Safe. Kind. Effective.

NHS
Countess of Chester Hospital
NHS Foundation Trust

2024-25

Annual Report & Accounts

Countess of Chester Hospital NHS Foundation Trust

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The Countess of Chester Hospital NHS Foundation Trust

Annual Report and Accounts 2024/25

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

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Contents

Performance Report

1. Performance Overview

Statement from the Chair and Chief Executive Officer

In 2024/25 we launched the Trust's Transforming Care Together Strategy. Our strategy provides a clear direction for how we will provide care for our patients and families, and how our leadership role promotes a positive culture to look after and care for our patients, our population, and our people.

The development and embedding of the new patient and family experience strategy has brought a critical focus to our quality priorities, with local teams empowered to bring about change.

Although the Trust continues to be rated as '*Requires Improvement'* from the latest Care Quality Commission (CQC) inspection, there is demonstrable evidence of the improvements that have been made on our journey to '*Outstanding'*.

The results from the national inpatient and staff surveys show significant progress is being made, this is positive but there is still more to do.

We have listened to the feedback from our staff, opening a well-being space, supporting and developing our staff networks, and celebrating successes through a range of mechanisms. The new employee and team of the month awards recognise individuals and teams across our Trust for the work they do and are a real celebration of the excellence of our people.

We have an unwavering commitment to improving the quality and safety of our services and continue to set ambitious targets across a wide range of indicators.

Like other NHS organisations, we have continued to see unprecedented demand for our services, particularly through our emergency and urgent care pathways. We continue to work with our partners to find ways to support the flow of patients through our hospitals, which will ultimately help us to reduce the time that patients wait within our emergency department.

Over the past 12 months, we have made significant progress in improving our financial position through working smarter, reducing inefficiencies, removing and reducing costs whilst also improving our services and through this, we successfully delivered our financial plan for 2024/25. We delivered significant cost improvements engaging the whole organisation in generating ideas and delivering and sharing successes. It is clear that we will need to go further again in 2025/26 and have been working closely with our teams as well as the Cheshire and Merseyside Integrated Care Board to develop our plans.

The Thirlwall Inquiry commenced in 2024/25 with the Trust confirmed as a Core Participant. We have fully responded to the requests from the Council to the Inquiry

through document disclosure, statements and oral hearings. We are continuing to strengthen our governance arrangements, and anticipate that the Inquiry Report, which is due to be published late Autumn 2025, will provide valuable learning and recommendations for all organisations..

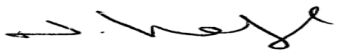
During the year, we opened the new Clinical Research Unit and received a new research bus, making research more accessible to our patients and populations. We have also seen much needed investments to our urgent and emergency care spaces, and a new Women's and Children's Building which will open in the Summer of 2025.

We recognise that the needs of our population are changing. Whilst some patients present with conditions that require quick intervention and short-term treatments or diagnostic tests, many are living longer and present with multiple conditions that require on-going care, therefore, the way we provide services needs to adapt. We believe that the delivery of outstanding care requires a more holistic patient-centred, whole-system approach. This means collaborating more closely with patients and families and with partner organisations. Through our clinical leaders we have developed a new Clinical Strategy which will launch in early 2025/26.

Our staff, volunteers, and governors make a difference to our patients and their families every day and we would like to thank them for everything they do to provide high quality, safe and compassionate care.

Ms Jane Tomkinson OBE
Chief Executive Officer

Mr Neil Large MBE
Interim Chair



About the Countess of Chester Hospital NHS Foundation Trust

The Countess of Chester Hospital NHS Foundation Trust employs 5,964 staff (headcount) to provide care and treatment to a population of over 400,000 people living in Chester and West Cheshire which includes Ellesmere Port and Neston as well as the Deeside area of Flintshire.

The Trust's services are provided from three locations:

- **The Countess of Chester Hospital**: providing 473 general and acute beds.
- **Ellesmere Port Hospital**: providing 60 beds as a rehabilitation, intermediate and outpatient facility.
- **Tarporley War Memorial Hospital**: a base for community services which serve the local rural population.

The Trust works collaboratively within the wider Cheshire and Merseyside Integrated Care System. Due to its location on the border with North Wales, the Trust also works closely with the Betsi Cadwaladr University Health Board.

Structure of the Trust
During 2024/2025, the Board of Directors comprised seventeen members: a Non-Executive Chair, the Chief Executive Officer, eight Executive Directors and seven Non-Executive Directors.

The Trust is arranged into five clinical divisions:
1. Urgent Care
2. Planned Care
3. Diagnostics and Clinical Support Services
4. Women and Children's
5. Therapies and Integrated Community Care

Our vision, values and objectives
The Trust's vision is to improve the lives of our community and provide excellence in healthcare, through partnership and innovation.

The Trust's values are:
- **Safe**: avoiding harm and reducing risk to all
- **Kind**: considerate and non-judgmental
- **Effective**: consistently maximising resources to deliver excellent and reliable care.

Each division has a triumvirate management structure which includes a Divisional Director, Associate Medical Director and Divisonal Nursing Director. Divisions are supported by corporate service teams including human resources, finance, and digital services.

Our year at a glance

The Trust treats patients from England and some parts of Wales. During 2024/2025, there were approximately 643,000 patient attendances (inpatient, A&E, outpatient and diagnostic) ranging from a simple outpatient appointment to major cancer surgery.

Performance	Service area
36,711	Hospital admissions (elective and non-elective)
482,976	Outpatient appointments (first and follow-up appointments)
85,953	Emergency Department (A&E) attendances
37,777	Day cases
1901	Number of babies born
533	Number of beds
5,964	Number of staff
126	Number of volunteers
127	Number of apprentices
5,372	Number of Foundation Trust members
£410m	Income
£82.4m	Capital investment in services

Police Investigations and Thirlwall Inquiry

Following the Cheshire Police Operation Hummingbird investigation and 10-month trial at Manchester Crown Court, on 21 August 2023 Lucy Letby was sentenced to life imprisonment and a whole life order on each of 7 counts of murder and 7 counts of attempted murder of babies in the neonatal unit at the Countess of Chester Hospital NHS Foundation Trust between June 2015 and June 2016. Following a further four-week trial at Manchester Crown Court, on 2nd July 2024 a jury found Lucy Letby guilty of the attempted murder of Baby K. On 5th July 2024 Lucy Letby was sentenced to a 15th whole life order.

On 4th September 2023 Rt. Hon. Lady Justice Thirlwall was appointed as Chair to lead the public inquiry known as the 'Thirlwall Inquiry'. The Terms of Reference for the Inquiry were subsequently published on 19th October 2023. The Thirlwall Inquiry began its oral hearings in September 2024 at Liverpool Town Hall, with the final oral hearings for closing statements held in March 2025. The Trust has supported and cooperated with the work of the Inquiry throughout the Inquiry process, providing information, documentation, and written statements as required. The Inquiry website has been regularly updated by the Inquiry with published transcripts from the Inquiry oral hearings, redacted rule 9 statements, and documentary evidence and is fully accessible to the public. The Inquiry report is expected to be published in late Autumn 2025.

A further Cheshire Police Operation Hummingbird investigation is ongoing in respect of Lucy Letby's earlier career and a corporate manslaughter/ gross negligence manslaughter investigation continue.

The Trust remains fully committed to continuing to support the Inquiry process and the ongoing Cheshire Police investigations.

Acting on Patient Feedback: Patient Experience

During 2024/25 the Trust has embedded the Patient and Family Experience Strategy and Vision (2024-2027) which is aligned to the Trust Strategy and empowers all staff to become leaders in patient experience. The strategy provides the tools and framework for improvement, with a commitment to continually improve the experience of patients, families, and carers while they are under our care and beyond.

The vision describes six critical components of a patient journey and at each step, the Trust has committed to a vision statement and a patient affirmation. The strategy was developed from listening and engagement events with staff and patient representatives, data analysis from concerns and complaints, and consultation with divisional leads and nursing leads. There have also been Patient and Family Experience Visions developed specifically for Maternity sections and the Emergency Department (ED) taking into account the feedback from our patients through the national in-patient surveys.

Progress is monitored through a variety of routes including patient engagement events, ward accreditation, and listening to patient and family stories, along with quantitative data gathered from patient satisfaction surveys, including the national patient surveys, Healthwatch reports and the Friends and Family Test (FFT). Progress is monitored through the Patient Experience Operation Group (PEOG).

The FFT feedback by SMS text messaging and interactive voice mail continues across all Inpatient, Outpatient, Emergency Department, day case and Maternity services, with all services leads now receiving an automated monthly FFT report. Summary reports are reported to Quality Governance Group and externally to NHS England.

Learning from patients and their families experience provides vital information to ensure that we continually improve our services. Learning is shared Trust-wide through a variety of forums such as Learning and Sharing, Patient Safety Oversight Meeting, and Learning from Deaths. Weekly learning summaries are widely circulated, and patient stories are heard in a range of meetings and committees, ensuring that the patients voice is at the heart of everything we do.

The development and implementation of an enhanced Ward Accreditation program also encompasses feedback from patients and their families/carers. Senior Nurse walkabouts include engagement with patients and their families, asking them about their stay, and anything we could to improve their experience.

Ensuring patients and their families are involved in incident investigations is progressing with the implementation of the Patient Safety Incident Response Framework (PSIRF). Being open and transparent in our responses and in line with statutory and professional duty of candour requirements, being open about our

mistakes and involving people in our learning responses further supports the principles of openness, fair accountability and learning.

Weekly meetings to focus on complaints and concerns have supported the drive to reduce the response timeframes and we have seen a consistent reduction in formal complaints. Informal concerns have remained steady, but there are improvement plans in place to reduce the length of time taken to respond and resolve these. The learning from complaints and concerns is an integral agenda item in the monthly Safety Surveillance meeting, with triangulated themes from incidents and complaints/ concerns, and learning and actions shared.

Asking, listening and acting on feedback: you said, we did

The Trust has a Patient Experience Operational Group (PEOG) that provides assurance that the views of patients, families and the public are sought to support and drive improvements in clinical practice, service delivery and patient pathways. It provides a forum to engage with a range of hospital teams, patient representatives and Governors to review feedback and agree actions.

PEOG was instrumental in the development of the Trust's Patient and Family Experience Strategy with the collaboration with key stakeholders, including patients, public members, and relevant external agencies. The group monitors progress against the strategy along with performance against a range of patient experience activities and metrics. There are several mechanisms available for patients and the public to share their feedback with us, including:

- National Care Quality Commission (CQC) survey programme
- Friends and Family Test and comments
- NHS Choices
- Healthwatch (visits, go-sees, and engagement events)
- Non-Executive Director and Governor walkabouts
- Patient-Led Assessment of the Care Environment (PLACE)
- Concerns or complaints
- Social media feedback.

Principal risks faced by the Trust

The Board of Directors considers and agrees its principal risks through the Board Assurance Framework. A full refresh of the BAF and risk appetite was completed at the start of 2024/25.

The processes to identify and manage principal risks are detailed within the Annual Governance Statement section of this annual report.

Strategic risks 2024/25

Strategic risks are identified within the Board Assurance Framework (BAF), which is regularly reviewed by the Board of Directors. Extracts of the BAF are also monitored through the relevant Assurance Committee.

The following table shows a summary of the Trust's strategic risks with the residual risk score following mitigating actions at the end of 2024/25

Ref	Description	Residual risk score	Assurance Committee
BAF1	Failure to maintain **quality of care** would result in poorer patient & family experience	16	Quality & Safety
BAF2	Failure to **maintain safety and prevent harm** would result in poorer patient care and outcomes	16	Quality & Safety
BAF3	Inability to deliver **operational planning standards**, inability to address the backlog of patients waiting could result in poorer patient outcomes, and result in financial consequences to the Trust.	16	Finance & Performance
BAF4	Challenges in ensuring a high quality, engaged, diverse and inclusive **workforce** would affect our ability to deliver patient care	15	People
BAF5	Failure to deliver **financial plan** and underlying financial position could impact long term financial sustainability for the Trust and system partners	16	Finance & Performance
BAF6	Inability to achieve the **capital programme** within a challenging and uncertain operating environment and deliver an Estates Strategy that supports the provision of our services	15	Finance & Performance
BAF7	Failure to ensure **digital transformation and IT resilience** could impact the delivery of services for patient and our workforce	15	Finance & Performance
BAF8	Failure to ensure effective **corporate governance** could impact our ability to comply with legislation and regulation.	12	Audit
BAF9	**System working** and provider landscape changes may present challenges in ensuring COCH is positioned as a strong system partner, with priorities aligned to system partners across Cheshire & Merseyside.	12	N/A

Ref	Description	Residual risk score	Assurance Committee
BAF10	Inability to deliver the **Research and Innovation** agenda to exploit future opportunities	12	N/A

The risk score is formed based on 'consequence' and 'likelihood' ratings as follows:

Consequence	**Likelihood**
5: catastrophic	5: almost certain
4: major	4: likely
3: moderate	3: possible
2: minor	2: unlikely
1: negligible	1: rare

The grading bands of risks are 1-5: very low, 6-8: low, 9-14: moderate and 15-25: high.

Going concern overview

After making enquiries, the Board of Directors have a reasonable expectation that the services provided by the Countess of Chester Hospital 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 and its committees receive the System Oversight Framework at each of its meetings, which includes detailed exception reports, and performance against key quality, performance and well-led indicators. This includes actions being undertaken to address any issues and risks. The Board receives a winter resilience plan and ad-hoc reports pertaining to specific areas of operational risk.

In 2024/25 we continued to focus our improvements across all elements of performance, including reducing waiting times and driving improvements across our non-elective pathways which can only be achieved by working closely with partners across our local and regional system.

The Trust has been successful in meeting all national targets relating to long waiting referral to treatment patients, increasing compliance with diagnostic standards and over the year has significantly increased the amount of elective activity undertaken in both theatres and clinics. That said, as demonstrated below further work is needed in some areas and the Trust has robust plans to address these.

Key Performance Indicators, by Quarter ('Q'), 2024/25:

Infection control targets	**Target**	**Q1**	**Q2**	**Q3**	**Q4**
Clostridium difficile	57	19	31	20	18
Methicillin-resistant Staphylococcus aureus (MRSA)	0	1	1	0	0
Waiting time targets	**Target**	**Q1**	**Q2**	**Q3**	**Q4**
Total time in Accident & Emergency/ Emergency Department	95%	59.7%	60.4%	57.9%	60.6%
% 18 weeks referral to treatment incomplete pathway	92%	48.5%	49.3%	50.6%	51.6%
Diagnostic six-week target	1%	16.9%	14.8%	10.4%	11.6%
Cancer targets	**Target**	**Q1**	**Q2**	**Q3**	**Q4**
28 Day Faster diagnosis (FDS) Target	75%	77.5%	80.1%	82.6%	81.4%
31 Day - Decision To Treat	96%	95.3%	94.7%	93.7%	93.1%
62 Day - First Treatment	85%	78.3%	79.0%	80.1%	74.8%

Infection Prevention & Control (IPC)

During 2024/25 a variety of healthcare associated infections have posed a challenge for the Trust. The Trust has managed outbreaks of norovirus and an increased prevalence of influenza, with visiting restrictions implemented during those episodes to assist in managing the risk posed to both patients and staff.

There has also been an increased prevalence of both *C.difficile* infections and gram-negative blood stream infections (including *E.coli* and *Klebsiella*), with targeted improvement work being undertaken as part of the Trusts 'Harms Improvement Programme' focusing on the key risks that lead to these infections developing. For *C.difficile* the targeted work focused on appropriate microbiology sampling, environmental cleanliness, and antimicrobial stewardship. In relation to *E.coli* work focused on strengthening the processes around the prevention and management of urinary tract infections.

Across the West Cheshire health economy, the prevalence of both *C.difficile* infections and *E.coli* bloodstream infections increased during the year. The increase in community cases was notable, with increases in *C.difficile* infections 40% higher than the previous year and *E.coli* bloodstream infections 19% higher than the previous year. The rise in cases associated the Trust were lower with an 8% increase in *C.difficile* infections and an 11% increase in *E.coli* bloodstream infections.

The IPC team have delivered a much-enhanced programme of audit and education, which has played a key role is providing assurance of compliance with the basic principles of IPC practice.

Emergency Department (ED) / ED access measure

This access measure is to achieve a maximum wait of four hours in the Emergency Department (ED) Despite small improvements, performance has remained fairly static compared to the previous year and remains significantly below the target threshold for performance. The urgent and emergency care ambition for 2025/26 is for 78% of patients being admitted, transferred or discharged within four hours by March 2026.

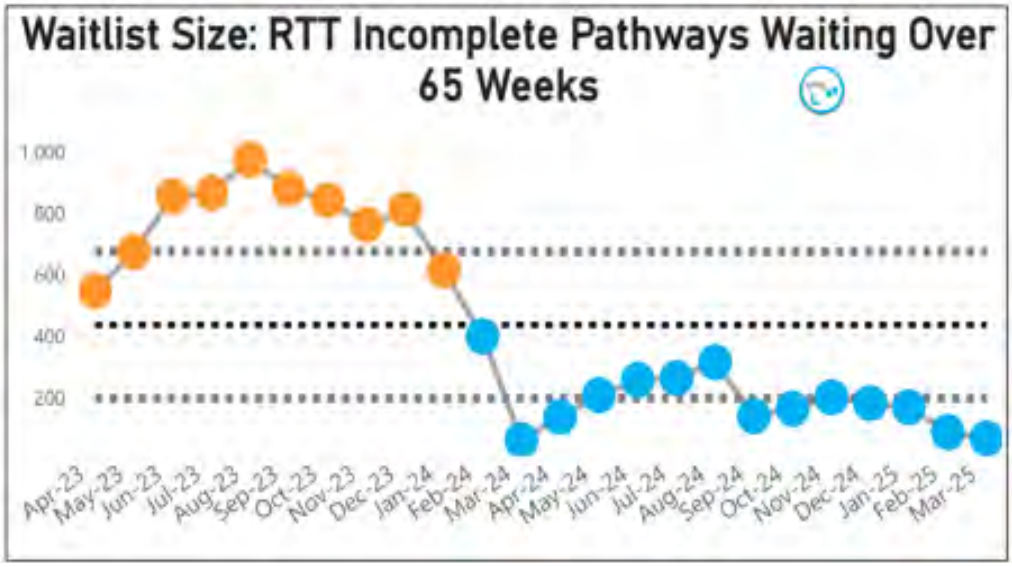
The Trust continues to work on improvements to ease pressure in this space:

- Priority to fully utilise Type 3/ Urgent Treatment Centre (UTC) activity through an enhanced streaming and workforce model to ensure patients are seen in the correct setting at the correct time, and to ensure the ED is utilised for patients requiring emergency input only.
- To maximise Same Day Emergency Care (SDEC) capacity to ensure the emergency department is utilised for patients requiring emergency input. And promote admission avoidance and reduce pressure on the inpatient bed base.
- Additional operational grip in place throughout core arrivals times to ensure effective live escalation of issues to promptly and safely manage patients within 4-hours.
- Retrospective analysis of daily performance when <50% to ensure learning taken forward, and aid development of clinical pathways with specialty teams across surgery and medicine.
- To maximise escalation areas within the wider hospital, if it supports the immediate decongestion within the ED, so that space within the ED does not become compromised limiting our ability to see, treat and assess type 1 ED attends within 4 hours.

A&E four-hour wait standard: % of ED attendances that were seen within four hours of arrival

Referral to Treatment (RTT)

National NHS operational planning standards continued to prioritise the reduction of RTT long waits and specifically focused on one key measure: the elimination of patients waiting over 65 weeks by the end of March 2025 (this excluded patients who chose to delay their treatment or were on complex treatment pathways). The Trust successfully delivered against this.



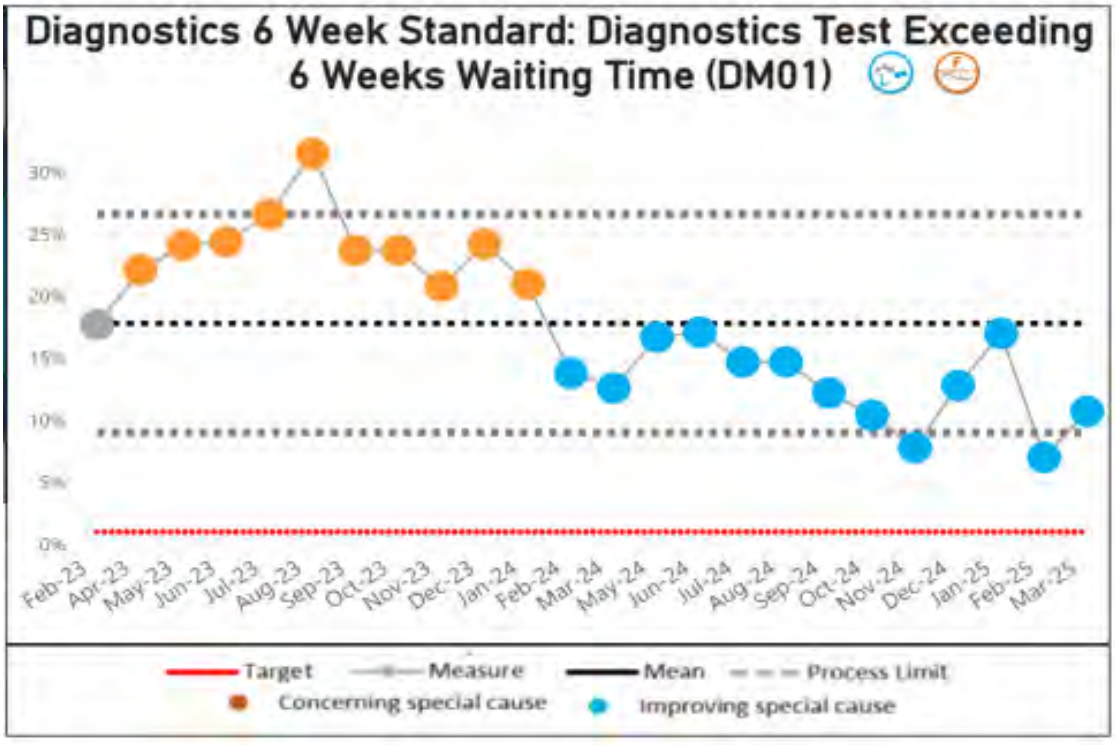
Looking forward into 2025/26, the Trust will continue to focus on reducing the longest waiting patients on an RTT pathway and, in addition, delivering a 6% improvement in the overall number of patients on an RTT pathway being treated within 18 weeks. This is in line with 2025/26 NHS operational planning requirements.

Diagnostic waits

Trust performance against the diagnostic standard (DM01) of having <1% of diagnostic referrals exceeding a 6-week waiting time significantly improved over the course of the year, with the numbers waiting over 6 weeks reducing from 27.4% in April 2024 to 10.7% in March 2025. This has been achieved through improvements within the endoscopy and CRV modalities within the year. Radiological diagnostics continued to consistently achieve this target.

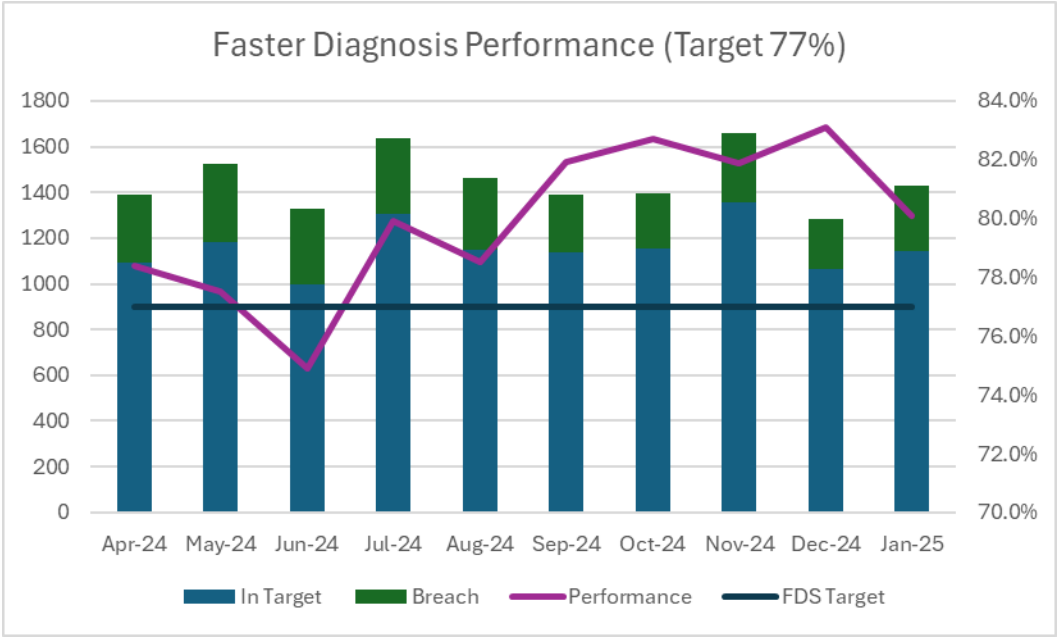
The changes within endoscopy will allow for an improvement in the patient pathway, enhance utilisation and will therefore increase performance for diagnostic wait in the forthcoming year.

Diagnostic tests exceeding 6 weeks waiting time (DM01) 1st February 2023 – 30th March 2025:



Cancer standards

There has been significant improvements in providing a faster diagnosis to patients on an urgent suspected cancer pathway in 2024/2025, despite the increasing demand in referrals.

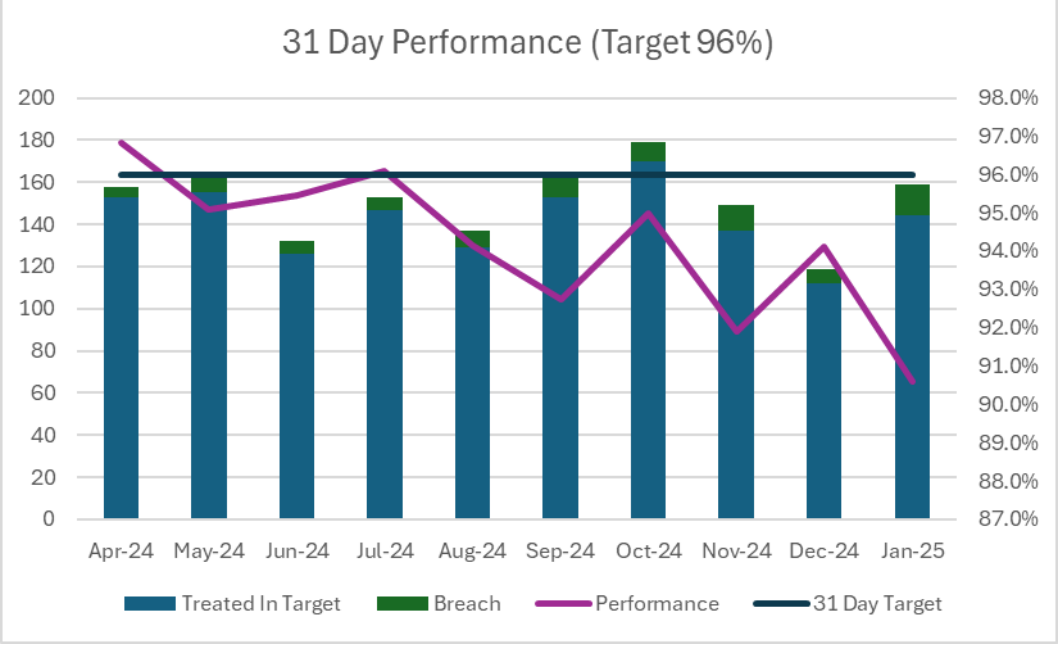


The Trust has consistently delivered against the 28-day faster diagnosis standard (FDS), where 77% of patients referred on an urgent suspected cancer pathway should receive a diagnosis within 28 days of being referred. On average the Trust achieved 79.9% from April 2024 to January 2025 against a standard of 77%. The standard for 25/26 has been increased to 80%, and since September 2025 we have consistently delivered above 80%.

