



North Tees and Hartlepool
NHS Foundation Trust



North Tees & Hartlepool NHS Foundation Trust

Annual Report and Accounts 2024/25



Caring
Better
Together

North Tees & Hartlepool 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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Annual accounts for the period 1 April 2024 to 31 March 2025

Annual Report, 2024/25

1. Performance report

The purpose of the performance report is to provide an overview of North Tees and Hartlepool NHS Foundation Trust (the trust), its purpose and history. The Group Chief Executive's and Group Chair's perspective is included together with the key issues and associated risks to the delivery of our objectives.

Welcome to North Tees and Hartlepool NHS Foundation Trust's Annual Report and Accounts 2024/25.

It has been more than a year since we signed the formal agreement of our group partnership with South Tees Hospitals NHS Foundation Trust to form University Hospitals Tees.

Progress continues to keep pace as our clinical boards and corporate services work to develop shared ways of working, with the aim of fulfilling our ambitions to provide the very best health and care for our population. Our guiding principle is summed up in three simple, but powerful words: Caring Better Together.

We are confident University Hospitals Tees will deliver the best possible outcomes for our patients, our staff and the wider populations we serve.

Throughout this complex process we have been supported by our local authorities, Healthwatch groups, patient involvement groups and the Integrated Care Boards for North East and North Cumbria and Humberside and North Yorkshire. We would like to take this moment to thank them for their support and advocacy.

Later this year, the government will publish its 10-year health plan.

While the finer details are unknown, the government has made its three priorities clear:

- Hospital to community
- Analogue to digital
- Treatment to prevention

We believe University Hospitals Tees is performing well against the ambitions.

Our new Tees Valley Community Diagnostic Centre (CDC), located on the banks of the River Tees in Stockton town centre, will provide thousands of diagnostic scans every year, reducing the need for patients to travel to hospital.

The CDC, along with our outstanding community nurses, therapists and midwives and our innovative Hospital at Home model, demonstrate our 'hospital to community' commitment is more than an ideal: It is a reality we are delivering every day.

Our digital programme team is hard at work, developing new working systems across our group, to benefit our patients. Our team recently received the North East and North Cumbria Skills Development Network's Digital, Data and Technology Team of the Year award for their work on the electronic patient record system Trakcare. The citation noted the digitised nurse admissions process reduced the 10,500 nursing hours previously spent on paperwork and saved more than £76,000.

Thousands of our patients are now managing their outpatient appointments via our patient engagement portal which includes digital letters and reminders.

We have a long-standing commitment of moving health care from 'treatment to prevention' as shown by our group partnering with Hartlepool & Stockton Health (H&SH) and ELM Alliance (EA) GP Federations to create the Teesside Alliance Partnership to deliver Sexual Health services in Teesside.

Commissioned by a consortium of our local authorities, we will use our clinical and non-clinical expertise to offer more access than ever to help local people live a healthy sexual and reproductive life.

This commitment to prevention is built upon existing programmes such as our region wide community dental and oral promotion services and our extensive smoking cessation support.

Smokers in Hartlepool are now benefitting from increased support due to a new service commissioned by Hartlepool Borough Council which we are delivering in partnership with Hartlepool & Stockton Health.

Hospital at Home continues to be a much-valued service, demonstrating a 116% increase in admissions to the virtual frailty ward in comparison to Quarter 1 24/25 to Quarter 4 24/24.

This is largely down to increasing referrals from primary care, and ambulance services seeking an alternative solution to admission as well as more patients being referred from the emergency assessment unit and emergency department as an alternative to admission

Average occupancy within our virtual frailty ward beds over same time period has increased from 50% to 105%, demonstrating we are utilising our capacity well and that we need to further expand this bed base. On average the virtual frailty ward saves 1.000 hospital bed days per month

Referral numbers from paramedics to urgent community response increased to an average of four to five patients per day from 1.5 per day supporting community responses as an alternative to hospital admission.

Overall, urgent community response services have had a 34% increase in referral numbers over the past year, which equates to 1,150 responses within two-hours per month.

These numbers are expected to increase further as we introduce the "Call before Covey" approach with NEAS for any paramedic care home attendances ensuring more care home residents are given the opportunity to have their needs met at home.

We are also introducing new tools to the UCR workforce to reduce emergency department attendance further, including:

- Community head injury pathways
- Post fall long lie pathway
- Post fall risk assessment tool for care home providers

These are all new ways of working which support an individual needs to be met in the community as an alternative to an acute site.

We have also been supporting the Northern Cancer Alliance by delivering one of four regional Lung Cancer Screening programmes across the Tees Valley, in partnership with InHealth.

The programme invites people aged 55 to 74 who smoke, or used to smoke, for free lung health check within the community they live, helping us to diagnose and treat an increasing number of patients with lung cancer at an earlier stage.

Before the introduction of lung cancer screening, 80% of lung cancers were diagnosed at stages 3 and 4. The programme has changed this and 80% of lung cancers are now diagnosed at stages 1 and 2, making this cancer more survivable by achieving the national goal of diagnosing cancer earlier.

So far, we have identified 294 lung cancers and 41 other cancers. As well as cancer, we have diagnosed and addressed 10,194 other healthcare needs which may have presented more acutely or developed into a long-term chronic condition. This supports with improving the overall health of our population.

The Tees Valley programme has sent out 65,151 invites, 40,251 lung health checks and fully reported 24,590 CT scans. We cover 78% of our eligible population, with plans to cover the remaining 22% in the near future. We're also considering our approach to health inequalities; we recently delivered the programme within one of our local prisons and have plans to reach homeless patients and deliver the programme to patients in long-term mental health facilities.

At University Hospitals Tees we want to do more than provide the best health care – we want to raise our community's health aspirations. By offering preventative opportunities and delivering excellent public health messaging in partnership with our local authorities, we aim to inspire our population to lead happier and healthier lives which will reduce the need for clinician intervention.

We would like to thank our hard working, committed colleagues for another year of extraordinary achievement.

This year our colleagues have led major improvement projects and initiatives on each of our main sites:

University Hospital of North Tees - Robotic and emergency maternity surgical theatre (North Tees & Hartlepool NHS Foundation Trust)

This project was unveiled in March this year. Featuring a bespoke theatre space for our robotic surgery team, the new suite will deliver advanced, high-tech surgery for hundreds of patients. Robotic surgery is less intrusive for patients, often resulting in reduced post-surgery length of stay. The suite also includes a training space for surgeons to master the intricacies of the Da Vinci surgical robot.

The new theatre space also includes an emergency maternity theatre, located close to the delivery suite. Women experiencing complications during childbirth will be transferred to this bespoke maternity theatre in minutes.

The suite encompasses an innovative design, spanning a courtyard across the first floor creating an entirely new section of the hospital.

University Hospital of Hartlepool - Health and Social Care Academy (North Tees & Hartlepool NHS Foundation Trust)

The new £1.25m Health and Social Care Academy is already playing a role in the development of the next generation of health and care workers.

One of five of Hartlepool Borough Council's Town Deal transformation projects, the Academy is delivered in partnership with Hartlepool College of Further Education and features bespoke 'at home' simulation suite, an immersive suite, a four-bed training bay, ICT suite, trainee common room and several flexible training and classrooms.

The James Cook University Hospital – Urgent treatment centre (South Tees Hospitals NHS Foundation Trust)

More than 60,000 people have been seen at The James Cook University Hospital's Urgent Treatment Centre in its first year of opening.

Treating patients with conditions including sprains, suspected broken limbs, minor head injury, cuts, minor scalds or burns, skin infections, eye problems and abdominal pain, the Urgent Treatment Centre has eased pressure on the emergency department while providing an excellent level of patient care.

Friarage Hospital – Friarage surgical centre (South Tees Hospitals NHS Foundation Trust)

Opening this year, the £35.5million state-of-the-art surgical centre will see the Friarage's six existing operating theatres replaced with a modern surgical hub that will include six main operating theatres, two minor operating theatres, and a surgical admission and day case hub.

Redcar Primary Care Hospital – Community diagnostic centre spoke hub (South Tees Hospitals NHS Foundation Trust)

We have invested in a redevelopment of parts of Redcar Primary Care Hospital to act as a 'spoke' site for the Tees Valley Community Diagnostic Centre where it will deliver endoscopy, echo-cardiology, lung tests, MRI scans, ultrasound, plain film x-ray.

Looking to the future, we recognise the challenges that we and all NHS providers are facing.

But despite mounting financial pressures and increasing demand, the delivery of the government's 10-year plan, we are confident that with the support of our incredible colleagues and community and political stakeholders, that University Hospitals Tees will continue to rise to the challenge.

We would like to close by once again thanking every colleague who has worked so hard towards one unified aim: Caring Better Together.

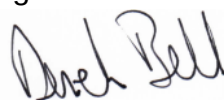
Signed:



Stacey Hunter

Group Chief Executive and Accounting Officer

Signed:



Professor Derek Bell OBE

Group Chair

Introduction to North Tees and Hartlepool NHS Foundation Trust

North Tees and Hartlepool NHS Foundation Trust is a provider of health and care for nearly half a million residents across Stockton, Hartlepool and parts of County Durham.

As well as our two much-valued acute sites, the University Hospital of North Tees and University Hospital of Hartlepool, patients are treated in our community locations including the Peterlee Community Hospital, a hub in Lawson Street Health Centre in Stockton and the One Life Centre in Hartlepool. The University Hospital of Hartlepool is an accredited surgical hub, supported by a new robotic surgery offer, and is also home to the new Health and Social Care Academy. This hospital will continue to play a key role in the delivery of services.

The University Hospital of North Tees has been a part of local life for more than fifty years.

However, the fact remains that the hospital is old and requires constant care and attention by our estates team.

All parts of the hospital, from patient-facing areas to the 'behind the scenes' offices, labs, catering, storage and workshop areas, are in increasingly poor condition.

Despite the best efforts of our skilled estates team, these ongoing repairs are significantly impacting our finances and service provision.

We will continue to invest in North Tees, such as the new robotic and emergency maternity theatres, but we will also continue to lobby for a new modern hospital to deliver the care our community deserves.

Outside of our acute provision, commissioned services include sexual health services, breast and bowel screening and oral health and smoking cessation services across the wider Tees Valley and North Yorkshire area.

This year as part of a wider collaboration we opened the new community diagnostic centre in Stockton Town Centre.

Operated in partnership with South Tees Hospitals, North East and North Cumbria Integrated Care Board and Stockton-on-Tees Borough Council, the CDC will provide diagnostic services including MRI scans, CT scans, ultrasound scans, cardiology, X-rays, blood tests and respiratory examinations.

Bringing these services to the community makes life easier for patients and eases pressures on our acute sites across the group by carrying out some 100,000 tests every year.

Key facts:

- We are an integrated hospital and community services healthcare organisation
- We provide a range of health and care services to support more than 400,000 people living in Hartlepool, Stockton and parts of County Durham
- Care is delivered from two main acute hospital sites, the University Hospital of Hartlepool and the University Hospital of North Tees in Stockton-on-Tees
- Care for patients in the community is provided from a number of community facilities across the area, including Peterlee Community Hospital and the One Life Centre, Hartlepool

- We have a strong commitment to clinical research, including playing a role in the development of a vaccine for COVID-19
- We work in a group partnership with South Tees Hospitals NHS Foundation Trust as University Hospitals Tees. This allows us to support shared goals for our patients, service users and staff
- Integrated Urgent Care Services are delivered, in alliance with Hartlepool and Stockton Health (the local GP Federation) and the North East Ambulance Service, at both acute hospital sites
- We provide bowel and breast screening services, as well as community dental and sexual health services to a wider population in Teesside and Durham
- We have around 11,000 members and an active Council of Governors with members representing the public, staff and stakeholder organisations
- We report to the Council of Governors and are regulated by NHS England
- We are focussed on providing the best care to our communities
- As well as our group partnership with South Tees NHS Hospitals Foundation Trust, we also work closely and effectively with the North East and North Cumbria ICB, Tees, Esk and Wear Valley NHS Foundation Trust and local GP federations
- We employ more than 6,000 people, most of whom live locally

Our mission, vision values and behaviours

At North Tees and Hartlepool NHS Foundation Trust, we are committed to providing the very best care to our patients, whether they are being treated in our hospitals or in the community. We have shared values across the trust and a clear vision for the future of our organisation.

We care

We put care at the heart of everything we do for our patients, staff and local population.

We have four CARE values that we implement in our work every day as we serve the communities of Stockton-on-Tees, Hartlepool and the surrounding areas.

Our values, as laid out in our CARE strategy, are:

- Collaborate – we work in collaboration with partners and stakeholders to link up health services in the area and improve the health care sector for the good of our public
- Aspire – we aspire to be the very best. Many of our staff and volunteers go the extra mile to provide care, something we encourage all staff to aspire to
- Respect – we will treat every patient, visitor and colleague with dignity and respect
- Empathy – health care and empathy go hand-in-hand. Empathy and understanding are essential in building relationships in and out of our Trust.

Putting people first

Healthcare is a people business. Our ultimate goal is to provide the best healthcare for everyone within our population.

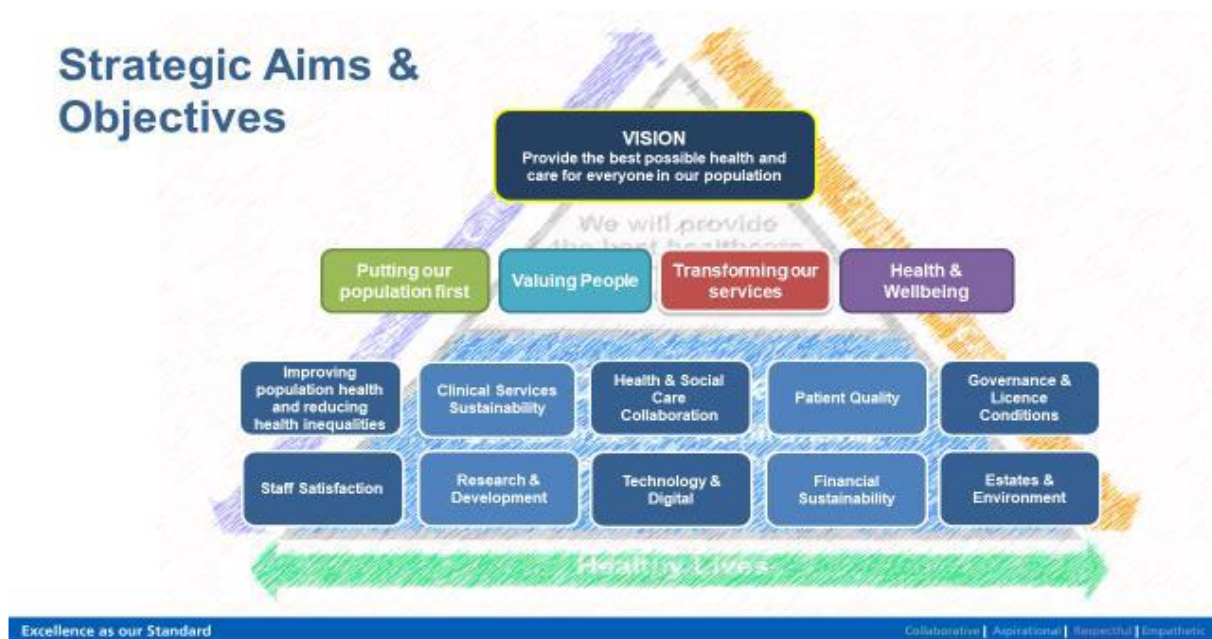
At North Tees and Hartlepool NHS Foundation Trust, we put great emphasis on our patients, staff and local public. They are key to what we deliver and we recognise their contribution in our people first values.

We are committed to these values and ask all our staff to respect and practise them every day in their working lives.

Through our Trust-wide values, we will:

- Treat all people with compassion, care, courtesy and respect
- Respect everyone's right to privacy, dignity and individuality
- Take time to be helpful
- Respond quickly and effectively
- Always give clear, concise explanations
- Practise good listening skills
- Develop and maintain an appropriate environment
- Look the part
- Deal effectively with difficult situations
- Perform as a team

Strategic objectives



Our trust, alongside key partner organisations provide health and care services to over half a million residents across our locality.

We continue to be dedicated to collaboration in all that we deliver as we work to positively impact our population health, and radically reduce health inequalities in our communities.

Our focus on system-wide working and local collaboration means that we can continue to explore new models of care with our partners in primary, secondary, mental health and public health that help to improve the pathways for our patients and the local health economy.

Our group model with South Tees Hospitals NHS Foundation Trust to work as University Hospitals Tees, allows for even greater collaboration and closer partnership working.

Whilst our vision that - 'Providing the best possible health and care for everyone in our population' – remains unchanged, our collaboration provides more opportunity and advantage for both our patients and our staff to deliver this.

Our corporate strategy, enabled by our underpinning strategic plans describes the requirement for change and evolving strategic objectives including the focus on the health prevention agenda, tackling health inequalities and population health.

Our key areas of focus moving forward will be collaboration, research and development, people, digital, finance, clinical services, estates, population health, quality, safety, governance and health and well-being.

These enabling strategies will link to our corporate strategy to facilitate the delivery of our vision. In terms of our strategic direction, our digital and estate strategy will underpin much of our ambitions and aspiration. We have set out our plans for a new, redeveloped estate that provides better facilities for patients and staff so that we can provide the level and type of services in buildings and surroundings that are fit for purpose for a modern era.

A key aim has been to ensure greater financial stability. This is a challenging prospect, and we will continue to strive for greater efficiencies without compromising the effectiveness of our clinical pathways.

Going concern

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

Performance analysis

During 2024-25, we have continued to review and re-model services to meet the needs of the population. The trust's bed base has regularly been re-aligned to allow greater flexibility to meet demand, whilst providing resilience for periods of seasonal demand. The trust, like many others, has had to work very differently to accommodate increased pressures in emergency services, whilst meeting the demands of elective recovery. This was demonstrated this year in the trust receiving additional Capital Departmental Expenditure Limit (CDEL) capital allocation for the performance of the 4 hour Urgent and Emergency Care standard. This has allowed further

improvements in Emergency Assessment Unit and operating theatres. Once completed improvement will be seen in patient flow and efficiency and productivity in these areas.

From a performance perspective, the trust has demonstrated continuous improvement in its journey to return to performing well against the constitutional standards. As a consequence of being one of the better performing Trusts within the region, we have also supported other providers with both the planned and unplanned activity throughout the year.

The commitment to the continued review and improvement of patient pathways, through integrated acute and community care and collaborative working with social care and other care providers has supported ensuring patients are cared for in their own home, fostering our “Home first” principles, This has resulted in the trust, in collaboration with our partners, being able to manage the increase demand and acuity of our patients.

The table below outlines our activity within 2024-25 and clearly shows both elective and emergency activity has increased. We faced operational pressures throughout the winter period with an increase of 5.90% increase in emergency care attendances (Type 1) compared to the previous year.

Point of Delivery	2023-24 Actual	2024-25	Variance 2024-25 against 2023-24	% Variance 2024-25 against 2023-24
A&E Attendances (Type 1)	54202	57400	3,198	5.90%
Urgent Care Attendances (Type3)	136,390	136,173	-217	-0.16%
Day Case Admissions	37,475	40,784	3,309	8.83%
Inpatient Elective Admissions	4,813	4,686	-127	-2.64%
Inpatient Emergency Admissions	39,743	40,032	289	0.73%
Ambulatory Care Attendances	14,045	14,629	584	4.16%
Outpatient Attendances	208,379	216,025	7,646	3.67%
Ward Attenders	50,822	50,678	-144	-0.28%

Trust performance is measured against these objectives using a range of improvement markers, from mandatory performance standards to soft intelligence and patient feedback. The trust uses benchmarking information to understand the opportunities to improve productivity and efficiency, as well as to ensure that services meet key quality standards.

The trust board receives an Integrated Performance Report, produced monthly, which provides headline metrics aligned to the NHS Oversight Framework, CQC domains and local operational plans with trends and commentary. It includes measures of patient safety, clinical effectiveness, performance and access across emergency care, cancer and planned care (including analysis to highlight potential inequalities), workforce key performance indicators and our financial position.

Underpinning the metrics summarised to the trust board is information made available to the relevant committees, groups and services. The trust suite of interactive online reports has grown again this year, becoming more sophisticated and real-time, further supporting organisational leaders to make informed decisions that support high quality patient care.

Activity

The trust completes an annual planning cycle using analysis of demand and capacity to determine the expected activity and increasing case mix for each specialty, and to model any changes and developments. Activity and performance, workforce and financial position are triangulated to establish a forecast position.

Activity is monitored compared to plan, so that variances can be acted upon to best meet the needs of patients and service users. Activity plans in 2024/25 have focused on the continuation of NHS recovery by improving A&E waits and ambulance handover times, reducing waiting times in elective care and cancer services as well as increasing the volume of and improving access to diagnostic tests. Within our community services the focus has been to continue improving our virtual ward offer for both step up and step down from hospital, Urgent Community Response and innovative work with our partners to ensure patients only receive hospital care when appropriate. Innovative approaches across these pathways has highlighted the trust as an exemplar across the region and nationally.

The trust activity plans also reflect the need to make best use of available resources across emergency care, acute, community and social care services to provide the right care in the right place.

Performance summary

Single Oversight Framework Indicators	Standard/Trajectory	2024-25 Performance	2023-24 Performance	Achieved (cumulative)
A&E: maximum waiting time of 4 hours from arrival to admission/transfer/discharge (2024-25)	78%	85.53%	84.78%	✓
Receipt of two week wait / screening referral to date patient is informed of a diagnosis (FDS) or ruling out cancer (2024-25)	77%	78.74%	79.00%	✓
31-day wait from decision to treat/earliest clinically appropriate date to treatment of cancer (2024-25)	96%	96.06%	96.60%	✓
62-day wait from urgent GP referral for urgent suspected cancer or breast symptomatic referral or urgent screening referral or consultant upgrade to first definitive treatment of cancer (2024-25)	70%	66.98%	65.43%	x
Maximum time of 18 weeks from point of referral to treatment in aggregate, patients on incomplete pathways (Mar 25)	92%	75.46%	71.15%	x
Referral to Treatment 52 Week Waits (Mar 25)	0	171	218	x
Number of Diagnostic waiters over 6 weeks (Feb 2025)	95%	96.73%	80.19%	✓

The trust improved performance against the A&E 4 hour standard compared to 2023/24 (84.78%, up 0.74%) and achieved the national objective of 78% for the year. Patient waiting >12 hours from arrival to transfer or discharge from the department remains below 1% of all attendances.

For elective care (referral to treatment), focus was given to reduce the number of patients waiting the longest for non-urgent treatment. The trust achieved no patients waiting over 65 weeks for treatment by September 2024 and significantly reduced the number of patients waiting over 52 weeks. Work continues to eliminate the length of such waits in the upcoming year. The trust also saw an improvement of patients being seen with 18 weeks compared to 2023-24 with the focus returning to this standard going forward. Accreditation of Elective Hub status was gained and work continues to improve lengths of stays in hospital and day case rates in the upcoming year maximising the benefits of the hub.

For patients newly referred to the trust with a suspicion of cancer, the proportion that received a diagnosis or ruling out of cancer within 28 days positively exceeding the national standard. The 31 cancer standard was also achieved. Performance against the cancer 62-day standard has been achieved since October 2024, however low performance in the first part of the year has impacted the year to date position. The teams have worked to improve the position throughout the year.

Recovery of the elective programme continues with maintaining levels of clinical consultations and increasing treatments at first outpatient appointment. The trust continually looks to working more efficiently by offering Advice and Guidance to primary care colleagues to ensure appropriate treatment is received in the right place.

Within the key operational performance, the trust actively monitors health inequalities information including using the Core20PLUS5 approach to ensure patients belonging to different age, gender, deprivation and ethnic groups have fair access to Trust health services.

Key issues and risks

To maintain a strong system of governance, the Board of Directors regularly review the key issues and risks that may undermine the achievement of the trust's strategic objectives. The matters outlined below are those that the Board of Directors considers to be of particular significance to the trust:

Access targets

During 2024/25 the trust has continued to make progress against national recovery targets. During the year, challenges in the social care sector continued to be observed and the trust has worked closely with local authorities and other partners to ensure that everything possible is being undertaken to ensure people who are ready to leave hospital, who require social care support, are able to access this as quickly as possible.

Quality targets

All aspects of quality are reviewed through our Quality Assurance Committee. In addition, the trust provides a range of support, including leadership and management training, quality improvement skills, team and service support, coaching and human factors training.

Financial sustainability

The trust, in preparing the annual statement of accounts has undertaken an assessment of its ability to continue as a going concern.

The management of the trust has not, nor does it intend to apply to the Secretary of State for the dissolution of the Foundation Trust and therefore the accounts should be prepared on a going concern basis.

Task Force on Climate-related Financial Disclosure

NHS England's NHS foundation trust reporting manual has adopted a phased approach to incorporating the TCFD recommended disclosures as part of 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 the governance, risk management, and metrics and targets pillars for 2024/25. These disclosures are provided below with appropriate cross-referencing to relevant information elsewhere in the annual report and accounts and in other external publications..

Governance
Describe the board's oversight of climate-related issues.
• The Trust provides quarterly updates on Green Plan, Sustainability, and Net Zero progress, which are issued to the Group Director of Estates, Facilities, and Capital Planning, who is the board representative with responsibility for sustainability. • The Trust is developing a Climate Change Risk Assessment, which will include climate risks and impacts. • To date, there has been no materiality impact on the organisation.
Describe management's role in assessing and managing climate-related issues.
• The Chief Executive has assigned Net Zero leadership to the Group Director of Estates, Facilities and Capital Planning. The Sustainability Manager develops and implements the Green Plan and reports against targets.

- The Deputy Director of Estates, Facilities and Capital Planning is responsible for mitigations across Scope 1 and 2 emissions in their work programmes, including the Trust's plans for developing Heat Decarbonisation Strategies.
- The Sustainability Manager meets departmental leads monthly, tracks progress against the Green Plan, and shares learning on key areas including systems leadership and workforce, sustainable models of care, digital transformation, travel and transport, waste reduction, estates and facilities, medicines, supply chain and procurement, food and nutrition and adaptation.
- The impact of climate-related issues is covered in collaborative business continuity plans.

Processes by which the relevant management structures are informed about climate related issues and how those structures monitor climate-related issues.

- Data around climate-related issues can be collated from various sources, such as the Datix incident reporting system, which should capture events related to extreme weather.
- Operational matters are directed to Estates and Facilities leads and, if necessary, escalated to Senior Management and Directors via regular Directorate Management Team meetings.
- Going forward, the number of heat and flood events will be reported via the Estates Return Information Collection (ERIC).

Risk Management

Describe the organisation's processes for identifying and assessing climate-related risks.

- The Trust recognises that risks related to extreme weather will be completed on a Climate Change Risk Assessment (CCRA).
- A CCRA would assess climate risks and impacts using a series of national and local tools, including the National Adaptation Programme (NAP) Tool.
- It is anticipated that climate risks are shared across Integrated Care Boards and should be monitored via the Assurance Committee and Integrated Care Board (ICB). These are monitored by the Trust's EPRR and ICS Sustainability programme as well as by the ICB Director of Estates meeting and sub-groups. The Trust EPRR lead attends monthly ICB EPRR meetings.

Describe the organisation's processes for managing climate-related risks.

- There has been no recorded material risk to the Trust to date.

Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management approach.

- Extreme weather risks are managed by services through EPRR and Business Continuity Plans, owned by the individual collaborative. Business Continuity Planning currently includes modules on hot weather, cold weather, storm, and flood. Weather alerts are issued to the Sustainability

Manager, Health and Safety Manager, and Head of Facilities by the Met Office for operational preparedness

Metrics and targets

Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.

