious capital investment programme and patients will be delighted to see the progress made on the new Outpatients hub, the opening of our new Diagnostic Centre in Denton alongside a much enhanced Emergency Department. Our expansion and use of digital health services also helped patients to access care remotely.

Inevitably, we faced the ongoing pressures of restricted finance and the need to do more for less. Our Trust faces historic issues of financial deficits and it is remarkable that we have delivered a financial outturn close to breakeven during 2024/25. Once again, our staff demonstrated an improved level of productivity together with improved clinical outcomes.

Throughout the year the Trust also worked collaboratively across the wider Greater Manchester system, and beyond, and continued to build successful partnerships with our neighbours. The collaboration with our close neighbours, Tameside & Glossop Integrated Care NHS Foundation Trust, is notable and enhancements to our clinical and non-clinical pathways were designed and introduced as a result. We also built upon our commitment to the improvement in population health for all sectors of our population through the establishment of a joint Health Inequalities Committee with Stockport Council. Collaborative workstreams and approaches will be agreed over the coming months.

The forthcoming year promises to be more difficult than ever before. We are committed to meeting all regulated targets agreed with Government, but it will require significant changes in the way we work and the adoption of more innovative approaches and an even greater level of collaboration. We are keenly aware that public finances will be tight with a national focus beyond the NHS. We are committed to delivering a sustainable Trust over the short to medium term and to manage our finances whilst delivering the care our population deserves. Having spoken with many of our staff, patients and governors, I am confident that the Trust will deliver on its promises and that patients will continue to receive the best of care within Stockport from a workforce that we are eternally proud of.

David Wakefield
Joint Chair

Performance Report

Performance Overview
The purpose of the overview is to provide a summary of Stockport NHS Foundation Trust, its purpose, the key risks to the achievement of its objectives, and how the organisation has performed during the year.

Chief Executive's Statement
The annual report gives us an opportunity to reflect on all we have achieved over the last year – and there are lots of examples in this report of improvements that have made a real difference to the lives of our patients and staff.

That is not to say the year has been without its challenges. Like NHS trusts across the country, we continued to see high demand for all services, with factors such as our aging population and the continuing impact of the pandemic, placing additional pressures on the Trust.

Despite these challenges, there has been progress and improvement made in many areas of our performance. We have seen sustained improvements in waiting time targets and cancer access performance across the year, and also in the use of our capacity in theatres.

We have continued to do well in many of our efficiency metrics and also met our ambitious target to improve how quickly we see outpatients, while reducing our 'did not attend' rates and increasing our 'patient initiated follow ups' (PIFU).

Daily average attendances remained above 300 patients within our Emergency Department, with an expected greater proportion of attendances and higher acuity seen over the winter months. Albeit we saw marked improvement in performance, we were unable to meet the Emergency Department 4 hour and 12 hour access standards.

Performance against the diagnostic six- week wait target has been challenging with respect to MRI scanning, and paediatric audiology. Good progress was made with CT scanning, echocardiography, and non-obstetric ultrasound.

There is always a need to carefully manage our finances. This year the Trust reported a deficit of £2m deficit, before revaluations and impairments, which is due to a revenue improvement of £0.4m matched by additional capital allocation. In 2024/25 the Trust also received non-recurrent deficit funding of £41.3m.

We've spent £37.7m on capital programmes and schemes in the last year. This included the continued build of the new Emergency & Urgent Care Campus, the construction of a new Outpatients building and the development of the MRI Suite.

We also opened a new community diagnostic centre in Denton, which has improved access to diagnostic tests and reduced waiting times for local people.

However, the Trust is more than bricks and mortar and our most important asset remains the people who work tirelessly to make sure we are providing the best care possible with empathy, compassion and understanding.

We've worked hard to make sure all our staff feel supported in their roles, while nurturing their talents. I am pleased to report that the National NHS Staff Survey showed almost 90% of our staff feel their role makes a difference to patients and feel trusted to do their job.

Finally, this year we have seen the Stockport NHS Foundation Trust Charity develop and grow, both with the funds it's raised and the impact it has made across the Trust. I would like to thank our dedicated fundraisers for their efforts, along with the generosity of our community, that have enabled us to fund initiatives that truly make a difference.

As our charity evolves, it will continue to focus on enhancing patient care and staff wellbeing, ensuring a lasting and positive impact for those who need it most.

Looking ahead, this year we will build on all the positive developments described below and work hard to tackle the challenges highlighted to ensure SFT can continue to do its very best for the local population and beyond.

Karen James OBE
Chief Executive

The Trust

Stockport NHS Foundation Trust was formed on 1 April 2004, one of the first NHS Foundation Trusts in England. The Trust exists for the purpose of providing care for patients as part of the NHS, including acute hospital and community services.

We employ around 6,300 staff, who provide services across our main sites, shown below, as well as delivering care in people's homes:

- Stepping Hill Hospital,
- The Meadows,
- Bluebell,
- Swanbourne Gardens,
- The Devonshire Centre.

We are licensed to provide the following services:

Anaesthetics	Neurosurgery
Community services	Obstetrics
Emergency and urgent care	Ophthalmology
Ear, nose and throat	Oral surgery
General medicine	Orthodontics
General surgery	Paediatrics
Genito-urinary medicine	Rehabilitation medicine
Gynaecology	Rheumatology
Haematology	Trauma and orthopaedics
Medical oncology	Urology
Neurology	

The Trust Strategy 2020-2025 sets out our vision for our medium term future as well as our aims and aspirations to support the development of the local and regional health care system.

Our strategic priorities and objectives were developed and informed through engagement and listening exercises with our staff and stakeholders.

Our strategic objectives are:

- To be a great place to work,
- Always learning, continually improving;
- Helping people to live their best lives,
- Investing for the future by using our resources well,
- Working with others for our patients and communities.

The Trust is a key partner in the Greater Manchester Integrated Care Systems (GM ICS), and the place-based arrangements of the Stockport locality. Our corporate objectives are reviewed annually and approved by the Board to operationalise our strategy and recognise the importance of working with others to achieve goals in the wider local and national context.

Our Corporate Objectives for 2024/25 were:

- Deliver personalised safe and caring services,
- Support the health and wellbeing needs of our communities and colleagues,
- Develop effective partnerships to address health and wellbeing inequalities
- Develop a diverse, talented and motivated workforce to meet future service and user needs,
- Drive service improvement through research, innovation and transformation;
- Use our resources efficiently and effectively,
- Develop our estate and digital infrastructure to meet service and user needs.

The Trust's values were refreshed and relaunched during the year, following a programme of engagement with staff at both Stockport NHS Foundation Trust (SFT), and Tameside & Glossop Integrated Care NHS Foundation Trust (T&G ICFT) one of our key partners. Our values are Compassion, Accountability, Respect, Excellence (CARE).

Key risks to delivering our objectives

The Board identifies principal risks in a Board Assurance Framework (BAF). The BAF is a key tool to manage and mitigate strategic risks to the achievement of the corporate objectives agreed by the Board.

Principal risks to the delivery of the Trust's corporate objectives in 2024/25 were approved by the Board and subsequently assigned to a relevant Board Committee for oversight throughout the year, with holistic quarterly review of the BAF via the Board of Directors.

During 2024/25 the Board identified its significant principal risks as those relating to:

Patient flow

Increased attendances and high bed occupancy meant a lack of available beds for new patients requiring admission from the Emergency Department (ED) and an inability to deliver the national access standard for urgent care. The team within the ED continued to work to improve elements of the pathway they could influence directly through the Trust's 'Programme of Flow', including regular multi-disciplinary team and long length of stay reviews, whilst also engaging with partners in the locality through the Urgent Care Board. This risk was overseen by the Board's Finance & Performance Committee.

Delivery of the agreed financial position 2024/25 and development of a multi-year financial recovery plan to secure financial sustainability

Achieving the financial plan was a risk in year due to continued growth in demand for services, the impact of pay awards and achievement of Elective Recovery Fund (ERF), alongside contractual settlements and managing an ageing estate. Robust financial 'grip and control' measures and action taken during the year, as overseen by Finance & Performance Committee, resulted in achievement of the financial plan.

The risk to future financial sustainability continued in year, both at a Trust and GM ICS level. The Trust fully engaged in the development of the GM financial sustainability plan and continued to review available benchmarking information to identify and improve internal productivity and efficiency. This risk continued to be monitored by the Board's Finance & Performance Committee.

Ageing estate & insufficient funding mechanism for strategic regeneration of the hospital campus.
As reported in previous years, several areas of the Trusts are no longer fit for purpose, with increasing maintenance requirements, amidst constrained capital. Controls have been put in place to mitigate the risks associated with an ageing estate, including increased surveillance, planned preventative maintenance and prioritised remedial action, as reported via Finance & Performance Committee. Key capital developments have also progressed in year, including the new Emergency & Urgent Care Campus Department and start of construction of a new Outpatient Department.

The Board has identified the need for regeneration of the hospital campus to support the Trust's capability to deliver modern and efficient care, however no identified funding mechanism has yet been identified. Work is continuing with explore funding options, in partnership with Stockport Metropolitan Borough Council (SMBC).

Recruitment and retention of optimal numbers of staff with the right skills
Ensuring there are sufficient staff with the appropriate skills and experience is an ongoing challenge for many NHS organisations. It is a risk that continued to be monitored closely by the Board during 2024/25. Safe staffing levels are reported regularly to the Board of Directors, along with several 'people' metrics, including turnover, absence and training compliance. The initiatives and actions in place to support our colleagues saw improvement in many of these metrics, as overseen by the Board's People Performance Committee, resulting in a reduction in the risk score throughout the year.

Maintaining standards of quality and safety
An extensive number of policies, procedures and clinical guidelines are in place that set out standards and expectations to maintain quality of care. The effectiveness of these processes are reported through the Trust's clinical and corporate governance, in order to mitigate risk to quality and safety. Throughout the year, the Trust identified specific areas where quality could be further improved in line with regulatory standards, whilst also acknowledging the adverse impact of the Trust's ageing estate on patient experience. This risk and implementation of actions was overseen by the Trust's Quality Committee.

Going Concern
Stockport NHS Foundation Trust has prepared its Annual Accounts on a going concern basis.

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

Performance Analysis

The Board of Directors approves a set of key outcome measures to determine year on year improvement and achievement of its corporate objectives, alongside ensuring delivery of its annual operational plan, which is agreed as part of the GM ICS. These outcomes measures include those set internally by the Trust, as well as regional and national standards. Subsequently, risks to achievement of the corporate objectives are included on the Board Assurance Framework (BAF).

There are a range of indicators that the Board considers on a regular basis, through the Integrated Performance Report (IPR). The IPR is grouped under the following domains:

- Operational performance
- Quality performance
- People performance
- Financial performance

The table below sets out the key performance indicators at the end of 2024/25, as reviewed by the Board.

	Reporting Period	Target 24/25	Actual YTD	6-mth Trend
Quality Scorecard				
Mortality: SHMI	Jan-24 to Dec-24	≤ 100		↑
Sepsis: Antibiotic administration	Apr-24 to Mar-25	≥ 90%		↗
Sepsis: Timely recognition	Apr-24 to Mar-25	≥ 90%		↓
C.diff infection rate	Apr-24 to Mar-25	≤ 32.75		↘
Covid-19 infection rate	Apr-24 to Mar-25			↗
E. coli infection rate	Apr-24 to Mar-25	≤ 31.41		→
MRSA infection rate	Apr-24 to Mar-25	≤ 0		↓
Stroke: Overall SSNAP Level	Sep-24	≥ C		→
Falls causing moderate+ harm	Mar-25	≤ 22	4	↗
Falls due to lapses in care	Mar-25	≤ 425	184	→
Falls rate	Mar-25	≤ 3.51	2.75	↗
Pressure Ulcers: Community, Cat 2	Mar-25	≤ 114	127	↘
Pressure Ulcers: Community, Cat 3&4	Mar-25	≤ 38	57	↘
Pressure Ulcers: Hospital, Cat 2	Mar-25	≤ 79	59	→
Pressure Ulcers: Hospital, Cat 3&4	Mar-25	≤ 8	19	↘
Complaints: Timely response	Mar-25	≥ 95%	93.7%	↗
Complaints: Written Complaints Rate	Mar-25	≤ 7.9	9.3	→
Never Event Incidence	Mar-25	≤ 0	1	→
Patient Safety Alerts	Mar-25	≤ 0	14	↑
Patient Safety Incident Investigatio..	Mar-25		26	→
Patient Safety Incident Rate	Oct-24 to Mar-25			↘
Early Neonatal Deaths	Mar-25	≤ 0	2	→
Maternity Diverts	Mar-25	≤ 0	4	→
Registrable Stillbirth Rate	Mar-25	≤ 0	3.68	↗
Registrable Stillbirths	Mar-25	≤ 0	10	↗
Smoking In Pregnancy	Mar-25	≤ 5.3%	4.8%	↘

	Reporting Period	Target 24/25	Actual YTD	6-mth Trend
Operational Scorecard				
4hr Standard	Mar-25	≥ 78%	63.7%	↑
Patients in department over 12hrs	Mar-25	≤ 2%	12%	↗
No criteria to reside (NCTR)	Mar-25	≤ 45	875	→
Adult G&A Bed Occupancy	Mar-25	≤ 95%	94.3%	↘
Diagnostics: 6 Week Standard	Mar-25	≤ 6.1%	19.8%	↘
62-day standard	Mar-25	≥ 70%	72%	→
Patients waiting 63 days and over	Mar-25	≤ 49		→
28-day standard (FDS)	Mar-25	≥ 77%	78.9%	→
14-day standard (2WW)	Mar-25	≥ 93%	97.2%	→
Incomplete pathways 18-week %	Mar-25	≥ 92%		→
52-week breaches	Mar-25	≤ 724		↑
65-week breaches	Mar-25	≤ 0		↑
Virtual Ward Utilisation	Mar-25	≥ 80%	67.6%	↘
Urgent Community Response	Feb-25	≥ 70%		→
Outpatient DNA rate	Mar-25	≤ 6.3%	7.6%	↑
Outpatient clinic utilisation	Mar-25	≥ 90%	94.4%	↗
Patient initiated follow up (PIFU)	Mar-25	≥ 4.3%	5.1%	→
Capped Touch Time Utilisation	Mar-25	≥ 85%	77.2%	↗
OP First Attend and Procedure	Mar-25	≥ 44%	43.3%	↘
Workforce Scorecard				
Substantive Staff-in-Post	Mar-25	≥ 90%	93.2%	↑
Sickness Absence: Monthly Rate	Mar-25	≤ 5.5%	5.9%	↗
Workforce Turnover	Mar-25	≤ 12.7%	12.5%	↑
Staff Retention Rate	Mar-25		99%	→
Appraisal Rate: Overall	Mar-25	≥ 95%	89.7%	↓
Mandatory Training	Mar-25	≥ 95%	94.6%	↓
Agency Costs %	Mar-25	≤ 3.2%	2.5%	↑
Finance Scorecard				
Capital Expenditure	Mar-25	≤ 10%		↓
Cash Balance	Mar-25			↑
CIP Cumulative Achievement	Mar-25	≥ 0%		↘
Financial Controls: I&E Position	Mar-25	≤ 0%		↓

In addition to the IPR, there are a suite of reports presented to the Board of Directors that provide assurance with respect to progress against the breadth of the Trust's corporate objectives, including partnerships and collaboration. Further narrative is provided below.

Operational performance

Unplanned Care

We saw a small reduction in attendances across the Emergency Department (ED) in 2024/25 when compared to 2023/24, however daily average attendance remained above 300 patients, which was higher than expected and with higher acuity seen over the winter months. Although it is much needed, whilst the new EUCC was being built, there was the additional challenge of a reduced footprint in the ED to allow the construction to take place.

Despite this, performance against the ED 4-hour standard saw marked improvement from last year. Although we were unable to achieve the national standard of 78% (of patients waiting no more than four hours before being either admitted to the hospital, transferred to a more appropriate care setting, or discharged), we saw an increase of almost 9.0% with an end of March 2025 performance of 69.0%, compared to 61.1% at the end of March 2024.

The EUCC build continues, with Phase 1 (Clinical Decisions Unit) handed over to the department in early February and the build to be completed in early 2025/26. The EUCC will deliver the physical space and co-location of services needed to deliver improvements in urgent and emergency care for the population of Stockport, including a bespoke suite for patients presenting with mental health conditions which will allow a calmer environment and ease of access to practitioners best suited to manage their care.

Work continues with system partners to support urgent and emergency care, with an on-going focus on the streaming of patients to the most appropriate services to avoid attendance to the ED and avoid admission to the hospital. This included the launch of a new Single Point of Access (SPOA) which allows community clinicians the opportunity to seek advice and redirection of appropriate patients as an alternative to the ED. Collaboration with the Northwest Ambulance Service continues to strengthen in order to improve ambulance handover times and streaming patients directly to Same Day Emergency Care and the Urgent Treatment Centre (UTC) areas.

A critical component to improving performance against the ED 4-hour standard is good patient flow, meaning there is an available inpatient bed for patients requiring admission from the ED. The ‘Programme of Flow’ is now well established within the Trust, including weekly Long Length of Stay (LLOS) meetings. This approach involves multidisciplinary teams on all acute adult wards reviewing and supporting any delays, challenges, or issues facing patients with a length of stay beyond 7 days. This approach helped the Trust identify key themes impacting on LLOS for patients. We also continue to work in close partnership with Stockport system partners to improve patient flow.

Planned Care

In line with national guidance, we continued to prioritise patients requiring urgent or cancer treatment, as well as those patients who had been waiting the longest for planned treatment. For the latter, particular emphasis was on treating those patients waiting over 65 weeks and reducing the number of patients waiting over 52 weeks. Plans were put in place to support an expansion of elective capacity for 2024/25. This included continuing to use the independent sector, alongside an increasing our own capacity across several services.

Metric	Threshold	End Q1	End Q2	End Q3	End Q4
RTT: Incomplete pathways %	92%	50.8%	52.4%	54.2%	55.2%
RTT: Patients waiting 52+ weeks	-	2208	1640	1598	1644
RTT: Patients waiting 65+ weeks	-	478	71	58	34
RTT: Patients waiting 78+ weeks	0	4	2	0	0
Cancer: 62-day standard	85%	65.3%	71.3%	70.5%	73.2%*
Cancer: 28-day standard	75%	82.9%	76%	79.7%	82.2%*
Cancer: 14-day standard	93%	96.3%	98.3%	96.6%	96.0%*
Diagnostics procedures waiting over 6 weeks	5%	19.3%	17.3%	18.2%	23.3%
Patient-initiated follow-up (PIFU)	5%	4.8%	5.0%	5.4%	5.4%
Outpatient Clinic Utilisation	90%	91.6%	92.6%	93.7%	95.6%
Outpatient DNA rate	6.3%	8.4%	8.5%	8.0%	6.3%
Theatres: Capped touch-time utilisation	85%	77.1%	77.2%	75.5%	80.3%

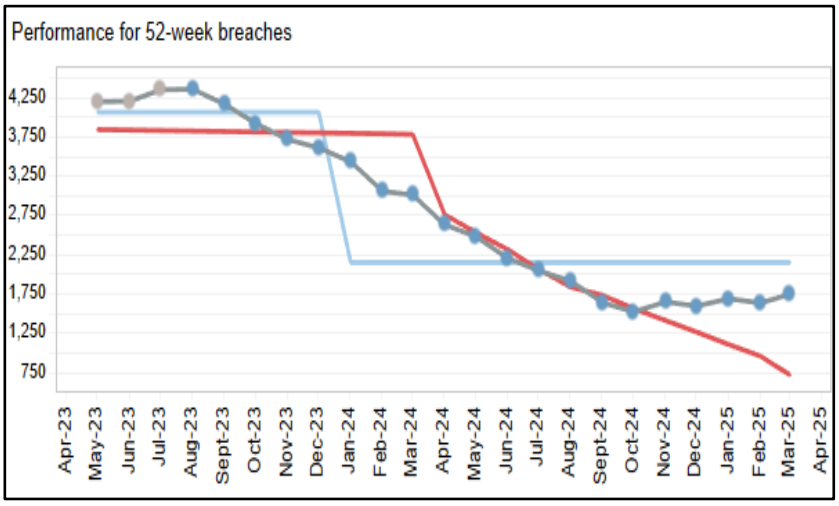
**provisional end of March 25 position.*

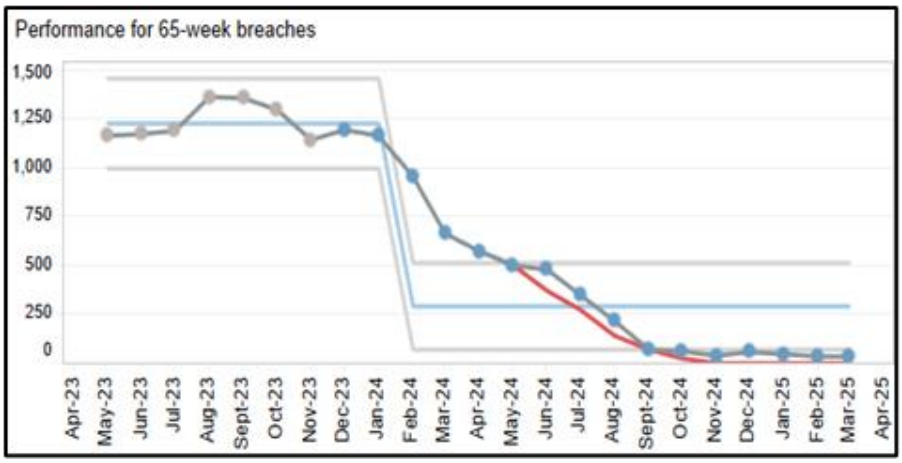
Throughout 2024/25 our elective services continued to manage challenges associated with the hospital estate. We continued to mitigate the impact of the closure of Outpatients B and will continue to do so until the opening of a new outpatient facility in the summer of 2025. The year also saw some challenges in our operating theatre department, with reductions in theatre capacity necessary at certain points in the year due to the adjacent EUCC building construction work.

Growth in demand was seen across several elective care services during the year, particularly for patients referred with urgent conditions or on a 2-week wait pathway for suspected cancer diagnosis.

Despite these challenges, there has been excellent progress and improvement made in elective access performance.

Referral to Treatment (RTT)

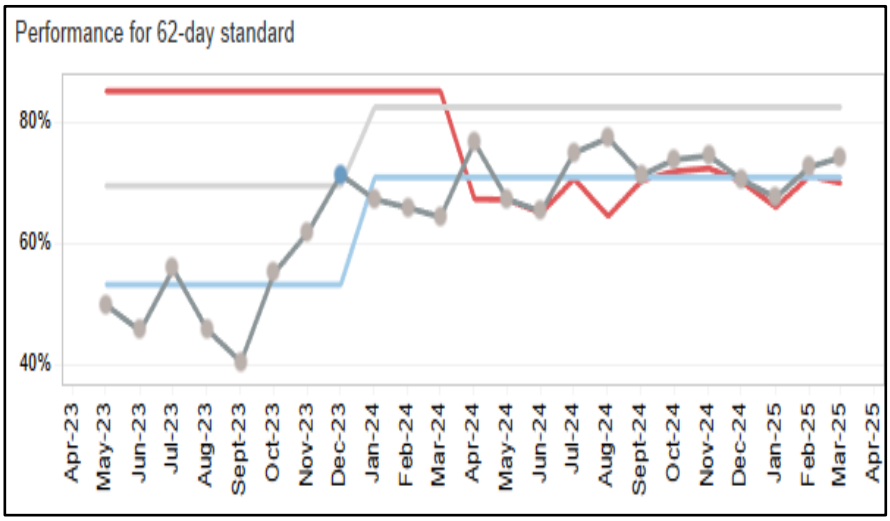


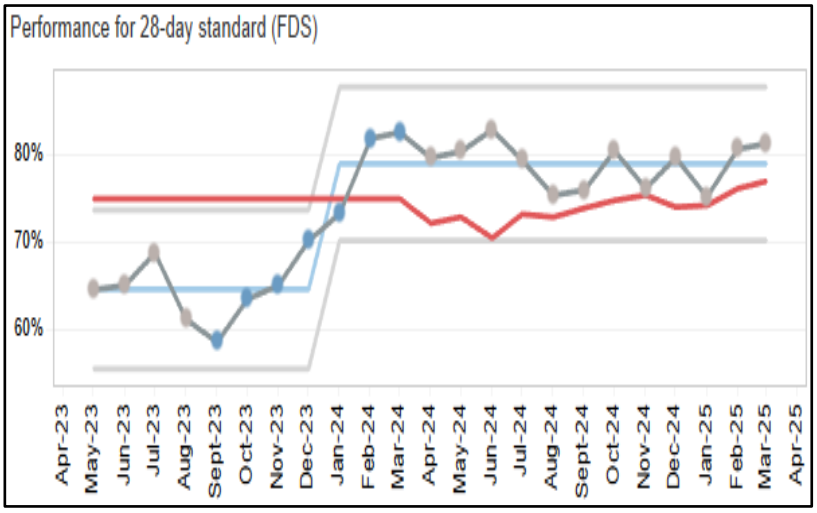


The Trust last achieved the national referral to treatment standard in April 2019, with the covid pandemic and the curtailment of elective activity during that period leading toa significant growth in waiting lists. The Trust has continued to gradually recover performance against the national 18-week RTT standard while focussing on treating patients requiring cancer or urgent elective care and our longest waiting patients. The overall RTT waiting list size reduced by 3,145 patients (8.1%) across the year. Performance against the 18-week RTT standard increased from 50.9% at the start of the year to 55.2% at year-end.

The number of patients waiting more than 78 weeks reduced to zero, and the number of patients waiting over 65 weeks reduced by 94.9% to just 34 patients at the end of March 2025. Many of these remaining patients have a complex pathway or have chosen to defer appointments until after March. The number of patients waiting over 52 weeks reduced by 45.4% to 1644 patients.

Cancer





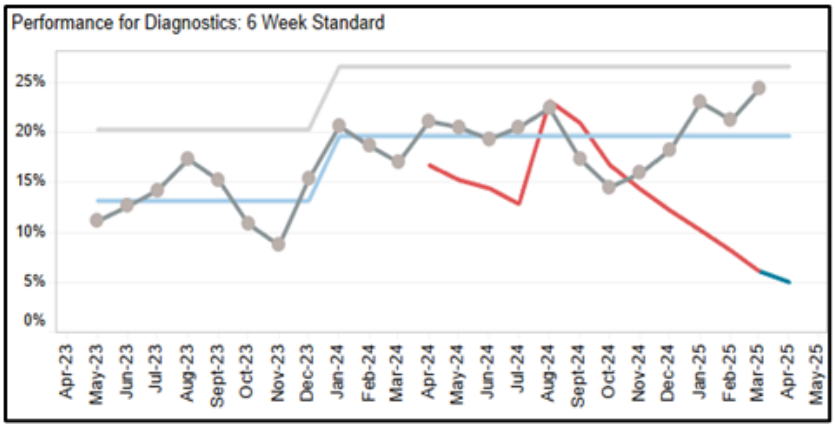
The Trust demonstrated sustained improvement in cancer access performance across the year. Against the 62-day standard, performance remained ahead of the improvement trajectory (70%), with a forecast year end position of 73.2% compared with 64.4% a year ago.

Performance against the 28-day faster diagnosis standard also remained ahead of the improvement trajectory (77%), with a forecast year end position of 82.2%. Most tumour groups have exceeded or are close to the national standard.

The backlog of patients waiting over 63 days has remained similar each month throughout the year, with a year-end position of 45 patients.

Sustainable improvement in cancer access performance has been supported by an ongoing programme of service improvement which has enabled the streamlining of pathways to improve patient care and experience.

Diagnostics



Trust performance against the 6-week diagnostic standard has not delivered overall, with 23.3% of patients waiting over 6 weeks by the end of March 2025.

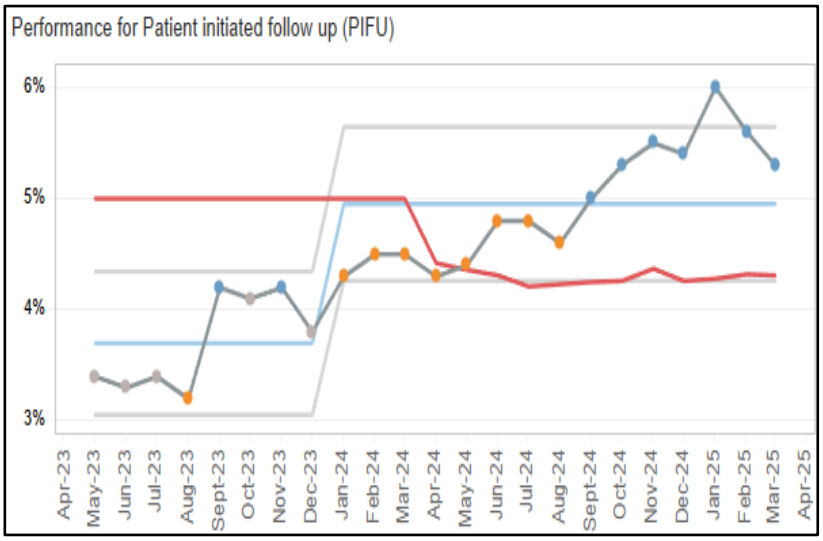
Following a review of our paediatric audiology service, there was a subsequent recommendation to pause some parts of that service in February 2025 whilst additional work was undertaken to improve aspects of the service. This work continues, but regrettably the pause in service resulted in delays to patients being seen. This has been the primary contributory factor to the overall decline in the Trusts performance against the 6-week diagnostic standard.

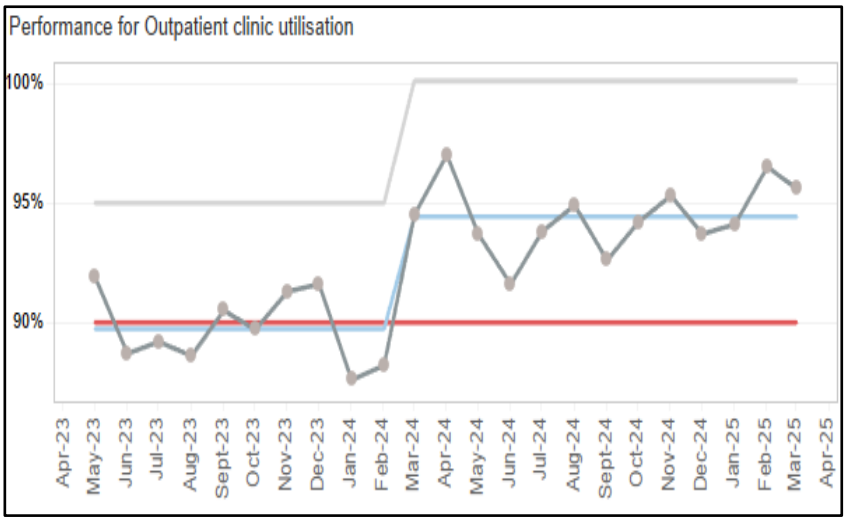
Further challenges have been experienced in MRI scanning, echocardiography, and more recently Endoscopy. Access performance for these tests is currently not achieving the national standard and improvement plans are in place to address this. All other radiological imaging modalities have remained compliant with the 6-week standard.

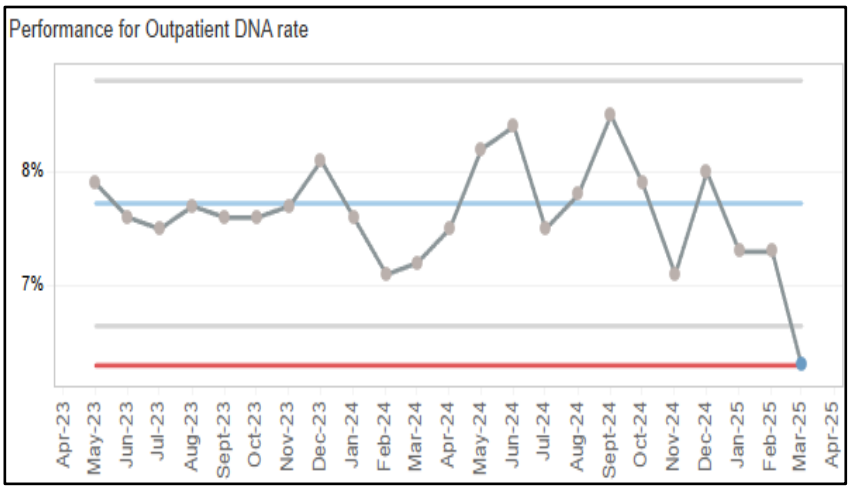
Radiology access times for cancer diagnosis have significantly improved during the final quarter of the year, making a positive contribution to the overall improved waiting times for cancer services.

Outpatient Efficiency

Participation in the GIRFT (Getting it Right First Time) 'Further Faster' Programme has continued over the past year, with services embracing the challenge of improving efficiency and transforming patient pathways to further support improved waiting times for elective care. Through this programme of work services have been empowered to adopt innovative approaches to improve demand management and increase productivity. The Trust has been nationally commended for its GIRFT 'Further Faster' programme of work and the contribution it has made to improving elective care and patient access.





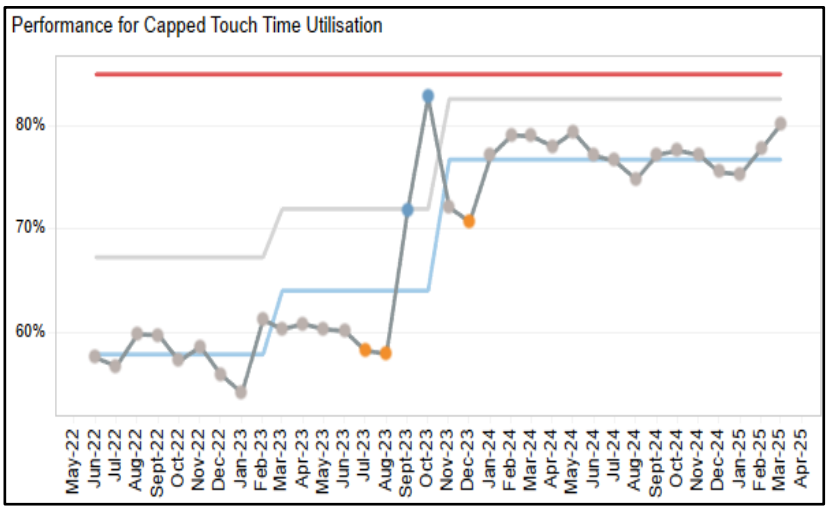


Services have continued to make progress on increasing the usage of patient-initiated follow- up (PIFU), reducing unnecessary follow-up appointments and supporting improved patient access to clinic appointments. The Trust remains the highest performing Trust on PIFU within Greater Manchester and is in the top performing quartile nationally.

Positive steps have been taken to increase the volume and quality of advice and guidance services offered as an initial alternative to GP referral. Innovative ‘advice and guidance first’ approaches in some of our services have demonstrated huge success in speeding up patient access to care and advice that can be delivered outside of hospital, whilst also reducing wait times for patients who do need to visit a hospital consultant-led clinic.

Outpatient Clinic Utilisation has incrementally improved throughout the year, with 95.6% performance reported at the end of quarter 4. Outpatient DNA rates have also fallen to 6.3%, the lowest DNA rate across all Great Manchester acute trusts.

Theatre Efficiency



Through our ongoing theatre transformation and improvement programme we have managed to deliver a sustained improvement in theatre utilisation since January 2024. Having previously been in the lowest quartile nationally for theatre utilisation, and despite some of the challenges with our estate, performance continues to gradually improve. Theatre start times and the average number of cases undertaken per list benchmark well against peers and nationally. Capped touch-time utilisation exceeded 80% in March 2025 and ongoing improvement work continues as we aim for the national aspiration of 85% utilisation.

Community Services

Stockport's Community Services are hosted across the Trust's divisions with the majority of adult services sitting within Integrated Care Division and those of children sitting within the Women & Children's Division.

Adult Community Services

The Trust provides a diverse range of adult community services delivered from multiple health centres, and in care homes and in peoples' own homes for those that are housebound. Overall demand for our adult community services continued to grow in 2024/25, with referrals up by 8.1% on those received in 2023/24 (and 30.3% on those received in 2019/20).

466,860 contacts with patients took place in 2024/25 with 13.1% of appointments being delivered as telephone or virtual consultations. This level of activity / contacts represents a slight decrease of 2.7% compared to 2023/24.

Overall waiting times for adult community services have reduced on average from last year to 6.9 weeks (down from 10.5 weeks in 2023/24)

The community Discharge to Assess service has continued to provide care to help people return home from hospital as soon as they are medically safe to do so. During 2024/25, the ethos of 'Home First' has been strengthened. The service saw a notable increase in the number of patients being supported each month in the latter half of 2024/25. Collaborative

working with the Stockport Adult Social Care continues to underpin the Discharge to Assess model of care.

The Urgent Community Response (UCR) Service makes up one of the services in the Out of Hospital model of care. The service consistently exceeds the national target in responding to accepted referrals within 2 hours of receipt, averaging over 96.7% achievement in the year (target >90%). An average of 86% of patients remained at home following input from the UCR team and therefore deemed as having avoided a hospital admission.