A significant amount of work has been undertaken by the tumour sites to improve and sustain attainment of the FDS standard. Some of the improvements implemented include:

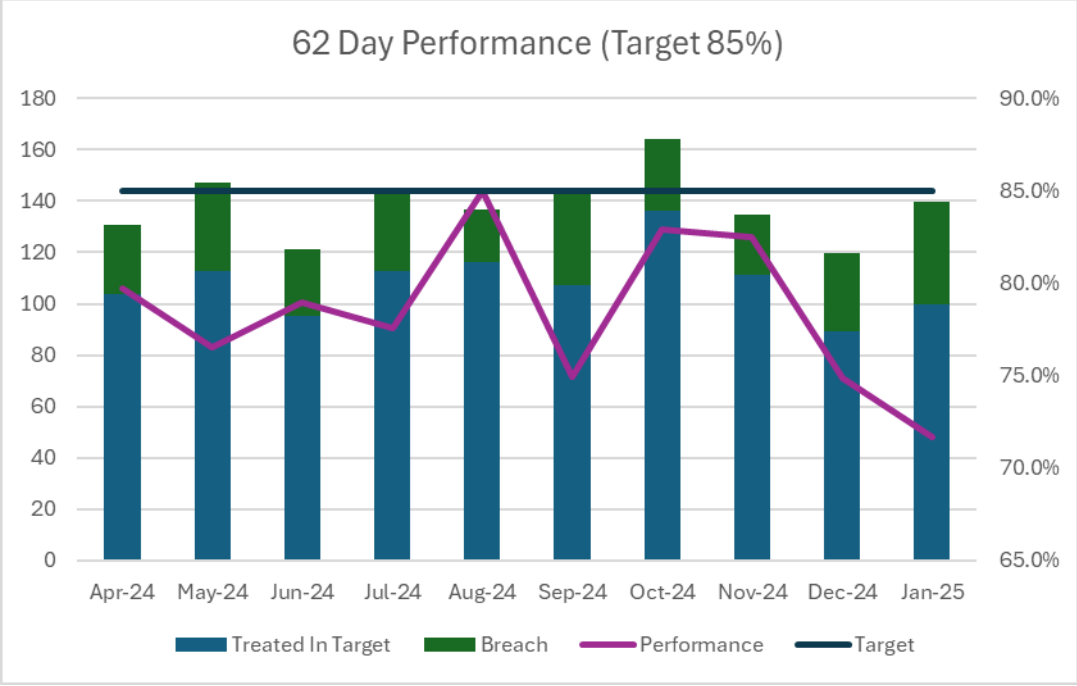
- Straight to test model in the Lower Gastrointestinal (LGI) tumour site, led by the Cancer Clinical Nurse Specialist (CNS) team which has resulted in the COCH being the highest performing for FDS for LGI across the Cheshire and Merseyside Region, and in the top three highest performers at a national level.
- The breast team have introduced a community breast pain clinic, improving the patient experience and reducing the demand for unnecessary secondary care appointments.
- Piloting of AI software within dermatology to reduce the demand for unnecessary secondary care appointments.

The 31-day standard outlines the expectation for 96% of all patients with a confirmed cancer to commence treatment within 31 days of a decision to treat. On average between April 2024 and January 2025 the Trust has achieved performance of 94.2% against this standard.



The 62-day standard outlines the expectation for 85% of all urgent GP referrals for suspected cancers to commence first treatment within 62 days from the day of referral.

On average, the Trust has achieved 78.5% against this standard. It has been acknowledged Nationally that this is a challenging standard to achieve, and this is reflected in the planning guidance for 25/26 where this standard has been revised to a standard of 75%.



It should be noted that in most pathways, patients are treated at tertiary centres, and therefore it is essential that patients are diagnosed in a timely manner in order that they are transferred to the tertiary centres as early as possible in their pathway for treatment to commence.

In 25/26 there will be a further focus for those tumour sites where patients receive their treatment at the Countess of Chester Hospital NHS Foundation Trust to identify the main challenges to achieving the 62-day standard, and developing improvement plans to address those challenges.

Activity

The Trust saw an improvement across all areas in 2024/25 compared to previous year. Productivity increased in a number of specialties from a combination of improvement work and increased capacity. The trust significantly exceeded the activity levels seen pre COVID-19 pandemic. Continuing to drive improvement across all points of delivery is a priority for the Trust in 2025/26.

Activity by Point of Delivery (POD):

Metric	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	% Change
Elective Inpatients	4318	2837	2968	2990	2830	2869	1.4%
Elective Day Case Patients (Same day)	37453	21688	25884	28913	34246	37818	10.4%
Non-elective (urgent) Inpatients	30562	25612	30763	29583	32886	33900	3.1%
Outpatients - first attendances (excl. Diagnostic Imaging)	116595	80850	111357	109209	129234	135155	4.6%
Outpatients - follow up attendances (excl. Diagnostic Imaging)	295174	219976	240381	247067	271726	279322	2.8%
A&E Attendances	77891	66627	87275	84032	83494	85953	2.9%

The Emergency Department (ED) attendances increased by 2.9% compared to the reduction of 1% seen in 2023/24, and demand continues to remain significantly higher than pre-COVID-19 pandemic levels, with 10.3% higher demand in 2024/25 than 2019/20. This has contributed to the pressures experienced in the Emergency Department (ED). The high levels of ED attendances have corresponded with a significant increase in non-elective admissions.

Summary Hospital Mortality Indicator

Both Summary Hospital Mortality Indicator (SHMI) and the Hospital Standardised Mortality Ratios (HSMR) indicators continue to be analysed and reviewed within the Trust every month, via the Mortality Surveillance Group. To note, the inherent delay in reporting this data is due to the window that allows final coding data to be submitted to Hospital Episode Statistics (HES).

Countess of Chester Hospital SHMI:

	Countess of Chester Hospital SHMI	Trust with lowest SHMI	Trust with highest SHMI	Outlier alert level
January 2024 to December 2024	0.9151	0.6991	1.3323	Band 2 – as expected

April 2023 to March 2024	0.9550	0.7142	1.3193	Band 2 – as expected
April 2022 to March 2023	0.9847	0.7191	1.2074	Band 2 – as expected
April 2021 to March 2022	0.9591	0.6964	1.1942	Band 2 – as expected
April 2020 to March 2021	1.0422	0.6908	1.2010	Band 2 – as expected
April 2019 to March 2020	1.0752	0.6851	1.1997	Band 2 – as expected
April 2018 to March 2019	1.1055	0.7069	1.2058	Band 2 – as expected

Sustainability Progress in line with the Trust's Green Plan

The Trust Green Plan (2022 – 2025) is now due to be refreshed, with NHS England publishing new statutory Green Plan Guidance in February 2025 to support NHS organisations develop robust plans to improve health outcomes, reduce costs, and minimise waste – continuing the NHS' journey to achieving net zero.

The 'guidance states that refreshed green plans should be approved by the organisation's board or governing body, published in an accessible location on the organisation's website and shared with NHS England by 31 July 2025.

Despite the many challenges and pressures, we face within our Trust and wider, the NHS, these challenges also present new opportunities to deliver outcomes that are best for our patients, financially beneficial, and better for our planet. The Trust Green Plan renewal will keep the following 3 principles:

1. Prioritising interventions that support world-leading patient care and population health, reduce inequalities, and tackle climate change and broader sustainability issues.
2. Supporting organisations to plan and make considered investments while increasing efficiencies and delivering value for taxpayers.
3. Ensuring every NHS organisation supports the NHS-wide ambition to reach net zero carbon emissions, reflecting on the learning from delivery to date

Lord Darzi highlighted the urgency of this agenda in November 2024,

'The World Health Organisation has described the climate crisis as the "single biggest threat facing humanity". Given the global health imperatives, the NHS must stick to its net zero ambitions. There is no trade-off between climate responsibilities and reducing waiting lists. Indeed, often health and climate are mutually reinforcing goals: cleaner air is good for the environment and good for respiratory health.'

The Trusts Anchor Institution group has commenced evaluation of the impact of the renewed Green Plan and work has commenced to meet the 31st July 2025 target date.

Whilst we have faced unprecedented demand from patients during the whole of the 2024/25 period, along with sustained financial pressure to reduce costs, we have made progress in our sustainability journey. Progress in Sustainability projects across the Trust include:

- The final push toward the completion of the Women & Children's building that will open during summer of 2025 in fast nearing completion. Whilst not yet confirmed, it is widely expected that this brand-new healthcare facility will be accredited with achieving the NHS Net Zero Building Standard, the first to do so in the National Health Service.
- The approach of 'sustainability by design' focusing on 'reduced energy consumption' in the Women & Children's building has continued in the build process for this exciting new Healthcare facility. The installation of ground source heat pumps and solar PV to the roof elevations will achieve BREEAM excellence in design and build as part of the original local authority planning approvals.
- The approval to relocate the 'Going Greener' healthy eating retail unit located within the current Women & Children's building to the new building has been received as hugely positive and testament to the success of this retail unit. This successful healthy eating retail unit will continue in its new form, to increase options for staff, patients and visitors to access a variety of food options that support sustainability and health. This is aligned to the NHS England Prevention Pledge.
- The recruitment and appointment of Trust Sustainability Ambassadors continues.
- The Trust has maintained its positive collaboration with other Trusts to identify initiatives.

The Sustainability Lead for the Trust represents the Trust through:

- Cheshire & Merseyside Sustainability Board
- Cheshire West Place Sustainability Committee
- Cheshire West and Chester Council (CWaC) Travel and Transport Collaborative (membership consists of CWaC, COCH, Chester University and Chester Zoo)
- CWAC Travel Demand Management group
- Northwest Regional Estates Delivery Group
- Regional Bio-Diversity Working Group
- Regional Waste Working Group
- Regional Energy Working Group

- Ad-hoc NHS England events directly connected to sustainability.

Energy

Energy continues to be a huge challenge for the Trust, in terms of managing available capacity, consumption and cost. The year has seen much focus in these areas and whilst success has been seen in managing and creating available capacity, the focus is very much on driving down energy usage. A number of initiatives have been piloted across the Trust:

- the use of technology and mechanical intervention to isolate power when not required (night-time hours)
- human intervention to turn off electrical equipment and lighting systems as part of leaving the workplace at close of business
- Digital invention in the automatic powering down of computer systems when unused for a period of time.
- Our Digital colleagues have calculated that over a year, the cost of 1000 computer screens left operating will use 2,592 kWhrs, at a current cost of £ 9,969.65. Our intervention efforts can reduce this consumption to 21.09kWhrs at a current cost of £81.12.

All pilots have seen success in their initial aim, however, we still need to focus on additional intervention to reduce our energy use.

We continue to promote and measure potential effectiveness of other measures such as self-cleaning glass, triple glazing, rainwater harvesting and alternative heating strategies as potential ways to reduce its carbon footprint. We continue to engage with companies that provide existing and innovative technology that could help the Trust create its own electrical energy. Progress will continue as we strive to focus much of our attention in becoming a fully 'Sustainable' hospital and stakeholders will be updated with progress as work continues to achieve a solution that benefits the Trust.

Transport

We continue to focus on providing improved options for travel as well as plans to improve the car parking infrastructure at both of our sites. We have made some progress in this area against very challenging external factors, local public transport service cuts, and cancellation of ineffective bus routes, all of which do not support an 'alternative' mode of travel.

It has been assessed that 5 % of all UK travel is part of NHS activity and that this travel and transport activity accounts for 4% of national carbon emissions. The NHS fleet is the second largest fleet in the country, consisting of over 20,000 vehicles travelling over 460 million miles every year.

The 3rd formal 'Travel Survey was launched on April 1st, 2025 (mandated as part of NHS Net Zero). The survey is valid for a calendar month; with results when completed, positioning us in the challenges faced by our staff and the changes we shall focus on in both continual improvement and reduction in carbon emissions from private motor vehicles.

The transition to e-vehicles by our staff continues at pace, the previous 12 months show 116 out of 124 staff members have acquired e-vehicles through the Trust vehicle scheme.

In April 2025, our Trust took delivery of 7 brand new vehicles as part of the Facilities Service Transport fleet. The fleet collect samples from across the region from GP practices and transport to either our own Trust blood sciences unit or our partner laboratory in Bromborough. The annual milage for this combined fleet in approx. 230,000 miles. The mix of fully electric and hybrid vehicles will make a substantial contribution to cost savings in the huge reduction in diesel costs as well as environmental benefits.
Where previously our vehicles would return an average of 40 miles to the gallon, our new Hybrid vehicles will achieve 65+ miles to the gallon. The fully e-vehicles are replacing 3 x vehicles who returned an annual mileage of 60,000 per year.

Our plans to introduce a ‘car share’ scheme are underway

Food and Nutrition

We remain proud of our own in-house Catering Service who produce approx. 600 healthy, nutritional meals every day, three times per day for our patients and staff. All of our meals are prepared from fresh produce and ingredients and menus changed daily to provide variety of options.

Our in-patient meals are produced to the requirements of our individual in-patients with additional expertise and advice from our Trust dieticians and nutritionists, resulting in a very bespoke and personal meal for each in-patient.
Our ‘belted & personal’ meals service results in minimal food waste leaving our Trust. Any food waste leaving site is recorded and weighed as a requirement of NHS/England and dispatched to a local processing site and made into gas energy for regional domestic and commercial use.

The Trust has been approached to take part in “**Sustainable & Inclusive Nutrition for All: Testing Low-Carbon Menus in Hospitals**”. The project is fully funded by the National Institute of Health and Care Research (NIHR). The final approval papers are being submitted by NIHR and we will know soon when the project is to commence. The project aims to trial and evaluate a behaviour change intervention to reduce carbon emissions within the NHS and increase consumption of healthy and sustainable hospital food by patients.

Governance and engagement

The approach to Sustainability is aligned to the Trust's Anchor Institution work with oversight through the Anchor Institution Group.

Work continues and progress is being made across all disciplines. The workstream includes the Prevention Pledge where the Trust is consistently delivering 12 out of the 14 commitments with plans in place for the remaining 2 commitments.

Healthcare Associated Waste

During 2024/25, we wrote about our intent to radically change our approach to healthcare associated waste and how this is managed. This remains our commitment, and we are optimistic that we will achieve our intent during 2025/26.

We have initiated improvements across the Trust. One of the legacy obstacles from the pandemic was that all Healthcare associated waste was being labeled as 'clinical waste'. Throughout the Trust, the majority of waste bins were orange lidded, denoting 'clinical waste'. We have worked closely with our Infection Prevention Control colleagues and our Senior Nursing colleagues in changing these 'orange lidded' bins to 'black lidded' domestic waste bins. This approach will help us reduce out annual tonnage of clinical waste, which in turn will reduce the clinical waste costs. Whilst we have not removed 'orange lidded' bins, the project has helped us align and re-position where this type of waste receptacle should be in a healthcare area.

A further initiative linked to that of waste disposal, is that of re-upholstering non-clinical and clinical furniture. Financial data from the last three years has shown that when furniture covers are damaged or ripped, the automatic resolution is to order a brand new replacement. Our project is looking at all replacement furniture requests to understand what possible interventions can be identified to repair, recycle and reuse before any such procurement request is approved.

Our IPC colleagues launched an extremely successful 'Gloves Off' campaign during 2024/25. The project was designed to underpin the IPC principle that the most effective way to look after patients and staff and prevent infection is for all colleagues to practice good hand hygiene. Wearing gloves when not necessary can result in higher rates of transmission of infection. For most tasks gloves are not necessary and using soap or hand gel is more effective.
Reasons staff are being asked to reduce unnecessary glove use are:

- Reduce rates of healthcare associated infection which is one of the Trust's harms improvement initiatives
- Increase hand hygiene and skin health
- Strengthen hand hygiene compliance
- Reduce CO2 emissions
- Adhere to evidence-based practice
- Save money so we can reinvest into our services

The initiative was hugely successful and received national acclaim within NHS England. The reduction in used glove waste, reduction in costs (buying gloves and waste reduction), reduction in CO2 emissions were all achieved as well as the primary objective, to reduce rates of healthcare associated infection which is one of the Trust's harms improvement initiatives.

Climate Adaptation

Our climate is rapidly changing. With 6 of the last 10 years (2014-2023) ranking among the warmest on record since 1884, the impacts are already proving costly to both society and the NHS, with future costs expected to rise. While estimating the full extent is challenging, heat-related mortality in England alone costs £6.8 billion annually, likely to increase to £14.7 billion per year by the 2050s. These figures underscore the urgent need for action.

Despite rapid decarbonisation, global temperatures will continue to rise, and without adaptation, health impacts from heat, cold and flooding will worsen due to climate and sociodemographic changes. Emissions reduction and climate adaptation are mutually reinforcing, essential aims to minimise the adverse effects on population health and health services. The health sector's resolve to adaptation is ever more essential given the vulnerability of the population we serve.

The greatest climate risks to the health and care system in Cheshire & Mersey region are a.) risks to wellbeing from high temperatures; b.) river and surface flooding; c.) coastal flooding; d.) risks to building fabric.

Climate impacts have serious consequences for the delivery of health services, ranging from risks such as flood and overheating risks to hospitals, supply chain disruption, and transport failure, as well as new pressures on the health system as a result of heatwaves, pests and diseases, and other extreme weather events.

Climate change has serious consequences for:

- **delivery of healthcare service**: ranging from risks to hospital estate, supply chains and transport.
- **public health:** new pressures on the health system as a result of heatwaves, pests and diseases, heat exposure, and extreme weather events.

These issues particularly impact more vulnerable people and places. Understanding, anticipating, and adapting to these new challenges is essential to developing a more climate-resilient NHS.

Understanding, anticipating, and adapting to these new challenges is essential to developing a more climate-resilient NHS. The Trust Sustainability Lead has completed the training programme 'Becoming Climate Resilient' funded by NHS England that allows attending candidates to explore the key concepts of climate adaptation, climate risk, and identify opportunities to build resilience towards a fairer, flourishing future.

The solutions to how we as a Trust will 'adapt' to changing climate will be included in our new Green Plan.

Health Inequalities

The Trust recognises that health inequalities are unjust and avoidable differences in people's health. Whilst the causes of health inequalities are complex, research has shown that the main drivers are social determinants; that is the environments people live in, access to employment, the kind of start they had in life. Inequalities are also driven by the ways in which health services are designed, delivered, funded, and by the quality of clinical care received. We recognise that the NHS plays a role in both mitigating against the impact of the wider determinants and in reducing healthcare-based inequalities. Addressing health inequalities will improve the quality of clinical care, patient outcomes and safety across the population and between specific groups.

To this extent the Trust has developed a five-step health inequality framework which includes:

Equality of access
Using new digital tools, systematic monitoring of identified groups to ensure equity of access of people on our waiting list. And using population health data, targeting areas of inequality of people not known to the hospital, and crafting solutions with partner organisations.
The Trust has undertaken significant work to improve patient experience through translations, faith networks and adaptations for language, culture and food.

Health inequalities amongst staff

- THE Trust has looked at `vital signs` linked to pay bands, sickness rates in lowers bands, food banks, other hardship indicators to determine a new offer for staff
- The Trust has also developed a new health and well-being hub for staff.

Making every contact count

- Research suggests there are potential triggers in people's lives when they are more open to health advice.

Becoming and Anchor Institution

- The Trust has an active green champion network and an overarching Anchor Institution group which coordinates the work of our Prevention Pledge, Social Value and Carbon emissions green plan.

Systems Working

- The Trust take a leadership role in Cardiovascular Disease (CVD) prevention, Primary Care Heart Failure and opportune screening events.

Task Force on Climate-Related Financial Disclosures (TCFD)

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

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

Governance and strategy pillar

Delivery of the Trust's Green Plan is overseen by a designated board-level net zero lead, in collaboration with non-executive leadership and identified operational support.
To oversee the full range of workstreams within the Trust a strategic delivery oversight group (Anchor Institution Steering Group) has been established bringing together the following interdependent workstreams, providing cohesion and coordination of effort:

- Green Plan
- NHS Prevention Pledge
- Social Value Pledges

Management's responsibility includes strategic alignment, risk assessment and cultivation of sustainability culture.

The strategic framework will be put into action through the Anchor Institution Steering Group, supported by staff-based sustainability groups, reporting via Finance and Performance Committee to the Board.

The COCH Trust Green Plan (2022 - 2025) is reaching the end of its validation period with a new Green Plan in development which will be refreshed, developed, to provide a robust plan to improve health outcomes, reduce costs, and minimise waste – continuing the NHS' journey to achieving net zero.

Metrics and target pillar

Measuring the climate-related risks and opportunities requires clear metrics and targets aligned with national sustainability goals and global climate commitments. A key indicator is progress against the country's decarbonisation trajectory—typically benchmarked through targets such as 'clean energy sources electricity by 2035'. An oversight dashboard has been developed with clinical and operational leads identified for each workstream, supporting the monitoring, providing assurance and delivery of net zero and Greener NHS priorities at region, ICS and provider level. In summary these workstreams and key lines of inquiry include.

- **Governance** - Board updates and reporting
- **Workforce** - staff awareness and training
- **Clinical leadership** - considerations of carbon impact of care delivery through a clinical lens
- **Digital transformation** - use of cloud solutions and repurposing of hardware
- **Digital strategy** - commitment to meeting net zero ambitions as per National digital strategy
- **Travel and Transport** - move to Electric Vehicles (EV) within Trust fleet, travel incentive schemes, transport partnership and active travel
- **Estates and facilities**
- **Medicines Management**
- **Supply chain** - inclusion of a carbon reduction weighting in all procurement
- **Food and nutrition**
- **Climate changes adaptions**

Equality, Diversity and Human Rights

The Trust works to be an inclusive employer and provider of healthcare services. This is demonstrated by an Equality, Diversity and Inclusion (EDI) Strategy 2023 – 2026 that focusses on embedding equality for our patients, people and partners, making the Countess of Chester Hospital NHS Foundation Trust the place where everyone counts.

In 2024/25, we have continued to deliver our EDI Strategy through a refreshed internal equality governance framework, helping to

- Inform implementation, monitoring, review and evaluation of Trust's Equality, Diversity and Inclusion (EDI) activities.
- Ensure compliance with Public Sector Equality Duty and NHS contract requirements.
- Provide the assurance required to embed diversity and inclusion across employment and service delivery.

Reporting and monitoring of workforce EDI is undertaken through our People and Culture Sub-Committee, reporting to the Trust's People Committee.

Public Sector Equality Duty

The Trust has continued to meet its obligations under the Public Sector Equality Duty and further evidence of this is provided within this section of the report.

As part of the demonstration of the Trust's Public Sector Equality Duty, significant progress has been made in relation to workforce in 2024/25. Key achievements include:

- Significantly increased activity with staff networks supporting inclusion and engagement across the Trust.
- Making progress in recruiting staff from Black Asian and Minority Ethnic (BAME) backgrounds in substantive roles across entry level non-clinical, medical, and dental roles and improving internal promotions to higher bandings. There is still further work to do to improve access to career development and progression opportunities.
- Significant progress on addressing gender pay equity of women across the higher paid quartile. There has been a drop in representation across entry level to middle management, as well as a drop in total headcount compared to last year.
- Increasing workforce diversity in relation to disability, sex, and sexual orientation.
- Making progress on increasing response rates to the national Staff survey including Bank staff. There is more work to do to reduce incidents of workplace bullying and harassment which is not reflective of our values.

The Trust has also continued in its commitment to the NHS Anti-Racism Framework and the NHS Sexual Safety Charter.

The Trust has met all of its statutory reporting throughout 2024/25. All reports are published on the Trust website (available here: Equality, Diversity and Inclusion | Countess of Chester Hospital) and include

- **NHS Equality Delivery System (EDS):**
The report highlights the Trust's commitment to Equality, Diversity, and Inclusion (EDI) and provides a comprehensive summary of the annual EDS assessment for 2024. The Trust has made significant progress, with 10 outcomes rated as "Achieving" and one outcome rated as "Developing," compared to the previous year when 7 outcomes were rated as "Developing" and 4 as "Underdeveloped"

- **NHS Workforce Race & Disability Equality Standard:**
The Trust published its annual NHS Workforce Race Equality Standard (WRES) outcomes, submission in October 2024. Similarly, the Trust published its annual NHS Workforce Disability Equality Standard (WDES) outcomes, submission in October 2024.

- **Gender Pay Gap Report**
The paper provides an overview of the Trust's Gender Pay Gap (GPG) report for 2024. It includes data insights and demonstrates that the Trust understands the need to reduce workplace gender inequalities, promote equality and work to eliminate discrimination.

- **Workforce EDI Annual Report**
This report provides an overview of workforce diversity and highlights progress the Trust has made in promoting equality, diversity, and inclusion during the previous year. It also details future priorities and outlines work to be done.

The outputs of these publications continue to direct our engagement with our patients, our workforce and our communities, and has been an integral part of the Trust's operational and strategic equality, diversity and inclusion agenda.

Modern Slavery

Modern slavery statement
The Trust's Procurement Department obtains relevant information on the slavery and human trafficking statements of all relevant commercial organisations, as defined by section 54 ("Transparency in supply chains etc.") of the Modern Slavery Act 2015, as part of its supplier selection process.

The Trust's Procurement Department uses up to date standard NHS terms and conditions for its contracts and purchase orders that are issued to suppliers. Under these terms and conditions, suppliers must comply with all relevant laws and guidance and shall use good industry practice to ensure that there is no slavery or human trafficking in their supply chains; and shall at all times conduct their business

in a manner that is consistent with the policies of the Trust.

Contracted suppliers must provide the Trust with any reports or other information that the Trust may request as evidence of the supplier's compliance with this and/or as may be requested or otherwise required by the Trust in accordance with its policies. In addition, suppliers must comply with the Supplier Code of Conduct in so far as is relevant to the supply of goods and/or the provision of services.

The Supplier Code of Conduct published by the Government Commercial Function can be found at:
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/779660/20190220-Supplier_Code_of_Conduct.pdf

All suppliers who tender to supply goods or services to the Trust through the Procurement Department must agree to these terms and conditions in advance. Any supplier that does not agree will not be awarded a contract.

Any breach by a contracted supplier of the terms and conditions relating to slavery or human trafficking that is not or cannot be remedied will be deemed a material breach and be subject to contract termination.

Safeguarding (in relation to Modern Slavery)

The Trust is dedicated to preventing modern slavery through various policies and procedures, including:

- Safeguarding and Promoting the Welfare of Children Policy
- Safeguarding Adults at Risk Policy

These policies are developed and maintained within national and local safeguarding governance frameworks. They provide guidance on initial contact with suspected human trafficking victims and the National Referral Mechanism.

Training and Promotion (in relation to Modern Slavery)
The Trust's safeguarding training (Levels 1, 2, and 3) incorporates modern slavery awareness and resources relevant to each role to promote understanding.

Modern Slavery Act (2015) – Section 54
Section 54 of the Modern Slavery Act (2015) details the following:

(4) A slavery and human trafficking statement for a financial year is:
(a) a statement of the steps the organisation has taken during the financial year to ensure that slavery and human trafficking is not taking place:
(i) (i) in any of its supply chains, and
(ii) in any part of its own business, or
(b) a statement that the organisation has taken no such steps.

(5) An organisation's slavery and human trafficking statement may include information about:
(a) the organisation's structure, it's business and its supply chains
(b) its policies in relation to slavery and human trafficking

(c) its due diligence processes in relation to slavery and human trafficking in its business and supply chains
(d) the parts of its business and supply chains where there is a risk of slavery and human trafficking taking place, and the steps it has taken to assess and manage that risk
(e) its effectiveness in ensuring that slavery and human trafficking is not taking place in its business or supply chains, measured against such performance indicators as it considers appropriate
(f) the training about slavery and human trafficking available to its staff.

Financial Review for 2024/25

The Trust reported a £9.6m deficit position (before impairments and transfers by absorption) at the end of the 2024/25 financial year.

NHS provider contracts are primarily based on an aligned payment and incentive (API) mechanism, comprising a fixed element for an agreed level of activity other than for elective activity and a variable element for elective activity. Elective Recovery Funding (ERF) is also available to support elective operational requirements, which is available if the Trust delivers above agreed activity levels (of value weighted activity).

The Trust delivered the deficit agreed with NHS Cheshire and Merseyside Integrated Care Board (ICB) for the year and carried forward an underlying deficit of c. £44m. Significant work has been undertaken during the year to improve financial governance with a continuing focus on financial sustainability. The Trust financial recovery plan/ financial strategy continues to be developed in line with the over-arching Trust strategy and development of the Clinical Services Strategy.

Income and expenditure

The table below summarises the financial position before adjusting for impairments. These technical adjustments are removed to present a fairer financial position. The Countess of Chester Hospital's total income for 2024/25 was £410m. The majority of income comes from our main commissioner NHS Cheshire and Merseyside Integrated Care Board (ICB) at £313.7m, with £35m received from Betsi Cadwaladr University Health Board, and £23.9m from NHS England. A further £11.7m was received to fund training and education.

Throughout 2024/25, NHS provider contracts with English commissioners operated primarily on an aligned payment and incentive (API) mechanism, comprising a fixed element for an agreed level of activity other than for elective activity and a variable element for elective activity. Welsh contract income operated on a cost per case basis during 2024/25, meaning the majority of income was variable during 2024/25

Income and expenditure (audited):

	2024/25 £'000	2023/24 £'000	2022/23 £'000	2021/22 £'000	2020/21 £'000
Income	410.0	357.9	348.9	334.0	313.0
Expenses	(406.7)	(376.6)	(363.6)	(325.1)	(306.5)
Operating Surplus/ (Deficit)	**3.3**	**(18.7)**	**(14.7)**	**8.9**	**6.5**
Interest, Depreciation and Dividend	(11.3)	(11.3)	(11.0)	(9.3)	(7.6)
Surplus/ (Deficit) before impairment	**(8.0)**	**(30.0)**	**(25.7)**	**(0.4)**	**(1.1)**
Impairments and reorganisation costs	(1.2)	(1.5)	(4.2)	(3.7)	(6.8)
Gains/ (Losses) from transfer by absorption		6.8			
Surplus/ (Deficit) for the year	**(9.2)**	**(24.7)**	**(29.9)**	**(4.1)**	**(7.9)**

The income and expenditure position shown, excludes impairments and donated assets/ transfers. The adjusted financial performance is £9.6m for 2024/25 as shown in the table below:

	2024/25 £'000	2023/24 £'000
Surplus/ (Deficit) for the period	(9.2)	(24.7)
Add back all I&E impairments/ (reversals)	1.2	1.5
Adjust (gains)/ losses on transfers by absorption		(6.8)
Surplus/ (Deficit) before impairments & transfers	**(8.0)**	**(30.0)**
Remove capital donations/ grants	(1.6)	(0.1)
Adjusted surplus/ (Deficit)	**(9.6)**	**(30.1)**

The Trust experienced several pay and non-pay expenditure pressures on its budget during the year, with medical pay spend exceeding planned levels. This was driven by the need to maintain sufficient clinical capacity whilst covering vacancies and sickness. There was also a requirement to cover workload pressures, primarily within Urgent & Emergency Care. The consequent expenditure on the medical agency was £2.5 million for the year, with nurse agency expenditure of £0.9 million for the year. The level of spend on agency staff has reduced by over £1.8m from 2023/24, with overall spend being 1.4% of total bill (compared to 2.2% in 2023/24). Agency spend during the year has fallen by £13.8m from 2022/23 (with 2022/23 spend being £18m and 6.9% of total pay bill).