- The Trust applies metrics and measurements as guided by NHS England, following the creation of its Board-approved Green Plan 2022 – 2025 and reports its performance against targets through the bi-annual Green Plan and Sustainability Report, and in the Annual Report yearly.
- Metrics and measurements are reported annually within the Estates Return Information Collection (ERIC) with kWh/m² for energy, m²/m³ for water, kg/m² for waste, % of LED coverage, and number of heat or flood events that triggered a risk assessment.
- Green Plan key performance indicators include % of reduction against our 2019/20 baseline carbon footprint.

Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.

- The Trust has pledged to meet the NHS Net Zero target by 2040 for its direct emissions (NHS Carbon Footprint) and 2045 for the wider NHS Carbon Footprint Plus, in compliance with NHS requirements and the Health and Care Act 2022.
It reports its performance against targets and Green Plan action plan through the bi-annual Sustainability Report, and in the Annual Report yearly.

Preventing population ill-health and reducing health inequalities

Understanding the general health and wellbeing needs of our population

Our Trust catchment population profile

This section outlines the key drivers of health and wellbeing in our local communities.

North Tees and Hartlepool NHS Foundation Trust (NT&HFT) serves the whole of Stockton-On-Tees and Hartlepool councils' populations, approximately 70% of east Durham population and parts of Darlington and Sedgefield locality areas.

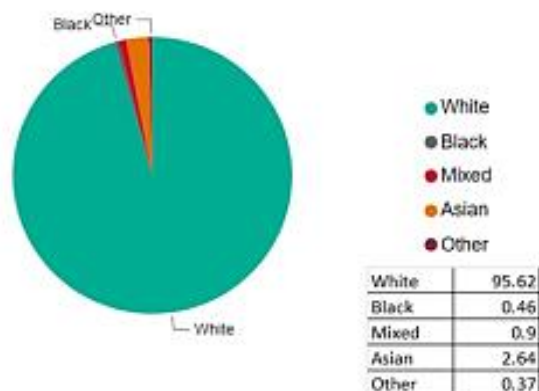
The trust's catchment population, based on all admissions and emergency admissions, is the second most deprived in the North East and North Cumbria (NENC) Integrated Care Board (ICB) region. Our Trust is also the 14th most deprived Acute Trust in England (source: OHID, NHS Acute Trust's catchment populations 2022).

The main areas covered within the North Tees and Hartlepool Trust are **Stockton-on-Tees, Hartlepool, East Durham, and areas of Sedgefield and Darlington.**

The total population of the Trust coverage is approximately **400,000**.

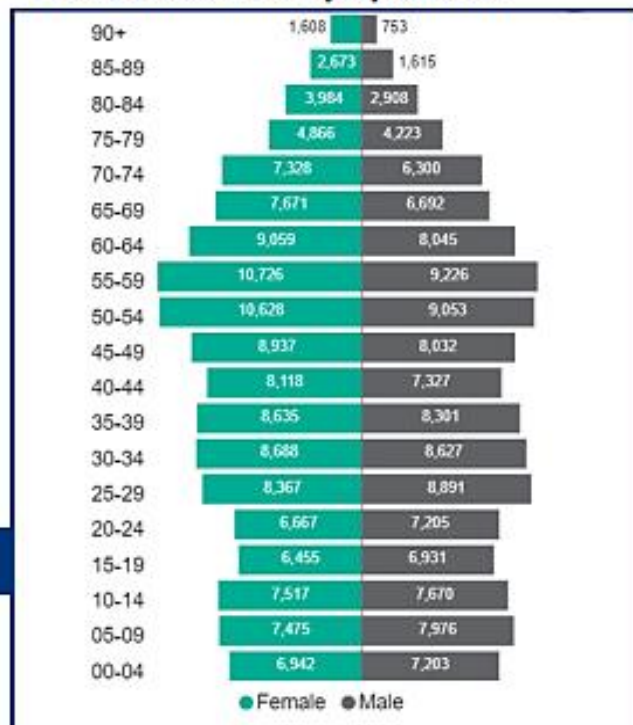
Around 1 in 5 people in the catchment area are aged 65 years and over. The majority of the Trust catchment population are of **White** ethnicity (95.6%).

Trust Catchment by Ethnicity

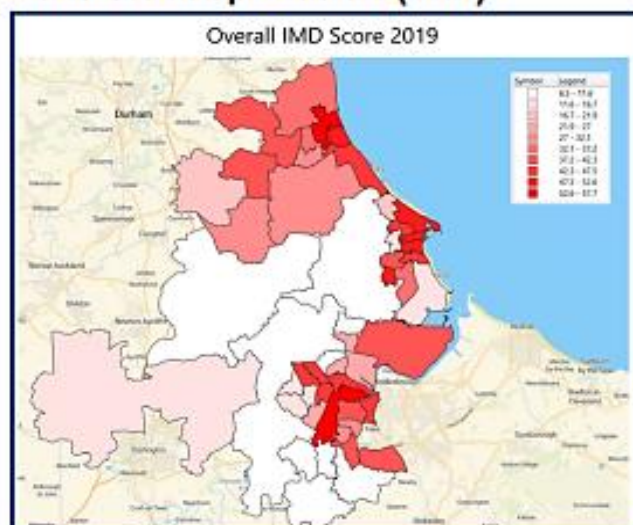


Around 47% of the Trust catchment area live in the 20% most deprived communities nationally.

Trust catchment population

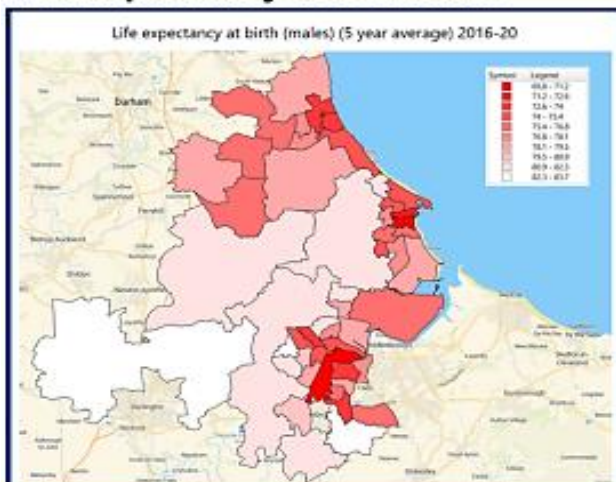


Levels of deprivation (IMD)

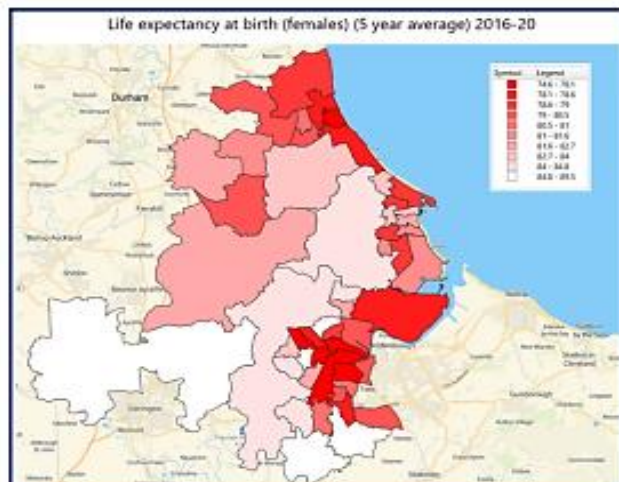


West Ingleby Barwick has the lowest level of deprivation within the trust, and **Central Stockton** has the highest deprivation. Four of the five lowest deprivation areas within the trust are in Stockton and three of the five areas with the highest levels of deprivation are in Hartlepool.

Life expectancy of residents

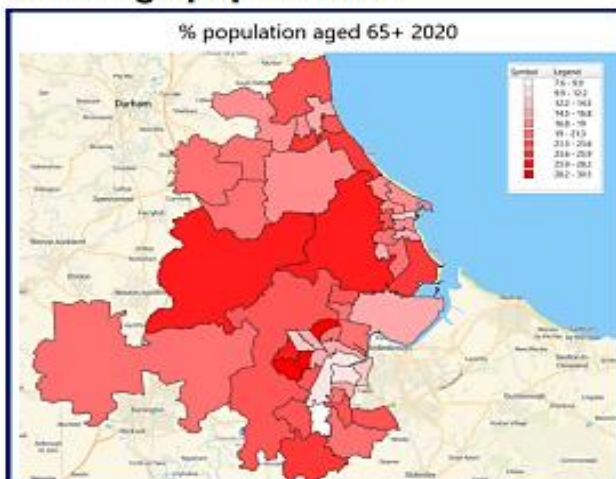


Male life expectancy in NT&HFT ranges from 69.8 years in Central Stockton to 83.7 years in the Bishopsgarth area of Stockton. This is a difference of 13.9 years in life expectancy within the foundation trust.



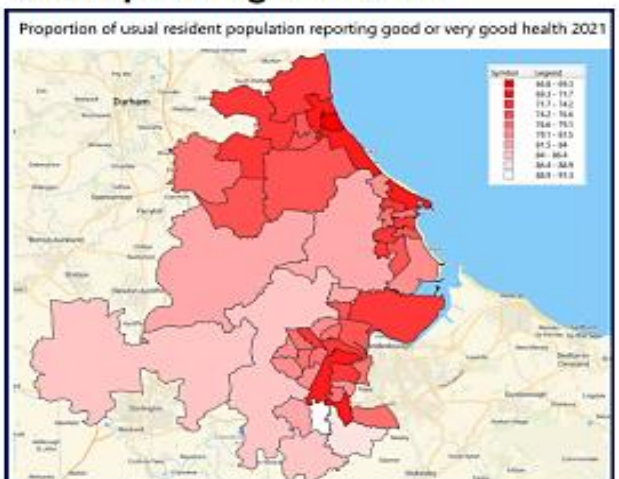
Female life expectancy in NT&HFT ranges from 74.6 years in Central Stockton to 89.5 years in the East Ingleby Barwick area of Stockton. This is a difference of 14.9 years in life expectancy within the foundation trust.

Older age populations



West Ingleby Barwick has the smallest proportion of population aged 65+ and North Norton has the largest. Around 1 in 13 people in West Ingleby Barwick are aged 65+ compared with around 1 in 3 in North Norton. The average for the trust is 1 in 5 people aged 65+.

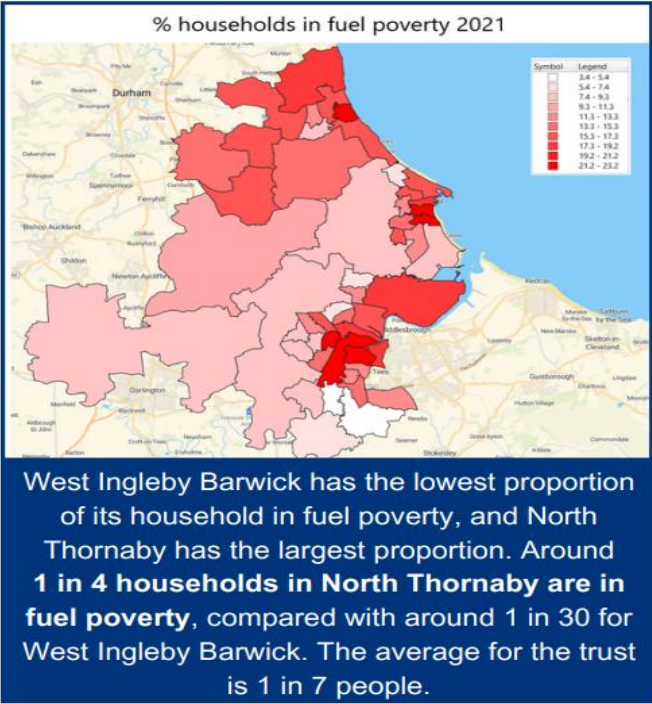
Self-reported good health



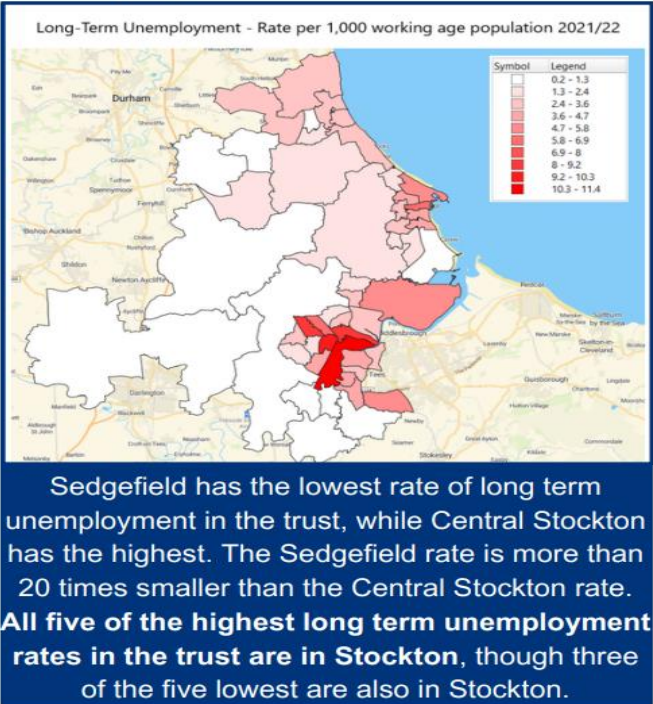
The proportion of people reporting good or very good health in NT&HFT ranges from 66.8% in Horden of Durham to 91.3% in West Ingleby Barwick in Stockton. The three lowest proportions are all in Durham and five of the top six are in Stockton.

There are disparities in self-reported health status, an indicator with direct impact on healthy life expectancy, with a difference of 24.5% between the best (in Stockton) and worst (in East Durham) areas of the trust catchment population. There are also significant disparities in life expectancy for males and females and across our catchment area with the worst life expectancy recorded in Central Stockton for both males and females. **Gap in healthy life expectancy analysis at ward level means we are not able to analyse that indicator for the trust catchment area.**

Fuel Poverty

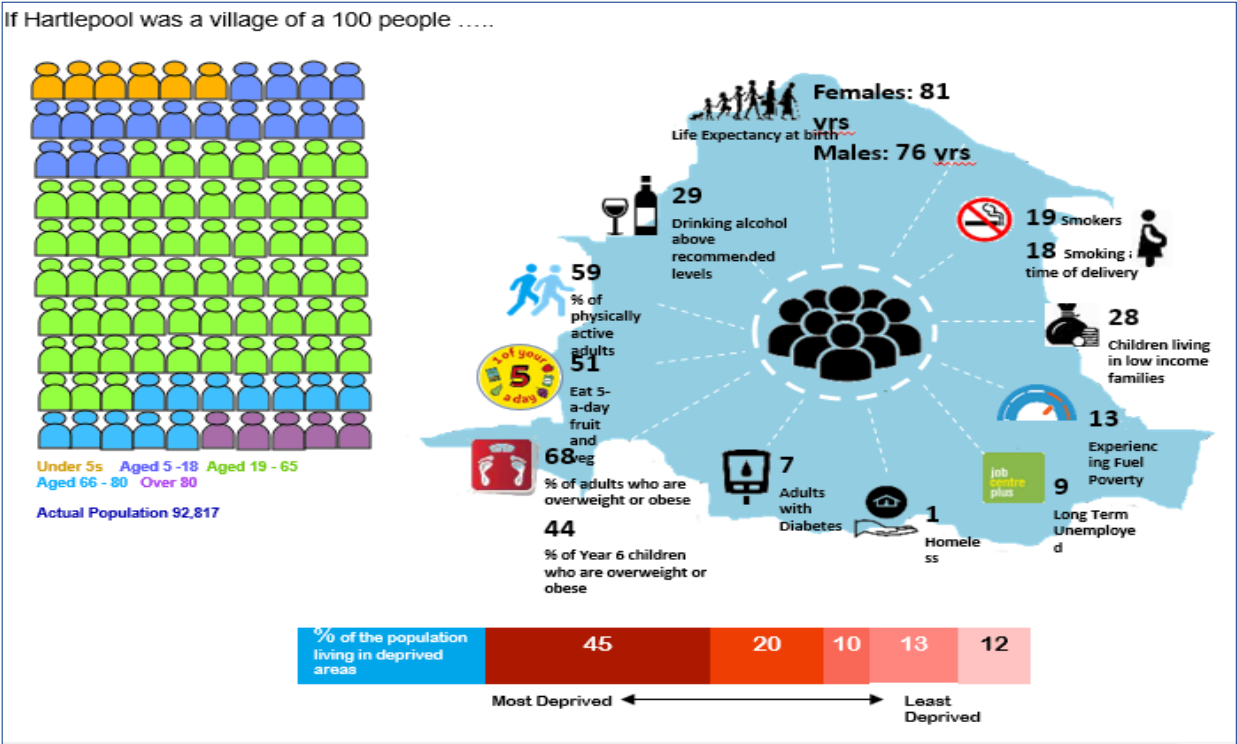


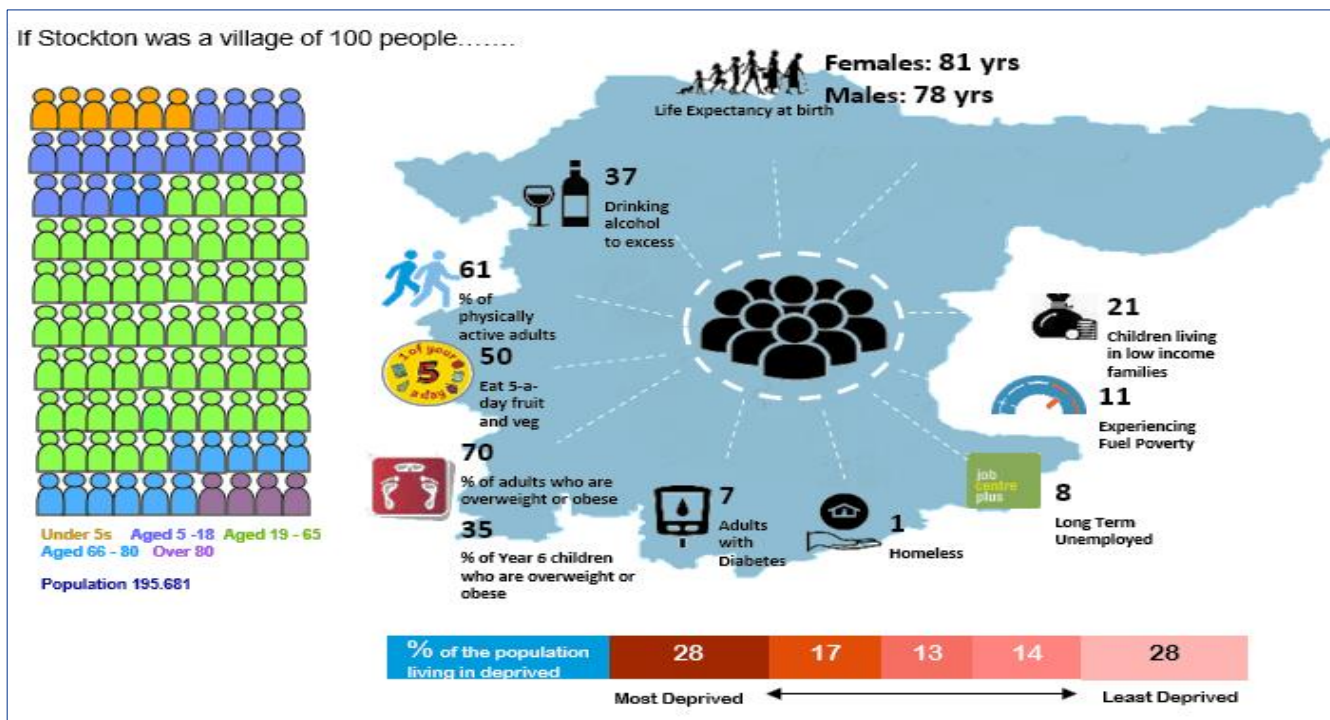
Unemployment



Unemployment and fuel poverty show massive disparities across the trust's catchment population. This has implications for the holistic and personalised care support that will be required by our most disadvantaged patients in order to achieve equitable outcomes of care for our communities.

Our PLACE joint strategic needs assessments (JSNA) and joint health and wellbeing strategies (JHWS)





The main priorities identified for which the trust will collaborate through joint working with our local authorities and wider stakeholders at PLACE include:

- Reducing prevalence of and managing alcohol and substance addiction
- Reducing prevalence of and treating tobacco addiction
- Reducing prevalence and impact of overweight and obesity for adults and children and young people including diabetes
- Improving uptake of physical activity
- Ensuring the best start in life through antenatal and perinatal care
- Reducing inequalities in access to healthcare services
- Reducing poverty and unemployment

Understanding healthcare access, experience and outcomes

Through our Trust high level Health Inequalities Dashboard, we have disaggregated key datasets to help us understand disparities in access, experience and outcomes across the areas of Trust activity. The dashboard uses data from 2022 as the baseline for monitoring trends and patterns over the years. All the datasets are analysed by gender, ethnicity and deprivation as a minimum. We have also undertaken bespoke analysis to ascertain any disparities for our patients who are flagged as having a learning disability. We are also implementing an action plan to embed patients, public and people with lived experience views in understanding healthcare needs and making service improvements.

Due to small numbers, in-depth bespoke analysis of our BAME population are undertaken to ascertain any disparities that might need to be addressed. Approximately half of our patients with an Asian ethnicity and 70% of our patients with Black ethnicity live in our core20 (20% most deprived or quintile 1) communities.

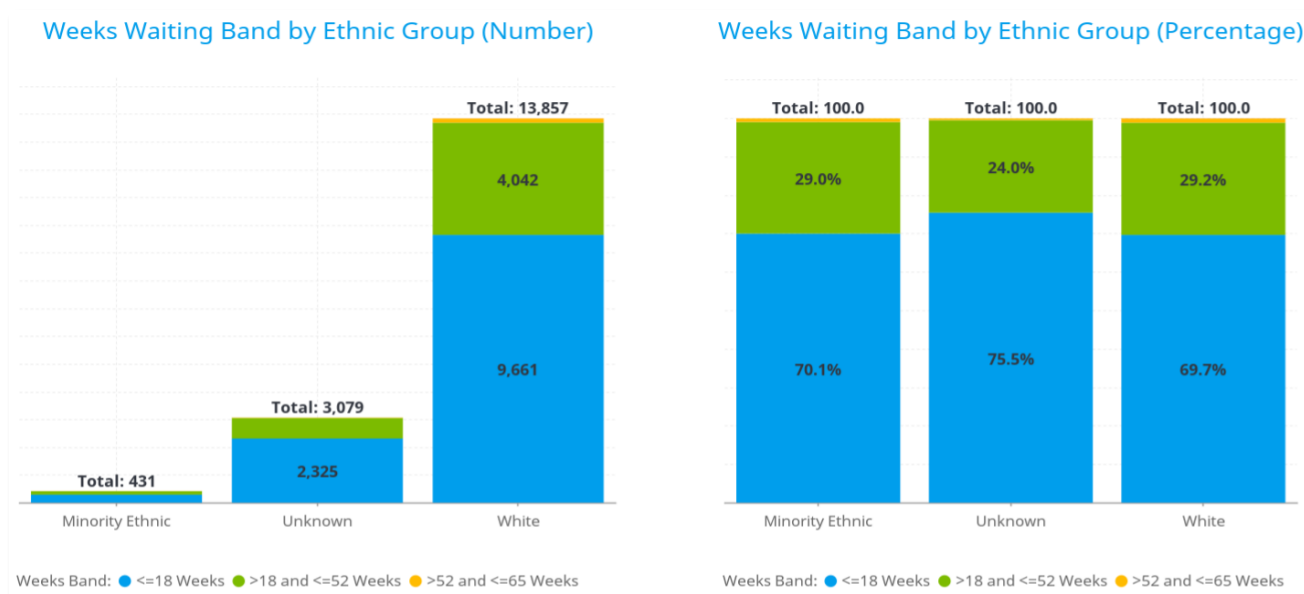
Our dashboard currently includes the acute datasets only. We will be looking to include the data from our community services as part of the next phase.

Elective recovery

About 1 in 4 patients are now waiting longer than 18 weeks, an improvement from the 1 in 3 achieved at the time of the last annual report; 100% of our patients also receive treatment in less than 52 weeks, an improvement as compared to the 1 in 100 that were waiting for 52 weeks at the time of the previous annual report.

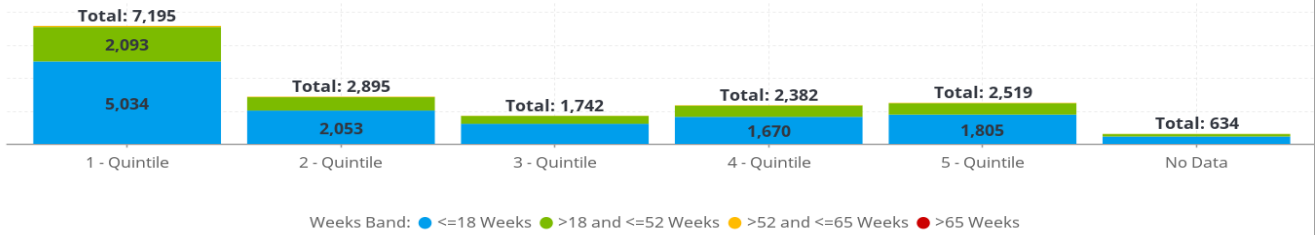
From April 2022 till date, approximately 15% of out-patient attendance has been by a virtual appointment with no significant differences by deprivation, gender or ethnicity.

For all patients on the elective waiting list, there is no significant variation observed in waiting times by ethnicity.



Demand is highest from the core20 population, however there is no significant difference in waiting times observed by different deprivation groups. This is in contrast to last year's report when the core20 were waiting longer than other deprivation groups. Patients with no postcode recorded are observed to have shorter waiting time.