Children's Community Services

Demand for children's community services increased between 2023/24 and 2024/25. Children in our Care, the Children's Development Unit and Children's Equipment and Adaptation service saw the largest increase in demand. Despite the challenges of increasing demand, there were some excellent achievements in year.

Recognising the impact caused if children with neurodiversity have any delays in diagnosis / support, the Children's Speech and Language Therapy (SLT) team introduced a new 'identification tool' known as 'SACS-R'. SACS-R is now undertaken by our Health Visiting Teams and helps to recognise behaviours of young children (aged between 9-20 months) which can indicate neurodiversity. If neurodiversity is identified, the SLT Team then work with parents to deliver an evidence-based, parent-mediated therapy programme. Parents and carers have praised the team for the additional support this has meant for them and their young children. The team were presented with a Special Recognition Honour from NHS England following a presentation on their work at NHS England's SEND (Special Educational Needs and Disabilities) BEST Practice in Health 2025 Event.

Children and Young People Therapy teams have provided a range of interventions including physiotherapy, speech and language therapy and dietitian advice. Specifically, SLT has worked in collaboration with Stockport Metropolitan Borough Council (SMBC) to undertake a balanced system review of SLT services with the purpose of improving and reducing the variation of access to SLT services for children across the Stockport borough. The Balanced System® framework, developed over 15 years, was devised to provide a practical, holistic solution to the challenge of meeting the needs of children and young people with speech, language and communication needs. With positive early outcomes of this review, Occupational Therapy and Physiotherapy will take part in the balanced system review in 2025/26.

Our School Nursing teams have been challenged in year due to increasing demand, partially due to the opening of 2 new schools for children with additional medical and educational needs. Stockport has remained one of the highest performing local authorities in relation to HPV vaccination championed by the School Aged Immunisation Service (SAIS), however following a Greater Manchester wide tender process completed in last 2023, this service has since formally TUPE'd to Intrahealth.

Overall, the Trust has continued to offer an integrated health and early years model, with public health nursing, health visiting midwifery and early years working together to improve outcomes for all children 0 – 5 years, reduce health inequalities and ensure sufficient, high quality early education and childcare.

Maternity Services
The maternity service continues to monitor and review the service against national maternity programmes and workstreams which include:

- Clinical Negligence Scheme for Trusts (CNST)
- Saving Babies Lives Care Bundle Version 3
- Actions from independent investigations into other maternity and neonatal services in England including Ockenden and East Kent
- Three year delivery plan for maternity and neonatal services (2023)
- Equity and Equality

In year, the service has been successful in achieving full compliance of CNST Year 6

The Maternity Team worked closely with the Maternity and Neonatal Voices Partnership (MNVP) to strengthen co-production, ensuring the voice of our service users is heard and incorporated into service development and improvement. In addition, the Maternity Team implemented a comprehensive improvement plan, informed by a rigorous audit programme, to ensure the highest quality of care for our community.

Quality performance
Ensuring delivery of the fundamental standards of quality and safety is central to the Trust's objectives, with a vision to improve health outcomes for our population and influence the wider determinants of health. This will be achieved through collaboration with our health and care partners.

The Board of Directors continuously reviews data related to the quality, safety, performance and cost effectiveness of its services at all levels and is supported in this work by the Quality Committee.

The Trust publishes a separate Quality Account, available on the Trust website, which provides further detail of all the Trust's quality and improvement initiatives. The quality initiatives have been prioritised and informed by national and local priorities and informed by commissioning and regulatory requirements. These include mortality, sepsis, falls, pressure ulcer prevention, and infection prevention control.

Mortality (Summary Hospital Level Mortality Indicator)
The Summary Hospital Level Mortality Indicator (SHMI) is a statistic that uses a standard methodology to compare the observed to the expected number of deaths in the Trust up to 30 days after discharge from hospital. Stockport's SHMI is reported as within expected range and is amongst the lowest (best) in GM. The Hospital Standardised Mortality Ratio (HSMR) is a similar statistic, showing the ratio of the observed to the expected number of in-hospital deaths at the end of a continuous inpatient period. After a prolonged period in the 'higher than expected' range, the HSMR is now running at the expected value. This follows a concerted effort from the Trust's Clinical Coding team to improve coding accuracy for co-morbidities by using the GM shared record and a new coding audit software tool. We have continued to review the reasons behind mortality in the Trust this year by conducting a series of clinical audits, which have confirmed that our clinical practice adheres to national standards. Our performance regarding morality is scrutinised in our Deteriorating Patient Group, which provides assurance to the Board of Directors via the Trust's Quality Committee.

An area of focus for the Deteriorating Patient Group has been End of Life Care. In support of this a Hospital Palliative and End of Life Care Group was established in November 2023, recognising we have one chance to get it right for patients in their last days and hours of life, and their loved ones. Every division is involved, discussing their aims, objectives, and challenges, with consideration of compliments and complaints in relation to end of life care. Coinciding with Dying Matters Awareness Week, our SWAN model went live in May 2024. Adopting the SWAN model is part of our commitment to prioritise and improve the experience of care in the last days and hours of life and bereavement. It aims to guide and enhance care by enabling and empowering the workforce to promote person-centred communication, dignity, respect and compassion in the last days and hours of life, and after death. Our End of Life Care standards are monitored via our ward accreditation programme.

Sepsis

The screening compliance for sepsis has consistently been over the 95% standard, however the timely administration of antibiotics continues to be a challenge with between 70-75% of patients receiving antibiotics within agreed timescales, against a 90% standard.

Each case where antibiotic administration has been delayed is reviewed, and largely, the delays were a matter of minutes. During 2023/24, the Trust initiated work with Advancing Quality Alliance (AQuA) to improve performance. This has provided external advice and support, with benchmarking information also being considered to support improvement during 2024/25, along with a new senior sepsis practitioner in post from March 2025.

Falls

Our falls prevention improvement work continued in 2024/25. The Trust measures falls as the rate of falls per 1000 bed days. This method allows comparison from years or months where there are different numbers of patients in the hospital. In 2024/25 the rate was 2.64 falls per 1000 bed days, compared to a rate of 2.82 falls per 1000 bed days the previous year. The rate of falls resulting in moderate or above harm within the inpatient wards also improved, as did the rate of falls with lapses in care identified. Unfortunately, we did see an increase in the rate of falls, and falls with lapses in care, within our ED. This will be an area of focus for 2025/26.

Pressure Ulcers

The primary goal is to achieve further reductions in harm associated with pressure ulcer development in both hospital and community settings. Over the last two years, we have steadily reduced the number of pressure ulcers in the acute setting and aim to continue this trend. In the community setting, our improvement work has enhanced patient engagement, empowerment, and safety at home. With further advancements in digital record-keeping and training modules, we hope to deepen our understanding of why pressure ulcers occur and develop stronger, longer-lasting prevention strategies.

Infection Prevention & Control

2024/25 remained a challenging year with regards to infection prevention & control, due to the age and condition of the Trust's estate and Stockport's ageing population.

Standard infection prevention & control practice, processes and precautions are in place for all patients whether infection is known to be present or not. Despite this, several trajectories for

infections were not achieved. Clostridium difficile remains the most significant challenge, both locally and nationally primarily linked to antibiotic usage for long term conditions and relapses.

This challenge was replicated with several providers across Greater Manchester and nationally, with the Trust engaged in work being undertaken nationally to review guidance and recommendations.

Care Quality Commission

The Trust is registered with the Care Quality Commission (CQC) and fully compliant with the registration requirements of the CQC. The Trust engage in regular oversight meetings with the CQC, and the Trust seeks assurances through its governance framework that care is provided that is safe, effective, caring, responsive and well led.

The CQC has not inspected any of the Trust services or taken enforcement action against the Trust during 2024/25. The most recent inspections are illustrated below.

<table>
<tr><th>Financial Year</th><th>Inspection Overview</th><th>Outcome</th></tr>
<tr><td>2023/24: September 2023</td><td>Announced inspection of maternity services covering the domains of safe and well led, as part of the national maternity inspection programme.</td><td>The inspection report published in May 2024 reported both the safe and well led domains of care as requires improvement.
<table><tr><td>Domain</td><td>Assessment</td></tr><tr><td>Safe</td><td>Requires improvement</td></tr><tr><td>Effective</td><td>Requires improvement</td></tr></table>
The Trust developed an action plan in response to 3 must do recommendations, and 4 should do recommendations included within the report. The action plan was overseen by Quality Committee.</td></tr>
<tr><td>2021/22: November 2021</td><td>Unannounced inspection of the urgent and emergency care service at Stepping Hill Hospital covering the domains of safe, effective, caring, responsive and well led.</td><td>The inspection report published in January 2022 showed improvement across every domain.
<table><tr><td>Domain</td><td>Assessment</td></tr><tr><td>Safe</td><td>Good</td></tr><tr><td>Effective</td><td>Good</td></tr><tr><td>Caring</td><td>Good</td></tr><tr><td>Responsive</td><td>Requires Improvement</td></tr><tr><td>Well-Led</td><td>Good</td></tr><tr><td>Overall</td><td>Good</td></tr></table>
The action plan related to the inspection was reported to the Quality Committee at the Trust. The Trust is exceptionally proud of the improvements made to urgent and emergency care during a time of significant pressure.</td></tr>
</table>

Research & Innovation

Our Trust is committed to research, development and innovation (RD&I) as a driver for improving the quality of care we provide to our patients. Not only does clinical research provide the evidence base to answer key questions that help us tackle health and care issues in our population, but it also makes a real difference to patient experience, organisational reputation, staff satisfaction, development, recruitment and retention. Embedding and maintaining an active research ethos at SFT is vital to fostering a better future for our population and staff.

2024/25 has been another significant year for clinical research at SFT, with a continued focus on delivering our joint 5-year strategy (2022-2027) with T&G ICFT. We have maintained an extensive study portfolio across 21 specialities, with some 1,675 patients enrolled across our 89 research studies open in 2024/25.

We have seen significant success in delivering 'snapshot' studies: PANDOS, (Pain AND Opioids after Surgery) with over 80 patients enrolled to look at the use of pain relief in the month before patients had surgery, whilst there were in hospital after surgery, then a year after their surgery, to understand opioid use patterns and hopefully improve patient care in the future. We also recruited some 200 patients into the 'UnCorked study', looking at escalation area and corridor care in UK emergency departments, to help nationally advise on if being cared for in a temporary escalation area has any impact on the care delivered.

We have strategically focussed on research projects that can integrate into established clinical care pathways, so there is a service wide approach to research delivery. This model has been successful in 2024/25 in anaesthetics with PQIP (Improving peri-operative care through using quality data), COLO-COHORT (colorectal cancer cohort study), aligning with the '2-week wait' bowel cancer pathway, and in rheumatology with IMID (Immune-Mediated Inflammatory Diseases bioresource). Approximately 700 patients engaged in these projects.

Multi-disciplinary delivery approach models have thrived in areas such as stroke, where clinicians and allied health care professionals have worked together to offer various research options to our patients. We have adopted a more inclusive approach, with projects ranging from testing neuromuscular stimulation devices to hopefully prevent venous thromboembolism in stroke, a treatment trial aiming to prevent secondary complications post-stroke, pharyngeal electrical stimulation to potentially improve dysphagia symptoms and a speech after stroke recovery project.

Increased and sustained engagement with clinical research delivery has been seen in 2024/25 with more than 200 staff from a range of specialties and backgrounds actively contributing to study recruitment. The core team has been building links with the Local Authority and other locality hubs (e.g. Stockport County Football Club) to better extend our research coverage into the wider community. This has been further complemented with patient stories and a podcast to raise the profile of our Trust's research opportunities.

Our Trust continues to participate in research studies that are feasible, in alignment with the services we offer and our patient population. We will continue with this vision for 2025/26, with a focus on broadening the reach for who we are able to offer our research opportunities to in

the local population, to further overcome challenges around inclusivity and health and care inequalities.

Tackling Health Inequalities

The drivers of population health are complex, including social determinants such as the environments people live in, access to employment and the kind of start people have in life. Health, and inequalities in health, are also driven by the ways in which health services are designed, delivered and funded, and by the quality of clinical care received.

As a publicly funded organisation we are conscious of, and committed, to our duty to provide equality of access to all patients who need our services and address health inequalities.

During the year, the Trust established the Health Equity and Prevention Forum to define and deliver the Trust's role in improving population health, preventing illness, address healthcare inequalities and improving health equity. A baseline self-assessment and action plan have been developed. Collaboration with communities and local system partners will be essential in shaping how the plan is brought to life.

NHS England has identified specific information on health inequalities that NHS bodies should collect and consider as part of addressing health inequalities. Information for Stockport NHS Foundation Trust is published as follows:

- Elective activity vs pre-pandemic levels for under 18s and over 18s: Submitted by the Trust and published nationally (SUS data and WLMDS Elective Recovery Dashboard (palantirfoundry.co.uk) and by Greater Manchester ICB (https://curator.gmtableau.nhs.uk/dashboard/elective-equalities).
- Emergency admissions for under 18s: Submitted by the Trust and published nationally by NHSE (SUS data) and by GM ICB (Strategic - Health Inequalities Statement - Urgent and Emergency Care | GM ADSP) .
- Proportion of adult acute inpatient settings offering smoking cessation services: The Trust collects and submits smoking cessation data, published nationally by NHSE (041 Dashboard - NHS Prevention Programme - FutureNHS Collaboration Platform) and by Greater Manchester ICB (Strategic - Health Inequalities Statement - Smoking Cessation | GM ADSP) .
- Proportion of maternity inpatient settings offering smoking cessation services: The Trust collects and submits smoking cessation data, published nationally by NHSE (041 Dashboard - NHS Prevention Programme - FutureNHS Collaboration Platform .
- Tooth extractions due to decay for children admitted as inpatients to hospital aged 10 years and under: Submitted by the Trust and published nationally by NHSE (SUS/HES Data Tooth Extractions - NHS Digital) and by GM ICB (https://curator.gmtableau.nhs.uk/dashboard/tooth-extractions)

The Trust does not provide mental health services.

As described throughout this Annual Report, the Trust is continuing to make service improvements and work together with partners, specifically to improve access to services and improve outcomes in key areas where it has been identified that outcomes could be improved, and health inequalities persist.

People performance

Information regarding our people performance can be found in the Staff Report.

Financial performance

The Group accounts include the consolidated financial results of Stockport NHS Foundation Trust, its associated Charity General Fund, and the Trust's wholly owned subsidiary, Stepping Hill Healthcare Enterprises Ltd (trading as the Pharmacy Shop).

The Group accounts reflect an outturn of £19 million deficit for 2024/25 which includes the Trust deficit of £18.7 million in 2024/25 and subsidiaries' profit for £26k for Stepping Hill Enterprises Ltd. The Trust's Charity had a net outflow of funds of £389k in 2024/25. Removing the impact of donated assets and technical impairments on valuation of land and buildings, Trust adjusted financial performance for 2024/25 is £2.1 million deficit. The figures quoted in the following section relate solely to the Trust, as the other components are considered immaterial for the purposes of the Group accounts.

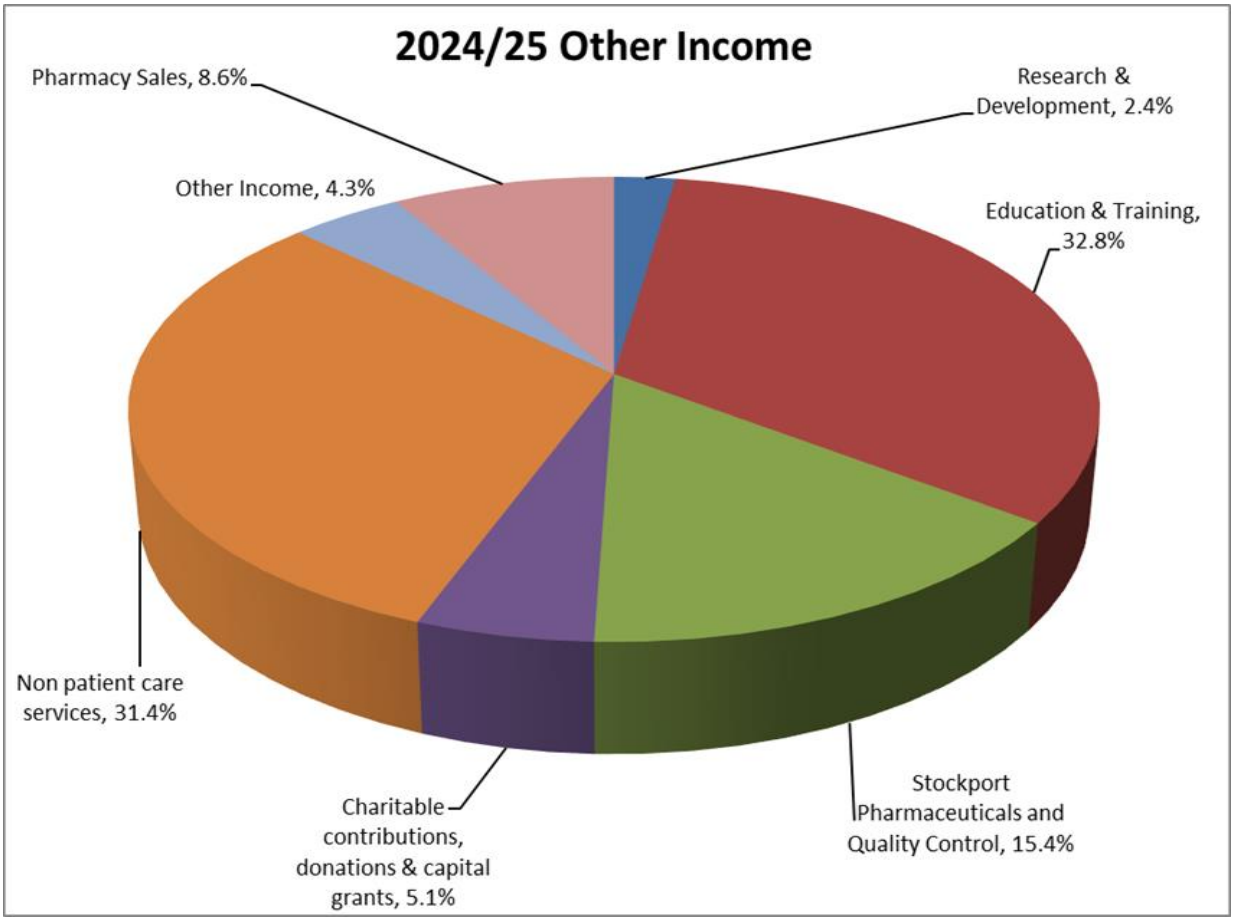
Whilst the Trust is a statutory body, the performance of the Trust is reported as par to the GM ICS. The Trust delivered its financial performance for revenue and capital in accordance with the agreed limits set.

In 2024/25 we continued to invest in improving services for patients, both in terms of the quality and safety of services and investing in buildings and equipment. Total investment through the capital programme in 2024/25 was £37.7m, which included £21.629m on buildings and dwellings. Of this £10.6m was spent on the continued build of the new EUCC, £11.8m on the construction of a new Outpatients building and £3.3m on the development of the MRI Suite. In 2024/25 the Trust also accounted for £2.1m in respect to recognition of leases under IFRS16 of which £1.2m was the provision of blood science equipment. Investments in buildings and dwellings of £2.6m also included key infrastructure works such as major pipework replacements, roof replacements and fire safety including doors and fire compartmentation. The Trust spent £1.6m on IT investments, including upgrades of network infrastructure, site wide device replacement and cyber security systems.
On the 30 September 2025 the Trust purchased the Meadows PFI facility from Walker Healthcare Limited for £6.05m and accounted for land of £1m. Stockport FT occupy 25.4% of the facility in the Bluebell Ward with Pennine Care NHS Foundation (PCFT) occupants of the remainder. This transaction was facilitated with the provision of £6.05m PDC re-allocated funding from PCFT and will be formally transferred to PCFT in 2025/26 with a lease arrangement for the Trust's continued occupancy.

Income and expenditure

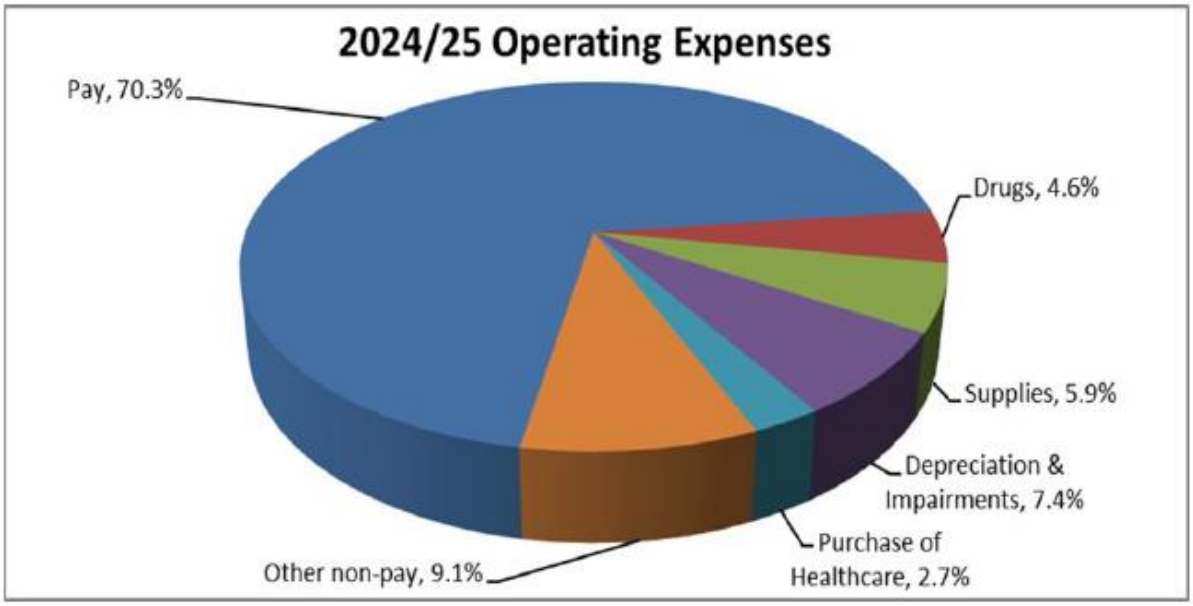
In 2024/25 our overall income was £515m (£438.9m in 2023/24). Income from the provision of health services was greater than that from provision of goods and services for any other purpose. We did not receive or make any political donations in 2024/25. Our income in 2024/25 is an increase of £76m from 2023/24; £64m an increase from commissioners, and £7.2m additional central funding for employer pension contributions. We have earned income from several different sources and a breakdown of the £43.4m 'Other Income' is provided in

the following chart:

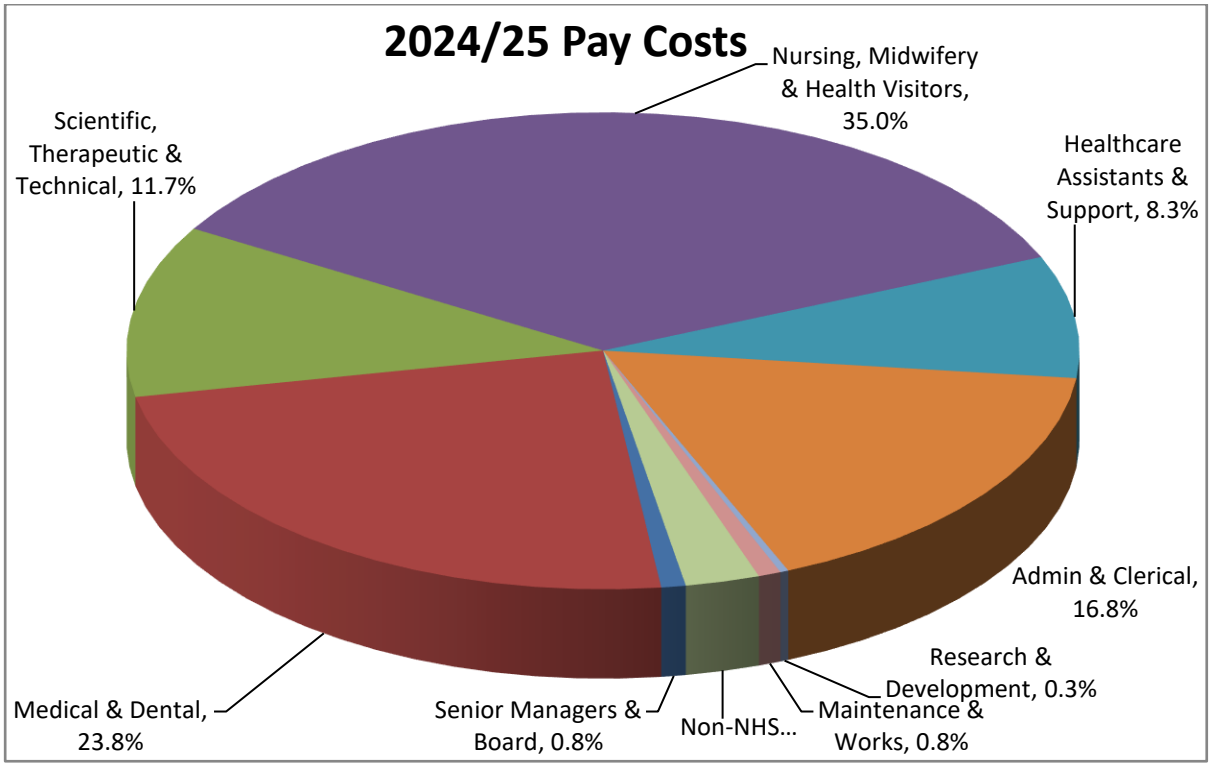


The Trust has disclosed the fees and charges (income generation) associated with the Stockport Pharmaceutical trading activity at note 5.5 in the Accounts.

Operating expenditure was £528.8m in 2024/25 (£468.3m in 2023/2423). Our costs are divided into the following areas:

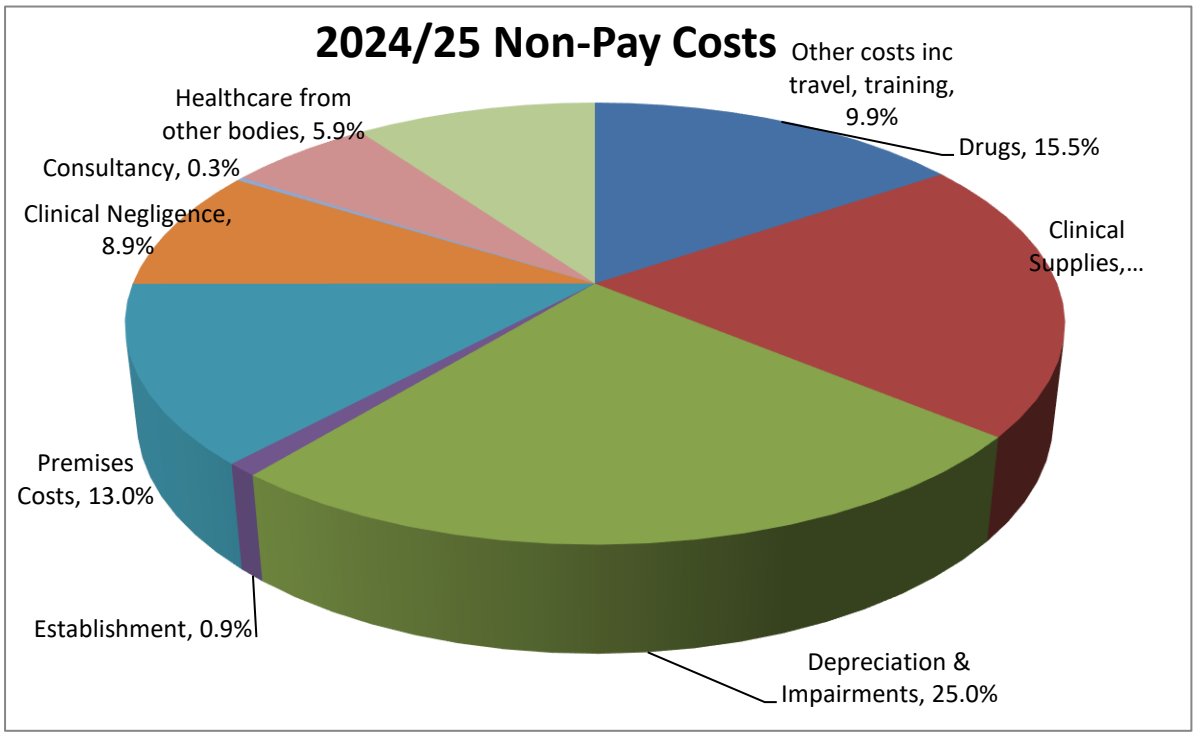


Pay costs account for 70% of our operating expenses, and our pay is split over the following categories:



Pay costs in 2024/25 were £371.6m (£338.9m in 2023/24) and the percentage split by staff group is shown in the above chart is in line with previous financial years.

Non-pay expenditure of £157.1m in 2024/25 (£129.3m in 2023/24) was incurred, and this is demonstrated by category in the following chart:



Non-pay costs increased by £27.8m during 2024/25, which includes increased supplies and service costs (£1.4m), additional capital investment in 2024/25 (£1.1m) and clinical negligence costs for the organisation (increasing by £1.6m to £14m). There has been an additional £1.4m net increase on purchase of healthcare from other bodies including the new Community Diagnostic Centre (CDC) shared with T&G ICFT and outsourced outpatient services whilst the new building is constructed. The Trust has also incurred additional spend of £6.1m on premises including £1.7m electricity and gas charges.

Balance sheet

The Trust has £209.3m of net assets at the year end, an increase of £10.1m from 2023/24. Material movements include increased PDC capital funding of £21.7m as a result of additional investment secured for 2024/25, PDC cash support of £15.6m increased receivables of £7.7m, payables of £11.1m and a smaller decrease of £1.4m to non-current liabilities.

The regulations relating to the calculation of the Public Dividend Capital (PDC) and current commercial interest rates mean that it is more beneficial for us to keep bank balances in the Government bank account. Our year-end cash balance was £36.7m compared to an opening cash position of £15.5m.

Charitable funds

The Board of Directors acts as Corporate Trustee in respect of its charitable funds. The primary statements in our Accounts show the consolidated or group position, including the charitable funds and the unconsolidated trust position. Copies of the separate Annual Report and Accounts for these charitable funds (Registered Charity Number 1048661) are available on request from the Director of Finance, via the Trust's website, or The Charity Commission's website.

Our Charity Committee overseas the management of the charitable funds, and the policy remains one of annual spending in line with the continuing levels of bequests and donations received in year. This is consistent with the aims and objectives approved by The Charity Commission for NHS charities in general.

In 2024/25 charitable funds income was £929k and we are extremely grateful for donations of £21k, legacies of £104k, grants from NHS Charities Together of £685k (see below) and fundraising income of £24k. The charity also received £94k investment income.

In 2023/24 Stockport NHS Charity was awarded nearly £1.25 million by NHS Charities Together, the national independent charity caring for the NHS, as the lead Charity for the Greater Manchester ICS Charities, for its Stage Two Community Partnerships programme. This programme will support projects to address health inequalities, mental health and hospital at home services for groups disproportionately affected during the Covid-19 pandemic. The Charity received its second and third instalments in 2024/25 and £618k was paid out to seven community organisations who were successful in bidding for funds.

In 2024/25 the Charity was successful in a bid to the NHS Charities Together Greener Communities Fund for £68k and received its first instalment of £62k. This will be used to create a patient therapy garden for the Acute Frailty Unit in a disused courtyard. Work has begun and is expected to finish in June 2025.

Expenditure in 2024/25 was £1.2m, including £119k, on purchases for patient welfare, £322k, on supporting staff welfare and training activities, and £618k for the Community Partnerships initiatives (see above). Expenditure included:

- £260k, on staff facilities for the new Emergency and Urgent Care Campus
- £32k for the Staff Menopause support service
- £25k, for recognizing staff performance at the Trust Making a Difference Award Ceremony and other national achievement awards offset by £9k of sponsorship.
- £29k, for upgraded staff facilities in HSDU
- £33k for Cardiology equipment including a Stress Echo Bike (£19k), oximetry monitors (£6k) and two upright bikes/rehab trainer (£7k)
- £17k, for dementia friendly patient crockery
- £15k, for a patient stroke therapy kitchen
- £8k for expansion of the Sound Ears noise at night devices in wards
- £10k for wall murals to the new MR Imaging Unit
- £8k, for a new Theratrainer exercise bike for the Devonshire Centre furnishings for various staff areas

Financial outlook

Financial arrangements for 2025/26 will continue to be a system-based approach to planning and delivery. GM ICS has received an overall deficit control total of £200m, which will be cash backed following submission of a compliant plan. Similarly, for capital the Trust will receive a share of the nationally allocated CDEL (Capital Departmental Expenditure Limit) envelope, in addition to national PDC (Public Dividend Capital) funding for several schemes. All funding for 2025/26 has been allocated in agreement with GM ICS.

Set out in the NHS National Planning Guidance, the overall priorities in 2025/26 continue to be the recovery of core services and productivity following the COVID-19 pandemic. This includes focus on the quality and safety of services, reduction in elective and urgent care long waits and improved access to GP's, urgent dental treatment and mental health services. There is also an expectation that there is a continued focus on reducing health inequalities and it is expected that the NHS will achieve financial balance.

SFT has worked collaboratively with all partners in the development of the GM ICS revenue and capital plans. The Trust has submitted a compliant revenue plan for 2025/26 breakeven including £43.2m non recurrent deficit support funding and, at the time of writing the Annual Report, discussions continue as to how the plans can be delivered within the system resource.

The Trust continues to challenge and examine opportunities to manage and reduce costs to make the NHS affordable and is committed to delivering a challenging 5.5% efficiency programme for 2025/26.

Capital Planning 2025/26

We are planning capital expenditure of £35.4 m in 2025/26, which is dependent on the dependent on the final GM ICS agreed capital allocation and release of external capital funding including Front Line Digitisation, Estates Safety and Elective Recovery.

A summary of planned investments is as follows:

Capital Description	CDEL Allocation £m	Public Dividend Capital £m	Total Capital Allocation
Estates	£7.582	£4.435	£12.017
Digital	£6.030	£15.000	£21.030
Equipment	£0.170	£0.322	£0.492
IFRS16 Lease Implications	£1.848	-	£1.848
2024/25 Total	**£15.630**	**£19.757**	**£35.387**

Our key priorities for 2025/26 are:

- Completion of the new EUCC
- Continued construction and completion of a new Outpatients building
- Development of an Electronic Patient Record (EPR)
- Site wide infrastructure improvements

There is a significant challenge to address growing estate critical infrastructure and backlog maintenance as well as replacement of ageing equipment and IT infrastructure to keep services safe and operational for patients, staff, and the public. We are committed to the development and delivery of our estate strategy, and delivery of our capital priorities.

Key Strategic Developments

Digital

A key ambition within the Trust's digital strategy is the implementation of a comprehensive Electronic Patient Record (EPR) and, in 2022, a joint EPR Programme was established with T&G ICFT. A joint outline business case was developed and supported by both Trust Boards. The implementation of an EPR is essential in enabling the Trust to improve efficiency and quality of care by replacing multiple clinical systems and bringing information into one comprehensive system thereby providing clinicians with real-time access to a complete patient record. The formal procurement process commenced in April 2025 with a target date for contract signature of January 2026 and go live in October 2027.

Several key digital programmes were progressed during the year, including implementation of the new LIMS (laboratory Information management system), working towards a split go live of June and October 2025. An extensive upgrade to the wireless network infrastructure was also completed in 2024/25.

The first use of artificial intelligence within the Trust was implemented in Radiology, with the introduction of Annalise AI to help with quicker detection of lung cancer, with opportunities to expand into other conditions as the technology advances.

The Trust has revised its Clinical Risk Management System (CRMS) to align with the current guidance and best practices for digital health technologies. The CRMS is a framework for identifying, assessing, managing, and reporting clinical risks related to the use of digital systems. A newly established Digital Clinical Safety Group (DCSG) oversees and assures the clinical safety of new and existing digital systems in the organisation.

Estates & Facilities

As mentioned throughout this Annual Report, the Stepping Hill estate continues to be a big challenge and we remain committed to ensuring the provision of healthcare premises that are appropriately maintained, meet statutory compliance requirements and ensure patient and staff safety.

During the year, the Trust commissioned a block-by-block condition survey of the Stepping Hill estate. As a result, we have an evidence base of expected deterioration of the estate condition and can use this to set our capital investment plan for the next financial year and beyond.

Multiple capital schemes have been delivered or progressed in year to support clinical delivery and expansion. This included a refurbished theatre and the EUCC – the largest and most ambitious project being delivered by the Trust to improve the facilities provided to patients and the environment our staff deliver services from. The new outpatients building is progressing well, with the main building delivered to site in December 2024 and the scheme on target for completion in August 2025, with anticipated operational "go live" date in September 2025.