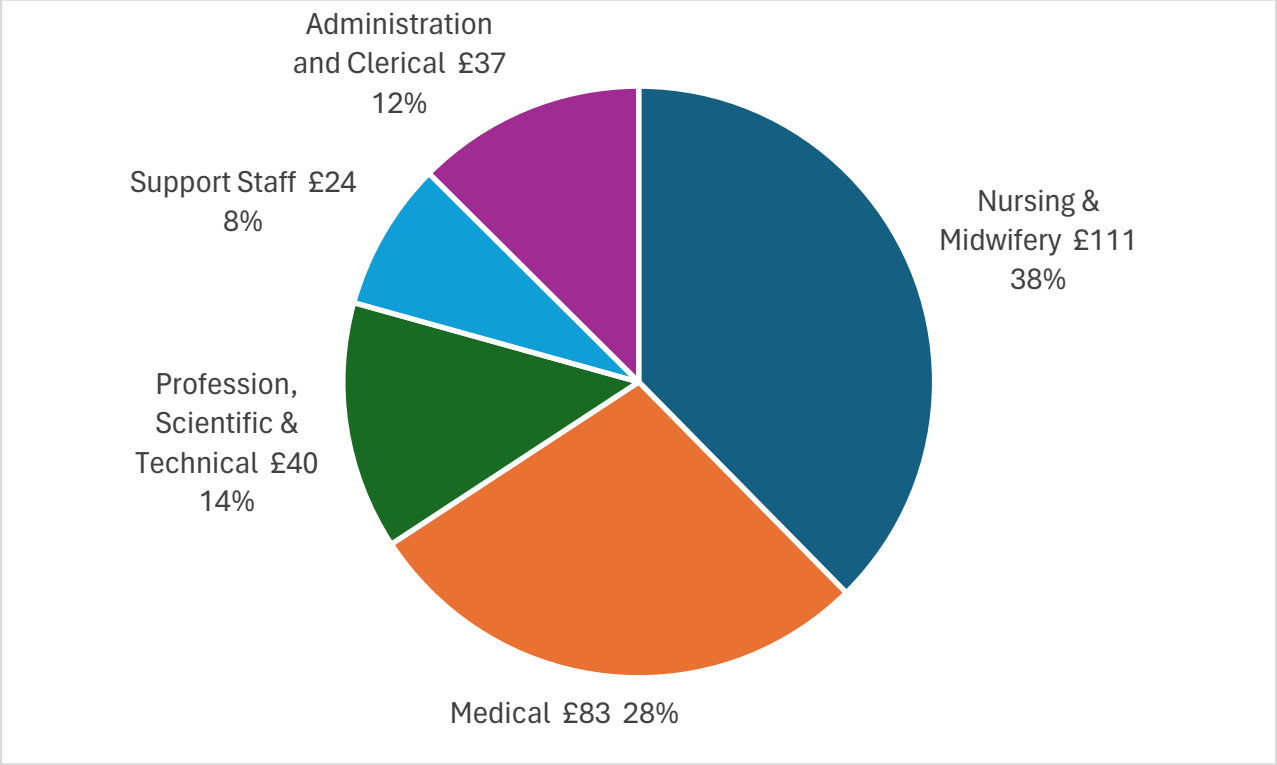
Additional costs were also experienced in relation to high-cost drugs, medical and surgical equipment (driven by increases in activity and acuity of patients) and energy costs (driven by external market factors and the dual running of the new Women's and Children's building). There was also an increase in legal fees during the year with an increase in coroners fees. Although cost pressures had been experienced earlier in the year in relation to resident doctor industrial action, non-recurrent centralized funding support. The costs incurred in respect of the public inquiry were funded centrally by NHS England.

The impairment in the year arises from the revaluation of the Trust properties on 31 March 2025 and reflects the movement in price indices since the previous valuation in 2022/23. Impairments are excluded from the measured financial performance of

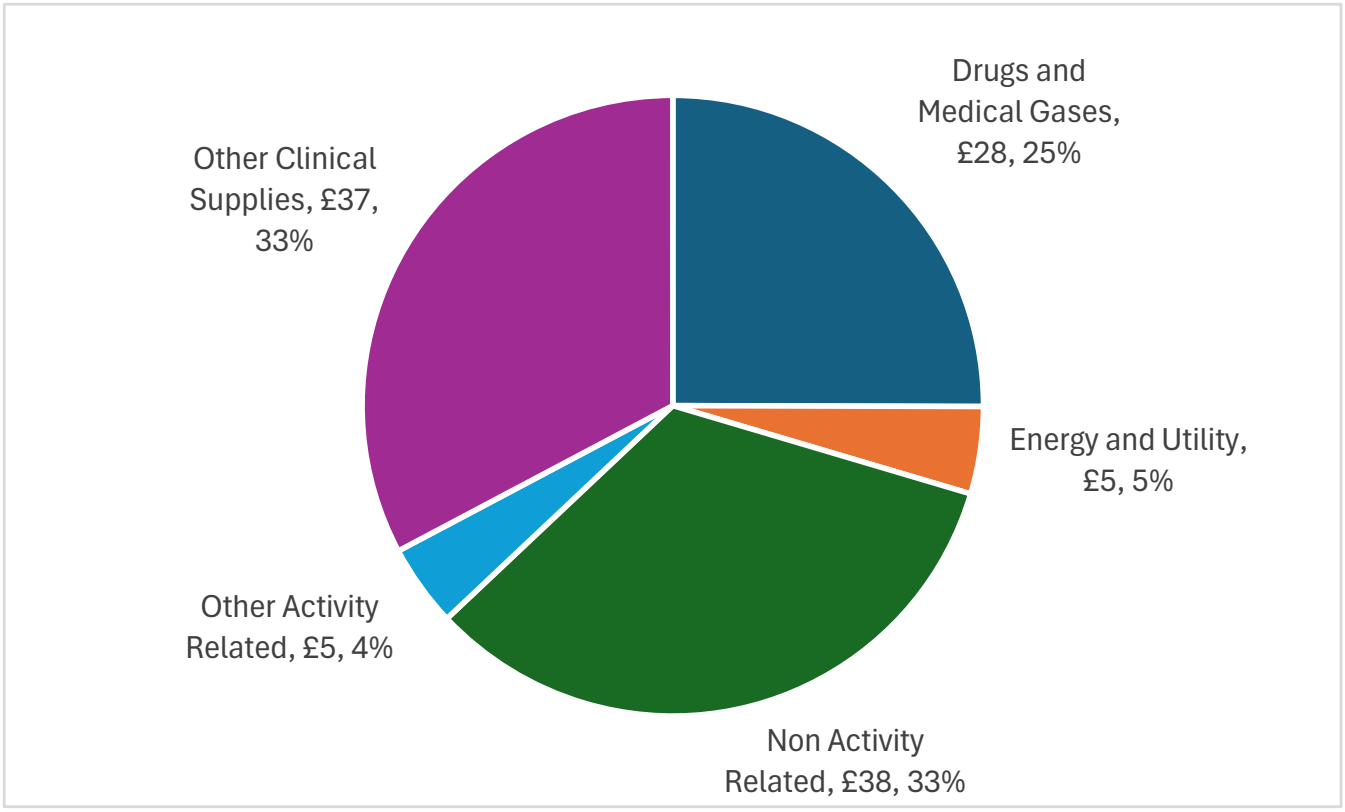
NHS organisations on the basis it doesn't reflect the underlying performance.

The majority of the Trust's expenditure is spent on clinical care, with staff representing the largest proportion of spend at £295 million.

Breakdown of pay expenditure 2024/25 (£m):



Breakdown of non-pay expenditure 2024/25 (£m):



Cost reduction and efficiency

In order to meet national priorities within the funding allocated, there is a requirement for NHS organisations to reduce their cost base and improve productivity. Financial plans for 2025/26 will incorporate the national and regional requirement to deliver efficiencies.

A challenging minimum efficiency target of £27.7m has been set for 2025/26. This can no longer be achieved in isolation, and the Trust will need to continue to work collaboratively with partners within the local health system to achieve this.

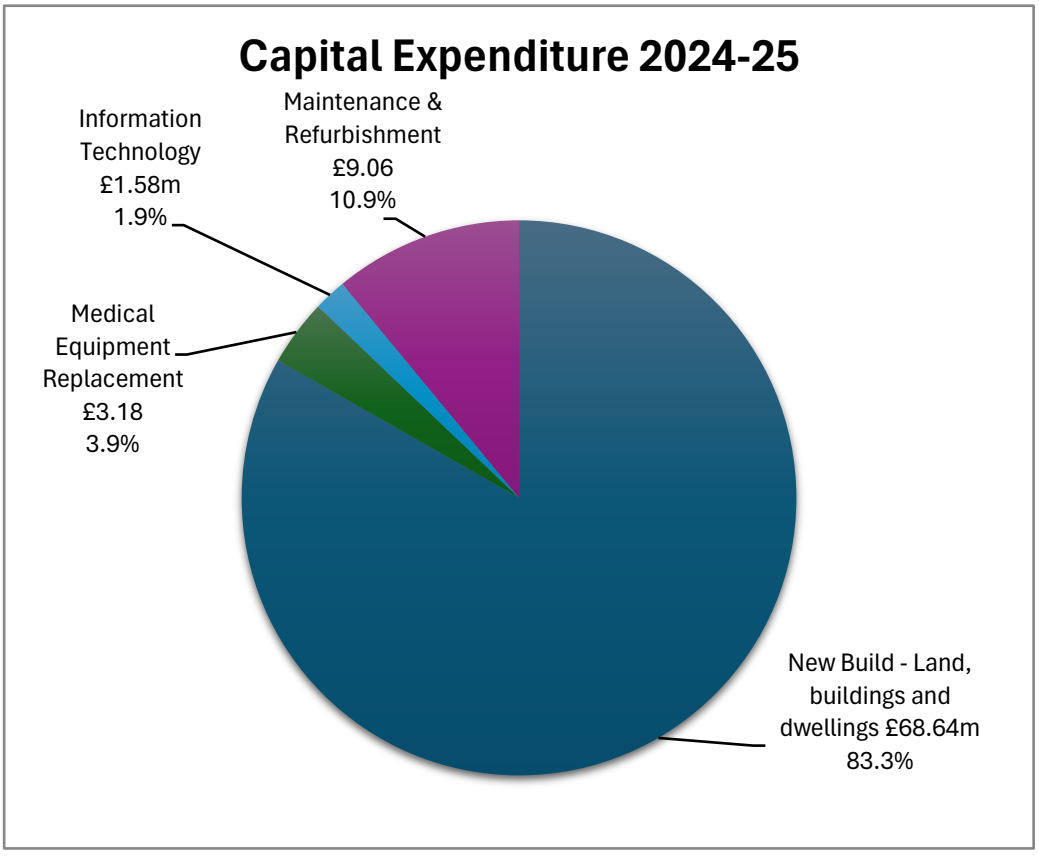
Description of efficiency schemes delivered in 2024/25:

Description of scheme	In year	Recurrent
Target	£19,822,000	£19,822,000
Pay - Agency & bank	£ 1,096,000	£ 484,000
Pay - establishment reviews	£ 5,849,000	£ 1,206,000
Pay - service redesign	£ 500,000	£ 25,000
Pay - corporate services transformation	£ 2,315,000	£ 66,000
Pay - E-rostering/ job planning	£ 2,055,000	£ -
Pay - digital transformation	£ 951,000	
Pay - other	£ -	£ 365,000
Non-Pay - Medicines efficiencies	£ 924,000	£ 319,000
Procurement (excl. drugs) - non-clinical		£ 43,000
Procurement (excl. drugs) - clinical	£ 414,000	£ 263,000
Non-Pay - Estates & Premises transformation	£ 437,000	£ 194,000
Non-Pay - service redesign	£ 2,126,000	£ 485,000
Non-Pay - digital transformation	£ 168,000	£ 16,000
Non-Pay - other	£ 395,000	£ 538,000
Income	£ 2,592,000	£ 7,902,000
Total CIP achieved	**£19,822,000**	**£11,906,000**

Capital investment

Capital resources amounting to £82.4 million were spent during 2024/25, including £67.5m on the new Women's & Children's building. The key areas of 2024/25 capital spend are shown in the chart below.

Capital expenditure 2024/25:



Capital expenditure for 2025/26 will be capped at a system level and the Trust will be required to seek agreement to its plans from Cheshire & Merseyside Health and Care Partnership.

Accountability Report

2. Accountability Report

Directors' Report 2024/25
Board of Directors

The Board of Directors sets the strategic direction of Trust and is responsible for establishing and maintaining an effective culture. The Board consists of Executive and Non-Executive Directors.

The Board composition ensures the breadth of skills and expertise of the Non-Executive and Executive Directors. Board members provide a breadth of public and private sector experience.

The Board has led the development of the Trust's strategy and continues to monitor delivery against strategic goals and objectives.

The Board may delegate some of its powers to a sub-committee of the Board of Directors or to an Executive Director or officer of the Trust. The Scheme of Reservation and Delegation sets out the powers retained by the Board and those delegated to Committees or officers. Further guidance on the operation of the Trust is set out in the Trust's Constitution including Standing Orders and the Standing Financial Instructions.

Executive and Non-Executive Directors have an annual appraisal, reviewing performance against objectives, leadership competencies, Trust values and progress against personal development plans.

The written judgement from the employment tribunal involving the Trust and former chief executive officer, was received in February 2025, and whilst this related to prior years the Trust has considered the learnings against current practice.

The Board of Directors has seen a number of changes during the year.

The composition of the Board of Directors during 2024/25 was as follows:

Non-Executive Directors	
Ian Haythornthwaite Trust Chair	Appointed for a three-year term of office from 1st September 2021. Resigned 14th February 2025
Neil Large Interim Trust Chair	Appointed for a six month term of office from 1st March 2025

Michael Guymer (Senior Independent Director from 9th February 2024)	Appointed for a three-year term of office from 1 October 2021.
Paul Jones (Deputy Chair from 9th February 2024)	Appointed for a three-year term of office from 1st March 2020 and reappointed for a further three-year term of office from 1st March 2023.
David Williamson	Appointed for a three-year term of office from 1st November 2019 and reappointed for a further three-year term of office from 1st November 2022.
Pam Williams	Appointed as Associate Non-Executive Director for a three-year term of office from 1st November 2021 and then appointed as Non-Executive Director for a 3-year term of office from 1st March 2022, appointed for a second 3 year term from 1st March 2025
Professor Andrew Hassell	Appointed for a three-year term of office from 21st January 2024.
Wendy Williams	Appointed for a three-year term of office from 21st January 2024.
Sarah Corcoran	Appointed for a three-year term of office from 21st January 2024.

Executive Directors	
Jane Tomkinson OBE Chief Executive Officer	Substantive Chief Executive Officer from 1st February 2024.
Karen Edge Chief Finance Officer	From 19th February 2024.
Dr Nigel Scawn Medical Director	From 1st September 2022.
Cathy Chadwick Chief Operating Officer	From 29th March 2022.
Mark Dale Acting Chief People Officer	From 1st January 2024 until 19th May 2024.
Sue Pemberton Director of Nursing & Quality / Deputy Chief Executive	Substantive Director of Nursing & Quality / Deputy Chief Executive from 1st February 2024.
Jonathan Develing Director of Strategy and Partnerships	Substantive Director of Strategic Partnerships from 1st April 2024.
Karan Wheatcroft	Substantive Director of Governance, Risk and Improvement from 10th June 2024
Vicki Wilson	Acting Chief People Officer from 1st January 2025
Debbie Herring	Interim Chief People Officer from 1st May 2024 to 31st December 2024

Board effectiveness evaluation

A strong unitary Board is fundamental to the success of the Trust. The effectiveness of the Board of Directors is aligned to the delivery and performance of services year-on-year and is closely monitored by the Council of Governors throughout the year, as part of their role of holding the Non-Executive Directors to account and, through them, the Board of Directors to account.

The Board continues to evaluate performance through appraisals (individually and collectively). A Board development programme has been delivered in year with dedicated time to consider strategy, governance and organisation development.

The Board has continued to progress delivery of the well led peer review action plan and undertaken committee effectiveness reviews of each of the Assurance Committees. A self-assessment has also been completed against the NHS England Insightful Board guidance with developments already aligned to Director objectives.

Attendance at Board of Directors and Board sub-committee meetings

Attendance at Board meetings held during 2024/25 and Board Committee meetings is as below:

Name	Board of Directors	Audit Committee	Finance and Performance Committee	Quality and Safety Committee	Remuneration and Nominations Committee	People Committee
Trust Chair Ian Haythornthwaite *(until 14th February 2025)*	5/6				5/5	
Interim Trust Chair, Neil Large *(from 1st March 2025)*	1/1					
Non-Executive Director David Williamson	6/6	5/5	7/7		4/5	
Non-Executive Director Paul Jones	5/6		6/7	5/6	2/5	

Non-Executive Director Michael Guymer	6/6	5/5			5/5	
Non-Executive Director Pamela Williams	6/6		7/7		5/5	6/6
Non-Executive Director Wendy Williams	6/6	5/5			4/5	5/6
Non-Executive Director Prof Andrew Hassell	6/6			6/6	5/5	6/6
Non-Executive Director Sarah Corcoran	5/6			5/6	3/5	
Chief Executive Officer Jane Tomkinson OBE	6/6					
Director of Nursing & Quality/Deputy Chief Executive Sue Pemberton	6/6			6/6		
Chief Finance Officer Karen Edge	6/6		5/7			
Interim Chief People Officer Debbie Herring (1st May 2024 – *31st December 2025)*	2/2					4/5
Acting Chief People Officer Vicki Wilson *(from 1st January 2025)*	2/2					4/5
Chief Digital & Data Officer Jason Bradley	2/2		7/7			
Chief Operating Officer Cathy Chadwick	6/6		7/7	3/6		
Medical Director Dr Nigel Scawn	6/6			6/6		3/6
Director of Governance, Risk & Improvement	6/6					
Director of Strategy & Partnerships Jon Develing	5/6					

*To note, differing numbers of attendance for some Committees are reflective of leavers and changes to Committee membership during 2024/25.

Board of Director profiles

Neil Large MBE
Interim Chair from 1st March 2025

Neil joined the Trust on 1 March 2025. He is an experienced NHS professional with extensive Board level experience who is passionate about the NHS, the patients it serves and its staff who deliver inspirational and dedicated care day in day out. A qualified accountant, Neil was appointed to his first board level post as Finance Director at Chester Health Authority before becoming its Chief Executive Officer. Neil also undertook the Chief Executive Officer role of the Family Health Services Authority in the early 1990s.
In 2001 Neil was appointed Finance Director of the then newly-formed Cheshire and Merseyside Strategic Health Authority. Following retirement in 2006 he joined Liverpool Heart and Chest NHS Foundation Trust and subsequently acted as Chair from August 2009 to March 2022.
During his tenure the Trust was rated 'outstanding' by the Care Quality Commission (CQC). Neil also served as a Non-Executive Director and Chair of Audit at The Christie NHS Foundation Trust from 2014 to 2021.
Neil was awarded the MBE in the 2017 New Year Honours list for services to healthcare in both the NHS and charitable sectors where Neil has given many years of service as a Trustee at Tarporley Cottage Hospital and The Hospice of The Good Shepherd.

David Williamson
Non-Executive Director
David joined the Board in November 2019. He brings a valuable blend of business consulting skills, acquired during 10 years with a multi-national company and over 20 years in senior business change and IT leadership roles across a range of consumer facing industries. David has over 20 years of Board-level experience in a variety of roles all of which had particular emphasis on joined-up strategic planning and effective governance of both operational and transformational delivery.

Paul Jones
Non-Executive Director and Deputy Chair
Paul graduated in Mechanical Engineering from Manchester Metropolitan University, going on to work in the automotive industry for over 30 years. A Chartered Engineer by profession, he was primarily based in Cheshire, initially with Foden Trucks at Sandbach and from 2000 with Bentley Motors at Crewe. He has also completed assignments in USA, Germany and the Netherlands. He brings over 15 years of Board-level experience both as a Vehicle Line Director and latterly as Director of Product Management, with executive responsibility for all future Bentley product strategy. His current role is chief executive at the Northern Automotive Alliance, a not-for-profit trade association. responsible for the activities of the automotive sector in the North of England. Paul is a fellow of the Institution of Mechanical Engineers and is also the current chair of its Technical Strategy Board. Paul is the lead Non-Executive Director for Freedom To Speak Up and the Sustainability Strategy Group.

Pam Williams
Non-Executive Director
Pam has a degree in economics and is a qualified accountant and member of the Chartered Institute of Public Finance and Accountancy. She has over 20 years' experience operating at Board level in a wide range of local authorities. Pam is an experienced Non- Executive Director in the NHS and other sectors and currently holds a position with Muir Group Housing Association.

Mick Guymer
Non-Executive Director and Senior Independent Director
Mick Guymer is a chartered accountant who has worked in the NHS for 40 years with 20 years' experience as a director of finance. He created NHS North West Procurement Development and has been a member of the NHS National Procurement Customer Board, for which he was also the Chairman of their Northern Board and a member of the NHS Supply Chain Medical Supplier Board. He has previously held a non-executive director role at a nearby acute NHS Trust.

Professor Andrew Hassell
Non-Executive Director
Until his retirement from clinical practice in September 2021, Professor Hassell was a consultant rheumatologist at the Haywood Hospital in Stoke-on-Trent. He was also head of the School of Medicine at Keele University. Professor Hassell has also been a non-executive director at the University Hospital of North Midlands.

Wendy Williams
Non-Executive Director
Wendy has served on NHS Boards for over 20 years with her most recent role being the Deputy Chair of Cheshire Clinical Commissioning Group. She has held positions including the Chair of Clatterbridge Cancer Centre NHS Foundation Trust and three other NHS non-executive director positions.

Professionally working as a Change Director in both the private and public sectors, Wendy has led large scale change projects in several UK central government departments as well as private sector organisations in France, Germany and the USA. She now continues to coach executives on handling change and volunteers as a coach for various charity CEOs. Wendy has twice served as a school governor and has also been a member of a regional NSPCC Business Board.

Sarah Corcoran
Non-Executive Director
Sarah trained as a nurse in Manchester in the 1980s and after qualifying led a Stroke Care Development Unit. She then worked in a number of Trusts as a senior nurse involved in quality improvement and nursing management. In the course of this work, she developed an interest in patient and staff safety, how teams work together to maintain and improve safety, risk management and clinical governance. Sarah went on to work for 25 years in this field, and was a Director of Clinical Governance for a large Trust in the North West. She has worked across health systems locally and nationally to develop governance structures, assurance processes and been involved in the delivery of safety projects across all specialties. She retired from her full-time NHS post in January 2022 and this is her first Non-Executive Director role.

Jane Tomkinson OBE
Chief Executive Officer
Jane has been Chief Executive Officer since February 2024.

Jane first joined the Trust as Acting Chief Executive Officer in December 2022 and held the position until she became the substantive Chief Executive Officer in February 2024. During this time, Jane provided senior leadership support to the Trust as well as to Liverpool Heart and Chest Hospital NHS Foundation Trust where she had been the Chief Executive Officer since 2013.

Since joining the NHS in 1990, Jane has held a number of executive level positions including Director of Finance at the Countess of Chester Hospital NHS Foundation Trust between 2004 and 2011. Whilst working at the Trust, Jane was awarded the prestigious Finance Director of the Year award by the Healthcare Financial Management Association. Following this role, Jane moved to work as a Finance Director at the North of England Strategic Health Authority. Jane was awarded an OBE for services to NHS finance in the Queen's New Year's Honours in 2016.

In addition to her NHS role Jane chairs the North West Coast Clinical Research Network and is an independent governor for Liverpool John Moores University.

Sue Pemberton
Director of Nursing & Quality / Deputy Chief Executive -
Sue became the Director of Nursing & Quality and the Deputy Chief Executive in February 2024. She is also the Director of Infection Prevention and Control and the Executive Lead For Safeguarding.
Sue started her career in the NHS in 1990 working as a nurse at Salford Royal Hospital when she qualified. She progressed to Assistant Director of Nursing at Salford Royal NHS Foundation Trust before joining Liverpool Heart and Chest Hospital NHS Foundation Trust as Deputy Director of Nursing in 2010. She went on to become the Director of Nursing and Quality at the Trust in May 2012. Sue is a Florence Nightingale scholar and has a passion for ensuring patients and their families receive the highest standards of care.

Karen Edge
Chief Finance Officer
Karen became Chief Finance Officer in April 2024.
Karen has worked in the NHS for 18 years having had a previous career in private sector finance. Karen is an experienced NHS finance leader and prior to joining the Trust, Karen was the Chief Finance Officer at Liverpool Heart and Chest Hospital NHS Foundation Trust. She has also previously held other senior leadership roles in local NHS Trusts including Acting Director of Finance and Deputy Director of Finance at Wirral University Teaching Hospitals NHS Foundation Trust and; Deputy Director of Finance at Mid Cheshire Hospitals NHS Foundation Trust.

Dr Nigel Scawn
Medical Director
Dr Nigel Scawn Joined the Trust as Medical Director in 2022.
Prior to starting at the Countess, Nigel was the Deputy Medical Director and Lead for Patient Safety at Liverpool Heart and Chester Hospital.
Nigel qualified and worked as a pharmacist prior to studying medicine. Following his medical training he worked as a Consultant in Anaesthesia and Intensive Care at Arrowe Park Hospital before moving to Liverpool Heart and Chest Hospital where he was a Consultant for 22 years.

Cathy Chadwick
Chief Operating Officer

Cathy joined the Trust as Chief Operating Officer in March 2022.

Cathy has worked in the NHS for 19 years and has a Post Graduate Diploma in Healthcare Leadership. She has previously worked in large acute teaching trusts, mainly in the East Midlands and latterly as Deputy Chief Operating Officer at Liverpool University Hospitals NHS Foundation Trust. Cathy also currently works as the lead Chief Operating Officer, across Cheshire and Merseyside for Elective Restoration and she is passionate about improving cancer care for patients

Karan Wheatcroft (from 10th June 2024)
Director of Governance, Risk and Improvement

Karan joined the Trust as Director of Governance, Risk and Improvement in June 2024.

With more than 20 years of experience working in the NHS, Karan brings a wealth of expertise in governance, risk and assurance arrangements at Board level. As Company Secretary, Karan leads the Trust's governance framework, regulatory and legal compliance, supporting the Board and Council of Governors in discharging their duties.

Karan also leads the Trust's legal, risk, improvement and communication teams, with a strong focus on organisational learning and continuous improvement.

Karan takes an active role in local and national networks, supporting developments, collaboration and joint working.

Jonathan Develing
Director of Strategic Partnerships

Jonathan joined the Trust as Director of Strategy and Partnerships in April 2024.

Jonathan started his NHS career in 1980 in general and psychiatric nursing, before moving into contract and systems management. He has considerable experience at a National and Regional level having worked as Regional Director of Operations and Delivery for NHS England (North) and as Chief Executive of NHS Wirral Clinical Commissioning Group. Jonathan joins the Trust from Liverpool Heart and Chest Hospital NHS Foundation Trust where he was Director of Strategic Partnerships. More recently Jonathan has also led the Cheshire and Merseyside systems wide approach to Cardiovascular Vascular Disease prevention.

Jason Bradley
Chief Digital and Data Officer

Jason has been Chief Digital and Data Officer since May 2024.

Jason has worked in the NHS since 1987 and has held a number of senior roles working in, and supporting, the NHS in the South West, London, Yorkshire and Cheshire Merseyside and at national level. Specialising in healthcare information technology and management, he has provided senior leadership for organisation-wide change management and transformation programmes involving the deployment of new technology, systems and analytics. Jason is also the Trust Senior Information Risk Officer (SIRO).

Vicki Wilson
Acting Chief People Officer (from 1st January 2025)

Vicki joined the Trust as Interim Deputy Chief People Officer in June 2024 and became Acting Chief People Officer in January 2025.

Vicki has 20 years' experience as a people professional in the NHS and joined the Trust from NHS Cheshire and Merseyside where she was Associate Director of Workforce. She has held a number of senior human resource and organisational development roles across Cheshire and Merseyside, including at Liverpool Heart and Chest NHS Foundation Trust, Mersey Care NHS Foundation Trust, Alder Hey Children's NHS Foundation Trust and the both the Royal Liverpool and Aintree University Hospitals (pre-merger).