Weeks Waiting Band by Deprivation Quintile (Number)

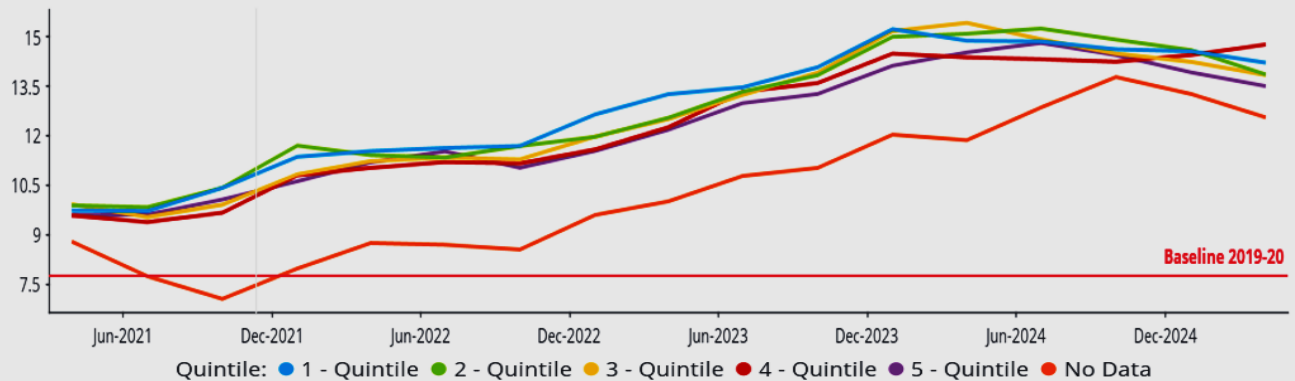


Weeks Waiting Band by Deprivation Quintile (Percentage)



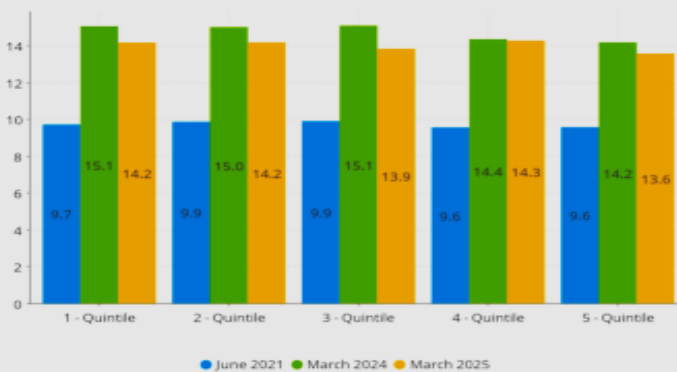
Waiting list (18 years and above)

Average Number of Weeks Waiting Trend by Deprivation Quintile



Average Number of Weeks Waiting at Snapshot Months by Deprivation Quintile

18 and Over



Quintile	June 2021	March 2024	March 2025
1 - Quintile	9.7	15.1	14.2
2 - Quintile	9.9	15.0	14.2
3 - Quintile	9.9	15.1	13.9
4 - Quintile	9.6	14.4	14.3
5 - Quintile	9.6	14.2	13.6

Average Number of Weeks Waiting Trend by Deprivation Quintile (2024-25)

Aged 18 and Over (Mar 2024 - Mar 2025)

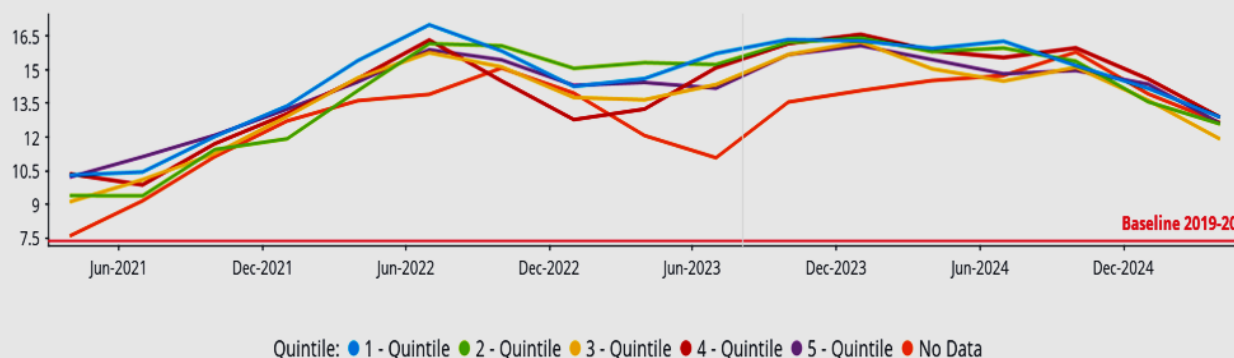


- Compared to the 2019/20 (pre-covid) baseline when majority of our over 18 year old patients waited an average of roughly 10 weeks for treatment, they are now waiting for an average of 14 weeks, reduced from 15 weeks as observed from last year's report.
- The average number of our core20 patients on our surgical waiting list for the over 18 years old was roughly 4,000 pre-covid and has now increased to 7,195 (higher than the 6,500 observed last year).
- We have more patients on the waiting list from quintile 1 however that is consistent with our population catchment profile and we are observing a sustained trajectory to reduce disparity in waiting times for the core20 and all other patients.

Waiting list (under 18 year olds)

Average Number of Weeks Waiting Trend by Deprivation Quintile

Under 18 Years



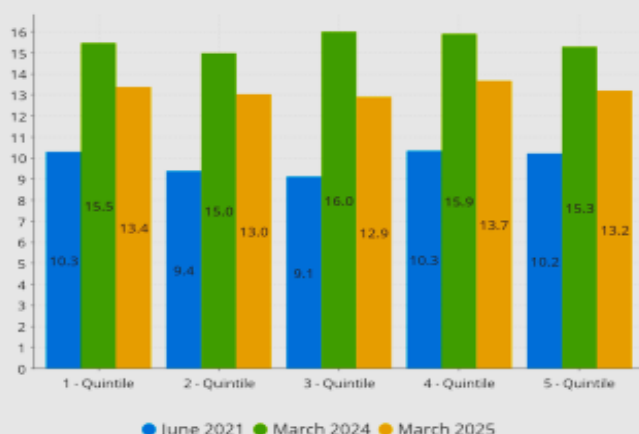
Average Number of Weeks Waiting Trend by Deprivation Quintile (2024-25)

Under 18 Years (Mar 2024 - Mar 2025)



Average Number of Weeks Waiting at Snapshot Months by Deprivation Quintile

Under 18



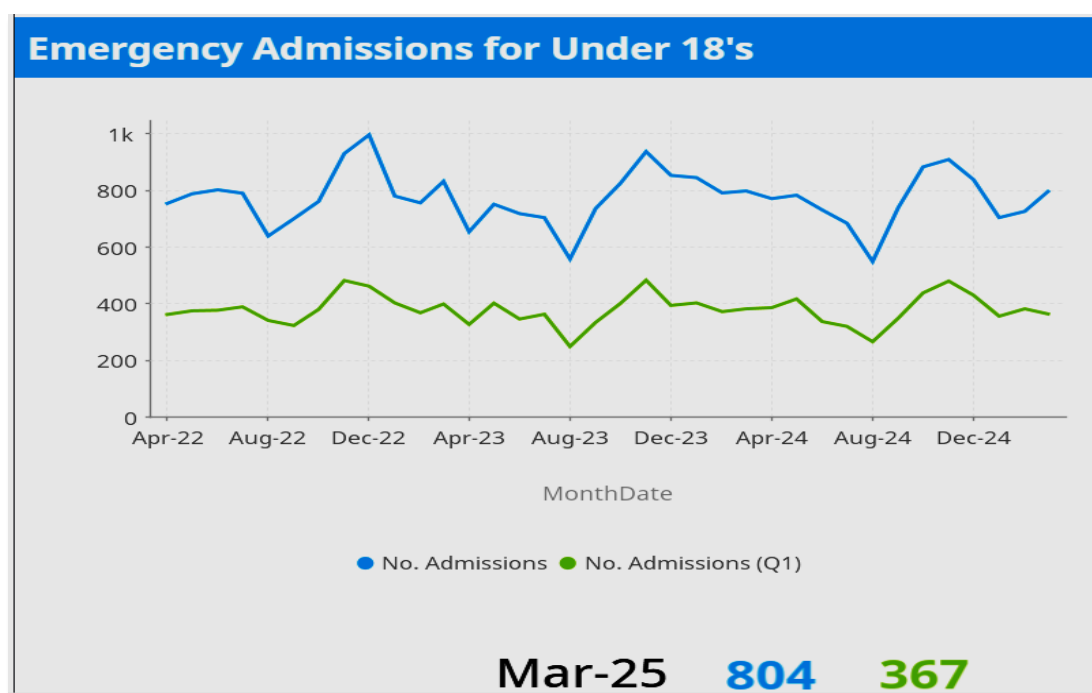
Quintile	June 2021	March 2024	March 2025
1 - Quintile	10.3	15.5	13.4
2 - Quintile	9.4	15.0	13.0
3 - Quintile	9.1	16.0	12.9
4 - Quintile	10.3	15.9	13.7
5 - Quintile	10.2	15.3	13.2

- Compared to the 2019/20 baseline when majority of our under 18 years patients waited an average of 10 weeks for treatment, they are now waiting for an average of 13 weeks, lower than the 15 weeks observed from last year's report.
- Waiting times have continued to reduce (following increase from the pre-covid baseline) per year for all our patient cohorts and there is no significant disparities among any deprivation groups as at March 2025.
- Demand from the core20 population that was increasing as per last year's report is now showing a gradual declining trend.

Urgent and emergency care

Emergency admissions for under 18s

From April 2022 till date, about 2 in 3 of all our under 18 urgent and emergency admissions were 2 years old or under and 1 out of every 2 lived in our core20 communities. The ethnic distribution is reflective of the trust's catchment population profile. The top diagnosis were related to low birth weight and complications related to prematurity followed by infections. The maternity enhanced model and public health prevention programme is aimed at reducing some of the risk factors for prematurity and low birth weight.



Cardiovascular disease

Myocardial infarctions rate of non-elective admissions

There were 454 admissions from April 2024 to March 2025 of whom about two thirds were male. The ages ranged from 30 years and above with the majority being over 55 years old. The patient age range was 30 to 90 years with majority (88%) being over 55 years. 42% were from our core20 communities and the ethnic profile was reflective of the trust's population profile. This is very similar to our observation for last year's annual report.

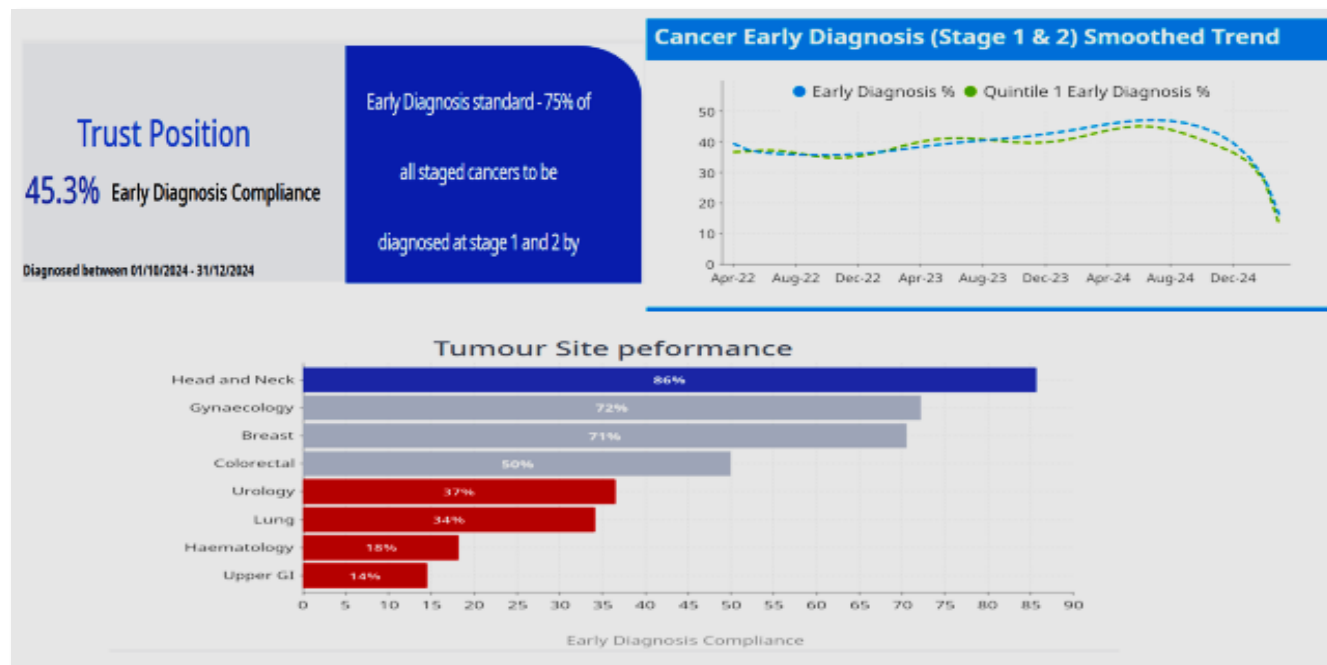
Non-elective TIA/Stroke admissions

There were 661 for admissions (of whom 558 was stroke) from April 2024 to March 2025 with even distribution by gender. This is very similar to 668 (with 586 stroke cases) cases in 2023/24. The ages ranged from 30 years and above with increasing proportions as age increases. 38% were from our core20 communities and the ethnic profile was reflective of the trust's population profile.

We will undertake further analysis to help understand better small area disparities that can inform future multi-agency work with our GP practices and other community partners for early identification of hypertension and atrial fibrillation as part of the core20plus5 work.

Cancer

34.82% of our patients with cancer (without a DTT profile) live in our core20 communities. 45.3% of all cancers are diagnosed at stage 1 or 2, however a higher proportion of patients diagnosed at late stages are from the core20 communities. The tumour sites with the highest proportion of late diagnosis are Urology, Lung, Haematology and Upper GI.



Oral health

Tooth extraction for 10 year olds and under

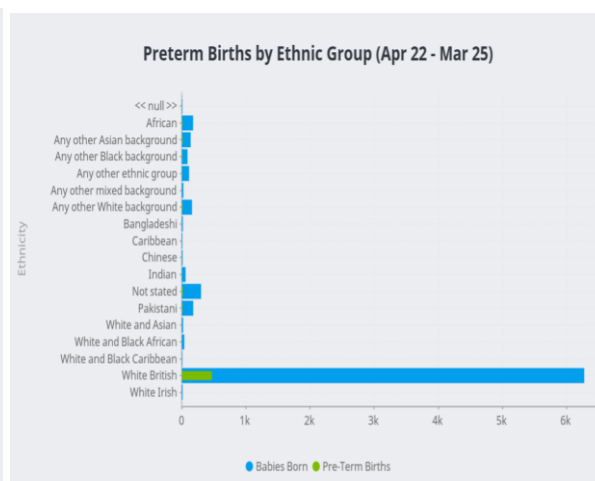
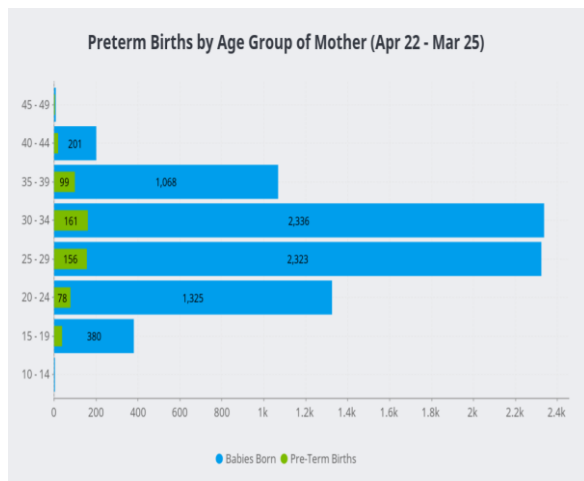
From April 2022 till date, we have had only one patient admitted for a tooth extraction as a result of decay. An update from Community Dental Health indicates there were no further cases in 2024-25.

An analysis of inpatient data using relevant diagnostic codes confirmed this report.

Maternity and neonatal

Preterm births under 37 weeks

Approximately 7 out of every 100 births, making a total of 551, in the trust from April 2022 to March 2025 were preterm. Thus there were 138 preterm births observed by the trust from November 2023 to March 2025. Analysis by deprivation has not been possible as following introduction of Badgernet, the maternity digital data system, only the first part of post code has been captured from October 2023 onwards. Last year's report showed that compared to patients who lived in other areas, our core20 patients had a higher proportion of preterm births in comparison with all births per deprivation quintile. We have since implemented interventions to strengthen our support to the core20 patients and are exploring alternative approaches to monitor impact on preterm births.



Preterm births by ethnicity and age group is reflective of the **trust's** population profile.

Our response to prevent population ill-health and reduce healthcare inequalities so far...

Our organisational approach to preventing population ill-health and reduce inequalities has been to facilitate cultural change that supports a whole Trust approach to embedding a health equity lens in clinical practice. We work in partnership with our local authorities, place ICB, University, volunteers, patients & people with lived experience and voluntary & community sector (VCS) organisations.

Strengthening leadership and accountability

The University Hospitals Tees Group Chief Medical Officer (CMO) is the executive sponsor. Our site Medical Director is the senior responsible officer (SRO) and the Consultant in Public Health provides specialist advice and support for implementation of the population health and inequalities programme of work.

We have developed our 'population health plan on a page' as an enabling plan for our corporate strategy with clear governance arrangements via the board assurance framework (BAF), from the multi-agency healthcare inequalities oversight group with reporting routes into the trust Board, our 3 main place Health and Wellbeing Boards (HWBB) and the NENC ICB healthier and fairer sub-committee. Our self-assessment against the national maturity matrix indicates that we are 'thriving' in all the four themes of development.

Health Inequalities Self Assessment Tool

Use the following link to regenerate the tool with your answers: <https://health-inequality-tool.net/reload/>

Scoring

Theme	Score	Percentage Complete	Maturity Level
1 - Building public health capacity & capability	6	75%	Thriving
2 - Data, insight, evidence and evaluation	12	86%	Thriving
3 - Strategic leadership & accountability	16	89%	Thriving
4 - System partnerships	10	100%	Thriving

We are also providing training, leadership and capability of our entire workforce to support implementation and enable cultural shift across the organisation. Operational leadership for work programmes runs across all care groups, corporate services and NTH Solutions.

We will continue to develop regular health inequalities training for the board.

Restoring NHS services inclusively (core20plus5)

Waiting well

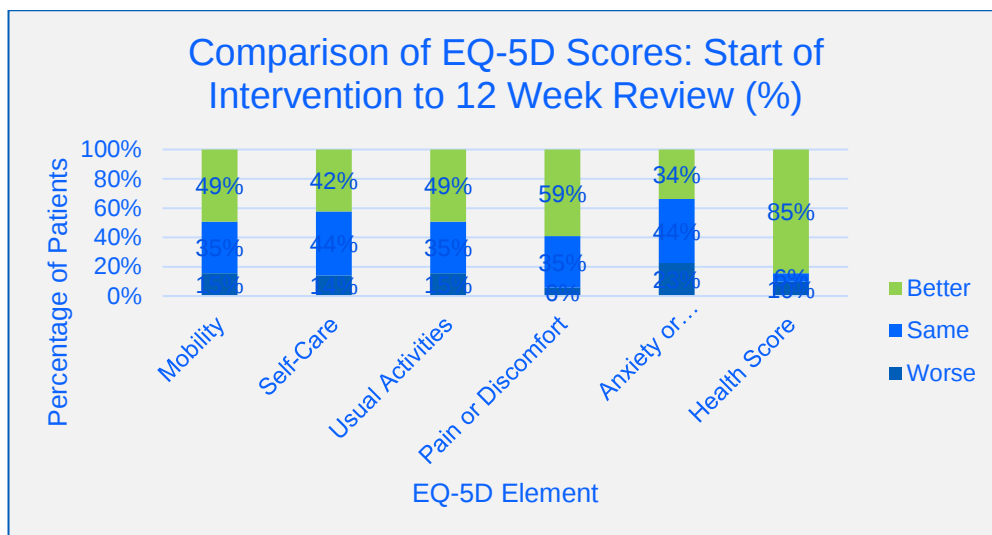
Waiting well uses a population health management approach to offer pre-operative elective surgical pathway for the specific patient cohort of - Long waiters (P3 and P4) residing in social deciles 1&2. The aim is to provide support to access health and surgical services, improve surgical outcomes and improve general health and wellbeing.

The Waiting Well project has run since June 2022. It has shown the early interventions prior to planned surgery can help patients' access healthcare and services to enable;

- Patients improve health related behaviours (smoking, weight reduction etc)
- Prevention of cancellations/postponements prior to surgery/on the day
- Financial support – enabling patients to afford surgery (access to sickness benefits)
- Longer term health and wellbeing improvements

From April 2024 to mid-March 2025, 1,329 patients have had an offer of support.

In terms of outcomes, patients are asked to score themselves against 5 daily – based elements at three time points (start, completion and 12 week post completion). The below scores are from April to mid-March, 2024-25. This is a sample data from 71 patients that shows improvements in overall health, however the service did not collate 12 week post completion until later on in the year.



Personalised care

Our programme for implementing and embedding personalized care principles include:

- Shared Decision Making (SDM);
- Personalised care in Maternity and iMSK;
- Wellbeing support through social prescribing; and
- Financial wellbeing pathway with Citizens Advisory Bureau (CAB).

Embedding the principles of personalized care in remote consultations and conversations towards enabling patient's access to healthcare has consistently received positive feedback from the patients and a strong positive engagements from staff members.

Shared Decision Making – we have trained seven members of staff as accredited SDM trainers across the organization who have subsequently trained about 40 members of staff on SDM. We have also developed a shared decision making Ask 3 questions poster and extended it across the UHT group.

Shared decision making

When making a choice about your health and care, we want to know what matters to you. **Ask these three questions...**

- 1** What are my choices?
- 2** What is good and bad about each choice?
- 3** How can you support me with the choice we've made?

What matters to **you**

Ask 3 questions has been adapted with kind permission from the MAGIC programme, supported by the Health Foundation. Ask 3 questions is based on Shephard HJ, et al. Three questions that patients can ask to improve the quality of information physicians give about treatment options: A cross-over trial. Patient Education and Counseling. 2011;84:379-85.

NHS
University Hospitals Tees

Caring Better Together

Personalized care in iMSK and Maternity service areas

A training needs assessment has been completed as well as the national Audit using the NG197 SDM guideline. Improvement plans have subsequently been agreed and ratified by the safe and effective care group with quarterly implementation update to the group Quality Council ensuring quality assurance on shared decision making in clinical practice and have also completed the CQUIN assessment for both service areas.

Wellbeing support through social prescribing

A referral pathway from Trust to primary care network (PCN) social prescribing link workers has been piloted and is being embedded.

Financial wellbeing pathway with Citizens Advisory Bureau (CAB)

We have established a referral pathway for reducing family poverty through maternity and waiting well services into the CAB teams of our local communities. This pathway is now being rolled out for patients with chronic respiratory diseases to help reduce fuel poverty and therefore avoid emergency admissions from exacerbation during the winter months. We aim to expand to our frailty and iMSK services in the new financial year.

Inclusion health

A multiagency inclusion health working group has started developing workforce training modules for embedding trauma informed care in to routine service and some specialist pathways for our vulnerable patients as part of the core20plus5 offer.

The inclusion health populations being focused on are:

- People within the justice system
- Alcohol and substance misuse
- Homeless
- Sex workers
- Serious mental illness
- Gypsy, roma and traveller groups
- Asylum seekers and refugees

We have started integration of some interventions into the probation service neighbourhood health hubs – NHS health checks, smoking cessation; and other interventions into the specialist community drug and alcohol service – respiratory screening, stop smoking. A peer educator model is also being piloted in Stockton for alcohol and substance misuse.

Reducing health inequalities in Outpatient attendance (DNAs)

We have implemented a multi-agency (including local authority, Voluntary, Community and Social Enterprise (VCSE), housing, volunteers and primary care) response pathway to DNA across 3 outpatient departments with a focus on the core20, using a personalised care approach, and are exploring a further offer for eligible PLUS groups. Evaluation of this interventional pilot showed reducing DNAs in the core20 and bridging the gap in DNA compared to the general patient population as well as cost savings to the trust. We are currently exploring options for expansion across all departments as an invest to save initiative. The pilot project was showcased as a case study at the NHSConfed Expo in 2024.

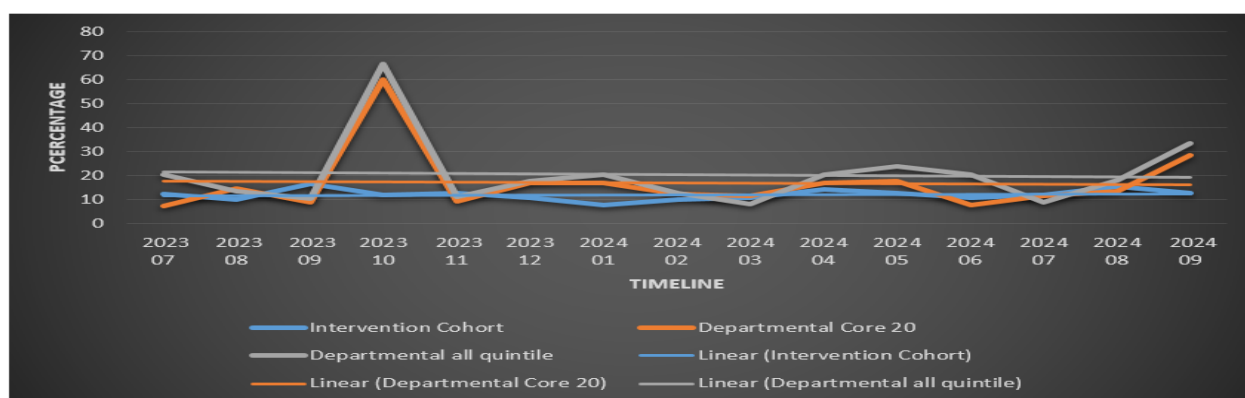
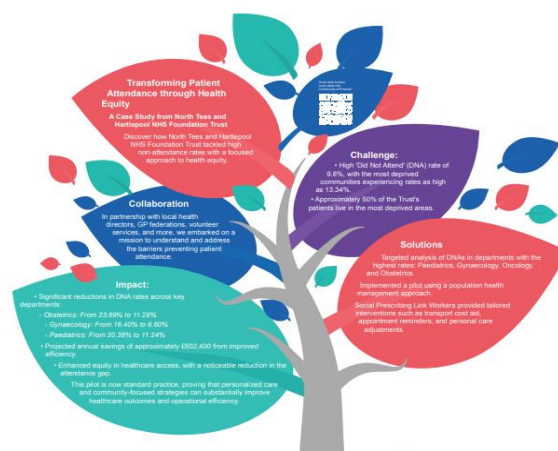


Fig. 29: "Trends in DNA Rates Across Intervention Cohort, Departmental Core 20, and All Quintiles (July 2023 - September 2024)"

High intensity users (HIU)

Building on the existing MDT model, we have expanded the group's partnership to help improve access to community based interventions for high intensity users of A&E. Through a population health management approach, HIU are identified and navigated for wider psychosocial support e.g, housing, drugs & alcohol, mental health etc through community interventions developed by the local authorities for people with complex behaviour risk factors.

Early cancer diagnosis

We aim to improve the proportion of our patients who are diagnosed with cancer at stage 1 or 2 by implementing a health inequalities action plan for all our screening pathways.

We have implemented a programme to improve uptake of bowel screening and reduce inequalities in uptake across Tees by working with the Tees local authorities, Northern cancer alliance and GP practices using a community asset based model. Initial monitoring data is

showing an increased participation in the home FIT tests, improved attendance to SSP and colonoscopy clinics and a reduction in variation in uptake between the core20 and other patients. Since the onset of the project we have observed over 50% reduction in DNAs for the SSP and Colonoscopy clinics. We have also observed an increase in uptake of the FIT tests across all our PCNs in Tees with only 3 out of 78 practices achieving below the national tolerance of 52%.

We have now started baseline assessments for breast and diabetic eye screening to help implement a similar model.

Mitigating against digital exclusion

Digital access pathway

In response to our community insight study, we have partnered with a VCSE organisation, FurbdIT to provide refurbished devices to patients who are not able to afford a smart device and therefore digitally excluded as part of the healthcare that they receive. We have also received free sim and data from Vodafone to support this pathway. The maternity digital midwife, Waiting Well, alcohol care team and iMSK leads are exploring this pathway for their patients. Our local authority partners provide digital literacy training in the community through their library services.

We have also implemented a staff campaign to help recycle old devices through FurbdIT.

Ensuring datasets are complete and timely

Following an initial project to improve coding for ethnicity and post code our Trust level coding for those indicators is about 97% on average. There are however variations at departmental level. We have therefore started a quality improvement project to improve coding for the departments with higher proportion of data gaps. A task and finish group is also looking at how to address some of the coding gaps that were highlighted through the DNA pilot.

Accelerating preventative programmes

Alcohol and substance use

The alcohol care, navigator and substance use team see patients who have an issue with alcohol and/or substance dependency, high risk of dependency or audit score of 10 or above. The service cover A&E and inpatients and also accept outpatient referrals from consultant clinics and from the waiting well team. The inpatient detox

nurse triages, accepts and manages patients through their planned inpatient detox and put recovery support in place for when they are discharged. The aim of the service is to reduce preventable admissions and length of stay and improve health outcomes by ensuring that patients are getting the right treatment at the right time and accessing appropriate

New team to help patients who have substance use issues

Hospital health workers are giving specialist help to patients with substance use issues as part of a new initiative.

The new roles are helping to identify patients in need and manage their hospital care, as well as supporting them once they are fit to be discharged from care.