In addition, multiple schemes have been delivered to improve safety and/or replace some of the high-risk critical infrastructure on the Stepping Hill site. This type of work is often unseen but is critical for the day-to-day operation of the site. Schemes include replacement pipework and upgrades to our electrical infrastructure.

Reinforced Autoclaved Aerated Concrete (RAAC) was found in one location on the Stepping Hill site following comprehensive surveys completed in previous years. Fortunately, the RAAC was confined to a single standalone building, positioned away from the main hospital estate and patient occupied areas. The building was made safe and both the RAAC removal scheme and associated roof replacement were completed in year.

Maintaining an exemplary Catering Service is of paramount importance, considering the diverse dietary needs and cultural preferences of our patients. With an outstanding reputation to uphold, the Catering Service is dedicated to continuing as a beacon of excellence in healthcare food provision. During August 2024, the Catering Service were delighted to receive confirmation that they had maintained the exemplary status for a further two years. In addition, the Catering Service proudly maintained a 5-star hygiene rating following an unannounced inspection at the end of March 2025.

The Portering Service has continued to identify efficiencies utilising the electronic task allocation system; facilitating amendments to rotas and allocating staff more efficiently to respond to the demands of the site. This in turn has helped successfully support patient flow and patient experience.

The National Standards of Cleaning (2021 & 2025) are well embedded within the Trust and show true collaboration between domestic and clinical teams to ensure a clinical area is in the best condition it can be. Cleaning standards have been consistently maintained throughout 2024/25 with only occasional and short-lived quality concerns. In areas where standards may have seen a temporary decline, appropriate and timely rectifications have been undertaken to reinstate a 5-star standard. Close collaboration with the Trust Infection Prevention & Control team remains a key positive contributor to good performance and as a result cleaning scores continue to be proudly displayed at ward and department entrances via electronic digital display screens.

Sustainability

The Trust recognises that the climate emergency is a health emergency, and we must act to reduce our carbon emissions and the associated health inequalities. The Trust is committed to the delivery of the Green Plan to become a net zero-carbon organisation by 2040 for the emissions we control directly, and by 2045 for the emissions we can influence. Although the NHS national target for net zero is 2040, we seek to align with the Greater Manchester Combined Authority (GMCA) target of 2038.

The Trust continues to embed the necessary long-term transformation and culture shift to see sustainable healthcare as the norm rather than the exception. We continue to be committed to reducing the environmental impact of the Trust's activities, protecting our natural environment, empowering staff to undertake operations responsibly, and enhancing social value.

Our current Green Plan has now reached the end of its three-year duration, and we have been undertaking extensive work with key stakeholders to develop a new Joint Green Plan in partnership with T&G ICFT. This new plan will cover the period 2025 to 2028 and is scheduled for publication in summer 2025.

Following the appointment of a Joint Sustainability Manager (with T&G ICFT), in February 2024, the Trust has had more capacity to support the delivery of the Green Plan actions. The

following information provides key updates for 2024/25 in relation to each Green Plan workstream.

- **Workforce and System Leadership**

A Joint Green Plan Delivery Group was established in 2024 and is comprised of Workstream leads overseeing the delivery of specific areas of the Green Plan, to review performance and enable progress. The group has approved Terms of Reference and is chaired by the Director of Estates and Facilities.

Earlier this year, over 80 staff participated in a presentation and question and answer session relating to the delivery of the Green Plan at SFT, discussing what the organisation is doing and how they can contribute to the delivery of the joint plan.

The Sustainability Manager has attended a careers event at Stockport College this year to showcase NHS careers in environmental sustainability and promote opportunities in this field, specifically showcasing opportunities in healthcare to young people.

- **Net Zero Clinical Transformation**

Significant progress has been made in 2024/5 to understand our current position in relation to this workstream and to identify how further progress can be achieved. Colleagues working within Strategy and Partnerships have closely aligned this workstream with the concurrent development of the Joint Clinical Strategy during 2024/25. This means the new Green Plan will include a Net Zero Clinical Transformation Action Plan for each Division that directly speaks to targets within the clinical strategy.

Over the past 12 months, the Trust has made positive progress to promote Net Zero Clinical Transformation. This includes ongoing engagement in several Provider Partnership workstreams to address health inequalities in collaboration with local system stakeholders, supporting a preventative approach. Similarly, there have been several examples of enhanced provision introduced for early intervention through local community services for children and young people. The Trust has continued the rollout of Patient Initiated Follow Up (PIFU), which empowers patients to choose when to request outpatient follow up. To further enable patient-self-care and support in the community with the help of technology, we have seen development of Virtual Ward pathways to prevent hospital inpatient admission where possible; increased utilisation of remote outpatient consultations; and the opening of the Community Diagnostic Centre (CDC) in Denton. These developments also help to reduce carbon emissions linked to patient travel to the hospital.

- **Digital transformation**

All redundant IT equipment in the Trust is collected by a contractor for recycling. In 2024/25 this has resulted in a carbon savings for the Trust of 11.07 tCO2e (tonnes of carbon dioxide equivalent).

- **Travel and transport**

To understand how staff commute to work the Trust conducted an online travel survey in September 2024 using questions developed by the GM Integrated Care Board (ICB) in conjunction with Transport for Greater Manchester (TfGM). The ICB requested that this survey

was used to create consistency in data across GM. The results of the survey have now been analysed and an action plan produced to support a reduction in car usage and encourage cycling and walking, along with the use of public transport.

The Trust is also engaged with Modeshift STARS, the Centre of Excellence for the delivery of effective travel plans. Modeshift STARS is an accreditation program that is based on a simple 5-step process that empowers organisations to enhance everyday journeys. Organisations are supported to create, deliver, and track the effectiveness of their Travel Plans, whilst working towards national accreditation by delivering a variety of engaging and effective sustainable and active travel initiatives. The Trust is working with colleagues at Stockport Metropolitan Borough Council (SMBC) to deliver initiatives.

Travel wise week took place from 16th to 22nd of September. During this week several events took place to promote active travel and to support engagement in the staff travel survey.

- **Estates and Facilities**

The current heating system for Stepping Hill Hospital is primarily run on gas and this is the main source of carbon emissions in the Trust (approximately 48% of emissions). To meet the NHS target to reach net zero by 2040 we need to decarbonise our heat source and District Heat Networks are one mechanism to do this.

SMBC is developing a project for a District Heat Network (DHN) based in the town centre and extending south to Stepping Hill Hospital. They have progressed this work through the feasibility and detailed design phase this year and work on the detailed project development has confirmed there is a technological and financially viable scheme, with good potential for the hospital site to be connected to a heat network. New infrastructure and pipework would be needed on site to achieve this, along with measures to improve the fabric of the buildings.

The scale, cost, and opportunities for funding to support the works required at the Trust needed to be assessed and this year the Trust received funding for this work to take place from the Department for Energy, Security and Net Zero (DESNZ), as part of the Advanced Zoning Program for Stockport. Work to produce the plan commenced in September and the final report will be presented to the Trust in April 2025.

In February 2025 the Trust approved the signing of a contract with the Carbon and Energy Fund (CEF). This will enable work to commence through the CEF framework to develop the brief to support the procurement of a contract to decarbonise the hospital estate and to explore associated funding options.

The delivery of key capital schemes throughout the last year has contributed to sustainability through improved efficiencies and reduced energy consumption, which has been achieved using Modern Methods of Construction (MMC). This is demonstrated through the construction of the new Outpatients Department which has achieved a MMC score of 79%. The high score is representative of the modular building, its offsite manufacture and the high proportion of pre-manufactured components used.

The capital project team seek to embed sustainability considerations and principles into the design stages of all schemes where appropriate, working collaboratively with supply chain partners to support them to reduce their carbon footprint. A key achievement in this area has

been working with Tilbury Douglas to tap into the local supply chain and thus reducing the impact of the transport of materials, ensuring careful consideration of the type of materials/products utilised on site and the use of alternative powered vehicles, plant and tools (electric or hydrogenated vegetable oil (HVO)).

To reduce carbon emissions from waste there has been a focus on introducing waste stickers and posters across the Trust to ensure clear guidance for staff on the use of the different waste streams. This has been accompanied by training to ensure teams throughout the trust have a good understanding of correct waste segregation.

The clinical waste contractor has been on site this year working with the Waste Manager to provide training to wards and departments on the correct segregation of waste. In June they provided an activity-based training session for staff to in support of Estates and Facilities day and they also attended the Trust transformation event in October to promote the correct segregation of waste.

The Trust monitors performance against the NHS Clinical Waste Strategy segregation target of 20% incineration (HTI), 20% alternative treatment (AT), and 60% offensive waste (OW) (20:20:60). The table below shows the stepped change achieved since 2022/23. There is still some way to go to meet the target, but the recent progress has been significant and carbon emissions from clinical waste alone have reduced from 321tCO2e in 2022/23 to 265tCO2e in 2024/25 (a reduction of 56tCO2e which equates to 17.5%).

Figure 1: Clinical Waste Segregation Performance.

Year	Incineration (Target 20%)	Infectious (Target 20%	Offensive (Target 60%
2022/23	31%	35%	34%
2023/24	28%	33%	39%
2024/25	23%	28%	49%

Work will continue to support improved segregation, which will lead to improvements in financial and environmental performance and lower the Trust carbon emissions from waste. In addition, the Trust clinical waste contract will treat more waste through Alternative Treatment, which will reduce carbon emissions further.

- **Medicines**

The Chief Pharmacist led a project to reduce wastage from the nitrous oxide manifold system. As a result, the Trust took the decision this year to cap the manifold system for nitrous oxide and use portable cylinders where still required. The Trust was successful in gaining funding from the Nitrous Oxide Waste Fund to do this work, which was completed in December 2024.

The nitrous oxide data has been compared between December – February 2023 and December – February 2024 in the table below. This data shows we are already seeing a reduction in usage and resultant carbon emissions as a result of capping the manifold system in December 2024.

Year	Nitrous Oxide used (litres)	Emissions from Nitrous Oxide (tCO_2e)
December – February 2023	54,000	26.41tCO_2e
December – February 2024	18,000	16 tCO_2e

The Trust are supporting the promotion of a GM wide campaign to encourage patients to bring their own medication when they come to hospital. Asking patients to bring in their medicines is not new, however only 12% of patients (GM Provider Trust audit October 2024) do so when they are admitted. The "Your medicines matter" campaign has been initiated in all Provider Trusts in Greater Manchester to encourage patients to being in their medicines, for nursing staff to use Patients' Own Drugs (PODs) which supports safety, patient care, waste reduction and carbon footprint reduction. There have been incidents where patients have missed their Time Critical Medicines, and using the PODs reduces the likelihood of this.

- **Supply chain and procurement**

A total of 1,711 walking aids were returned in 2024/25 as part of the walking aid reuse scheme and 1,490 (87%) of them were cleaned, refurbished, and reissued. This has resulted in a carbon saving of 24.23 tCO_2e over the year.

Sustainability and the social value of all tenders are scored at a minimum of 10% of the overall available tender. This includes specific accountability for environmental and sustainability responsibilities and must include criteria around carbon reduction.

Examples of tenders issued this year that included the 10% social value / sustainability weighting are:

- Enteral feeds
- Taxis
- Disposable Products
- IT end user devices
- Blood Sciences

- **Food and nutrition**

The catering team continue to review the restaurant and patient menu to identify opportunities to make menu options healthier and lower carbon. Examples this year include:

- On 19th August 2024 the restaurant celebrated a plant based themed menu, with 4 plant-based options available to staff and visitors.
- At the start of February 2025, the restaurant changed from serving Irish Stew to Venison Cobbler. Around 135 portions are served each fortnight, and this has resulted in a reduction in carbon emissions for 2 months in 2024/25 (February and March) of 481 kgCO2e. Annually this will equate to a saving of 3.1 tCO2e.
- Venison is now an established part of the menu for patients, offered twice on week one and once on week 2. Venison dishes have proven to be popular and have replaced lamb-based dishes as a more sustainable option.
- The Trust has introduced Eat Curious mince to the menu this year. Eat Curious mince is a healthy option, textured vegetable protein (pea protein) that can be used to replace meat. The Trust has replaced some of the mince in the cottage pie recipe for the restaurant and patient menu each week, which reduces the carbon emissions from the dish by nearly half per serving and will save 29.77tCO2e per year.

The Trust actively monitor food waste produced on site from the restaurant and patient menu and adjust the menus accordingly to ensure there is as little waste as possible. Work has taken place in 2024/25 to explore options to digitise the food waste weighing process to improve accuracy. New scales have been ordered to do this and will be in place April / May 2025.

Following a trial last year, the Trust introduced blue plates to serve patient and restaurant meals from September 2024. This decision was made following a trial based on the theory that blue crockery makes the food more appealing to patients and food waste is reduced as a result. During the trial the Trust found that the blue crockery enhanced our patient experience around mealtimes, with particular interest relating to patients with dementia and the contrast provided by the plate. A reduction in overall average waste of 9.2% was seen across both wards involved in the trial on the blue-plate vs standard plate, and hence the decision was taken to introduce the use of blue plates in the Trust.

The Trust are now working with a local supplier for the purchase of milk. The milk is delivered daily, and the new local supplier has reduced the number of delivery miles for the milk from 58 miles per day to 4.4 miles per day. This will be a saving of 3,245 miles per year, which results in a carbon saving of 3.2 kgCO2e.

- **Climate Change Adaptation**

We are working closely with colleagues at the GM ICB to consider how we can adapt to the impacts of climate change to ensure we can effectively manage the increasing summer temperatures, storms and high rainfall. The Trust has a Heatwave Plan for managing extremes in summertime temperatures arising as a consequence of climate change impact. A GM Climate Chage Adaptation Plan will be completed this year, and we will then look to adopt this plan for Stockport Foundation Trust, with a Trust specific action plan for local risks.

- **Nature Recovery**

In March 2025 8 large trees were planted around the hospital site. The planting was funded through Defra's Northern Forest programme and supported with additional investment from Stericycle, the trust's clinical waste partner, as part of their Social Value commitment. The trees are a mixture of native and ornamental trees, making sure the right tree is planted in the right place to thrive. It is estimated that when the trees reach maturity, they will capture around 320,000kg of CO2 gas over their lifetime, equivalent to the emissions caused by an average car driving more than 15,000 miles.

Performance Update

Whilst it is not a mandated requirement to publish performance data in our annual report, it is considered good practice. The data has been produced using the new carbon reporting tool for the Northwest that has been developed to ensure consistency with the production of emissions data. Data for 2019/20 (baseline year) has been inputted into the tool, along with the available data for the years that followed to allow comparison year on year. Performance data for 24/25 is not yet fully available and hence assumptions have been made for the months of the year where the data is not yet available. As a result, the 2024/25 data is subject to minor change once final figures are received.

The data is reported by emissions source, rather than scope and includes scope 3 emissions associated with each source. This is in line with Greener NHS guidelines, as it allows us to understand the total emissions from each source that we can control.

Emissions Source	Total tCO_2e						Trend from 2019/20 to 2024/25
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	
Electricity	3874	3488	3815	3368	3722	3783	↓
Gas	6877	6525	7033	6638	6034	6274	↓
Other Energy	0	383	383	237	2	237	↑
Refrigerant Gases	0	0	1	22	6	15	↑
Waste	322	335	361	336	298	270	↓
Water	190	197	97	107	126	112	↓
Medical Gases	1280	1296	1148	1179	1105	875	↓
Inhalers	No Data			151	149	129	↓
Business Travel	Awaiting Data						
Fleet	62	81	60	44	46	38	↓
Total	**12605**	**12306**	**12897**	**12083**	**11486**	**11732**	↓

The data shows a downward trend in the total emissions measured.

Gas and electricity usage is responsible for a large proportion of the Trust emissions and the decarbonisation of our estate therefore needs to be a key area of focus. The work outlined earlier in the report to produce a Heat Decarbonisation Plan for the site, and to the work with CEF to consider the connection to a Heat Network and other options to decarbonise will be a huge step forward for the Trust in 2025/26.

Work is in progress to collate the missing data for all years in relation to emissions from business travel.

The Trust do not currently record data in relation to emissions from our supply chain. This will be a significant source of emissions, and we will be using the new NHS Northwest tool during 2025/26 to collate data so the impact of changes can be measured and action can then be taken to target reductions.

Priorities for 2025/26

The following high-level priorities have been identified for 2025/26:

- Publication of the new Joint Green Plan with T&G ICFT
- Consult and communicate in relation to the new Joint Green Plan
- Appointment of a Sustainability Officer to support the Sustainability Manager and provide additional resource across both Trusts
- Work with the Carbon and Energy Fund to assess the viability of decarbonising Stepping Hill Hospital
- Continue to work with Stockport Council to assess the potential for a Heat Network to heat Stepping Hill Hospital
- Establish a process to integrate Green Plan requirements into broader strategic priorities and plans e.g. through Quality Improvement Project and Business Case templates
- Working with the linen service provider to target reductions in linen ending up in the domestic and clinical waste stream

- Seek to understand if there are options to reduce the use of Entonox, without impacting patient care
- Revise Travel Plans in line with the NHS Net zero Travel and Transport Roadmap
- Digital scales to be introduced to monitor the tonnages of food waste produced in the trust
- Explore further options to widen the use of Eat Curious Mince into the menu as a lower carbon alternative to meat
- Introduce the monitoring and publication of data for Supply Chain emissions
- Introduce recycling collections in line with Simpler Recycling guidance
- During 2024 the Trust applied for funding through the Centre for Sustainable Healthcare and the National Lottery for a Nature Recovery Ranger to work across Tameside Hospital and Stepping Hill Hospital. In January 2025 it was confirmed that our application was successful, and a post will be funded for two years from April 2026. The Ranger will seek to engage staff, patients and visitors in our green spaces.

Task Force on Climate-related Financial Disclosure (TCFD)
We have 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.

The phased approach incorporates the disclosure requirements of the governance, risk management and metrics and targets pillars for 2024-25. These disclosures are provided below and will also be detailed in our new Green Plan 2025-2028 (Joint plan with T&G ICFT), which can be cross referenced once published.

Governance
The Board is informed about climate-related issues through the annual Green Plan Progress update and the Trust Annual report.

The Finance & Performance Committee (subcommittee of the Board) has delegated responsibility to provide oversight and ensure appropriate governance mechanisms are in place to deliver the Trust's digital, estate, and sustainability-related strategies and plans. It oversees the development and delivery of sustainability requirements as per national NHS guidance. A Green Plan Progress Report is presented biannually to the Finance & Performance Committee.

The delivery of the Green Plan is the responsibility of the Estates and Facilities Directorate and the Director of Estates and Facilities. It is led by the Sustainability Manager. Progress is overseen by the Joint Green Plan Delivery Group (Joint with T&G ICFT), chaired by the Director of Estates and Facilities. A Non-Executive Director sits on the Joint Green Plan Delivery Group to offer support, leadership and guidance. The group is scheduled to meet every eight weeks and is comprised of leads for each of the ten workstreams, who are invited to provide updates on progress at each meeting. This work then feeds into the Green Plan progress reports and annual report.

The Trust objectives include using our resources efficiently, effectively and sustainably. This highlights the commitment of the Trust to embed sustainability in everything we do and that everyone across the Trust should work to improve sustainability regardless of their role.

The Sustainability Manager is required to regularly attend the Trust Health and Wellbeing Group to formally update on those items that support the delivery of sustainability along with health and wellbeing. This ensures joined up working across this agenda.

The Trust plays an active part in the Greater Manchester Operational Sustainability Leads Group to share good practice, networking and learning.

Risk Management
Failure to deliver the Green Plan and Net Zero targets and prepare for impact of climate change is a Board Assurance Framework (BAF) risk.

The Joint Green Plan Delivery Group is responsible for identifying and managing programme level risks and ensuring they are reflected in the BAF risk updates as required.

The BAF risk was updated this year to include failure to prepare for the impacts of climate change. Progress updates in relation to the BAF risk are presented quarterly to the Finance and Performance Committee and provide further oversight of progress in relation to actions to mitigate this risk.

Metrics
Whilst disclosure of scope 1, scope 2 and scope 3 carbon emissions is not yet mandatory for NHS bodies, it is considered best practice. The Trust currently reports on scope 1 and scope 2 carbon emissions and a small amount of scope 3 emissions. However, we do not yet have a robust methodology or process for reporting our scope 3 carbon emissions. The Carbon Footprint, as defined within ‘Delivering a Net Zero NHS’ is provided in the Environmental Sustainability Update disclosure. We aim to continually improve data quality and accuracy and will be looking to include supply chain data during 2025/26.

A new Joint Green Plan is currently in development across the Trust and T&G ICFT. The plan will contain clear actions with associated leads and timescales, metrics and targets. This will allow progress against the actions to be monitored at the Joint Green Plan Delivery Group and through the governance process using a traffic light system to identify areas where there is a lack of progress.

System Partnerships
We have continued to play an active role in the ongoing development of the Integrated Care System (ICS) in Greater Manchester (GM). The Chief Executive, Karen James, is chair of the Trust Provider Collaborative (TPC), which represents all GM providers. TPC has responsibility for the oversight of several work programmes to help reduce unwarranted variation and inequality in health outcomes by improving access to services and experience and improving resilience.

We continue to operate in partnerships across GM through the network of professional groups (e.g. Directors of Strategy, Chief Operating Officers, Medical Directors, Chief Nurses & Directors of People).

We have taken an active role in the continued development of the work programmes that contribute to improved outcomes for patients within the locality. Our Chief Executive is chair of the Stockport Provider Partnership and is supported by the Director of Strategy & Partnerships to oversee a range of clinically focused work programmes.

Collaboration with Tameside & Glossop Integrated Care NHS Foundation Trust
Our partnership work with T&G ICFT has progressed further over the year focusing on both opportunities within clinical and non-clinical services. The initial positive impact of joint working across the two organisations centred on the sharing of skills, knowledge and experience has moved to a number of clinical services exploring the opportunities of working more closely and non-clinical services supporting both Trusts. Joint services have been established across payroll and occupational health.

Work has commenced on joint strategies including:
- A framework to develop a joint organisational strategy
- Development of a joint quality strategy
- Divisional teams have been developing their clinical strategies in support of a new joint clinical strategy, which is expected to be completed in June 2025. This will support ongoing clinical services collaboration between both Trusts.

Clinical opportunities for collaboration are in development for Gastroenterology, Radiology and Pharmacy. Other clinical teams are also working together at a smaller scale to build on existing pathways and service models.

A joint executive group was established to support the operational planning process for both Trusts. This has supported the sharing of skills, knowledge and experience from both Trusts and helped to ensure consistency in approach to planning activities.

Development of Community Diagnostic Centre
Over the past year we have worked continued to work with partners at T&G ICFT following approval of a joint business case for a community diagnostic centre (CDC). The service commenced in August 2024 and has been providing additional diagnostic capacity for the supporting areas of highest health inequalities along the border of Tameside and Stockport. This has helped to contribute to improved waiting times and outcomes for patients.

The Meadows
The Meadows, which provides specialist mental health and care services for older people in Stockport, was successfully handed back to Trust ownership on completion of its 25-year Private Finance Initiative (PFI) contract.

This is believed to be the first successful handover of an expiring Healthcare PFI project in England.

Opened in 1999 on the site of the former Offerton Mental Hospital, The Meadows was a pioneering project led by Walker Healthcare in partnership with SFT and Pennine Care NHS Foundation Trust (PCFT).

It has provided a vital mix of healthcare services for the local community, including the provision of specialist mental health, dementia and cognitive impairment services for older people.

The success of the wide range of hospital and community services for older people has been attributed to the close working relationships established between SFT, PCFT, Walker Healthcare, and local care providers.

Macmillan Cancer Support Centre
The Trust has been working in partnership with Macmillan to develop plans for a cancer support centre based on the hospital site. we are the only Trust in Greater Manchester that currently does not have a Macmillan Centre and one of only a handful nationally. Cancer remains the most prevalent cause of death in the locality.

The Trust board have approved final plans which includes grant funding of £1.3m from Macmillan and a contribution from the Trust Charity. This facility will provide an enhanced offer above our core cancer service provision that will benefit all patients, and people affected by cancer.

The Macmillan Cancer Information & Support Service will provide an essential hub to ensure health care providers, and the people of Stockport have access to individualised cancer information and support in a purpose-built environment designed to meet the needs of the local population.

The service will provide support and information for people diagnosed with cancer, families and carers, at any point in the cancer pathway. Additionally, the service will be a contact point for those who are worried about a possible cancer diagnosis, those living with and beyond a cancer diagnosis, and those requiring palliative, end of life or bereavement support. It is due to be completed by March 2026.

Accountability Report

Directors' Report

The Board of Directors provides a wide range of experience and expertise, which is essential to the effective governance of the Trust. The Board is responsible for setting the vision and strategic direction of the organisation. The Board is also responsible for ensuring that the day-to-day operation of the Trust is as effective, economical and efficient as possible, and that all areas of identified risk are managed effectively, enabling the organisation to achieve its vision and strategic objectives.

Day-to-day management of the organisation is the responsibility of the Chief Executive and the Executive Directors, who take decisions subject to levels of delegated authority set out in the Scheme of Reservation & Delegation and Standing Financial Instructions, which explicitly detail those decisions reserved for the Board and those that may be determined by standing committees or delegated to managers.

In line with its succession planning arrangements, the balance, completeness and appropriateness of the membership of the Board of Directors is reviewed periodically and when vacancies/re-appointments arise among Executive or Non-Executive Directors. Consideration is given to whether what is available through its membership provides balance, completeness and is appropriate to the environment in which the Trust is operating, as well as future challenges the Trust is expected to face.

Executive Directors are appointed by the Non-Executive Directors and their remuneration, terms and conditions are determined by the Remuneration Committee (See Remuneration Report).

The Chair and Non-Executive Directors are appointed by the Council of Governors and their remuneration, terms and conditions are determined by the Nominations Committee (see Council of Governors and Membership).

The Board's membership represents an appropriate balance, not just between Executive and Non-Executive Directors but also in the skills and experience that are available, in both the Executive and Non-Executive Directors and collectively, given the context the Trust is operating in. In particular, it has skills and experience to provide effective leadership to the Trust; develop effective strategy; provide financial management and direction as a whole; and relevant experience on key issues such as collaboration and organisational change.

The Board considers each of the Non-Executive Directors to be independent, and they make annual declarations to this fact, a summary of which is presented to a public meeting of the Board of Directors. In confirming independence, the Board considered the outcomes of a declaration process with respect to criteria for determining independence together with the content of the Board of Directors' Register of Interests and observations on the independent nature of colleagues' performance.

The criterion for determining independent includes:

- 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.

During the year the Board of Directors met 14 times, including 6 in public session.

High-level biography of individual directors during 2024/25 and their attendance at Board meetings is set out below:

Director	Attendance at Board Meetings
Chair & Non-Executive Directors	
Dr Marisa Logan-Ward, Interim Chair from 1 January 2024 (Non-Executive Director / Deputy Chair) Appointed 1 August 2019 to 31 July 2022. Re-appointed 1 August 2022 to 31 July 2025. A biomedical scientist with senior level experience in the health sector.	13 of 14
Dr Samira Anane, Non-Executive Director Appointed 1 September 2022 to 31 August 2025. A practicing GP, with nearly two decades experience of working within the NHS.	12 of 14
Anthony Bell, Non-Executive Director Appointed 1 May 2021 to 30 April 2024. Re-appointed 1 May 2024 to 30 April 2027. A senior qualified accountant with significant executive experience in the private and education sectors.	12 of 14
Beatrice Fraenkel, Non-Executive Director Appointed 4 January 2023 to 3 January 2026. A qualified industrial design engineer and ergonomist with over 30 years' experience in regeneration, housing, health and regulation.	9 of 14
David Hopewell, Non-Executive Director / Chair of Audit Committee & Charity Committee Appointed 1 July 2018 to 30 June 2021. Re-appointed 1 July 2021 to 30 June 2024. Re-appointed 1 July 2024 to 30 June 2025. Re-appointed 1 July 2025 to 30 June 2026. A Fellow of the Institute of Chartered Accountants and experienced	11 of 14

accountant having worked at a senior level in the private, public and charity sectors.	
Mary Moore, Non-Executive Director Appointed 1 October 2020 to 30 September 2023. Re-appointed 1 October 2023 to 30 September 2026. A career NHS nurse with experience of working at a senior level, both regionally and nationally. Mary stood down as a Non-Executive Director on 31st March 2025.	12 of 14
Dr Louise Sell, Non-Executive Director / Senior Independent Director Appointed 1 October 2020 to 30 September 2023. Re-appointed 1 October 2023 to 30 September 2026. A consultant psychiatrist and a former executive medical director.	13 of 14
Executive Directors	
Karen James OBE, Chief Executive Appointed as interim Chief Executive, November 2020. Appointed as substantive Chief Executive, November 2021. Joint position with Tameside & Glossop Integrated Care NHS Foundation Trust. A career NHS manager.	11 of 14
Amanda Bromley, Director of People & Organisational Development Appointed November 2021. Joint position with Tameside & Glossop Integrated Care NHS Foundation Trust. A career NHS manager.	12 of 14
Paul Buckley, Director of Strategy & Partnerships (non-voting) Appointed April 2024. Joint position with Tameside & Glossop Integrated Care NHS Foundation Trust. A career NHS manager.	14 of 14
Nic Firth, Chief Nurse Appointed November 2020. Joint position with Tameside & Glossop Integrated Care NHS Foundation Trust. A career NHS nurse.	10 of 14
John Graham, Chief Finance Officer / Deputy Chief Executive Appointed May 2019. Joint position with Tameside & Glossop Integrated Care NHS Foundation Trust. A career NHS manager.	13 of 14
Dr Andrew Loughney, Medical Director Appointed January 2021. An obstetrician.	13 of 14
Jackie McShane, Director of Operations Appointed on secondment December 2020. Appointed as substantive Director of Operations November 2021. Employment transferred to Stockport NHS Foundation Trust, April 2022. A career manager.	12 of 14
Caroline Parnell, Director of Communications & Corporate Affairs (non-voting) Appointed November 2019. Stood down 7 April 2024. Former journalist, communications consultant, and NHS manager.	1 of 1

More details about the background and experience of all members of the Board of Directors are available on our website, alongside information on how to contact Board members.

We keep a register of Directors' interests and a copy is available from the Trust Secretary by emailing corporateoffice@stockport.nhs.uk or writing to Trust Headquarters, Stepping Hill Hospital, Oak House, Poplar Grove, Stockport.

The Board of Directors remained stable during 2024/25 with key changes set out below. The Board considers that the skills and experience of Non-Executive and Executive Directors provide a Board of Directors that is balanced and appropriate at present.

Executive Directors

Paul Buckley commenced in the joint role of Director of Strategy & Partnerships with T&G ICFT from the beginning of April 2024.

Caroline Parnell, Director of Communications & Corporate Affairs, who was a non-voting member of the Board, left the organisation in early April 2024.

Up until February 2025, Nic Firth had a joint role as Chief Nurse for SFT and T&G ICFT. From the beginning of March 2025, Nic returned to her role as Chief Nurse for SFT only.

Non-Executive Directors

As Deputy Chair, Marisa Logan-Ward continued in the role of Interim Chair during 2024-25. A recruitment process was conducted in year, with David Wakefield appointed as the Joint Chair by the Council of Governors (and the Council of Governors for T&G ICFT), commencing in post from the beginning of April 2025.

To ensure the ongoing stability of the Board of Directors the Council of Governors reappointed David Hopewell for a further 12 months.

Board Effectiveness

The Board recognises the importance of evaluating the performance of its key governance systems; starting with the Board, running through the committees that support the Board, and including the performance of individual Directors. This reflects and builds on the expectations set out in the Code of Governance for NHS Provider Trusts.

Each individual Director's performance is subject to a formal process of review and assessment, reflecting on their performance as a Director in the Board and Committee environment, as well as, for Executive Directors, their management performance. Each Director, including the Chair and the Chief Executive, is set a range of objectives for the year, subject to review during the year, and end of year achievement is assessed. The outcomes of the appraisals for the Executive Directors are reported to the Board's Remuneration Committee. For the Chair and Non-Executive Directors, the outcomes are reported to the Council of Governors through the Nominations and Remuneration Committee.

The Care Quality Commission and NHS England Well Led Framework

The Board recognises that, to ensure the best possible quality of care and patient and staff experience, it is necessary to ensure that the Trust is well-led.

Key elements of this include:

- The Board meeting sufficiently regularly, with a clear view of its strategic role and holding management to account.
- Operating as a unitary Board, with the Executive and Non-Executive Directors working together and recognising the contribution brought by colleagues.
- A comprehensive governance framework of committees, which both support the development of strategy and engage in more detailed accountability work.
- Effective engagement with the Council of Governors, whose responsibility is to appoint Non-Executive Directors and individually and collectively hold to account for the performance of the Board.

In reviewing and considering the effectiveness of its Board-level governance, the Trust is required to have regard to the Care Quality Commission (CQC) and NHS England (NHSE) Well-Led Framework. The CQC and NHSE jointly developed and published new well-led guidance for trusts under the Single Assessment Framework, applicable to all trusts from April 2024. NHSE's well led framework (June 2017), is separate to the CQC Single Assessment Framework, setting out guidance for trusts to carry out externally facilitated developmental reviews of their leadership and governance. There is a large amount of cross over between the two frameworks.

During 2024/25, the NHSE Well Led Framework Key Lines of Enquiry (KLOEs) were mapped to the new CQC Well Led Quality Statements, and a self-assessment was completed, including a position statement, supporting evidence, rating and developmental actions.

Furthermore, regular reviews of internal control systems are undertaken by the internal audit service to support continuous improvement, many of which will fall within the broad scope of the Well-Led Framework. Action plans from reviews are scrutinised in the first instance by the Audit Committee, with regular updates on progress provided to the Audit Committee to ensure that all actions are implemented appropriately and within the agreed timescale.

In terms of the BAF, the Board has assigned the risks to the relevant Board Committee, with regular review of the principal risks, alongside any related significant risks from the Trust's corporate risk register. This ensures the Board had clarity between strategic and operational risks, and a line of sight to the key actions undertaken to manage and mitigate the risks.

The outcome of major investigations or reviews, internal or external to the Trust, are also considered via the relevant Board Committee and Board as appropriate.

Board Committees

The Board of Directors has established the following statutory committees:

- Audit Committee
- Remuneration & Appointments Committee – more information about this committee can be found in the Remuneration Report.
- Charitable Funds Committee – more information about this committee can be found in the Trust's Charity annual report and accounts available on the website.

Audit Committee

Every NHS organisation is required to have an Audit Committee, whose role is to support the Board by critically reviewing and reporting on the assurance arrangements and governance structures on which the Board places reliance.

The Audit Committee has a particular role in scrutinising control systems, but its remit extends across all the organisation's activities. It also reviews the end of year disclosure statements including the Annual Report and Accounts, prior to submission to the Board.

The Audit Committee is supported in its activities by the internal audit service and a team of external auditors who provide assurance and insight into the Trust's management arrangements.

The Trust's Audit Committee, which meets at least five times a year, is comprised only of non-executive directors, with regular attendance by Trust officers, internal and external auditors.

The committee membership comprises a non-executive director, with recent and relevant financial experience, and at least three non-executive directors, including the Chair of the Board's assurance committees to enable the triangulation of relevant information from each of the key committees.

Details of the committee membership and attendance at meetings are below:

Membership	Attendance at Audit Committee Meetings
David Hopewell, Non-Executive Director / Chair of Audit Committee	6 of 6
Anthony Bell, Non-Executive Director / Chair of Finance & Performance Committee	6 of 6
Beatrice Fraenkel, Non-Executive Director / Chair of People Performance Committee	4 of 6
Mary Moore, Non-Executive Director / Chair of Quality Committee	5 of 6

Internal Audit

The Trust maintains an Internal Audit service, which is provided on a contracted basis by Merseyside Internal Audit Agency (MIAA). MIAA provides a professional internal audit service which maintains the appropriate professional registrations and is subject to national regulation. The MIAA engagement is led by a Managing Director, with the day-to-day engagement led by the Audit Manager and supported by various specialist staff.

The main purpose of the internal audit service is:

- to provide an independent and objective opinion to the Accountable Officer, the Board, and the Audit Committee on the degree to which risk management, control and governance support the achievement of the organisation's agreed objectives; and
- the provision of an independent and objective consultancy service specifically to assist the trust's management to improve the organisation's risk management, control and governance arrangements.

The Internal Audit service works to an annual plan, which is agreed with the Audit Committee at the start of the year. The annual plan is risk-based, and constructed within a rolling overall three-year framework, designed to ensure that all relevant areas are reviewed within that timescale. Compliance with the plan is monitored at each Audit Committee meeting, and approval is required by Audit Committee for all changes to the plan.