A Chartered Fellow of the CIPD, Vicki is also a trained coach and mediator. Vicki leads the people agenda at the Trust and is passionate about making the Countess of Chester Hospital NHS Trust a great place to work for everyone, with significant focus on building a positive organisational culture through engaging, developing, and empowering staff.

Board of Directors – Leavers within 2024/25

Ian Haythornthwaite (until 14th February 2025)
Chair

Ian joined the Board as Chair in September 2021. He has previously held Board level positions at the BBC including chief finance and operating officer for the all the nations and regions. Before joining the BBC Ian was the deputy chief executive at the North West Regional Development Agency. Ian has held the position of pro vice-chancellor and also finance director at the University of Central Lancashire. Ian has over 10 years' experience on Trust Boards and is a non-executive director of Wrightington, Wigan and Leigh Hospitals NHS Foundation Trust. Ian is a Fellow member of the Chartered Institute of Management Accountants.

Debbie Herring
Interim Chief People Officer (1st May 2024 to 31st December 2024)

Debbie joined the Trust in May 2024 as Interim Chief People Officer.

Debbie has 14 years' experience working as an executive director in the NHS. She was previously Chief People Officer at

Liverpool University Hospitals NHS Foundation Trust and has held other senior roles in the NHS including Divisional Director in Urgent Care and Director of Strategy.

Prior to joining the NHS in 2004, Debbie worked at a senior level in local and central government. She is a Fellow of the Chartered Institute of Personnel and Development and an active coach. Debbie is passionate about building a positive organisational culture through empowering and valuing staff and by developing authentic and inclusive leaders to deliver the best patient care.

Summary of declaration of interests of directors

There are no company directorships held by the Directors or Governors where companies are likely to do business or are seeking to do business with the Trust, other than those highlighted in the related party note in the financial statements.

Where there are directorships with companies the Trust may do business with, we have mechanisms to ensure that there is no direct conflict of interest and those Directors would not be involved. Based on the Register of Directors' Interests and known circumstances, there is nothing to preclude any of the current Non-Executive Directors from being declared as independent.

The Register of Interests is held by the Company Secretary and Board members declarations have been made available on the Countess of Chester Hospital NHS Foundation Trust website during 2024/25 and this can be accessed via the following link: Register of Interests | Countess of Chester Hospital

Directors have individually signed to confirm that they meet the Fit and Proper Persons Test and appropriate review of these declarations undertaken.

Statement as to disclosure to auditors

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 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.

The accounts have been prepared under a direction issued by NHS England and recorded in the Accounting Officer's statement later in this report. The directors are responsible for ensuring that the accounts are prepared in accordance with regulatory and statutory requirements. A director is regarded as having taken all the steps that they ought to have taken as a director in order to do the things mentioned above, and:

- made such enquiries of his/her fellow directors and of the company's auditors for that purpose
- taken such other steps (if any) for that purpose, as are required by his/her duty as a director of the company to exercise reasonable care, skill and diligence.

Relevant audit information means information needed by the NHS Foundation Trust's auditor in connection with preparing their report

Better payment practice code

The Better Payment of Practice Code has a target that 95% of suppliers are paid within 30 days. The Trust's performance in relation to this target is shown in the table below:

Better payment practice code - % payment within 30 days of receipt of undisputed invoices-target 95%:

Revised Better payment practice code	*2020/21*		*2021/22*		*2022/23*		*2023/24*		*2024/25*	
	NHS	*Non-NHS*	*NHS*	*Non-NHS*	*NHS*	*Non-NHS*	*NHS*	*Non-NHS*	*NHS*	*Non-NHS*
% Payment within 30 days of receipt (Volume)	*91.81%*	*95.05%*	*84.30%*	*93.20%*	*82.40%*	*88.80%*	*86.90%*	*86.30%*	*96.92%*	*94.96%*
undisputed invoices - target 95% (Value)	*98.33%*	*97.55%*	*93.20%*	*94.30%*	*88.50%*	*88.70%*	*90.90%*	*88.70%*	*99.66%*	*94.74%*

Income Disclosures Required by Section 43(2A) of the NHS Act 2006

The income from the provision of health services is greater than the income from the provision of goods and services for other purposes, as required by Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012).

Cost allocation and charging requirements

The Trust has complied with the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information guidance.

NHS England's well-led framework

The information on the arrangements in place to govern quality, together with the arrangements in place to ensure that services are Well Led, are included within the Annual Governance Statement of this annual report.

Financial risk

In assessing the financial position of the Trust, the Board does not consider there is exposure to any significant risk with regard to financial instruments. This is expanded in our financial statements.

Political or charitable donations

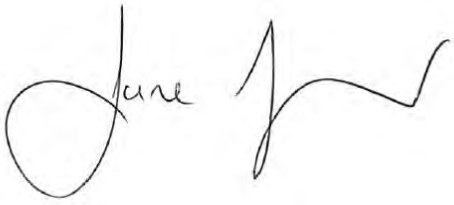
There have been no political or charitable donations in the year.

Stakeholder relations

Information about our work with patients and families, stakeholders and partner relations can be found within the Performance Report section of this annual report.

Patient care

Information on patient care activities and our performance against key patient care targets can be found within the performance report of this annual report.



Ms Jane Tomkinson OBE
Chief Executive Officer
24th June 2025

Governance Report

Focusing on Governance

The Trust is managed by the Board of Directors, which is accountable to the Council of Governors. The Governors have a responsibility to hold the Non-Executive Directors to account, individually and collectively for the performance of the Board of Directors.

The Governors also have a duty to represent the interests of Trust members and the public. They act as the voice for local people and are responsible for helping to set the direction and shape the future of the hospital.

The Chair of the Board is also the Chair of the Council of Governors and is responsible for ensuring that the Board of Directors and the Council of Governors work together effectively. There has been a focus on strengthening the relationships including communications, formal and informal meetings, development sessions, and information sharing.

Board members attend and contribute to the formal Council of Governors meetings, and Governors often attend to observe the public meeting of the Board of Directors. Governors join Non-Executive Directors on their walkarounds to clinical and non clinical teams across the Trust, speaking to patients as appropriate and observing the care provided.

Our Governance Structure

The Board of Directors is assured through its' formal assurance committees, which report to the Board. These committees, as outlined below, are chaired by a Non-Executive Director:

- Audit Committee
- Finance & Performance Committee
- People Committee
- Quality & Safety Committee
- Remuneration & Nominations Committee (Executive)

The Non-Executive Directors of the Board are confirmed as independent.

Trust Board Governance Structure

In addition to the Assurance Committees, there is an Operational Management Board and Charitable Funds Committee reporting to the Board of Directors.

The Assurance Committees are supported by a number of sub committees and group with delegated responsibilities through their Terms of Reference.

Audit Committee

The Audit Committee has an overarching role in providing assurance to the Board on the Trust's overall governance, risk management and internal control arrangements. This includes arrangements for the preparation of Annual Accounts and Annual Report, the Annual Governance Statement and the Board Assurance Framework.

The Audit Committee consists of three independent Non-Executive Directors, at least one of whom (the Committee Chair) is a qualified accountant. In addition to the committee members, Executive Directors and senior staff are regularly invited to attend the Committee to answer questions and inform agenda content, and internal and external auditors are also present at meetings. Private meetings with both internal or external auditors are held as and when required, and at least once a year. During the year, there have been no changes in either internal or external audit providers, who are Mersey Internal Audit Agency (MIAA) and KPMG respectively. The external audit contract was formally extended with approval by the Council of Governors.

During the year, the Audit Committee undertook the full range of its responsibilities, including:

- Review of the Annual Governance Statement and supporting assurance processes in conjunction with the Head of Internal Audit Opinion
- Approval of a risk-based internal audit plan, reviewing the findings of all audits and monitoring progress against the agreed actions
- Approval of the plan and reviewing the work of the local anti-fraud specialist
- Review of accounting policies and significant judgements (including the valuation of property, plant and equipment)
- Review and approval the standing financial instructions and scheme of delegation for adoption by the Board of Directors
- Approving the external audit plan and reviewing the reports, recommendations and management responses
- Review of the draft annual financial statements and recommending their adoption to the Board of Directors
- Review of procurement waivers
- Review of bad debt write-off
- Receiving updates on the risk management improvement work and policy recovery position
- Review of the effectiveness of the Audit Committee, and receipt of the assurance committees annual reports providing assurance on the effectiveness of their operation during the year

- Consideration of the effectiveness of internal audit, external audit and anti fraud services

Quality and Safety Committee

The Quality and Safety Committee reports to the Board of Directors. The Committee is chaired by a Non-Executive Director and includes a number of Executive Directors and members of the Trust's multidisciplinary senior leadership team. The Committee receives Chair and assurance reports from the Quality Governance Group to support it in meeting its Terms of Reference.

During the year, the Quality and Safety Committee undertook the full range of its responsibilities, including:

- Reviewing the trends, response and learning from patient safety incidents, complaints and coroners cases.
- Reviewing mortality indicators and learning from death.
- Considering performance against key quality indicators, alongside the impacts from the harms improvement programmes including falls, pressure ulcers, and infection prevention and control.
- Receiving a number of annual reports relevant to its work, including, mortality, controlled drugs, resuscitation, and clinical audit,
- Service updates including stroke coordinators, pediatric audiology, nutrition, translation,
- Reviewing maternity services safety assurance reports.
- Receiving updates on deteriorating patients, e'discharge completion, National Institute for Health Care Excellence (NICE) Guidance
- Receiving assurance on the quality impact assessments for cost improvement programmes.
- Reviewing the Board Assurance Framework and associated high risks impacting on quality and safety.

Finance and Performance Committee

The Finance and Performance Committee reports directly to the Board and is chaired by a Non-Executive Director.

The role of the Finance and Performance Committee is to seek assurance that all appropriate action is taken to achieve the financial and operational performance objectives of the Trust through regular review of financial and operational strategies and performance, investments, and capital plans and performance.

During the year, the Finance and Performance Committee undertook the full range of its responsibilities including:

- Review of financial performance including cost improvement programme.
- Finance strategy development.

- Tracking of progress against the financial improvement support action plan.
- Consideration of the national requirements for operational and financial planning, and the approach taken by the Trust.
- Reviewing performance against the operational targets as set out in the Strategic Oversight Framework.
- Receiving digital and data updates including the Electronic Patient Record (EPR) and cyber security, with a new Senior Information Risk Officer (SIRO) Report developed in year.
- Review of the capital plan and progress including specific reports relating to the new Women's & Children's (W&C) Building developments
- An overview of the finance and performance related elements of the Trust Improvement Plan.
- Receiving Chairs reports from the Information Governance and Information Security Sub Committee.
- Reviewing the Board Assurance Framework for the risks associated with finance, capital, operational effectiveness, and digital and data.
- Receiving the Trust's submission for the Emergency Preparedness Response & Resilience (EPRR) Core Standards assurance annually with regular update reports throughout the year.
- Receiving proposals for major capital expenditure business cases and estates developments and their funding sources.

People Committee

The People Committee reports directly to the Board and is chaired by a Non-Executive Director. The People Committee is responsible for ensuring the approval, oversight and scrutiny of the Trust's People Strategy; providing assurance to the Board on all aspects of workforce and organisational development supporting the provision of safe, high quality, patient-centered care; assuring the Board of compliance with key national and statutory workforce requirements; and developing, as necessary, strategic workforce recommendations for approval by the Board.

During the year, the People Committee undertook a wide range of responsibilities including:

- Keeping abreast of national and local People priorities through the Chief People Officer updates.
- Receiving a diverse range of staff stories with staff attending to provide their own personal reflections.
- Equality, Diversity, and Inclusion updates, including the Workforce Race Equality Standard and Workforce Disability Equality Standard.
- Update on progress against the People Strategy.
- Workforce dashboard and performance against key workforce performance indicators.
- Reviewing the implementation of new leadership development programmes.
- Receiving updates from the Freedom to Speak Up Guardian.
- Reviewing the Board Assurance Framework and high risks relating to the People agenda.

- Review of the annual staff survey results and feedback.

The Council of Governors

The Council of Governors and its relationship with the Board

The Council of Governors has a duty to hold the Non-Executive Directors individually and collectively to account for the performance of the Board of Directors. Governors are also responsible for representing the interests of the members, public and in respect of the staff Governors, their colleagues. Governors are responsible for regularly feeding back information about the Trust, its vision and its performance to members, the public and the stakeholder organisations including those that elected or appointed them.

The Council of Governors holds the Board of Directors to account in a variety of ways. This includes observing and appraising the performance of the Chair and Non-Executive Directors, analysis of the system oversight framework reports, observing the Board of Directors' meetings, reviewing the Committee Chair's reports, and by challenging and raising questions.

During 2024/25 the Council of Governors received updates on:

- National, regional and local updated through the Chief Executive Officer's report
- Patient stories
- Trust operational performance including elective recovery, waiting times and cancer
- Patient and Family Experience Strategy
- Care Quality Commission (CQC)
- The Trust's financial position
- The Trust's Improvement Plan
- National Inpatient Survey results
- National Urgent and Emergency care survey results
- Maternity survey results
- National Staff Survey results
- Women and Children's new build developments
- Patient safety incident response and learning
- Operation Hummingbird and Thirlwall Inquiry
- Anchor Institute
- Clinical Strategy development
- Contribution to the consultation on the NHS 10 year plan

In addition to the formal meetings of the Council of Governors, the Governors also hold development sessions with a number of workshops taking place in 2024/25 including:

- Roles and responsibilities: supporting Governors to discharge their duties

- Strategy: engaging Governors in the Trust's Transforming Care Together Strategy
- Non-Executive Directors: exploring the roles of Non-Executive Directors and Assurance Committees

The decisions taken by the Council of Governors in 2024/25 included:

- Approval of a further term of office for the Chair and two Non-Executive Directors
- Agree the appraisal process for the Chair and Non-Executive Directors and receive the outcomes from these processes
- Approval of the extension to the Trust's external auditor contract
- Appointment of the Interim Trust Chair

We continue to work with our Council of Governors to strengthen communication and engagement, and maximise the valuable contribution that Governors make.

A view from John Jones, Lead Governor

I was delighted to start my tenure as Lead Governor in September 2024.

In addition to our longer standing governors, we have also welcomed a number of new Governors during 2024/25.

To help all Governors discharge their duties we have in the last few months held Governor Development sessions. We are working to improve communications and now receive regular briefings from the Trust Chair.

Governors continue to recognise the hard work, dedication and resilience of staff who are delivering services to meet the needs of our patients and their families.

What has not changed over the last year are all the challenges and pressures that the Trust continues to experience.

Governors have continually sought and received assurance on the response to these challenges and pressures. Governors have been actively supported by the Trust through increased communication and wider access to all parts of the Trust including regular walkabouts with Non-Executive Directors.

The Council of Governors have recently supported the appointment of the new Interim Chair. We look forward to working (and seeking further assurance) with him and all of the Board in the forthcoming year whilst a process is undertaken to appoint a permanent Chair.

Composition of Council of Governors

The total number of Governor positions established within the Constitution is 27, as follows:

Composition of Council of Governors

Constituency area	Number of Governor positions established
Chester and Rural Cheshire	8
Ellesmere Port and Neston	4
Flintshire	3
Rest of England & Wales	1
Staff	5*
Partnership organisations	6
Total	27

*To note, 3 of these positions are managed via a job sharing process. Staff governor elections are planned for 2025/26 which will resolve the historical decision on these appointments and the election process.

A photo sheet of the Council of Governors is available on the Trust's website - : Foundation Trust Council of Governors | Countess of Chester Hospital

The membership of the Council of Governors during 2024/25, for both elected and appointed Governors, and their length of tenure, is as follows:

Membership of Council of Governors

Governor/Constituency	Term of office
Public – Chester and Rural Cheshire	
Dr Caroline Stein	Re-elected in October 2020 for a third term of office of three years until October 2023. Extended in September 2023 for one year. *Term of office ended in October 2024.*

John Jones	Re-elected in September 2023 for a third term of office for three years until October 2026. Lead Governor from 1st September 2024.
Lucy Liang	Elected October 2022 for three years until October 2025.
Timothy Wheeler	Elected October 2022 for three years until October 2025.
Angela Black	Elected October 2022 for three years until October 2025. *Resigned in August 2024.*
Robert Howe	Elected October 2023 for three years until October 2026.
Jan Chillery	Elected October 2024 for three years until October 2027.
Sheila Dunbar	Elected October 2024 for three years until October 2027.
Terry Peach	Elected October 2024 for three years until October 2027. *Resigned in February 2025.*
Louise Jha	Elected October 2024 for three years until October 2027.
	One vacant position as at 31st March 2025.
Public – Ellesmere Port and Neston	
Brian Jones	Re-elected October 2021 for a third term of office for three years until October 2024. Agreed to extend term until September 2025.
Peter Folwell (Lead Governor from October 2018)	Re-elected in September 2022 for a third term of office for three years until September 2025. *Resigned in August 2024.*
Patricia Hayes	Appointed February 2023 until September 2024. *Term of office ended in September 2024.*
	Three vacant positions as at 18th March 2025.
Public – Flintshire	
Ruth Overington	Re-elected in September 2022 for a third term of office for three years until September 2025.
Malcolm McAdam	Appointed February 2023 until September 2024. *Term of office ended in September 2024.*
Myrddin Roberts	Elected in October 2024 for three years until October 2027.
	One vacant position as at 18th March 2025.
Public – The Rest of England & Wales (formerly Wider Area)	
Ella Foreman	Elected October 2021 for three years until September 2024. *Resigned in August 2024.*
Daryl Cassidy	Elected in October 2024 for three years until October 2027.
Partnership organisation appointed governors	

David Foulds Voluntary Services	Appointed November 2020.
Elizabeth Mason-Whitehead University of Chester	Appointed December 2022. *Resigned in May 2024.*
Carol Gahan Cheshire West and Chester Council	Appointed June 2023.
Janet Bellis Flintshire Community Health Council	Appointed February 2024. This position was vacant prior to this appointment. *Retired in March 2025.*
Dr Chris Stockport Betsi Cadwaladr Health Board	Appointed January 2024. This position was vacant prior to this appointment. *Resigned in February 2025.*
Dr Kate Knight University of Chester	Appointed in May 2024.
	Three vacant positions as at 20th March 2025.
Staff	
Nurses / Midwives Qualified: Paula Edwards Angel Lewis-Aaron Maria Woodward Dadirai Kambasha	Appointed October 2023 for three years until October 2026 (2 positions with 4 Governors on a job sharing basis).
Allied Health Professionals: Claire Hankinson Ashley Jayne Caple	Appointed October 2023 for three years until October 2026. (1 position with 2 Governors on a job sharing basis.) *Claire Hankinson resigned in February 2025*
Doctors: Dr Salah Tueger	Appointed October 2023 for three years until October 2026
All other staff: Chris Price Stephen Higgitt	Appointed October 2023 for three years until October 2026 (1 position with 2 Governors on a job sharing basis).

Election of Council of Governors

A notice of election was published in July 2024 in the following public constituencies:

- Chester and Rural Cheshire
- Ellesmere Port and Neston
- Flintshire
- Rest of England and Wales

An election was held in the summer of 2024 with the results announced at the Annual Members Meeting held on 25th September 2024. The election was as follows:

- Chester City and Rural Cheshire – the election was conducted using the single

transferable vote electoral system and four candidates were elected.

- Ellesmere Port and Neston – three vacant positions
- Flintshire – one candidate elected unopposed, one vacant position.
- Rest of England & Wales – one candidate elected unopposed.

Elections were held in accordance with the model election rules and were undertaken independently by Civica Election Services (CES).

Attendance at Council of Governors' meetings

There have been four public meetings of the Council of Governors' and five private meetings held during 2024/25.

The attendance by governors to the public and private meetings is shown below, along with expenses of governors:

	Public	Private	Governors' expenses 2024/25
Ian Haythornthwaite (Chair), (resigned February 2025)	3/4	3/5	As outlined within Board of Directors expenses on page 74
Pam Williams (Chair on Ian's behalf for private meeting Feb 2025)	4/4	1/5	N/A
Angela Black (resigned August 2024)	1/4	1/5	N/A
Robert Howe	0/4	1/5	N/A
John Jones (Lead Governor from September 2024)	4/4	5/5	N/A
Lucy Liang	4/4	4/5	N/A
Robert Howe (from October 2024)	0/4	1/5	N/A
Dr Caroline Stein (Deputy Lead Governor until September 2024)	2/4	2/5	N/A
Tim Wheeler	2/4	1/5	N/A
Terry Peach	1/4	1/5	N/A
Jan Chillery (from October 2024)	2/4	2/5	N/A
Louise Jha	2/4	3/5	N/A
Peter Folwell (Lead Governor – resigned August 2024)	2/4	2/5	N/A
Brian Jones	1/4	1/5	N/A

	Public	Private	Governors' expenses 2024/25
Pat Hayes (until September 2024)	0/4	0/5	N/A
Malcolm McAdams (until September 2024)	0/4	3/5	N/A
Ruth Overington	4/4	5/5	N/A
Myrddin Roberts (appointed October 2024)	1/4	2/5	N/A
Ella Foreman (resigned August 2024)	0/4	0/5	N/A
Darryl Cassidy	0/4	0/5	N/A
Janet Bellis (retired March 2025)	1/4	1/5	
David Foulds	1/4	2/5	N/A
Cllr Carol Gahan	1/4	2/5	N/A
Elizabeth Mason-Whitehead (resigned May 2024)	1/4	1/5	N/A
Dr Kate Knight (appointed May 2024)	1/4	1/5	N/A
Dr Chris Stockport (resigned February 2025)	0/4	0/5	N/A
Paula Edwards*	4/4	4/5	N/A
Claire Hankinson* (resigned February 2025)	2/4	2/5	N/A
Stephen Higgitt*	3/4	3/5	N/A
Ashley Jayne Caple*	0/4	1/5	N/A
Angela Lewis-Aaron*	1/4	3/5	N/A
Dadirai Kambasha	0/4	1/5	N/A
Chris Price	2/4	3/5	N/A
Dr Salaheddin Tueger	2/4	3/5	N/A
Maria Woodward*	0/4	2/5	N/A

*To note attendance recognises the job share arrangements in place.

Starter and leaver dates have been included in the table for context and in some instances the low attendance is reflective of these dates.

Governors' Nominations Committee

Non-Executive Directors, including the Trust Chair, are appointed by the Council of Governors for the specified term – subject to re-appointment thereafter at intervals of no more than three years, and are subject to the National Health Service Act 2006 provisions relating to the removal of a director.

In order to support the Council of Governors in this role a Governors' Nominations Committee has been established. Its membership comprises Governors and the Trust Chair. Where the decision pertains to the role of the Trust Chair, the Deputy Trust Chair will attend instead.

During 2024/25, the Governor's Nominations Committee were asked to virtually consider and approve matters on two occasions regarding the re-appointment of two Non-Executive Directors recommending these to the full Council of Governors for formal approval.

Membership

The members of the Trust are those individuals whose names are entered in the register of members. Members are either a member of one of the public constituencies or a member of one of the classes of staff constituency.

Membership is open to any individual who is at least 16 years of age. The Trust's Constitution, which was updated in November 2023, also makes provision for Youth Associates to become involved with the Trust who are at least 11 years of age, but less than 16 years of age. An individual may not become, or continue to be, a member of the Foundation Trust if they are under 16 years of age; or within the last five years, they have been involved as a perpetrator in a serious incident of physical or verbal aggression at any of the Trust's sites or facilities or against any of the Trust's employees or other persons who exercise functions for the purposes of the Trust, or against registered volunteers.

Public membership:
There are four public constituencies:
1. Chester and Rural Cheshire
2. Ellesmere Port and Neston
3. Flintshire
4. The rest of England and Wales

Staff membership
The staff constituency is divided into four classes as follows:
1. Doctors
2. Nursing and midwifery
3. Allied healthcare professionals and technical/scientific
4. Other staff groups

Membership size and movements

Public Membership changes in 2024/25 are shown in the following table:

Changes in membership:

Public constituency	2023/24	2024/25
At year start	5,605	5,417
New members	54	41
Members leaving*	242	89
At year end	5,417	5,369

**The members leaving figure also includes deceased members.*

All substantive staff are classed as members on appointment. There were 5032 staff members at the end of March 2025, compared with 4.959 staff members at the end of March 2024.Work is progressing to ensure staff membership is clearly captured within our membership numbers going forward.

Current and future engagement with members

The Trust engages with its members via the following:

- Countess Matters e-magazine
- Local newspaper articles
- Social media
- Trust website
- Participating in governor elections and notice of elections
- Annual Member's Meeting

Members can communicate with Governors via the following email address: coch.membershipenquiriescoch@nhs.net and further information on Trust membership can be found on the Trust's website: www.coch.nhs.uk

Remuneration Report 2024/25

Annual Statement of Remuneration

The Remuneration Committee (Executive) is responsible for the appointment of the Chief Executive Officer and other Executive Directors of the Board of Directors. It reviews and recommends the terms and conditions of service for the Executive Directors and reviews their performance. The Committee has oversight of the Trust's senior management pay framework and reviews the arrangements for the Very Senior Managers (VSMs) who are not subject to Agenda for Change terms and conditions.

The Committee is chaired by the Trust Chair and includes all Non-Executive Directors. The Chief Executive Officer, Chief People Officer and Director of Governance, Risk and Improvement attend by invitation to ensure the Committee is appraised of relevant internal or external advice, data or information. These officers would not be present where discussions related to their appraisal, terms and conditions or appointment.

The Remuneration Committee is required to ensure levels of remuneration are appropriate for the roles, ensuring alignment with national benchmarks.

The Committee met on 5 occasions during 2024/25. The Committee fulfilled its role through:

- Receiving and reviewing the appraisals for the Chief Executive Officer and Executive Directors for 2023/24.
- Discussing and approving the Chief Executive Officer and Executive Director objectives for 2024/25.
- Reviewing the Executive Team succession planning and seeking further details on the depth of this within the organisation.
- Appointment of the Chief Digital and Data Officer and the Interim Chief People Officer.
- Approval of the Mutually Agreed Resignation Scheme (MARS).
- Approving the application of the national pay award for VSM staff.

The contracts of employment of all Executive Directors, including the Chief Executive, are permanent and are subject to six months' notice of termination.

There are two executives who were paid more than £150,000 in 2024/25 and one Executive paid more than £150,000 on a pro rata basis. Appointments at this level require HM Treasury approval.

The remuneration is considered on a pro-rata basis for the whole year. For the purposes of this disclosure, pay is defined as salary and fees, all taxable benefits and any annual or long-term performance- related bonuses, of which there were none during the year. We are satisfied that the remuneration is reasonable, following scrutiny by the Remuneration Committee.

Service contract obligations and policy on payment for loss office

All Executive Directors are employed on permanent or fixed term contracts and are required to give six months' notice to terminate their contract. In line with NHS Employers' guidance, the notice period for the Trust's Very Senior Managers (VSMs) is three to six months. Payment for loss of office is covered within contractual notice periods and standard employment policies and legislation.

Trust's consideration of employment conditions

Other members of staff who are not Board members are employed on agenda for change terms and conditions and any percentage pay increases are applied in accordance with national agreements. The Remuneration Committee agrees senior managers pay and conditions following consideration of benchmarking information on comparable roles. Employees of the Trust are not consulted on senior manager remuneration.