Josh Le Darcy, Kirstie Mineham and Francesca Linacre have started their roles as substance use practitioners in October.

Hayley Trant, the trust's alcohol lead nurse, and the rest of the alcohol team will work closely with the team to improve working between hospital and community substance misuse services.

Hayley said: "These roles will help give that vital specialist support to those of our patients who have substance use issues."

"Sadly, the North East has the highest rates of drug related health issues and substance use is rising across the country."

"Josh, Kirstie and Fran will use their experience and expertise to provide care and compassion to our patients who suffer with these issues."

The roles have been jointly funded by Stockton-on-Tees Borough Council and Hartlepool Borough Council.

Josh, who has worked in substance use for seven years across Middlesbrough and Hartlepool, said: "I have been a part of service developments across local authorities and now want to use that experience to help our patients here."

Kirstie has a health wellbeing and social care qualification and a background working at the Stockton Community Drug and Alcohol Service. She said: "I am passionate about working in substance use and helping those affected. I want our patients to get the highest standard of care throughout their recovery."

Fran, who has been an alcohol care team nurse at the trust for the last two years, said: "I have seen the level of need for a substance service here."

"I am excited to continue to positively impact patients' lives and helping those suffering from addiction. We will continue to provide education to colleagues around patients' substance use and advocate for our patients while they are in hospital."

The service will run seven days a week across the University Hospital of North Tees, working closely with departments like urgent and emergency care, hospital wards and community services to ensure patients get the right care both in hospital and in their homes.



ictured: (Left to right) Substance use practitioners Francesca Linacre, Kirstie Mineham and Josh Le Darcy

primary care and community support services. The inpatient detox aim is for the patient to remain abstinent to six months post discharge. The service has received a total of 5,259 referrals until date of which 3,662 assessments were undertaken and 953 admissions prevented. The average length of stay has been markedly reduced with to less than 24 hours for over 50% of patients.

Comments



Making Every Contact Count (MECC)

Our approach to implementation and embedding of Making Every Contact Count approach consists of three strands.

- Staff training;
- Embedding MECC in clinical practice; and
- Contribution to national and regional MECC agenda.

A minimum of about 120 staff members were trained in MECC across different service area within the financial year. We also co-produced a national guide for acute setting on 'addressing health inequalities through Making Every Contact Count (MECC)'; collaborated with the ICB to complete the regional MECC evaluation project which was later published; and developed template for recording MECC in clinical practice which is currently live.

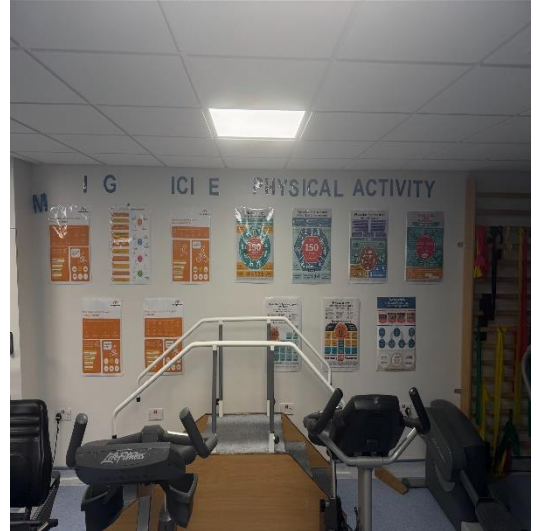
The impact of embedding MECC within clinical practice was evidently seen within iMSK, Rapid Diagnostic Service and Oral Health Promotion. Consistent opportunistic brief interventions have been well received by patients and staff members across North Tees and Hartlepool sites.

Physical Activity

The physical activity offer has been aligned through our iMSK and occupational health services. There are three main strands to our offer.

MiM – Movement is Medicine

A course for patients that promotes and normalises physical activity following a referral to NHS services. The class discusses barriers to physical activity and potential ways of overcoming these. Social prescribers also attend as mechanism for signposting and handover to explore maintaining following discharge from services. MiM now runs regularly at sites in Hartlepool and Stockton with average class sizes increased from 10- 25 patients and is being spread to include community sites and organisations as well acute services such frailty.



Physical Activity for staff

To promote physical activity within the organisation and workforce via Signposting, raising awareness and removing barriers. This has included promoting initiatives including '1million minutes of physical activity challenge' and couch to 5k.

Collaboration with VCSE and Local Authority

We recognise the importance of generating strong links with community stakeholders with a stronger together approach. The objective of this has been to raise awareness of initiatives, share ideas and support collaborate where able by embedding a role for NHS representatives within Stockton & Hartlepool Sport England Physical Activity partnership scheme.

This has yielded;

- Linking our first contact practitioners with social prescribers in primary care
- Sharing of healthy streets analysis from the local authority regarding barriers to physical activity faced by our communities



Healthy weight and obesity management

This programme has a focus on patients (community, inpatients, outpatients) and trust staff and ensures collaborative efforts across departments and organisations.

The aim is to promote, educate and improve access to services that help people to obtain and maintain a healthy weight. Actions include:

- Identify current support & programmes available locally for staff and service users to manage their weight
- Promote healthy eating and hydration in the trust - collaboration with NTH Solutions/catering team/oral health promotion team
- Collaboration with healthy eating campaigns within the trust and promote national awareness weeks to staff and visitors
- Improve the percentage of people who can access healthy and nutritional food at work on staff survey
- Develop, pilot and evaluate an in-house staff weight management programme to shape future plans – 'NTH Motivate'
- Develop Trust 'Nutribites' for awareness of healthy eating / improved nutrition

Following the findings from the staff health needs assessment, we have established staff weight loss programmes, improved staff engagement with health and wellbeing and identified new health and wellbeing champions. We are also accredited for the Better Health at Work Award scheme.

Through the waiting well programme, our dietetic service also offer support to diabetic and very overweight patients on the surgical waiting list to maintain good blood sugar levels.

Public Health Prevention in Maternity – Best Start in Life

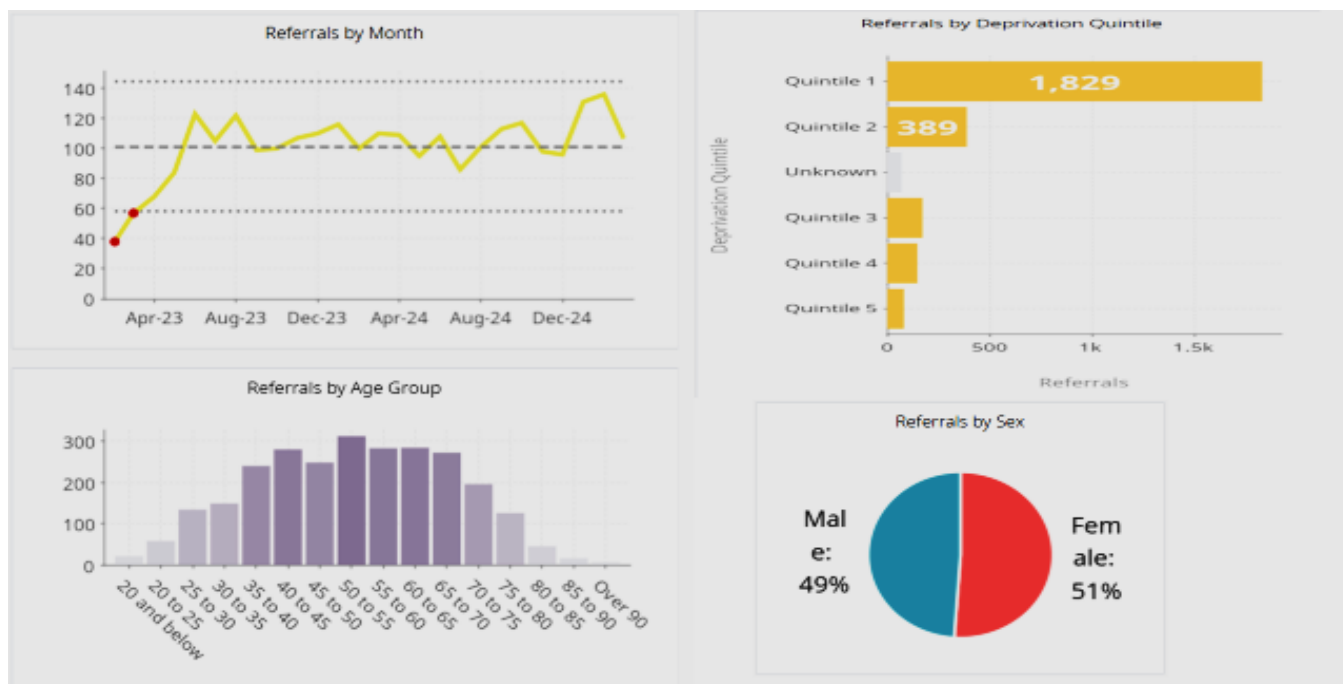
This programme seeks to:

- provide an offer to support physical activity during pregnancy
- Improve perinatal mental health support for those who do not meet specialist criteria during pregnancy
- optimise the service vaccination model; maintain offer and advice to reduce tobacco dependency throughout pregnancy
- and become fully accredited with UNICEF baby friendly initiative BFI standards
- Aqua natal exercise classes are provided by the trust and embedded in East Durham and being spread to Stockton and Hartlepool
- A midwifery referral pathway into citizens advisory bureau to address family poverty is being piloted and a social prescribing link worker input to the pregnancy anticipator care model will focus on addressing the wider determinants of health
- A vaccine nurse is now in post since January 2025 which will increase the offer of vaccines to all pregnant women in a mixed setting of community and hospital offer. This is in addition to the universal community midwives vaccination offer
- The midwifery assistants in community also offer smoking cessation classes to all women and families
- The trust is on track for the BFI level 2 assessment in June 2025

Smoking cessation

Our acute tobacco dependent treatment service (TDTS) has been fully established and provides support to eligible patients for all acute in-patient settings, maternity, staff and some out-patients. Currently, smoking status is checked for all patients who are admitted by the trust. Referrals to the service has been increasing since inception. Majority of patients supported are from the core20 communities. The ethnicity breakdown of referrals is very reflective of the trust's catchment population profile.

Out of approximately of 32,000 in-patient episodes for 2024/25, an average of 77.5% had their smoking status recorded; 18% were smokers; of whom 95% were offered very brief advice (VBA) on admission and offered stop smoking support; and 23% accepted treatment support.



We are also the provider for the specialist community stop smoking service for our two main local authorities – Stockton and Hartlepool. The service provides a 12 week programme of smoking cessation support alongside NRT, e-cigarette or medication. Face to face clinics are held in various locations across Stockton and Hartlepool boroughs as well as daily telephone clinics and helpline for support. Referrals can be received via telephone, email, ICE or our website and can come from other professionals or self-referrals.

Enhanced support to quit is also offered to clients who have multiple failed attempts to quit or users of drug and alcohol services.

Home visits are offered to housebound clients and training to other professionals in the community setting in smoking cessation is also provided as part of local capacity building.



Anchor institution

We are working across all the four pillars of an anchor institution and, jointly with South Tees Trust, have launched a Tees Valley anchor network with our local authority partners. Our procurement team are leading a multi-agency social value pilot to address poverty in four of the most deprived wards within the trust's catchment area. Through the widening participation project, the workforce team in partnership with Hartlepool College of Further Education, have launched the health and care academy to train local people to take up health and social care jobs. Project choice has been implemented to train and facilitate employment for people with a disability. We also have a 'volunteer to employment' scheme that facilitates career development for people who are out of work. In addition, our green steering group, leads on implementation of our sustainability strategy.

Our main challenges and constraints

The main constraint to implementing our population health and inequalities programmes is the fact that all the funding streams are fixed term and therefore it is difficult to make longer term plans for sustainable improvements. This poses a risk for loss of experienced staff and destabilisation of services when there is uncertainty about continued funding. Budgets for the programmes are also overseen by different care groups with no overall programme budget oversight. Trust health inequality budget line will go a long way to ensure effective planning and implementation.

The trust continues to explore the feasibility of a public health midwife role to help provide dedicated leadership. This is an outlier for us as all other Trusts in our ICB region have recruited to this role.

Looking ahead – our priorities for 2024/25

In 2025-26, we will continue to implement the projects that we have already started in this financial year and to collaborate with place partners. In addition we will:

Scope and implement an emergency medicine at the Deep End model – this is a collaborative approach to primary care focused on supporting General Practitioners (GPs) and practices serving the most socioeconomically deprived communities.

- Continue to develop and embed our prevention programmes;
- Continue to implement a programme of work to reduce inequalities in cancer care and screening programmes;
- Work in partnership with our partners to develop the Tees anchor institution network;
- Fully implement the inclusion health programme with the multi-agency partners;
- Implement a project to improve ethnicity and learning disability coding;
- Develop and strengthen our offer for workforce development and capability to address health inequalities; and
- Roll out the DNA equity model across the whole organisation.

Quality

One of the central ways in which we monitor the quality of care we provide and how we are continually improving as a Trust is through our annual priorities for quality improvement.

Other sources of information which inform how we are performing from a quality perspective include:

- Patient experience data
- Complaints and patient feedback
- Clinical audit

Further information on how we monitor quality and performance against our quality priorities is outlined in our Quality Report.

Finance

Each year the trust develops a financial plan which includes a cost improvement target to be achieved, a capital plan and a forecast outturn for the year end.

The 2024/25 capital programme reduced high and significant risk backlog issues across the estate, particularly on the North Tees site which included North the North wing, South wing and Tower block.

National funding of £931k was allocated to carry out RAAC (Reinforced Autoclaved Aerated Concrete) removal preparation and enabling works associated with the residential accommodation on the University Hospital of North Tees site. RAAC removal is planned to commence in FY25/26.

Large scale service developments included the £2.2m reconfiguration of EAU (Emergency Assessment Unit), the emergency maternity and robotic theatre suite £5m and the TVCDC £24.19m (Tees Valley Community Diagnostic Centre). The £13.4m decarbonisation of University Hospital of Hartlepool also progressed following a funding award as part of the PSDS scheme (Public Sector Decarbonisation Scheme). The project includes the installation of 1MW of solar panels and a 2.5MW ground source heat pump to provide net zero carbon heating and hot water to the site for two thirds of the year.

Equality of service delivery to different groups

The NHS is for everyone. Anyone needing the NHS should receive the same high-quality care every time they access services. However, we know that some people in our communities can experience barriers or judgement when using NHS services.

North Tees & Hartlepool NHS Foundation Trust recognises the challenges that patients and service users could face, including language barriers, support to access services or stigma regarding accessing mental health services.

Understanding our patient and service user needs is our priority and it helps us to ensure our services are accessible, safe and inclusive for everyone.

The trust is committed to identifying, understanding and overcoming any barriers for our patients and service users. This ensures that the way we work and the services we offer respond inclusively to cultural, physical and social differences.

Our Health Inequalities Group provides direction and oversight to ensure the trust focuses on reducing health inequalities in the most vulnerable groups and national/local clinical priority areas. The reviews its waiting list for inequalities and this information is presented and discussed at each of its Board meetings.

Engaging with stakeholders

Anchored in the communities we serve, we work to contribute to our local area and influence the wider determinants of health by operating as a good partner, seeking to be a leader in bringing inward investment into Teesside and North Yorkshire, widening access to employment, continuing to reduce our environmental impact and thus supporting healthy and prosperous people and places.

Stakeholder engagement is central to this work and building strong partnerships and relationships.

Subsidiary undertakings

NTH Solutions LLP was formed in 2018 and commenced providing estates, facilities, supplies and procurement services to the trust. The LLP is owned by two members (95% owned by North Tees & Hartlepool NHS Foundation Trust and 5% owned by Northumbria Healthcare Management Limited, a subsidiary of Northumbria Healthcare NHS Foundation Trust. The LLP has a formal structure and corporate documents that govern how the LLP operates and are held to account for delivery of services. The trust appoints a Chair of the LLP Management Board and also appoints two trust representatives on the board. The LLP produces an annual business plan, aligned to Trust strategic objectives, which is approved by the Management Board and performance is reviewed regularly throughout the year.

Optimus Health Limited is a wholly owned subsidiary company of the Trust. It started trading in 2014 and continues to operate and deliver the outpatient and retail pharmacy service at University Hospital of North Tees. During the course of the year, the performance driven service to the Trust has strengthened and continue to widen its available services to better match the needs of patient demographics.

Through 2024/25, Panacea Pharmacy has been able to broaden its services within the Trust group. It now provides services for a wide range of departments across the trust, enabling optimisation of medicine costs and supporting the flow of patients through the hospital group.

Environment, sustainability and climate change

The NHS has set its targets for carbon emissions as follows:

- The NHS Carbon Footprint (emissions that we control directly) to reach net zero by 2040, with an ambition to achieve an 80% reduction by 2028 - 2032.
- With regards to the emissions we can influence (our NHS Carbon Footprint Plus) we will reach net zero by 2045, with an ambition to achieve an 80% reduction by 2036 - 2039.

In order to achieve this North Tees and South Tees has aligned itself with the North East and North Cumbria Integrated Care Board (NENC ICB).

By working collaboratively with the NENC ICB a regional 5 year Green Plan is being finalised in order to ensure faster progress towards the 2030 vision to be 'England's Greenest region'. Refreshed green plans will be approved by the trust's board and published in an accessible location on the trust's website and shared with NHS England by 31 July 2025.

North Tees bid for NEEF (NHS Energy Efficiency Fund) funding and secured £104K of PDC funding for LED lighting. Work has already commenced with installation at University Hospital Hartlepool and for every pound of capital spend on LED lighting the trust saves circa 20p in on-going revenue costs of our electricity bills.

The £13.4m decarbonisation of University Hospital of Hartlepool also progressed following a funding award as part of the PSDS scheme (Public Sector Decarbonisation Scheme). The project includes the installation of 1MW of solar panels and a 2.5MW ground source heat pump to provide net zero carbon heating and hot water to the site for two thirds of the year.

Examples of areas where we have seen improvements and developments in 2024/25 include:

- Opening of eco shops at both North Tees and Hartlepool Hospitals
- Swap Shop has resulted in savings of £26K of unwanted furniture such as desks, chairs, filing cabinets etc. being reused and / or repaired and put back into the system, saving money on the ordering of new equipment.
- A Green Group has been established at North Tees and meets bi-monthly
- An advertising campaign has been launched for Green Champions and a Sustainability Event is planned for later in the year
- Increased recycling of cardboard, DMR (Dry Mixed Recycling) and scrap metal over FY24/25
- Expansion of the collection of the clinical waste scheme from our community patients
- Offensive waste stream rolled out across the trust estate.
- Recycling of hearing aids scheme resulted in 7,400 appliances collected from The trust and given to a local charity to distribute globally.
- Expansion of recycling to cover unwanted glasses with recycling bins placed strategically around the trust.

2. Accountability report

Director's report

The Board of Directors – role and responsibility

The Board of Directors ('the Board') functions according to corporate governance best practice and compliance with the standards and regulations set by the two main regulatory bodies, the Care Quality Commission (CQC) and NHS England (NHSE).

The Board operates as a unitary Board with collective accountability for all aspects of Trust performance, from clinical quality to financial performance and sustainability. It ensures the Trust has adequate systems and processes in place, necessary resources to meet its objectives, robust risk management and there is an effective workforce to be able to deliver the highest quality care for its patients. In addition, the Board is responsible for establishing the vision and strategy of the Trust, ensuring harmony with wider system plans and objectives.

Following changes to health legislation in 2022 through the Health and Care Act, organisations were able to work closer together across a broader geographical boundary and in making decisions, Boards should meet the requirements of the 'Triple Aim':

- Better health and wellbeing for everyone
- Better quality of health services for all
- A sustainable use of NHS resources

The board is led by the Chair, Professor Derek Bell who was appointed in September 2021 and re-appointed in September 2024 as Group Chair, across both South Tees Hospitals NHS Foundation Trust (South Tees) and North Tees and Hartlepool NHS Foundation Trust (the trust).

The board of Directors is responsible for exercising all of the powers of the trust, however, the board has the option to delegate these powers to members of the Executive Team, and other committees. The board has several committees, which support the seeking of assurance in relation to quality, performance and risk management throughout the trust.

These committees which were established in July 2024 as single joint Committees are: Quality Assurance Committee chaired by Fay Scullion; Resources Committee, chaired by David Redpath; People Committee, Chaired by Mark Dias. In order to retain independence and in line with the matters reserved for the Unitary Board the Audit Committee, chaired by Alison Fellows; and Remuneration Committee, chaired by the Group Chair have remained accountable to the Unitary Board.

The trust has a Scheme of Delegation which outlines when approval for a decision is required from the board or one of its committees, such as for a high-value business case, and decisions which the Executive Team are permitted to make without further approval. The board of Directors is jointly responsible for scrutinising and constructively challenging the performance of the trust to ensure we deliver our strategy, continuously improve and deliver high quality care.

Each of the board committees undertakes a performance evaluation on an annual basis using a standard template, excluding the Audit Committee. The output of the evaluation is reported to

the individual committee and collectively to the Audit Committee, to ensure the committees remain effective and fit for purpose.

In April 2024, the new University Hospitals Tees group with South Tees was established and the Group Board, to realise the strategic intent of both organisations to secure the future of high quality, safe and sustainable healthcare across the population of the Tees Valley and North Yorkshire. This was a culmination of joint working over a number of years to support greater collaboration.

A Partnership Agreement between both trusts, NHS England and North East and North Cumbria Integrated Care Board (NENC ICB) was officially signed in February 2024 and forms the basis of both trusts being able to operate as a group model. In addition, terms of reference were drafted setting out the functions that could be jointly exercised by the Group Board, those that could be delegated and those that must remain at unitary Board level. The terms of reference are in accordance with the guidance Arrangements for Delegation and Joint Exercise of Statutory Functions – Schedule F, which was published by NHS England in February 2024.

The Non-Executive Directors of each trust, the Chair and members of the Executive Team both voting and non-voting were appointed into group roles during 2024, details of which are set out below.

The Group Board sets the strategic direction for the organisation and monitors performance against strategic objectives to ensure high quality services for our patients and population we serve in conjunction with key stakeholders and partners.

To support the work of the Group Board, a number of the key committees were constituted as Group Committees during 2024 to collectively scrutinise performance and gain assurance across both trusts. These included the Quality Assurance Committee, People Committee and Resources Committee. It should be noted that it is a statutory requirement for each trust to have a singular Audit Committee, however, there are plans to hold more meetings 'in common' and to appoint a single chair for both committees.

Group Board composition

The Group Board comprises seven voting Executive Directors, including a Group Chief Executive and twelve Non-Executive Directors inclusive of the Group Chair.

A review of the size of the board and the balance of skills and experience is currently being considered in line with succession planning arrangements and to ensure the requirements of the organisation are adequately being met.

Board members undergo an annual appraisal measuring their contribution aligned to the core values of the trust. The Chief Executive leads the annual evaluation of each Executive Director and the results are summarised and reported to the Non-Executive Directors at the Remuneration Committee. The Executive Directors are appointed by the Remuneration Committee on behalf of the Board of Directors.

The Chair and Non-Executive Directors are appointed for terms of office up to three years and may seek reappointment in line with the provisions set out in the NHS Foundation Trust Code of Governance (the Code). The appointment and re-appointment process is led by the Nominations Committee on behalf of the Council of Governors. All the Non-Executive Directors are considered to be independent both in character and in judgement. Any proposal for a Non-

Executive Director to serve longer than six years is subject to rigorous and robust review in line with the recommendations outlined in the Code.

The composition of the Group Board is set out below, including details of background, committee membership and attendance. The performance of the board as a whole is reviewed on an annual basis by undertaking an effectiveness self-assessment of the Board of Directors, subsidiary Boards and Board committees.

Board of Director meetings

There were eleven Board meetings held during 2024/25 for each trust, the majority were as the Group Board including a public and private agenda and the remainder were to discuss matters for the unitary board of the Trust. The majority of board business is conducted in public, although there is a requirement for a smaller element to be conducted in private due to the confidential nature of the matters being discussed.

Board of Directors' profiles

Professor Derek Bell OBE

Group Chair



Derek has over 40 years' experience in the NHS and previously served as president of the Royal College of Physicians of Edinburgh. He was awarded an OBE in 2018 for services to unscheduled care and quality improvement.

- Appointed 1 September 2021
- Reappointed 1 September 2024

Ann Baxter

Group Non-Executive Director/Vice Chair



Ann trained as a social worker and worked in local government for 45 years. Throughout her career, she worked in various teams in London, Devon, Cumbria and North Yorkshire. She joined Stockton Borough Council in 1996, and was the director of services for adults and children until 2008, when she became director in the London Borough of Camden.

Since retiring from a full time role, she has worked as a regional advisor for the Local Government Association across the North East, Yorkshire and Humberside, advised on national reviews and chaired the Teesside Safeguarding Adults Board. Ann currently chairs safeguarding boards in Darlington, and is a Governor at a large comprehensive school.

She is the Board Maternity Champion

- Appointed 1 July 2019
- Appointed Vice Chair 1 April 2023
- Appointed Group Vice Chair 1 April 2024

Ali Wilson

Group Non-Executive Director/Vice Chair



Ali has a long history of public service, having begun her NHS career as a nurse in the early 1980s. She has held a variety of clinical, managerial and academic positions, leading and evaluating service improvement, major service and organisational change. Before her retirement from a full-time senior leadership role in 2018, Ali was the chief executive officer for NHS Darlington and NHS Hartlepool and Stockton-On-Tees Clinical Commissioning Groups and chair of the North East Leadership Academy.

Ali is passionate about leadership development and system working and committed to the delivery of high quality, personalised and effective care both within a hospital and community environment. She has a long-standing interest in harnessing the potential of patient, carer and public involvement, having undertaken a Fulbright Fellowship at the Institute of Public Affairs, University of Minnesota in 2001, which focused on patient and public engagement in the co-design of services.

She is the Board Health and Wellbeing Champion

- Appointed 19 July 2022
- Appointed Vice Chair 1 June 2023
- Appointed Group Vice Chair 1 April 2024

Ada Burns

Group Non-Executive Director/Senior Independent Director



Ada had a lengthy career in local government, in regeneration roles in London Councils, and until 2018 as Chief Executive of Darlington Borough Council. In this role she worked across the Tees Valley with a particular interest in health inequalities. Ada is Chair of Teesside University and a trustee of a community arts centre.

She is the Board Freedom to Speak Up Champion

- Appointed 1 October 2019
- Reappointed 23 March 2023
- Appointed Group Non-Executive Director 5 April 2024

Chris Macklin

Group Non-Executive Director/Senior Independent Director



Chris has worked within finance in the NHS since 1975. He commenced his first director of finance role at the Queen Elizabeth Hospital in Gateshead in 1997. Chris has a wealth of experience working within a provider setting, and within the commissioning side of the NHS, holding the role of Director of Finance for Sunderland, Gateshead and South Tyneside. After retiring as a DoF in 2015, he was encouraged to remain in the NHS, taking up his first non-executive director post in 2015. Throughout his career as a DoF and a Non-Executive Director, Chris has sat on and chaired a number of national committees relating to NHS Accounting Standards and Governance / Audit.

- Appointed 1 January 2023
- Appointed Group Non-Executive Director 5 April 2024

David Redpath

Group Non-executive Director



With roots firmly in the North East, David has enjoyed over 20 years in technology leadership and advisory roles around the world. His most recent role as a senior executive partner at research and advisory company Gartner sees him act as strategic advisory to multiple public and private companies in the UK. Prior to this David performed several CIO roles in different industries and served as a Non-Executive Director at Newcastle Building Society and the Nation Union of Students. Married with two children and living in County Durham.