The key issues that the Audit Committee reviewed during the year, based on the reviews undertaken by MIAA, were:

- Emergency Preparedness, Resilience & Response – Substantial Assurance
- Cost Improvement Programme – Substantial Assurance
- Electronic Staff Record (ESR)/Payroll – Substantial Assurance
- Mandatory Training – Substantial Assurance
- Risk Management Review – High Assurance
- Equality, Diversity & Inclusion Strategy Review – Substantial Assurance
- Incident Management (Patient Safety Incident Response Framework) – Substantial Assurance
- Key Financial Controls Briefing Note (No assurance rating)
- IM&T – Service Continuity/Data Resilience Briefing Note (No assurance rating)
- Assurance Framework Opinion – Standards Met
- Data Protection & Security Toolkit – Substantial Assurance (Assessment of Self-Assessment), Moderate Assurance (Assurance rating across the National Data Guardian Standards)

Underpinned by the work conducted through the risk based internal audit plan, Audit Committee also received the Head of Internal Audit Opinion, which provided 'substantial assurance' that there is a good system of internal control designed to meet the organisation's objectives, and that controls are generally being applied consistently.

Countering Fraud and Corruption

A key part of the control systems in place at the Trust is the Local Counter-Fraud Service (LCFS), which is provided on an arms-length basis by MIAA. The service is accredited by the NHS Counter-Fraud Authority and provides a professional support service in this area. The service is maintained in accordance with the requirements of the NHS Standard Contract.

Our Anti-Fraud and Corruption Policy supports our strong anti-fraud culture and the annual work plan, agreed by the Chief Finance Officer and approved by the Audit Committee, covered areas such as enhancing the anti-fraud culture, deterring, preventing and investigating fraud. Part of the LCFS's work is reactive, responding to reports of potential illegitimate activities, investigating them, and where appropriate recommending next steps to the Trust or the prosecuting authorities.

The anti-fraud specialist regularly attended Audit Committee meetings to provide updates on the progress of the annual work plan and investigations.

We have in place a Freedom to Speak Up Raising Concerns at Work Policy that reflects

national guidance and policy. This outlines how staff can raise concerns, including those that may be related to fraud. Staff are reminded of their responsibility to report such matters as part of their induction, through various awareness raising activity including bespoke awareness sessions for teams and fraud alerts, newsletters and briefings issued via the Trusts internal communication routes. The policy is supplemented by our Freedom to Speak Up Guardian, with activities reported to the People Performance Committee and six monthly reports to the Board of Directors.

External Audit

The Council of Governors has a statutory duty to appoint (and remove) the NHS foundation trust's external auditor. Audit Committee has responsibility for overseeing, in liaison with the Council of Governors, the process for the appointment of an external auditor and, based on the outcome, making a recommendation to the Council of Governors for award of contract.

Following a procurement process, undertaken in accordance with NHS procurement rules and governance considerations relevant to the appointment of an external auditor, Forvis Mazars was appointed as our external audit provider by the Council of Governors in June 2024, following recommendation by the Audit Committee. Forvis Mazars was appointed for a period of three years (i.e. conducting the 2024/25, 2025/26 and 2026/27 external audit) with an option for this to be extended by a further 2 years subject to mutual agreement. At this time the cost of the external audit service totalled £372,941 excluding VAT.

The External Auditors regularly attended Audit Committee throughout 2024/25, providing an opportunity for the committee to assess their effectiveness. High level planning for the audit 2024/25 was provided to Audit Committee in February 2025, with the audit strategy memorandum presented in May 2025 confirming that audit would be conducted with an understanding of the key challenges and opportunities Stockport NHS Foundation Trust was facing.

During 2024/25, Forvis Mazars did not provide non-audit services to the Trust. If there were to be a proposal for Forvis Mazars to provide non-audit services, appropriate controls are in place to ensure that it does not affect the independence of the provision of the external audit service; with a policy refreshed and reviewed by Audit Committee in February 2023.

Board Assurance Committees

In addition to the statutory committees, the Board of Directors has established the following committees:

- Quality Committee
- Finance & Performance Committee
- People Performance Committee

The committees each have Board approved terms of reference and workplans that support the Board in meeting their wide-ranging governance and regulatory responsibilities and oversight of the delivery of the Corporate Objectives. Where concerns are identified, the committees seek further assurance that issues are being managed and escalate to the Board to ensure all members are aware of the issues and can review mitigating actions.

Directors' responsibility for preparing accounts
Our Accounting Officer (Chief Executive) delegates the responsibility for preparing the accounts to the Chief Finance Officer. These are undertaken by the finance team, comprising qualified accountants and support staff, appropriately trained to produce professional accounts.

The Audit Committee has delegated authority from the Board of Directors to review and recommend for approval the Annual Accounts.

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

So far as the Directors are aware, there is no relevant audit information of which the auditors are unaware, and the Directors have taken all of the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Cost Allocation & Charging Guidance
Stockport NHS Foundation Trust has complied with the cost allocation and charging mechanisms set out in HM Treasury and Office of Public Sector information guidance.

Better Payment Practice Code
As part of measures introduced as part of the financial improvement programme, the Trust is no longer in a position to comply with the Better Payment Practice Code, which requires us to pay all valid non-NHS invoices by the due date, or within 30 days of receipt of goods or a valid invoice, whichever is later. This followed extensive dialogue with our supplier base that was broadly understanding of the change.

All suppliers' payment terms were reviewed, and we continue to work with the small and medium enterprises to ensure they are not disproportionately affected by this change. We now have a policy of payment within 60 days and the performance against this for the last two financial years is set out in the tables below.

No significant interest was incurred under the Late Payments of Commercial Debts (Interest) Act 1988 in respect 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. No interest was paid in discharge of any such liability.

2024/25	NHS	Non-NHS
Total number of invoices paid within the year	6,104	55,410
Total number of invoices paid within 60 days	5,915	53,999
Percentage of invoices paid within 60 days	96.90%	97.45%
Total value of invoices paid within year (£000)	14,881,806	229,437,392
Total value of invoices paid within 60 days (£000)	12,167,331	220,511,469
Percentage of invoices paid within 60 days	81.76%	96.11%
Total number of invoices paid within year	6,104	55,410

Total number of invoices paid within 30 days	5,472	36,500
Percentage of invoices paid within 30 days	89.65%	65.87%
Total value of invoices paid within year (£000)	14,881,806	229,437,392
Total value of invoices paid within 30 days (£000)	8,822,133	194,272,620
Percentage of invoices paid within 30 days	59.28%	84.67%
2023/24	**NHS**	**Non-NHS**
Total number of invoices paid within the year	5,876	56,723
Total number of invoices paid within 60 days	5,631	53,177
Percentage of invoices paid within 60 days	95.83%	93.75%
Total value of invoices paid within year (£000)	16,467,789	239,455,912
Total value of invoices paid within 60 days (£000)	13,968,192	233,012,007
Percentage of invoices paid within 60 days	84.82%	97.31%
Total number of invoices paid within year	5,876	56,723
Total number of invoices paid within 30 days	4,973	31,264
Percentage of invoices paid within 30 days	84.63%	55.12%
Total value of invoices paid within year (£000)	16,467,789	239,455,912
Total value of invoices paid within 30 days (£000)	11,083,199	197,771,543
Percentage of invoices paid within 30 days	67.30%	82.59%

Income disclosures

Income generation disclosures as required by Section 43 2(A) of the NHS Act 2006 are included in note 5.5 of the Annual Accounts.

The Trust has complied with Section 43 (2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012), which requires that the income from the provision of goods and services for the purposes of the health services in England must be greater than its income from the provision of goods and services for other purposes.

The impact of income on the Trust is significant. Our statutory accounts include a detailed breakdown of other income in note 4 of the Annual Accounts.

Karen James OBE
Chief Executive

25th June 2025

Remuneration Report

Annual statement on remuneration from the Chair
In accordance with the requirements of the HM Treasury Financial Reporting Manual (FReM) and NHS England, this Remuneration Report includes the following sections:

- An annual statement on remuneration from the chairman of the remuneration committees
- Senior managers' remuneration policy
- Annual report on remuneration

The Board of Directors has established a Remuneration Committee, which is responsible for the review and consideration of remuneration and conditions of services of the Chief Executive and Executive Directors, and appointment of Executive Directors. The Nominations Committee is established by the Council of Governors and has regard to the nominations, remuneration and terms of service of Non-Executive Directors, including the Chair. The committees fulfil their responsibilities and report directly to the Board of Directors or Council of Governors as appropriate.

2024/25 Major Decisions on Remuneration
During 2024/25, the Remuneration Committee made the following major decisions on remuneration:

- Considered national guidance on Very Senior Manager (VSM) pay for 2024/25 and approved the implementation of the annual salary increase of 5% for VSM staff.
- Confirmed no earn back arrangements implemented.
- Approved the remuneration of the Joint Chief Nurse.

The context in which the Committee considered these matters was the need to ensure that the Trust can recruit and retain Executive Directors that are able to provide the necessary leadership to the Trust and its staff, whilst giving due consideration to NHS England guidance, relevant comparator data and market conditions.

A review of remuneration levels of the Non-Executive Directors took place in 2024/25 by the Nominations Committee, including consideration of the remuneration structure issued by NHS England. The Nominations Committee subsequently made a recommendation to the Council of Governors that there would be no change to the remuneration for existing Non-Executive Directors.

The remuneration for the role of Joint Chair was considered by a Joint Nominations Committee, established by the Council of Governors of both SFT and T&G ICFT, for the specific purpose of the appointment of a Joint Chair. Again, consideration was given to the remuneration structure issued by NHS England and relevant comparator data.

David Wakefield
Joint Chair

Senior managers' remuneration policy

Future Policy Table

Element	Link to strategy	Operation	Maximum	Changes to policy
Base Salary	To establish levels of remuneration which are sufficient to attract, retain and motivate Executive Directors of the quality and with the skills and experience required to lead the Trust successfully, without paying more than is necessary for this purpose, and at a level which is affordable for the Trust.	Executive Director salary agreed on appointment. The committee considers: • relevant benchmarking information • guidance from NHS England • national inflationary uplifts recommended for other NHS staff The committee on occasions may need to recognise changes in the role and responsibilities/or duties of a director, movement in comparator salaries and salary progression for newly appointed directors. In considering the appointment of individuals to roles with a salary of more than £150,000 the committee's policy is to consider: • benchmarking data with other similar sized organisations, • market conditions i.e., national scarcity of required skills and experience, • the trust's leadership capacity and capability requirements, • the pay and conditions of other trust employees not subject to VSM, • guidance from NHS England.	No prescribed maximum annual increase. When reviewing salaries, the committee take account of individual and organisational performance and any national award offered to the wider employee population.	No change.
Taxable benefits	The current remuneration policy of the Trust does not make provision for taxable benefits or performance related bonuses.			
Annual performance related				

Element	Link to strategy	Operation	Maximum	Changes to policy
bonuses				
Long term performance bonuses				
Pension related benefits	To provide pensions in line with NHS policy	The Trust operates the standard NHS pension scheme.	N/A	No change.
Non-Executive Directors	To establish levels of remuneration which are sufficient to attract, retain and motivate Non-Executive Directors (including the Chair) of the quality and with the skills and experience required to lead the Trust successfully, without paying more than is necessary for this purpose, and at a level which is affordable for the Trust.	The remuneration of the Non-Executive Directors, including the Chair, is set by the Council of Governors on the recommendation of the Nominations Committee having regard to the responsibilities of the role. The remuneration of the Non-Executive Directors and Chair is reviewed annually taking into account national guidance and benchmarking information. The Non-Executive Directors do not receive any pension or taxable benefits. The award of supplementary payments are paid to the Deputy Chair, Chair of Audit Committee, and the Senior Independent Director.	N/A	No change.

The contracts of employment of all substantive Executive Directors are permanent and are subject to a six month notice period. Honorary contracts for joint directors are in place. For some directors appointed in 2019/20 an earn back arrangement was introduced, however no other Executive Directors are subject to this pay scheme and there are no special provisions regarding early termination of employment. For joint Executive Directors, employed by T&G ICFT, review of remuneration levels takes place through the Remuneration Committees of the two organisations. We have not released any Executive Director to serve elsewhere e.g. as a Non-Executive Director. Pension entitlements are detailed within the Remuneration Report.

Our general policy for employee remuneration is to follow nationally set terms and conditions and salary bands. In this light, the Trust has not consulted with employees in setting the pay, as it largely reflects the national arrangements in place for the NHS under Agenda for Change/Medical & Dental terms and conditions. Senior managers of the Trust are employed on SFT wide terms and conditions, which seek to ensure we attract, retain and motivate individuals and remain competitive with equivalent NHS organisations.

During the year 4 Executive Directors received more than £150,000 in remuneration. The Remuneration Committee has considered the salaries of the Executive Directors in line with their agreed performance objectives and guidance by NHS England regarding Executive Director remuneration, comparative benchmarking data available on pay rates for the equivalent positions in Trusts of comparative size and it has concluded that it has positive assurance that these figures are reasonable.

The Board's Remuneration Committee (for Executive Directors) and the Council of Governors (for Non-Executive Directors) continue to be committed to promoting equality and diversity in appointments to the Board in line with the Trust's Equality, Diversity & Inclusion Strategy. Further information can be found within the Staff Report.

For Executive Directors, the Remuneration Committee is committed to ensuring that, when a selection process is required, it is fair and equitable to everyone including those with protected characteristics. Whilst not within its area of responsibility, the Committee is aware of the work programmes being undertaken by the Trust to support and develop staff with protected characteristics, so that they can have the confidence and skills to apply for more senior roles including at Board level.

For Non-Executive Directors, the Council of Governors continues to seek to make appointments that would lead to a greater diversity at the Board. Steps taken to try and attract more candidates from a diverse background and from individuals who have a protected characteristic, include advertisement to make clear we welcome applications from such candidates and advertisement of the positions across a broad network of forums and external bodies.

Annual Report on Remuneration

Remuneration & Appointments Committee

The Remunerations & Appointment Committee, whose membership includes all non-executive directors, met on four occasions during 2024/25 considering the following matters:

- Chief Executive & Executive Director performance
- Very Senior Manager (VSM) pay for 2024/25
- Arrangements, Appointment & Remuneration for the Joint Chief Nurse role
- Board Composition including Succession Planning
- Review of Committee Effectiveness

Membership and attendance at meetings during 2024/25 is set out below:

Members	Meeting attendance
Marisa Logan-Ward, Interim Chair	4 of 4
Samira Anane, Non-Executive Director	0 of 4
Anthony Bell, Non-Executive Director	2 of 4
Beatrice Fraenkel, Non-Executive Director	4 of 4
David Hopewell, Non-Executive Director	3 of 4
Mary Moore, Non-Executive Director	4 of 4
Louise Sell, Non-Executive Director	4 of 4

To advise committee members, meetings are attended by the Chief Executive and Director of People and Organisational Development, other than when matters being discussed may result in a conflict of interest. Minutes of the meetings are recorded by the Company Secretary.

As part of its succession planning, discussion took place with the Remuneration & Appointments Committee (and the Remuneration Committee of T&G ICFT) regarding appointment of the Joint Chief Nurse role, specifically with regards to the timing of recruitment to this role to enable a sufficiently experienced nurse to be recruited to. It was agreed that the Trusts would recruit in a phased way to allow the newly appointed candidate to commence at T&G ICFT, whilst the current Chief Nurse stepped back from the joint role to covering SFT.

Considering the current market and the need to recruit a candidate with sufficient experience, the Remuneration Committee supported the appointment of an executive search agency to assist the process. The Director of People & Organisational Development received proposals from several search agencies on the procurement framework. Gatenby Sanderson was commissioned to support the selection process considering a proven track record and cost to the organisation. Gatenby Sanderson supported with preparation and generating the candidate pool utilising their extensive networks, alongside the shortlisting and interview process. The fees were split equally between the two trusts, with the fee for SFT £10,899.50 (Exc VAT).

Nominations Committee

The Council of Governors has established a Nominations Committee, which takes the lead on:

- the appointment and re-appointment of Non-Executive Directors, including the Chair
- reviewing benchmarking information on Non-Executive Directors remuneration
- overseeing the appraisal process for Non-Executive Director, including the Chair

The Nominations Committee makes recommendations on these key areas of business to the Council of Governors.

During 2024/25 the Nominations Committee met on three occasions to consider the following matters:

- Chair and Non-Executive Director performance
- Non-Executive Director remuneration
- Board succession planning including the reappointment of David Hopewell, Non-Executive Director, and appointment of a new Non-Executive Director.

Membership and attendance at meetings during 2024/25 are set out below:

Name	Position	Attendance
Marisa Logan-Ward	Interim Chair	3 of 3
Sue Alting	Lead governor	2 of 3
Richard King	Public governor	3 of 3
Michelle Slater	Public governor	3 of 3
Prof. Chris Summerton	Public governor	3 of 3
Sarah Thompson	Public governor	2 of 3

To advise Committee members, meetings are attended by the Chief Executive and Director of People & Organisational Development as appropriate. Minutes are recorded via the Company Secretariat.

Joint Nominations Committee

In May 2024, the Council of Governors of SFT and T&G ICFT agreed to take forward the appointment of a Joint Chair. A Joint Nominations Committee (Joint NomCo) was established by the Council of Governors of both Trusts with delegated responsibility for the Joint Chair recruitment and selection process.

The Joint NomCo membership included all SFT governor members of the Nominations Committee, alongside five governors from of T&G ICFT. As the Joint NomCo was established for the appointment to a chair position, Dr Louise Sell, Non-Executive Director/Senior Independent Director was appointed as the Co-Chair, alongside the Senior Independent Director from T&G ICFT.

Acknowledging that the Joint Chair role would be a new role for both Trusts, and the significance of the recruitment process to identify the best candidate, the Joint NomCo supported the appointment of an executive search agency to assist the process. The Director of People & Organisational Development received proposals from search agencies on the procurement framework, and Seymour John were selected specifically to support the generation of the candidate pool. The fees were split equally between the two trusts, with the fee for SFT £5487.50 (Exc VAT). An initial recruitment and selection process took place, concluding in October 2024, however the Joint NomCo was not able to recommend to the Councils of Governors an individual for appointment to the Joint Chair position.

A further recruitment and selection process commenced in November 2024. Again, the Joint NomCo agreed the appointment of an executive search agency, noting this may be a different agency than utilised in the initial recruitment round. The Director of People & Organisational Development led further exploration of executive search agencies on the procurement framework and, in line with rationale for the Joint Chief Nurse recruitment,

Gatenby Sanderson were commissioned to support in generating the candidate pool, alongside the shortlisting and interview process, which included a Stakeholder Group and Interview Panel. As previous, the fees were split equally between the two Trusts, with the fee for SFT £10,374.50 (Exc VAT).

The Councils of Governors for both Trusts approved the recommendation from the Joint NomCo, to appoint David Wakefield as the Joint chair, commencing from 1st April 2025. Throughout the two recruitment processes, the Joint NomCo met on 12 occasions.

Membership of the committee and attendance during 2024/25 is detailed below, which for completeness includes both the SFT and T&G ICFT membership:

Name	Position	Attendance
SFT		
Louise Sell	Non-Executive Director / Senior Independent Director	10 of 12
Sue Alting	Lead governor	11 of 12
Richard King	Public governor	11 of 12
Michelle Slater	Public governor	12 of 12
Chris Summerton	Public governor	11 of 12
Sarah Thompson	Public Governor	10 of 12
T&G ICFT		
David Curtis	Non-Executive Director / Senior Independent Director	12 of 12
Lesley Surman	Lead governor	12 of 12
Neil Philips	Public governor	10 of 12
Raja Swaminathan	Staff governor	10 of 12
Mike Walker	Public governor	6 of 12
Nicola Withington	Staff governor	9 of 12

Again, to advise committee members, meetings were attended by the Chief Executive and Director of People and Organisational Development, both of which are joint roles for SFT and T&G ICFT. Minutes were recorded by the Company Secretary.

Directors & Governors Expenses

During the year, the following expenses were paid to Directors and Governors respectively:

	2024/25	2023/24
Total number of Directors in office	15	17
Number of Directors receiving expenses for the year	0	0
Aggregate sum of expenses paid to Directors in the year	£0	£0

	2024/25	2023/24
Total number of Governors in office	31	21
Number of Governors receiving expenses for the year	2	0
Aggregate sum of expenses paid to Governors in the year	£20.80	£0

Annual report on remuneration (subject to audit)

For the purpose of the accounts and Remuneration Report, the Chief Executive has agreed the definition of a "senior manager" to be Directors only.

The salary and pension entitlement of senior managers is set out in the following tables:

Table 1 Single Total Figure – Non-Executive Directors (subject to audit)

Name	Title	Start Date of Office	Salary and allowances (bands of £5,000) 2024/25	Salary and allowances (bands of £5,000) 2023/24
			£000	£000
Marisa Logan Ward	Interim Chair	01/08/2019	40-45	20-25
Samira Anane	Non-Executive Director	01/09/2022	10-15	10-15
Anthony Bell	Non-Executive Director	01/05/2021	10-15	10-15
Beatrice Fraenkel	Non-Executive Director	04/01/2023	10-15	10-15
David Hopewell	Non-Executive Director	01/07/2018	15-20	15-20
Mary Moore	Non-Executive Director	01/10/2020	10-15	10-15
Louise Sell	Non-Executive Director	01/10/2020	15-20	15-20
Meb Vadiya (Note 1)	Associate Non-Executive Director	04/01/2023	-	5-10
Tony Warne (Note 1)	Chair	01/05/2021	-	35-40

Notes to Remuneration Table 1 (subject to audit)

1. M Vadiya and T Warne left the Trust on 31/12/2023.

Table 2 - Single Total Figure – Executive Directors (subject to audit)

Name	Start Date of Office	Salary and allowances (bands of £5,000) 2024/25	Salary and allowances (bands of £5,000) 2023/2024	All Pension Related Benefits (bands of £2,500) 2024/2025 (Note 1)	Total (bands of £5,000) 2024/2025	All Pension Related Benefits (bands of £2,500) 2023/2024 (Note 1)	Total (bands of £5,000) 2023/2024
Executive Directors		**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
K James OBE (Note 4)	09/11/2020	110-115	105-110	17.5-20	130-135	0	105-110
Chief Executive							
J.McShane	14/12/2020	140-145	130-135	25-27.5	165-170	0	130-135
Director of Operations							
J Graham (Note 5)	20/05/2019	90-95	85-90	37.5-40	125-130	2.5-5	90-95
Chief Finance Officer, Deputy Chief Executive							
N J Firth (Note 6)	02/11/2020	90-95	80-85	27.5-30	115-120	0	80-85
Chief Nurse							
A D Loughney (Note 7)	01/01/2021	210-215	200-205	0	210-215	0	200-205
Medical Director							
J O'Brien (Note 8)	04/01/2022	-	30-35	-	-	0	30-35
Director of Strategy and Partnerships							
A Bromley (Note 9)	01/11/2021	70-75	65-70	32.5-35	100-105	0	65-70
Director of People & Organisational Development							
C Parnell (Note 10)	01/11/2019	0-5	190-195	0	0-5	0	190-195
Director of Communications & Corporate Affairs							
P Buckley (Note 11)	01/04/2024	60-65	0	62.5-65	125-130	0	0
Director of Strategy and Partnerships							

Notes to Remuneration Table 2 (subject to audit)

1.	The value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20, less the contributions made by the individual. The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights. Where negative figures are calculated a zero figure is recorded. The pension benefits values do not represent an amount that will be received by the individual. It is a calculation that is intended to convey to the reader of the accounts an estimation of the benefit that being a member of the pension scheme could provide.
2.	All members of the Executive Team covered by pension arrangements are affected by the Public Service Pensions Remedy and their membership between 1 April 2015 and 31 March 2022 was moved back into the 1995/2008 Scheme on 1 October 2023. Negative values are not disclosed in this table but are substituted for a zero.
3.	There were no taxable benefits, performance pay and bonuses and long term performance pay and bonuses in 2024/25 and 2023/24.
4.	The above table reflects the Trusts 50% share of remuneration for Karen James reflecting the dual role with Tameside and Glossop Integrated Care NHS Foundation Trust. Total remuneration in 2024/25 across both Trusts was £225,000-£230,000 (2023/24 £210,000-£215,000). Total remuneration and pension related benefits across both Trusts was £240,000-£245,000 (2023/24 £210,000 -£215,000).
5.	From 1/7/2022 John Graham was shared 50% with Tameside and Glossop Integrated Care NHS Foundation Trust and the above table discloses the share for the Trust from this date. Total remuneration in 2024/25 across both Trusts was £180,000-£185,000 (2023/24 £170,000-£175,000). Total remuneration and pension related benefits in 2024/25 across both Trusts was £220,000- £225,000 (2023/24 £175,000-£180,000).
6.	From 1/12/2022 to 2/3/2025 Nicola Firth was shared 50% with Tameside and Glossop Integrated Care NHS Foundation Trust and the above table discloses the share for the Trust up to 2/3/2025 with 100% thereafter. Total remuneration in 2024/25 across both Trusts was £165,000-£170,000 (2023/24 £160,000-£165,000). Total remuneration and pension related benefits in 2024/25 across both Trusts was £195,000- £200,000 (2023/24 £160,000-£165,000).
7.	Andrew Loughney chose not to be covered by the pension arrangements during the reporting year.
8.	Jonathan O'Brien was appointed to Director of Strategy and Partnerships from 4/1/22 in a shared post with Tameside and Glossop Integrated Care NHS Foundation Trust. The above table discloses 50% Trust share of total remuneration. Mr O'Brien left the Trust on 30/9/2023.
9.	Amanda Bromley was appointed to Director of People & Organisational Development from 1/11/21 in a shared post with Tameside and Glossop Integrated Care NHS Foundation Trust. The above table discloses 50% Trust share of total remuneration. Total remuneration in 2024/25 across both Trusts was £140,000-£145,000 (2023-24 £130,000-£135,000). Total remuneration and pension related benefits were £170,000-£175,000 (2023-24 £130,000-£135,000). Ms Bromley opted out of the pension scheme from 1/2/2023 to 30/6/2023.
10.	In March 2024, it was agreed that Caroline Parnell would take redundancy from 7/4/24. The Trust accounted for the redundancy costs in accordance with Section 16 of the NHS Terms and Conditions of Service Handbook (£27k) and provided payment in lieu of notice for 5

	months' pay (£49k) within the 2023/24 financial statements. The figures in the above table for 2023/24 reflect these costs paid in April 2024 along with the salary for 2023/24 (£115,000-£120,000). The figures in the table for 2024/25 reflect the salary paid from 1/4/24 to 7/4/24.
11.	Paul Buckley was appointed to Director of Strategy and Partnerships from 1/4/24 in a shared post with Tameside and Glossop Integrated Care NHS Foundation Trust. The above table discloses 50% Trust share of total remuneration. Total remuneration in 2024/25 in the role of Director of Strategy and Partnerships across both Trusts was £120,000-£125,000. Total remuneration and pension related benefits in 2024/25 across both Trusts was £185,000- £190,000.

Table 3 – Pensions Benefits (subject to audit)

Name	Start Date of Office	Real increase during the reporting year in the pension at pension age (bands of £2,500)	Real increase during the reporting year in related lump sum at pension age (bands of £2,500)	Total accrued pension at pension age (in bands of £5,000)	Lump sum at pension age related to the accrued pension at 31 March 2025 (bands of £5,000)	Cash Equivalent Transfer value at the 1 April 2024	Real Increase in Cash Equivalent Transfer Value during the reporting year	Cash Equivalent Transfer Value at the 31st March 2025
Executive Directors		**£000**	**£000**	**£000**	**£000**	£000	£000	£000
K James OBE	09/11/2020	**2.5-5**	**0**	**115-120**	**315-320**	140	49	**227**
Chief Executive								
J.McShane	14/12/2020	**0-2.5**	**0**	**30-35**	**0**	454	23	**522**
Director of Operations								
J Graham	20/05/2019	**2.5-5.0**	**0**	**40-45**	**95-100**	107	38	**174**
Chief Finance Officer, Deputy Chief Executive								
C Parnell	01/11/2019	**0**	**0**	**0**	**0**	954	0	**0**
Director of Communications & Corporate Affairs								
N J Firth	02/11/2020	**2.5-5.0**	**0**	**75-80**	**195-200**	1,545	39	**1,710**
Chief Nurse								
J O'Brien	04/01/2022	**0**	**0**	**0**	**0**	605	0	**0**
Director of Strategy and Partnerships								
A Bromley	01/11/2021	**2.5-5.0**	**0**	**55-60**	**145-150**	1,088	38	**1,217**
Director of People & Organisational Development								
P Buckley	01/04/2024	**2.5-5.0**	**2.5-5.0**	**50-55**	**135-140**	1,021	72	**1,180**
Director of Strategy and Partnerships								

Fair Pay Disclosures

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 calculated the annualised amounts are based on the actual salary for the employees.

The banded annualised remuneration of the highest-paid director in the organisation in the financial year 2024/25 was £210-215k (2023/24, £200-205k).

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

For employees of the Trust as a whole, the range of remuneration in 2024/25 was from £20-25k to £210k-215k (2023/24 - £20-25k to £230-235k). The percentage change in average employee remuneration (based on the total for all Trust based employees on an annualised basis divided by full time equivalent number of employees) between years is 2.9% (2023/24 - 2.9%). The percentage change in remuneration for the highest paid director is 4.9% (2023/24 - 5%). 5 employees received remuneration more than the highest-paid director in 2024/25 (2023/24 - 3 employees).

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. The ratios of total remuneration and salary component of remuneration to the highest paid director have increased in 2024/25 from the levels in the previous financial year. The highest paid director increase was 4.9%, and whilst the agenda for change pay award for the year was 5.5%, changes in the workforce have resulted in a lower increase across the median and average pay ranges.

Pay Ratios 2024/25	25th percentile	Median	75th percentile
Total Remuneration	£31,386	£44,962	£61,171
Salary Component of total remuneration	£28,879	£41,678	£58,560
Mid Point of Banded Remuneration of highest paid director	£212,500	£212,500	£212,500
Total Remuneration: pay ratio for highest paid director	6.8:1	4.7:1	3.5:1
Salary Component of total remuneration: pay ratio for highest paid director	7.4:1	5.1:1	3.6:1

Pay Ratios 2023/24	25th percentile	Median	75th percentile
Total Remuneration	£31,261	£43,478	£61,340
Salary Component of total remuneration	£28,152	£41,341	£58,259
Mid Point of Banded Remuneration of highest paid director	£202,500	£202,500	£202,500
Total Remuneration: pay ratio for highest paid director	6.5:1	4.7:1	3.3:1
Salary Component of total remuneration: pay ratio for highest paid director	7.2:1	4.9:1	3.5:1

Karen James OBE
Chief Executive

25th June 2025

Staff Report

We recognise the exceptional work of all our colleagues and we have created a variety of initiatives and schemes to help engender the commitment and hard work of our dedicated workforce during what was another incredibly challenging year.

Staff costs and average whole time equivalent for the year were as follows. The tables below have been subject to audit:

Staff Costs - Group					2024/25		2023/24
	Permanent		Other		Total		Total
	£000		£000		£000		£000
Salaries and wages	239,613		13,750		**253,363**		**225,117**
Social security costs	24,704		-		**24,704**		**23,633**
Apprenticeship levy	1,286		-		**1,286**		**1,201**
Employer's contributions to NHS pension scheme	48,303		-		**48,303**		**38,753**
Pension cost - other	67		-		**67**		**87**
Temporary staff	-		44,567		**44,567**		**51,757**
Total staff costs	**313,777**		**58,317**		**372,094**		**340,548**

Average Whole Time Equivalents (WTE)

Average number of employees (WTE basis)					2024/25		2023/24
	Permanent		Other		Total		Total
	Number		Number		Number		Number
Medical and dental	627		75		**702**		**676**
Administration and estates	1,401		64		**1,465**		**1,449**
Healthcare assistants and other support staff	1,061		215		**1,276**		**1,342**
Nursing, midwifery and health visiting staff	1,718		239		**1,957**		**1,919**
Scientific, therapeutic and technical staff*	603		15		**618**		**613**
Healthcare science staff	75		-		**75**		**71**
Total average numbers	**5,485**		**608**		**6093**		**6,070**

Our workforce of average whole time equivalent staff relates to a headcount of 6,476 staff as of 31st March 2025, and the profile of these staff can be shown by gender, which is 76% female and 24% male: of which:

Gender Headcount	Male	Female	Total
Directors	5	9	14
Other Senior Managers	13	34	47
Other Employees	1505	4910	6415
Total	**1523**	**4953**	**6476**

Sickness absence

The annual sickness figure from April 2024 to March 2025 is 5.83%, which has seen a reduction of 0.01% compared to the previous year. Medical & Dental staff had the lowest

sickness rate (2.29%) whilst the staff group with the highest sickness rate was Additional Clinical Services (7.6%).

Turnover
Our turnover data for 2024/25 is published by NHS Digital: NHS workforce statistics - NHS England Digital. The position for 2024/25 was 12.97%.

Staff policies and actions applied during the financial year
The Trust has an established Policy Review Group to ensure that employment policies are up to date and aligned with current legislation and organisational goals. The group collaborates with managers and Trade Union colleagues to review and update employment policies. The updates aim to improve processes, reflect changes in employment legislation, ensure fair and consistent treatment, and support a healthier work-life balance.

We are working closely with colleagues at T&G ICFT on HR policies to ensure standardisation. Review dates are being aligned and when a policy is due for review, it is reviewed simultaneously in both Trusts.

During the 2024/25 the following policies have been considered and supported through our Policy Review Group:
- External Study Leave Budget & Study leave Policy
- Lone Worker Policy
- Mandatory Training Policy
- Redeployment Policy
- Probationary Period Policy
- Working Time Regulations
- Pregnancy and Baby Loss Policy
- Foster Friendly Policy
- Retirement Policy

Policies which have been approved have an Equality Impact Assessment (EIA) to ensure they promote equality. Policies are communicated, promoted and training is available as required. The Policy Review Group meets regularly and Trade Union representatives, are formally consulted on policy developments and can discuss and influence changes. The meetings also provide an opportunity for representatives to discuss areas of concern to the workforce. Trade Union representatives are also members of the Health and Safety Joint Consultative Committee, in accordance with statutory requirements.

This structured approach ensures that policies are not only compliant with legal standards but also supportive of the workforce's needs.

Staff Experience and Engagement
Staff experience sits at the heart of safe and quality focused patient care. Employee engagement has been identified by the NHS 10-year plan and its' accompanying People Plan as a key driver to success.

The voice of our workforce has helped us to understand what the current view of our Trust is. Through conversations, listening sessions, surveys, staff networks and raising concerns

channels, our colleagues have told us what they are proud of and where we need to learn and improve.

Over the last 12 months we have continued to deliver the Trust's Big Conversation Programme. This involves teams from across the organisation sharing their views and experiences with an Executive Director. The sessions provide valuable insights that help us to identify what is working well and where improvements are required. We triangulate the feedback provided at the Big Conversation sessions with our annual staff survey results and key people metrics.

Our employee voice mechanisms help us to regularly take a 'temperature check' of staff experience and engagement and we implement actions to amplify good practice and/or address area of concern. The outputs from the Big Conversation Programme are reported to the Executive Team along with our annual staff survey results.

We continue to promote the NHS People Pulse Survey which is open on a quarterly basis and is aligned with the annual NHS staff survey. Disappointingly our quarterly response rates have been generally low, which is not a dissimilar position to some other NHS organisations. We continue to promote and encourage employees to participate in the quarterly people pulse surveys without leading to survey fatigue and it negatively impacting on our response rate in the annual NHS staff survey.

We have a Freedom to Speak Up Guardian, who is vital to ensuring a culture where staff can speak up freely and openly without suffering any detriment. The Guardian reports to the People Performance Committee and Board of Directors on a regular basis. The Guardian has direct access to a designated Non-Executive Director lead, in line with the national guidance, and direct access to both the Chair and the Chief Executive. In addition, 13 Freedom to Speak Up Champions have been appointed.

As a Foundation Trust, employees have formal representation in the governance of the Trust, through the election of staff governors to the Council of Governors. All staff are eligible to seek election and to vote in choosing who should be elected. Staff governors have a vote in Council of Governor meetings and contribute to fulfilling the statutory duties to hold the board to account through the Non-Executive Directors. The Trust continues to encourage staff to consider standing for election to the Council of Governors, and to participate in the electoral process using their votes.

There are also several informal methods that individuals use to obtain information about the development of the Trust and raise any concerns or suggestions for improvement. Team Brief takes place monthly and we have continued with all staff communication on a weekly basis via e-mail circular; and have increased the use of social media, including X (formerly Twitter), Instagram and a dedicated Staff Facebook group, providing two-way communication process to the Trust and staff.

In 2022 we introduced an Organisational Development (OD) Plan that focused on four priority areas aimed at improving our organisation's culture and performance:

- Priority 1: Leadership and working relationships
- Priority 2: Talent management

- Priority 3: Innovation
- Priority 4: OD consultancy

Our approach to improving staff experience and culture is through sequenced activities with an emphasis on changing hearts, minds and skills. We are nurturing and amplifying the most promising interventions and starting to change core narratives that guide thinking and acting. We regularly reflect on and analyse insights and staff feedback and adapt our plans accordingly.

Staff Survey

The NHS national staff survey provides an opportunity for organisations to survey their staff in a consistent and systematic way. This makes it possible to build up a picture of staff experience and to compare and monitor change over time and to identify variations between different staff groups. Obtaining feedback from staff and taking account of their views and priorities is vital for driving service improvements in the NHS.