Salary and pension entitlement of senior managers

Salary and pension entitlements of senior managers- 2024/25 *(audited)* and 2023/24 *(audited)*

	Salary	Other taxable benefits	Pension related benefits	Total	Salary	Other taxable benefits	Pension related benefits	Total
	(bands of £5,000)	2023/24	(bands of £2,500)	(bands of £5,000)	(bands of £5,000)	2022/23	(bands of £2,500)	(bands of £5,000)
	2024/25 £000		0 £000	0 £000	2023/24 £000		2023/24 £000	2023/24 £000
Mrs Jane Tomkinson - Acting Chief Executive Officer (from 19.12.22 to 31.01.24)	-	-	-	-	115-120		-	115-120
Mrs Jane Tomkinson - Chief Executive Officer (from 01.02.24)	**230-235**	**7,100**	-	**240-245**	35-40		-	35-40
Dr Susan Gilby - Chief Executive (to 05.06.23)	-	-	-	-	45-50		-	45-50
Mr Simon Holden - Director of Finance (to 31.03.24)	-	-	-	-	165-170		47.5-50	215-220
Mrs Karen Edge - Director of Finance	**155-160**	-	**130-132.5**	**285-290**	15-20		-	15-20
Dr Nigel Scawn - Medical Director (from 01.09.22)	**245 -250**	-	**67.5-70**	**310-315**	230-235	-	145-147.5	375-380

Sue Pemberton Assistant Chief Executive (from 09/01/23 to 05/11/23)	-	-	-	-	35-40	-	-	35-40
Mrs Sue Pemberton - Acting Director of Nursing & Quality (from 06.11.23 to 31.01.24)	-	-	-	-	10-15	-	-	10-15
Mrs Sue Pemberton - Director of Nursing & Quality (from 01.02.24)	**175-180**	-	-	**175-180**	25-30	-	-	25-30
Ms Cara Williams - Chief Digital Information Officer (to 31.07.23)	-	-	-	-	50-55	-	30-32.5	80-85
Mrs Karan Wheatcroft - Director of Governance, Risk & Improvement (from 10.06.24)	**110-115**	-	-	**110-115**	-	-	-	-
Jonathan Develing Acting Director of Strategy & Partnerships (from 09/01/23 to 31.03.24)	-	-	-	-	20-25	-	-	20-25
Mr Jonathan Develing - Director of Strategy and Partnerships (from (01.04.24)	**130-135**	**8,200**	-	**140-145**	-	-	-	-
Mr Jason Bradley - Chief Digital and Data Officer (from 01.05.24)	**130-135**	-	**30-32.5**	**160-165**	-	-	-	-

Paul Edwards - Director of Corporate Affairs (to 17.12.23)	**-**	**-**	**-**	**-**	70-75	**-**	-	70-75
Mrs Laura Leadsom Acting Director of Corporate Affairs (to 09.06.24)	**15-20**	**-**	**-**	**15-20**	20-25	**-**	-	20-25
Cathy Chadwick - Chief Operating Officer	**150-155**	**-**	**-**	**150-155**	135-140	**-**	-	135-140
Nicola Price - Chief People Officer (to 07.01.24)	**-**	**-**	**-**	**-**	110-115	**-**	-	110-115
Mrs Debbie Herring - Acting Chief People Officer (from 01.05.24 to 31.12.24)	**95-100**	**-**	**-**	**95-100**	-	**-**	-	-
Mr Mark Dale - Acting Chief People Officer (to 19.05.24)	**15-20**	**-**	**5 -7.5**	**20-25**	30-35	**-**	15-17.5	45-50
Ms Vicky Wilson - Acting Chief People Officer (from 01.01.25)	**25-30**	**2,400**	**7.5-10**	**35-40**	-	**-**	-	-
Ian Haythornthwaite - Chair (to 14.02.25)	**40-45**	**4,300**	**-**	**40-45**	45-50	3,600	-	50-55
Mr Neil Large - Chair (from 01.03.25)	**0-5**	**-**	**-**	**0-5**	**-**	**-**	**-**	**-**
Mrs Ros Fallon - Non-Executive Director (to 31.01.24)	**-**	**-**	**-**	**-**	10-15	**-**	-	10-15

D Williamson - Non-Executive Director	**10-15**	**-**	**-**	**10-15**	10-15	**-**	-	10-15
Paul Jones - Non-Executive Director	**10-15**	**-**	**-**	**10-15**	10-15	**-**	-	10-15
Ken Gill - Non-Executive Director (to 31.01.24)	**-**	**-**	**-**	**-**	15-20	**-**	**-**	15-20
Mick Guymer - Non-Executive Director	**10-15**	**-**	**-**	**10-15**	10-15	**-**	**-**	10-15
Pam Williams Non-Executive Director	**10-15**	**-**	**-**	**10-15**	10-15	**-**	**-**	10-15
Faye Bruce Non-Executive Director (to 01.09.23)	**-**	**-**	**-**	**-**	5-10	**-**	**-**	5-10
Sarah Corcoran (from 22.01.24)	**10-15**	**-**	**-**	**10-15**	0-5	**-**	**-**	0-5
Andrew Hassell (from 22.01.24)	**10-15**	**-**	**-**	**10-15**	0-5	**-**	**-**	0-5
Wendy Williams (from 22.01.24)	**10-15**	**-**	**-**	**10-15**	0-5	**-**	**-**	0-5
Total Director Remuneration	**1640-1645**	**22,000**	**242.5 - 245**	**1760-1765**	1335-1340	**3600**	240-242.5	1580-1585

For all of the Directors who were in post for part of the financial year 2024/25 the salary included in the table is for the period they were in post only.

Ms Vicky Wilson was appointed to Acting Chief People Officer from the 1st January 2025. She is currently on secondment from Cheshire and Mersey ICB and the pay information included in the table above is for her full pay which has been paid for by the Trust ,for the period 1st January to 31 March 2025.

Other taxable benefits include travel expenses between home and COCH, and benefits in kind such as salary sacrifice lease cars.

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

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

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

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

	Real increase in Pension at age 60	Real increase in pension lump sum at age 60	Total accrued pension at age 60 at 31 March 2025	Lump sum at age 60 related to accrued pension at 31 March 2025	Cash equivalent transfer value at 31 March 2025	Cash equivalent transfer value at 31 March 2024	Real increase in cash equivalent transfer value
	(bands of £2,500)	(bands of £2,500)	(bands of £5,000)	(bands of £5,000)	(to nearest £1,000)	(to nearest £1,000)	(to nearest £1,000)
	0 £000	0 £000	0 £000	0 £000	0 £000	2021/22 £000	0 £000
Dr Susan Gilby Chief Executive (to 05/06/23)	-	-	-	-	-	112	-
Dr Nigel Scawn Medical Director	**2.5-5**	**0-2.5**	**95-100**	**250-255**	**225**	2,194	-
Cara Williams Chief Digital Information Officer (to 31/07/23)	-	-	-	-	-	142	-

Paul Edwards Director of Corporate Affairs (to 17/12/23)	-	-	-	-	-	850	-
Simon Holden Director of Finance (to 31/03/24)	-	-	-	-	-	1,929	-
Karen Edge Chief Finance Officer (from 19/02/24)	**5-7.5**	**10-12.5**	**40-45**	**95-100**	**1008**	790	**145**
Mark Dale - Acting Chief People Officer (from 27/12/23)	**0-2.5**	-	**0-5**	-	**65**	55	**4**
Mrs Karan Wheatcroft - Director of Governance, Risk & Improvement (from 10.06.24)	**0-2.5**	-	**35-40**	**85-90**	**699**	653	-
Mr Jason Bradley - Chief Digital and Data Officer (from 01.05.24)	**0-2.5**	-	**35-40**	**95-100**	**844**	744	**34**
Ms Vicky Wilson - Acting Chief People Officer (from 01.01.25)	**0-2.5**	**0-25**	**15-20**	**35-40**	**308**	257	**5**

Jane Tomkinson, Sue Pemberton, Debbie Herring, Jonathan Develing, Laura Leadsom and Cathy Chadwick chose not to be covered by the pension arrangements during the reporting period.

In accordance with the Group Accounting Manual (GAM), negative values are substituted with a zero.

Other arrangements *(audited)*

	Salary	Pension related benefits	Total	Salary	Pension related benefits	Total
	(bands of £5,000)	**(bands of £2,500)**	**(bands of £5,000)**	(bands of £5,000)	(bands of £2,500)	(bands of £5,000)
	2024/25 £000	**2024/25 £000**	**2024/25 £000**	2023/24 £000	2023/24 £000	2023/24 £000
Hilda Gwilliams - Director of Nursing & Quality (to 03.11.23)	**-**	**-**	**-**	90-95	-	90-95
Hilda Gwilliams (seconded to North Cumbria Integrated Care NHS FT)	**160-165**	**-**	**160-165**	60-65	-	60-65

Hilda Gwilliams is currently on secondment to North Cumbria Integrated Care (from 6th November 2023).

For Mark Dale the pension figures above are as at their date of leaving the Trust and not at the 31st March 2025.

As Non-Executive members do not receive pensionable remuneration, there are no entries in respect of pensions for Non-Executive members.

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their

total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures, and the other pension details, include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme.

Cash Equivalent Transfer Value (CETV) figures are calculated using the guidance on discount rates for calculating unfunded public service contribution rates that was extant on 31 March 2023. HM Treasury published updated guidance on 27 April 2023; this guidance will be used in the calculation of 2024/25 CETV figures

They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.
Once a member reaches normal pensionable age (NPA) in the 1995 Pension scheme the NHS Pension Scheme will not make a cash equivalent transfer and is therefore not applicable. NPA is age 60 in the 1995 Section, age 65 in the 2008 Section or State Pension age or age 65, whichever is the later, in the 2015 Scheme.

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

Pay Ratios ***(audited)***

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

The banded remuneration of the highest-paid director in the organisation in the financial year 2024-25 was £245-250 (2023-24, £230,000-235,000). This is a change between years of 5%. The highest paid director did not receive any performance pay/bonuses in 2023/24 or 2024/25.
For employees of the Trust as a whole, the range of remuneration in 2024-25 was from £23,615 to £246,419 (2023-24 £22,383 to £234,685). The percentage change in average employee remuneration between 2023/24 and 2024/25 is 5.24%. No employees received remuneration in excess of the highest-paid director in 2024-25

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

	2025	2024
Band of highest paid director's total remuneration	**245-250**	**225-230**
Median total remuneration	**33,419**	**31,701**
Ratio	**7:4**	**7:1**

2024/25 *(audited)* 2023/24 *(audited)*

	2024/25			2023/24		
	25th percentile	Median	75th percentile	25th percentile	Median	75th percentile
Total pay and benefits excluding pension benefits	**£26,614**	**£33,419**	**£44,962**	£24,319	£31,702	£44,780
Pay and benefits excluding pension: pay ratio for highest paid director	**9:3**	**7:4**	**5:5**	9:7	7:4	5:2

The total remuneration comprises salary only, it does not include employer pension contributions and the cash equivalent transfer value of pensions. There is only one calculation shown as the Trust does not pay performance pay and bonuses or taxable benefits.

Ms Jane Tomkinson OBE
Chief Executive Officer
24th June
2025

Staff Report 2024/25

Continuing with the creation of a culture within the Countess of Chester Hospital that fosters the values and behaviour that patients, the public and staff expect; one where colleagues come to work, to both do their work and improve their work and get the right number of nursing and clinical staff with the right skills, to the right patient at the right time.

Our vision, values and behavioural standards

Retention of staff

As an Anchor institution the Trust have worked closely with local place-based health and social care providers to improve the employment prospects for individuals in the local area wishing to join the sector who may have barriers to employment. This has included pre-employment sessions, interviewing training and guaranteed interview schemes in conjunction with local collages and job centres for candidates wishing to not only join not only the Countess of Chester Hospital but also our fellow providers.

The trust continues to supportin the recruitment &retention of Health Care Support Workers and AHPs. These roles are crucial to supporting patient flow and discharge into the community.

Our payroll services have received Substantial Assurance from internal auditors Mersey Internal Audit Agency regarding its governance and processing of its services prior to the transfer of this service to Mersey & West Lancashire NHS FT.

The trust continues to support our staff through the on-going employment of a People Promise Manager to support the on-going People Promise related agenda which also links through to our Staff Survey outcomes.

The Trust continues to be committed to improving the on-boarding process for new hires constantly reviewing the process with the most recent change the implementation of a ‘Start Ready’ module as part of our TRAC system, which enables all relevant paperwork to be completed by applicants digitally. This change further enables system integration enhancing the digital maturity of the organisation.

In response to the Thirlwall inquiry the People and OD function is positioned to continue to support the Trust to respond and engage with the ongoing process as necessary but also support those staff impacted, alongside embedding identified learning across our processes and practices.

To support effective workforce planning and to meet the ever-changing operational workforce demands within the context of a challenging financial position. The vacancy and establishment control process are continuously reviewed to ensure appropriate challenge and assurance can be provided.

Whilst the Trust recognises the need to retain staff and skills wherever possible, it acknowledges that circumstances and opportunities can arise that result in colleagues leaving. The Trust utilises an exit interview process where it captures the reasons for people leaving.

Staff turnover information can be viewed within the NHS workforce statistics, published by NHS Digital published data:
https://digital.nhs.uk/data-and-information/publications/statistical/nhs-workforce-statistics

Staff health and wellbeing

The Trust has continued on its delivery of the 2nd year of the Staff Wellbeing Strategy with the opening of the new staff wellbeing hub at Chester in May 2024. The hub's opening week activities attracted over 500 members of staff who had opportunity to engage with wellbeing focused activities, and learning about the wellbeing support on offer. Since opening, the hub has become a well utilised space for a broad range of staff across many roles and departments, providing access to staff 24 hours a day, every day of the year. Between May 2024 and the end of March 2025, 534 members of staff have accessed 1:1 wellbeing support from the Wellbeing Team through the hub, an increase of 328 staff members in comparison to 2023/24 figures. These numbers increased as expected with greater visibility, accessibility and broadening of the wellbeing service.

A new staff wellbeing room was opened within Ellesmere Port Hospital, alongside the establishment of hot food provision. These were identified as key priorities for staff based at Ellesmere Port via the staff survey and local engagement projects. The improvements at Ellesmere Port now provide greater equity in staff health and well being provision across Countess of Chester Hospital sites.

Mental Health First Aid Training has continued to be delivered across the Trust, with a further 67 staff being trained since April 2024. The team is now able to deliver the half-day refresher course, reducing the requirement for staff to repeat the full 2 day course when their accreditation is expiring. Mental health awareness sessions have been embedded into Nurse inductions and the F1 and F2 doctors' education programme. The wellbeing team has continued to offer wellbeing focused workshops to teams across the Trust with 458 attendees engaging between April 2024 and the end of March 2025, with prevention focused sessions including stress management, resilience, mental health, and mindfulness.

The Wellbeing team have continued to work collaboratively with a number of internal partners to offer health promotion and early intervention activities to support staff wellbeing including; delivering health checks for diabetes/pre-diabetes, blood pressure, cholesterol, and liver disease – with 256 members of staff engaging with the health checks and a further 349 staff engaging with health promotion events and national wellbeing campaign days delivered across our Trust sites.

Our Employee Assistance Programme has been accessed by 232 members of staff which is a 5.6% increase in utilization from 23/24. The most common reasons for staff accessing the service included anxiety and low mood. 147 members of staff have also downloaded the EAP Wisdom App with 77 active daily users accessing the live chat features, mini health checks, mood trackers and wellbeing self-help resources.

The Trust has seen a positive outcome of the work implemented around staff wellbeing with a 7% improvement within the 2024 staff survey for staff identifying that the Trust takes positive action on Health and Wellbeing. The survey, however, also highlights; stress, burnout, workload and flexible working still remain key areas requiring improvement to support staff wellbeing.

The Occupational Health Service continued to provide a high-volume service in 2024, with 1373 consultations provided for 1196 staff members referred to the occupational heath service; 22 ill health retirement applications assessed; 536 general advice calls responded to; 1292 new starters having pre-placement health assessments; 600 were staff contacted following a work injury or potential workplace exposure to infection, plus many other advisory and supportive case interactions. Themes for occupational health advice are mainly for mixed general medical, surgical and neurological health conditions (41% of consultations), followed by stress (19%), mental health (16%) and musculoskeletal problems (13%); and 48% of consultations involve at least one long term health condition or impairment lasting 12 months or more.

From an Infection Prevention & Control perspective, 1861 blood tests were ordered to screen staff for immunity to certain infectious diseases; 1026 occupational vaccinations were given across the year and, during the mass seasonal vaccination autumn/winter campaign, an additional 2246 flu jabs and 1435 covid boosters were administered. The Trust achieved a HCW flu uptake of 46% and Covid uptake of 29%. It has been another challenging year in the NHS for flu and covid vaccination uptake, but this trust has performed above averagely compared to region.

The Trust's Occupational Health Service was successful at annual external reaccredited as a Safe, Effective Quality Occupational Health Service (SEQOHS), with the assessors noting that the service maintains a good governance structure, and a range of regularly reviewed clinical policies, procedures and protocols to underpin clinical practice.

The Trust's level of absence rates reduced and can be viewed within the NHS Digital published data:
https://digital.nhs.uk/data-and-information/publications/statistical/nhs-sickness-absence-rates

Employee Education and Development

In 2024, work has continued to implement the Countess of Chester Leadership Framework via the delivery of a number of programmes, including a First Line Leaders Programme and Medical Leadership Programme. Significant work has also been undertaken in relation to developing and implementing a Trust Civility Statement and Handbook. To support our Trust as a best place to work and a best place to receive treatment, we need everyone to take responsibility for the culture, inclusivity and the success of the organisation as a whole. In order to move towards this goal, we launched the Trust's civility statement which was voted for and chosen by staff. Our chosen statement is:

'We will always treat everyone with respect and kindness, be polite and professional, listen to them and help each other whenever we can'

In relation to appraisal, the Trust has successfully increased the number of staff receiving an appraisal and have started to focus on evaluating and improving quality via the launch of an evaluation framework. Work is ongoing to improve the quality of the appraisal process for staff.

The Trust continues to provide practice placements for undergraduate students in all health-related professional programmes. Significant numbers of nursing students from the University of Chester are supported throughout their three-year programme, alongside large numbers of student doctors from the University of Liverpool on 2nd, 3rd, 4th and 5th year placements. In March 2025 the Trust welcomed the first cohort of student doctors from the newly formed University of Chester Medical School on placement. The Trust has continued to provide placements opportunities to other universities in the Northwest including Edgehill University and Liverpool John Moores University.

Compliance reporting for mandatory training has been fully aligned to the National Core Skills Training Framework providing clearer assurance. The training needs analysis for mandatory training subjects has been reviewed to ensure competencies are aligned to the correct staff at the appropriate level. The Trust is participating in the National review of the Core Skills Training Framework and in March 2025 formed the Trust Mandatory Training Oversight Group to provide increased governance processes for mandatory training.

Partnering arrangements with Higher Education Institutions and other educational providers remain in place, enabling staff to engage with career development pathways, continuing professional development and prepare for promotion opportunities. This work included growth in apprenticeships from level two to level seven across all areas and professions in the Trust and has increased the utilisation of the Trusts apprenticeship levy.

Throughout the year the Trust has continued to provide opportunities for work experience to be undertaken in various areas across the Trust whilst also attending career events at local schools and colleges. This has provided potential future workforce with details of all the opportunities for careers within the Trust and the wider NHS. The Trust was also successful in achieving the gold quality mark for provision of work experience.

The Trust has continued to grow a pool of volunteers with 33 being recruited during 2024. Our volunteers provide support across both the Countess of Chester Hospital and Ellesmere Port Hospital and are invaluable in providing improvement to patient experience. There are currently 124 active volunteers across the Trust.

Gender Pay Gap Report

The Trust submitted its Gender Pay Gap data (GPG) for 2024. A copy of the report can be found on the Trust website here.

There has been a decrease in both the mean and median pay in this year's gender pay gap figures. Despite the positive decrease there is still more work to be done as

we are still seeing more male employees represented within the upper earning quartiles then women. The Trust acknowledges that the gender pay gap is the result of the roles in which men and women work within the Trust. There are societal and structural factors which go some way to explaining the gender pay gap within the Trust, including over-representation of women in the traditionally care-giving profession of nursing, which is a major factor common to all NHS Trusts.

Staff cost analysis 2024/25 *(audited)* and 2023/24 *(audited)*

Employee expenses:

	Total 2024/25	Permanently employed	Other	Total 2023/24
	£000	£000	£000	£000
Short term employee benefits – salaries and wages	**227,373**	**204,010**	**23,363**	212,165
Post employee benefits social security costs	**21,971**	**19,603**	**2,368**	21,469
Apprenticeship Levy	**1,083**	**966**	**117**	997
Post employee benefits employer contributions to NHS Pensions Agency	**40,284**	**35,943**	**4,341**	33,322
Other employment benefits	**-**	**-**	**-**	-
Termination benefits	**-**	**-**	**-**	-
Agency/contract staff	**4,189**	**-**	**4,189**	6,026
Total gross staff costs	**294,900**	**260,522**	**34,378**	273,979
Recoveries in respect of seconded staff	**-**	**-**	**-**	-
Total staff costs	**294,900**	**260,522**	**34,378**	273,979
Of which costs capitalised as part of assets	**380**	**380**	**-**	390

Average number of persons employed 2024/25 *(audited)* and 2023/24 *(audited)*

	Total 2024/25	Permanently employed	Other	Total 2023/24
Medical and dental	**574**	**288**	**285**	556
Ambulance staff	**1**	**1**	**-**	1
Administration and estates	**786**	**754**	**32**	787
Healthcare assistants & other support staff	**1,010**	**991**	**20**	1,049
Nursing, midwifery & health visiting staff	**1,443**	**1,363**	**79**	1,443
Nursing, midwifery & health visiting learners	**-**	**-**	**-**	-
Scientific, therapeutic and technical staff	**570**	**556**	**14**	537
Healthcare scientists	**214**	**209**	**5**	217
Bank staff	**327**		**327**	293
Total	**4,924**	**4,162**	**762**	4,883
Number of employees (WTE) engaged on capital projects	**6**			**6**

To note, this data is based on staff employed by the Trust within the 2023/24 financial year (and includes part time staff).

The Trust spent £489,000 on consultancy fees during 2024/25.

Off-payroll engagements

Off-payroll engagements are arrangements where an individual provides their services to the Trust, but, under HMRC rules, they are not paid through the Trust payroll. Typically, this is because the individual is working through a temporary staffing agency, or they are legitimately in business in their own right, and the legal nature of the arrangement between the Trust and the off-payroll individual is a commercial business arrangement, rather than one of employment.

The Trust makes use of off-payroll engagements in a number of circumstances:

- when there is a short-term need that cannot be met from internal staffing resources, including bank staff
- when specialist expertise is required that is not available internally
- when there is difficulty recruiting to a post

Highly-paid off-payroll worker engagements as at 31 March 2025 earning £245 per day or greater:

No. of existing engagements as of 31 March 2024	14
Of which, the number that have existed:	
for less than one year at time of reporting.	9
for between one and two years at time of reporting.	2
for between two and three years at time of reporting.	0
for between three and four years at time of reporting.	1
for four or more years at time of reporting.	1

All highly-paid off-payroll workers engaged at any point during the year ended 31 March 2025 earning £245 per day or greater:

Number of off-payroll workers engaged during the year ended 31 March 2024	
Of which:	
Not subject to off-payroll legislation	37
Subject to off-payroll legislation and determined as in-scope of IR35	0
Subject to off-payroll legislation and determined as out-of-scope of IR35	0
Number of engagements reassessed for compliance or assurance purposes during the year	0
Of which: number of engagements that saw a change to IR35 status following review	0

Off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2024 and 31 March 2025

Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	0
Number of individuals that have been deemed 'board members and/or senior officials with significant financial responsibility' during the financial year. This figure must include both off-payroll and on-payroll engagements.	21

Exit packages

Exit package costs by band 2024/25 *(audited):*

Exit package cost band	2024/25 Number of compulsory redundancies	2024/25 Number of other departures agreed	2024/25 Total number of exit packages by cost band
<£10,000	-	21	21
£10,000 – 25,000	1	6	7
£25,001 – 50,000	1	5	6
£50,001 – 100,000	-	3	3
£100,000 – 150,000	-	-	-
Total number of exit packages by type	2	35	37

Exit package costs by band 2023/24 *(audited):*

Exit package cost band	2023/24 Number of compulsory redundancies	2023/24 Number of other departures agreed	2023/24 Total number of exit packages by cost band
<£10,000	1	9	10
£10,000 – 25,000	-	1	1
£24,001 – 50,000	-	-	-
£50,001 – 100,000	-	-	-
£100,000 – 150,000	-	-	-
Total number of exit packages by type	1	10	11

Exit packages: non-compulsory departure payments 2024/25 *(audited)* and 2023/24 *(audited)*:

	2024/25	2024/25	2023/24	2023/24
	Agreements number	Total value of agreements	Agreements number	Total value of agreements
		£000		£000
Mutually agreed resignations (MARS) contractual costs	**12**	**406**	-	-
Contractual payments in lieu of notice	**22**	**131**	**10**	**45**
Exit payments following Employment Tribunals or court orders	**1**	**3**	**-**	**-**
Non-contractual payments requiring HMT approval	**-**	**-**	-	-
Total	**35**	**540**	**10**	**45**

Facilities time

Facilities time' is time provided to any employee who is either an official or representative member of any trade union recognised by the Countess of Chester Hospital for the purpose of undertaking trade union duties and activities in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992.

Facility time covers the duties of a trade union or union learning representative on behalf of their members. It involves duties such as accompanying employees to disciplinary or grievance hearings. It also covers training received and duties carried out under the Health and Safety at Work Act 1974.

In response to the introduction of the Trade Union (Facility Time Publication Requirements) Regulations 2017 which came into effect on 1 April 2017, the Countess of Chester Hospital and Trade Union representatives work together to ensure the Countess of Chester Hospital complies with the requirement to publish information in relation to relevant union officials and facility time.

The table below illustrates the utilisation of facilities time within the Countess of Chester Hospital. It should be noted that the Countess of Chester Hospital seconds 1.0 full-time equivalent representative to act in the capacity as Staff Side Chair who coordinates and liaises with all 16 individual trade unions recognised by the Countess of Chester Hospital on behalf of the various professions and staff associations.

Relevant union officials:

Relevant union officials	Number of employees
Number of employees who were relevant union officials during 2024/25	12
Full-time equivalent employee number	10.52

Percentage of time spent on facility time:

Percentage of time spent on facility time	Number of employees
0%	0
1-50%	11
51-99%	0
100%	1

Percentage of pay bill spent on facility time:

Percentage of pay bill spent on facility time	£
Total cost of facility time	£31,322.28
Total pay bill	£294,900,000
Percentage of the total pay bill spent on facility time	0.01%

Paid trade union activities:

Paid trade union activities	%
Time spent on paid trade union activities as a percentage of total paid facility time hours	1.46%

Staff Survey Results

Staff experience and engagement

The Trust recognises that well-engaged employees are crucial to organisational success, particularly with respect to high-quality patient outcomes and staff experience. One of the key metrics of staff experience is the NHS Staff Survey.

NHS staff survey

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

A copy of our 2024 NHS Staff Survey Results can be found on the national survey website here.

The response rate to the 2024 survey was 45% for our substantive workforce (an increase of 3% from 2023.

A full analysis of results has been undertaken at Trust level with divisional analysis and action planning ongoing in 2025. Key points include the following.

In 2024, the Trust delivered an improvement in response rate, the highest percentage in 12 years. Whilst the Trust acknowledges that staff report a poorer experience relative to our comparators and below the national average for our comparator group, we are showing a year on year improvement. In 2024, we reported the second biggest improvement in our NW comparator group, improvements in our national ranking and improvement in 6 out of the 7 People Promise Themes. The Trust saw improvement across a number of areas where we

had focused attention in 2024 including in relation to raising concerns and having a voice, health and wellbeing, compassionate culture, diversity and inclusion, and involvement and advocacy.

Future priorities and targets

At a Trust Level, our 2024 NHS Staff Survey results demonstrate that we have a good understanding of staff experience and the areas where we need to do more, and these align with our existing plans. Priorities include,

- We need to support our managers to better support staff – prevent burnout, proactive HWB support, challenging conversations – managers essentials programme
- We need to do more to reduce and prevent our staff from experiencing violence & aggression and unwanted sexual behaviour from patients/public – zero tolerance campaign, violence and aggression group, sexual safety charter.
- We need to make flexible working more accessible – roll out of flexible working campaign promoting promoting flexible working opportunities

Work against these priority areas will continue to be monitored and reported via Trust Governance infrastructure.

Ill health retirements *(audited)*

During 2024/25 (prior year 2023/24) there were 9 (4) early retirements from the Trust agreed on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £977,000 (£136,000). The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division. This information was supplied by NHS Business Services Authority - Pensions Division.

Health and safety

In 2024/25, significant progress has been made in strengthening the Trust's Health and Safety function. Following the appointment into key leadership positions and the relaunch of the Health & Safety Committee, a solid foundation has been established for fostering a proactive safety culture. This includes the introduction of revised policies, structured committee governance, and enhanced reporting mechanisms. Additionally, ongoing collaboration across Estates, Occupational Health, Clinical Engineering, and Security Services has ensured comprehensive attention to safety concerns, from equipment maintenance and incident management to violence prevention and fire safety. The proactive involvement of the Medical Device Safety Officer has also provided valuable contribution to the oversight and assurance.

At the beginning of 2024/25, the role of Health and Safety Manager was fulfilled by an interim manager, and there was a significant gap for several months before the position was permanently filled. The appointment of a permanent experience health and safety manager places the Trust in a much stronger position moving forward.

Significant progress has been made in addressing the risks identified during the gap analysis from 2023/24, with many actions successfully closed across all three Trust sites. A number of actions remain open, requiring further investigation and the allocation of additional resources to resolve. The Health & Safety Team has also continued to identify new projects, which have been incorporated into the action plan to ensure ongoing attention to emerging concerns. A revised action plan will be generated to ensure that all remaining actions are effectively addressed.

Interdepartmental collaboration has played a key role in bridging gaps in the Health & Safety Team resources, contributing significantly to the progress of health and safety initiatives across the Trust. This collaborative approach will remain central to achieving positive outcomes in the coming months.

As the Trust continues to meet increasing service demands, the commitment to safety, policy enhancement, and risk mitigation across departments will be vital in maintaining a safe and supportive environment for patients, staff, and visitors alike.

Countering fraud and corruption policy

The Trust does not tolerate fraud, corruption or bribery within the NHS. An overarching Anti-Fraud, Corruption and Bribery Policy and Response Plan in place, produced by the Local Counter Fraud Specialist (LCFS), which was reviewed in 2021/22 and will be reviewed in April 2024/25. The aim is to eliminate all NHS fraud, corruption and bribery as far as possible, freeing up public resources for better patient care.

NHS Counter Fraud Authority (NHSCFA) is a special health authority charged with identifying, investigating, and preventing fraud and other economic crime within the NHS and the wider health group. As a special health authority focused entirely on counter fraud work, the NHSCFA is independent from other NHS bodies and directly accountable to the Department of Health and Social Care.