He is chair of the Group Resources Committee

- Appointed 3 December 2020
- Appointed 1 August 2021
- Re-appointed 1 August 2024
- Appointed Group Non-Executive Director 5 April 2024

Miriam Davidson

Group Non-executive Director



While Miriam is proud of her Australian heritage, she has lived and worked happily in the North East for over 35 years. Throughout her career in the NHS (1988 to 2014) and local government (2014 to 2020), she has held senior roles in health improvement and public health. Miriam is a registered specialist in public health and during her post as director of Public Health for Darlington, she was also vice chair of the north east branch of the Association of Directors of Public Health. More recently, Miriam has supported the North East Public Health Specialty Training Programme (HEE), as head of School of Public Health.

Miriam continues to coach, mentor and appraise specialists in public health. Her focus is on health inequalities and the challenge of why health appears to be for some, not all.

She is the Board Maternity Champion.

- Appointed 19 July 2022
- Appointed Group Non-Executive Director 5 April 2024

Mark Dias

Non-executive Director



Mark is a fellow of the Chartered Institute of Personnel and Development (CIPD) and an experienced human resource professional having worked at a senior level in a number of multi-national organisations. Mark's previous roles included EMEA employee relations director for Cummins, HR director for DS Smith and HR business partner at Nuffield Hospitals. A former serving police officer at Cleveland Police and commended for standing up for equality and integrity in policing. He is a self-employed consultant providing HR consultancy and mediation services to a range of clients.

He is chair of Group People Committee

- Appointed 19 July 2022 for initial three-year term
- Appointed Group Non-Executive Director 5 April 2024

Fay Scullion

Group Non-Executive Director



Fay is a registered nurse by background and has worked in a variety of settings across the North East in a range of senior posts.

Fay has an interest in the disease profile of the North East became involved in the care of cancer patients in general settings. She moved into the voluntary sector and worked in various regional and national development roles, latterly as director of partnerships for Macmillan Cancer Support. This work across the UK involved transforming cancer services with a range of partners, from local organisations, the NHS to National Governments. Since retiring from full time employment, Fay also works as a volunteer governor in a secondary school trust She is the Board Freedom to Speak Up Champion and chair of the Group Quality Assurance Committee.

- Appointed 1 January 2023
- Appointed Group Non-Executive Director 5 April 2024

Ken Readshaw

Group Non-Executive Director



Ken is a chartered accountant with considerable experience of the chemical and power generation sectors, both in the UK and abroad. He was previously audit chair of NHS North Yorkshire Clinical Commissioning Group, has several charitable roles, and is passionate about helping to provide communities with the best possible public services.

He is chair of the Audit and Risk Committee (South Tees).

- Appointed 19 July 2022
- Appointed Group Non-Executive Director 5 April 2024



Alison Fellows

Group Non-Executive Director

Alison grew up on Teesside. After qualifying as a solicitor, she was a partner in a Newcastle law firm, working on commercial projects, including the procurement and construction of new hospitals. Alison then moved into the public sector and worked in regeneration at both Newcastle and Sunderland Councils, before becoming the Group Commercial Director of Tees Valley Combined Authority. At TVCA she held responsibility for a wide range of investment projects across the region. Alison also held a role as Commercial Director of Teesside Airport.

She is chair of the Audit Committee (North Tees and Hartlepool)

- Appointed 1 February 2023
- Appointed Group Non-Executive Director 5 April 2024



Liz Barnes

Group Non-Executive Director

Liz has spent her career in higher education, working in four universities. She commenced at Teesside University where she was a lecturer in physiology. She also spent a number of years as Deputy Dean of Health and Social Care before becoming Dean of Social Sciences and Law. Liz finished her education career as Vice Chancellor of Staffordshire University. She has served as a trustee and Non-Executive Director with a number of organisations including schools, universities, a housing association, a private training provider. She also chairs a charity protecting children and their families from sexual exploitation.

- Appointed 1 February 2023
- Appointed Group Non-Executive Director 5 April 2024



Rudy Bilous

Associate Non-executive Director

Rudy is a retired consultant endocrinologist working at South Tees from 1990 until 2016. He was appointed Professor of clinical medicine at Newcastle University in 2000 and was the sub dean for Medical Education on Teesside for over 15 years. He has held senior positions in Diabetes UK (the national charity for people with Diabetes) and the Royal College of Physicians. He has also served on the Council of the European Association for the Study of Diabetes as well as many research committees in the UK, Europe and the USA. He was dean of clinical affairs for the Newcastle University Medical School in Malaysia (NUMed) from 2016 to 2018, and acted as a consultant in medical education at The James Cook University Hospital from 2019 to 2022.

- Appointed 19 July 2022
- Left the organisation 31 August 2024



Alyson Gerner

Associate Non-executive Director

Alyson is a chartered accountant and has extensive experience in procurement, commercial, assurance, governance and finance in the NHS, the Department for Health and the Department for Education (DfE). At one stage, she was director of NHS Commercial Development. She is currently the finance director of a property company that is an arm's length body of the DfE

- Appointed 19 July 2022 for initial two-year term
- Left the organisation 31 August 2024

Stacey Hunter

Group Chief Executive Officer



Stacey was previously CEO at Salisbury NHS Foundation Trust where she worked from September 2020 to January 2024. Prior to that she worked for Bradford and Airedale Foundation Trusts, and spent some time seconded to the Nightingale Hospital Yorkshire during the COVID-19 pandemic. Stacey commenced her career in 1990 as a Nurse at Hull Hospitals and Leeds Teaching Hospital.

- Appointed on 1 February 2024

Dr Michael Stewart

Group Chief Medical Officer



Michael is a consultant cardiologist and was appointed Chief Medical Officer for South Tees in 2021. He served as director of cardiovascular services at Auckland District Health Board. Prior to this Michael worked as a cardiologist at the Trust from 1996 to 2018 where he also held medical leadership roles.

- Appointed Group Chief Medical Officer 11 March 2024

Dr Hilary Lloyd

Group Chief Nurse



Dr Hilary Lloyd was appointed Chief Nurse in 2021. Hilary qualified in 1989 and has held a number of nursing posts including acute health care, education and research. Most recently, she served as the Director of Nursing, Midwifery and Quality at Gateshead NHS Foundation Trust.

- Appointed Group Chief Nurse 5 April 2024
- Left the organisation 31 January 2025

Maurya Cushlow

Interim Group Chief Nurse



Maurya is a very experienced chief nurse who has had a long and distinguished career, much of which she has undertaken in the North East. She joined the organisation in an interim role until the newly recruited Group Chief Nurse commenced in post

- Appointed 13 January 2025
- Left the organisation 31 March 2025

Neil Atkinson

Group Managing Director



Neil has extensive NHS experience at a senior level across a range of finance functions in provider and commissioning organisations. He joined North Tees and Hartlepool NHS Foundation Trust in 2018 from Leeds Teaching Hospitals.

- Appointed Group Managing Director 5 April 2024

Susanna Cook

Group Chief People Officer



Susy is a Chartered MCIPD and has worked across the NHS and academia for 25 years across a number of roles including Biochemist, Manager, Director, Coach, Leadership and Organisational Development lead, Improver and Academic. She joined North Tees and Hartlepool NHS Foundation Trust in 2022.

- Appointed Group Chief People Officer 5 April 2024
- Left the organisation 31 August 2024



Rachael Metcalf

Group Chief People Officer

Rachael Metcalf is a Chartered CIPD professional with over 25 years' experience in the field of People Services who joined the Trust in 2004. Rachael has worked at a senior level leading several People functions and services. She became Director of Human Resources in September 2018. Prior to her NHS career Rachael worked in HR at North Yorkshire Police and started her HR career in an investment bank in Azerbaijan.

- Appointed Group Chief People Officer 5 April 2024



Chris Hand

Group Chief Finance Officer

Chris is a qualified accountant with over 20 years' experience in NHS financial management, including 13 years at Northumbria Healthcare NHS Foundation Trust. Chris also served as the executive director of finance at Northumberland County Council. He was appointed as the Director of Finance in March 2021.

- Appointed Group Chief Finance Officer 5 April 2024



Matt Neligan

Group Chief Strategy Officer

Matt joined University Hospitals Tees in 2024 from his role as director of commissioning development for NHS England where he had led national work to develop Integrated Care Systems. He has worked for nearly 30 years in the NHS with experience across acute hospitals, commissioning, primary care and national programmes.

- Appointed Group Chief Strategy Officer 14 October 2024

Attendance at Board meetings 2024/25

Non-executive Directors		Total number attended	% attendance
Professor Derek Bell	Joint Chair	12/12*	100
Ali Wilson	Group Non-Executive Director/Vice Chair	9/11	82
Ann Baxter	Group Non-Executive Director/Vice Chair	9/11	82
Ada Burns	Group Non-Executive Director and Senior Independent Director	9/11	82
Chris Macklin	Group Non-Executive Director and Senior Independent Director	10/11	91
David Redpath	Group Non-Executive Director	9/11	82
Miriam Davidson	Group Non-Executive Director	11/11	100
Mark Dias	Group Non-Executive Director	9/11	82
Fay Scullion	Group Non-Executive Director	10/11	91
Ken Readshaw	Group Non-Executive Director	10/11	91
Alison Fellows	Group Non-Executive Director	11/11	100
Elizabeth Barnes	Group Associate Non-Executive Director	9/11	82
Rudy Bilous	Group Associate Non-Executive Director (left 31.08.2024)	5/6	83
Alyson Gerner	Group Associate Non-Executive Director (left 31.08.2024)	4/6	67
Executive Directors			
Stacey Hunter	Group Chief Executive	10/12*	83
Dr Michael Stewart	Group Chief Medical Officer	11/12*	92
Dr Hilary Lloyd	Group Chief Nurse (left 31.01.2025)	8/11	73
Maurya Cushlow	Interim Group Chief Nurse (left 31.03.2025)	2/2	100
Neil Atkinson	Group Managing Director	11/12*	92
Rachael Metcalf	Group Chief People Officer	12/12*	100
Susannah Cook	Group Chief People Officer (left 31.08.2025)	4/5	80
Chris Hand	Group Chief Finance Officer	11/11	100
Matt Neligan	Group Chief Strategy Officer (appointed 14.10.2024)	4/4	100

*attended the unitary board meetings of both trusts, in addition to group board

Declaration of Interests of the Board of Directors

An annual review of the Board of Directors' Register of Interests takes place alongside the annual review of the Fit and Proper Person Test requirements. In addition, at every key meeting of the Trust including Board of Directors, Council of Governors and Board Committees, there is a standing agenda item, which requires members to declare any conflict of interest in relation to agenda items or any changes to their registered interests. The Register of Board interests is available for public inspection via the Trust's website.

Better Payment Practice Code

Unless other terms are agreed, we are required to pay our creditors within 30 days of the receipt of goods or a valid invoice, whichever is later. This is to ensure that we comply with the Better Payment Practice Code. The Trust's performance against this metric is shown as follows:

Non NHS	NHS
Target: 95%	Target: 95%
Result by number: 97.6%	Result by number: 93.7%
Result by value: 98.8%	Result by value: 99.7%

A detailed breakdown of the figures is shown below:

	2024/25		2023/24	
	Number	£000	Number	£000
Total non NHS trade invoices paid in the year	71,378	186,519	68,223	166,033
Total non NHS trade invoices paid within target	69,698	183,210	66,267	162,194
% of non NHS trade invoices paid within target	97.6%	98.8%	97.1%	97.7%
Total NHS trade invoices paid in the year	703	28,733	590	22,387
Total NHS trade invoices paid within target	659	28,648	546	22,314
% of NHS trade invoices paid within target	93.7%	99.7%	92.5%	99.7%

Interest paid under the Late Payment of Commercial Debts (Interest) Act 1998 amounted to £1,434.

Income disclosures

In 2024/25, the trust met the requirement that income from the provision of goods and services for the purposes of the Health Service in England must be greater than its income from the provision of goods and services for any other purposes as defined under section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012).

All net income from the provision of goods and services for other purposes has been re-invested back into frontline healthcare for the benefit of patients.

NHS England's Well Led Framework

The trust was inspected by the Care Quality Commission during 2022, which included a Well Led inspection. The report concluded that the ratings had changed from 'good' to 'requires improvement' with 13 trust wide 'must do' actions identified.

Following the inspection findings we commissioned an independent governance review in December 2022, which was undertaken by the Good Governance Institute (GGI). The review focused on governance systems, management of risks and our responsibility for maintaining a sound system of internal control and governance that supports the delivery of strategy within the context of system working and the achievement of our strategic aims and objectives, and that those systems remain fit for purpose.

GGI undertook the review between March and May 2023, which focused on seven key themes:

- Board membership & profile
- Governance structures
- Board and committee business
- Assurance and reporting
- Risk management
- Accountability
- Communications and stakeholder engagement

A final report was issued in July 2023, which contained 24 recommendations to strengthen existing governance systems and processes. These were agreed and a work plan was developed to support and evidence the implementation of the recommendations. This process was supported by a non-executive lead who provided robust oversight and challenge to the implementation of the governance work plan.

During 2024/25, the trust has made significant progress as part of Group arrangements with South Tees Hospitals NHS Foundation Trust. There has been a key focus on maintaining robust governance arrangements during the year and this links to a previous report on Good Governance that was undertaken on behalf of the Trust by the Good Governance Institute (report issued in 2023). The trust reported that 13 recommendations had been implemented and 11 remained ongoing. As part of Group arrangements, all recommendations have been implemented and a final update will be provided to a Board meeting in early 2025/26 to confirm this position.

On 2 August 2023, NHS England published revised requirements in respect of the Fit and Proper Person Test (FPPT) for board members following recommendations in the Kark Review (2019). A FPPT Framework has been introduced, which sets out new and more comprehensive requirements both for new board appointments and annual review. The purpose of strengthening the FPPT is to prioritise patient safety and good leadership within NHS organisations. A portfolio of evidence is required for board members to demonstrate meeting the requirements as well as highlighting those deemed unfit and preventing them from moving between NHS organisations. We have developed new procedures, checklists and templates for collation and collection of information in order to ensure compliance with the national framework, including an attestation form, reference template and appraisal documentation. The new check process for the FPPT has been carried out for all current board members and Directors employed by The trust and was issued on 6 October 2023.

In addition, NHS England has also published a new leadership competency framework (LCF) for board members of provider organisations in response to a recommendation from the FPPT

review. It will be applicable for board member recruitment, appraisals and will inform future board leadership and management training. Along with South Tees Hospitals NHS Foundation Trust, we are looking to be early adopters of the framework.

Statutory statement required within the Directors' Report

North Tees & Hartlepool NHS Foundation Trust has complied with the cost allocation and charging requirements set out in the HM Treasury and Office of Public Sector Information guidance.

A statement describing adoption of the Better Practice Code is included within the Annual Report. Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) requires that income from the provision of goods and services for the purposes of the health service in England must be greater than its income for the provision of goods and services for any other purpose. The trust can confirm it has met these requirements.

All Directors of the trust have undertaken to abide by the provisions of the Code of Conduct for board level directors; this includes ensuring that, at the time that this Annual Report is approved:

- So far as each director is aware, there is no relevant audit information of which the NHS Foundation Trust's auditor is unaware
- Each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the NHS Foundation Trust's auditor is aware of that information
- The provisions of the Code of Conduct also require each Director to confirm, they have undertaken all the steps that they ought to have taken as a Director in order to do the things mentioned above
- Made such enquiries of their fellow directors and of the trust's auditors for that purpose
- Taken such other steps (if any) for that purpose, as are required by their duty as a director of the company to exercise reasonable care, skill and diligence.

Foundation trust membership

The trust's membership was established following our authorisation as a foundation trust on 1 December 2007. Since that time, we have continued to engage with our members and the wider public to ensure that the views of local people and those across the wider populations that we serve are represented and help us to shape our services for the future.

We communicate with our members regularly through a variety of channels to keep them updated about our news and other developments, through social media, the trust website and our weekly members bulletin.

The membership consists of core public members across a variety of constituent areas, non-core public members and staff members. Public members must be at least 16 years of age and live within one of the constituencies:

- Stockton
- Hartlepool

- Easington
- Sedgefield
- Out of Trust Area/Rest of England (this is any other area outside of the core constituent areas within England)

Staff members are any individuals who have been employed by the trust or subsidiary organisation for 12 months or more. When joining the trust, staff automatically become members unless they choose to opt out.

As at 31 March 2025, the trust had 11,514 members, comprising 4,923 public members and 6,587 staff members.

The tables below provide details of NTHFT's membership:

Constituency	Number of members as at 31 March 2025	Members as at 31 March 2024
Stockton	2,146	2,202
Hartlepool	1,396	1,417
Easington	712	727
Sedgefield	394	407
Rest of England/Out of Area	275	282
Total:	4,923	5,035

Further information about the trust membership can be found on our website: [About our membership - North Tees and Hartlepool NHS Foundation Trust](#) or by emailing: Nth-tr.membership@nhs.net.

Council of Governors

The Council of Governors directly represents the interests of members, staff, and the wider population to ensure the needs of the population are met. The Council of Governors forms an integral part of our governance structure and supports the development of forward plans and services.

The Council of Governors has a number of statutory duties, which include:

- Appointment and removal of the Chair and other Non-Executive Directors
- Approving the appointment of the Chief Executive
- Deciding the remuneration of the Chairman and Non-Executive Directors
- Appointment and removal of the trust's external auditors
- Receiving the trust's Annual Report and Accounts
- Hold the Non-Executive Directors collectively to account for the performance of the board
- Approving amendments to the trust's constitution

- Approval of significant transactions
- Approval of any application for merger, acquisition, separation or dissolution

The Council of Governors comprises 39 governors who represent the trusts' public and staff constituencies and those stakeholder organisations who nominate individuals to become appointed Governors. The table below provides details of the trust Council of Governors.

11 Public Governors from Stockton	6 Public Governors from Hartlepool
2 Public Governor from Sedgefield	2 Public Governors from Easington
1 Non-Core Public Governor from other areas	11 Appointed Governors
6 Staff Governors	

We continue to work closely with our partnership organisations, including local authorities, universities and Healthwatch as we develop our strategic ambitions for the Tees Valley to ensure we are delivering the best care and services to our population in the right place at the right time.

The Health and Care Act 2022 removed legal barriers for organisations to work closer together in partnership across a wider geographical footprint. To support this, the duties of Council of Governors were expanded to represent the interests of the wider public, not just members of the trust.

To support the increased joint working between the trust and South Tees some meetings of the Council of Governors during 2024/25 have been held 'in common', although each trust remains an individual statutory organisation with its own Constitution. An exercise was undertaken in early 2024 to review the constitutions of both trusts to reflect changes to powers set out in the Health and Care Act 2022 and minor stylistic changes supporting greater alignment of the documents.

There were a number of changes to the Council of Governors during 2024/25, including elections that were held. Details of the changes that occurred are described in the following table:

Governor	Constituency	Elected	Number of terms	Term due to end/ended	Council of Governor meeting Attendance
Public elected governors					
Anne Johnston	Stockton	1 Dec 2020	2	30 Nov 2026	4/7 57%
Elliott Kennedy	Stockton	1 Dec 2023	1	30 Nov 2026	2/7 29%
Patrick Kimmit	Stockton	1 Jul 2024	1	30 Jun 2027	3/6 50%
Allan Fletcher	Stockton	1 Jul 2024	1	30 Jun 2027	0/6 0%
Melanie Fordham	Stockton	1 Jul 2024	1	30 Jun 2027	3/6 50%
Lynda White	Stockton	1 Dec 2021	2	30 Nov 2027	7/7 100%
Clive Collier	Stockton	1 Dec 2024	1	30 Nov 2027	1/1 100 %

Anthony Taylor	Stockton	1 Dec 2024	1	30 Nov 2027	1/1 100 %
Andrew Tingle	Stockton	1 Dec 2024	1	30 Nov 2027	1/1 100 %
Mark White	Stockton	1 Dec 2015	3	30 Nov 2024	2/5 40%
Janet Atkins	Stockton	1 Dec 2009	3	30 Nov 2024	0/5 0%
Mark Davies	Stockton	1 Dec 2023	1	19 Sep 2024	0/4 0%
Robbie Harris	Stockton	1 Dec 2023	1	19 Sep 2024	0/4 0%
Mike Scanlon	Hartlepool	1 Dec 2022	1	30 Nov 2025	5/7 71%
Misra Bano-Mahroo	Hartlepool	1 Jul 2024	1	30 Jun 2027	4/6 67%
Allan Kellehear	Hartlepool	1 Jul 2024	1	30 Jun 2027	2/6 33%
Anne Holt	Hartlepool	1 Jul 2024	1	30 Jun 2027	3/6 50%
Pam Shurmer	Hartlepool	1 Jul 2024	1	30 Jun 2027	1/6 17%
Terrence Hegarty	Hartlepool	1 Dec 2024	1	30 Nov 2027	1/1 100 %
George Lee	Hartlepool	1 Dec 2015	3	30 Nov 2024	0/5 0%
Allison Usher	Sedgefield	1 Dec 2022	1	30 Nov 2025	7/7 100%
Paul Frame	Sedgefield	1 Dec 2024	1	30 Nov 2027	1/1 100 %
June Black	Easington	1 Dec 2023	1	30 Nov 2026	1/7 14%
Sarah Moule	Easington	1 Dec 2023	1	30 Nov 2026	5/7 71%
Angela Warnes	Public (non-core)	1 Dec 2020	2	30 Nov 2026	7/7 100%
Staff elected governors					
Steven Yull		1 Dec 2015 & 2022	2	30 Nov 2025	5/7 71%
Natalie Wintersgill		1 Jul 2024	1	30 Jun 2027	5/6 83%
Jennifer Jones		1 Jul 2024	1	30 Jun 2027	3/6 50%
Ashwini Gaur		1 Dec 2024	1	30 Nov 2027	0/1 0%
David Russon		1 Dec 2018	3	30 Nov 2027	7/7 100%
Andrew Simpson* stood down as elected Governor to become appointed representative.		1 Dec 2019	2	24 Jun 2024	3/7 43%

Appointed/Partnership Governors

Governor	Partner organisation	Date appointed	Council of Governor meeting attendance
Cllr Steve Nelson	Stockton Borough Council	8 Jun 2022	2/7 29%

Cllr Aaron Roy	Hartlepool Borough Council	22 May 2024	2/6 33%
Cllr Andrew Martin-Wells	Hartlepool Borough Council	Stood down 21 May 2024	0/1 0%
Cllr Chris Hood	Durham County Council	6 Apr 2023	1/7 14%
Dr Ann French	University of Teesside	5 May 2024	3/7 43%
Prof Tim Thompson	University of Teesside	Stood down 30 April 2024	-
Andy Simpson	University of Newcastle	25 Jun 2024	3/7 43%
Natasha Judge	Stockton Healthwatch	12 October 2021	1/7 14%
Christopher Akers-Belcher	Hartlepool Healthwatch	19 October 2021	3/7 43%

The cost for Council of Governors meetings and expenses, including travel and subsistence was £521.50 for 2024/25 and £952 for 2023/24.

Council of Governor meetings

Council of governors meetings are meetings held in public, unless the items of business require a private discussion. During 2024/25, seven Council of Governors meetings were held, these included combined meetings in common with South Tees Council of Governors including three extra ordinary meetings and singular meetings with the trust's Council of Governors for unitary matters of business.

- 21 May 2024
- 16 July 2024
- 30 July 2024 (extra ordinary)
- 21 August 2024 (extra ordinary)
- 21 November 2024
- 8 January 2025 (extra ordinary)
- 25 February 2025

Council of Governor committees

The Council of governors delegates some of its powers to Committees and working groups to consider items of business on behalf of the Council of governors, one of which is a statutory committee, the Nominations Committee. The work of the Nominations Committee is detailed further in this section. Other groups established during the year included the External Audit Working Group and Quality Account Group.

Governor development and engagement

Throughout the year, governors have been given the opportunity to take part in a variety of development and engagement sessions to further support them in their role. These have included formal inductions for new Governors, access to external events and development sessions covering a range of topics held prior to Council of Governor meetings. In August 2024, a joint Governor Induction session was held with South Tees for the first time.

A Governor Handbook has also been developed as a useful reference guide, containing comprehensive information and resources to support all our governors to undertake their role within the Council of governors and wider communities.

One of the key roles of a governor is to engage with and represent the interests of members and the public to gather their views and to communicate information about the trust. There are a number of ways members of the trust and members of the public can communicate with the Council of governors:

Telephone: [01642 624506](tel:01642624506)

Email: nth-tr.membership@nhs.net

Write to your Governor at:

[Membership Office](#)
[4th floor, North Wing](#)
[University Hospital of North Tees](#)
[Hardwick](#)
[Stockton on Tees](#)
[TS19 8PE](#)

The Board of Directors' relationship with the Council of Governors

The board of directors and council of governors strive to work together effectively in their respective roles. During the year, the Lead Governors and Vice Chairs of the trust and South Tees have worked closely with the Chair and Company Secretary to ensure topical issues and key matters of business form part of the Council of Governors meeting agendas. The Non-Executive Directors continue to take a lead in providing assurance to the Council of Governors regarding the work of the board. They attend all meetings and share the work of the committees by providing chairs logs. In addition, the group chief executive supported by other members of the executive team, as required attend the meetings to provide valuable updates about the work of the trust and Group development to ensure Governors are fully appraised regarding the strategic direction.

To further support gaining the appropriate level of assurance regarding the operation of the board and wider trust, governors are encouraged to attend the public board meetings to gain a broader understanding of discussion taking place at board level, to observe the decision-making processes and challenge by the non-executive directors.

Declaration of Interests of the Council of Governors

All governors are required to comply with the Council of governors Code of Conduct and to declare any interests that may result in a potential conflict in their role as governor of the trust, a

process that is repeated annually and recorded on a register of interests. In addition, at every meeting of the Council of governors there is a standing agenda item, which requires governors to declare any conflict of interest in relation to agenda items or any changes to their registered interests. The Register of governors' interests is held by the company secretary and is available for public inspection via the following address:

**Membership Office, University Hospital of North Tees,
Hardwick, Stockton on Tees, TS19 8PE**

Nominations Committee

The Nominations Committee is a statutory committee responsible for the recruitment, remuneration, terms and conditions, appointment/re-appointment or removal of the Group Chair and Non-Executive Directors. In addition, the Committee has oversight of the annual appraisal process for the group chair and non-executive directors and supports succession-planning proposals for the board. The committee has a membership representative of elected and appointed governors and is chaired by the group chair, except if matters relating to their appointment or remuneration are being discussed. The Senior Independent Director is invited to the committee to provide support and advice along with the company secretary.

The committee acts on behalf of the Council of governors and is responsible for taking forward recommendations to the Council of governors for formal ratification. During 2024-25, the committee met on four occasions, with three meetings held in common with the South Tees nominations committee. Items of business considered included:

- Group chair appraisal for 2024-25 and agree a process for 2025-26
- Group Senior Independent Director appointment
- Non-executive director appraisal process
- Considered succession plans and terms of office
- Reviewed remuneration and terms of service for non-executive directors
- Received assurance on compliance with Fit and Proper Persons
- Group chair and non-executive director re-appointment proposals
- Governor removal proposal

Attendance information for the Nominations Committee meetings is below.

Members		Total number attended	% attendance
Professor Derek Bell	Group Chair	3/4	75%
Ada Burns	Group Non-Executive Director / Senior Independent Director	2*	N/A
Chris Macklin	Group Non-Executive Director / Senior Independent Director	1*	N/A

Ann Baxter	Group Non-Executive Director/Vice Chair	1*	N/A
Ali Wilson	Group Non-Executive Director/Vice Chair	1*	N/A
Janet Crampton	Elected Governor / Lead Governor	3/3	100%
Zahida Mian	Elected Public Governor	3/3	100%
Sarah Essex	Elected Staff Governor	2/3	66%
Rebecca Hodgson	Elected Public Governor	1/3	33%
David Russon	Elected Staff Governor	1/4	25%
Mike Scanlon	Elected Public Governor	4/4	100%
Andy Simpson	Appointed Governor	1/1	100%
Lynda White	Elected Public Governor	3/4	75%
Jon Winn	Elected Public Governor	3/3	100%
Angela Warnes	Elected Public Non-Core Governor	3/4	75%
Allison Usher	Elected Public Governor	2/4	50%
Jean Milburn	Elected Public Governor	1/3	33%
Mark White	Elected Public Governor	1/3	33%
Christopher Akers-Belcher	Appointed Governor	3/4	75%

* attendance is by invitation and not mandatory

External Audit Working Group

It is a legal requirement for all NHS foundation trusts to have an external audit service provider and it is a statutory duty of the Council of Governors to appoint or remove the Trust's external auditors. The current contract with the Trust's external auditors, Forvis Mazars will conclude with the auditing of the 2024/25 Annual Report and Accounts. Similarly, the external auditors for North Tees, Deloitte would also conclude after the 2024/25 audit process.