The questionnaire used is developed by the NHS Staff Survey Coordination Centre together with the NHS Advisory Board. NHS England have comprehensive guidelines on which staff are be included in the survey.

The 2024 NHS national staff survey was open from 1 October to 29 November 2024. We achieved a 45.3% overall response rate, with 2,796 employees completing the survey. This is an increase of 1.8% on responses received in the 2023 survey (43.5%). The median response rate in the 2024 survey for our benchmarking group was 49%.

For the fourth consecutive year, the survey questions were linked to the elements and themes within the NHS People Promise:

- We are compassionate and inclusive
- We are recognised and rewarded
- We each have a voice that counts
- We are safe and healthy
- We are always learning
- We work flexibly
- We are a team

A direct comparison since the 2021 survey results can now be achieved. Each element and sub-theme of the People Promise is scored out of a possible 10. The table below shows our Trust's People Promise element/theme scores since 2021 and scores compared to our benchmarking group for the same period.

People Promise Elements	Trust				Benchmarking Group			
	2021	2022	2023	2024	2021	2022	2023	2024
We are compassionate and inclusive	7.29	7.22	7.41	7.34	7.20	7.18	7.24	7.21
We are recognised and rewarded	5.83	5.78	6.08	6.06	5.82	5.73	5.94	5.92
We each have a voice that counts	6.71	6.66	6.81	6.75	6.67	6.65	6.70	6.67
We are safe and healthy	5.88	5.83	6.15	6.09	5.90	5.89	6.06	6.09

We are always learning	5.27	5.39	5.72	5.71	5.23	5.35	5.61	5.64
We work flexibly	5.86	6.08	6.33	6.37	5.96	6.01	6.20	6.24
We are a team	6.68	6.71	6.93	6.90	6.58	6.64	6.75	6.74
Themes								
Staff Engagement	6.79	6.74	6.94	6.87	6.84	6.80	6.91	6.84
Morale	5.66	5.66	5.96	5.95	5.74	5.69	5.91	5.93

Our 2024 survey results show that there has been no significant improvement in any of the People Promise themes. Our 2024 staff engagement score decreased to 6.87 from 6.94 last year and our 2024 staff morale score has decreased to 5.95 compared to 5.96 last year. Our 2024 staff survey results show there were 2 questions (2%) where the scores showed significant improvement from the previous year, compared to 67 in the previous year. There were 10 questions where the scores have significantly declined since the previous survey, compared to zero in the previous year. 95 questions have shown no significant movements since 2023, or the score is suppressed.

The table below shows the questions where the Trust's 2024 scores have significantly improved since last year.

Question	2023	2024	Difference
3i There are enough staff at this organisation for me to do my job properly.	30.0%	32.9%	+2.9%
23a In the last 12 months, I have had an appraisal, annual review, development review, or Knowledge and Skills Framework (KSF) development review.	84.8%	87.8%	+3.0%

The table below shows the questions where the Trust's 2024 scores have significantly declined since last year

Question	2023	2024	Difference
7e I enjoy working with the colleagues in my team.	84.8%	82.2%	-2.6%
7g In my team disagreements are dealt with constructively.	60.4%	57.6%	-2.8%
7h I feel valued by my team.	74.2%	71.0%	-3.2%
8b The people I work with are understanding and kind to one another.	76.9%	74.0%	-2.9%
8c The people I work with are polite and treat each other with respect.	77.9%	75.2%	-2.7%
13c In the last 12 months, I have personally experienced physical violence at work from other colleagues.	1.2%	1.8%	+0.6%
14c In the last 12 months, I have personally experienced harassment, bullying or abuse at work from other colleagues.	13.2%	16.8%	+3.6%
20a I would feel secure raising concerns about unsafe clinical practice.	73.6%	70.9%	-2.7%
25d If a friend or relative needed treatment I would be happy with the standard of care provided by this organisation.	63.3%	60.7%	-2.6%
25f If I spoke up about something that concerned me I am confident my organisation would address my concern.	52.3%	49.0%	-3.3%

The Trust's 2024 staff survey results are a significant achievement against a backdrop of unprecedented operational pressures, staff absence and the cost-of-living crisis. Regularly

listening to our staff with authenticity and understanding what is working well and where improvements are required helps us to ensure that we are focusing on the things that matter the most to our employees.

Mandatory and Role Specific Training

Mandatory training compliance has seen some fluctuations during 2024/25 owing to numerous factors, such as resident doctors' industrial action and winter pressures. Compliance for mandatory training has an average of 95% for the 12-month period. Targeted support is offered to divisions with the aim of improving compliance and the Learning and Education team support Clinical Practice Facilitators in each division in developing trajectories. Bespoke sessions are offered and 'mandatory training months' are used to further increase compliance.

Role specific training has remained above target since throughout the fiscal year, with a median compliance rate of 93.56% and there is ongoing work to ensure this is sustained.

Colleagues with two or more expired competencies are targeted quarterly with personal emails to encourage completion of training. As part of the National StatMand programme, all mandatory and role specific training topics have been reviewed for frequency, position levelling and appropriateness in collaboration with T&G ICFT.

Clinical Training

We deliver a clinical induction programme for registered and non-registered colleagues. Over 330 colleagues have attended the clinical induction programme, with over 280 colleagues attending the Healthcare Support Worker induction programme. Colleagues are also supported by our team educators who provide additional support and awareness sessions throughout the year.

Over 250 colleagues have successfully completed the Greater Manchester Acute Illness Recognition and Management Course, with an additional 64 staff attending the Greater Manchester Paediatric Acute Illness and Management Course facilitated.

Furthermore, almost 920 standalone 'Clinical Skills' training sessions were accessed.

We have grown our faculty for delivery of Resuscitation Council (UK) Advanced Life Support with 5 candidates identified to consider further training to become advanced life support instructors. We have provided over 750 courses in the fiscal year for all levels of resuscitation training including intermediate and advanced level for both adult and paediatrics.

Apprenticeships

During the financial year 2024-2025, we had 90 colleagues start apprenticeship programmes. The Vocational Learning Lead has made endeavours to promote apprenticeships as viable development opportunities for all colleagues and the results have been positive.

We have nearly 200 apprentices across 36 distinct apprenticeship programmes including (but not exhaustive) Registered Nurse Degree Apprenticeship (RNDA), Occupational Therapist, Trainee Nursing Associate, and Physiotherapist. With the rise of new AI technologies and the growing demand for digital skills, there has increased interest in data and digital apprenticeships, with eight starts in the financial year.

As of February 2025, the Department for Education (DfE) has made functional skills requirements optional for some adult apprenticeship programmes. This change allows adults without GCSE passes (or evidence) in these subjects to complete their apprenticeships without the obligation to obtain Level 2 functional skills qualifications in Maths and English. We are currently scoping the consequences of this and any impact of this for our career pathways.

In addition, as of August 2025, changes may be introduced to Level 7 apprenticeship programmes in the UK. The exact nature of these changes is still being finalised, and these adjustments may affect the structure and funding availability of future programmes.

Vocational Learning
Work experience has supported 184 learners via 16+ years onsite clinical placements and 14+ years onsite non-clinical placements. We have introduced Safari Taster Days to showcase NHS roles for groups with low levels of engagement such learners with a disability and of male (inc. trans) gender from Social, Emotional and Mental Health education provisions.

Our pre-employment offer has been extended to include Young Care Leavers (YCL) and in total 38 placements have been offered across the Trust, in collaboration with the One Stockport Sector-Based Work Academy Programme (SWAP), The King's Trust, and Trafford and Stockport College Group. Our use of NHS England funding for this cohort of learners, has enabled us to support individuals with lunch, refreshments and additional uniforms/clothes assisting with the removal of barriers which may prevent engagement.

Pre-Registration Programme
Our Multi-Professional Cadet Programme continues to expand and now includes local young people from Stockport and Cheadle College Group, Manchester College, Macclesfield College, and UCEN Manchester. There are currently 110 cadets on the programme and the numbers are expected to increase to 180-200 from September 2025. We successfully recruited 2 of the 7 cadets from the first cohort to posts in the Trust last year and they remain with us. We now have cadets who commenced higher education programmes in Nursing returning to the Trust for clinical placements, with a view to gaining employment on qualification. A further 2 cadets have secured employment within social care following successful placements.

We work collaboratively with our system partners in Stockport and GM to support the expansion of placement opportunities for all pre-registration learners.

The Preceptorship Programme, which supports newly qualified staff in their transition from learner to newly registered professional in their first year has been reviewed and changes

made to align with National Preceptorship Standard Frameworks (including Nursing, Midwifery and AHP's) and Trust objectives/values.

Health & Wellbeing

We have continued to enhance our health and wellbeing offer to staff, successfully collaborating with T&G ICFT and colleagues across GM to support our teams' health and wellbeing needs. By fulfilling the actions outlined in our Health and Wellbeing Plan, we have developed new and exciting health and wellbeing initiatives for staff which have contributed to the delivery of the National People Promise.

Our newly established Musculoskeletal (MSK) Occupational Health Practitioner runs dedicated clinics for staff, addressing various conditions and promoting MSK awareness. This role also contributes to the 'fast-track' staff physiotherapy service and supports the annual back care campaign. The MSK Practitioner has visited wards and departments to raise awareness about the importance of good MSK health and has been instrumental in supporting colleagues' wellbeing.

The staff menopause clinic has been highly successful, with staff regularly accessing face-to-face appointments with our dedicated Consultant. Feedback has been extremely positive, with 100% of attendees recommending the service. The staff Menopause Facebook group has grown to over 250 members. Our 'Dedicated Staff Menopause Service' was a runner-up for the 2024 Health Service Journal Patient Safety Awards' Staff Wellbeing Initiative of the Year. We have also been recognised as a Menopause Friendly employer by Henpicked and awarded accreditation status.

Our Wellbeing Leads use various communication platforms, including social media, to raise awareness of national and local initiatives. They maintain an annual health and wellbeing calendar, promoting campaigns and addressing themes identified during ward and department visits. The annual health and wellbeing event, which grows each year, is open to internal and external exhibitors showcasing their initiatives and resources to support colleagues' wellbeing.

The Staff Psychological and Wellbeing Service (SPAWS) continues to provide individual and team support. They developed and delivered a programme of training around trauma, raising awareness around psychological and vicarious trauma and supporting staff after incidents, upskilling managers and educating staff around common reactions to trauma and stress, promoting ways to cope.

We have trained individuals who are delivering the NHS Leaders' Wellbeing Programme across the organisation. This one-day workshop is incorporated into day three of our new leadership and development programme.

Including health and wellbeing responsibilities in all new managers and leaders job descriptions is a positive step. Promoting the opportunity for staff to become Health and Wellbeing Champions is our next project, with the aim to establish these roles across all wards and departments to support in the delivery of health and wellbeing messages.

Facility Time Trust Data for 2024/25

The tables below set out the relevant information for Stockport NHS Foundation Trust for the period 1 April 2024 to 31 March 2025.

Table 1 - Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
37 (37)	33.24 (33.53) wte

Table 2 - Percentage of time spent on facility time

Employees who were relevant union officials employed during the relevant period spent a) 0%, b) 1%-50%, c) 51%-99% or d) 100% of their working hours on facility time.

Percentage of time	Number of employees
0%	0
1-50%	36
51%-99%	1
100%	0

Table 3 - Percentage of pay bill spent on facility time

The percentage of your total pay bill spent on paying employees who were relevant union officials for facility time during the relevant period.

	Amount
Total cost of facility time	£232,215
Total pay bill	£371,843,000
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.06%

Table 4 - Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	21.28% (21.21%)

Consultancy costs

We procure expert advice to deliver key project where we do not have internal expertise or, in some circumstances, we may not have the required capacity. Consultancy costs in 2024/25 are summarised below:

Consultancy area	£000	Note
IT/IS: The provision of objective advice and assistance relating to IT/IS systems and concepts, including strategic studies and development of specific projects. Defining information needs, computer feasibility studies and making computer hardware evaluations. Including consultancy related to e-business.	252	(a)
Human Resource, training and education: The provision of objective advice and assistance in the formulation of recruitment, retention, manpower planning and HR strategies and advice and assistance relating to the development of training and education strategies.	15	(b)
Property and Construction: The provision of specialist advice relating to the design, planning and construction, tenure, holding and disposal strategies. This can also include the advice and services provided by surveyors and architects.	75	(c)
Technical: The provision of applied technical knowledge. To aid understanding, this can be sub-divided into: - Technical Studies: Research based activity including studies, prototyping and technical demonstrators.	99	(d)
Total Cost 2024/25	**441**	

(a) Includes services to support Business Intelligence (BI)
(b) Includes HR investigation support.
(c) Includes costs for survey and structural engineering services
(d) VAT advisors for general advice and projects

As a cost comparator 2023/24 = £600k.

Off payroll engagements

	2024/25	2023/24
Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	Nil	Nil
Number of individuals that have been deemed "board members and/or senior officials with significant financial responsibility". This figure should include both off-payroll and on-payroll engagements.	15	18

Exit packages

Redundancy and other departure costs are paid in accordance with the provisions of the NHS Scheme and trust policies. Any exit packages exceeding contractual amounts, and outside of the terms of the normal pension provisions, require Treasury approval before they are offered.

The Trust did not offer a Mutually Agreed Resignation Scheme or Voluntary Redundancy Scheme during 2024/25.

The following tables, which have been subject to audit, show the exit packages for 2024/25 compared to 2023/24.

Exit package cost band (including any special payment element)	Number of compulsory redundancies 2024/25	Number of other departures agreed 2024/25	Total number of exit packages 2024/25
<£10,000	-	-	-
£10,001 - £25,000	1	-	1
£25,001 - £50,000	-	-	-
£50,001 - £100,000	-	-	-
£100,001 - £150,000	-	-	-
£150,001 - £200,000	-	-	-
>£200,000	-	-	-
Total number of exit packages by type	**1**	**-**	**1**
Total resource cost	**£23,000**	**-**	**£23,000**

Comparator 2023/24

Exit package cost band (including any special payment element)	Number of compulsory redundancies 2023/24	Number of other departures agreed 2023/24	Total number of exit packages 2023/24
<£10,000	-	1	1
£10,001 - £25,000	-	-	-
£25,001 - £50,000	-	-	-
£50,001 - £100,000	1	-	1
£100,001 - £150,000	-	-	-
£150,001 - £200,000	-	-	-
>£200,000	-	-	-
Total number of exit packages by type	**1**	**1**	**2**
Total resource cost	**£83,000**	**£6,000**	**£89,000**

Exit Packages: Other (non-compulsory) departure payments				
	2024/25		2023/24	
	Payments agreed	Total value of agreements	Payments agreed	Total value of agreements
	Number	£000	Number	£000
Contractual payments in lieu of notice	-	-	-	-
Non-contractual payments requiring HMT approval	-	-	1	6
Total	**-**	**-**	**1**	**6**

Equality, Diversity, and Inclusion

Our Trust's equality diversity and inclusion (EDI) journey is going from strength to strength. We have invested resources into strengthening our colleague experience and inclusion team to support delivery of the Trust's Workforce EDI Strategy 2022-2025. Our key developments and progress over the past year have included:

In the last 12 months, we have had a specific focus on the following areas to help accelerate the progress of our EDI journey:

Inclusive Recruitment

- Created stronger links with local community groups and are continuing to enhance our reach around recruitment.
- Enabled candidates to apply for a job vacancy using alternative methods.
- Started to provide all candidates with additional information about the interview they are invited to attend and supplied the questions that will be asked, prior to the day of the interview. The aim is to help individuals with a neurodivergent condition to prepare meaningful responses to the questions and alleviate any feelings of anxiety about the interview. So far we have received positive feedback from candidates about this approach.
- Continued to maximise our social media presence to promote careers and job vacancies.
- Introduced processes to enable our job adverts to reach marginalised groups.
- Enhanced the support for volunteers who are seeking paid employment.

Becoming an anti-racist organisation

- In conjunction with the Race Equality Staff Network, we have developed an organisational anti-racism statement.
- Appointed a Board level anti-racism champion.
- Established a cross divisional WRES (Workforce Race Equality Standard) working group, to examine divisional level data, and to provide appropriate challenge, and develop local actions. This work will be further enhanced by the publication of our EDI dashboard.
- Submitted our evidence to the North West (NW) Black and Minority Ethnic (BAME) Assembly for achieving the Bronze level of the NW Anti-Racist Framework. The Trust has been accredited as Bronze by the NW BAME Assembly anti-racism framework.

Understanding the lived experience of our colleagues

Recognising that the staff survey data provides us with largely quantitative data in relation to the lived experience of our colleagues, we have:

- Held listening events with all our staff networks. Their feedback has shaped the focus/theme of their network meetings for the 12 months ahead.
- Held a series of curiosity cafes during July and August 2024. The theme was focused on staff's lived experience of career progression within the Trust. Despite only a few employees attending the sessions we gained helpful insights which is now informing the action plan of the Career Progression Task Group.
- Established a staff neurodiversity network.

Career progression

Recognising the career progression remains an area of inequality that requires addressing, we have:

- Established a Career Progression Task Group to add additional pace to this element of our work.
- Developed a mechanism to identify specific inequality within promotion and progression. This data will routinely be reported in the annual EDI monitoring report and is being proactively used by the career progression for all working group, to ensure that interventions are appropriately targeted.
- On our behalf the NW Leadership Academy has recently commissioned a bespoke career coaching training session, which 5 of our trainee coaches have attended.

Bullying and harassment

Recognising that sadly some individuals are on the receiving end of unacceptable behaviour and the negative impact that has on them and others, we have:

- Started to review our internal conduct process, which incorporates learning from internal review, peer review and insights from legal services. This is a collaborative development between T&G ICFT and SFT to update the action plan in relation to learning.
- Appointed Freedom to Speak Up (FTSU) champions to support the work of the FTSU Guardian.
- Launched a sexual safety pilot training programme in October 2024 that will run until December 2024. The pilot includes 'Responding to a First Disclosure' half-day training sessions and sexual harassment in the workplace sessions. The pilot will be evaluated to inform roll-out plans.

In addition, the above we have also:

- Started to develop a new EDI dashboard which will provide more frequent updates on our key EDI metrics.
- Appointed Board level sponsors to our staff networks.

Future Priorities

We will continue to deliver our People Plan, Workforce Equality, Diversity and Inclusion Strategy and Organisational Development Plan that addresses the areas our staff have identified as requiring improvement. Based on the findings of the 2024 NHS national staff survey, and broader staff engagement, our key priorities over the next 12 months include:

We are compassionate and inclusive
• Undertake a Trust wide engagement and consultation exercise on the development of our EDI Strategy for the next 3 years. • We will continue to deliver our new EDI training offer including Reasonable Adjustment Training and Equality Impact Assessment Training, as well as scope out what additional training needs exist in relation to EDI. • We will continue our work in relation to our ambitions to achieve a Silver award in against the NW BAME Assembly. • We will embed our new CARE values - Compassion, Accountability, Respect, and Excellence – in all our activities, including training and induction.

We are recognised and rewarded
• We will hold our annual staff awards ceremony.
We each have a voice that counts
• We will continue to promote and enhance our employee voice channels and the Trust's Freedom to Speak Up approach. • We will continually work to improve the response rate to the annual NHS staff survey.
We are safe and healthy
• We will continue to enhance our employee health & wellbeing through the delivery of our new health and wellbeing plan.
We are always learning
• We will embed the new appraisal scheme and provide development to ensure appraisals are meaningful and valuable for everyone. • We will provide development for first-line and middle managers to ensure everyone in our management community is equipped to create a learning culture within their teams. • We will align our leadership and management development offer with the Management and Leadership Code for Health and Social Care, once this is agreed nationally. • We will develop and implement a talent management and succession planning approach and tools. • We will continue to design and implement career development interventions, including targeted interventions for under-represented groups. • We will continue to take actions to improve mandatory and statutory training compliance and ensure our wider learning and development offer is accessible to everyone. • We will further promote apprenticeship qualifications and increase take up.
We work flexibly
• We will continue to support teams, managers and individuals to implement flexible working practices including enabling individuals to do hybrid working where they can.
We are a team
• We will continue to provide OD consultancy support to enhance team working and nurture relationships. • We will develop and implement a team building toolkit.
Staff Engagement
• We will work with divisions and teams to maximise staff feedback, incident reports and complaints to inform the design of interventions and actions that will help improve colleague experience and patient care.
Morale
• We will design and deliver tailored staff morale boosting initiatives/interventions with divisions and teams.

Code of Governance for NHS Provider Trusts disclosures

A new Code of Governance for NHS provider trusts (the Code) was published in October 2022 and has been applicable since 1st April 2023.

NHS Foundation Trusts are required to provide specific disclosures in their annual report to meet the requirements of the Code, and these are detailed in the following table:

Code Section	Summary of Requirement
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. **Comply – See Performance Report**
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. **Comply – See Staff Report**
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 organisations and any associated risk management arrangements. **Comply – See Performance Report**
B 2.6	The board of directors should identify in the annual report each non-executive director it considers to be independent. **Comply – See Directors Report**
B 2.13	The annual report should give the number of times the board and its committees met, and individual director attendance. **Comply – See Directors Report & Remuneration Report**
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. **Comply – See Directors' Report & Accountability Report (Council of Governors & Membership)**

C 2.5	Open advertising and advice from NHS England's Non-Executive Talent and Appointments team is available for use by nominations committees to support the council of governors in the appointment of the chair and non-executive directors. 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. **Comply – See Remuneration Report**
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. **No new Non-Executive Director recruitment during 2023/24.** **Comply – Nominations Committee Terms of Reference available via Company Secretary**
C 4.2	The board of directors should include in the annual report a description of each director's skills, expertise and experience. **Comply – See Directors Report**
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. **Explain – See below**
C 4.13	The annual report should describe the work of the nominations committee(s), including: • the process used in relation to appointments, its approach to succession planning and how both support the development of a diverse pipeline • 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. **Comply – See Directors Report, Remuneration Report & Staff Report**
C 5.15	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. **Comply – See Accountability Report (Council of Governors & Membership)**
D 2.4	The annual report should include: • 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 absence, how internal assurance is achieved and how this affects the external audit • an explanation of how auditor

	independence and objectivity are safeguarded if the external auditor provides non-audit services. **Comply – See Directors' Report**
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. **Comply – See Directors' 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. **Comply – See Performance Report & 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. **Comply – See 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. **Comply – See Performance Report**
E 2.3	Where a trust releases an executive director, e.g. to serve as a non-executive director elsewhere, the remuneration disclosures in the annual report should include a statement as to whether or not the director will retain such earnings. **Comply – See Remuneration Report**
Appendix B, Para 2.3 (not in Schedule A)	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. **Comply – See Accountability Report (Council of Governors & Membership)**
Appendix B, Para 2.14 (not in Schedule A)	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. **Comply – See Accountability Report (Council of Governors & Membership)**
Appendix B, Para 2.15 (not in Schedule A)	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, e.g. through attendance at meetings of the council of governors, direct face-to-face contact, surveys of members' opinions and consultations. **Comply – See Accountability Report (Council of Governors & Membership)**
Additional	If, during the financial year, the Governors have exercised their power* under

requirement of FT ARM resulting from legislation	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. *Power to require one or more of the directors to attend a governors' meeting for the purpose of obtaining information about the foundation trust's performance of its functions or the directors' performance of their duties (and deciding whether to propose a vote on the foundation trust's or directors' performance). ** As inserted by section 151 (6) of the Health and Social Care Act 2012) **N/A – Governors have not exercised this power during 2023/24.**

For all provisions where information is to be to be made publicly available, available to governors or available to members, information detailed is available on the Trust's website and/or on request from the Company Secretary by emailing: corporateoffice@stockport.nhs.uk or writing to the Trust Headquarters at Oak House, Stepping Hill Hospital, Poplar Grove, Stockport.

For all other provisions, where there are no special requirements, the basic comply or explain requirement stands. The disclosure should contain an explanation in each case where the trust has department from the Code, explaining the reasons for the department and how the alternative arrangements continue to reflect the main principles of the Code.

The Board of Directors conducts an annual review of the Code to monitor compliance and identify areas for further development. In June 2025, the Board of Directors confirmed that, except for the provisions below, Stockport NHS Foundation Trust complies with the provisions of the Code issued by NHS England.

Stockport NHS Foundation Trust departed from the following provisions of the Code during 2024/25.

Provision C 4.7 – Boards strongly encouraged to carry out an externally facilitated developmental review using the well-led framework at least every three years.

Explanation: The Trust has not had a formal externally facilitated developmental review in recent years. However, the Trust has had two CQC Well Led Inspections in 2018/19 and 2019/20 (Requires Improvement), and subsequently an NHS England (NHSE) governance review was conducted. In 2021/22, having implemented several recommendations from the NHSE governance review, a self-assessment was completed and an independently facilitated Well Led Mapping Review by AQuA was commissioned. The Well Led Mapping Review provided an overview of the Trust's evidence against the Key Lines of Enquiry (KLOEs) and developmental actions for the purpose of continuous improvement. Additionally, internal audit has also been utilised to provide independent assurance on several elements of the Well Led Framework.

During 2024/25, the NHSE Well Led Framework Key Lines of Enquiry (KLOEs) were mapped to the new CQC Well Led Quality Statements, and a self-assessment was completed, including a position statement, supporting evidence, rating and developmental actions.

Furthermore, recognising that the Trust has not had an externally facilitated well led

developmental review in recent years, the Board of Directors determined that an options appraisal would be presented to the Board of Directors in 2025/26, exploring options to support the Trust on its well-led journey.

Provision E.2.2 – Levels of remuneration for the chair and other non-executive directors should reflect the Chair and non-executive director remuneration structure.

Explanation: In February 2022, the Council of Governors agreed that all new Non-Executive Director positions would be remunerated in line with 'NHS England Chair and non-executive director remuneration structure'. This decision has subsequently been implemented. Furthermore, the Council of Governors agreed that existing non-executive directors, who are reappointed for a further term of office, would remain at the level of remuneration to which they were originally appointed, subject to a robust performance appraisal and confirmation that performance continues to be effective, thereby differing to the 'NHS England Chair and non-executive director remuneration structure'. The Chair's remuneration is in line with the NHS England remuneration structure.

Council of Governors and Membership

The basic governance structure of all NHS foundation trusts include:

- a public and staff membership
- a Council of Governors
- a Board of Directors.

Membership

Membership of the Trust is open on an opt-in basis to anyone over 16 years old and living in one of the following public constituencies:

- Bramhall and Cheadle
- Heatons and Stockport West
- Marple and Hazel Grove
- High Peak and Dales
- Tame Valley and Werneth
- Rest of England & Wales

Information about how to become a public member is freely available on our website and displayed in various public areas across our services.

Staff are automatically members unless they choose to opt out, and staff membership is also open to anyone employed by another organisation but who exercises a function for the Trust.

Details of the make-up of our members as of 31 March 2025 are below:

Constituency	Number of members
Bramhall and Cheadle	2,212
Heatons and Stockport West	1,818
High Peak and Dales	761
Marple and Hazel Grove	2,301
Tame Valley and Werneth	1,681
Outer Region	1,267
Staff	6,476
Total	16,516

Public Constituency	Number of members	Eligible membership
Age		
0 - 16	4	75,232
17- 21	54	18,389
22+	8,194	297,492
Ethnicity		
White	7,655	342,655
Mixed	87	8,848
Asian or Asian British	418	22,160
Black or Black British	113	3,652
Other	5	4,907
Socio-economic grouping		
AB	3,153	40,525
C1	2,954	53,185
C2	1,945	34,904
DE	1,981	39,922
Gender		
Male	3,752	190,979
Female	5,944	200,132

** Where figures do not equal the total number of members, information has not been provided.*

Council of Governors

Governors are the direct representatives of members, staff, stakeholders, and public interests and form an integral part of the governance structures that exist in all NHS foundation trusts.

In broad terms, the role of the Council of Governors is to hold the Non-Executive Directors individually and collectively to account for the performance of the Board of Directors and to represent the interests of NHS foundation trusts members and of the public at large. Other statutory aspects of the Council of Governors' role include:

- Approving the appointment of the Chief Executive
- Appointing and removing the Chairman and other Non-Executive Directors
- Deciding the remuneration of the Chairman and Non-Executive Directors
- Appointing and removing the NHS Foundation Trusts Auditors
- Contributing to the forward plans of the organisation
- Receiving the NHS Foundation Trust's Annual Accounts, Auditor's Report and Annual Report
- When appropriate, making recommendations and/or approving revisions of the Foundation Trust Constitution.

Constituency	Number
Public	
Bramhall & Cheadle	**4**
Heatons & Stockport West	**4**
High Peak & Dales	**3**
Marple & Hazel Grove	**4**
Tame Valley & Werneth	**4**
Outer Region	**1**
Staff	
Staff	**4**
Appointed	
Stockport Metropolitan Borough Council	**1**
Age UK Stockport (Charity)	**1**
Stockport Healthwatch	**1**
Greater Manchester University	**1**
Total	**28**

Governors' elections

We continued our rolling programme of elections during 2024/25, along with elections for vacant seats as follows:

Constituency	Number of Positions Available	Number of Nominations Received
Public		
High Peak & Dales	3	3
Tame Valley & Werneth	4	3
Outer Region	1	2
Staff	4	6

At the end of 2024/25, the Trust had vacancies for governors in the following constituencies:

- High Peak & Dales - 1 vacancy
- Tame Valley & Werneth - 1 vacancy
- Greater Manchester University - 1 vacancy

During 2024/25 we saw several long-standing governors leave the organisation. Their contribution to the Council of Governors and the Trust is sincerely appreciated.

Mrs Sue Alting, Appointed Governor, Age UK Stockport, has continued in the role of Lead Governor.

Membership of the Council of Governors

Information about our public, staff and appointed governors is available on our website. Listed below are details of all our governors throughout 2024/25 and their attendance at Council of Governors meetings:

Governor	Constituency	Attendance
Public		
Carol Greene	**Bramhall & Cheadle**	**2 of 6**
Adrian Nottingham	**Bramhall & Cheadle**	**6 of 6**
Michelle Slater	**Bramhall & Cheadle**	**5 of 6**
Sarah Thompson	**Bramhall & Cheadle**	**5 of 6**
Tad Kondratowicz	**Heatons & Stockport West**	**6 of 6**
Victoria MacMillan	**Heatons & Stockport West**	**5 of 6**
Chris Summerton	**Heatons & Stockport West**	**6 of 6**
Steve Williams	**Heatons & Stockport West**	**6 of 6**
Michael Chantler	**High Peak & Dales**	**2 of 3**
Tony Gosling	**High Peak & Dales**	**3 of 3**
Janet Browning	High Peak & Dales	1 of 1
Lance Dowson	High Peak & Dales	1 of 3
Val Cottam	**Marple & Hazel Grove**	**4 of 6**
Richard King	**Marple & Hazel Grove**	**6 of 6**
Tony Moore	**Marple & Hazel Grove**	**4 of 6**
John Morris	**Marple & Hazel Grove**	**3 of 6**
Callum Kidd	**Outer Region**	**1 of 3**
Muhammad Rahman	Outer Region	1 of 3
Howard Austin	**Tame Valley & Werneth**	**5 of 6**
Alan Gibson	**Tame Valley & Werneth**	**0 of 6**
Alexander Wood	**Tame Valley & Werneth**	**3 of 3**
Gillian Roberts	Tame Valley & Werneth	0 of 1
Staff		
Yogalingam Ganeshwaran	**Staff**	**1 of 3**
Paula Hancock	**Staff**	**1 of 6**
David McAllister	**Staff**	**0 of 6**
Ruth Perez-Merino	**Staff**	**1 of 3**
Karen Southwick	Staff	0 of 4
Adam Pinder	Staff	2 of 4
Appointed		
Sue Alting	**Age UK Stockport**	**5 of 6**
David Kirk	**Healthwatch Stockport**	**6 of 6**
Keith Holloway	**Stockport Metropolitan Borough Council**	**4 of 6**
Vacant	Greater Manchester University	N/A

Current governors highlighted in bold black type. Governors that stepped down during 2024/25 highlighted in blue type.

Formal meetings of the Council of Governors continued to be held in person once a quarter, with occasional extraordinary meetings as required, and informal meetings taking place virtually in between. The informal catch-up meetings between governors and Non-Executive Directors provide an opportunity to share the key activities of the assurance committees and ensure feedback from governors can be shared with colleagues.

All governors are required to comply with the Council of Governors Code of Conduct and declare any interests that may result in a potential conflict of interest in their role as governor of Stockport NHS Foundation Trust. We hold a register of governors' interests, which is available on request from the Company Secretary on 0161 419 5164 or email corporateoffice@stockport.nhs.uk

Details of how to contact our governors are available on our website.

Governor Training & Development

With the introduction of several new governors in year, we held an externally facilitated Induction & Core Skills session. This face-to-face event provided new governors with a comprehensive understanding of the role of the governors and enabled existing governors to refresh their skills and share experiences of the governor role in practice. Our Non-Executive Directors also joined governors for an effective questioning & challenge training session. This supports governors in their duty of holding to account.

Further training and development opportunities for governors held during 2024/25 included a finance overview with the Trust Finance Director and a workshop with the Patient Experience team. In addition to the above, governors have accessed external training and development opportunities delivered by NHS Providers, including virtual governor workshops and governor focus conferences.

Council of Governor Meetings

During 2024/25 the Council of Governors considered, and approved as required, the following matters in formal meetings:

- The re-appointment of one Non-Executive Director, David Hopewell, for a one-year term of office
- Remuneration and terms of service of Non-Executive Directors
- Appraisal process and outcome of the Chair and Non-Executive Directors for 2024/25
- Appointment of David Wakefield, Joint Chair, commencing in post from the 1 April 2025
- Appointment of the External Auditor
- Received the Annual Report & Accounts 2023/24, including the External Auditors Report
- Provided view on the Trust Plans for 2024/25 and 2025/26.

In addition to receiving information about the operational, financial, people and quality performance of the organisation, the Council of Governors considered and provided views on a range of issues in line with their duties including:

- Development and approval of the Membership Action Plan, with regular progress report against the Membership Strategy and Action Plan via the Membership Development Group
- National staff survey results
- Patient communication with a focus on reducing 'Do Not Attends'
- Health inequalities, including work taking place at Trust & Stockport locality
- Receiving the Quality Accounts 2023/24
- Confirmation of Governors' Standards of Business Conduct
- Confirmation of Nominations Committee membership

The Council of Governors were also kept informed of Integrated Care System developments at both Greater Manchester and locality level.

Governors have continued to feed back the views of members and the public via the Council of Governors meetings and the informal meetings with the Chair and Non-Executive Directors.

Board of Director engagement with governors

The Board of Directors and Council of Governors seek to work together effectively in their respective roles. If required, a process is in place detailing how disputes will be resolved. Governors regularly observe the Board meetings held in public to gain a broader understanding of discussion taking place at Board level and observation of the decision-making processes and challenge from Non-Executive Directors. Furthermore, the Executive and Non-Executive Directors regularly attend meetings of the Council of Governors as observers and lead discussions when further information is required.

In addition to the formal Council of Governor meetings, informal meetings with the Chair and Non-Executive Directors, take place in between, providing an opportunity to share key news and ensure feedback from governors is shared with colleagues.

Details of Board members' attendance at Council of Governors' meetings during 2024/25 is below. This includes two extraordinary meetings held privately, requiring attendance only from specific Executive and Non-Executive Directors in relation to the matters being discussed:

Board Member	Title	Attendance
Non-Executive Directors		
Marisa Logan-Ward	Non-Executive Director / Deputy Chair / *Interim Chair 01/01/2024	6 of 6
Samira Anane	Non-Executive Director	0 of 4
Anthony Bell	Non-Executive Director	3 of 4
David Hopewell	Non-Executive Director	2 of 4
Beatrice Fraenkel	Non-Executive Director	0 of 4
Mary Moore	Non-Executive Director	2 of 4
Louise Sell	Non-Executive Director	6 of 6
Executive Directors		
Karen James	Chief Executive	3 of 4
Amanda Bromley	Director of People & Organisational Development	6 of 6
Paul Buckley	Director of Strategy & Partnerships	3 of 4
Nic Firth	Chief Nurse	2 of 4
John Graham	Chief Finance Officer / Deputy Chief Executive	4 of 4
Andrew Loughney	Medical Director	3 of 4
Jackie McShane	Director of Operations	2 of 4

Membership development and engagement

The Council of Governors have an approved Membership Strategy and annual Action Plan. The guiding aims of the strategy are:

- To maintain a sizeable membership that is representative of the communities the Trust serves.
- To develop an active and engaged membership.

A new Membership Governance Manager was appointed in September 2024 to drive membership development and engagement across both SFT and T&G ICFT.

The Council of Governors established Membership Development Group oversees the implementation and delivery of the Membership Strategy and Action Plan, as well as supporting development of plans and keeping under review pertinent matters to the membership. Governors are encouraged to use their own networks to seek feedback to support identification of themes from members and the community at large.

In addition, through engagement with the Organisational Development Team, additional opportunities to recruit and engage with young people have been progressed including:
- Membership recruitment information has now been incorporated within the Volunteers Induction presentation and hard copy membership forms provided to the Practice Education Team with a view to recruiting young people as members during the induction.
- The Corporate Affairs Team have liaised with the Trafford College Group to explore membership promotion opportunities across the three Stockport college sites.