All instances where fraud, corruption and bribery are suspected are properly investigated by trained staff this being either the Local Counter Fraud Specialists or investigating officers employed by NHS CFA. Any investigations are handled in accordance with the NHS Counter Fraud Manual. The manual provides guidance on NHSCFA investigative procedures, the responsibilities of LCFSs and information on how counter fraud work is monitored across the NHS to ensure that a common approach and best practices are adopted by all when allegations of fraud, bribery and corruption are investigated in the NHS. It also sets out in greater detail the procedural, technical and legislative considerations and requirements which have a bearing on investigations.

The NHS Foundation Trust Code of Governance

The new Code of Governance for NHS provider trusts has been in place since 1st April 2023. The Code of Governance sets out a common overarching framework for the corporate governance of NHS trusts and foundation trusts.

Disclosures

The Board of Directors has overall responsibility for the administration of sound corporate governance throughout the organisation. The NHS Foundation Trust Code of Governance (the Code) is published to assist foundation trust boards with ensuring good governance and to bring together best practice from public and private sector corporate governance.

Comply or explain

The Code is issued as best practice, containing main principles, supporting principles and code provisions on a ‘comply or explain’ basis.

The Countess of Chester Hospital NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a comply or explain basis.

The Trust undertook an annual assessment against compliance with the Code of Governance for NHS Foundation Trusts in 2024/25, including:

- Board leadership and purpose
- Division of responsibilities
- Composition, succession and evaluation
- Audit, risk and internal control
- Remuneration

The Trust remains compliant with the majority of the areas set out within the code. The main exception noted is that the Senior Independent Director continues to chair the Audit Committee with the mitigation of two Non-Executive Directors also being members of the Committee.

Subsequent to the review of the full Code of Governance compliance assessment at the Audit Committee, a procedural issue came to light in respect of staff governor elections (relating to 2023) with action to be taken in 2025.

The detailed annual assessment was presented to the Audit Committee on the 13th February 2025 and the Board of Directors on 25th March 2025.

Disclosure statements

Disclosures as per the FT Code of Governance

Provision	Requirement	Page(s)
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.	**30** **109**
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.	**78**
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	**1** **80**

Provision	Requirement	Page(s)
	organisation's governance processes oversee its collaboration with other organisations and any associated risk management arrangements.	
B.2.6	The board of directors should identify in the annual report each non-executive director it considers to be independent. Circumstances which are likely to impair, or could appear to impair, a non-executive director's independence include, but are not limited to, whether a director: • 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. Where any of these or other relevant circumstances apply, and the board of directors nonetheless considers that the non-executive director is independent, it needs to be clearly explained why.	**41**
B2.13	The annual report should give the number of times the board and its committees met, and individual director attendance.	**39**
B2.17	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.	**57**
C2.5	If an external consultancy is engaged, it should be identified in the annual report alongside a statement about any other connection it has with the trust or individual directors.	**85**
C2.8	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.	**54**
C4.2	The board of directors should include in the annual report a description of each director's skills, expertise and experience.	**39**
C4.7	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.	**38** **108** **112**

Provision	Requirement	Page(s)
C4.13	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.	**26-28** **66**
C5.15	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.	**57**
D2.4	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.	**49** **54**
D2.6	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.	**97**
D2.7	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.	**7**
D2.8	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.	**100**
D2.9	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	**9**

Provision	Requirement	Page(s)
	public sector. As a result, material uncertainties over going concern are expected to be rare.	
E2.3	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.	**N/A**
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.	**57**
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.	**57**
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.	**57**
Additional requirement of FT ARM resulting from legislation	If, during the financial year, the Governors have exercised their power* under paragraph 10C** of schedule 7 of the NHS Act 2006, then information on this must be included in the annual report. This is required by paragraph 26(2)(aa) of schedule 7 to the NHS Act 2006, as amended by section 151 (8) of the Health and Social Care Act 2012. * 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**

NHS Oversight Framework 2024/25

The NHS Oversight Framework provides the framework for overseeing providers and identifying potential support needs.

The framework looks at six themes:

1. quality of care, access, and outcomes
2. finance and use of resources
3. preventing ill-health and reducing inequalities
4. people
5. leadership and capability

6. local strategic priorities

Based on information from these themes, providers are segmented from 1 to 4, where 4 reflects providers receiving the most support, and 1 reflects providers with maximum autonomy. A foundation trust will only be in segments 3 or 4 where it has been found to be in breach or suspected breach of its license.

The Trust was placed in segment 3 of the NHS Oversight Framework in 2021/22 and remained in segment 3 in 2022/23 following the 2022 Care Quality Commission (CQC) inspection and 2023 reinspection. During this period the Trust attended a System Improvement Board (SIB) led by NHS England and involving Cheshire & Merseyside Integrated Care Board (ICB) and other health and care colleagues. The Board provided oversight of the Trust's Improvement Plan with agreed exit criteria once significant improvements have been demonstrated.

NHS England submitted their recommendation to the Northwest Regional Support Group (RSG) based on the Trust's delivery against the SIB exit criteria as of July 2024. In view of the Trust meeting four of the five criteria, it was recommended that oversight arrangements be transferred to Cheshire and Merseyside ICB and establish a System Oversight Group (SOG) to support the Trust's onward journey towards segment 2. The Trust subsequently received formal notification of the discontinuation of the System Improvement Board (SIB).

The Trust worked closely with the ICB to agree a set of exit criteria which supports the Trust moving from segment 3 to 2 with the SOG meetings commencing in November 2024. Progress will continue to be monitored monthly with reports to SOG on a bi-monthly basis. Progress against the newly agreed exit criteria remains in line with the proposed dates for delivery.

Statement of Accounting Officer's responsibilities

Statement of the Chief Executive Officer's responsibilities as the Accounting Officer of the Countess of Chester NHS Foundation Trust

The NHS Act 2006 states that the Chief Executive Officer 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 the Countess of Chester Hospital 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 the Countess of Chester 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's Group Accounting Manual and in particular to:

- Observe the Accounts Directions 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. 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.
- 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. 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 Foundation Trust'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.*

Ms Jane Tomkinson OBE
Chief Executive Officer
24th June 2025

Annual Governance Statement 2024/25

Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the Countess of Chester Hospital 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 Countess of Chester Hospital 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 the Countess of Chester Hospital 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 the Countess of Chester 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

I am accountable for risk management across the organisation, financial and clinical activities. In 2024/25, the responsibility for risk management was delegated to the Director of Governance, Risk & Improvement, supported by the Deputy Director of Nursing Quality and Governance.

I am supported in my role through the assurance committees of the Board of Directors. The Audit Committee has an overarching role in respect of governance, risk management and internal control. The Quality & Safety Committee, Finance & Performance Committee and the People Committee oversee the risks related to their respective areas of responsibility. The Board of Directors receives a Chairs report from each of the Board sub-committees and receives specific assurances from the Quality and Safety Committee relating to the management of incidents, including those requiring Patient Safety Incident Investigation (PSIIs) and Never Events.

There are established governance arrangements provided through the Divisions with triumvirate leadership teams of medical, nursing and operational Directors. In addition to Divisional governance meetings, the monthly Operational Management Board provides a mechanism where divisional performance is reviewed and key risks to delivery of services identified and monitored. The new Risk Management Committee is now in place to provide assurance on the effectiveness of risk management to the Quality Governance Group reporting to the Quality and Safety Committee. Divisional reviews were also re-introduced

during 2024/25.

Risk management training has been undertaken and continues as a rolling programme, to support staff to identify, assess, manage and monitor risks in line with the Risk Management Policy. This training is open to all staff and includes how to use the Datix risk module.

There are defined roles and mechanisms through which alerts and external recommendations are communicated and acted upon (for example, Central Alerting System, NHS England and the Health and Safety Executive). These are currently recorded and reported through the Datix assurance module. Work is underway to review the mechanisms through which the Trust evidences the timeliness of assurance that such alerts have been acted on, to ensure they are prompt and support maintaining safety.

The Trust transitioned to the Patient Safety Incident Response Framework (PSIRF) in 2024/25. A new PSIRF policy was implemented, training rolled out, and governance and oversight structures established.

The Risk and Control Framework

Risk Management Arrangements

The Risk Management Policy outlines the framework for managing risk across the organisation. Roles and responsibilities in relation to the identification and management of risk are identified in this policy.

The Board of Directors set the risk appetite for the Trust, with the Board Assurance framework being a key tool for the Board in identifying, assessing, managing and mitigating strategic risks.

The risk management process begins with the systematic identification of risks via structured risk assessments. These risks are documented on risk registers which are held in the Datix system – the electronic system for recording and managing risks, incidents, complaints, clinical audit and claims.

All risks are assessed and scored using an approved 5x5 scoring matrix which takes into account the potential likelihood, consequence, and overall severity of each risk. This results in each risk being awarded a score of between 1 (very low) to 25 (critical).

The effectiveness of the existing control measures is assessed, and associated gaps and action plans agreed and monitored to ensure management and mitigation of the risk.

Each risk has a risk owner. The Datix Risk Register System automatically generates a confirmation email to notify the identified risk owner about the risk. Risks are escalated and managed at an appropriate level based on the risk score.

The Board of Directors receives a high risk report on all risks with a residual score of 15 and over. The Operational Management Board also reviews risks with a residual score of 15 and over, along with Divisional risk and performance reports. The Risk Management Committee reviews risks with a residual score of 10 and over.

During 2024/25 the Trust established and delivered a risk management improvement plan to further develop processes, culture and reporting. This included refreshing the Risk

Management Policy, development of the Datix system, introducing a new Risk Management Committee, and supporting divisional risk maturity assessments. A range of governance and risk sessions were delivered to increase awareness, understanding and accountability.

The Trust ensures compliance with the NHS Foundation Trust Provider Licence including compliance with governance requirements. The Board of Directors is satisfied that the Trust has established and implemented all requirements of the licence condition with no material risks identified. The Board of Directors, Council of Governors, Audit Committee and other Board Committees all contribute ensuring the Trust has robust and effective governance structures.

The NHS England enforcement undertakings which had been in place since 2022 were lifted in January 2025 following the demonstration of sustained improvement.

The Council of Governors approved the Trust's Constitution which had been updated to reflect legislative changes and guidance.

Incident Reporting

During 2024/25, 19 incidents requiring Patient Safety Incident Investigation (PSIIs) were reported including 2 Never Events. This includes 2 Maternity diverts that we are mandated to report to StEIS. Of the 2 Never Events reported, one occurred in 2012 but was only identified in quarter 4 2024/25 as part of recent episode of care. Full investigations and learning have been completed for both Never Events.

Incident reporting is in line with the Trusts Patient Safety Incident Response Framework (PSIRF) policy. PSIRF focusses on learning and improvement through a range of responses including PSIIs, Swarms, After Action Reviews, and thematic reviews.

A positive culture of incident reporting is evident, with on average between 40-50 incidents reported daily. Being open with those involved with and affected by incidents is essential and the Trust has been working to strengthen how it communicates with patients, families and staff, in line with the Duty of Candour and to ensure their views are incorporated into incident responses. Incident response outcomes and learning statements are shared with families, commissioners, Cheshire West Place colleagues and regulatory bodies.

The Trust holds a weekly Patient Safety Learning Meeting which is dual chaired by the Deputy Director of Nursing & Governance and the Deputy Medical Director & Patient Safety Lead. Representatives from the Divisional triumvirates, Legal Department, Patient Experience and Risk Management teams are in attendance. There is a weekly Patient Safety Group jointly chaired by the Director of Nursing & Quality and Medical Director. These groups provide a governance structure for the review and management of incidents as well as decisions on the incident responses including any PSIIs (Patient Safety Incident Investigations).

The Trust cascades learning from incidents across the organisation though a variety of forums and routes to ensure organisational learning reaches all members of staff. These include:

- Patient Safety Summits that share specific learning from an incident in an open meeting forum.
- Communications are shared weekly across the Trust, based on learning arising from complaints and incidents in that week.
- Learning and Sharing Forum dedicated to sharing learning across the Trust.

- Daily Trust Safety Huddles provides a forum for issues to be raised and resolved quickly.
- Harms Reduction Programme which has continued to demonstrate measurable quality improvements in year.

Lessons learned are fed back to the nursing teams at ward managers' meetings and safety briefs to make sure relevant staff groups can act upon key learning and implement change. Learning is shared across the organisation in various formats to bring individuals together to optimise patient outcomes. The Trust produces a weekly 'Lessons Learned @COCH' update which highlights the learning from incidents, local audits and quality improvement groups. The Trust also facilitates a monthly Patient Safety Summit as a forum for all staff to explore, share and learn about all aspects of patient safety. The theme for each summit reflects issues raised and incidents reported which also links into patient safety initiatives. In addition, the Grand Round supports the delivery of ongoing education, learning and collaborative working for clinicians.

Medicines related incidents are reviewed daily by the Medicines Safety Officer (or deputy) and then at the monthly Pharmacy Quality and Safety Group. Issues of note are escalated to the multi-professional bi-monthly Medicines Safety Group with findings fed back to clinical teams at safety briefings.

There is also a Clinical Audit Programme in place which continues to develop and includes subsequent audit on identified themes from selected incidents to make sure that changes made as a result of an investigation have been effective. The Board has a view of the scope and effectiveness of the assurances that the Clinical Audit Programme achieves through the Clinical Audit Annual Report to the Quality and Safety Committee with a Chair's report to the Board of Directors.

To ensure that the patient is at the heart of everything we do, patient experiences and stories are shared across the Trust, including at meetings of the Board of Directors, Council of Governors, Operational Management Board and Patient Experience Operational Group. In 2024/25 the Trust embedded a new Patient and Family Experience Strategy, with teams empowered to develop local priorities for patient and family experience.

Learning from Patient Safety Events (LFPSE) is a new national NHS service for the recording and analysis of patient safety events that occur in healthcare. The service introduces a range of innovations to support the NHS to improve learning from the over 2.5 million patient safety events recorded each year, to help make care safer. The Trust incident reporting system – DATIX is connected to the LFPSE service and patient safety incidents are uploaded to this service.

The Board Assurance Framework

The Board Assurance Framework (BAF) sets out the key risks to delivery of the strategic priorities and objectives. The BAF was reset for 2024/25 and continued to be reviewed by the Board and updated throughout the year. The BAF:

- defines the principal risks to the achievement of the organisational objectives
- identifies the controls by which these risks can be effectively managed
- identifies any gaps in controls and any actions being taken to close these gaps
- sets out the assurances that are received in respect of each risks

The BAF extracts were reviewed at the assurance committee meetings for risks relevant to their role. In its role of reviewing the effectiveness of risk management and internal control the Audit Committee received confirmation from Internal Audit that overall, the BAF meets NHS requirements.

Key Risks

During 2024/25 the Trust has faced and continues to face a number of key risks as set out in the BAF.

- Underlying long term Trust financial sustainability

The Trust planned and reported a deficit for 2024/25. Whilst the Trust delivered a significant recurrent CIP, there is an ongoing challenge in terms of the underlying run rate. The draft financial plan for 2025/26 remains a deficit position, including a challenging savings target aligned to national and local requirements. The Cost Improvement Program (CIP) will build on the work undertaken in 2024/25 and will contribute to improving the underlying deficit over the next 3-5 years. Budgets for 2025/26 have been agreed and budget holders are developing plans to mitigate financial pressures.

- Staff Engagement

The Trust has demonstrated some improvement through visible leadership, active listening and a range of staff engagement activities. We launched the Civility Charter and zero tolerance campaigns, strengthened staff networks, and continued to grow our Freedom to Speak Up Champions network. The national staff survey evidences our improvement, but there remains work to do to further improve staff engagement and culture.

- Access, waiting times, care pathways and constitutional performance

The Trust remains focused on operational performance and monitors progress through the Strategic Oversight Framework and reporting structures.

The Trust has consistently delivered the 28 Day Faster Diagnosis Standard cancer standard all year. We have seen improved performance in 62 Day Standard and have met the planning guidance target each month. Performance against the 31 Day Standard has either met standard or been very close to meeting the standard each month. The Trust has remained under our target number of pathways over 62 days being tracked on a suspected cancer pathway. Improvements have been sustained in elective waiting times with increases in productivity and efficiency. Diagnostic waiting times continue to improve with radiology modalities overall meeting the diagnostic standard of 99% of diagnostic referrals being seen within six weeks of referral, and whilst the threshold has not yet been met for endoscopy modalities there has been significant improvement.

Our non-elective performance has been challenged throughout the year and the main effects of this are seen within Urgent and Emergency Care. Flow through our hospital wards remains a challenge due to the high number of patients that do not meet the criteria to reside, with patients remaining in our care whilst arrangements are made to discharge them to an appropriate setting for the care that they need. The lack of flow out of the hospital means that patients are waiting longer in our Emergency Department for a bed and in turn some patients then wait longer outside on ambulances. The Trust has a full action plan to drive improvements across all these areas and over this year we have opened an Urgent Treatment Centre alongside extended use of our Same Day Emergency Care

building. We have secured capital funding to increase capacity in our discharge lounge, increase capacity in our Urgent Treatment Centre, build an area in our Emergency Department for patients with additional Health needs and to increase capacity in our resus and waiting area. In addition, we have continued to work with external partners to explore solutions.

- Delivering safety and quality, and avoiding harm

The Trust has continued to progress a wide range of quality improvement and harm reduction programmes. Quality governance including incident reporting, management of complaints and concerns, claims and Coroners cases have all been strengthened with a clear focus on learning and improving the quality of care for patients. The new patient and family experience strategy has been embedded across the Trust with clear priorities identified in each area. This work will continue into 2025/26.

- Public Confidence in the Trust

There is an ongoing risk to ensuring patients and the wider public have confidence that the Trust's services are safe, effective and well led in the light of the Letby verdict, ongoing police investigations and the Public Inquiry. The Trust is working hard to demonstrate the improvements that have been made, and the work that continues to take place. Throughout 2024/25 the Trust has continued to support the ongoing Thirlwall Inquiry and police investigations.

Care Quality Commission compliance

The Countess of Chester Hospital is registered with the Care Quality Commission (CQC) and at the time of this report it is fully compliant with the registration requirements.

The improvement notice from 2023/24 regarding Ionising Radiation (Medical Exposure) Regulations (IR(ME)R) Regulation 15 was closed in April 2024, with the CQC satisfied that the Trust had delivered the actions and was compliant with the notice.

An unannounced inspection of the core services was undertaken in October 2023 over 3 days, with a well led inspection taking place in November 2023. The report was published in February 2024 resulting in an overall rating of 'requires improvement'. Improvement was noted in the maternity core service and Trust well led domain.

In 2024/25 significant progress has been made against the comprehensive CQC and well led action plan ensuring sustainable improvements are achieved.

Following an unannounced inspection of urgent and emergency care services in February 2025, the Trust received formal notification of a warning notice and action plans are being progressed at pace to deliver the improvements needed. Immediate actions included consistency in the use of documentation, culture expectations, cleaning standards, equipment and improvements to the environment. The final CQC report is not expected to be published until July 2025 and the service is currently rated as inadequate. We remain committed to making the sustainable improvements needed to improve our services for our patients and their families.

The Director of Nursing and Quality and Deputy Directors of Nursing have a fortnightly CQC engagement meeting to discuss, respond to and address any issues or concerns. The Director of Nursing and Quality provides regular reports to the Board of Directors and Quality and Safety Committee relating to the Trusts response to the CQC recommendations and

progress against the action plan.

The Trust successfully exited the Maternity Safety and Support Programme (MSSP) during 2024/25 demonstrating sustained improvement in our services.

To assure itself of performance and the Trust CQC registration requirements, the Trusts monthly System Oversight Framework (SOF) is reviewed by all the Board sub- committees and the Board of Directors. Divisional risk and performance reports are presented monthly to the Operational Management Board. These reports provide a triangulation of quality, workforce, performance and financial indicators. The SOF is also considered alongside data from a further range of sources including:

- Progress against current Trust-wide quality improvement programmes, for example falls, hospital acquired pressure ulcers, deteriorating patient, sepsis, and acute kidney injury
- Mortality and learning from deaths
- Learning from patient safety incident responses and thematic reviews

Our workforce compliance and safeguards

The Board of Directors and People Committee receive regular reports detailing the staffing arrangements in place to provide assurance in respect of safety, sustainability and effectiveness. The reports detail areas of risk and mitigation strategies in relation to workforce. Workforce assurance is also provided through the Board and the People Committee in respect of key workforce metrics, e.g. establishment data, sickness absence and turnover and staff experience measures.

The Trust produced a People Strategy 2021/26, which aligns with the NHS People Plan 2021. In accordance with the recommendations of 'Developing Workforce Safeguards' the Trust uses a triangulated approach to maintaining assurance around workforce strategies and safe staffing systems. This approach utilises evidence-based tools, e.g. establishment reviews, and roster information together with professional judgement and patient outcome measures.

The Trust has a comprehensive dashboard that is used throughout the day to assess safe nurse staffing levels and take appropriate action.

Register of Interests

The Trust has published on its website an up-to-date register of interests for decision-making staff (as defined by the Trust in line with NHS Managing Conflicts of Interest guidance).

Employees working for the Trust and who are deemed *decision makers*, includes band 8d and above staff, all Board members, all Procurement Department staff and Pharmacy staff at band 5 and over. Decision makers are asked to complete their declarations of interest annually via the Electronic Staff Records system (ESR) including any nil returns. Any staff members who do not have access to ESR are required to complete a Conflict of Interest Declaration Form.

NHS Pension Scheme

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to meet all employer obligations contained within the Scheme regulations.

Equality, diversity, inclusion and human rights

The Trust produced an Equality, Diversity & Inclusion Strategy 2023/26 which describes the Trust's commitment to embed equality, diversity and inclusion best practice into our workforce and into the services we provide to our patients and our communities. This strategy set out three strategic aims:

1. To create an inclusive workforce free from discrimination
2. To communicate more effectively to tackle health inequalities
3. To improve overall satisfaction across all patient communities.

The Trust has control measures in place to ensure that it complies with all of its obligations in respect of equality, diversity and human rights legislation.

Equality Impact Assessments are integrated into core business. All Trust-wide policies and procedures must be subject to the equality analysis prior to approval, publication and implementation and for any service implementation and re-design. Work is underway to further strengthen and integrate the Trust's EDI governance framework to embed equality considerations.

The Trust is committed to 'co-creating' a fairer and more inclusive Trust for all our people. One of the ways we wish to achieve our ambition is through our staff networks. The Trust currently has six staff networks and is preparing to launch a seventh and these help to:

- create a safe space which enables colleagues to share their lived experiences and concerns
- promote learning and insights into protected characteristics, intersectionality and how they impact individual outcomes
- inform and shape our organisational culture based on our inclusive values

Sustainability and climate change

The Trust is undertaking risk assessments and has plans in place which take account of the Delivering a Net Zero Health Service report under the Greener NHS programme. The Trust ensures that its obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

The Trust is collaborating with other trusts to provide competence and strategy to develop capabilities for climate adaptation and any necessary response as part of an NHS England northern pilot. This pilot will enable the Trust to produce comprehensive risk assessments and mitigation strategies that further protect our Trust from extreme weather events. The Trust's Sustainability Lead is the representative as part of this pilot and will report through the Sustainability Strategy Group progress, risks and mitigation strategies.

This approach assists greatly in the development of the management plan which takes account of UK Climate Projections 2018 (UKCP18), and in turn will ensure its obligations

under the Climate Change Act and the Adaptation Reporting requirements will be complied with.

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

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

Resources are managed within a financial governance framework defined in the Corporate Governance Manual and Standing Financial Instructions.

The Trust's financial regime is based on Integrated Care System allocations and the NHS Payment System. NHS provider contracts are primarily based on an aligned payment and incentive (API) mechanism, comprising a fixed element for an agreed level of activity other than for elective activity and a variable element for elective activity. Elective Recovery funding is also available to support elective recovery operational requirements.

This funding is available if organisations deliver activity above agreed levels (nationally 107% of 2019/20 levels of value-weighted activity). The Trust's activity over performance in 24/25 primarily relates to day case activity.

Overall financial performance is monitored by the Board of Directors, supported by the Finance and Performance Committee and other committees. A finance report summarising the latest financial performance and financial risk is presented to the Board of Directors and the Finance & Performance Committee, together with regular updates on capital expenditure. Strategic Oversight Framework performance reports, which provide data in respect of quality, constitutional targets and key operational risks are regularly presented and discussed.

The Trust recognises it has a significant underlying financial deficit. Work has been undertaken on improving financial governance and focusing on financial sustainability. The Trust has adapted its approach to delivery of Cost Improvement programmes, focusing on identifying variation, productivity opportunities and reduction of waste in addition to strengthening governance and reporting arrangements. The Trust received a report from PwC in July 2024, offering insights into further actions available to the Trust to improve financial governance and assurance on delivery of financial plans. The Trust reviewed recommendations made by PwC and created an action plan. Management action has been taken for all 57 recommendations, with 52 being completed. The 5 outstanding recommendations will be completed in 25/26 financial year
The Trust is an active member of the Cheshire & Mersey Integrated Care System and contributes to a number of system/ regional workstreams working to improve the economic, efficient and effectiveness of resources across a wider footprint.

Internal and external auditors provide assurance in respect of the r environment and the use of the organisation's resources. Audit report recommendations result in the development of a management action plan with an agreed timescale for improvement, and progress is monitored via the Audit Committee and other relevant sub-committees of the Board. The Audit Committee receives assurance on progress through the internal audit progress reports. The Executive Directors attend Audit Committee meetings as required to account for progress against internal audit reviews where

limited assurance has been given.

The Head of Internal Audit Opinion

The purpose of the Head of Internal Audit Opinion is to contribute to the assurances available to the Accounting Officer and the Board which underpin the Board's own assessment of the effectiveness of the organisation's system of internal control. The Opinion has assisted in the preparation of the Annual Governance Statement.

The Head of Internal Audit Opinion for the year 2024/25 is as follows:

> *The overall opinion for the period 1st April 2024 to 31st March 2025 provides 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.*

A summary of the reviews performed in the year is provided below:

Review	Assurance opinion
Cerner Review - Lessons Learnt	Moderate
Data Security and Protection Toolkit (2023/24) • Assessment of self-assessment • Assessment against National Data Guardian Standards –	 Substantial Moderate
Key Financial Transactional Processing Controls	Substantial
Legal Fees	Limited
Discharge Planning	Limited
Medical Staffing	Not applicable
Divisional Governance / Risk Management – Facilitation of Risk Maturity Sessions	Not applicable
Patient Safety Incident Response Framework (PSIRF)	Moderate
IPR Data Quality – Emergency Department	Substantial
ESR HR/Payroll Controls	Substantial
HR & Wellbeing Shared Service Payroll review	Substantial
Cost Improvement Programme	Substantial

Information Governance and Data Quality

Information Governance

The Trust is required to undertake a mandatory annual Data Security and Protection Toolkit (DSPT) self-assessment. The DSPT draws together legislation and relevant guidance and presents them in a single standard as a set of requirements. The assessment enables the Trust to measure its compliance against National Data Guardian Data Security Standards, cyber security and data protection regulation to provide assurance to the organisation, patients, and staff that information is handled correctly and protected from unauthorised access, loss, damage, and destruction.

The Data Security and Protection Toolkit (DSPT) assessment provides an overall compliance score. The Trust's most recent DSPT submission to NHS Digital in June 2024 returned a *Standards Met* result.

An improvement plan is in place which is monitored by the Information Governance and Information Security Committee and the Trust has maintained training compliance at 87%. Training has been provided for our Information Asset Owners (IAOs) on their accountability, but formalisation of processes is required.

Information Governance Incident Reporting

The Trust has a comprehensive approach to the requirements of the UK General Data Protection Regulation (GDPR). We have continued to update existing Data Sharing Agreements (DSA) and complete Data Privacy Impact Assessments (DPIA) as required. All new agreements are validated with full reference to UK GDPR and the Data Protection Act 2018 before being approved. DPIAs are regularly created for all new projects and any changes to the way in which information is processed. Ward spot checks are undertaken and have proved to be very positive. Contributions are made to staff newsletters for areas like nursing and facilities, which is seen to be a very positive contribution for awareness and prevention of incidents.

24 information governance incidents have occurred that were notified to the Information Commissioner's Office (ICO) / Department of Health and Social Care in the Data Security Incident Reporting Tool in 2024/25. Four follow up investigations have been requested by the ICO at this time.

Regular communication is shared on themes and trends regarding incidents and training is targeted to reflect this. Learning is fed into the training, and a programme of audit is in place to monitor compliance, which takes place across all areas of the Trust. We also audit user's access to their own data which constitutes a breach of Trust regulations and also GDPR. This means that when anyone accesses their own records appropriate action in line with the Trust disciplinary policy can be taken.

Data Quality

The key principle of the Trust's Data Quality Policy is to improve and maintain the quality of patient-related data. This is underpinned by a range of regular audit reports and initiatives such as regular validation of clinical and administrative data, in particular inpatient and outpatient waiting lists and the production of regular data quality reports to identify and collect missing data items and errors. Routine elective waiting time data (both inpatient and

outpatient) is produced, which is subject to review and analysis in-line with good standards of corporate governance. An operational management tool is in place to better support the management and analysis of patients on an elective pathway.