To oversee and support a single joint procurement exercise between the two trusts, External Audit Working Groups were established and convened 'in common' to review the bids received. Following a consensus scoring exercise a recommendation to appoint an external audit provider was presented to an extra ordinary meeting in common of the two Council of Governors on 8 January 2025 where Forvis Mazars were successfully awarded the contract to provide external audit services to the Trust and North Tees and Hartlepool with effect from 1 January 2026. The contract would commence with the 2025/26 audit and conclude with the 2028/29 audit. Separate arrangements were made for the subsidiary companies and charities of each trust.

Annual Remuneration Report

Annual Statement on Remuneration

We present on behalf of the Board of Directors' Remuneration Committee the Trust's Remuneration Report for the financial year ending on 31st March 2025. The Remuneration Committee is a committee of the Board and is responsible for the recruitment, succession planning and remuneration of the Executive Directors and other Directors.

In accordance with the requirements of the HM Treasury Financial Reporting Manual (FReM) and NHS Improvement, we have divided this Remuneration Report into the following parts:

- An annual statement on remuneration from the Remuneration Committee;
- Senior Managers' Remuneration Policy; and
- Annual Report on Remuneration.

The process the trust uses for assessing the performance of its Chief Executive and Directors is determined by the Remuneration Committee and is reviewed annually to ensure it is fit for purpose and meets current good practice for Board Directors. The trust's policy on pay is that it will, for all staff groups, endorse any national proposals for pay, subject to the trust being able to afford to pay any changes/increases.

The trust remuneration committee aims to ensure that executive directors and directors remuneration is set appropriately. The committee takes into account relevant market conditions to ensure executive directors and directors are remunerated appropriately and that their pay is reasonable and comparable to other executive director and director pay.

The committee was assured that salaries above the threshold displayed within the Remuneration table within the Accountability Report are reasonable and comparable to other Executive Director and Director pay.

The Chief Executive and Executive Directors receive a fixed salary which is reviewed annually and determined by independent benchmarking against NHS organisations throughout the country with the use of NHS Provider benchmarking information, NHS Annual Reports and Accounts and knowledge of job descriptions, person specifications and market pay.

Executive Directors and Directors are substantive employees and their contracts can be terminated by either party giving notice of six months.

For the purpose of this Remuneration Report only voting members of the board are considered as 'senior managers'.

Due regard is also given to the diversity and complexity of the roles undertaken by the Directors when reviewing and benchmarking pay against comparators. Any pay changes/increases will always be subject to formal review of both the individual director's performance and the trust's performance, taking cognisance of the national framework for pay.

The Remuneration committee considers the key business objectives as set out in the trust strategic objectives and Improvement Plan allocated to each director through the appraisal process. Performance is closely monitored and discussed through both an annual and on-going

appraisal process. The chief executive takes a lead on the evaluation of directors and the chairman takes the lead on the chief executive's performance.

During 2024/25, appraisals were held with the chief Executive and each director and all senior managers' remuneration is subject to satisfactory performance.

Major decisions on remuneration in 2024/25:

- Salary agreed for interim Managing Director LLP
- Hospital leadership framework agreed and the salaries for Chief Operating Officer, Director of Nursing, and Medical Director
- VSM pay award of 5% be implemented and backdated to 1 April 2024 or appointment date as appropriate be awarded to the Managing Director of NTH Solutions.
- 6 month extension to the secondment agreement between North Tees and Hartlepool NHS Foundation Trust and the North East North Cumbria Integrated Care Board for the Interim Director of Finance agreed.

Major Decisions on Remuneration in 2024/25 made in common with South Tees Hospitals NHS Foundation Trust:

- Appointment of Group Director of Estates, Group Chief Information Officer, Interim Group Chief Nurse, Group Chief Nurse and Group Chief Strategy Officer agreed
- Salary for Group Director of Estates, Group Chief Information Officer, interim Group Chief Nurse and Group Chief Nurse agreed
- Notice period for the Group Director of Estates and Group Chief Information Officer posts be increased from three months to six months in line with voting Group Executive Directors.
- Salary for the Group Chief Medical Officer, Group Chief Nursing Officer, Group Managing Director, Group Chief Finance Officer, and Group Chief People Officer agreed and remunerated on the median point plus 5% .
- VSM pay award of 5% be implemented and backdated to 1 April 2024 or appointment date as appropriate.
- Receive the Executive Director and Director appraisal report
- Receive the CEO appraisal report
- Voluntary Severance policy approved

The Committee met on nine (9) occasions during the period of the 1 April 2024 to 31 March 2025.

		Total number attended	% attendance
Professor D Bell	Group Chairman	9/9	100%
Ms A Wilson	Group Vice Chair	7/9	78%

Ms A Baxter	Group Vice Chair	7/9	78%
Ms C Macklin	Group Non Executive Director / Senior Independent Director NTH	8/9	89%
Mr M Dias	Group Non-Executive Director	8/9	89%
Ms M Davidson	Group Non-Executive Director	6/9	67%
Ms F Scullion	Group Non-Executive Director	9/9	100%
Professor L Barnes	Group Non-Executive Director	6/9	67%
Mr K Readshaw	Group Non-Executive Director	4/9	44%
Ms A Fellows	Group Non-Executive Director	5/9	56%
Ms A Burns	Group Non Executive Director / Senior Independent Director STH	7/9	78%
Mr D Redpath	Group Non-Executive Director	3/9	33%

The Remuneration Committee fulfil their responsibilities and report to the Board of Directors.

Signed:

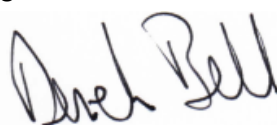


Stacey Hunter

Group Chief Executive and Accounting Officer

Date: 25 July 2025

Signed:



Professor Derek Bell OBE

Group Chair

Senior manager remuneration and benefits

The Remuneration Committee is committed to ensuring The trust is able to offer proportionate and fair remuneration packages, reflective of the responsibility of working in a large and complex environment and to promote the long-term sustainable success of The trust by attracting, recruiting and retaining high calibre staff in a competitive marketplace.

It considers the prevailing market conditions, benchmarks pay and employment conditions against appropriate peer, national and regional comparators and the trust workforce. When appointing directors and executive directors to the trust, the Remuneration Committee aligns with The trust's strategy to deliver workforce race equality standards, workforce disability equality standards and increase inclusive leadership. The trust values and promotes diversity and is committed to equality of opportunity for all. The trust believes that the best boards are those that reflect the communities they serve, and applications are particularly welcomed from women, people from the local black and minority ethnic communities, and disabled people who we know are under-represented in senior manager roles.

The remuneration committee always considers the pay and terms and conditions of service of all Trust employees when making any decisions relating to the executive directors' pay and conditions. This is to ensure that levels of responsibility and experience are reflected appropriately, take account of pay surveys conducted by NHS Providers, as well as comparisons with other North East trusts and consider any national inflationary pay awards awarded to agenda for change/medical and dental staff.

NHS England outlined recommendations for the 2024/25 annual pay increase for very senior managers in September 2024. The Remuneration Committee agreed to award 5% for all very senior managers backdated to 1 April 2024 in line with the guidance.

Details of directors' remuneration and pension entitlements for the year ending 31 March 2025 are published in this Remuneration Report and the Annual Accounts section.

The authority and responsibility for controlling major activities is retained by the statutory Board of Directors who have voting rights. This includes the voting executive and voting non-executive directors (including the chairman).

Pension arrangements for the chief executive and executive directors are in accordance with reference to NHS Pension Scheme, the accounting policies for pensions and relevant benefits are set out in the following tables:

There are no components to senior manager salaries other than those disclosed within the tables in this report. Total remuneration includes salary, non-consolidated performance-related pay and benefits in kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions for 2024/25. There have been no special contractual compensation provisions attached to the early termination of a senior manager's contract of employment and there has been no payment for compensation for loss of office paid or receivable under the terms of an approved compensation scheme.

Service contract obligations

Director and executive director service contracts do not include obligations on the Foundation Trust which could give rise to or impact on remuneration payments or payments for loss of

office. Trust does not make payments for loss of office outside the standard contract terms included in the employment contracts of senior managers.

Policy on payment for loss of office

The members of the executive team are appointed on permanent contracts with a notice period of six months for them to serve and a period of three months for the trust to serve.

The chief medical officer's salary is in accordance with the terms and conditions of the National Health Service consultant contract plus a responsibility allowance payable for the duration of office which is three years.

Early termination by reason of redundancy is in accordance with the provision of the NHS redundancy arrangements and in accordance with the NHS pension scheme. Employees above the minimum retirement age that request termination by reason of early retirement are subject to the normal provisions of the NHS pension scheme.

Element	Link to strategy	Operation	Maximum	Changes
Base salary	To set a level of reward for performing the core role. To provide a competitive salary relative to comparable healthcare organisations in terms of size and complexity.	The aim is to offer benchmarked salary which the Committee consider appropriate for experience and performance	There is no prescribed maximum annual increase. When reviewing salaries, the Committee take account of personal and organisational performance and any national award offered to the wider employee population	No
Taxable benefits	The current remuneration policy of the Trust does not make provision for taxable benefits or performance related bonuses unless specifically agreed by the Remuneration Committee on a case-by-case basis.			
Annual performance related bonuses				
Pension related benefits	To provide pensions in line with NHS Policy	Directors are automatically enrolled in the NHS pension scheme on the same basis as all other colleagues with the NHS	Pension arrangements for the Chief Executive and Executive Directors and Directors are in accordance with the NHS pension scheme. The accounting policies for pensions and other relevant benefits are set out in the note 1.5 to the accounts	No

Directors' costs table 2024/25 (subject to audit)

Figures below are for the 12-month period from 1 April 2024 to 31 March 2025 for comparison purposes a table showing figures for the prior year is also included.

Name and Title	To 31 March 2025						
	Salary	Expense payments (taxable)	Other Remuneration	Performance pay and bonuses	Long term performance pay and bonuses	All Pension Related Benefits	Total Remuneration
	(bands of £5000) £000	£'s To the nearest £100	(bands of £5000) £000	(bands of £5000) £000	(bands of £5000) £000	(bands of £2500) £000	(bands of £5000) £000
Ms Stacey Hunter, Group Chief Executive	130-135	0	0	0	0	195-197.5	325-330
Mr Neil Atkinson , Group Managing Director from 05.04.24, previously Trust Managing Director	95-100	1,500	0	0	0	102.5-105	200-205
Mr Chris Hand, Group Chief Finance Officer from 05.04.24	90-95	1,500	0	0	0	75-77.5	170-175
Ms Kate Hudson-Halliday, Interim Director of Finance from 01.04.24 to 04.04.24.	0-5	0	0	0	0	0-2.5	0-5
Dr Mike Stewart, Group Chief Medical Officer	120-125	500	0	0	0	0	120-125
Ms Maurya Cushlow, Interim Group Chief Nurse from 13.01.25 to 31.03.25	10-15	0	0	0	0	0	10-15
Dr Hilary Lloyd, Group Chief Nurse from 05.04.24 to 31.01.25	70-75	0	0	0	0	17.5-20	90-95
Ms Lindsey Robertson, Site Chief Nurse / Director of Patient Safety & Quality left 14.04.24. Voting member from 01.04.24 - 04.04.24	5-10	0	0	0	0	0	5-10
Mrs Rachael Metcalf, Group Chief People Officer from 05.04.24	75-80	1,500	0	0	0	77.5-80	155-160
Dr Susannah Cook, Group Chief People Officer moved to Group role 05.04.24 and left 31.08.24. Include as voting member from 01.04.24 - 04.04.24.	25-30	0	0	0	0	0-2.5	30-35
Mr Steve Taylor, Group Director of Estates from 01.07.24	45-50	300	0	0	0	87.5-90	135-140
Mr Ken Anderson, Group Chief Information Technology Officer from 01.05.24 but was site CITO from 01.04.24 - 30.04.24.	70-75	0	0-5	0	0	15-17.5	90-95
Mr Stuart Irvine, Group Director of Risk, Assurance & Compliance	60-65	1,300	0	0	0	47.5-50	110-115
Mrs Jackie White, Group Head of Governance/Company Secretary	60-65	0	0	0	0	7.5-10	65-70
Mrs Ruth Dalton, Group Director of Communications	55-60	3,100	0	0	0	12.5-15	70-75
Mr Matthew Neligan, Group Chief Strategy Officer from 14.10.24	40-45	0	0	0	0	25-27.5	65-70
Dr Anandapuram Dwarakanath, Site Medical Director from 01.07.24	205-210	800	0	0	0	35-37.5	240-245
Dr Elaine Gouk, Interim Site Medical Director to 30.06.24	45-50	0	0	0	0	2.5-5	50-55
Mrs Rowena Dean, Site Chief Operating Officer	130-135	0	0	0	0	77.5-80	210-215
Ms Beth Swanson, Site Director of Nursing from 30.09.24	60-65	0	0	0	0	92.5-95	155-160
Mrs Linda Hunter, Director of Planning and Performance left 26.05.24	150-155	0	25-30	0	0	0	180-185
Mr Michael Houghton, Director of Transformation to 21.07.24 and Interim Managing Director, NTH Solutions LLP from 22.07.24	130-135	800	0	0	0	222.5-225	360-365
Mr Michael Worden, Managing Director NTH Solutions left 4th March 2025	135-140	3,000	5-10	0	0	0	145-150
Prof Derek Bell, Group Chair	40-45	400	0	0	0	0	40-45
Ms Ann Baxter, Group Vice Chair	10-15	0	0	0	0	0	10-15
Mr Christopher Macklin, Group Non-Executive Director	5-10	0	0	0	0	0	5-10
Mrs Alison Fellows (Care), Group Non-Executive Director	5-10	0	0	0	0	0	5-10
Prof Elizabeth Barnes, Group Non-Executive Director	5-10	0	0	0	0	0	5-10
Mrs Fay Scullion, Group Non-Executive Director	5-10	0	0	0	0	0	5-10
Ms Ali Wilson, Group Vice Chair from 05.04.24	10-15	0	0	0	0	0	10-15
Ms Ada Burns, Group Non-Executive Director from 05.04.24	5-10	0	0	0	0	0	5-10
Ms Miriam Davidson, Group Non-Executive Director from 05.04.24	5-10	0	0	0	0	0	5-10
Mr David Redpath, Group Non-Executive Director from 05.04.24	5-10	0	0	0	0	0	5-10
Mr Ken Readshaw, Group Non-Executive Director from 05.04.24	5-10	0	0	0	0	0	5-10
Mr Mark Dias, Group Non-Executive Director from 05.04.24	5-10	0	0	0	0	0	5-10
Mrs Alyson Gerner, Group Associate Non-Executive Director Non-voting member	0-5	0	0	0	0	0	0-5
Prof Rudy Bilous, Group Associate Non-Executive Director Non-voting member	0-5	0	0	0	0	0	0-5
Mr Ian Simpson, Subsidiaries Chair for North Tees and Hartlepool Solutions LLP and Optimus Health Ltd.	15-20	0	0	0	0	0	15-20

Directors' costs table 2023/24

NOTES:

- 1 All taxable benefits relate to cars and are expressed in £000's. The method of calculating benefits in kind is based upon HMRC guidance and uses the CO2 emissions rate of the vehicle and the type of fuel used.
- 2 Ms Stacey Hunter, Group Chief Executive of North Tees and Hartlepool NHS Foundation Trust and South Tees Acute Hospitals NHS Foundation Trust. North Tees and Hartlepool NHS Foundation Trust pay Ms Hunter's salary in full and recharge 50% to South Tees Acute Hospitals NHS Foundation Trust. Full salary value is £41,666.66 and the recharge to South Tees Acute Hospitals NHS Foundation Trust for 2023/24 is £20,833.33.
- 3 Mr Neil Atkinson , Director of Finance / Managing Director was both Accountable Officer and Director of Finance from 01.04.23 to 31.05.23.
- 4 Ms Kate Hudson-Halliday, Interim Director of Finance is charged to the Trust in full via invoice from NHS North East and North Cumbria Integrated Care Board.
- 5 Dr Elaine Gouk, became Acting Chief Medical Officer on 05.09.23. £50,131.63 of the remuneration included in the table does not relate to the Chief Medical Officer position.
- 6 Dr Anandapuram Dwarakanath, Chief Medical Officer was stood down 05.09.23. Dr Anandapuram Dwarakanath is over NRA for the existing benefits scheme but not for the 2015 scheme therefore a CETV calculation is only applicable on the 2015 scheme. £30,103.15 of the remuneration included in the table does not relate to the Chief Medical Officer position.
- 7 Mrs Rowena Dean, became Acting Chief Operating Officer on 24.04.23.
- 8 Mr Levi Buckley, Chief Operating Officer left 30.04.23.
- 9 Ms Lindsey Robertson, Chief Nurse / Director of Patient Safety & Quality left 14.04.24 and salary includes voluntary redundancy £160k and payment in lieu of notice £68k.
- 10 Mr Michael Houghton, became Director of Transformation on 10.07.23 and previously worked in another role within the Trust.
- 11 Mr Ken Anderson, Chief Information Technology Officer became Chief Information Technology Officer on 30.10.23.
- 12 Mrs Gillian Colquhoun, Interim Chief Information and Technology Officer left 30.06.23.
- 13 Mr Stuart Irvine, became Director of Strategy, Assurance and Compliance / Company Secretary on 10.07.23 and previously worked in another role within the Trust.
- 14 Mr Michael Worden, Managing Director North Tees and Hartlepool Solutions LLP, is not a member of the NHS Pension Scheme therefore there is no entry in respect of pensionable remuneration shown.
- 15 Prof Derek Bell, Joint Chair of North Tees and Hartlepool NHS Foundation Trust and South Tees Acute Hospitals NHS Foundation Trust. North Tees and Hartlepool NHS Foundation Trust pay Prof Bell's salary in full and recharge 50% to South Tees Acute Hospitals NHS Foundation Trust. Full salary value is £80,000.04 and the recharge to South Tees Acute Hospitals NHS Foundation Trust for 2023/24 is £40,000.02. Expenses are also split 50:50.
- 16 Ms Ann Baxter, Non Executive / Vice Chair, became Vice Chair 01.04.23

- 17 Mr Stephen Hall, Non Executive / Vice Chair, resigned as Vice Chair 31.03.23. Appointed on a zero hours contract as an Advisor (non-board member) 01.04.23 – 30.09.23
- 18 Mr Ian Simpson, Subsidiaries Chair for North Tees and Hartlepool Solutions LLP and Optimus Health Ltd. Interim appointment effective 20.03.23 and substantive appointment 01.04.24
- 19 Mr James Bromiley, Non Executive, appointed as Non Executive Director between 01.02.23 – 31.07.23. Appointed as Associate Director of Group Development effective 01.08.23.
- 20 Pension - Related Benefits have been calculated in line with the 2019-20 NHS I ARM guidance and have been determined in accordance with the HMRC method of calculating less the amounts paid by employees.
- 21 On 27 April 2023 HM Treasury published updated discount rates for determining the discount rate used in calculating cash equivalent transfer values (CETVs) payable on unfunded public sector pension schemes which have been used in calculating the 23/24 annual reports
- 22 On 1 April 2015, the government made changes to public service pension schemes which treated members differently based on their age. The public service pensions remedy puts this right and removes the age discrimination for the remedy period, between 1 April 2015 and 31 March 2022. Part 1 of the remedy closed the 1995/2008 Scheme on 31 March 2022, with active members becoming members of the 2015 Scheme on 1 April 2022. For Part 2 of the remedy, eligible members had their membership during the remedy period in the 2015 Scheme moved back into the 1995/2008 Scheme on 1 October 2023. This is called 'rollback'. Where a member is affected by rollback, the benefits in respect of their rolled back pensionable service during the remedy period are valued as being in the 1995/2008 Scheme.
- 23 Ms Julie Ann Gillon, Chief Executive stood down as Accountable Officer on 31.03.23 but remained in another role within the Trust until 30.09.23 with a salary of £128,344.41 and a redundancy payment of £160,000 (included in 2022/23 remuneration report)
- 24 The columns above titled restated relate to Dr Elaine Gouk and Mrs Rowena Dean, updated NHS pension information for the total accrued pension at pension age at 31 March 2024; the lump sum at pension age related to accrued pension at 31 March 2024; and the cash equivalent transfer value at 31 March 2024. NHS pensions have provided restated values for these elements in comparison to the values provided in time for the prior year accounts. As a result of these restatements, Dr Elaine Gouk's pension related benefits to 31 March 2024 changed from £297.5k-£300k per the 2023/24 signed Annual Report to £307.5-£310k, an increase of £10k and the total remuneration changed from £405k-£410k to 31 March 2024 per the 2023/24 signed Annual Report to £415k-£420k, an increase of £10k. For Mrs Rowena Dean the pension related benefits to 31 March 2024 changed from £735k-£737.5k per the 2023/24 signed Annual Report to £135k-£137.5k, a decrease of £600k and the total remuneration changed from £850k-£855k to 31 March 2024 per the 2023/24 signed Annual Report to £250k-£255k, a decrease of £600k. For Dr Elaine Gouk only part year of annual pensionable pay was included instead of full year effect and also, the CETV value should have been zero at 31 March 2024 as CETV's will always be quoted as zero when the member is over their normal pension age (60 in 1995 scheme, 65 in 2008 scheme and state pension age in 2015 scheme), or if they have claimed their pension. For Mrs Rowena Dean, there was a transposition error on the annual pensionable pay which resulted in the error.

* In accordance with NHS England's NHS Foundation Trust Annual Reporting Manual s2.39, disclosure is now shown where one or more senior managers are paid more than £150,000. This is the threshold used in the Civil Service for approval by the Chief Secretary to the Treasury, as set out in guidance issued by the Cabinet Office and is considered a suitable benchmark above which NHS foundation trusts should disclose. Every salary approved by the remuneration committee has been appropriately externally benchmarked and salary levels set to ensure we are attracting the right skills and competencies.

** In accordance with NHS England's NHS Foundation Trust Annual Reporting Manual s2.50, where the calculations for Pension-Related Benefits result in a negative value the result should be reported as zero.

The information included above for pension benefits has been supplied by NHS Pensions.

Pension information – subject to audit

The figures below are for the 12-month period from 1 April 2024 to 31 March 2025

Name and title	Real increase in pension at pension age	Real increase in pension lump sum at pension age	Total accrued pension at pension age at 31 March 2025	Lump sum at pension age related to accrued pension at 31 March 2025	Cash Equivalent Transfer Value at 1 April 2024	Real Increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2025	Employers Contribution to Stakeholder Pension
	(bands of £2500) £000	(bands of £2500) £000	(bands of £5000) £000	(bands of £5000) £000	£000	£000	£000	£000
Ms Stacey Hunter, Group Chief Executive	17.5-20	40-42.5	85-90	220-225	1,481	409	2,022	38
Mr Neil Atkinson , Group Managing Director from 05.04.24, previously Trust Managing Director	10-12.5	20-22.5	60-65	155-160	1,090	216	1,400	25
Mr Chris Hand, Group Chief Finance Officer from 05.04.24	7.5-10	12.5-15	55-60	140-145	939	141	1,167	26
Ms Kate Hudson-Halliday, Interim Director of Finance from 01.04.24 to 04.04.24.	0-2.5	0-2.5	50-55	135-140	1,062	1	1,187	0
Dr Mike Stewart, Group Chief Medical Officer	0	0	0	0	0	0	0	0
Ms Maurya Cushlow, Interim Group Chief Nurse from 13.01.25 to 31.03.25	0	0	0	0	0	0	0	0
Dr Hilary Lloyd, Group Chief Nurse from 05.04.24 to 31.01.25	2.5-5	0-2.5	70-75	195-200	1,624	57	1,824	21
Ms Lindsey Robertson, Site Chief Nurse / Director of Patient Safety & Quality left 14.04.24. Voting member from 01.04.24 - 04.04.24	0	0	50-55	140-145	1,182	0	1,209	1
Mrs Rachael Metcalf, Group Chief People Officer from 05.04.24	7.5-10	15-17.5	45-50	115-120	738	152	960	21
Dr Susannah Cook, Group Chief People Officer moved to Group role 05.04.24 and left 31.08.24. Include as voting member from 01.04.24 - 04.04.24.	0-2.5	0	40-45	100-105	785	2	860	8
Mr Steve Taylor, Group Director of Estates from 01.07.24	7.5-10	20-22.5	50-55	140-145	869	187	1,191	13
Mr Ken Anderson, Group Chief Information Technology Officer from 01.05.24 but was site CITO from 01.04.24 - 30.04.24.	2.5-5	0	5-10	0	65	28	114	19
Mr Stuart Irvine, Group Director of Risk, Assurance & Compliance	5-7.5	7.5-10	30-35	75-80	489	87	621	15
Mrs Jackie White, Group Head of Governance/Company Secretary	0-2.5	0	40-45	100-105	795	20	882	16
Mrs Ruth Dalton, Group Director of Communications	0-2.5	0	10-15	0	104	18	143	16
Mr Matthew Neligan, Group Chief Strategy Officer from 14.10.24	2.5-5	2.5-5	60-65	155-160	1,127	55	1,344	12
Dr Anandapuram Dwarakanath, Site Medical Director from 01.07.24	2.5-5	0	10-15	0	144	30	223	19
Dr Elaine Gouk, Interim Site Medical Director to 30.06.24	0-2.5	0	75-80	205-210	89	11	161	5
Mrs Rowena Dean, Site Chief Operating Officer	2.5-5	5-7.5	50-55	140-145	1,070	85	1,243	19
Ms Beth Swanson, Site Director of Nursing from 30.09.24	2.5-5	10-12.5	30-35	85-90	490	96	730	9
Mrs Linda Hunter, Director of Planning and Performance left 26.05.24	0	0	30-35	80-85	685	0	716	3
Mr Michael Houghton, Director of Transformation to 21.07.24 and Interim Managing Director, NTH Solutions LLP from 22.07.24	10-12.5	22.5-25	50-55	140-145	993	255	1,330	18