The Membership Development Group confirmed that, overall, positive progress has been made with the Membership Action Plan in 2024/25, particularly in maintaining representation of young people within the membership.

Members Events

Two successful Health Talks were held during the year; 'Ageing Well' in July 2024 and 'Digital Care Revolution; Enhancing Your Care in Stockport' in March 2025. Both talks were well attended, with approximately 50 members and governors in attendance, providing opportunity for members to meet with governors and provide feedback.

A number of governors also attended the Trust's Volunteers Long Service Awards event in October 2024, to engage with volunteers and their friends and families, promoting the benefits of membership and seeking feedback.

Communication with members

Regarding methods of communicating with members, we:
- continued to circulate a member's newsletter that highlighted the latest news about the organisation's activities as well as profiling the work of the governors
- held an annual members' meeting, which attracted over 40 members and provided a vibrant opportunity to ask questions of the Board
- continued to share social media messages and held a members' week, with a spotlight on governors and messaging to encourage people to join as members.

Members can also contact governors and provide feedback at any time, with contact details available via the website.

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.

Stockport NHS Foundation Trust was in segment 3 at 31st March 2025. Current segmentation information for NHS trusts and foundation trusts is published on the NHS England website: https://www.england.nhs.uk/publication/nhs-system-oversight-framework-segmentation/.

Statement of Accounting Officer's Responsibilities

Statement of the chief executive's responsibilities as the accounting officer of Stockport 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 Stockport 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 Stockport 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*.

Karen James OBE
Chief Executive

25th 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 Stockport 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 Stockport 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
The Trust received a high assurance rating for the risk management core controls internal audit completed in 2024/25, providing independent assurance that the Trust has a strong system of core risk management controls in place. The Trust will continue to develop the level of risk maturity across the organisation into 2025/26.

Leadership to the risk management process is provided through:

- The Board of Directors, with responsibility for developing and directing the risk management strategy for the Trust, as well as defining its risk appetite. Furthermore, maintenance of the Board Assurance Framework, reflecting risks identified to the achievement of the Trust's strategic objectives, and how they are managed.
- The Chief Executive and designated Executive Directors, with responsibility for specific areas of risk management.
- The Audit Committee, with responsibility for reviewing the establishment and maintenance of overarching systems in place in the organisation to effectively manage risk.
- The Risk Management Committee, chaired by the Chief Executive and reporting to the Audit Committee, with responsibility for organisation-wide co-ordination and prioritisation of risk management issues. Through the Risk Management Committee systematic review, scrutiny and challenge of risk profiles across all divisions and key corporate functions is undertaken on a rotational basis.
- The operational divisional performance review process, providing a vehicle for review of risk from ward to Board, and identification of emerging issues within the divisions, including issues that may need a cross division and/or Trust solution.
- An established clinical and corporate governance committee structure that provides the mechanisms for managing and monitoring quality, operational, people, financial and

governance risks throughout the Trust, and ensuring alignment of strategic and operational risks.
- Training for all staff that reflects essential training needs and includes general risk management training sessions and risk management processes such as fire safety, health and safety, manual handling, resuscitation, infection control, safeguarding patients, and information governance.
- General awareness raising on risk management issues through staff briefings, team brief, safety bulletins, induction and the intranet.

The risk and control framework

Risk management is recognised as being fundamental to our ability to deliver quality services, improve and make better decisions and achieve our principal objectives as an organisation. The Trust has a Risk Management Strategy & Policy, approved by the Board of Directors, which sets out our approach to the management of risk and the systems to assist in the identification, assessment, control and monitoring of risk.

Our principal sources of risk identification are:

- our risk assessment process,
- incident reports and investigations,
- issues arising from complaints and claims
- identification of emerging risks through business intelligence

We use a 5 x 5 matrix to assess and rate risks on both the likelihood and consequence, to generate a risk score of between 1 and 25. The risk score then determines the level of escalation, management, and scrutiny required.

This risk assessment process applies to all types of risk, including clinical, financial and operational. Risk registers are maintained by each division and key corporate functions and are regularly reviewed at the divisions and via the Risk Management Committee respectively. Any risk with a residual score of 15 or above is placed on the Trust's significant risk register, which is monitored monthly by the Risk Management Committee.

<u>Board Assurance Framework</u>

The Trust maintains a Board Assurance Framework (BAF) as a key tool to manage and mitigate strategic risk to the achievement of the corporate objectives agreed by the Board.

During 2024/25, the principal risks on the BAF were each assigned to the relevant Board level Committee/s for regular oversight. Principal risks were considered alongside related risks from the Trust's significant risk register and were reflected in the matters considered by the Board and the Board Committees, including mitigating action to reduce the risk. Where gaps in control to mitigate the risk were outside the scope of control of the Trust, these risks were raised at a locality and/or Greater Manchester (GM) system level.

Significant principal risks identified during the year related to management of patient flow and achievement of national access standards, primarily with respect to urgent care standards. Alongside this, was an associated risk to quality of care amidst increasing demand and the wider environmental context. Achievement of the Trust's financial plan and future financial sustainability continued as a significant risk, alongside realisation of an optimum workforce with the rights skills, experiences and behaviors to deliver quality services. The highest

scoring risk in year related to the fragility of the Trust's estate and critical infrastructure, with increasing maintenance requirements and constrained capital. In line with this, was an associated risk to the identification of funding to support the strategic regeneration of the hospital campus.

During 2024/25, the Trust's internal auditor, Mersey Internal Audit Agency (MIAA) confirmed that the Trust's assurance framework was structured to meet the NHS requirements, was visibly used by the organisation's Board, and clearly reflected the risks discussed by the Board.

As referred to above, the Board of Directors has established Board level assurance committees, each is chaired by a Non-Executive Director, with cross director membership to support triangulation. The committees are as follows: Finance and Performance Committee, Quality Committee and People Performance Committee. Key issues considered by the Board Committees, including assurances, risks and mitigating action, are provided to the Board of Directors following each meeting. Furthermore, the Chairs of the Board Committees are all members of the Audit Committee and provide update as to if and how significant risks identified by the Risk Management Committee are being addressed or monitored via their Board Committee and effectiveness of controls in place to manage significant risks within their remit of responsibility.

The Board recognises that, working in a healthcare environment, many of its day to day activities will carry relatively high risks that are not susceptible to effective reduction. This arises from the specialist nature of many clinical procedures, and the need to provide care and treatment for individuals who are undergoing acute health challenges.

The Trust has fully transitioned to the NHS Patient Safety Incident Response Framework with oversight via the Patient Safety Incident Response Group and Quality Committee. The Trust has published its Patient Safety Incident Response Plan and Patient Safety Incident Response Policy and will continue to work with stakeholders to embed the principles of the PSIRF. These are:

- Compassionate engagement and involvement of those affected
- A systems-based approach to learning
- Considered and proportionate responses
- Supportive oversight focused on strengthening response systems and improvement.

We work hard to foster an open and accountable reporting culture, and this is reflected in the feedback in the annual NHS Staff Survey. Staff are encouraged to identify and report incidents with an online reporting tool, with high levels of incident reports. The Trust continues to incidents to the national NHS service for recording and analysis of patient safety events (LFPSE).

During 2024/25 the Trust identified 1 never event that required reporting to the CQC, NHS England, and commissioners in line with the NHS Never Events policy and framework. This related to a wrong side block in theatres. A patient safety incident investigation was completed and shared with stakeholders identifying key learning for improvement.

Risks or developments that may have an impact on the quality of care are identified through the completion of quality and equality risk assessments for both business cases and cost improvement schemes. The quality impact assessment (QIA) process includes the following

Directors to enable multi-disciplinary voting on schemes: Chief Nurse, Medical Director, Chief Finance Officer, Director of People & Organisational Development and Director of Operations. Underpinning the process is the Trust's risk assessment process, and we seek to engage proactively stakeholders about the management of any risks that may impact on them.

Any information governance risks, including those related to data security, are subject to our risk assessment process, with escalation through to the Trust's risk register as appropriate. Data security is incorporated into annual data security awareness training that is mandatory for all staff and compliance levels are monitored by the Information Governance and Security Group and, where appropriate, reported to the Finance & Performance Committee and the Audit Committee.

During 2024/25, the Board continued its journey to address or improve some areas of its operations in line with the CQC and NHS England Well Led Framework. Specifically in year, a self-assessment against the CQC Well Led Quality Statements, mapped to the NHS England Well Led Framework was undertaken. The self-assessment included a position statement, supporting evidence, rating and developmental actions help support the Board understand how it will continue to develop its leadership and governance.

With regards to the Developing Workforce Safeguards, we are compliant and followed national guidance in relation to safe staffing governance. The Board of Directors receives information relating to its workforce via the integrated performance report, which includes information for all staff groups on temporary staffing usage, sickness absence and training and development. The Board also receives a regular safer care report, which evidences our approach to safe staffing for both nursing and medical colleagues. Through these reports the Chief Nurse and Medical Director provide the latest position in relation to key care staffing assurances, challenges regarding maintaining safe staffing levels and the actions being taken to mitigate risks identified and the measures being implemented to enable employees to safely remain in work by supporting their health and wellbeing.

In response to the continuing industrial action early in the year, the Trust's established an Emergency Preparedness/Industrial Action Planning Group continued to oversee the planning and response to any action being taken and to ensure the Trust continued providing safe patient care during this period.

During 2024/25 no material risks were identified to compliance with the NHS provider licence section 4 (governance). This was evident through the Well Led self-assessment, particularly in relation to the key line of enquiry regarding 'governance, management & sustainability', which recognised the generally sound systems of governance in place. This commences with the annual planning process, in line with national and GM system requirements. Corporate objectives and outcome measures ensure delivery of the annual operational plan, with regular monitoring of both qualitative and quantitative assurance measures by the Board of Directors and Board Committees. In addition, the operational divisional performance review process supports in assuring delivery of annual business plans from ward to board. The responsibilities of directors and committees and reporting lines and accountabilities between the Board clear. The outcome of the annual review of board committees confirmed effective operation during the year and compliance with the respective terms of reference and work plans.

The 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 interest, including gifts and hospitality, for decision making staff (as defined by the trust with reference to the guidance) within the past 12 months as required by the Managing Conflicts of Interest guidance.

As an employer with staff entitled to membership of the NHS Pension Scheme, we have control measures 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 in place to ensure that all of our 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 sever weather and has a developed 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

The Trust's financial plan for 2024/25, agreed as part of the GM Integrated Care System, was a deficit of £2.8m, with cost improvements (CIP) of £24.6m. As previously described, achievement of the Trust's financial plan and development of a multi-year financial recovery plan were recognised as significant risks throughout the year. Through robust financial management, the Trust delivered a financial plan of £2m deficit, before revaluations and impairments, which is due to a revenue improvement of £0.4m matched by additional capital allocation. In 2024/25 the Trust also received non-recurrent deficit funding of £41.3m.

The Trust has operated with a financial deficit for several years, with delivery of the deficit financial plan reliant on identification and delivery of a large savings programme as highlighted above. A Financial Improvement Group is in operation, alongside scrutiny of detailed financial performance metrics by the Finance & Performance Committee monthly, alongside monitoring delivery of strategic change.

Whilst the Trust has received external assurance in relation to its financial grip & control, as part of the GM financial turnaround programme and enhanced financial governance in 2024/25, the Trust recognises that the underlying financial deficit will require a system wide solution to assure the Trust's future financial stability. Directors are fully engaged in the development of plans within GM to achieve financial sustainability at both a Trust and ICS level.

The annual internal audit programme is built from a risk assessment considering national and local system risks, place based developments and local strategic risk assessment. The outcome of individual audits supports in providing assurance to the Audit Committee about the operational arrangements to secure economy, efficiency and effectiveness in the use of resources.

Information Governance
The Trust adopts proactive technical and organisational measures to ensure the confidentiality, integrity, and availability of data. The Trust has a secure IT infrastructure to ensure all staff have access to key information systems and data to support the delivery of patient care. Effective policies and procedures, including annual data security awareness training for all staff, are in place to prevent the loss of data and improve information and cyber security. The Trust proactively reports and investigates all information governance and IT security incidents on the Trust's incident management system.

The Trust has a Board-level Senior Information Risk Owner (SIRO) with lead responsibility for ensuring that information risk is properly identified, managed and that appropriate assurance mechanisms exist. This role is undertaken by the Deputy Chief Executive/Chief Finance Officer. The Trust's Medical Director is the Trust's Caldicott Guardian, with responsibility for ensuring patient confidentiality and that appropriate information sharing arrangements in place. The SIRO and Caldicott Guardian is supported by the Trust's Data Protection Officer to ensure compliance with the Data Protection Act and UK General Data Protection Regulations.

The Trust completes an annual NHS Data Security and Protection Toolkit (DSPT) self-assessment against the ten national data guardian standards, which is subject to an independent audit by the Trust's internal auditor, Mersey Internal Audit Agency (MIAA). The Trust achieved moderate assurance on the MIAA audit of its 2023/24 DSPT. The Trust's annual DSPT submission for 2023/24 was published as 'Standards Met', as all the mandatory requirements were met. The Trust is currently working on the new 2024/25 DSPT assessment due to be submitted 30 June 2025.

The DSPT assessment platform has now significantly changed to adopt the National Cyber Security Centre's Cyber Assessment Framework (CAF) as its basis for cyber security and information governance assurance. It is recognised that the move to the CAF-aligned DSPT is a significant change and will be a considerable challenge for many NHS organisations, as it represents an increase in the data security requirements. The main areas of uplift are in the requirements to protect organisations from cyber risk. There is understanding that it may take some time to meet all the requirements.

During 2024/25 the Trust reported 1 information governance related incident via the DSPT reporting tool to the Information Commissioner's Office (ICO) where personal data was disclosed in error but resulted in no further action by the ICO. Incidents are fully investigated, and appropriate action taken to prevent similar incidents in the future. Individuals affected are formally notified by letter of any breach of their confidentiality.

Data quality and governance
The Trust recognises that high quality and accurate information is important for delivering and improving services for patients and colleagues. Information provided to the Board and its assurance committees should be consistent, accurate, timely, valid, and complete. It is the responsibility of all staff to ensure timely and accurate capture of information to ensure high standards of data quality as defined in the Trust's Data Quality Policy.

The established Information Governance and Security Group, the Data Quality Assurance Group and the Digital & Informatics Group, have oversight of the review of external and internal data quality scorecards to ensure data that is critical to key processes, pathways,

and performance indicators is reliable and accurate. The Trust has a Data Quality Team which reviews errors and inconsistencies in data and a team of data validators who are responsible for the quality and integrity of our elective waiting lists, working closely with divisional staff to review and improve data accuracy. Digital validation of the waiting list and divisional performance review processes ensure elective access waiting times are managed and monitored.

The Trust has in place a number of systems for the collection of data regarding the operation of services, and these are automated where possible in order to reduce the possibility of human error with robotic automation process in place to transcribe data between systems to provide consistency and reduce errors.

The Business Intelligence Team provides the Executive Team each week with a full suite of performance data from across the Trust, allowing review and immediate action regarding any areas which are starting to be a concern. The monthly Integrated Performance Report incorporates key quality, operational, workforce and financial metrics, and includes a qualitative narrative highlighting variation. Statistical Process Control (SPC) charts are included, where possible, to show any special cause variation and performance against forecasts, with benchmarking information included to provide context. This enables focus on the key areas of strategic performance, together with exception reporting to identify the underlying cause of underperformance and the necessary steps required to bring performance back to the required standard.

The Trust continues to keep under review the data sources presented to the Board and its committees, to ensure that they remain appropriate and reflective of the corporate objectives.

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 Head of Internal Audit Opinion, the work of the internal auditors, clinical audit, and the executive managers and clinical leads within Stockport NHS Foundation Trust, who have responsibility for the development and maintenance of the internal control framework.

I have drawn on performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee, the other committees that form part of the organisation's assurance, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The current clinical and corporate governance framework in place supports the continual review of matters pertinent to the Trust achieving its aims objectives and ensures escalation of emergent issues to the relevant Board assurance committee, and the Board of Directors as appropriate.

In describing the process that has been applied in maintaining and reviewing the effectiveness of internal control I have considered:

- The Board Assurance Framework, which provides the Board with oversight of the system of internal controls that supports the management of the principal risks to the

organisation's corporate objectives.

- The establishment of the Board's committee structure, with a terms of reference, annual work plans, and reporting mechanisms in place that enable matters to be reported and/or escalated in a timely manner.
- The Head of Internal Audit Opinion, which provided substantial assurance that there is a good system of internal control designed to meet the organisation's objectives, and that controls are generally being applied consistently.
- The process for the follow-up of audit recommendations, which is monitored by the Audit Committee.
- The organisation and its services continue to be registered with the Care Quality Commission.
- The outcome of other external inspections, accreditations and reviews as detailed throughout the Annual Report.
- The engagement of the Trust as part of the key governance arrangements within GM and Stockport system, including Provider Collaborative, Locality Board and Place-Based Provider Partnerships, enabling Executive Directors and senior leaders to meet regularly with local health and social care economy leaders to discuss and respond to challenges requiring system-wide response.

Conclusion

The Board of Directors has continued to provide leadership to and monitor the effectiveness of the system of internal control in place at Stockport NHS Foundation Trust.

The systems and processes described in this Annual Governance Statement including the internal systems of governance and reporting and the independent reviews, audits and inspections, provide sufficient evidence to state that no significant internal control issues have been identified and that Stockport NHS Foundation Trust has generally sound systems of internal control that support the achievement of its policies, aims and objectives. The Trust has in place action plans to address recommendations that have been identified throughout the year following internal and independent review. These are appropriately monitored via the relevant Board Committee, with escalation to the Board as required.

This year, perhaps more so than before, the organisation recognises the challenges ahead, in the context of wholesale changes to how the NHS is run and the significant financial and operational challenges we face. We will continue to work with partners at place and within the Greater Manchester system to address these during 2025/26 and beyond.

Karen James OBE
Chief Executive

25th June 2025

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

Report on the audit of the financial statements

Opinion on the financial statements

We have audited the financial statements of Stockport NHS Foundation Trust ('the Trust') and its subsidiaries ('the Group') for the year ended 31 March 2025 which comprise the Trust and Group Statements of Comprehensive Income, the Trust and Group Statements of Financial Position, the Trust and Group Statements of Changes in Taxpayers' Equity , the Trust and Group 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, in particular in relation to 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, Head of 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;
- addressing the risk of fraud through revenue recognition by testing income recorded around the year end period;
- addressing the risk of fraud through expenditure recognition by testing expenditure recorded around the year end period;
- discussing amongst the engagement team the risks of fraud; and
- addressing the risks of fraud through management override of controls by performing journal entry testing.

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 in the Trust's arrangements for the year ended 31 March 2025.

In June 2022 we identified a significant weakness in relation to financial sustainability for the 2021/2022 year. In our view this significant weakness remains for the year ended 31 March 2025:

Significant weakness in arrangements – issued in a previous year	Recommendation
In 2021/2022 we reported a significant weakness in the Trust's arrangements to secure financial sustainability as a result of its cumulative deficit and a lack of clear plans to address this position without significant additional funding. These circumstances continue to exist and as such, the previously reported significant weakness in arrangements to secure financial sustainability remains in place.	The Trust should continue to work collaboratively with its Greater Manchester Integrated Care System partners and NHS England to explore and agree long term sustainable plans to bridge its funding gaps and savings.

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 Stockport 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.

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

One St Peters Square
Manchester
M2 3DE

25 June 2025

Stockport NHS Foundation Trust

Annual accounts for the year ended 31 March 2025

Foreword to the accounts

Stockport NHS Foundation Trust

These accounts, for the year ended 31 March 2025, have been prepared by Stockport NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006.

Signed ……

Name **Karen James OBE**
Job title **Chief Executive**
Date **25 June 2025**

Consolidated Statement of Comprehensive Income

		Group		Trust	
		2024/25	2023/24	2024/25	2023/24
	Note	£000	£000	£000	£000
Operating income from patient care activities	3	471,579	398,511	471,579	398,511
Other operating income	4	43,461	40,674	43,444	40,379
Operating expenses	6,8	(529,199)	(468,692)	(528,813)	(468,323)
Operating surplus/(deficit) from continuing operations		**(14,159)**	**(29,507)**	**(13,790)**	**(29,432)**
Finance income	10	1,990	1,952	1,896	1,866
Finance expenses	11	(833)	(879)	(833)	(879)
PDC dividends payable		(6,006)	(5,640)	(6,006)	(5,640)
Net finance costs		**(4,849)**	**(4,567)**	**(4,943)**	**(4,653)**
Other gains / (losses)	12	(33)	268	49	121
Corporation tax expense		(6)	(25)	-	-
Surplus / (deficit) for the year from continuing operations		**(19,047)**	**(33,831)**	**(18,684)**	**(33,964)**
Surplus / (deficit) for the year		**(19,047)**	**(33,831)**	**(18,684)**	**(33,964)**
Other comprehensive income					
Will not be reclassified to income and expenditure:					
Impairments	7	(11,026)	(2,022)	(11,026)	(2,022)
Revaluations	16	2,558	6,153	2,558	6,153
Total comprehensive income / (expense) for the period		**(27,515)**	**(29,700)**	**(27,152)**	**(29,833)**
Surplus/ (deficit) for the period attributable to:					
Stockport NHS Foundation Trust		(19,047)	(33,831)	(18,684)	(33,964)
TOTAL		**(19,047)**	**(33,831)**	**(18,684)**	**(33,964)**
Total comprehensive income/ (expense) for the period attributable to:					
Stockport NHS Foundation Trust		(27,515)	(29,700)	(27,152)	(29,833)
TOTAL		**(27,515)**	**(29,700)**	**(27,152)**	**(29,833)**

Statements of Financial Position

	Note	Group 31 March 2025 £000	Group 31 March 2024 £000	Trust 31 March 2025 £000	Trust 31 March 2024 £000
Non-current assets					
Intangible assets	13	6,256	8,402	6,256	8,402
Property, plant and equipment	14	227,020	241,063	227,020	241,063
Right of use assets	17	9,381	9,329	9,381	9,329
Other investments / financial assets	18	1,692	1,774	-	-
Receivables	21	668	628	668	628
Total non-current assets		**245,017**	**261,197**	**243,325**	**259,422**
Current assets					
Inventories	20	1,139	1,197	951	1,000
Receivables	21	14,424	13,056	15,183	13,439
Non-current assets held for sale	22.1	7,050	-	7,050	-
Cash and cash equivalents	23	38,038	17,141	36,725	15,525
Total current assets		**60,651**	**31,394**	**59,909**	**29,964**
Current liabilities					
Trade and other payables	24	(60,806)	(55,979)	(61,272)	(56,038)
Borrowings	26	(3,280)	(3,480)	(3,280)	(3,480)
Provisions	27.1	(1,442)	(925)	(1,442)	(925)
Other liabilities	25	(4,927)	(5,342)	(4,927)	(5,342)
Total current liabilities		**(70,455)**	**(65,726)**	**(70,921)**	**(65,785)**
Total assets less current liabilities		**235,214**	**226,864**	**232,313**	**223,601**
Non-current liabilities					
Borrowings	26	(20,263)	(21,660)	(20,263)	(21,660)
Provisions	27.1	(2,789)	(2,777)	(2,789)	(2,777)
Total non-current liabilities		**(23,052)**	**(24,437)**	**(23,052)**	**(24,437)**
Total assets employed		**212,162**	**202,428**	**209,261**	**199,164**
Financed by					
Public dividend capital		262,692	225,443	262,692	225,443
Revaluation reserve		59,614	68,266	59,614	68,265
Income and expenditure reserve		(112,362)	(93,887)	(113,045)	(94,544)
Charitable fund reserves	19	2,218	2,607	-	-
Total taxpayers' equity		**212,162**	**202,428**	**209,261**	**199,164**

The notes on pages 115 to 157 form part of these accounts.

Signature

Name **Karen James OBE**

Position **Chief Executive**

Date **25 June 2025**

Consolidated Statement of Changes in Taxpayers' Equity for the year ended 31 March 2025

Group	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Charitable fund reserves	Total
	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2024 - b/f	**225,443**	**68,266**	**(93,887)**	**2,607**	**202,428**
Surplus/(deficit) for the year	-	-	(19,894)	847	**(19,047)**
Impairments	-	(11,026)	-	-	**(11,026)**
Revaluations	-	2,558	-	-	**2,558**
Public dividend capital received	37,249	-	-	-	**37,249**
Other reserve movements	-	(183)	1,419	(1,236)	**-**
Taxpayers' and others' equity at 31 March 2025	**262,692**	**59,614**	**(112,362)**	**2,218**	**212,162**

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

Group	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Charitable fund reserves	Total
	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2023 - b/f	**190,794**	**66,011**	**(61,848)**	**2,557**	**197,513**
Application of IFRS 16 measurement principles to PFI liability on 1 April 2023	-	-	(34)	-	**(34)**
Surplus/(deficit) for the year	-	-	(34,599)	768	**(33,831)**
Transfer from revaluation reserve to income and expenditure reserve for impairments arising from consumption of economic benefits	-	(1,876)	1,876	-	**-**
Impairments	-	(2,022)	-	-	**(2,022)**
Revaluations	-	6,153	-	-	**6,153**
Public dividend capital received	34,649	-	-	-	**34,649**
Other reserve movements	-	-	718	(718)	**-**
Taxpayers' and others' equity at 31 March 2024	**225,443**	**68,266**	**(93,887)**	**2,607**	**202,428**

Information on reserves

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

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

Income and expenditure reserve - Group
The balance of this reserve is the accumulated surpluses and deficits of the Group comprising of the Trust, Charity and Stepping Hill Healthcare Enterprises Limited (trading as Pharmacy Shop).

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

Charitable funds reserve
This reserve comprises the ring-fenced funds held by the NHS charitable funds consolidated within these financial statements. These reserves are classified as restricted or unrestricted; a breakdown is provided in note 19.

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2025

Trust	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2024 - brought forward	**225,443**	**68,266**	**(94,545)**	**199,164**
Surplus/(deficit) for the year	-	-	(18,684)	**(18,684)**
Impairments	-	(11,026)	-	**(11,026)**
Revaluations	-	2,558	-	**2,558**
Public dividend capital received	37,249	-	-	**37,249**
Other reserve movements	-	(183)	183	**-**
Taxpayers' and others' equity at 31 March 2025	**262,692**	**59,614**	**(113,045)**	**209,261**

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

Trust	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2023 - brought forward	**190,794**	**66,011**	**(62,422)**	**194,383**
Application of IFRS 16 measurement principles to PFI liability on 1 April 2023	-	-	(34)	**(34)**
Surplus/(deficit) for the year	-	-	(33,964)	**(33,964)**
reserve for impairments arising from consumption of economic benefits	-	(1,876)	1,876	**-**
Impairments	-	(2,022)	-	**(2,022)**
Revaluations	-	6,153	-	**6,153**
Public dividend capital received	34,649	-	-	**34,649**
Taxpayers' and others' equity at 31 March 2024	**225,443**	**68,266**	**(94,545)**	**199,164**

Statements of Cash Flows

	Note	Group 2024/25 £000	Group 2023/24 £000	Trust 2024/25 £000	Trust 2023/24 £000
Cash flows from operating activities					
Operating (deficit)		(14,159)	(29,507)	(13,790)	(29,432)
Non-cash income and expense:					
Depreciation and amortisation	6.1	21,008	19,927	21,008	19,927
Net impairments	7	18,265	3,415	18,265	3,415
Income recognised in respect of capital donations	4	(1,000)	-	(1,000)	-
(Increase) / decrease in receivables and other assets		(984)	11,063	(1,356)	11,263
(Increase) / decrease in inventories		58	279	49	295
Increase / (decrease) in payables and other liabilities		9,550	(20,038)	9,933	(20,414)
Increase / (decrease) in provisions		468	(540)	467	(540)
Movements in charitable fund working capital		-	3	-	-
Tax (paid) / received		(27)	(27)	-	-
Other movements in operating cash flows		-	-	-	-
Net cash flows from / (used in) operating activities		**33,179**	**(15,426)**	**33,576**	**(15,487)**
Cash flows from investing activities					
Interest received		1,862	1,827	1,862	1,827
Purchase of intangible assets		(154)	(1,870)	(154)	(1,870)
Purchase of PPE and investment property		(40,459)	(40,522)	(40,459)	(40,522)
Sales of PPE and investment property		49	121	49	121
Net cash flows from charitable fund investing activities		94	86	-	-
Net cash flows from / (used in) investing activities		**(38,608)**	**(40,358)**	**(38,702)**	**(40,444)**
Cash flows from financing activities					
Public dividend capital received		37,249	34,649	37,249	34,649
Movement on loans from DHSC		(1,551)	(1,551)	(1,551)	(1,551)
Capital element of lease liability repayments		(1,892)	(2,087)	(1,892)	(2,087)
Capital element of PFI, LIFT and other service concession payments		(195)	(40)	(195)	(40)
Interest on loans		(462)	(519)	(462)	(519)
Interest paid on lease liability repayments		(326)	(320)	(326)	(320)
Interest paid on PFI, LIFT and other service concession obligations		-	(6)	-	(6)
PDC dividend (paid) / refunded		(6,497)	(5,838)	(6,497)	(5,838)
Net cash flows from / (used in) financing activities		**26,326**	**24,288**	**26,326**	**24,288**
Increase / (decrease) in cash and cash equivalents		**20,897**	**(31,496)**	**21,200**	**(31,643)**
Cash and cash equivalents at 1 April - brought forward		**17,141**	**48,636**	**15,525**	**47,168**
Cash and cash equivalents at 31 March	23	**38,038**	**17,141**	**36,725**	**15,525**

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

NHS England has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2024/25 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts.

Accounting convention

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

Note 1.2 Going concern

These accounts have been prepared on a going concern basis. The financial reporting framework applicable to NHS bodies, derived from the HM Treasury Financial Reporting Manual, defines that the anticipated continued provision of the entity's services in the public sector is normally sufficient evidence of going concern. The directors have a reasonable expectation that this will continue to be the case.

Note 1.3 Consolidation

NHS Charitable Funds

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

The charitable fund's statutory accounts are prepared to 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 Trust's accounting policies and
• eliminate intra-group transactions, balances, gains and losses.

In 2024/25 the Trust Charity is structured so that all income received is applied to designated funds sat under the Trust Umbrella General Fund. Existing restricted funds remain until utilised but no further income is applied to them.

Other Subsidiaries

Stepping Hill Healthcare Enterprises Limited

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

The amounts consolidated are drawn from the published financial statements of the subsidiaries for the year.

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.

Other Subsidiaries continued

Stepping Hill Healthcare Enterprises Limited is a limited company of which its principal activities are to dispense drugs to the outpatients of Stockport NHS Foundation Trust. The Company is wholly owned by Stockport NHS Foundation Trust.

The company's latest accounting period to the 31st March 2024 have been prepared and submitted to Companies House with the next reporting period accounts to the 31st March 25 due by the 31st December 2025. It has taken advantage of the small company exemption from audit under section 479A of the Companies Act 2006 which does not require an audit if included in the parent's consolidated accounts.

Note 1.4 Revenue from contracts with customers

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The GAM expands the definition of a contract to include legislation and regulations which enables an entity to receive cash or another financial asset that is not classified as a tax by the Office of National Statistics (ONS).

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

Revenue from NHS contracts

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

Aligned payment and incentive contracts form the main payment mechanism under the NHSPS. 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.

High costs drugs and devices excluded from the calculation of national prices are reimbursed by NHS England based on actual usage or at a fixed baseline in addition to the price of the related service.

In 2024/25 fixed payments were set at a level assuming the achievement of elective activity targets within aligned payment and incentive contracts. These payments are accompanied by a variable-element to adjust income for actual activity delivered on elective services and advice and guidance services within affordability by the Integrated Care System and as part of shared allocations.

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

Where the relationship with a particular integrated care board is expected to be a low volume of activity (annual value below £0.5m), an annual fixed payment is received by the provider as determined in the NHSPS documentation. Such income is classified as 'other clinical income' in these accounts.

Note 1.4 Revenue continued

Elective recovery funding provides additional funding to integrated care boards to fund the commissioning of elective services within their systems. In 2024/25 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. In 2024/25 elective recovery funding for providers was separately identified within the aligned payment and incentive contracts.

Revenue from research contracts

Where research contracts fall under IFRS 15, revenue is recognised as and when performance obligations are satisfied. For some contracts, it is assessed that the revenue project constitutes one performance obligation over the course of the multi-year contract. In these cases it is assessed that the Trust's interim performance does not create an asset with alternative use for the Trust, and the Trust has an enforceable right to payment for the performance completed to date. It is therefore considered that the performance obligation is satisfied over time, and the Trust recognises revenue each year over the course of the contract. Some research income alternatively falls within the provisions of IAS 20 for government grants.

NHS injury cost recovery scheme

The Trust receives income under the NHS injury cost recovery scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when performance obligations are satisfied. In practical terms this means that treatment has been given, it receives notification from the Department of Work and Pension's Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less an allowance for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

Note 1.5 Other forms of income

Grants and donations

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

Apprenticeship service income

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

Additional Employer Pension Contributions

The increase in employer pension contributions due in 2024/25 has been paid over centrally by NHS England for provider organisations. The Trust expenditure in staff costs is recorded as being with the NHS Pension Scheme, with a corresponding notional income amount from NHS England recorded.

Trading Activities

The Trust has assessed other sources of operating income for inclusion under IFRS 15. For example the Trust generates income under commercial contracts for its Pharmaceuticals Manufacturing Service, Aseptics Unit and Quality Control. Income under these contracts is recognised for the development, manufacture and ongoing supply of products. Income is generated through invoices under which payment terms are agreed at 30 days unless otherwise negotiated.

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

Note 1.6 Expenditure on employee benefits

Short-term employee benefits

Salaries, wages and employment-related payments such as social security costs and the apprenticeship levy are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Both schemes are unfunded, defined benefit schemes that cover NHS employers, general practices and other bodies, allowed under the direction of Secretary of State for Health and Social Care in England and Wales. The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as though it is a defined contribution scheme: the cost to the trust is taken as equal to the employer's pension contributions payable to the scheme for the accounting period. The contributions are charged to operating expenses as and when they become due.

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

Note 1.7 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

Note 1.8 Discontinued operations

Discontinued operations occur where activities either cease without transfer to another entity, or transfer to an entity outside of the boundary of the Whole of Government Accounts, such as private or voluntary sectors. Such activities are accounted for in accordance with IFRS 5. Activities that are transferred to other bodies within the boundary of the Whole of Government Accounts are ‘machinery of government changes’ and treated as continuing operations.

Note 1.9 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

• it is held for use in delivering services or for administrative purposes
• it is probable that future economic benefits will flow to, or service potential be provided to, the trust
• it is expected to be used for more than one financial year
• the cost of the item can be measured reliably
• the item has cost of at least £5,000, or
• collectively, a number of items have a cost of at least £5,000 and individually have cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control.
• forms part of the initial equipping and setting-up cost of a new building or refurbishment of a ward or unit irrespective of their individual or collective cost.

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

Note 1.9 Property, plant and equipment continued

Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

Measurement

Valuation

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

Assets are measured subsequently at valuation. Assets which are held for their service potential and are in use (ie operational assets used to deliver either front line services or back office functions) are measured at their current value in existing use. Assets that were most recently held for their service potential but are surplus with no plan to bring them back into use are measured at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

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

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

The Trust requested a valuation of its land and building at the 31st March 2025. Valuations are carried out by the District Valuer, who is external to the Trust, and in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual.

For specialised assets, current value in existing use is interpreted as the present value of the asset's remaining service potential, which is assumed to be at least equal to the cost of replacing that service potential. Specialised assets are therefore valued at their depreciated replacement cost (DRC) on a modern equivalent asset (MEA) basis. An MEA basis assumes that the asset will be replaced with a modern asset of equivalent capacity and meeting the location requirements of the services being provided.

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

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

Depreciation

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

Property, plant and equipment which has been reclassified as ‘held for sale’ cease to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the Trust, respectively.

Note 1.9 Property, plant and equipment continued

Revaluation gains and losses

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

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

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

Impairments

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

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

De-recognition

Assets intended for disposal are reclassified as 'held for sale' once the criteria in IFRS 5 are met. The sale must be highly probable and the asset available for immediate sale in its present condition.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's useful life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Donated and grant funded assets

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

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

Private Finance Initiative (PFI) and Local Improvement Finance Trust (LIFT) transactions

PFI and LIFT transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's *FReM*, are accounted for as 'on-Statement of Financial Position' by the Trust. Annual contract payments to the operator (the unitary charge) are apportioned between the repayment of the liability including the finance cost, the charges for services and lifecycle replacement of components of the asset.

Initial recognition

In accordance with HM Treasury's FReM, the underlying assets are recognised as property, plant and equipment, together with an equivalent liability. Initial measurement of the asset and liability are in accordance with the initial measurement principles of IFRS 16 (see leases accounting policy).