To assure the data used in the Quality Account, the Trust has a Data Quality Group that is chaired by the Chief Digital & Data Officer and meets fortnightly. The group reviews data quality and associated workflows to ensure that NHS data standards are adhered to. A Data Quality action plan is in place to monitor progress and ensure that appropriate governance is in place. This provides assurance to the Board via the Finance & Performance Committee.

The Trust's Access Policy also provides the operational framework for the management of patients who are waiting for elective treatment. The policy reflects national guidance and is reviewed annually and updated. The Data Quality and Patient Pathway teams were established after the implementation of the electronic patient record system and there is now proactive daily validation in place. An intensive Referral to Treatment (RTT) training programme was put in place to ensure all current staff, and new starters have an understanding in the application of RTT.

The Trust produces routine data which is subject to review and analysis in-line with good standards of corporate governance. The further development of the Microsoft Power BI reporting platform is being used as an operational management tool to support the management and analysis of patients, and to identify data quality errors.

The Trust completed a successful upgrade to Cerner, the Trust's Electronic Patient Records system during 2024/25 and continues to optimize the use of this system through a prioritised improvement programme.

Data quality will continue to remain a high priority focus for the Trust to ensure accurate, timely data to support the effective running of the Trust.

Review of Effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit, and the Executive Directors and Senior Leaders within the Countess of Chester Hospital NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the information provided in this annual report and other 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, and other Board committees.

Progress against the CQC and Well Led action plans including committee effectiveness demonstrate the sustainable improvements made in 2024/25.

The Trust is committed to an improvement journey to outstanding underpinned by strong leadership and effective internal control, governance and risk management.

My review is also informed by:

- the Head of Internal Audit's opinion and reports by Internal Audit, who work to a risk-based annual plan with topics that cover governance and risk management, service delivery and performance, financial management and control, human resources, operational and other reviews
- opinion and reports from our external auditors
- financial accounts and financial framework
- in-year submissions to NHS England and Cheshire and Merseyside ICB
- performance against national and regional requirements, indicators and benchmarking
- information governance assurance framework including the Data Security and Protection Toolkit
- results of national patient and staff surveys
- incident responses reports, action plans and learning from incidents
- the work of the Trust's Anti-Fraud Specialist
- reports from the Council of Governors

The Trust continues to focus on the improvements that will strengthen the effectiveness of the system of internal control.

Conclusion

The Trust has not identified any significant internal control issues. The Trust faces a number of significant risks and challenges, with improvement plans focused on delivering high quality patient care, supporting our staff, financial stability, along with our risk management and governance frameworks.

We are also ensuring that we listen to and act on feedback from our staff and our patients and their families.

We continue to work with NHS England (NHSE), Cheshire & Merseyside Integrated Commissioning Board (ICB) and other partners. We have supported the Thirlwall Public Inquiry through full and transparent disclosure of information.

Ms Jane Tomkinson OBE

Chief Executive Officer

24th June 2025

The Countess of Chester Hospital NHS Foundation Trust

Annual Accounts for the year ended 31 March 2025

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

Countess of Chester Hospital NHS Foundation Trust

Annual Accounts

for the year ended 31 March 2025

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

Countess of Chester Hospital NHS Foundation Trust - Annual Accounts 2024/25

FOREWORD TO THE ACCOUNTS

Countess of Chester Hospital NHS Foundation Trust

These accounts for the year ended 31 March 2025 have been prepared by the Countess of Chester Hospital NHS Foundation Trust in accordance with paragraphs 24 and 25 of Schedule 7 of the National Health Service Act 2006.

24 June 2025 Jane Tomkinson - Chief Executive Officer

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 March 2025

	NOTE	2024/25 Total £000	2023/24 Total £000
Operating Income from Patient Care Activities	2	**378,949**	333,543
Other Operating Income	2.4	**31,086**	24,315
Operating Expenses of Continuing Operations	3	**(417,545)**	(387,395)
Operating (Deficit)/Surplus		**(7,510)**	(29,537)
Net Finance Costs:			
Finance Income	6.1	**1,304**	1,231
Finance Expense - Financial Liabilities	6.2	**(354)**	(370)
PDC Dividends payable	1.15	**(2,372)**	(2,412)
Net Finance Costs		**(1,422)**	(1,551)
(Losses)/on disposal of assets		**(250)**	(397)
Gains/(losses) from transfers by absorption		**-**	6,780
DEFICIT FOR THE YEAR		**(9,182)**	(24,705)
Other comprehensive income:			
Impairment losses on property, plant and equipment	1.6	**(150)**	(953)
TOTAL COMPREHENSIVE INCOME AND EXPENSE FOR THE YEAR		**(9,332)**	(25,658)

The notes on pages 6 to 44 form part of these financial statements

STATEMENT OF FINANCIAL POSITION AS AT 31 March 2024

	NOTE	31 March 2025 £000	31 March 2024 £000
NON-CURRENT ASSETS:			
Intangible assets	7	**5,414**	6,250
Property plant and equipment	8	**230,307**	157,479
Right of use assets	9	**4,654**	5,433
Receivables	12	**409**	374
Total Non-Current Assets		**240,784**	169,536
CURRENT ASSETS:			
Inventories	11	**1,503**	1,690
Trade and other receivables	12	**15,139**	17,510
Other investments	16.1	**-**	-
Cash and cash equivalents	16.2	**28,178**	12,342
Total Current Assets		**44,820**	31,542
CURRENT LIABILITIES:			
Trade and other payables	13	**(50,179)**	(42,057)
	14	**(2,208)**	(2,647)
Provisions	15	**(1,698)**	(1,343)
Tax payables		**(7,794)**	(6,103)
Other liabilities	13.1	**(3,545)**	(5,672)
Total Current Liabilities		**(65,423)**	(57,822)
Total Assets less Current Liabilities		**220,180**	143,256
NON-CURRENT LIABILITIES:			
Borrowings	14	**(11,426)**	(13,627)
Provisions	15	**(850)**	(840)
Other liabilities	13.1	**(1,196)**	(1,262)
Total Non-Current Liabilities		**(13,472)**	(15,729)
Total Assets Employed		**206,708**	127,527
FINANCED BY:			
Public dividend capital		**301,948**	213,435
Revaluation reserve		**9,044**	9,194
Income and expenditure reserve		**(104,284)**	(95,102)
TOTAL TAXPAYERS' EQUITY		**206,708**	127,527

The notes on pages 6 to 44 form part of these financial statements

Signed

Jane Tomkinson - Chief Executive Officer
24 June 2025

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY 31 MARCH 2025

	Total	Public Dividend Capital	Revaluation Reserve	Income and Expenditure Reserve
	£000	£000	£000	£000
Taxpayers' Equity at 1 April 2024	127,527	213,435	9,194	(95,102)
Changes in Taxpayers' Equity for 2024/25				
Public Dividend Capital received	88,513	88,513	-	-
Public Dividend Capital repaid	-	-	-	-
(Deficit)/Surplus for the year	(9,182)	-	-	(9,182)
Transfers by absorption: transfers between reserves	-	-	-	-
Revaluation gains/(losses) and impairment losses property, plant and equipment	(150)	-	(150)	-
Taxpayers Equity at 31 March 2025	**206,708**	**301,948**	**9,044**	**(104,284)**

	Total	Public Dividend Capital	Revaluation Reserve	Income and Expenditure Reserve
	£000	£000	£000	£000
Taxpayers' Equity at 1 April 2023	88,163	148,413	5,354	(65,604)
Changes in Taxpayers' Equity for 2023/24				
Public Dividend Capital received	65,022	65,022	-	-
	-	-	-	-
(Deficit)/Surplus for the year	(24,705)	-	-	(24,705)
Revaluation gains/(losses) and impairment losses property, plant and equipment	-	-	4,793	(4,793)
	(953)		(953)	
Taxpayers Equity at 31 March 2024	**127,527**	**213,435**	**9,194**	**(95,102)**

The notes on pages 6 to 44 form part of these financial statements

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 March 2025

	2024/25	2023/24
	£000	£000
Cash flows from operating activities:		
Operating deficit from continuing operations	**(7,510)**	(29,537)
Operating deficit	**(7,510)**	(29,537)
Non-cash income and expense:		
Depreciation and amortisation	**9,631**	9,311
Income recognised in respect of capital donations	**(1,777)**	(308)
Impairments	**1,215**	1,495
Reversals of impairments	**-**	-
Amortisation of PPP credit	**(66)**	(66)
(Increase)/Decrease in Trade and Other Receivables	**2,271**	(2,125)
Increase in Inventories	**187**	437
Increase/(Decrease) in Trade and Other Payables	**4,637**	(14,198)
Increase/(Decrease) in Other Liabilities	**(2,127)**	(1,106)
Increase/(Decrease) in Provisions	**365**	52
Net cash generated from operations	**6,826**	(36,045)
Cash flows from investing activities:		
Interest Received	**1,304**	1,231
Proceeds from sales of investments	**-**	-
Purchase of intangible assets	**-**	-
Purchase of Property, Plant and Equipment	**(77,283)**	(37,012)
Sales of property, plant and equipment	**-**	-
Receipt of cash donations to purchase capital assets	**1,777**	308
Net cash used in investing activities	**(74,202)**	(35,473)
Cash flows from financing activities:		
Public dividend capital received	**88,513**	65,022
Movement in loans from the Department of Health and Social Care	**(1,801)**	(1,801)
Capital element of lease liability repayments	**(765)**	(928)
Capital element of Public Private Partnership obligations	**(73)**	(51)
Interest paid on DHSC Loans	**(103)**	(125)
Interest element of lease liability repayments	**(52)**	(60)
Interest element of Public Private Partnership obligations	**(199)**	(184)
PDC Dividend paid	**(2,307)**	(899)
Net cash generated from financing activities	**83,212**	60,974
Decrease in cash and cash equivalents	**15,836**	(10,544)
Cash and Cash equivalents at 1 April	**12,342**	22,886
Cash and Cash equivalents at 31 March	**28,178**	12,342

The notes on pages 6 to 44 form part of these financial statements

NOTES TO THE ACCOUNTS

1 ACCOUNTING POLICIES

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.

1.1 Accounting Convention

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

1.1a 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.

1.2 Consolidation

These accounts are for The Countess of Chester Hospital NHS Foundation Trust alone.

The NHS Foundation Trust is the Corporate Trusteee to The Countess of Chester Hospital NHS Charitable Fund. The Foundation Trust has assessed its relationship to the charitable fund and determined it to be a subsidiary because the Foundation Trust is exposed to, or has rights to, variable returns and other benefits for itself, patients and staff from its involvement with the Charitable Funds and has the ability to affect those returns and other benefits through its power over the fund. However the transactions are immaterial in the context of the group and the transactions have not been consolidated. Details of the transactions with the charity are included in the related parties note.

1.3 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 for 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 and ICBs based on actual usage or at a fixed baseline in addition to the price of the related service.

The Trust also receives income from commissioners under Commissioning for Quality Innovation (CQUIN) and Best Practice Tariff (BPT) schemes. Delivery under these schemes is part of how care is provided to patients. As such CQUIN and BPT payments are not considered distinct performance obligations in their own right; instead they form part of the transaction price for performance obligations under the overall contract with the commissioner and are accounted for as a variable consideration under IFRS15. Payment for CQUIN and BTP on non-elective services is included in the fixed element of API contracts with adjustments for actual achievement being made at the end of the year. BPT earned on elective activity is included in the variable element of API contracts and paid in line with actual activity performed.

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

Elective recovery funding provides additional funding to integrated care boards to fund the commissioning of elective services within their systems. Trusts do not directly earn elective recovery funding, instead earning income for actual activity performed under API contract arrangements as explained above. The level of activity delivered by the trust contributes to system performance and therefore the availability of funding to the trust's commissioners.

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.

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.

Other income

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

1.4 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.

Termination Benefits

Termination benefits are recognised as an expense when the Trust is committed demonstrably, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement age, or to provide termination benefits as result of an offer made to encourage voluntary resignations in accordance with IAS 37. Termination benefits for voluntary resignations are recognised as an expense if the Trust has made an offer of voluntary resignation, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If the benefits are payable more than twelve months after the reporting period, then they are discounted to their present value.

Pension costs

Past and present employees are covered by the provisions of the two NHS Pensions Schemes. Both schemes are unfunded, defined benefit schemes that covers NHS employers, general practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care, in England and Wales. The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as though it is a defined contribution scheme. The cost to the Trust is taken as equal to the employer's 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.

1.5 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.

1.6 Property, Plant and Equipment

1.6.1 Recognition

Property, plant and equipment is capitalised where;

- it is held for use in delivering services or for an 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; and
- the item has a cost of at least £5,000,or
- collectively, a number of items have a cost of at least £5,000 and individually 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.

- form 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 eg. plant and equipment, then these components are treated as separate assets and depreciated over their own useful lives.

1.6.2 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. Thereafter they are stated at cost less accumulated depreciation and any recognised impairment loss. All assets are measured subsequently at fair value.

Subsequent to their initial recognition, property, plant and equipment are carried at revalued amounts. Valuations are carried out by Cushman & Wakefield, professionally qualified valuers in accordance with the Royal Institute of Chartered Surveyors (RICS) Valuation Standards. These valuations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. In practice this is usually achieved by a full valuation exercise at least every five years, and an interim valuation in the intervening years if required. A full valuation was carried out in 2020/21.

Current values in existing use are determined as follows:
Land and non specialised operational property - market value for existing use
Specialised buildings – depreciated replacement cost on a modern equivalent asset basis.

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

Valuation guidance issued by the Royal Institute of Chartered Surveyors states that valuations are performed net of VAT where the VAT is recoverable by the entity. This basis has been applied to the trust’s Private Finance Initiative (PFI) scheme where the construction is completed by a special purpose vehicle and the costs have recoverable VAT for the trust

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.

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.

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.

Depreciation

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

Property, plant and equipment which has been reclassified as 'Held for Sale' ceases to be depreciated upon the reclassification. Assets in the course of construction are not depreciated until the asset is brought into use.

Useful economic 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:

Plant and Equipment are depreciated evenly over the estimated life of the asset, as follows:

Buildings, excluding dwellings	5 years to 60 years
Dwellings	60 years
Plant and Equipment	5 to 15 years
Transport Equipment	5 years
Information Technology	5 to 10 years
Furniture & Fittings	5 to 10 years

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 benefit or 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 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 in the revaluation reserve. 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.

1.6.3 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.

1.6.4 Donated, Government Grant and Other 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.

1.6.5 Public Private Partnership (PPP) Transactions

PPP 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. In accordance with HM Treasury's FReM the underlying assets are recognised as property, plant and equipment at their fair value together with an equivalent finance lease liability. Subsequently, the assets are accounted for as property, plant and equipment.
Where a significant part of the operators income derives from charges to users rather than payments from the Trust a deferred income credit is established and released to the Statement of Comprehensive Income over the life of the agreement.

The annual contract payments are apportioned between the repayment of the liability, a finance cost and the charges for services and lifecycle replacement of components of the asset. The element of the annual unitary payment increase due to cumulative indexation is treated as contingent rent and is expensed as incurred.

The service charge is recognised in operating expenses and the finance cost is charged to Finance Costs in the Statement of Comprehensive Income.

IFRS 16 liability measurement principles have not been applied to the PPP liabilities in these financial statements on the grounds of materiality.

1.7 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 which arise from contractual or other legal rights. Intangible assets are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the Trust and where the cost of the asset can be measured reliably.

Internally Generated Intangible Assets

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

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

Software

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

Measurement

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

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

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

Amortisation

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

Useful lives of intangible assets

Useful lives reflect the total life of an asset and not the remaining life of an asset, as follows:

Software licences & Information Technology	10 years

1.8 Revenue grants and other contributions to expenditure

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 grants are 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.

1.9 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of investories is measured using the weighted average method.

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

1.10 Financial Assets and Financial Liabilities

Recognition

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

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

Classification and measurement

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

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

Financial assets 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.

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.

Impairment of Financial Assets

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

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

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

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

Derecognition

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

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

1.11 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.

1.11.1 The Trust as Lessee

Initial Recognition and 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.

Subsequent Measurement

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

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

1.12 Provisions

The NHS Foundation 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 the discount rates effective for 31 March 2025

Early retirement provisions and injury benefit provisions both use the HM Treasury's pension 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 NHS Foundation Trust pays an annual contribution to NHS Resolution which in return settles all clinical negligence claims. Although the NHS Resolution is administratively responsible for all clinical negligence cases the legal liability remains with the NHS Foundation Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the Trust is disclosed at note 15.1, but is not recognised in the NHS Foundation Trust's accounts.

1.13 Non-Clinical Risk Pooling

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

1.14 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 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed, 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.

1.15 Public Dividend Capital (PDC)

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.

1.16 Value Added Tax

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

1.17 Corporation Tax

The Countess of Chester Hospital NHS Foundation Trust is a Health Service body within the meaning of s519AICTA 1988 and accordingly is exempt from taxation in respect of income and capital gains within categories covered by this. There is a power for the Treasury to disapply the exemption in relation to the specified activities of a Foundation Trust (s519A (3) to (8) ICTA 1988). Accordingly, the Trust is potentially within the scope of Corporation Tax but there is no tax liability arising in respect of the current financial year.

1.18 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.

1.19 Foreign Exchange

The functional and presentational currencies of the Trust are 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 (other than financial instruments measured at 'fair value through income and expenditure') 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.

1.20 Third Party Assets

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

1.21 Transfer of Assets from Other NHS Bodies

For assets that have been transferred to the Trust from another NHS body, the transaction is accounted for as a transfer by absorption. The asset transferred is recognised in the accounts using the book value as at the date of transfer. The asset is not adjusted to fair value prior to recognition. The gain corresponding to the asset transferred is recognised within income, 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.

Critical Judgements in Applying Accounting Policies

In the application of the Trust accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. The estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The main area which requires the exercise of judgement is the calulation of provisions in note 15.

1.23 Key Sources of Estimation Uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the Statement of financial Position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:
Asset valuation and impairments: the valuation of the Trust's Land and Buildings Excluding Dwellings is subject to significant estimation uncertainty, since it derives from estimates provided by the Trust's external valuers who base their estimates on local market data as well as other calculations to reflect the age and condition of the Trust's estate.
The valuation in 2024/25 is a desktop exercise. There are no significant changes in assumptions adopted for 31st March 2025 valuation.

1.24 Losses and special Payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that the 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.

1.25 Gifts

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

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

The DHSC GAM does not require the following ~IFRS Standards to be applied in 2024/25

IFRS 14 Regulatory Deferral Accounts
Not UK-endorsed. Applies to first time adopters of IFRS after 1 January 2016. Therefore, not applicable to DHSC group bodies

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

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.

Changes to Non-Investment Asset Valuation

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

Changes to subsequent measurement of intangible assets and PPE classification / terminology to be implemented for NHS bodies from 1 April 2025:

· Withdrawal of the revaluation model for intangible assets. Carrying values of existing intangible assets measured under a previous revaluation will be taken forward as deemed historic cost.

· Removal of the distinction between specialised and non-specialised assets held for their service potential. Assets will be classified according to whether they are held for their operational capacity.
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 £82m as at 31 March 2025. Assets valued on an alternative site basis have a total book value of £78m at 31 March 2025.

1.27 Accounting standards, amendments and interpretations issued that have been adopted early

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

2 Income

2.1 Segmental Reporting

All of the Countess of Chester Hospital NHS Foundation Trust's activities are in the provision of healthcare, which is an aggregate of all the individual speciality 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 Countess of Chester Hospital NHS Foundation Trust's revenue originates with the UK Government. 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 of one broad combined nature and therefore on this basis one segment of 'Healthcare' is deemed appropriate.

The operating results of the Countess of Chester Hospital NHS Foundation Trust are reviewed by the Trust's chief operating decision maker which is the overall Foundation Trust Board and which includes senior professional non-executive directors. The Trust Board review the financial position of the Countess of Chester Hospital NHS Foundation Trust as a whole in their decision making process, rather than individual components included in the totals, in terms of allocating resources. This process again implies a single operating segment under IFRS 8.

The finance report considered by the Trust Board contains summary figures for the whole Trust together with graphical line and bar charts relating to different total income activity levels, and directorate expense budgets with their cost improvement positions.

Likewise only total balance sheet positions and cashflow forecasts are considered for the whole of the Countess of Chester Hospital NHS Foundation Trust. The Board as chief operating decision maker therefore only considers one segment of healthcare in its decision-making process.

The single segment of 'Healthcare' has therefore been identified consistent with the core principle of IFRS 8 which is to enable users of the financial statements to evaluate the nature and financial effects of business activities and economic environments

2.2 Total Income from activities

	NOTE	2024/25 £000	2023/24 £000
Income from activities	2.3	**378,949**	333,543
Other operating income	2.4	**31,086**	24,315
Operating Income from Continuing Operations		**410,035**	357,858

Operating Income from Patient Care Activities	**2024/25 £000**	2023/24 £000
Income from commissioners under API contracts - variable element*	**67,979**	56,297
Income from commissioners under API contracts - fixed element*	**231,516**	209,502
Other type of activity income	**11,290**	10,657
High cost drugs income from commissioners	**17,318**	16,055
Additional pension contribution central funding**	**15,936**	10,195
Agenda for change pay offer central funding***	**855**	188
Other clinical income	**33,973**	30,572
Income from activities - Commissioner Requested Services	**378,868**	333,465
Private patient income	**81**	78
Income from activities	**378,949**	333,543

*Aligned payment and incentive contracts are the main form of contracting between NHS providers and their commissioners. More information can be found in the 2023/25 nhs Payment Scheme documentation.

**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.

The Terms of Authorisation set out the goods and services that the Trust is required to provide (Commissioner Requested Services). All of the income from activities before private patient income shown above is derived from the provision of Commissioner Requested Services.

All other income arises from non-mandatory services.

2.3 Income from Patient Care Activities (by source)	**2024/25**	2023/24
	£000	£000
Income from patient care activities received from:		
NHS England	**23,857**	21,882
Integrated care boards	**305,348**	268,752
NHS Foundation Trusts	**11,232**	10,571
NHS Trusts	**58**	86
Local authorities	**107**	174
Department of Health and Social Care	**-**	-
NHS other (including Public Health England)	**35,017**	30,978
Non NHS: private patients	**81**	78
Non NHS: overseas patients (non-reciprocal, chargeable to patient)	**237**	78
Injury cost recovery scheme	**533**	734
Non NHS: other	**2,479**	210
	378,949	333,543

2.4 Other Operating Income	**2024/25**	2023/24
	£000	£000
Research and development	**1,011**	929
Education and training	**12,246**	10,793
Charitable contributions to expenditure	**1,905**	491
Non-patient care services to other bodies	**1,261**	1,941
Car parking	**1,598**	1,218
Catering	**1,048**	1,121
Other income	**11,951**	7,684
Contributions to expenditure - consumables donated from DHSC group bodies for COVID response	**-**	72
Amortisation of PPP deferred credits	**66**	66
	31,086	24,315

2.5 Directly Invoiced Overseas Visitors	**2024/25**	2023/24
	£000	£000
Income recognised this year	**237**	78
Cash payments received in-year (relating to invoices raised in current and previous years)	**57**	20
Amounts added to provision for impairment of receivables	**67**	41
Amounts written off in-year	**25**	-

2.6 Additional information on revenue from contracts with customers recognised in the period

	2024/25 £000	2023/24 £000
Revenue recognised in the reporting period that was included in contract liabilities at the previous period end	**5,606**	5,597
Revenue recognised from performance obligations satisfied (or partially satisfied) ir previous periods	-	-

3 Operating expenses	2024/25 £000	2023/24 £000
Operating expenses comprise:		
Purchase of healthcare from non-NHS and non-DH bodies	**1,114**	687
Staff and executive directors costs	**294,389**	273,544
Remuneration of non-executive directors	**156**	158
Drug Costs	**28,526**	26,645
Supplies and services (excluding drug costs)		
- clinical	**37,134**	35,576
- general	**4,857**	4,705
Establishment	**2,635**	2,891
Transport	**230**	229
Premises	**14,342**	13,532
Supplies and services notional cost of equipment donated for COVID	**-**	-
Depreciation & Amortisation	**9,631**	9,311
(Decrease)/Increase in bad debt provision	**158**	164
Provisions arising / released in year	**-**	-
Audit fees - statutory audit	**159**	122
Other services: audit related assurance services		-
Other services: other	**-**	-
Contribution to clinical negligence scheme	**9,350**	10,456
Consultancy	**489**	498
Legal Fees	**6,564**	654
Internal audit costs	**105**	132
Training courses	**748**	848
Expenditure on short term leases	**3,973**	4,239
Expenditure on low value leases		-
Notional training funded from apprenticeship fund	**587**	395
Insurance	**54**	46
Impairment of property, plant and equipment (changes market price)	**1,215**	1,495
Other	**1,129**	1,068
Related to continuing operations	**417,545**	387,395

4 Employee Expenses and Numbers

4.1 Employee expenses

	2024/25 £000	2023/24 £000
Short term employee benefits - salaries and wages	**227,373**	212,165
Social security costs	**21,971**	21,469
Apprenticeship levy	**1,083**	997
Employer's contributions to NHS pensions	**24,348**	23,127
Pension cost - employer contributions paid by NHSE on provider's behalf (6.3%)	**15,936**	10,195
Other Employment Benefits	**-**	-
Temporary staff (including agency)	**4,189**	6,026
Total staff costs	**294,900**	273,979
Of which		
Costs capitalised as part of assets	380	390

4.2 Retirements due to ill-health

During 2024/25 (prior year 2023/24) there were 9 (4) early retirements from the Trust agreed on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £977,000 (£136,000). The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division. This information was supplied by NHS Business Services Authority - Pensions Division.

4.3 Executive Directors Remuneration

	2024/25 £000	2023/24 £000
Executive Directors Remuneration	**1,393**	1,087
Employers contributions for national insurance	**179**	141
Employer contributions to the NHS pension scheme	**84**	82

There are 4 Executive Directors included in the above to whom benefits are accruing under defined benefit pension schemes. For further information please see the remuneration report on page 72 of the annual report.

During 2023/24 the Interim Chief Executive Officer and two other Executive Dirctors were employed by the Trust on an interim part-time basis. These positions have now been appointed to on a permanent full-time basis.

4.4 Losses and Special Payments

NHS Foundation Trusts are required to record cash payments and other adjustments that arise as a result of losses and special payments. In the year the Trust had 133 (2023/24 82) separate losses and special payments, totalling £450,000 (2023/24 £67,000).
The remaining losses were mainly due to bad debts and damage/loss of property, and are reported on an accruals basis.

5 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:

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 2024, is based on valuation data as 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 scheme Actuary, which forms part of the annual NHS Pension Scheme Annual Report and Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) **Full actuarial (funding) valuation**

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (considering recent demographic experience), and to recommend the contribution rate payable by employers.

The 2024 actuarial valuation is currently being prepared and will be published for new contribution rates are implemented from April 2027.

5.1 Auto-Enrolement

The Pensions Act 2008 introduced automatic enrolment of eligible workers into a qualifying workplace pension scheme. The NHSPS is such a scheme and the legislation took effect from 2013. This took effect for the Countess of Chester NHS Foundation Trust from July 2013.

The Trust has a duty to automatically enrol eligible works, between the ages of 22 and State Pension age subject to certain pay criteria. For the Countess of Chester Hospital NHS Foundation Trust the number of enrolments and conributions are immaterial.