NOTES:	
1	Ms Stacey Hunter, Group Chief Executive of North Tees and Hartlepool NHS Foundation Trust and South Tees Hospitals NHS Foundation Trust. North Tees and Hartlepool NHS Foundation Trust pay Ms Hunter's salary in full and recharge 50% to South Tees Hospitals NHS Foundation Trust.
2	Mr Neil Atkinson, Group Managing Director of North Tees and Hartlepool NHS Foundation Trust and South Tees Hospitals NHS Foundation Trust from 05.04.24. From 01.04.24 to 04.04.24 was Managing Director for North Tees and Hartlepool NHS Foundation Trust only. North Tees and Hartlepool NHS Foundation Trust pay Mr Atkinson's salary in full and recharge 50% to South Tees Hospitals NHS Foundation Trust.
3	Mr Chris Hand, Group Chief Finance Officer of North Tees and Hartlepool NHS Foundation Trust and South Tees Hospitals NHS Foundation from 05.04.24. South Tees Hospitals NHS Foundation Trust pay Mr Hand's salary in full and recharge 50% to North Tees and Hartlepool NHS Foundation Trust.
4	Ms Kate Hudson-Halliday, Interim Director of Finance is charged to the Trust in full via invoice from NHS North East and North Cumbria Integrated Care Board. Ms Hudson-Halliday was Director of Finance for North Tees and Hartlepool NHS Foundation Trust from 01.04.24 to 04.04.24.
5	Dr Mike Stewart, Group Chief Medical Officer of North Tees and Hartlepool NHS Foundation Trust and South Tees Hospitals NHS Foundation. South Tees Hospitals NHS Foundation Trust pay Dr Stewart's salary in full and recharge 50% to North Tees and Hartlepool NHS Foundation Trust. Dr Stewart is not in the NHS pension.
6	Ms Maurya Cuslow, Interim Group Chief Nurse of North Tees and Hartlepool NHS Foundation Trust and South Tees Hospitals NHS Foundation from 13.01.25 to 31.03.25. South Tees Hospitals NHS Foundation Trust pay Ms Cuslow's salary in full and recharge 50% to North Tees and Hartlepool NHS Foundation Trust. Ms Cuslow is not in the NHS pension scheme.
7	Dr Hilary Lloyd, Group Chief Nurse of North Tees and Hartlepool NHS Foundation Trust and South Tees Hospitals NHS Foundation from 05.04.24 to 31.01.25. South Tees Hospitals NHS Foundation Trust pay Ms Lloyd's salary in full and recharge 50% to North Tees and Hartlepool NHS Foundation Trust from 05.04.24.
8	Ms Lindsey Robertson, Site Chief Nurse / Director of Patient Safety & Quality of North Tees and Hartlepool NHS Foundation Trust and left 14.04.24. Voting member from 01.04.24 - 04.04.24. 2023/24 salary included compulsory redundancy £178k and payment in lieu of notice £78k.
9	Mrs Rachael Metcalf, Group Chief People Officer of North Tees and Hartlepool NHS Foundation Trust and South Tees Hospitals NHS Foundation from 05.04.24. South Tees Hospitals NHS Foundation Trust pay Mrs Metcalf's salary in full and recharge 50% to North Tees and Hartlepool NHS Foundation Trust.
10	Dr Susannah Cook, Group Chief People Officer of North Tees and Hartlepool NHS Foundation Trust and South Tees Hospitals NHS Foundation Trust. Moved to Group role 05.04.24 and left 31.08.24. Include as voting member of North Tees and Hartlepool NHS Foundation Trust from 01.04.24 - 04.04.24. From 05.04.24 to 31.08.24 North Tees and Hartlepool NHS Foundation Trust paid Dr Cook's salary in full and recharged 50% to South Tees Hospitals NHS Foundation Trust.
11	Mr Steve Taylor, Group Director of Estates of North Tees and Hartlepool NHS Foundation Trust and South Tees Hospitals NHS Foundation from 01.07.24. North Tees and Hartlepool NHS Foundation Trust pay Mr Taylor's salary in full and recharge 50% to South Tees Hospitals NHS Foundation Trust.
12	Mr Ken Anderson, Group Chief Information Technology Officer of North Tees and Hartlepool NHS Foundation Trust and South Tees Hospitals NHS Foundation from 01.05.24 but was North Tees and Hartlepool NHS Foundation Trust site CITO from 01.04.24 - 30.04.24. North Tees and Hartlepool NHS Foundation Trust pay Mr Anderson's salary in full and recharge 50% to South Tees Hospitals NHS Foundation Trust from 01.05.24. Other remuneration is payment in lieu of annual leave.
13	Mr Stuart Irvine, Group Director of Risk, Assurance & Compliance of North Tees and Hartlepool NHS Foundation Trust and South Tees Hospitals NHS Foundation Trust. North Tees and Hartlepool NHS Foundation Trust pay Mr Irvine's salary in full and recharge 50% to South Tees Hospitals NHS Foundation Trust.
14	Mrs Jackie White, Group Head of Governance/Company Secretary of North Tees and Hartlepool NHS Foundation Trust and South Tees Hospitals NHS Foundation Trust. South Tees Hospitals NHS Foundation Trust pay Mrs White's salary in full and recharge 50% to North Tees and Hartlepool NHS Foundation Trust.
15	Mrs Ruth Dalton, Group Director of Communications of North Tees and Hartlepool NHS Foundation Trust and South Tees Hospitals NHS Foundation. North Tees and Hartlepool NHS Foundation Trust pay Mrs Dalton's salary in full and recharge 50% to South Tees Hospitals NHS Foundation Trust.
16	Mr Matthew Neligan, Group Chief Strategy Officer of North Tees and Hartlepool NHS Foundation Trust and South Tees Hospitals NHS Foundation from 14.10.24. North Tees and Hartlepool NHS Foundation Trust pay Mr Neligan's salary in full and recharge 50% to South Tees Hospitals NHS Foundation Trust.
17	Dr Anandapuram Dwarakanath, Site Medical Director became Site Medical Director of North Tees and Hartlepool NHS Foundation Trust from 01.07.24. Dr Anandapuram Dwarakanath is over NRA for the existing benefits scheme but not for the 2015 scheme therefore a CETV calculation is only applicable on the 2015 scheme. £120,308.31 of the remuneration included in the table does not relate to the Site Medical Director position.
18	Dr Elaine Gouk, Interim Site Medical Director of North Tees and Hartlepool NHS Foundation Trust to 30.06.24. £26,098.86 of the remuneration included in the table does not relate to the Site Medical Director position.
19	Mrs Rowena Dean, Site Chief Operating Officer of North Tees and Hartlepool NHS Foundation Trust.
20	Ms Beth Swanson, Site Director of Nursing of North Tees and Hartlepool NHS Foundation Trust from 30.09.24
21	Mrs Linda Hunter, Director of Planning and Performance of North Tees and Hartlepool NHS Foundation Trust and left 26.05.24. Salary includes compulsory redundancy payment of £133,333.00 and payment in lieu of notice £28,737.24.
22	Mr Michael Houghton, Director of Transformation to 21.07.24 and Interim Managing Director of NTH Solutions LLP from 22.07.24. Voting member from 01.04.24 to 04.04.24.
23	Mr Michael Worden, Managing Director NTH Solutions left 4th March 2025 and was not a member of the NHS Pension Scheme therefore there is no entry in respect of pensionable remuneration shown. Other remuneration is payment in lieu of annual leave.

The comparative figures for the 12-month period from 1 April 2023 to 31 March 2024 are as follows:

Name and title	Real increase in pension at pension age <i>Restated</i>	Real increase in pension lump sum at pension age <i>Restated</i>	Total accrued pension at pension age at 31 March 2024 <i>Restated</i>	Lump sum at pension age related to accrued pension at 31 March 2024 <i>Restated</i>	Cash Equivalent Transfer Value at 1 April 2023	Real Increase in Cash Equivalent Transfer Value <i>Restated</i>	Cash Equivalent Transfer Value at 31 March 2024 <i>Restated</i>	Employers Contribution to Stakeholder Pension
	(bands of £2500) £000	(bands of £2500) £000	(bands of £5000) £000	(bands of £5000) £000	£000	£000	£000	£000
Ms Stacey Hunter, Group Chief Executive from 01.02.24	0	2.5-5	60-65	170-175	1,157	11	1,481	6
Mr Neil Atkinson, Director of Finance / Managing Director assumed Accountable Officer duties from 01.04.23	0	27.5-30	45-50	125-130	907	72	1,090	20
Ms Kate Hudson-Halliday, Interim Director of Finance from 01.06.23	0	27.5-30	45-50	125-130	798	139	1,062	15
Dr Elaine Gouk, Acting Chief Medical Officer from 05.09.23	7.5-10	17.5-20	70-75	195-200	260	0	89	13
Dr Anandapuram Dwarakanath, Chief Medical Officer was stood down 05.09.23	0	0	5-10	0	159	0	144	14
Mrs Rowena Dean, Acting Chief Operating Officer from 24.04.23	5-7.5	12.5-15	45-50	125-130	828	133	1,070	16
Mr Levi Buckley, Chief Operating Officer left 30.04.23	0	0	55-60	60-65	811	8	1,003	2
Ms Lindsey Robertson, Chief Nurse / Director of Patient Safety & Quality	0	27.5-30	50-55	140-145	891	184	1,182	18
Mr Michael Houghton, Director of Transformation from 10.07.23	0	0	40-45	110-115	1,127	0	993	11
Dr Susannah Cook, Chief People Officer / Director of Corporate Affairs from 01.05.22. Assumed Corporate Affairs duties effective 01.04.23	0	22.5-25	35-40	95-100	578	132	785	18
Mr Ken Anderson, Chief Information Technology Officer from 30.10.23	0-2.5	0	0-5	0	30	6	64	7
Mrs Gillian Colquhoun, Interim Chief Information and Technology Officer from 30.05.22 and left 30.06.23	0-2.5	10-12.5	25-30	75-80	382	57	670	6
Mrs Linda Hunter, Director of Planning and Performance	0-2.5	30-32.5	30-35	80-85	452	172	685	17
Mr Stuart Irvine, Director of Strategy, Assurance and Compliance / Company Secretary from 10.07.23	0-2.5	0	20-25	60-65	429	4	489	9

NOTES

- 1 Ms Stacey Hunter, Group Chief Executive of North Tees and Hartlepool NHS Foundation Trust and South Tees Acute Hospitals NHS Foundation Trust. North Tees and Hartlepool NHS Foundation Trust pay Ms Hunter's salary in full and recharge 50% to South Tees Acute Hospitals NHS Foundation Trust. Full salary value is £41,666.66 and the recharge to South Tees Acute Hospitals NHS Foundation Trust for 2023/24 is £20,833.33.
- 2 Mr Neil Atkinson , Director of Finance / Managing Director was both Accountable Officer and Director of Finance from 01.04.23 to 31.05.23.
- 3 Ms Kate Hudson-Halliday, Interim Director of Finance is charged to the Trust in full via invoice from NHS North East and North Cumbria Integrated Care Board.
- 4 Dr Elaine Gouk, became Acting Chief Medical Officer on 05.09.23. £50,131.63 of the remuneration included in the table does not relate to the Chief Medical Officer position.
- 5 Dr Anandapuram Dwarakanath, Chief Medical Officer was stood down 05.09.23. Dr Anandapuram Dwarakanath is over NRA for the existing benefits scheme but not for the 2015 scheme therefore a CETV calculation is only applicable on the 2015 scheme. £30,103.15 of the remuneration included in the table does not relate to the Chief Medical Officer position.
- 6 Mrs Rowena Dean, became Acting Chief Operating Officer on 24.04.23.
- 7 Mr Levi Buckley, Chief Operating Officer left 30.04.23.
- 8 Ms Lindsey Robertson, Chief Nurse / Director of Patient Safety & Quality left 14.04.24 and salary includes voluntary redundancy £160k and payment in lieu of notice £68k.
- 9 Mr Michael Houghton, became Director of Transformation on 10.07.23 and previously worked in another role within the Trust.
- 10 Mr Ken Anderson, became Chief Information Technology Officer on 30.10.23.
- 11 Mrs Gillian Colquhoun, Interim Chief Information and Technology Officer left 30.06.23.
- 12 Mr Stuart Irvine, became Director of Strategy, Assurance and Compliance / Company Secretary on 10.07.23 and previously worked in another role within the Trust.
- 13 Mr Michael Worden, Managing Director, North Tees and Hartlepool Solutions LLP, is not a member of the NHS Pension Scheme therefore there is no entry in respect of pensionable remuneration shown.
- 14 A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures, and from 2004-05 the other pension details, include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing

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

- 15 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.
- 16 CETV figures are calculated using the HM Treasury guidance 27 April 2023 on discount rates for calculating unfunded public service pension contribution rates.
- 17 On 1 April 2015, the government made changes to public service pension schemes which treated members differently based on their age. The public service pensions remedy puts this right and removes the age discrimination for the remedy period, between 1 April 2015 and 31 March 2022. Part 1 of the remedy closed the 1995/2008 Scheme on 31 March 2022, with active members becoming members of the 2015 Scheme on 1 April 2022. For Part 2 of the remedy, eligible members had their membership during the remedy period in the 2015 Scheme moved back into the 1995/2008 Scheme on 1 October 2023. This is called 'rollback'. Where a member is affected by rollback, the benefits in respect of their rolled back pensionable service during the remedy period are valued as being in the 1995/2008 Scheme.
- 18 The above tables form part of the audited statements.
- 19 The columns above titled restated relate to Dr Anandapuram Dwarakanath, Dr Elaine Gouk and Mrs Rowena Dean, updated NHS pension information for the total accrued pension at pension age at 31 March 2024; the lump sum at pension age related to accrued pension at 31 March 2024; and the cash equivalent transfer value at 31 March 2024. NHS pensions have provided restated values for these elements in comparison to the values provided in time for the prior year accounts. As a result of these restatements, Dr Elaine Gouk's real increase in CETV changed from £45k as per the 2023/24 signed Annual Report to nil, a decrease of £45k and the CETV at 31 March 2024 changed from £385k to £89k, a decrease of £296k. Dr Anandapuram Dwarakanath's CETV at 31 March 2024 changed from £114k as per the 2023/24 signed Annual Report to £144k, an increase of £30k. For Mrs Rowena Dean, the restatements from the 2023/24 signed Annual Report resulted in the following changes: Real increase in pension at pension age changed from £30k-£32.5k to £5k-£7.5k, a decrease of £25k; real increase in pension lump sum at pension age changed from £82.5k-£85k to £12.5k-£15k, a decrease of £70k; total accrued pension at pension age at 31 March 2024 changed from £70k-£75k to £45k-£50k, a decrease of £25k; the lump sum at pension age related to accrued pension at 31 March 2024 changed from £200k-£205k to £125k-£130k, a decrease of £75k; the real increase in CETV changed from £707k to £133k, a decrease of £574k and the CETV at 31 March 2024 changed from £1.683m to £1.070m, a decrease of £613k. For Dr Anandapuram Dwarakanath only part year of annual pensionable pay was included in the calculation of the CETV as at 31 March 2024, instead of full year effect.

For Dr Elaine Gouk only part year of annual pensionable pay was included instead of full year effect and also, the CETV value should have been zero at 31 March 2024 as CETV's will always be quoted as zero when the member is over their normal pension age (60 in 1995 scheme, 65 in 2008 scheme and state pension age in 2015 scheme), or if they have

claimed their pension. For Mrs Rowena Dean, there was a transposition error on the annual pensionable pay which resulted in the error.

Notes to senior managers' remuneration and pension benefits (subject to audit)

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

Fair pay multiple (subject to audit)

As an NHS Foundation Trust, the Trust is required to disclose the relationship between the remuneration of the highest paid Executive Director in their organisation and the lower quartile, median and upper quartile remuneration of the organisation's workforce (this excludes one-off severance payments and pension related benefits). In 2024/25 the highest paid Director is the Chief Executive (in 2023/24 the highest paid Director was the Trust Managing Director).

The banded remuneration of the highest paid Director at the Trust in 2024/25 was £262,500 (2023/24 £197,500). The increase in remuneration between years for the Highest Paid Director was 33%. The remuneration was 7.5 times (2023/24 6.0 times) the median remuneration of the workforce, which was £35,065 (2023/24 £32,697).

This exercise has included all staff employed by the Trust during the financial period, that were still employed at 31 March 2025. The remuneration figures used are based on Trust employees including locum staff, as well as NHS Professional bank and agency staff. All other agency staff are included.

In 2024/25, ten employees received remuneration in excess of the highest paid director and one agency employee if their hours paid were annualised (2023-24: twenty five employees and two agency). Remuneration ranged from £17,266 to £348,890 (2023/24 £13,000 to £287,425). The percentage change in average employee remuneration (based on total for all employees on an annualised basis divided by full time equivalent number of employees) between years is 6.95%. Total remuneration includes salary, non-consolidated performance-related pay, benefits in kind but not severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions. The starting point for the ranges for the financial periods is based on the minimum agenda for change pay scales.

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

	2024/25			2023/24		
	25th percentile	Median	75th percentile	25th percentile	Median	75th percentile
Total pay and benefits excluding pension benefits	26,801	35,065	46,363	24,949	32,697	44,473
Banded remuneration of highest paid director	262,500	262,500	262,500	197,500	197,500	197,500
Ratio of total pay and benefits and the mid-point of the banded remuneration of the highest paid director	9.8	7.5	5.7	7.9	6.0	4.4

The change in median remuneration during the years is mainly due to the change in the banded remuneration of the highest paid director. The Trust believes that the median pay ratio for the relevant financial year is consistent with pay award and progression policies for the entire employee population.

Expenditure on consultancy

In 2024/25, expenditure on consultancy was £0.675 million (2023/24 £0.899 million). Consultancy expenditure in the year related to various items including the CDC programme; bid writing for Sexual Health tender; land and building valuations and clinical coding auditing.

Staff exit packages (subject to audit)

In 2024/25, the trust agreed one exit package with member of staff (there was two instances in 2023/24).

Note 6.1 Reporting of other compensation schemes - exit packages agreed in 2024/25									
	A09CY17	A09CY18	A09CY19	A09CY20	A09CY21	A09CY22	A09CY23	A09CY24	Maincode
	Number of compulsory redundancies	Cost of compulsory redundancies	Number of other departures agreed	Cost of other departures agreed	Total number of exit packages	Total cost of exit packages	Number of departures where special payments have been made	Cost of special payment element included in exit packages	
	2024/25	2024/25	2024/25	2024/25	2024/25	2024/25	2024/25	2024/25	
	No.	£000	No.	£000	No.	£000	No.	£000	Subcode
Exit package cost band (including any special payment element)									
<£10,000	+	0	0	0	0	0	0	0	STA0560
£10,000 - £25,000	+	0	0	0	0	0	0	0	STA0570
£25,001 - £50,000	+	0	0	0	0	0	0	0	STA0580
£50,001 - £100,000	+	0	0	0	0	0	0	0	STA0590
£100,001 - £150,000	+	0	0	0	0	0	0	0	STA0600
£150,001 - £200,000	+	1	162	0	0	1	162	0	STA0610
>£200,000	+	0	0	0	0	0	0	0	STA0620
Total	+	1	162	0	0	1	162	0	STA0630

Governors' expenses

In accordance with NTHFT's constitution, governors are eligible to claim expenses for travel at rates determined by NTHFT. Out of the Council of Governor membership there were two governors who claimed expenses which totalled £52.90 (£87 in 2023/24).

Directors' expenses

In 2024/25, expenses paid to those holding the office of director at the trust totalled £17,625 (£13,626 in 2023/24). All costs paid related to the reimbursement of travel, subsistence costs and course expenses. Details of remuneration and benefits in kind can be found within the remuneration table.

Analysis of staff costs (subject to audit)

Details of the costs of our workforce are available within Note 9 of the Financial Statements. The note includes information to support employee expenses. The information in the following table has been subject to audit review.

			2024-25	2023-24
	Permanent	Other	Total	Total
	£000	£000	£000	£000
Salaries and wages	£248,114		£248,114	£225,064
Social security costs	£22,345		£22,345	£21,027
Apprenticeship Levy	£1,027		£1,027	£1,130
Employer's contributions to NHS pensions	£40,754		£40,754	£31,422
Pension cost - other	£358		£358	£367
Agency/contract staff	-	£16,189	£16,189	£17,980
NHS Charitable funds staff	£327		£327	£203
Total gross staff costs			£329,114	£297,193
Recoveries in respect of seconded staff	(£1,237)	-	(£1,237)	(£788)
Total staff costs	-	-	£327,877	£296,405

Off-payroll engagements

Executive director approval is required for all off-payroll engagements and NTHFT reports to NHS England as required in line with national requirements. Board approval via recommendations from the remuneration committee is required by any off-payroll Board member engagement.

Highly paid off-payroll worker engagements as at 31 March 2025 earning £245 per day or greater:	
Number of existing engagements as of 31 March 2025 of which:	0
Number that have existed for less than one year at time of reporting	0
Number that have existed for between one and two years at time of reporting	0
Number that have existed for between two and three years at time of reporting	0
Number that have existed for between three and four years at time of reporting	0
Number that have existed for four or more years at time of reporting	0

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 2025:	1
Of which:	
Not subject to off-payroll legislation	0
Subject to off-payroll legislation and determined as in-scope of IR35	1
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

Any off-payroll engagements of Board members, and/or, senior officials with significant financial responsibility, between 1 April 2023 and 31 March 2024:

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	0

The audit committee

The membership of the Audit Committee consists of three independent directors. The board should satisfy itself that the membership of the committee has sufficient skills to discharge its responsibilities effectively and ensure that at least one member of the committee has recent and relevant financial experience.

The Council of Governors has the statutory responsibility for the appointment of the external auditors. The external audit service was last tendered during 2020; the outcome being that Deloitte were awarded the contract on the basis of two years plus a further two year extension, if appropriate. The trust extended the arrangements with Deloitte for the additional period.

The committee is chaired by Ms Fellows.

There were 4 meetings held during 2024-25. Overall attendance was good throughout the year.

Non-executive Directors	Total number attended	% attendance
Ms A Fellows	4/4	100%
Mr C Macklin	3/4	75%

The Committee remains responsible for providing the board with advice and recommendations on matters which include the effectiveness of the framework of controls in the trust, the adequacy of the arrangements for managing risk and how they are implemented, the adequacy

of the plans of our auditors and how they perform against them, the impact of changes in accounting policy and the Committee's review of the Annual Accounts.

The Committee ensured a focus on the effectiveness of arrangements in place for counter fraud, anti-bribery and corruption to ensure that these met the NHS Counter Fraud Authority's requirements standards.

The committee met its responsibilities during 2024/25 by:

- Reviewing the Board Assurance Framework
- Reviewing risk and internal control-related disclosures, such as the Annual Governance Statement
- Reviewing the work and findings of Internal Audit, including the Internal Audit annual plan
- Reviewing the work and findings of External Audit
- Reviewing the work and findings of the Local Counter Fraud Officer and other fraud reports
- Reviewing the process by which clinical audit is undertaken in the organisation
- Reviewing the process by which staff are able to speak up in the organisation
- Monitoring the extent to which our external auditors undertake non-audit work having reference to the Auditors Guidance Note 1 (AGN01) 'General Guidance Supporting Local Audit'
- Reviewing the 2024/25 Financial Statements and Annual Report, prior to submission to the board and NHS England
- Seeking assurance that the financial statements have been appropriately compiled on a going concern basis
- Approving the Register of Interests for the trust Board of Directors
- Seeking assurance in relation to the trust's compliance with regulatory changes
- Reviewed the schedule of losses and compensations, the annual fraud report and provided assurance to the board following each of its meetings
- Received a report on the decisions regarding matters reserved to the unitary board and delegated to the group board as part of the joint single committee established with South Tees Hospitals NHS Trust in 2024.

The Audit Committee reviews significant risks in year which have included:

- Management override of controls
- Property valuations
- Validity of accruals

These risks have been considered through the presentation of the external audit plan and discussions with our external auditor, Deloitte LLP.

The committee is content that the objectivity and independence of the auditor was not compromised by any of these additional assignments and that these services are allowed services under AGN01.

A review of the committee effectiveness was undertaken in May 2025 based on a survey of members and attendees. Members were satisfied with the way the committee was operating and a small number of considerations are identified in the report.

In the review of internal audit and management assurance reports, Audit Committee identified three High, 13 Medium and ten Low risk rated findings to improve weaknesses in the design of controls and/or operating effectiveness. Three High risk rated findings have been identified across the reviews carried out during the year. These have been summarised in the annual governance statement.

To assess the independence of an external auditor, the Audit Committee has considered impartiality, objectivity, and freedom from conflicts of interest. This included evaluating the relationships between Deloitte LLP and the trust, the auditor's qualifications, and adherence to ethical standards.

Charitable Funds Committee

The Charitable Funds Committee has continued to meet during 2024/25 for the on-going management of charitable funds on behalf of the Corporate Trustees.

Staff report

Information relating to workforce statistics (staff sickness) can also be found at <https://digital.nhs.uk/data-and-information/publications/statistical/nhs-workforce-statistics>

Staff Survey Results

Staff experience and engagement

The trust recognises the importance of true and meaningful engagement with our people. The annual staff survey plays a critical part in this, however quite rightly is not the only means of engagement with our staff. This is supported by various methods, including quarterly pulse surveys (something we are looking to develop further as part of our Group model over the next year), regular briefings from our Executive and senior leaders across the trust and Group, active social media presence and regular 'Hearing it' sessions with the Group Chief Executive Officer. These sessions are, open to every member of staff across the Group and provides opportunity to ask questions on a wide range of topics and subjects.

Staff survey

The NHS staff survey is conducted annually. 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 where a higher score is more positive than a lower score. The response rate to the 2024 survey was 45% which is a reduction of 5%, from the 2023 survey (50%).

Scores for each indicator for 2024, 2023 and 2022 together with that of the survey benchmarking group for each year (Acute and Acute & Community Trusts) are presented below:

Indicators (‘People Promise’ elements and themes)	2022/25		2023/24		2022/23	
	Trust score	Benchmarking group score	Trust score	Benchmarking group score	Trust score	Benchmarking group score
People Promise:						
We are compassionate and inclusive	7.36	7.21	7.44	7.24	7.50	7.18
We are recognised and rewarded	5.99	5.92	6.11	5.94	6.06	5.72
We each have a voice that counts	6.75	6.67	6.84	6.70	6.91	6.65
We are safe and healthy	6.24	6.09	6.30	6.08	6.24	5.88
We are always learning	5.47	5.64	5.70	5.62	5.58	5.35
We work flexibly	6.32	6.24	6.28	6.20	6.16	6.00
We are a team	6.76	6.74	6.83	6.75	6.95	6.64
Staff engagement	6.89	6.84	6.98	6.91	7.02	6.80
Morale	6.02	5.93	6.13	5.90	6.10	5.68

Future priorities and targets

Following the publication of the 2024 NHS staff survey, the trust’s care group’s will develop action plans with progress monitored through the Care Group SMT’s. These action plans are also referenced in the care group business plans.

Our organisation development team will be running masterclasses across group to support team leads in engaging and actioning their result findings. The team will also be offering individual support to those team leads with the lowest average result scores and those who did not achieve an individual department report.

In collaboration with the communication team, the trust will develop a ‘You said We did’ response using the survey results.

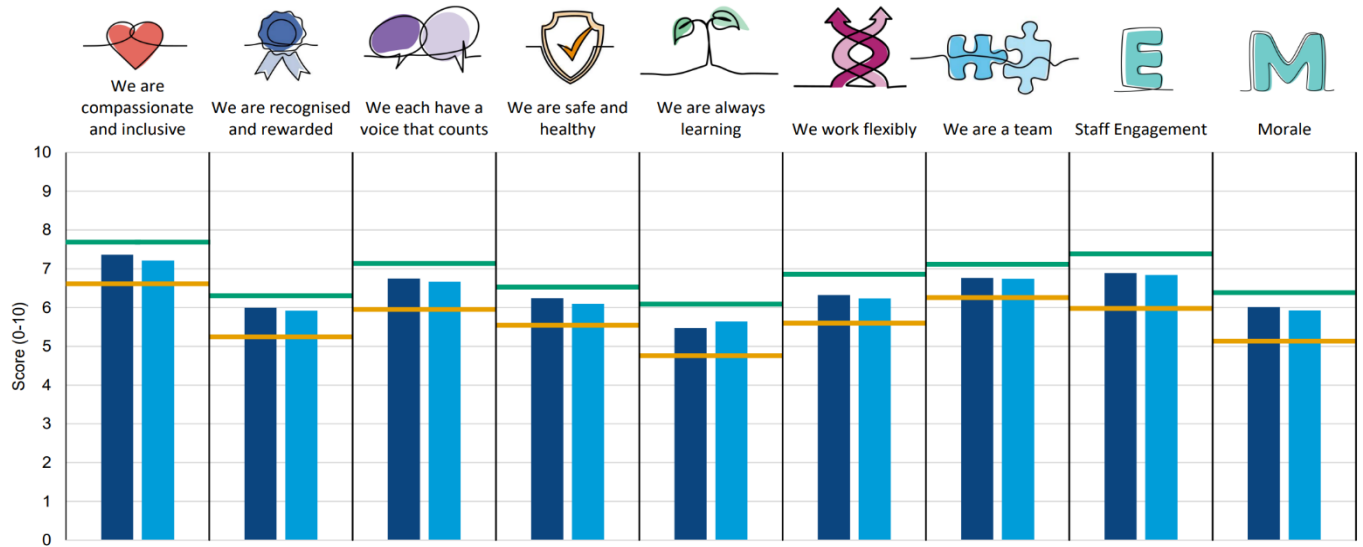
National NHS Staff Survey 2024

The NHS annual staff survey was carried out in Autumn 2024. The survey mode was mixed, and the sample type was a census with a response rate of 45% (2337 members of staff).