Subsequent measurement

Assets are subsequently accounted for as property, plant and equipment and/or intangible assets as appropriate.

The liability is subsequently reduced by the portion of the unitary charge allocated as payment for the asset and increased by the annual finance cost. The finance cost is calculated by applying the implicit interest rate to the opening liability and is charged to finance costs in the Statement of Comprehensive Income. The element of the unitary charge allocated as payment for the asset is split between payment of the finance cost and repayment of the net liability.

Where there are changes in future payments for the asset resulting from indexation of the unitary charge, the Trust remeasures the PFI liability by determining the revised payments for the remainder of the contract once the change in cash flows takes effect. The remeasurement adjustment is charged to finance costs in the Statement of Comprehensive Income.

The service charge is recognised in operating expenses in the Statement of Comprehensive Income.

Initial application of IFRS 16 liability measurement principles to PFI and LIFT liabilities in 2023/24

IFRS 16 liability measurement principles were applied to PFI, LIFT and other service concession arrangement liabilities in these financial statements from 1 April 2023. The change in measurement basis was applied using a modified retrospective approach with the cumulative impact of remeasuring the liability on 1 April 2023 recognised in the income and expenditure reserve.

Useful lives of property, plant and equipment

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

	Min life Years	Max life Years
Buildings, excluding dwellings	25	31
Dwellings	14	48
Plant & machinery	5	15
Transport equipment	5	7
Information technology	5	10
Furniture & fittings	5	10

Note 1.10 Intangible assets

Recognition

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

Internally generated intangible assets

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

Expenditure on research is not capitalised. Expenditure on development is capitalised where it meets the requirements set out in IAS 38.

Software

Software which is integral to the operation of hardware, e.g. - an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, e.g. - application software, is capitalised as an intangible asset where it meets recognition criteria.

Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are either measured at current value in existing use or assets are held at cost as a proxy for current value. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

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

Amortisation

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

Useful lives of intangible assets

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

	Min life Years	Max life Years
Software licences	2	10

Note 1.11 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the first in, first out (FIFO) method. For Pharmacy stocks inventory is measured at average cost.

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

Note 1.12 Cash and cash equivalents

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

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

Note 1.13 Financial assets and financial liabilities

Recognition

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

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

Classification and measurement

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

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

Financial assets are classified as subsequently measured at amortised cost, fair value through profit and loss or fair value through other comprehensive income.

Financial liabilities classified as subsequently measured at amortised cost or fair value through profit and loss.

Financial assets and financial liabilities at amortised cost

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

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

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

Financial assets measured at fair value through other comprehensive income

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

Financial assets and financial liabilities at fair value through profit and loss

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

The Group measures the pooled Charity Common Investment Fund with CCLA as a financial asset at fair value through profit and loss.

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).

The Trust has assessed its receivables on an individual basis for expected credit losses and impaired these where judged to be necessary. The Trust Injury Cost Recovery Scheme income is reduced by a nationally agreed expected credit loss percentage. The Trust does not normally recognise expected credit losses for other NHS bodies except for circumstances of genuine dispute.

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

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

Derecognition

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

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

Note 1.14 Leases

A lease is a contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration. An adaptation of the relevant accounting standard by HM Treasury for the public sector means that for NHS bodies, this includes lease-like arrangements with other public sector entities that do not take the legal form of a contract. It also includes peppercorn leases where consideration paid is nil or nominal (significantly below market value) but in all other respects meet the definition of a lease. The Trust does not apply lease accounting to new contracts for the use of intangible assets.

The Trust determines the term of the lease term with reference to the non-cancellable period and any options to extend or terminate the lease which the Trust is reasonably certain to exercise.

The Trust as a lessee

Recognition and initial measurement

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

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

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

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

The Trust does not apply the above recognition requirements to leases with a term of 12 months or less or to leases where the value of the underlying asset is below £5,000, excluding any irrecoverable VAT. Lease payments associated with these leases are expensed on a straight-line basis over the lease term or other systematic basis . Irrecoverable VAT on lease payments is expensed as it falls due.

Note 1.14 Leases continued

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 has adopted the cost model for subsequent remeasurement of current Right of Use Asset assets in 2024/25.

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

The Trust as a lessor

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

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

Finance leases

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

Operating leases

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

Note 1.15 Provisions

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

		Nominal rate	Prior year rate
Short-term	Up to 5 years	4.03%	4.26%
Medium-term	After 5 years up to 10 years	4.07%	4.03%
Long-term	After 10 years up to 40 years	4.81%	4.72%
Very long-term	Exceeding 40 years	4.55%	4.40%

HM Treasury provides discount rates for general provisions on a nominal rate basis. Expected future cash flows are therefore adjusted for the impact of inflation before discounting using nominal rates. The following inflation rates are set by HM Treasury, effective from 31 March 2025:

	Inflation rate	Prior year rate
Year 1	2.60%	3.60%
Year 2	2.30%	1.80%
Into perpetuity	2.00%	2.00%

Early retirement provisions and injury benefit provisions both use the HM Treasury's post-employment benefits discount rate of 2.40% in real terms (prior year: 2.45%).

Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the Trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the trust is disclosed at Note 27.3 but is not recognised in the Trust's accounts.

Non-clinical risk pooling

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

Note 1.16 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in Note 28 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in Note 28, 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.

Note 1.17 Public dividend capital

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

The Secretary of State can issue new PDC to, and require repayments of PDC from, the Trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the Trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, with certain additions and deductions as defined by the Department of Health and Social Care.

This policy is available at https://www.gov.uk/government/publications/guidance-on-financing-available-to-nhs-trusts-and-foundation-trusts.

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

Note 1.18 Value added tax

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

Note 1.19 Corporation tax

Health Service bodies, including Foundation Trusts, are exempt from taxation on their principal healthcare income under section 519A ICTA 1988.

The Trust may incur corporation tax through its wholly owned subsidiary 'Stepping Hill Healthcare Enterprises Limited'.

Note 1.20 Climate change levy

Expenditure on the climate change levy is recognised in the Statement of Comprehensive Income as incurred, based on the prevailing chargeable rates for energy consumption.

Note 1.21 Foreign exchange

The functional and presentational currency of the Trust is sterling.

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

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

• monetary items are translated at the spot exchange rate on 31 March
• non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction and
• non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

Exchange gains or losses on monetary items (arising on settlement of the transaction or on re-translation at the Statement of Financial Position date) are recognised in income or expense in the period in which they arise.

Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

Note 1.22 Third party assets

Assets belonging to third parties in which the Trust has no beneficial interest (such as money held on behalf of patients) are not recognised in the accounts. However, they are disclosed in a separate note to the accounts in accordance with the requirements of HM Treasury's *FReM*.

Note 1.23 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis.

The losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

Note 1.24 Gifts

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

Note 1.25 Transfers of functions [to / from] [other NHS bodies / local government bodies]

For functions that have been transferred to the Trust from another NHS / local government body, the transaction is accounted for as a transfer by absorption. The assets and liabilities transferred are recognised in the accounts using the book value as at the date of transfer. The assets and liabilities are not adjusted to fair value prior to recognition. The net gain / loss corresponding to the net assets/ liabilities transferred is recognised within income / expenses, but not within operating activities.

For property, plant and equipment assets and intangible assets, the cost and accumulated depreciation / amortisation balances from the transferring entity's accounts are preserved on recognition in the Trust's accounts. Where the transferring body recognised revaluation reserve balances attributable to the assets, the Trust makes a transfer from its income and expenditure reserve to its revaluation reserve to maintain transparency within public sector accounts.

For functions that the Trust has transferred to another NHS / local government body, the assets and liabilities transferred are de-recognised from the accounts as at the date of transfer. The net loss / gain corresponding to the net assets/ liabilities transferred is recognised within expenses / income, but not within operating activities. Any revaluation reserve balances attributable to assets de-recognised are transferred to the income and expenditure reserve. Adjustments to align the acquired function to the Trust's accounting policies are applied after initial recognition and are adjusted directly in taxpayers' equity.

Note 1.26 Early adoption of standards, amendments and interpretations

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

Note 1.27 Standards, amendments and interpretations in issue but not yet effective or adopted

As required by IAS 8 the Trust can disclose that the following standards have been issued or amended but have but have not yet been adopted by the HM Treasury FReM and are therefore not applicable to DH group accounts in 2024/25

IFRS 17 Insurance Contracts – The Standard is effective for accounting periods beginning on or after 1 January 2023. IFRS 17 has been adopted by the FReM from 1 April 2025. Adoption of the Standard for NHS bodies will therefore be in 2025/26. The Standard revises the accounting for insurance contracts for the issuers of insurance. Application of this standard from 2025/26 is not expected to have a material impact on the financial statements.

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. The expected impact of applying the standard in future periods has not yet been assessed.

IFRS 19 Subsidiaries without Public Accountability: Disclosures - The Standard is effective for accounting periods beginning on or after 1 January 2027. The Standard is not yet UK endorsed and not yet adopted by the FReM. Early adoption is not permitted. The expected impact of applying the standard in future periods has not yet been assessed.

Note 1.28 Prospective changes to non-investment asset valuations

Following a thematic review of non-current asset valuations for financial reporting in the public sector, HM Treasury has made a number of changes to valuation frequency, valuation methodology and classification which are effective in the public sector from 1 April 2025 with a 5 year transition period. NHS bodies are adopting these changes to an alternative timeline.

Changes to subsequent measurement of intangible assets and PPE classification / terminology to be implemented for NHS bodies from 1 April 2025:
- Withdrawal of the revaluation model for intangible assets. Carrying values of existing intangible assets measured under a previous revaluation will be taken forward as deemed historic cost.
- Removal of the distinction between specialised and non-specialised assets held for their service potential. Assets will be classified according to whether they are held for their operational capacity.

These changes are not expected to have a material impact on these financial statements.

Changes to valuation cycles and methodology to be implemented for NHS bodies in later periods:
- A mandated quinquennial revaluation frequency (or rolling programme) supplemented by annual indexation in the intervening years.
- Removal of the alternative site assumption for buildings valued at depreciated replacement cost on a modern equivalent asset basis. The approach for land has not yet been finalised by HM Treasury.

The impact of applying these changes in future periods has not yet been assessed. PPE and right of use assets currently subject to revaluation have a total book value of £175.9 m as at 31 March 2025.

Note 1.29 Critical judgements in applying accounting policies

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

In 2024/25 Stockport NHS Foundation Trust and Tameside & Glossop Integrated Care NHS Foundation Trust (T&GICFT) entered into a contract with In Health Limited to provide the Southeast Community Diagnostics Centre. The contract provided a fully managed service by In Health Ltd. T&GICFT were named as the host authority in the contract with SFT a named partner. Similarly GM ICB have a contract to pay SFT and TGICFT a fixed price service delivery income for diagnostic scanning services. Payment is made to T&GICFT as host authority but, under gross accounting rules, both SFT and T&GICFT record their share of income from GMICB and costs from In Health Ltd related to their share of the CDC contract.

The Trust uses the District Valuer service to provide revalued amounts for its Trust, building and dwellings. These valuations are in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual. In 2024/25 the Trust has undertaken a review of its MEA valuation and commissioned a valuation of its land and buildings.

Note 1.29 Critical judgements in applying accounting policies continued

In 2024-25 the Trust's Emergency and Urgent Care (EUCC) capital scheme was included within the valuation by the District Valuer as the building was complete with final minor internal phasing works to complete by May 2025. The EUCC scheme is a full refurbishment of the existing block with a new extension. The Trust has applied the valuation of the District Valuer to its MEA re-valuation to calculate the impairment of the newly constructed asset upon go-live.

In 2024/25 the contract for The Meadows PFI facility expired and the Trust and Pennine Care NHS Foundation Trust jointly agreed to buy the facility from Walker Healthcare for £6.05 million with a PDC re-allocation of funds from PCFT to SFT. As the named partner on the original contract (but the minority occupier of the facility) the SFT Board agreed to the onwards transfer of the building for £6.05 million and land at nil consideration. This transaction will conclude in 2025/26 and a formal lease put in place for SFT's continued occupancy. The land at The Meadows has been brought back onto the Statement of Financial Position at SFT at the 31st March 2025 and held as an asset held for sale. As the building was purchased with funds from PCFT the building is also recognised as an asset held for sale at 31st March 2025.

The Trust has estimated the fair value or the current value in existing use of the right of use assets as being that represented by the rent reviews provided for in the lease agreements. This is on the basis that these rent reviews reflect changes in the market prices and conditions and there are no significant periods between the rent reviews provided in the lease arrangements. The carrying value of Right of Use Assets at the 31st March 2025 is £9.4 million.

Where there is no evidence of a contract for a property lease required for the provision of long term health care, the Trust has assumed the lease terms to be 10 years based on known commissioning intentions, unless there are specific circumstances which would require a different contract term to be more appropriate.

Note 1.30 Sources of estimation uncertainty

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

As at 31st March 2025, the Valuation Office Agency provided a valuation of the Trust's land and building assets (estimated financial value and estimated remaining useful life) applying a modern equivalent asset method of valuation (i.e. a valuation based on a modern equivalent asset built to accommodate existing services). Furthermore, the valuation is based on a theoretical design configuration of the Trust's clinical and non-clinical services on the Stepping Hill site where an assumption has been made that the asset’s service delivery potential can be reproduced by an MEA with a stated lower GIA. These gross internal areas (GIAs) of this design have been adopted by the valuer. This valuation, based on estimates provided by a qualified professional, led to an decrease in the reported value of the Trust's land and building asset values of to £167.9 million which has resulted in a £8.5m decrease in the Revaluation Reserve. Future revaluations of the Foundation Trust's asset base may result in further material changes to the carrying value of non-current assets. An additional increase of 1% in the land and building net book value of would result in a revised net book value of £169.7m and an increase of 5% would result in a revised net book value of £176.3m.

Note 2 Operating Segments

In line with IFRS 8 on Operating Segments, the Trust and the Group are required to disclose financial information across significant Operating Segments, which reflect the way the management runs the organisation. The Board of Directors, as Chief Operating Decision Maker (CODM), have assessed that the Trust reports its Annual Accounts on the basis that it operates as a single entity in the healthcare segment only. The accompanying financial statements have consequently been prepared under one single operating segment.

All of the Foundation Trust's activities are in the provision of healthcare, which is an aggregate of all the individual specialty components included therein, and the very large majority of the healthcare services provided occur at the one geographical main site. Similarly, the large majority of the Foundation Trust's revenue originates with the UK Government; namely through contracts with NHS Commissioners. The majority of expenses incurred are payroll expenditure on staff involved in the production or support of healthcare activities generally across the Trust together with the related supplies and overheads needed to establish this production. The business activities which earn revenue and incur expenses are therefore of one broad combined nature and therefore on this basis one segment of 'Healthcare' is deemed appropriate. In applying the aggregation criteria the CODM also recognises that the Trust's divisions operate under one common regulatory framework.

In consolidating the charitable funds the Trust has considered the level of its charitable funds and has considered them immaterial to report as a separate operating segment as the charitable funds revenue are not 10% or more of the combined assets of all operating segments.

In consolidating the financial results of the Stepping Hill Healthcare Enterprises Limited Company, the Trust considers that the provision of an outpatient dispensing service to patients still falls under the healthcare operating segment. In addition its revenue streams are also not 10% or more than all the combined assets of all operating segments.

Note 3 Operating income from patient care activities (Group and Trust)

All income from patient care activities relates to contract income recognised in line with accounting policy 1.4

Note 3.1 Income from patient care activities (by nature)	2024/25 £000	2023/24 £000
Acute services		
Income from commissioners under API contracts - variable element*	80,268	80,662
Income from commissioners under API contracts - fixed element*	311,768	246,943
High cost drugs income from commissioners	14,178	14,144
Other NHS clinical income	231	3,016
Community services		
Income from commissioners under API contracts*	38,094	35,049
Income from other sources (e.g. local authorities)	6,105	6,016
All services		
Private patient income	-	-
National pay award central funding***	1,055	182
Additional pension contribution central funding**	19,198	11,921
Other clinical income	682	578
Total income from activities	**471,579**	**398,511**

*Aligned payment and incentive contracts are the main form of contracting between NHS providers and their commissioners. More information can be found in the 2024/25 NHS Payment Scheme documentation.
https://www.england.nhs.uk/pay-syst/nhs-payment-scheme/

**Increases to the employer contribution rate for NHS pensions since 1 April 2019 have been funded by NHS England. NHS providers continue to pay at the former rate of 14.3% with the additional amount being paid over by NHS England on providers' behalf. The full cost of employer contributions (23.7%, 2023/24: 20.6%) and related NHS England funding (9.4%, 2023/24: 6.3%) have been recognised in these accounts.

***Additional funding was made available directly to providers by NHS England in 2024/25 and 2023/24 for implementing the backdated element of pay awards where government offers were finalised after the end of the financial year. NHS Payment Scheme prices and API contracts are updated for the weighted uplift in in-year pay costs when awards are finalised.

Note 3.2 Income from patient care activities (by source)	2024/25 £000	2023/24 £000
Income from patient care activities received from:		
NHS England	35,833	27,027
Integrated care boards	428,628	363,640
Department of Health and Social Care	-	15
Other NHS providers	231	1,149
NHS other	100	86
Local authorities	6,105	6,016
Non-NHS: overseas patients (chargeable to patient)	-	17
Injury cost recovery scheme	682	519
Non NHS: other	-	42
Total income from activities	**471,579**	**398,511**
Of which:		
Related to continuing operations	471,579	398,511

Note 3.3 Overseas visitors (relating to patients charged directly by the provider)

	2024/25	2023/24
	£000	£000
Income recognised this year	-	17
Cash payments received in-year	-	5
Amounts added to provision for impairment of receivables	-	-
Amounts written off in-year	-	5

Note 4 Other operating income (Group)

	2024/25			2023/24		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total
	£000	£000	£000	£000	£000	£000
Research and development	1,021	-	**1,021**	1,074	-	**1,074**
Education and training	13,183	1,084	**14,267**	12,011	861	**12,872**
Non-patient care services to other bodies	13,628	-	**13,628**	14,017	-	**14,017**
Receipt of capital grants and donations and peppercorn leases	-	1,000	**1,000**	-	-	**-**
Charitable & other contributions to expenditure		-	**-**		56	**56**
Charitable fund incoming resources		835	**835**		535	**535**
Stockport Pharmaceuticals and Quality Control	6,678		**6,678**	5,940		**5,940**
Stockport Healthcare Enterprises Limited	3,791		**3,791**	4,152		**4,152**
Rents and car parking income	1,224		**1,224**	1,372		**1,372**
Catering sales	657		**657**	609		**609**
Other income	360	-	**360**	47	-	**47**
Total other operating income	**40,542**	**2,918**	**43,461**	**39,222**	**1,452**	**40,674**
Of which:						
Related to continuing operations			43,461			40,674

Note 4.1 Other operating income (Trust)

	2024/25			2023/24		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total
	£000	£000	£000	£000	£000	£000
Research and development	1,021	-	**1,021**	1,074	-	**1,074**
Education and training	13,183	1,084	**14,267**	12,011	861	**12,872**
Non-patient care services to other bodies	13,628	-	**13,628**	14,017	-	**14,017**
Receipt of capital grants and donations and peppercorn leases		1,000	**1,000**	-	-	**-**
Charitable & other contributions to expenditure		1,236	**1,236**	-	774	**774**
Stockport Pharmaceuticals and Quality Control	6,678		**6,678**	5,940	-	**5,940**
Pharmacy Sales	3,733		**3,733**	3,674	-	**3,674**
Rents and car parking income	1,224	-	**1,224**	1,372	-	**1,372**
Catering sales	657		**657**	609	-	**609**
Other income			**-**	47	-	**47**
Total other operating income	**40,124**	**3,320**	**43,444**	**38,744**	**1,635**	**40,379**
Of which:						
Related to continuing operations			43,444			40,379

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Note 5.1 Additional information on contract revenue (IFRS 15) recognised in the period

	Group	
	2024/25	2023/24
	£000	£000
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	3,570	2,062

Note 5.2 Transaction price allocated to remaining performance obligations

	31 March 2025	31 March 2024
Revenue from existing contracts allocated to remaining performance obligations is expected to be recognised:	£000	£000
within one year	4,927	5,342
Total revenue allocated to remaining performance obligations	**4,927**	**5,342**

The Trust has exercised the practical expedients permitted by IFRS 15 paragraph 121 in preparing this disclosure. Revenue from (i) contracts with an expected duration of one year or less and (ii) contracts where the Trust recognises revenue directly corresponding to work done to date is not disclosed.

Note 5.3 Income from activities arising from commissioner requested services

The Trust is required to analyse the level of income from activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider licence and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

	2024/25	2023/24
	£000	£000
Income from services designated as commissioner requested services	470,897	397,933
Income from services not designated as commissioner requested services	682	578
Total	**471,579**	**398,511**

Note 5.4 Profits and losses on disposal of property, plant and equipment

In 2024/2025 the Trust has disposed of property, plant, equipment and transport with a gain on the disposal of equipment of £49k. The gain recognised is the cash proceeds from the sale of these disposed assets following auction. Disposals included the trade in value of diathermy trolleys at £11.4k, operating tables at £9k, ultrasound system at £3k and videoscopes at £3.5k. All assets disposed were at nil net book value on the Trust's asset register.

Note 5.5 Fees and charges (Group)

The following disclosure is of income from charges to service users where the full cost of providing that service exceeds £1 million and is presented as the aggregate of such income. The cost associated with the service that generated the income is also disclosed. The following table discloses the income and expenditure related to the Trust's Stockport Pharmaceuticals and Quality Control trading activities.

	2024/25	2023/24
	£000	£000
Income	7,205	6,124
Full cost	(6,587)	(6,424)
Surplus / (deficit)	**618**	**(300)**

Note 6.1 Operating expenses (Group)

	2024/25	2023/24
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	3,772	4,366
Purchase of healthcare from non-NHS and non-DHSC bodies	10,431	6,763
Staff and executive directors costs	368,263	335,890
Remuneration of non-executive directors	139	161
Supplies and services - clinical (excluding drugs costs)	27,562	25,120
Supplies and services - general	3,473	4,536
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	24,364	23,032
Consultancy costs	441	601
Establishment	1,883	1,765
Premises	22,749	16,649
Transport (including patient travel)	1,432	1,492
Depreciation on property, plant and equipment	19,006	18,081
Amortisation on intangible assets	2,002	1,846
Net impairments	18,265	3,415
Movement in credit loss allowance: contract receivables / contract assets	8	83
Increase/(decrease) in other provisions	662	702
Change in provisions discount rate(s)	10	(171)
Fees payable to the external auditor		
audit services- statutory audit	142	89
Internal audit costs	106	104
Clinical negligence	13,984	12,414
Legal fees	1,031	719
Insurance	531	496
Research and development	1,076	1,047
Education and training	5,175	4,865
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (e.g. PFI / LIFT)*	-	1,699
Car parking & security	340	396
Hospitality	-	3
Losses, ex gratia & special payments	21	53
Other services, e.g. external payroll	568	682
Other	1,763	1,794
Total	**529,199**	**468,692**
Of which:		
Related to continuing operations	529,199	468,692

* In 2024/25 the Trust's IFRIC 12 scheme for MR Scanning services ended. The costs for £1.658 million are shown against Purchase of Healthcare from non NHS and non DHSC bodies.

Note 6.2 Operating expenses (Trust)

	2024/25	2023/24
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	3,772	4,366
Purchase of healthcare from non-NHS and non-DHSC bodies	10,431	6,763
Staff and executive directors costs	368,012	335,613
Remuneration of non-executive directors	139	161
Supplies and services - clinical (excluding drugs costs)	27,562	25,120
Supplies and services - general	3,473	4,536
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	24,314	23,032
Consultancy costs	441	601
Establishment	1,883	1,758
Premises	22,744	16,645
Transport (including patient travel)	1,432	1,492
Depreciation on property, plant and equipment	19,006	18,081
Amortisation on intangible assets	2,002	1,846
Net impairments	18,265	3,415
Movement in credit loss allowance: contract receivables / contract assets	8	83
Increase/(decrease) in other provisions	662	702
Change in provisions discount rate(s)	10	(171)
Fees payable to the external auditor		
audit services- statutory audit	142	89
Internal audit costs	106	104
Clinical negligence	13,984	12,414
Legal fees	1,031	719
Insurance	531	496
Research and development	1,076	1,047
Education and training	5,175	4,865
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (e.g. PFI / LIFT)	-	1,699
Car parking & security	340	396
Hospitality	-	3
Losses, ex gratia & special payments	21	53
Other services, e.g. external payroll	568	682
Other	1,683	1,713
Total	**528,813**	**468,323**
Of which:		
Related to continuing operations	528,813	468,323

* In 2024/25 the Trust's IFRIC 12 scheme for MR Scanning services ended. The costs for £1.658 million are shown against Purchase of Healthcare from non NHS and non DHSC bodies.

Note 6.3 Auditor remuneration (Group)	2024/25	2023/24
	£000	£000
Other auditor remuneration paid to the external auditor (inclusive of VAT):		
1. Statutory Audit	139	85
2. Independent Examination - Charity	3	4
Total	**142**	**89**

Note 6.4 Limitation on auditor's liability (Group and Trust)

There is no limitation on auditor's liability for external audit work carried out for the financial years 2024/25 or 2023/24.

Note 7 Impairment of assets (Group and Trust)	2024/25	2023/24
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Loss or damage from normal operations	-	1,876
Over specification of assets	371	-
Abandonment of assets in course of construction	268	122
Changes in market price	7,776	1,416
Other	9,850	-
Total net impairments charged to operating surplus / deficit	**18,265**	**3,415**
Impairments charged to the revaluation reserve	11,026	2,022
Total net impairments	**29,291**	**5,437**

In 2024/2025 the Trust undertook a revaluation exercise of its land, buildings and dwellings on a modern equivalent basis which resulted in a net impairment charge of £17.626 million to the Statement of Comprehensive Income (SoCi). Impairments reflect the fall in value of property as reflected in the District Valuer report as at the 31st March 2025 or a reversal of impairment where a previous fall in value had been recorded. Where revaluation reserve balances exist impairment charges of £11 million have been charged in 2024/25.

In 2024/25 the Trust capitalised its EUCC build comprising of a refurbishment of its existing Emergency Department and a new build extension. The District Valuer has valued the new Emergency and Urgent Care Campus (with the theatres included in that block) at a value of £25 million. The impairment of the new extension is calculated at £9.9 million and the refurbished block at £13.7 million of which £6.7 million is impaired to the income and expenditure account and £6.9 million to the revaluation reserve.

The Trust has impaired design fees for the Aseptic project of £201k after it was decided not to proceed and staffing fees for the LIMS project of £297k as over-specified costs due to the extended timeline of the project. The prior year costs of the Outpatients department demolition have been written off at a cost of £68k with no plans to create an asset on the site in the short term. Two radiology assets donated to the Trust as Covid assets have been impaired for £73k as these assets are no longer in use.

Note 8 Employee benefits (Group)	2024/25 Total	2023/24 Total
	£000	£000
Salaries and wages	253,326	225,117
Social security costs	24,741	23,633
Apprenticeship levy	1,286	1,201
Employer's contributions to NHS pensions	48,303	38,753
Pension cost - other (NEST/CREATIVE)	67	87
Temporary staff (including agency)	44,371	51,757
Total staff costs	**372,094**	**340,548**
Of which		
Costs capitalised as part of assets	222	1,339
Operating expenditure analysed as:		
Employee expenses - staff & executive directors	368,263	335,890
Research & development	1,047	994
Education and Training	2,562	2,325
	371,872	**339,209**

Note 8.1 Employee benefits (Trust)

	2024/25 Total £000	2023/24 Total £000
Salaries and wages	253,119	224,796
Social security costs	24,705	23,602
Apprenticeship levy	1,286	1,201
Employer's contributions to NHS pensions	48,303	38,834
Pension cost - other (NEST)	59	81
Temporary staff (including agency)	44,371	51,757
Total staff costs	**371,843**	**340,271**
Of which		
Costs capitalised as part of assets	222	1,339
Operating expenditure analysed as:		
Employee expenses - staff & executive directors	368,012	335,613
Research & development	1,047	994
Education and Training	2,562	2,325
	371,621	**338,932**

Note 8.2 Retirements due to ill-health (Group)

During 2024/25 there were 4 early retirements from the Trust agreed on the grounds of ill-health (3 in the year ended 31 March 2024). The estimated additional pension liabilities of these ill-health retirements is £63k (£205k in 2023/24).

These estimated costs are calculated on an average basis and will be borne by the NHS Pension Scheme.

Note 9 Pension costs

Past and present employees are covered by the provisions of the NHS Pension Schemes. Details of the benefits payable and rules of the schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”. An outline of these follows:

In 2024/25 Trust employer pension contributions were £48.3m and £59k for NEST. In 2025/26 estimated employer contributions to the NHS Pension scheme are £54.8m and for NEST £78k.

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary’s Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2025, is based on valuation data as at 31 March 2023, updated to 31 March 2025 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the Statement by the Actuary, which forms part of the annual NHS Pension Scheme Annual Report and Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

Note 9 Pension costs continued

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (considering recent demographic experience), and to recommend the contribution rates payable by employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from 1 April 2024 to 23.7% of pensionable pay. The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.

The 2024 actuarial valuation is currently being prepared and will be published before new contribution rates are implemented from April 2027.

The Trust offers employees both at the Trust and its subsidiary, Stepping Hill Enterprises Limited, an additional defined contribution workplace pension scheme offered by the National Employment Savings Scheme (NEST) and Creative Solutions.

Note 10 Finance income (Group)

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

	2024/25	2023/24
	£000	£000
Interest on bank accounts	1,896	1,866
NHS charitable fund investment income	94	86
Total finance income	**1,990**	**1,952**

Note 10.1 Finance income (Trust)

	2024/25	2023/24
	£000	£000
Interest on bank accounts	1,896	1,866
	1,896	**1,866**

Note 11.1 Finance expenditure (Group)

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

	2024/25	2023/24
	£000	£000
Interest expense:		
Interest on loans from the Department of Health and Social Care	446	506
Interest on lease obligations	326	320
Finance costs on PFI, LIFT and other service concession arrangements:		
Main finance costs	-	7
Total interest expense	**772**	**833**
Unwinding of discount on provisions	62	46
Total finance costs	**833**	**879**

Note 11.2 The late payment of commercial debts (interest) Act 1998

The Trust has no late payment of commercial debt interest to report in 2024/25 or 2023/2024

Note 12 Other gains / (losses) (Group and Trust)

	2024/25	2023/24
	£000	£000
Gains on disposal of assets	49	121
Total gains / (losses) on disposal of assets - Trust	**49**	**121**
Fair value gains / (losses) on charitable fund investments & investment properties	(82)	147
Total other gains / (losses) - Group	**(33)**	**268**

Note 13.1 Intangible assets - 2024/25

Group and Trust	Software licences	Intangible assets under construction	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2024 - brought forward	**17,161**	**2,598**	**19,759**
Additions	100	54	**154**
Impairments	-	(298)	**(298)**
Disposals / derecognition	(5,834)	-	**(5,834)**
Valuation / gross cost at 31 March 2025	**11,427**	**2,354**	**13,781**
Amortisation at 1 April 2024 - brought forward	**11,357**	**-**	**11,357**
Provided during the year	2,002	-	**2,002**
Disposals / derecognition	(5,834)	-	**(5,834)**
Amortisation at 31 March 2025	**7,525**	**-**	**7,525**
Net book value at 31 March 2025	**3,902**	**2,354**	**6,256**
Net book value at 1 April 2024	**5,804**	**2,598**	**8,402**

In 2024/25 the Trust has performed a review advised by the Information Technology and Digital teams of fully depreciated intangible assets and disposed of £5.8 million gross value assets from the asset register.

Note 13.2 Intangible assets - 2023/24

Group and Trust	Software licences	Intangible assets under construction	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2023 - as previously stated	**15,528**	**2,361**	**17,889**
Additions	1,633	237	**1,870**
Valuation / gross cost at 31 March 2024	**17,161**	**2,598**	**19,759**
Amortisation at 1 April 2023 - as previously stated	**9,511**	**-**	**9,511**
Provided during the year	1,846	-	**1,846**
Amortisation at 31 March 2024	**11,357**	**-**	**11,357**
Net book value at 31 March 2024	**5,804**	**2,598**	**8,402**
Net book value at 1 April 2023	**6,017**	**2,361**	**8,378**

Note 14.1 Property, plant and equipment - 2024/25

Group and Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2024 - brought forward	**8,245**	**144,804**	**2,135**	**38,667**	**53,524**	**344**	**37,855**	**892**	**286,466**
Valuation/gross cost at start of period as FT	-	-	-	-	-	-	-	-	-
Transfers by absorption	-	-	-	-	-	-	-	-	-
Additions	1,000	14,122	-	12,037	1,611	-	1,494	128	**30,392**
Impairments	-	(28,831)	-	(268)	(73)	-	-	-	**(29,172)**
Reversals of impairments	-	179	-	-	-	-	-	-	**179**
Revaluations	-	(2,907)	171	-	-	-	-	-	**(2,736)**
Reclassifications	-	30,038	(26)	(30,012)	-	-	-	-	-
Transfers to / from assets held for sale	(1,000)	-	-	-	-	-	-	-	**(1,000)**
Disposals / derecognition	-	-	-	-	(1,157)	-	(7,013)	-	**(8,170)**
Valuation/gross cost at 31 March 2025	**8,245**	**157,404**	**2,280**	**20,424**	**53,905**	**344**	**32,336**	**1,020**	**275,958**
Accumulated depreciation at 1 April 2024 - brought forward	**-**	**-**	**-**	**-**	**24,235**	**192**	**20,312**	**664**	**45,403**
Provided during the year	-	5,228	66	-	5,909	46	5,669	82	**17,000**
Revaluations	-	(5,228)	(66)	-	-	-	-	-	**(5,294)**
Disposals / derecognition	-	-	-	-	(1,157)	-	(7,013)	-	**(8,170)**
Accumulated depreciation at 31 March 2025	**-**	**-**	**-**	**-**	**28,986**	**238**	**18,968**	**746**	**48,938**
Net book value at 31 March 2025	**8,245**	**157,404**	**2,280**	**20,424**	**24,919**	**106**	**13,368**	**274**	**227,020**
Net book value at 1 April 2024	**8,245**	**144,804**	**2,135**	**38,667**	**29,290**	**152**	**17,543**	**228**	**241,063**

In 2024/25 the Trust has performed a review, informed by the Information Technology and Digital teams, of fully depreciated information technology assets and disposed of £7.million gross value assets from the asset register. A smaller number of equipment assets of £242k were also disposed.

Note 14.2 Property, plant and equipment - 2023/24

Group and Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery - Restated	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2023 - as previously stated	**8,140**	**142,670**	**1,910**	**18,491**	**65,339**	**297**	**26,956**	**852**	**264,654**
Prior period adjustments	-	-	-	-	(12,826)	-	-	-	**(12,826)**
Valuation / gross cost at 1 April 2023 - restated	**8,140**	**142,670**	**1,910**	**18,491**	**52,512**	**297**	**26,956**	**852**	**251,828**
FT	-	-	-	-	-	-	-	-	**-**
Additions	-	6,198	463	26,073	2,224	65	5,244	40	**40,307**
Impairments	-	(5,277)	(258)	(122)	-	-	-	-	**(5,657)**
Reversals of impairments	25	196	-	-	-	-	-	-	**221**
Revaluations	80	927	20	-	-	-	-	-	**1,027**
Reclassifications	-	91	-	(5,775)	29	-	5,655	-	**-**
Disposals / derecognition	-	-	-	-	(1,241)	(18)	-	-	**(1,259)**
Valuation/gross cost at 31 March 2024	**8,245**	**144,804**	**2,135**	**38,667**	**53,524**	**344**	**37,855**	**892**	**286,466**
Accumulated depreciation at 1 April 2023 - as previously stated	**-**	**-**	**-**	**-**	**32,461**	**164**	**15,529**	**598**	**48,752**
Prior period adjustments	-	-	-	-	(12,826)	-	-	-	**(12,826)**
Accumulated depreciation at 1 April 2023 - restated	**-**	**-**	**-**	**-**	**19,635**	**164**	**15,529**	**598**	**35,926**
Depreciation at start of period as FT	-	-	-	-	-	-	-	-	**-**
Provided during the year	-	5,067	59	-	5,841	46	4,783	66	**15,862**
Revaluations	-	(5,067)	(59)	-	-	-	-	-	**(5,126)**
Disposals / derecognition	-	-	-	-	(1,241)	(18)	-	-	**(1,259)**
Accumulated depreciation at 31 March 2024	**-**	**-**	**-**	**-**	**24,235**	**192**	**20,312**	**664**	**45,403**
Net book value at 31 March 2024	**8,245**	**144,804**	**2,135**	**38,667**	**29,290**	**152**	**17,543**	**228**	**241,063**
Net book value at 1 April 2023	**8,140**	**142,670**	**1,910**	**18,491**	**32,878**	**133**	**11,427**	**254**	**215,902**

During the current year, the Trust identified fully depreciated assets within plant and machinery which had been disposed of in prior years and whose values remained within the cost and accumulated depreciation balances disclosed in the note above. A prior period adjustment has been made to 2023/24 gross cost and accumulated depreciation opening balances of £12.8 m and disposals/derecognition depreciation of £718k. Further information is disclosed at note 36.