6 Net Finance Costs

6.1 Finance Income

	2024/25	2023/24
	£000	£000
Interest on loans and receivables	**1,304**	1,231

6.2 Finance Costs

	2024/25	2023/24
	£000	£000
Interest on Loans from the Department of Health and Social Care	**103**	125
Interest on lease obligations	**52**	60
Interest on obligations under PPP contracts:		
- finance cost	**87**	90
- contingent finance cost	**112**	94
Total	**354**	369

7 Intangible Assets

7.1 Movement 2024/25

	Software Licences & Information Technology	Total
	£000	£000
Cost or valuation		
At 1 April 2024	8,365	**8,365**
Additions - purchased / internally generated	-	**-**
At 31 March 2025	**8,365**	**8,365**
Accumulated amortisation		
At 1 April 2024	2,115	**2,115**
Provided during the year	836	**836**
At 31 March 2025	**2,951**	**2,951**
Net book value		
- Purchased at 1 April 2024	6,250	**6,250**
Total at 1 April 2024	**6,250**	**6,250**
Net book value		
- Purchased at 31 March 2025	5,414	**5,414**
Total at 31 March 2025	**5,414**	**5,414**

7.2 Movement 2023/24

	Software Licences & Information Technology	Total
	£000	£000
Cost or valuation		
At 1 April 2023	8,365	**8,365**
Additions - purchased / internally generated	-	**-**
At 31 March 2024	**8,365**	**8,365**
Accumulated amortisation		
At 1 April 2023	1,278	**1,278**
Provided during the year	837	**837**
At 31 March 2024	**2,115**	**2,115**
Net book value		
- Purchased at 1 April 2023	7,087	**7,087**
Total at 1 April 2023	**7,087**	**7,087**
Net book value		
- Purchased at 31 March 2024	6,250	**6,250**
Total at 31 March 2024	**6,250**	**6,250**

8 Property Plant and Equipment

8.1 Movement 2024/25

	Land	Buildings Excluding Dwellings	Dwellings	Payments on Account and Assets Under Construction	Plant & Machinery	Transport Equipment	Information Technology	Furniture & Fittings	Total
	£000	£000		£000	£000	£000	£000	£000	£000
Cost or valuation									
At 1 April 2024	6,114	78,787	2,591	41,009	45,119	42	20,148	6,191	**200,001**
Transfers by absorption	-	-	-	-	-	-	-	-	**-**
Additions - purchased	-	906	-	75,180	2,595	-	1,907	201	**80,788**
Additions - donated and grant	-	1,209	-	-	461	-	-	-	**1,670**
Reclassifications	-	1,648	-	(1,778)	-	-	-	130	**-**
Impairments / Reversals	415	(4,765)	-	-	-	-	-	-	**(4,350)**
Disposals	-	-	-	-	(744)	-	-	(231)	**(975)**
At 31 March 2025	**6,529**	**77,785**	**2,591**	**114,411**	**47,431**	**42**	**22,055**	**6,291**	**277,134**
Accumulated depreciation									
At 1 April 2024	-	-	992	-	23,188	25	13,491	4,826	**42,522**
Impairments / Reversals	-	(2,985)	-	-	-	-	-	-	**(2,985)**
Disposals	-	-	-	-	(597)	-	-	(129)	**(726)**
Provided during the year	-	2,985	62	-	2,821	4	1,925	218	**8,015**
At 31 March 2025	**-**	**-**	**1,054**	**-**	**25,412**	**29**	**15,416**	**4,915**	**46,826**
Net book value									
- Purchased at 1 April 2024	5,004	77,554	-	41,009	21,199	17	6,657	1,366	**152,806**
- PPP Obligations at 1 April 2024	1,110	-	1,599	-	-	-	-	-	**2,709**
- Donated at 1 April 2024	-	1,233	-	-	731	-	-	-	**1,964**
Total at 1 April 2024	**6,114**	**78,787**	**1,599**	**41,009**	**21,930**	**17**	**6,657**	**1,366**	**157,479**
Net book value									
- Purchased at 31 March 2025	5,419	75,438	-	114,390	20,934	13	6,639	1,377	**224,209**
- PPP Obligations at 31 March 2025	1,110	-	1,537	-	-	-	-	-	**2,647**
- Donated at 31 March 2025	-	2,347	-	20	1,084	-	-	-	**3,451**
Total at 31 March 2025	**6,529**	**77,785**	**1,537**	**114,410**	**22,018**	**13**	**6,639**	**1,377**	**230,307**

8.2 Movement 2023/24

	Land	Buildings Excluding Dwellings	Dwellings	Payments on Account and Assets Under Construction	Plant & Machinery	Transport Equipment	Information Technology	Furniture & Fittings	Total
	£000	£000		£000	£000	£000	£000	£000	£000
Cost or valuation									
At 1 April 2023	5,184	73,791	2,591	10,595	42,418	42	19,111	6,191	**159,923**
Transfers by absorption	954	5,826	-	-	-	-	-	-	**6,780**
Additions - purchased	-	2,973	-	31,895	3,893	-	936	-	**39,697**
Additions - donated and grant funded	-	12	-	-	296	-	-	-	**308**
Reclassifications	-	1,294	-	(1,481)	86	-	101	-	**-**
Impairments / Reversals	(24)	(5,109)	-	-	-	-	-	-	**(5,133)**
Disposals	-	-	-	-	(1,574)	-	-	-	**(1,574)**
At 31 March 2024	**6,114**	**78,787**	**2,591**	**41,009**	**45,119**	**42**	**20,148**	**6,191**	**200,001**
Accumulated depreciation									
At 1 April 2023	-	-	930	-	21,711	21	11,641	4,555	**38,858**
Impairments / Reversals	-	(2,685)	-	-	-	-	-	-	**(2,685)**
Disposals	-	-	-	-	(1,177)	-	-	-	**(1,177)**
Provided during the year	-	2,685	62	-	2,654	4	1,850	271	**7,526**
At 31 March 2024	**-**	**-**	**992**	**-**	**23,188**	**25**	**13,491**	**4,826**	**42,522**
Net book value									
- Purchased at 1 April 2023	4,074	72,466	-	10,596	20,170	21	7,470	1,637	**116,434**
- PPP Obligations at 1 April 2023	1,110	-	1,661	-	-	-	-	-	**2,771**
- Donated at 1 April 2023	-	1,325	-	-	536	-	-	-	**1,861**
Total at 1 April 2023	**5,184**	**73,791**	**1,661**	**10,596**	**20,706**	**21**	**7,470**	**1,637**	**121,066**
Net book value									
- Purchased at 31 March 2024	5,004	77,554	-	41,009	21,199	17	6,657	1,366	**152,806**
- PPP Obligations at 31 March 2024	1,110	-	1,599	-	-	-	-	-	**2,709**
- Donated at 31 March 2024	-	1,233	-	-	731	-	-	-	**1,964**
Total at 31 March 2024	**6,114**	**78,787**	**1,599**	**41,009**	**21,930**	**17**	**6,657**	**1,366**	**157,479**

9 Leases

9.1 Right of use assets - 2024/25

	Property (land and buildings) £000	Plant & machinery £000	Transport equipment £000	Total £000	Of which: leased from DHSC group bodies £000
Valuation / gross cost at 1 April 2024 - brought forward	6,527	682	57	**7,266**	4,945
Additions	-	-	-	**-**	-
Remeasurements of the lease liability	-	-	-	**-**	-
Valuation/gross cost at 31 March 2025	**6,527**	**682**	**57**	**7,266**	**4,945**
Accumulated depreciation at 1 April 2024 - brought forward	1,253	536	45	**1,834**	332
Provided during the year	661	107	10	**779**	198
Accumulated depreciation at 31 March 2025	**1,914**	**643**	**55**	**2,613**	**530**
Net book value at 31 March 2025	**4,613**	**39**	**2**	**4,654**	**4,415**
Net book value of right of use assets leased from other NHS providers	-	-	-	-	-
Net book value of right of use assets leased from other DHSC group bodies	**4,415**	**-**	**-**	**4,415**	**4,415**

9.2 Right of use assets - 2023/24

	Property (land and buildings) £000	Plant & machinery £000	Transport equipment £000	Total £000	Of which: leased from DHSC group bodies £000
Valuation / gross cost at 1 April 2023 - brought forward	6,486	675	57	7,218	4,945
Additions				-	-
Remeasurements of the lease liability	41	7	-	48	-
Valuation/gross cost at 31 March 2024	6,527	682	57	7,266	4,945
Accumulated depreciation at 1 April 2023 - brought forward	590	269	26	885	134
Provided during the year	662	267	19	948	198
Accumulated depreciation at 31 March 2024	1,252	536	45	1,833	332
Net book value at 31 March 2024	5,275	146	12	5,433	4,613
Net book value of right of use assets leased from other NHS providers	-	-	-	-	-
Net book value of right of use assets leased from other DHSC group bodies	4,613	-	-	4,613	4,613

9.3 Reconciliation of the carrying value of lease liabilities

Lease liabilities are included within borrowings in the statement of financial position. A breakdown of borrowings is disclosed in note 14

	2024/25 £000	2023/24
	-	
Carrying value at 31 March 2024	**5,474**	6,354
Lease additions	**-**	-
Lease liability remeasurements	**-**	48
Interest charge arising in year	**52**	60
Lease payments (cash outflows)	**(817)**	(988)
Other changes		-
Carrying value at 31 March 2025	**4,709**	**5,474**

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 3. Cash outflows in respect of leases recognised on-SOFP are disclosed in the reconciliation above.

9.4 Maturity analysis of future lease payments at 31 March 2024

	Total 31 March 2025 £000	**Of which leased from DHSC group bodies 31 March 2025 £000**	Total 31 March 2024 £000	Of which leased from DHSC group bodies 31 March 2024 £000
Undiscounted future lease payments payable in:				
- not later than one year;	**376**	**279**	874	279
- later than one year and not later than five years;	**1,041**	**893**	1137	893
- later than five years	**3,794**	**3,794**	4017	4017
Total gross future lease payments	**5,211**	**4,966**	6,028	5,189
Finance charges allocated to future periods	**(502)**	**(498)**	(554)	(542)
Net lease liabilities at 31 March 2025	**4,709**	**4,468**	5,474	4,647
Of which:				
- Current	**275**	**181**	766	180
- Non-Current	**4,434**	**4,287**	4708	4467

10 Net Book Value of Assets held under PPP Obligations

PPP Arrangements	2024/25 £000	2023/24 £000
Cost or valuation at 1 April	**4,033**	4,033
Cost or valuation at 31 March	**4,033**	4,033

	2024/25 £000	2023/24 £000
Depreciation at 1 April as previously stated	**1,324**	1,262
Accumulated depreciation at 1 April as restated	**1,324**	1,262
Provided during the year	**62**	62
Accumulated depreciation at 31 March	**1,386**	1,324
Net Book Value under PPP obligations at 31 March	**2,647**	2,709

In 2005/06, the Trust entered into a Public Private Partnership with Frontis Homes Limited, a registered social landlord, to provide our staff accommodation and on-call facilities. The £5.9m scheme has significantly improved the quality of the previous accommodation, and increased the ability of the Trust to continue to attract the best staff. The Trust will contribute annually toward the cost of the rent and services to be provided for the on-call facility. The term of the agreement is 40 years.

10.1 Gross PPP Obligations

	31 March 2025	31 March 2024
	£000	£000
Gross PPP Liabilities	**2,222**	2,382
of which liabilities are due:		
Not later than one year	**208**	160
Between one and five years	**814**	814
After five years	**1,200**	1,408
Finance charges allocated to future periods	**(611)**	(698)
Net PPP Liabilities	**1,611**	1,684
Not later than one year	**125**	73
Between one and five years	**547**	520
After five years	**939**	1,091
	1,611	1,684

	31 March 2025	31 March 2024
	£000	£000
10.2 Total Future Payments in respect of PPP Arrangements.		
of which due:		
- not later than one year;	**499**	487
- later than one year and not later than five years;	**2,124**	2,072
- later than five years.	**5,964**	6,515
Total future payments committed	**8,587**	9,074

10.3 Analysis of Amounts Payable to Service Concession Operator

	31 March 2025	31 March 2024
Unitary payment payable to service concession operator	**£000**	£000
Consisting of:		
Interest Charge	**87**	90
Repayment of finance lease liability	**73**	51
Service element	**215**	240
Contingent rent	**112**	94
	487	475

		31 March 2025	31 March 2024
		£000	£000
11	**Inventories**		
	Drugs	**1304**	1471
	Consumables	**199**	219
		1,503	1,690

		31 March 2025	31 March 2024
		£000	£000
11.1	**Inventories recognised in expenses**	**28,110**	26,902
	Write-down of inventories recognised as an expense	**134**	152
	Total Inventories recognised in expenses	**28,244**	27,054

12 Trade and Other Receivables

	31 March 2025 £000	31 March 2024 £000
Current		
Contract receivables	**8,192**	11,365
Allowance for impaired contract receivables/assets	**(496)**	(564)
PDC Dividend Receivable	**264**	329
VAT recoverable	**-**	953
Other receivables	**1,859**	1,604
Clinician pension tax provision reimbursement funding from NHSE	**5**	9
Prepayments	**5,315**	3,814
Total Current Trade and Other Receivables	**15,139**	17,510
Non-Current		
Clinician pension tax provision reimbursement funding from NHSE	**409**	374
Total Non-Current Receivables	**409**	374
Of which receivables from NHS and DHSC group bodies:		
Current	**4,555**	9,097
Non-current	**409**	374

The majority of trade is with other NHS organisations, which are funded by government, therefore no credit scoring of them is considered necessary.

12.1 Allowance for Credit losses 2024/25

	31 March 2025 £000	31 March 2024 £000
Contract receivables and contract assets		
Allowances as at 1 Apr - brought forward	**564**	630
New allowances arising	**334**	281
Changes in existing allowances	**-**	-
Reversals of allowances	**(176)**	(117)
Utilisation of allowances (write offs)	**(226)**	(230)
At 31 March 2025	**496**	564

13 Trade and Other Payables

	Current		Non-current	
	31 March 2025	31 March 2024	**31 March 2025**	31 March 2024
	£000	£000	**£000**	£000
Trade payables	**17,030**	14,430	-	-
Capital payables (including capital accruals)	**12,879**	7,704	-	-
NHS Pension Scheme	**3,419**	3,177	-	-
Other payables	**1,594**	2,179	-	-
Accruals	**15,257**	14,567	-	-
Total	**50,179**	42,057	-	-
Of which payable to NHS and DHSC group bodies:				
Current	**5,282**	4,550	-	-

13.1 Other Liabilities

	Current		Non-current	
	31 March 2025	31 March 2024	**31 March 2025**	31 March 2024
	£000	£000	**£000**	£000
Deferred Income	**3,369**	5,606	**-**	-
Deferred Grants	**110**	-	**-**	-
Deferred PPP Credits	**66**	66	**1,196**	1,262
Total	**3,545**	5,672	**1,196**	1,262

14 Borrowings

	Current		Non-current	
	31 March 2025	31 March 2024	**31 March 2025**	31 March 2024
	£000	£000	**£000**	£000
Loans from the Department of Health and Social Care	**1,808**	1,808	**5,506**	7,308
Obligations under PPP Contracts	**125**	73	**1,486**	1,611
Lease liabilities	**275**	766	**4,434**	4,708
Total	**2,208**	2,647	**11,426**	13,627

Schedule of Borrowing	**Date Started**	**Date to be completed**	**Interest Rate**	**Loan Amount £000**	**Amount outstanding (excluding interest accrued) £000**
Loan 1 - Normal course of business capital loan	Mar-10	Mar-20	3.09%	6,000	-
Loan 2 - Normal course of business capital loan	Mar-12	Sep-21	2.46%	5,000	-
Loan 3 - Normal course of business capital loan	Mar-13	Mar-18	0.48%	4,500	-
Loan 4 - Normal course of business capital loan	Mar-13	Sep-27	1.39%	16,800	3,125
Loan 5 - Normal course of business capital loan	Oct-14	Nov-21	1.36%	11,000	-
Loan 6 - Normal course of business capital loan	Sep-17	Aug-32	1.03%	8,090	4,183
					7,308

14.1 Reconciliation of liabilities arising from financing activities - 2024/25

	Loans from DHSC £000	Lease Liability £000	PPP schemes £000	Total £000
Carrying value at 1 April 2024	9,117	5,474	1,684	**16,275**
Cash movements:				
Financing cash flows - payments and receipts of principal	(1,801)	(765)	(73)	**(2,639)**
Financing cash flows - payments of interest	(103)	(52)	(87)	**(242)**
Non- cash movements:				**-**
Additions	-	-	-	**-**
Lease liability remeasurements	-	-	-	**-**
Interest charge arising in year	103	52	87	**242**
Change in effective interest rate	-	-	-	**-**
Changes in fair value	-	-	-	**-**
Carrying value at 31 March 2025	**7,315**	**4,709**	**1,611**	**13,635**

14.2 Reconciliation of liabilities arising from financing activities - 2023/24

	Loans from DHSC £000	Lease Liability £000	PPP schemes £000	Total £000
Carrying value at 1 April 2023	10,918	6,354	1,735	19,007
				-
Cash movements:				-
Financing cash flows - payments and receipts of principal	(1,801)	(928)	(51)	(2,780)
Financing cash flows - payments of interest	(125)	(60)	(90)	(275)
Non- cash movements:				-
Additions	-	-	-	-
Lease liability remeasurements		48	-	48
Application of effective interest rate	125	60	90	275
Change in effective interest rate	-	-	-	-
Changes in fair value	-	-	-	-
	-	-	-	
Carrying value at 31 March 2024	9,117	5,474	1,684	16,275

15 Provisions	**Current 31 March 2025 £000**	**Non Current 31 March 2025 £000**	Current 31 March 2024 £000	Non Current 31 March 2024 £000
Pensions - Early Departure Costs	**19**	**95**	18	105
Pensions - Injury Benefit	**26**	**346**	26	361
Legal Claims	**1,648**	**-**	1,290	-
Restructuring	**-**	-	-	-
Other	**-**	**-**	-	-
Equal pay	**-**	**-**		
Clinician pension tax reimbursement	**5**	**409**	9	374
	1,698	**850**	1,343	840

	Pensions - Early Departure Costs	**Pensions - Injury Benefit**	**Legal Claims**	**Other**	**Clinician Pension Tax Reimbursement**	**Total**
	£000	**£000**	**£000**	**£000**	**£000**	**£000**
At 1 April 2024	123	387	1,290	-	383	**2,183**
Arising during the year	5	25	1,312	-	26	**1,368**
Utilised during the year	(14)	(42)	(612)	-	(11)	**(679)**
Change in Discount Rate	-	2	-	-	(4)	**(2)**
Unwinding of Discount Rate	-	-	-	-	20	**20**
Reversed unused	-	-	(342)	-	-	**(342)**
At 31 March 2025	**114**	**372**	**1,648**	**-**	**414**	**2,548**
Expected timing of cashflows:						
- not later than one year	19	26	1,648	-	5	**1,698**
- later than one year and not later than five years	76	96	-	-	48	**220**
- later than five years	19	250	-	-	361	**630**
	114	**372**	**1,648**	**-**	**414**	**2,548**

15.1 Provisions

Pensions - Early Departure Costs

Provisions for capitalised pension benefits are based on tables provided by the Office for National Statistics, reflecting years to normal retirement age and the additional pension costs associated with early retirement. No further capitalisations of pension benefits have been applied during the financial year. This provision relates to two former employees.

Pensions - Injury Benefit

Permanent Injury Benefits are payable to eligible individuals, and are calculated in the same way as capitalised pension benefits. The calculations are based on current payments in relation to expected life tables as issued by the Office for National Statistics. These are discounted using the Treasury published discount rate.

Legal claims

Legal claims consist of amounts due as a result of third party and employee liability claims. The values are based on information provided by the Trust's solicitors and the NHS Litigation Authority.

Clinician Pension Tax Reimbursement

During the year the UK Government committed to pay the pension tax costs of clinicians working additional sessions. The agreed mechanism was that the tax charge arising would be rolled over into the NHS pension scheme under the 'Scheme Pays' rules and on retirement of the individual concerned, when the impact of the tax charge crystallises, the pension scheme will charge the Trust for the cost of enhancing the pension back to its pre-rolled over tax value. The Trust will then recharge NHS England (or whichever successor body exists at the time) with the cost. NHS England have provided Trusts with a methodology for calculating the maximum likely provision and this has been included in the accounts along with a corresponding debtor to NHS England. This was amended this year to reflect more accurate information and up to date information. The net impact on the Trust surplus is therefore nil.

Other

The other provision relates to outstanding pay reform assimilations and changes in legislation.

£139,917,000 is included in the provisions of the NHS Litigation Authority at 31/3/25 in respect of clinical negligence liabilities for the Trust (31/3/2024 £127,121,000).

The provisions for legal claims are calculated by reference to expected cash flows discounted back at the relevant current Treasury discount rate.

16.1 Other Investments

	31 March 2025 £000	31 March 2024 £000
Balances at 1 April	-	-
Net change in year	-	-
Other Investments	-	-

16.2 Cash and cash equivalents

	31 March 2025 £000	31 March 2024 £000
Bank balances at 1 April	**12,342**	22,886
Net change in year	**15,836**	(10,544)
Cash and cash equivalents in the statement of cash flows at 31 March	**28,178**	12,342
Broken down into:		
Cash at commercial banks and in hand	**234**	180
Cash with the Government Banking Service	**27,944**	12,162
Total cash and cash equivalents as in SoFP	**28,178**	**12,342**

Cash and cash equivalents at 31 March 2025 are held in instant access bank accounts, short-term money market investments and other deposit accounts denominated in sterling. They attract interest at rates based on LIBOR or equivalent market or public sector rates. The carrying amounts are equivalent to their fair values.

17.1 Capital Commitments

Contractual Capital Commitments at 31 March not otherwise included in these financial statements:	31 March 2025 £000	31 March 2024 £000
Property, Plant and Equipment	**6,713**	65,617

17.2 Events After the Reporting Date

There are no disclosable events after the reporting date

18 Third Party Assets

The Trust held £12,000 In the Bank (2023/24 £22,000) which relates to monies held by the NHS Foundation Trust on behalf of patients.

19 Related Party Transactions

The Countess of Chester Hospital NHS Foundation Trust is a public interest body Authorised by NHS Improvement the Independent Regulator for NHS Foundation Trusts.

In 2024/25 the Trust has received £240,000 (2023/24 £491,000 total) payments from a number of charitable funds for which the Trust acts as Corporate Trustee. . In addition we received grant funding from National Institute for Health and Care Research of £1,665,000 as a contribution towards the purchase of capital assets.

Other NHS entities that interact with the Countess of Chester Hospital NHS Foundation Trust are regarded as related parties. The transactions are in the normal course of business and are on a arms length basis. During the year the Countess of Chester Hospital NHS Foundation Trust had a number of material transactions with other NHS entities which are listed below.

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received.

	2024/25 Income £000	2024/25 Expenditure £000	2024/25 Current Receivables £000	2024/25 Current Payables £000
Value of transactions with:				
Department of Health	-	50	-	-
Other NHS Bodies	346,598	20,488	4,272	5,316
Other WGA Bodies	35,132	64,661	1,514	13,471

19 Related Party Transactions (continued)

Material Related Party transactions with Other NHS Bodies are further detailed below:

	2024/25 Income £000	2024/25 Expenditure £000	2024/25 Current receivables £000	2024/25 Current payables £000
Alder Hey Childrens NHS Foundation Trust	237	354	4	461
Cheshire and Wirral Partnership NHS Foundation Trust	1,638	810	394	547
Lancashire Teaching Hospitals NHS Foundation Trust	97	206	7	8
Liverpool Heart and Chest Hospital NHS Foundation Trust	88	235	-	160
Liverpool University Hospitals NHS Foundation Trust	2,220	830	20	481
Liverpool Women's NHS Foundation Trust	52	11	38	43
Manchester University NHS Foundation Trust	350	98	159	6
Mid Cheshire NHS Foundation Trust	395	19	43	-
Northumbria Healthcare NHS Foundation Trust	33	-	1	49
The Clatterbridge Cancer Centre NHS Foundation Trust	1,244	(18)	73	8
The Walton Centre NHS Foundation Trust	149	18	88	26
Warrington and Halton Hospitals NHS Foundation Trust	180	568	1	525
Wirral Community Health and Care NHS Foundation Trust	134	-	92	-
Wirral University Teaching Hospital NHS Foundation Trust	7,754	4,414	1,394	1,156
East Cheshire NHS Trust	206	4	-	27
Mersey and West Lancashire Teaching Hospitals NHS Trust	21	1,474	15	441
NHS Cheshire and Merseyside ICB	309,507	138	1,749	33
NHS Greater Manchester ICB	435	-	-	-
NHS Lancashire and South Cumbria ICB	236	-	-	-
NHS North East and North Cumbria ICB	100	-	-	-
NHS Shropshire, Telford and Wrekin ICB	612	-	13	-
NHS Staffordshire and Stoke-on-Trent ICB	84	-	-	-
NHS West Yorkshire ICB	82	-	-	-
NHS England (core)	12,468	2	6	55
NHS England - Central Specialised Commissioning Hub	2,798	-	-	-
NHS Business Services Authority	5	274	-	167
NHS England North West Regional Office	4,382	-	20	-
NHS Resolution	-	9,350	-	-
UK Health Security Agency	-	412	-	106
Care Quality Commission	-	206	-	-
NHS Property Services	178	751	109	903
HM Revenue & Customs - Other	-	23,059	-	5,605
National Heath Service Pension Scheme	-	40,284	-	3,419
Welsh Health Bodies - Betsi Cadwaladr University Local Health Board	34,955	11	1,462	1,002
NHS Blood and Transplant	10	1,221	14	-
Cheshire West and Chester Unitary Authority	107	43	30	1,251

Jane Tomkinson was the Chair of Clinical Research Network North West Coast, part of the National Institute for Health and Care Research until 30 September 2024. The Trust received £423k funding for research from the network during the year, and £1k for the role of Chair. The network is hosted by Liverpool University Hospitals NHS Foundation Trust and this funding is included in the figures set out above.

Professor Andrew Hassell - Non Executive Director was a Non Executive Director at the University Hospital of North Midlands until January 2026. All transactions with the Trust are as included above.

20 Financial Instruments

Disclosure is required under International Accounting Standards of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. The Countess of Chester Hospital NHS Foundation Trust actively seeks to minimise its financial risks. In line with this policy, the Trust neither buys nor sells financial instruments. Financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

Market Risk

Interest-Rate Risk

All of the Trust's financial liabilities carry nil or fixed rates of interest. In addition, the only element of the Trust's assets that are subject to a variable rate are short term cash investments. The Trust is not, therefore, exposed to significant interest-rate risk. Interest rate profiles of the Trust's relevant financial assets and liabilities are shown in notes 12 and 15.

Foreign Currency Risk

The Trust has negligible foreign currency income or expenditure.

Credit Risk

The Trust operates primarily within the NHS market and receives the majority of its income from other NHS organisations, as disclosed in note 18. There is therefore little risk that one party will fail to discharge its obligation with the other. Disputes can arise, however, around how the amounts owed are calculated, particularly due to the complex nature of the Payment by Results regime. For this reason the Trust makes a provision for irrecoverable amounts based on historic patterns and the best information available at the time the accounts are prepared. The Trust does not hold any collateral as security.

Liquidity Risk

The Trust's net operating costs are incurred under three year agency purchase contracts with local Clinical Commissioning Groups, which are financed from resources voted annually by Parliament. The Trust receives such contract income in accordance with Payment by Results (PBR), which is intended to match the income received in year to the activity delivered in that year by reference to the National Tariff procedure cost. The Trust received cash each month based on an annually agreed level of contract activity and there are quarterly payments made to adjust for the actual income due under PBR. This means that in periods of significant variance against contracts there can be a significant cash-flow impact. The Trust has adequate liquidity to deal with these variances.

The Trust finances it's capital expenditure from internally generated funds or funds made available from Government, in the form of additional Public Dividend Capital, under an agreed limit. In addition, the Trust has borrowed from the Department of Health Financing Facility and may also borrow commercially in order to finance capital schemes. Financing is drawn down to match the capital spend profile of the scheme concerned and the Trust is not, therefore exposed to significant liquidity risks in this area.

21 Auditor's Liability Limitation Agreements

As determined in the engagement letter with KPMG, external auditors to the trust, the liability of either party under or in connnection with the contract, whether arising in contract, tort, negligence, breach of statutory duty or otherwise, shall not exceed the sum of £2 million in any one year.

	2024/25	2023/24
	£000	£000
Limititation on Auditor's Liability	**2,000**	2,000

22 Carrying values of financial assets

Carrying values of financial assets as at 31 March 2024	Held at amortised cost £000	Held at fair value through I&E £000	Held at fair value through SOCI £000	Total book value £000
Trade and other receivables excluding non financial assets	**9,969**	-	-	**9,969**
Other investments / financial assets	**-**	-	-	**-**
Cash and cash equivalents at bank and in hand	**28,178**	-	-	**28,178**
Total at 31 March 2025	**38,147**	-	-	**38,147**

Carrying values of financial assets as at 31 March 2024	Held at amortised cost £000	Held at fair value through I&E £000	Held at fair value through SOCI £000	Total book value £000
Trade and other receivables excluding non financial assets	12,788	-	-	12,788
Other investments / financial assets	-	-	-	-
Cash and cash equivalents at bank and in hand	12,342	-	-	12,342
Total at 31 March 2024	25,130	-	-	25,130

22.1 Carrying value of financial liabilities

Carrying values of financial liabilities as at 31 March 2025	Held at amortised cost £000	Held at fair value through the I&E £000	Total book value £000
Loans from the Department of Health and Social Care	**7,314**	-	**7,314**
Obligations under finance leases	**4,709**	-	**4,709**
Obligations under PFI, LIFT and other service concession contracts	**1,611**	-	**1,611**
Other borrowings	**-**		**-**
Trade and other payables excluding non financial liabilities	**46,760**	-	**46,760**
Other financial liabilities	-	-	**-**
Provisions under contract	-	-	**-**
Total at 31 March 2025	**60,394**	-	**60,394**

22 Carrying values of financial assets (continued)

	Held at amortised cost £000	Held at fair value through the I&E £000	Total book value £000
Carrying values of financial liabilities as at 31 March 2024 under IAS 39			
Loans from the Department of Health and Social Care	9,116	-	9,116
Obligations under finance leases	5,474	-	5,474
Obligations under PFI, LIFT and other service concession contracts	1,684	-	1,684
Other borrowings			-
Trade and other payables excluding non financial liabilities	38,880	-	38,880
Other financial liabilities	-	-	-
Provisions under contract	-	-	-
Total at 31 March 2024	55,154	-	55,154

Maturity of financial liabilities	**31 March 2024 £000**	31 March 2023 £000
In one year or less	**49,226**	41,819
In more than one year but not more than five years	**5,546**	7,506
In more than five years	**6,965**	7,415
Total	**61,737**	56,740