Note 14.3 Property, plant and equipment financing - 31 March 2025

Group and Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	8,245	156,795	2,222	20,424	24,277	93	13,368	270	**225,694**
Owned - donated/granted	-	609	58	-	642	13	-	4	**1,326**
NBV total at 31 March 2025	**8,245**	**157,404**	**2,280**	**20,424**	**24,919**	**106**	**13,368**	**274**	**227,020**

Note 14.4 Property, plant and equipment financing - 31 March 2024

Group and Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	8,245	143,262	2,081	38,667	28,404	134	17,543	220	**238,555**
On-SoFP PFI contracts and other service concession arrangements	-	1,053	-	-	-	-	-	-	**1,053**
Owned - donated/granted	-	489	54	-	886	18	-	8	**1,455**
NBV total at 31 March 2024	**8,245**	**144,804**	**2,135**	**38,667**	**29,290**	**152**	**17,543**	**228**	**241,063**

Note 15 Donations of property, plant and equipment

In 2024/25 Stockport NHS Charity has donated assets to the Trust of £287k (£0k in 2023/24). The Charity has contributed £260k for the staff facilities within the new Emergency and Urgent Care Campus, £19k for a exercise bike in the Cardiology Unit and £8k to the Training department for a Lifecast body simulator.

Note 16 Revaluations of property, plant and equipment

In 2024/2025 the Trust undertook a valuation of land and buildings by the District Valuer in compliance with International Accounting Standards, the Royal Institute of Chartered Surveyors, the Treasury Financial Reporting Manual and the Department of Health Group Accounts Manual. The valuation was undertaken at the 31st March 2025 prepared on an alternative site basis. The valuation was based on land on its existing site but on a much smaller footprint and buildings based on a Modern Equivalent Basis. Further disclosures on this revaluation can be found at note 1.9 Property, Plant and Equipment: Measurement. The movements on the revaluation reserve are shown below. .

Revaluation Reserve Movements	**Group and Trust**	
	£000	**£000**
	Property, Plant and Equipment	**Total Revaluation Reserve**
Revaluation reserve at 1 April 2024 - brought forward	**68,266**	**68,266**
Net impairments	**(11,026)**	**(11,026)**
Revaluations	**2,558**	**2,558**
Other reserve movements	**(183)**	**(183)**
Revaluation reserve at 31 March 2025	**59,614**	**59,614**

The revaluation reserve balances of assets fully depreciated and no longer in use were transferred directly to the income and expenditure reserve at a value of £183k.

Revaluation reserve at 1 April 2023 - brought forward	**66,011**	**66,011**
Net impairments	**(2,022)**	**(2,022)**
Revaluations	**6,153**	**6,153**
Transfers to the I&E reserve for impairments arising from consumption of economic benefits	**(1,876)**	**(1,876)**
Revaluation reserve at 31 March 2024	**68,266**	**68,266**

Note 17 Leases - Stockport NHS Foundation Trust as a lessee

This note details information about leases for which the Trust is a lessee.

In 2024/2025 the Trust has leasing arrangements for its community buildings. This includes leases with NHS Property Services Ltd for community services provided in the Stockport area. These leases are held in line with current commissioning contracts for the provision of long term healthcare. Where no signed contract exists an assumption of ten years has been assigned to the life of the lease unless other specific terms or circumstances are identified. The community property buildings were re-measured at a cost of £651k in 2024/25. The Trust also has a small number of leased vehicles, portacabins and medical equipment.

In 2024/25 the Trust has entered into three new leases over one year at a value of £1.4 million. This includes a renewal of a lease for blood science equipment in Pathology at a cost of £1.2 million. It has also taken out a lease for an Immunostainer in Pathology for £154k and a Quality Control portacabin at a value of £37k.

Note 17.1 Right of use assets - 2024/25

Group and Trust	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	**13,529**	**291**	**31**	**13,851**	**11,734**
Additions	-	1,407	-	**1,407**	-
Remeasurements of the lease liability	651	-	-	**651**	651
Disposals / derecognition	(1,795)	-	-	**(1,795)**	-
Valuation/gross cost at 31 March 2025	**12,385**	**1,698**	**31**	**14,114**	**12,385**
Accumulated depreciation at 1 April 2024 - brought forward	**4,343**	**164**	**14**	**4,521**	**2,923**
Provided during the year	1,866	131	10	**2,007**	1,491
Disposals / derecognition	(1,795)	-	-	**(1,795)**	-
Accumulated depreciation at 31 March 2025	**4,414**	**295**	**24**	**4,733**	**4,414**
Net book value at 31 March 2025	**7,971**	**1,403**	**7**	**9,381**	**7,971**
Net book value at 1 April 2024	**9,186**	**127**	**17**	**9,329**	**8,811**

Net book value of right of use assets leased from other DHSC group bodies 7,971

Note 17.2 Right of use assets - 2023/24

Group and Trust	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	**9,249**	**193**	**31**	**9,472**	**7,570**
Additions	43	98	-	**141**	43
Remeasurements of the lease liability	4,237	-	-	**4,237**	4,121
Valuation/gross cost at 31 March 2024	**13,529**	**291**	**31**	**13,850**	**11,734**
Accumulated depreciation at 1 April 2023 - brought forward	**2,186**	**111**	**5**	**2,302**	**1,514**
Provided during the year	2,157	53	9	**2,219**	1,409
Accumulated depreciation at 31 March 2024	**4,343**	**164**	**14**	**4,521**	**2,923**
Net book value at 31 March 2024	**9,186**	**127**	**17**	**9,329**	**8,811**
Net book value at 1 April 2023	**7,063**	**82**	**26**	**7,170**	**6,056**

Net book value of right of use assets leased from other DHSC group bodies 8,811

Note 17.3 Revaluations of right of use assets

In 2024/25 remeasurement of lease liabilities of other properties are in line with market uplifts to leases as per invoicing arrangements with NHS Property Services and other landlords.

Note 17.4 Reconciliation of the carrying value of lease liabilities

Lease liabilities are included within borrowings in the statement of financial position. A breakdown of borrowings is disclosed in note 26.1.

Group and Trust	2024/25	2023/24
	£000	£000
Carrying value at 1 April	**9,495**	**7,204**
Lease additions	1,407	141
Lease liability remeasurements	651	4,237
Interest charge arising in year	326	320
Lease payments (cash outflows)	(2,218)	(2,407)
Carrying value at 31 March	**9,661**	**9,495**

Lease payments for short term leases, leases of low value underlying assets and variable lease payments not dependent on an index or rate are recognised in operating expenditure.

These payments are disclosed in Note 6.1. Cash outflows in respect of leases recognised on-SoFP are disclosed in the reconciliation above.

Note 17.5 Maturity analysis of future lease payments at 31 March 2025

Group and Trust	Total	Of which leased from DHSC group bodies:
	31 March 2025	31 March 2025
	£000	£000
Undiscounted future lease payments payable in:		
- not later than one year;	1,620	1,405
- later than one year and not later than five years;	6,123	5,055
- later than five years.	1,917	1,776
Net lease liabilities at 31 March 2025	**9,660**	**8,236**
Of which:		
Leased from other DHSC group bodies		8,236

Note 17.6 Maturity analysis of future lease payments at 31 March 2024

Group and Trust	Total	Of which leased from DHSC group bodies:
	31 March 2024	31 March 2024
	£000	£000
Undiscounted future lease payments payable in:		
- not later than one year;	1,764	1,327
- later than one year and not later than five years;	4,619	4,533
- later than five years.	3,112	3,112
Net finance lease liabilities at 31 March 2024	**9,495**	**8,972**
Of which:		
Leased from other DHSC group bodies		8,972

Note 18 Other investments / financial assets (non-current)

	Group	
	2024/25	2023/24
Carrying value at 1 April - brought forward	1,774	**1,627**
Movement in fair value through income and expenditure	(82)	147
Carrying value at 31 March	**1,692**	**1,774**

The above note details the investments held by the Trust Charity consolidated in Group numbers only.

For the Consolidated Group the Charity held investments in equity common investment funds. In 2024/2025 the Group reported £94k (£86k in 2023/2024) in interest receivable on these investments and a loss on valuation of £82k at the 31st March 2025 (£147k gain at the 31st March 2024).

Note 19 Analysis of charitable fund reserves

The Trust has consolidated its charitable fund, Stockport NHS Foundation Trust General Fund (known as Stockport NHS Charity) - Charity Commission Number Registration Number 1048661, within the Group Accounts.

	31 March 2025	31 March 2024
	£000	£000
Unrestricted funds:		
Unrestricted income funds	532	725
Restricted funds:		
Other restricted income funds	1,686	1,882
	2,218	**2,607**

Unrestricted income funds are accumulated income funds that are expendable at the discretion of the trustees in furtherance of the charity's objects. Unrestricted funds may be earmarked or designated for specific future purposes which reduces the amount that is readily available to the charity.

Restricted funds may be accumulated income funds which are expendable at the trustee's discretion only in furtherance of the specified conditions of the donor and the objects of the charity. They may also be capital funds (e.g. endowments) where the assets are required to be invested, or retained for use rather than expended.In 2023/24 the Corporate Trustee successfully applied for permission to the Charity Commission to remove all restricted and endowment funds. In 2024/25 income has now been applied to unrestricted or designated funds unless specifically restricted. In 2024/25 this applied only to grant monies received from NHS Charities Together. Restricted funds remain only until fully utilised.

Note 20 Inventories

	Group		Trust	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
	£000	£000	£000	£000
Drugs	1,139	1,197	951	1,000
Total inventories	**1,139**	**1,197**	**951**	**1,000**

Inventories recognised in expenses for the year were £22,741k (2023/24: £18,358k). Write-down of inventories recognised as expenses for the year were £0k (2023/24: £0k).

In response to the COVID 19 pandemic, the Department of Health and Social Care centrally procured personal protective equipment and passed these to NHS providers free of charge. During 2023/24 the Trust received £56k of items purchased by DHSC. Distribution of inventory by the Department ceased in March 2024.

The deemed cost of these inventories was charged directly to expenditure on receipt with the corresponding benefit recognised in income.

Note 21.1 Receivables

	Group		Trust	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
	£000	£000	£000	£000
Current				
Contract receivables	10,538	9,761	10,859	10,111
Allowance for impaired contract receivables / assets	(873)	(886)	(873)	(886)
Prepayments (non-PFI)	2,135	1,923	2,135	1,923
Interest receivable	208	174	208	174
PDC dividend receivable	394	-	394	-
VAT receivable	1,596	2,069	1,490	1,945
Other receivables	426	12	970	172
NHS charitable funds receivables	-	3		
Total current receivables	**14,424**	**13,056**	**15,183**	**13,439**
Non-current				
Contract receivables	299	269	299	269
Allowance for impaired contract receivables / assets	(73)	(62)	(73)	(62)
Other receivables	442	421	442	421
Total non-current receivables	**668**	**628**	**668**	**628**
Of which receivable from NHS and DHSC group bodies:				
Current	7,376	5,723	7,376	5,723
Non-current	442	421	442	421

Within the Group note adjustments have been made for transactions with the Trust's Charity and subsidiary Outpatient Drug Dispensing Service - Stepping Hill Healthcare Enterprises Limited.

Note 21.2 Allowances for credit losses - 2024/25

Group and Trust	Contract receivables & contract assets 2024/25 £000	Contract receivables & contract assets 2023/24 £000
Allowances as at 1 Apr 2024 - brought forward	**948**	**875**
New allowances arising	302	324
Reversals of allowances	(294)	(241)
Utilisation of allowances (write offs)	(10)	(10)
Allowances as at 31 Mar 2025	**946**	**948**

Note 21.3 Exposure to credit risk

In assessing its exposure to credit risk the Trust reviews its aged receivables report on an individual invoice and debtor basis. It has assessed its lifetime expected losses as detailed in the provisions matrix. The percentage applied for the NHS Injury Recovery Scheme on its current balance is a nationally agreed percentage provided annually by the DHSC. All other receivables are recognised at their gross carrying amount. For NHS bodies and local authorities aged receivables are assessed for specific issues around irrecoverability.

Provision for Expected Credit Losses	**£000**	**£000**	**£000**
Lifetime expected credit loss			
NHS Injury Recovery Scheme	24.45%		**468**
Non NHS Customers > 12 months		100%	**26**
Salary Overpayments > 12 months		100%	**104**
Overseas Visitors		100%	**25**
NHS Bodies - specific			**222**
Scottish and Welsh NHS Bodies > 12 months		100%	**60**
Local Authorities > 12 months			**41**
Total			**946**

Note 22.1 Non-current assets held for sale and assets in disposal groups

Group and Trust	2024/25	2023/24
	£000	£000
NBV of non-current assets for sale and assets in disposal groups at 1 April	-	-
Assets classified as available for sale in the year	7,050	-
NBV of non-current assets for sale and assets in disposal groups at 31 March	**7,050**	**-**

In 2024/25 the Trust purchased The Meadows PFI Facility from Walker Healthcare with PDC re-allocated from Pennine Care NHS Foundation Trust (PCFT). The monies provided of £6.05 million was the cost of The Meadows building and both Stockport FT and PCFT Boards have agreed to the onward transfer of the facility. As the sale to PCFT is expected to conclude within 12 months the building has been credited immediately to assets held for sale. The land held as a long lease by Walker Healthcare has been transferred back to Stockport FT at nil consideration. As the land is valued at £1 million this has been recognised back onto the Statement of Financial Position with a corresponding credit to income. The land is owned by Stockport FT but it has also been agreed to transfer at nil consideration to PCFT. The land has subsequently been de-recognised from property, plant and equipment at a value of £1 million to assets held for sale. The land and building transfer to PCFT is expected to conclude in the first quarter of 2025/26.

Note 23.1 Cash and cash equivalents movements

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	Group		Trust	
	2024/25	2023/24	2024/25	2023/24
	£000	£000	£000	£000
At 1 April	**17,141**	**48,636**	**15,525**	**47,168**
Net change in year	20,897	(31,496)	21,200	(31,643)
At 31 March	**38,038**	**17,141**	**36,725**	**15,525**
Broken down into:				
Cash at commercial banks and in hand	1,599	1,885	286	269
Cash with the Government Banking Service	36,439	15,256	36,439	15,256
Total cash and cash equivalents as in SoFP	**38,038**	**17,141**	**36,725**	**15,525**
Total cash and cash equivalents as in SoCF	**38,038**	**17,141**	**36,725**	**15,525**

Note 23.2 Third party assets held by the Trust

Stockport NHS Foundation Trust held no cash and cash equivalents which relate to monies held by the Trust on behalf of patients or other parties..

Note 24.1 Trade and other payables

	Group		Trust	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
	£000	£000	£000	£000
Current				
Trade payables	8,188	2,795	8,188	2,889
Capital payables	7,860	12,877	7,860	12,877
Accruals	33,666	28,831	33,666	28,831
Social security costs	2,843	2,909	2,835	2,909
Other taxes payable	3,138	3,190	3,132	3,158
PDC dividend payable	-	97	-	97
Pension contributions payable	4,070	3,708	4,069	3,708
Other payables	1,040	1,568	1,522	1,568
NHS charitable funds: trade and other payables	-	3	-	-
Total current trade and other payables	**60,806**	**55,979**	**61,272**	**56,038**
Of which payables from NHS and DHSC group bodies:				
Current	5,652	3,404	5,652	3404

Note 24.2 Early retirements in NHS payables above

There are no early retirement payables in the note above. The payables note above does include amounts in relation to outstanding pension contributions.

Note 25.1 Other liabilities

Group and Trust	31 March 2025	31 March 2024
	£000	£000
Current		
Deferred income: contract liabilities	4,927	5,342
Total other current liabilities	**4,927**	**5,342**

Note 26.1 Borrowings

Group and Trust	31 March 2025	31 March 2024
	£000	£000
Current		
Loans from DHSC	1,660	1,676
Lease liabilities	1,620	1,764
Obligations under PFI, LIFT or other service concession contracts (excl. lifecycle)	-	40
Total current borrowings	**3,280**	**3,480**
Non-current		
Loans from DHSC	12,223	13,775
Lease liabilities	8,040	7,731
Obligations under PFI, LIFT or other service concession contracts	-	154
Total non-current borrowings	**20,263**	**21,660**

In 2024/25 the service concession contract for MR scanning services ceased and moved to an in-house provision.

Note 26.2 Reconciliation of liabilities arising from financing activities (Group and Trust)

Group and Trust - 2024/25	Loans from DHSC	Lease liabilities	PFI and LIFT schemes	Total
	£000	£000	£000	£000
Carrying value at 1 April 2024	**15,451**	**9,495**	**194**	**25,140**
Cash movements:				
Financing cash flows - payments and receipts of principal	(1,551)	(1,892)	(194)	**(3,638)**
Financing cash flows - payments of interest	(462)	(326)	-	**(788)**
Non-cash movements:				
Additions	-	1,407	-	**1,407**
Lease liability remeasurements	-	651	-	**651**
Application of effective interest rate	446	326	-	**772**
Carrying value at 31 March 2025	**13,884**	**9,660**	**-**	**23,544**

Group and Trust - 2023/24	Loans from DHSC	Lease liabilities	PFI and LIFT schemes	Total
	£000	£000	£000	£000
Carrying value at 1 April 2023	**17,015**	**7,204**	**200**	**24,419**
Prior period adjustment	-	-	-	**-**
Carrying value at 1 April 2023 - restated	**17,015**	**7,204**	**200**	**24,419**
Cash movements:				
Financing cash flows - payments and receipts of principal	(1,551)	(2,087)	(40)	**(3,678)**
Financing cash flows - payments of interest	(519)	(320)	(7)	**(846)**
Non-cash movements:				
Application of IFRS 16 measurement principles to PFI liability on 1 April 2023			34	**34**
Additions	-	141	-	**141**
Lease liability remeasurements	-	4,237	-	**4,237**
Application of effective interest rate	506	320	7	**833**
Carrying value at 31 March 2024	**15,451**	**9,495**	**194**	**25,140**

Note 27.1 Provisions for liabilities and charges analysis (Group)

Group and Trust	Pensions: injury benefits	Legal claims	Redundancy	Other	Total
	£000	£000	£000	£000	£000
At 1 April 2024	**2,797**	**130**	**241**	**534**	**3,702**
Change in the discount rate	10	-		(4)	**6**
Arising during the year	173	51	-	848	**1,072**
Utilised during the year	(214)	(51)	(109)	(24)	**(398)**
Reversed unused	-	-	(132)	(102)	**(234)**
Unwinding of discount	62	-	-	22	**84**
At 31 March 2025	**2,827**	**130**	**-**	**1,274**	**4,231**
Expected timing of cash flows:					
- not later than one year;	480	130	-	832	**1,442**
- later than one year and not later than five years;	895	-	-	37	**932**
- later than five years.	1,452	-	-	405	**1,857**
Total	**2,827**	**130**	**-**	**1,274**	**4,231**

The provision for 'Pensions - injury benefits' is for the reimbursement of injury benefit allowances to the NHS Pensions Agency for ten members of former staff over their estimated life expectancy.

The provision for 'Legal Claims' provides for the Liability to Third Parties Schemes (LTPS) and Public & Employers Liability Scheme (PES). This provision covers the excess amount payable by the Trust and not the full liability of claims which are covered by the NHS Resolution under the non-clinical risk pooling scheme. The contingent liability at note 28 also relates to this scheme. Both figures are supplied by NHS Resolution and revised annually by NHS Resolution based on up to date information at the 31st March.

Within other provisions the Trust has provided for costs for outstanding job banding claims, HMRC VAT claim based on the Midland Partnership ruling and legal claims. There is also a provision for Clinicians Pension Tax Reimbursement. This is a nationally provided figure for the tax charge of clinicians incurred in 2019/20 where additional work has led to a breach of the annual pension allowance. The charge is offset by a matching receivable as the future cost will be met by the NHS Pension Scheme.

Note 27.2 Provisions for liabilities and charges analysis (Group and Trust)

Group and Trust	Current 2024/25	Current 2023/24	Non-Current 2024/25	Non-Current 2023/24
	£000	£000	£000	£000
Pensions: injury benefits	480	441	2,347	2,355
Other legal claims	130	130	-	-
Redundancy	-	241	-	-
Other	832	113	442	421
Total	**1,442**	**925**	**2,789**	**2,777**

Note 27.3 Clinical negligence liabilities

At 31 March 2025, £157,948k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Stockport NHS Foundation Trust (31 March 2024: £159,330k).

Note 28 Contingent assets and liabilities

	Group and Trust	
	31 March 2025	31 March 2024
	£000	£000
Value of contingent liabilities		
NHS Resolution legal claims	(62)	(71)
Net value of contingent liabilities	**(62)**	**(71)**
Net value of contingent assets	**738**	**-**

Further detail on the provision and contingent liability for NHS Resolution claims is disclosed above at note 27.

Contingent Asset – VAT Recovery on Car Parking Charges (Brockenhurst Claim)

The Trust has submitted a claim to HMRC for the recovery of VAT on car parking charges following the principles established in the Northumbria Healthcare NHSFT case amounting to £738k following fees (£985k gross). The case considers whether VAT is due on hospital car parking when provided by NHS Trusts.

While this matter has been subject to legal proceedings and found in favour of Northumbria Healthcare NHSFT, the final outcome and its implications for the Trust's claim are dependent on the pending judgment of the Supreme Court. As the outcome of the case remains uncertain, the Trust has elected not to recognise these VAT recoveries in the financial statements for the year ended 31 March 2025.

In accordance with IAS 37, no amounts have been recognised in the financial statements for the year ended 31 March 2025. Any recoveries will be recognised in the financial statements only if and when the legal position is resolved in a manner that confirms the Trust's entitlement to these amounts.

The Trust continues to monitor developments in the case closely and will reassess the accounting treatment of these potential recoveries in future periods.

Note 29 Contractual capital commitments

	Group and Trust	
	31 March 2025	31 March 2024
	£000	£000
Property, plant and equipment	7,362	13,857
Intangible assets	-	121
Total	**7,362**	**13,978**

Capital commitments reflect those capital projects started or contractually committed to in 2024/2025 and due within one year. These commitments includes the final signed contract for the Emergency and Urgent Care Campus with orders placed to date of £38.7m. Spend to date is £37.2 m with a remaining commitment of £1.7m. The scheme is due for completion by May 2025. Other order commitments include the construction of the new Outpatients department with works to date paid of £20.1m and outstanding commitments of £4.4m. The Trust has agreed funding with the Macmillan Charity for a new Cancer Information Centre where the Charity will provide a grant of £1.1 million and the Trust is contributing additional capital and charitable funds. Spend to date is £0.5m with £1.2m outstanding.

Note 30 On-SoFP PFI, LIFT or other service concession arrangements

Under IFRIC 12 the Trust recognised a service concession arrangement with Alliance Medical for the provision of a building to perform MRI scanning services. This outsourced provision has now ceased. The MR Imaging Service is now operated in house by the Trust from the 1st April 2025.

Note 30.1 On-SoFP PFI, LIFT or other service concession arrangement obligations

The following obligations in respect of the PFI, LIFT or other service concession arrangements are recognised in the statement of financial position:

	Group and Trust	
	31 March 2025	31 March 2024
	£000	£000
Gross PFI, LIFT or other service concession liabilities	**-**	**209**
Of which liabilities are due		
- not later than one year;	-	46
- later than one year and not later than five years;	-	163
Finance charges allocated to future periods	-	(15)
Net PFI, LIFT or other service concession arrangement obligation	**-**	**194**
- not later than one year;	-	40
- later than one year and not later than five years;	-	154

Note 30.2 Total on-SoFP PFI, LIFT and other service concession arrangement commitments

Total future commitments under these on-SoFP schemes are as follows:

	Group and Trust	
	31 March 2025	31 March 2024
	£000	£000
Total future payments committed in respect of the PFI, LIFT or other service concession arrangements	**-**	**7,553**
Of which payments are due:		
- not later than one year;	-	1,678
- later than one year and not later than five years;	-	5,875

Note 30.3 Analysis of amounts payable to service concession operator

This note provides an analysis of the unitary payments made to the service concession operator:

	Group and Trust	
	2024/25	2023/24
	£000	£000
Unitary payment payable to service concession operator	**-**	**1,745**
Consisting of:		
- Interest charge	-	7
- Repayment of balance sheet obligation	-	39
- Service element and other charges to operating expenditure	-	1,699
Total amount paid to service concession operator	**-**	**1,745**

Note 31 Off-SoFP PFI, LIFT and other service concession arrangements

Stockport NHS Foundation Trust has no charges in respect of off-Statement of Financial Position PFI and LIFT arrangements:

Note 32 Financial instruments

Note 32.1 Financial risk management

IFRS 7 Financial Instruments Disclosure requires declaration of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. Financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which IFRS 7 mainly applies. Stockport NHS Foundation Trust has financial assets and liabilities that are generated by day-to-day operational activities rather than being held to change the risks facing the NHS Foundation Trust in undertaking its activities. For the Group the Charity does hold investments and is, therefore, exposed to a degree of financial risk. This risk is carefully managed by pursuing a low risk investment strategy. The Charity holds its investments within common investment funds with a market leader provider of Charity Investments, CCLA Management Ltd.

Liquidity Risk

Operating costs for the Trust are funded under annual contracts and service agreements with NHS Commissioners. In 2024/2025 NHS England funded NHS Trusts under the NHS Payment Scheme (NHSPS) and managed through the GM Integrated Care System. The majority of the Trust's income is earned from the GM ICS and other local NHS commissioners in the form of aligned payment and incentive contracts to fund an agreed level of activity as detailed at note 1.4. In 2024/25 Greater Manchester ICS continues to pay providers on the 1st working day of the month to assist Trusts with cashflow management.

In 2024/2025 the Trust applied for cash support through the NHS England Revenue Support PDC regime. Revenue Support PDC was available to support revenue expenditure for necessary and essential expenditure to protect continuity of patient services. The Trust has drawn £15.5m revenue support in 2024/25. In addition it received non recurrent revenue support of £41.3 million, cash backed to assist the Trust achieve its plan and meet its cash needs . In 2025/26 the Trust ICS Contract offer includes revenue support funding of £43.2 million as part of the planning process.

The Trust has in place four loans with the NHS Independent Trust Financing Facility that were put in place to finance major capital developments (including the Cardiac and Surgical Unit and theatre extensions). The Trust is exposed to liquidity risk for these financial liabilities. The Trust engaged in a rigorous approval process with NHSI prior to the facilities put in place and have met all principal and interest obligations since inception.

In 2024/2025 capital costs were funded from internal depreciation and £21.7m in PDC cash funding for specific programmes including the new Outpatients development for £11.5m, MR Scanning expansion for £2.4m and GM ICS system support PDC capital of £1.5m. It also includes £6.05m PDC re-allocation from Pennine Care NHS FT to purchase the Meadows facility. In 2025/26 capital schemes are approved subject to accurate cash spend profiles to assist in managing the Trust's cash outflows.

The Trust's treasury management operations are carried out by the Finance department, within parameters defined formally within the Trust's Standing Financial Instructions and policies agreed by the Board of Directors. Similarly, treasury management for the Trust Charity and subsidiary, Stepping Hill Healthcare Enterprises Ltd, are also carried out by the Finance department. All treasury activity is subject to review by Internal and External Audit. There is a monthly Cashflow Monitoring Group responsible for monitoring the cash levels of the organisation in the short, medium and longer term to deliver actions to improve the forecast liquidity and to preserve cash.

At the 31 March 2025 the Trust's cash balances were held solely in its Government Banking Services bank accounts and Barclays current accounts as per note 23.1.

It is expected that the above arrangements with robust financial planning and monitoring in year means that Stockport NHS Foundation Trust is not exposed to significant liquidity risk, will preserve cash balances and minimize the need for further revenue support requests.

Market and Interest Rate Risk

At the 31 March 2025 the Trust's financial liabilities carried either nil or fixed rates of interest. The Trust's financial assets relate to loans and receivables and its cash balances held within its Government Banking Service bank accounts and commercial current account. Interest on cash balances are set by HM Treasury through the Royal Bank of Scotland.

Note 32 Financial instruments continued

Foreign Currency Risk

The Trust has negligible foreign currency income or expenditure and no overseas operations. There is, therefore, a very low exposure to currency rate fluctuations.

Credit Risk

The Trust receives most of its income from its commissioners based on agreed contract payments. It operates a robust debt management policy and, where necessary, provides for the risk of particular debts not being discharged by the applicable party. Non NHS customers do not make up a large proportion of income with the majority of income coming from other public sector bodies which are considered low risk. This position means that Stockport NHS Foundation Trust is, therefore, not exposed to significant credit risk. Where it has significant commitments (for example large capital contract awards and payments) it uses a credit rating agency before payments are made or contracts awarded.

Charitable Funds

The Group accounts include the financial statements of the Stockport NHS Charitable Fund. The charitable fund places its short term cash in bank accounts with the Trust's commercial bank, Barclays PLC. The Charity also invests monies of £2.7 million for longer term investment with CCLA Investment Management Ltd. It holds one common investment fund in equity funds of £1.7 million and one cash deposit account holding £1 million. The Charity receives quarterly updates on the performance of its investments and allocates gains and losses when realised to its charitable funds. This policy is reviewed on an annual basis to mitigate for any possible market losses on the valuation of its equity common investment fund.

Stepping Hill Healthcare Enterprises Limited

The Group accounts include the financial statements of its trading subsidary, Stepping Hill Healthcare Enterprises Limited. The subsidiary holds its cash with the Trust commercial banker, Barclays PLC, in a separate bank account. Its income is predominantly with the parent and it currently purchases drugs for its dispensing services using the Trust Pharmacy as its wholesale supplier. It is not considered, therefore, to have market or liquidity risks.

Note 32.2 Carrying values of financial assets (Group)

The Group holds financial assets that qualify as basic financial instruments that includes cash and receivables held at amortised cost and Charity investments held at fair value. The latter are recognised initially at transaction value and subsequently measured at fair value. through the Statement of Comprehensive Income.

Carrying values of financial assets as at 31 March 2025	Held at amortised cost	Held at fair value through P&L	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	9,891	-	-	**9,891**
Other investments / financial assets	-	-	-	**-**
Cash and cash equivalents	36,968	-	-	**36,968**
Consolidated NHS Charitable fund financial assets	1,692	1,070	-	**2,762**
Total at 31 March 2025	**48,551**	**1,070**	**-**	**49,621**

Carrying values of financial assets as at 31 March 2024	Held at amortised cost	Held at fair value through P&L	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	9,081	-	-	**9,081**
Other investments / financial assets	-	-	-	**-**
Cash and cash equivalents	16,148	-	-	**16,148**
Consolidated NHS Charitable fund financial assets	996	1,774	-	**2,770**
Total at 31 March 2024	**26,225**	**1,774**	**-**	**27,999**

Note 32.3 Carrying values of financial assets (Trust)

Carrying values of financial assets as at 31 March 2025	Held at amortised cost	Held at fair value through P&L	Total book value
	£000	£000	£000
Trade and other receivables excluding non financial assets	10,212		10,212
Cash and cash equivalents	36,725		36,725
Total at 31 March 2025	**46,937**	**-**	**46,937**

Carrying values of financial assets as at 31 March 2024	Held at amortised cost	Held at fair value through P&L	Total book value
	£000	£000	£000
Trade and other receivables excluding non financial assets	9,431	-	**9,431**
Cash and cash equivalents	15,525	-	**15,525**
Total at 31 March 2024	**24,956**	**-**	**24,956**

Note 32.4 Carrying values of financial liabilities (Group)

Carrying values of financial liabilities as at 31 March 2025	Held at amortised cost	Held at fair value through P&L	Total book value
	£000	£000	£000
Loans from the Department of Health and Social Care	13,883	-	**13,883**
Obligations under leases	9,660	-	**9,660**
Trade and other payables excluding non financial liabilities	47,054	-	**47,054**
Provisions under contract	130	-	**130**
Total at 31 March 2025	**70,727**	**-**	**70,727**

Carrying values of financial liabilities as at 31 March 2024	Held at amortised cost	Held at fair value through P&L	Total book value
	£000	£000	£000
Loans from the Department of Health and Social Care	15,451	-	**15,451**
Obligations under leases	9,495	-	**9,495**
Obligations under PFI, LIFT and other service concessions	194	-	**194**
Trade and other payables excluding non financial liabilities	48,212	-	**48,212**
Provisions under contract	371	-	**371**
Total at 31 March 2024	**73,723**	**-**	**73,723**

Note 32.5 Carrying values of financial liabilities (Trust)

Carrying values of financial liabilities as at 31 March 2025	Held at amortised cost	Held at fair value through P&L	Total book value
	£000	£000	£000
Loans from the Department of Health and Social Care	13,883	-	**13,883**
Obligations under leases	9,660	-	**9,660**
Trade and other payables excluding non financial liabilities	47,054	-	**47,054**
Provisions under contract	130	-	**130**
Total at 31 March 2025	**70,727**	**-**	**70,727**

Note 32.5 Carrying values of financial liabilities (Trust) continued

Carrying values of financial liabilities as at 31 March 2024	Held at amortised cost	Held at fair value through P&L	Total book value
	£000	£000	£000
Loans from the Department of Health and Social Care	15,451		**15,451**
Obligations under leases	9,495		**9,495**
Obligations under PFI, LIFT and other service concessions	194		**194**
Trade and other payables excluding non financial liabilities	48,306		**48,306**
Provisions under contract	371		**371**
Total at 31 March 2024	**73,817**	**-**	**73,817**

Note 32.6 Fair values of financial assets and liabilities

Other than the investments held by the Group Charity all financial assets and liabilities are held at carrying value at the 31st March 2025 as book value is considered to be a reasonable approximation of fair value.

Note 32.7 Maturity of financial liabilities

The following maturity profile of financial liabilities is based on the contractual undiscounted cash flows. This differs to the amounts recognised in the statement of financial position which are discounted to present value.

	Group		Trust	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
	£000	£000	£000	£000
In one year or less	50,757	52,406	50,757	52,500
In more than one year but not more than five years	13,393	12,247	13,393	12,247
In more than five years	8,532	11,485	8,532	11,485
Total	**72,682**	**76,138**	**72,682**	**76,232**

Note 33 Losses and special payments

	2024/25		2023/24	
Group and trust	Total number of cases	Total value of cases	Total number of cases	Total value of cases
	Number	£000	Number	£000
Losses				
Cash losses	15	4	17	7
Bad debts and claims abandoned	-	-	29	11
Stores losses and damage to property	2	107	1	28
Total losses	**17**	**111**	**47**	**46**
Special payments				
Ex-gratia payments	29	17	17	7
Special severance payments	-	-	1	6
Total special payments	**29**	**17**	**18**	**13**
Total losses and special payments	**46**	**128**	**65**	**59**
Compensation payments received				

Note 34 Gifts

The Trust made no gifts in 2024/25 or 2023/24.

Note 35 Related parties

Stockport NHS Foundation Trust is a body corporate authorised by NHS England, in exercise of the powers conferred by the National Health Service Act 2006. The Department of Health and Social Care is the parent body of all Foundation Trusts.

The Trust has 28 members of the Council of Governors; 20 public governors, 4 staff governors and a further 4 appointed by partner organisations. None of the Council of Governors or parties related to them has undertaken any material transactions with Stockport NHS Foundation Trust.

The Department of Health and Social Care is regarded as a related party. During the year Stockport NHS Foundation Trust 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. These entities are listed in the following table. The Trust and Group's related parties include all Whole of Government bodies as defined by the Treasury.

In addition, the Trust has material transactions with other government departments and other central and local government bodies; significantly Stockport MBC, HM Revenue and Customs within HM Treasury and the NHS Business Services Authority (Pensions).

NHS Greater Manchester ICB

NHS Derby and Derbyshire ICB

NHS Cheshire and Merseyside ICB

Stockport MBC

NHS England

NHS Resolution

Health Education England

UK Health Security Agency (replaced Public Health England)

Manchester University Foundation NHS Trust

Derbyshire Community Health Services NHS FT

Tameside & Glossop Integrated Care NHS FT

Pennine Care Foundation Trust

East Cheshire NHS Trust

Northern Care Alliance NHS Foundation Trust

Mersey and West Lancashire NHS Teaching Hospitals Trust

The Christie NHS Foundation Trust

Note 36 Prior period adjustments

During the current year, the Trust identified that certain fully depreciated assets which had been disposed of in prior years remained included within the cost and accumulated depreciation balances disclosed in the Property, Plant and Equipment (PPE) note.

This represents a prior period error in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, as the assets should have been removed from the PPE note in the period of disposal. The error has now been corrected by restating the comparative figures in the PPE note for the year ended 2023/24.

Comprehensive Income in prior periods. The impact of the restatement is limited to the disclosure note 14.2 only, and as such an opening SOFP has not been disclosed as it would not provide any more information than that disclosed in note 14.2.

Note 37 Events after the reporting date

There are no events after the reporting period to report for the 2024/25 Audited Annual Accounts.