The questions in the NHS Staff Survey are aligned to the People Promise (from 2021 onwards). This sets out, in the words of NHS staff, the things that would most improve their working experience, and is made up of seven elements:



The 2024 results for the above seven areas are as follows and include the results for additional themes of staff engagement and morale.



We are compassionate and inclusive

Key indicators in the section relate to care of our patients, raising concerns and recommending the trust as a place to work and for this indicator the trust benchmarks above the national average.

The sub-score trends indicate lower scores in comparison to 2023. The trust remains above the national average for Compassionate Culture, Diversity and Equality and Inclusion. We are 0.1 below the national average for Compassionate Leadership. An increased percentage of staff responded positively to the question “If a friend or relative needed treatment I would be happy with the standard of care provided by this organisation.”

Throughout 2024/2025 we have:

- Continued to develop our staff networks, with executive support, encouraging membership and positive engagement including those from protected characteristics
- EDI calendar of events launched with EDI engagement sessions ran throughout the year.
- Embedded civility in the workplace training.
- The Cultural Ambassadors programme embedded
- Promote and work to the ‘code of conduct’
- Development of Inclusive language guide
- Development of people hub to provide a safe, welcoming central location with practical information, support and guidance for all staff and volunteers

We are recognised and rewarded

This theme includes recognition for good work, feeling valued and satisfaction with level of pay and for this indicator we benchmark above the national average. Our results are lower than last year, the greatest drop in positive responses was with the statement “My immediate manager values my work.”

Throughout 2024/2025 we have:

- Engaged with staff to understand how they would like reward and recognition to look in the future
- Love admin event for 2024 and plans for 2025
- Opportunity for staff to be recognised through Inphase
- Development of cultural boards to raise awareness of heritage and culture
- Monthly awards to be introduced across NT

We each have a voice that counts

This theme explores how colleagues feel about their work environment with opportunities to use initiative, are trusted to do their role and can make suggestions. For this indicator we benchmark above the national average. Our overall score is lower than last year with the greatest drop in positive responses was with the statements “I am able to make suggestions to improve the work of my team/department” and “I am involved in deciding on changes introduced that affect my work area/team/department.”

Throughout 2024/2025 we have:

- Encouraged regular discussions between all staff to provide opportunity to share ideas, innovations and improvements across teams and services.
- Freedom to Speak up Guardians, policy and processes actively in place. Speak Up champions identified
- Professional Nursing Advocates (PNA) and Professional Midwifery Advocates (PMA) in place and shared decision making councils
- Staff networks active
- Hearing it sessions with Group Chief Executive
- Staff Facebook Groups
- Implementation of the restorative approach across the Group

We are safe and healthy

This theme covers staffing, health and wellbeing and bullying. For this indicator we benchmark above the national average. The Subtheme of Burnout showed improvement across nearly all the statements with improvements in statements such as “How often, if at all, do you feel burnt out because of your work?”.

Throughout 2024/2025 we have:

- Taken forward and embedding feedback from staff survey and health needs assessment survey
- Development of a weight management service
- Providing staff with a route into relevant services to support with pain management issues they may have due to their condition
- Menopause support in place, supported by policy.
- Wellbeing ‘walkabouts’ in place with our nominated board representative for Health and Wellbeing
- Flu vaccines, health checks, mental health support, weight management and programmes available

- Health and well-being and menopause support, ambassadors and policy in place.
- Events such as festival of finance, Christmas savings scheme
- Developing a health inequalities dashboard for the workforce
- Active Hospitals steering group set up to encourage staff to be more active in the workplace.

We are always learning

This theme focuses on development opportunities and appraisals. For this indicator we have shown a decline from 2023 to 2024. We are below the national average for this theme. The greatest drop in positive responses was with the statement “There are opportunities for me to develop my career in this organisation.”

Throughout 2024/2025 we have:

- Ensuring staff have a meaningful appraisal at least annually.
- Proactive approach to responding to incidents and near misses across teams to promote just culture and Patient Safety Incident Response Framework (PSIRF).
- Management and Leadership training in place (internal and external)
- Apprenticeships widely available
- Clinical skills training (simulation training)
- Further development of the Health and Social Care Academy at University Hospital of Hartlepool

We work flexibly

This theme relates to home life balance and flexible working. For this indicator we benchmark above the national average and have shown an improvement from the 2023 score. A higher percentage of staff responded positively for the statement “My organisation is committed to helping me balance my work and home life.” This area has been an organisational focus, which includes the development of a People Promise Manager role and the delivery of flexible working workshops.

Throughout 2024/2025 we have:

- Awareness and education around flexible working
- Toolkits provided for staff and managers to access for visual aids
- Flexible working recorded onto ESR to show percentage of requests
- Supporting colleagues with reasonable adjustments
- Development and implementation of the generic health passport to be able to support individual needs

We are a team

This theme looks at the support, respect and encouragement from line managers and team working. For this theme the trust is above the national average. We are also above the national average for the subtheme 'Team Working' but are below the national average for 'Line Management'. The greatest drop in positive responses was with the statement "My immediate manager asks for my opinion before making decisions that affect my work."

Throughout 2024/2025 we have:

- Encouraged team meetings and regular meetings with staff and leaders.
- Trained insights facilitators in place and active approach to team development and coaching

Future priorities and targets

Following the publication of the 2024 NHS staff survey, the trust's care groups will develop action plans with progress monitored through the care group senior management teams. These action plans are also referenced in the care group business plans.

Our organisation development team will be running masterclasses across the Group to support team leads in engaging and actioning their result findings. The team will also be offering individual support to those team leads with the lowest average result scores and those who did not achieve an individual department report.

In collaboration with the communication team, the trust will develop a 'You said We did' response using the survey results.

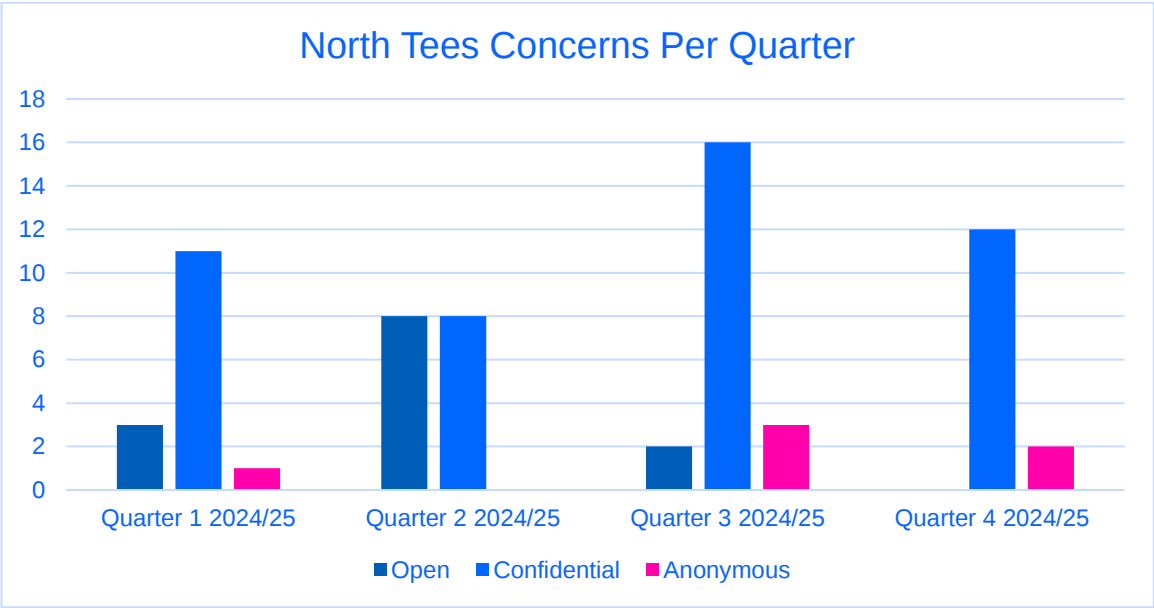
Raising concerns and issues

We have adopted a restorative just and learning culture approach to dealing with adverse events that focuses on the harm done rather than the blame. We recognise that people make mistakes whilst also ensuring that staff are held accountable for their decisions. Our approach aims to repair trust and relationships damaged after an incident by allowed everyone to discuss how they have been affected and collaboratively decide what should be done to repair the harm.

The Freedom to Speak Up (FtSU) ethos aims to help promote and normalise the raising of staff concerns ultimately for the benefit of patients and workers. Speaking up not only protects patient safety but can also improve the lives of workers by listening to what they need, to be able to do their job, so that they can deliver an excellent service.

FtSU is about encouraging a positive culture where people feel they can speak up, their voices will be heard and their concerns or suggestions acted upon. In the nine years since the Sir Robert Francis recommendations were implemented, the FtSUG role continues to evolve and move away from a whistleblowing culture to one of permission, encouragement, openness and transparency. There is one FtSUG for the trust.

Staff can report concerns either openly, confidentially or anonymously. The data in the table below shows the number of concerns raised in each category between 1 April 2024 to 31 March 2025, there were 65 of which 12 were raised openly 47 were raised confidentially and 6 concerns were raised anonymously, Against the national average the trust is below for anonymous reporting at 9.2% compared to the national average of 9.5 %.



The high-level themes reported during the last 12 month at The trust were:

- Relationships and behaviours
- Patient safety
- Staff wellbeing
- Systems & processes
- Bullying & harassment
- Detriment
- Health & safety
- Fraud



As part of the proactive work the FtSUG continues to promote the role via podcasts, Hearing It with Stacey session, team meetings, inductions, floor walking, community forums and workshops, having a high presence within the trust, which is demonstrated in the data. Those workers who have spoken up from different areas of the organisation and are from a variety of professional backgrounds include; doctors, nurses and midwives, Allied Health Care Professionals, administration, scientific and technical, estates and ancillary staff.

Commitment to the Armed Forces Covenant and being a 'Veteran Aware' accredited organisation

North Tees & Hartlepool NHS Foundation Trust is accredited as a Silver Award holder in the Defence Employer Recognition Scheme. We continue to host events throughout the year to reflect on the service given by our Armed Forces such as Armed Forces week and Remembrance. As an employer we are fully committed to the principles of the Armed Forces Covenant and we actively demonstrate support to the armed forces community throughout their employment journey and patient pathways.

Occupational Health

Our Occupational Health and Wellbeing team continues to deliver essential day-to-day clinical support services and wellbeing support for our colleagues. These services include mental health support, musculoskeletal (MSK) physiotherapy, dedicated menopause support sessions, holistic health campaigns, and the delivery of vaccination programs.

A significant achievement in the previous year has been the successful adoption of a new clinical system which has increased service capacity, enabling an increase in the clinical sessions offered and in a very timely manner. This has made the occupational health team more responsive, accessible, and better equipped to meet the evolving needs of our workforce.

Looking ahead, UHNT occupational health will participate in the regional occupational health programmes, allowing the service to participate in a wider workstream to identify best practices.

We are committed to building on the occupational health and wellbeing offer so that it supports organisation wide priorities and supports our colleagues immediate and emerging need. In collaboration with our group partners, we will expand our efforts in the coming financial year to support a broader, more impactful health campaign across the organisation.

Staff Policies

The trust continues to operate its suite of HR policies to ensure a fair, equitable and compassionate approach to its people practices. These policies include but are not exclusive to: Recruitment and selection, equal opportunities and diversity, effective management of mandatory training, health and safety, promotion of good mental health and management of stress, attendance management, supporting performance improvement, dignity and respect at work, concerns regarding conduct, resolution, disciplinary, avoidance of redundancies and change management, protection of pay and conditions of service.

As part of its good governance processes, a cycle of review and refresh of policies has continued during the year to ensure that the staff policies remain fit for purpose and in accordance with best HR and employment practice. A working group consisting of

management, Trade Union and HR representatives ensure a collective and holistic approach are undertaken for development and application of truly equitable, inclusive and diverse policies.

Staffing Analysis

The Trust employs circa 6360 staff and the table below shows staff numbers at 31 March 2025. These numbers are inclusive of staff employed within the subsidiary companies, North Tees and Hartlepool Solutions LLP and Optimus Health Limited.

Headcount and WTE (as at 31st March 2025)				
Category	Headcount		WTE	
	Female	Male	Female	Male
Directors (inc non-execs and chairman)	7	7	6.80	6.80
Senior Managers	4,903	1,208	3,988.67	1,002.79
Employees	164	71	143.33	62.02
Grand Total	5,074	1,286	4,138.81	1,071.61

Average number of employees

The information in the following table has been subject to audit review.

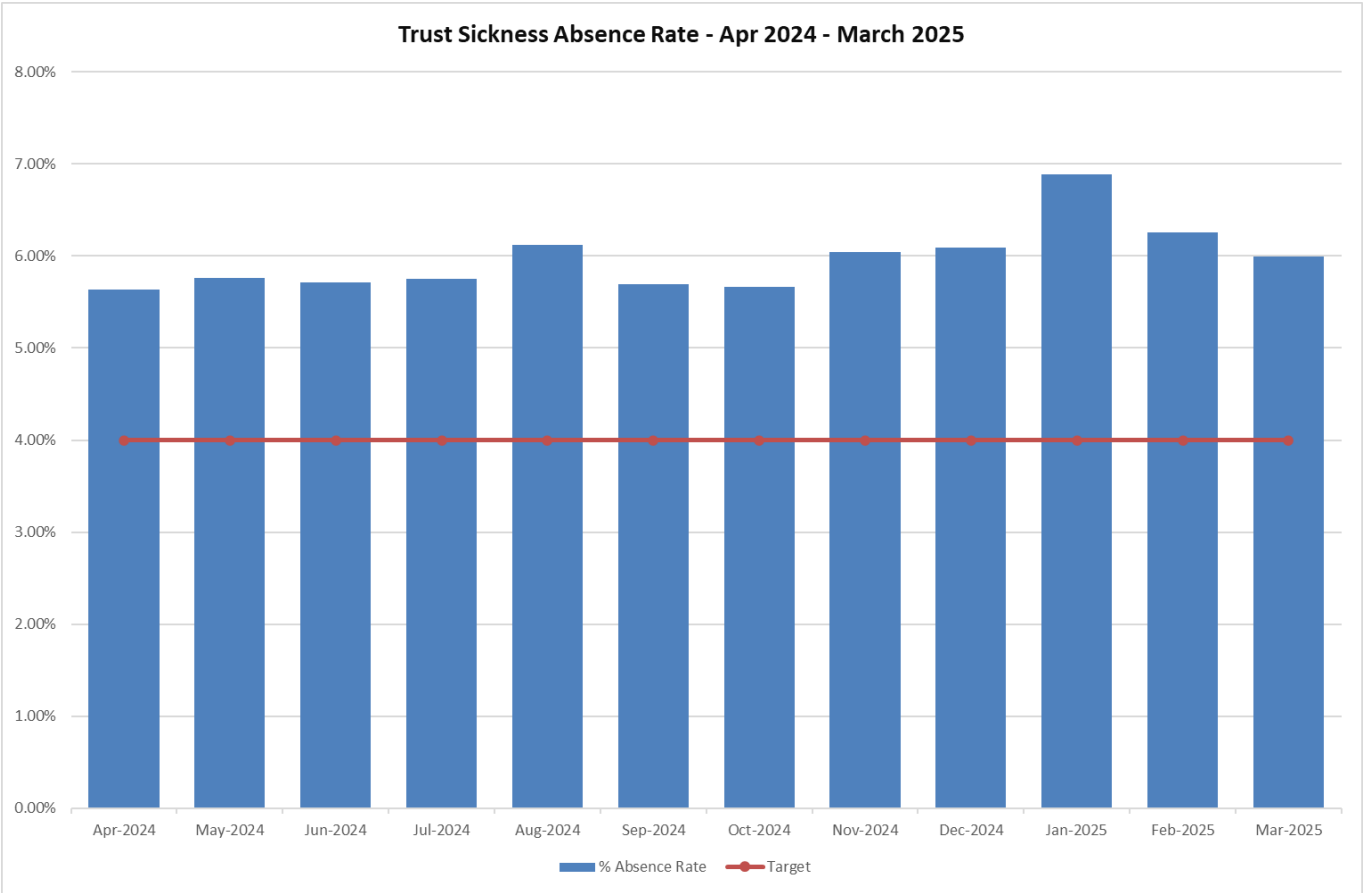
			2024-25	2023-24
			Total	Total
	Permanent	Other		
Medical and dental	586	0	586	555
Ambulance staff	-	-	-	-
Administration and estates	1,661	20	1,681	1,619
Healthcare assistants and other support staff	920	130	1,050	1,052
Nursing, midwifery and health visiting staff	1,571	111	1,682	1,607
Nursing, midwifery and health visiting learners	-	-	-	-
Scientific, therapeutic and technical staff	436	2	438	426
Healthcare science staff	151	14	165	162
Social care staff	-	-	-	-
Agency and contract staff	-	-	-	-
Bank staff	-	-	-	-
Other	6	-	6	7
Total average numbers	5,331	277	5,608	5,428
Of which:				
Number of employees (WTE) engaged on capital projects	-	-	-	-

Absence Data

The Department of Health and Social Care Group Accounting Manual requires the sickness absence data for NHS bodies to be reported in the annual report on a calendar year basis. The most current data for the Trust for the Calendar year 2024 can be found below and at:

digital.nhs.uk/data-and-information/publications/statistical/nhs-sickness-absence-rates

Annual Report Sickness Table 2024



Equality, Diversity and Inclusion (EDI)

The most valuable resource is our workforce. They are the drive behind our dedication to patient care, and the reason why we are committed and strive to create a culture of inclusion where they feel like they belong and have the opportunities to flourish and develop.

We are dedicated to reducing disparities in equality gaps, which exist for diverse protected groups. It is therefore important to ensure our action plans have a broad emphasis on intersectionality. Through our equality, diversity and inclusion initiatives we continue to promote our values and behaviours and specifically to engender a sense of belonging for all by creating an environment where we value unique differences.

We have continued to roll out the Equality, Diversity and Inclusion (EDI) calendar of events over the last 12 months. This has included training and awareness sessions covering various EDI topics for staff, as we expect our staff to be educated about what it means to be inclusive. Our continued focus is to provide the development and support needed to enable this.

The trust have introduced an employee code of conduct which sets out the standards of behaviour expected from all employees across the organisation. Equality of Opportunity and the prevention of bullying and harassment is central to the code of conduct.

We continue to embed a restorative just and learning culture. This means that we will support our staff when things go wrong, we will look at 'what' went wrong rather than who was to blame, and we will explore how we can learn from errors, and support staff to reflect and change. This does not mean we will ignore behaviors that fall short of our values and expectations, nor will we tolerate overt or deliberate discrimination or prejudice.

The trust holds Disability Confident Leader status, which recognises our commitment to removing inequality and ensuring fairness and equity in relation to recruitment and employment processes.

This year the trust was also awarded with Inclusive Excellence committed status, which recognises and demonstrates our dedication to equality, diversity, inclusion and equity

Our Equality, Diversity and Inclusion objectives are:

- To engage with our patients, the local community and various stakeholders, in line with the requirements of EDS, to ensure the effective provision of services.
- To enable our staff to work alongside patients and carers to determine realistic, reasonable adjustments to deliver safe, effective care to people with literacy problems, learning difficulties and dementia.
- To promote equality, diversity and inclusion across the trust.
- To explore and reduce the discrimination experienced by our staff, as identified by the NHS annual staff survey, through the development of proactive measures and support mechanisms to be implemented trust-wide.
- Our annual Equality and Diversity report demonstrates our commitment to this and can be viewed on The trust website at Equality and diversity report 2023 - 2024 - North Tees and Hartlepool NHS Foundation Trust (nth.nhs.uk)

Overarching all of the EDI work within the trust is the Public Sector Equality Duty which is delivered in the NHS through the Equality Delivery System (EDS) which supports the following three goals:

- Commissioned or provided services
- Workforce health and wellbeing
- Inclusive leadership

EDI and Staff Networks

The role of our Staff Networks in embedding Equality, Diversity, and Inclusion in the workplace is about recognising the importance of fostering inclusive environments where employees feel valued, respected and empowered.

Our staff networks play a crucial role in embedding EDI acting as catalysts for change, providing support to under-represented groups and influencing organisational policies and culture.

One of the primary functions of our staff networks is to offer a platform (safe, space) where employees can feel comfortable to share experiences, voice concerns, and seek support. The networks are particularly beneficial for individuals from minority or underrepresented groups which include:

- LGBTQ+
- Ethnic minorities & multi-faith
- Women's & men's network
- Age older & age younger groups
- Ability (staff with disabilities)
- Working carer's network (new)
- Volunteers

By fostering a sense of belonging, staff networks contribute to higher levels of employee engagement and well-being.

Influencing Organisational Policies and Practices:

The staff networks serve as advisory bodies informing leadership and people services teams about the lived experiences of employees, providing insights into barriers faced by under-represented groups and advocate for policy changes that promote inclusivity. For instance, the networks may influence policies related to reasonable adjustments for employees with disabilities, or fair recruitment and promotion practices.

Promoting Awareness and Education:

Raising awareness and education are key components of embedding EDI in the trust. Our staff networks organise workshops, training sessions, and events that challenge bias and enhance cultural awareness among employees. By celebrating awareness days such as Black History Month, International Women's Day, Disability History and Pride Month etc, the networks help to highlight diverse perspectives, encourage engagement and improve communication.

Staff networks are working together to embed EDI through various routes, not only by having monthly network leads and members meetings but also holding drop-in sessions for staff to meet the network leads, learn about the networks and the support available, and further information of how staff can get involved in helping to make a more inclusive workplace.

Network leads are developing stronger working relationships across the trust and collaborating more with leadership, who often attend the drop-in sessions. Regular reporting and engagement with leadership helps to identify and discuss areas of concern (barriers, challenges, etc) implement necessary change, maintain momentum and sustain long-term improvements.

Cross-Network Collaboration:

The recognition that people experience multiple overlapping forms of discrimination is an important aspect of EDI. Our staff network leads collaborate with one another to address issues that might affect multiple groups simultaneously. For example, a women's network and an LGBTQ+ network may work together to address gender inclusivity in leadership roles.

Staff equality and diversity information 2024/25

As of the 31 March 2025, the Trust employed 5437 people.

Below is the current EDI data relating to the workforce at Year Ended 31 March 2025:

Gender	Headcount	Sum of FTE
Female	4559	3802.45
Male	878	748.83
Trust	5437	4551.29

Ethnicity	Headcount	Sum of FTE
BME	891	796.75
Not Stated	54	38.77
White	4492	3715.76
Trust	5437	4551.29

Religion	Headcount	Sum of FTE
Atheism	817	716.58
Buddhism	20	16.92
Christianity	2702	2269.89
Hinduism	116	106.02
Islam	144	126.84
Jainism	3	2.00
Judaism	1	1.00
Other	539	460.66
Sikhism	7	5.85
Unspecified	337	255.52
I do not wish to disclose	751	590.01
Trust	5437	4551.29

Sexual Orientation	Headcount	Sum of FTE
Bisexual	47	42.39
Gay or Lesbian	88	81.95
Heterosexual or Straight	4551	3864.04
I do not wish to disclose	746	558.71
Other sexual orientation not listed	5	4.20
Trust	5437	4551.29

Disability	Headcount	Sum of FTE
Learning disability/difficulty	84	74.57
Long-standing illness	108	86.64

Mental Health Condition	34	26.48
No	4360	3722.59
Not Declared	761	565.69
Other	21	18.16
Physical Impairment	23	17.88
Sensory Impairment	16	14.11
Yes - Unspecified	30	25.17
Trust	5437	4551.29

Overarching all of the EDI work within the trust is the Public Sector Equality Duty which is delivered in the NHS through the Equality Delivery System (EDS) which supports the following three goals:

- Commissioned or provided services
- Workforce health and wellbeing
- Inclusive leadership

Work is currently underway to update the EDS assessment and a new governance structure has been developed to ensure that we are able to demonstrate, through evidence-based practice, how we are performing against the new EDS requirements which were launched in September 2022. This is a multi-disciplinary approach which will assist with data collection across the organisation.

Gender pay gap report

Our Gender Pay Gap is reported on the trust's website and is available to download here [Gender pay gap report 2024 - North Tees and Hartlepool NHS Foundation Trust](#) or alternatively this can be accessed through the cabinet office website [Search and compare gender pay gap data - Gender pay gap service - GOV.UK](#)

In 2023-24 we reported a mean gender pay gap of 33.25% and a median gender pay gap of 20.71%.

The table below shows our gender pay gap data for the period 31 March 2021 to 31 March 2024

North Tees	Average Mean Gender Pay Gap – Whole Workforce			Average Median Gender Pay Gap – Whole Workforce		
	2023/2024	2022/2023	2021/2022	2023/2024	2022/2023	2021/2022
Male	£ 27.45	£ 32.14	£28.78	£21.06	£20.50	£22.13
Female	£18.32	£ 17.79	£18.51	£16.70	£15.68	£16.93
Difference	£9.13	£14.35	£10.27	£4.36	£4.82	£5.19
Pay gap %	33.27%	44.65%	35.69%	20.71%	23.51%	23.46%

As reported in previous years, there is a greater proportion of male workers within the categories of medical and dental (M&D) and very senior manager (VSM). These roles are the highest paid workers of the organisation and equate to 7.02% of the total workforce.

Our actions to improve the trust's Gender Pay Gap align with the trust's wider organisational strategic goals, specifically 'Valuing our People'. They also support our commitments to the NHS People Plan.

Workforce Race Equality Scheme and the Workforce Disability Equality Scheme

We continue to develop and drive further improvements which are monitored by both the People Group and the People Committee. Our WRES and WDES reports (2024) are available on our website: Workforce race equality standards (WRES) report and action plan 2023 - 2024 - North Tees and Hartlepool NHS Foundation Trust (nth.nhs.uk) and Workforce disability equality standards (WDES) report and action plan 2023 - 2024 - North Tees and Hartlepool NHS Foundation Trust (nth.nhs.uk)

Our Ethnic Minority Network and Ability Staff Networks are actively working to enhance staff experience and working strategically to support further and new initiatives including the generic staff passport, supporting the development of the anti-racism framework and being part of policy reviews.

Developing a sustainable workforce

We have some difficulties recruiting to some roles, particularly where there are national shortages such as medical staff, specialist nursing, midwives and some allied health professionals. However, changes in retirement policies have enabled us to offer flexibility in the working arrangements for our experienced staff and are assisting in ensuring that we sustain a developed and experienced workforce.

Our objectives for developing a sustainable workforce are:

- To further triangulate our workforce planning, performance improvement and financial planning needs now and in the future. Our business improvement model will include resourcing plans to support capacity and demand plans that will utilise our people and identify innovation resourcing solutions.
- Focus on turnover, identifying the reasons why staff leave the organisation and developing plans to mitigate. We have introduced 'itchy feet' and 'stay' conversations and have seen improvements in turnover as a result.
- Continue with recruitment and selection training for panels to ensure consistency and fairness in interviewing and selection approach.

We continue to promote the trust within the local community as an employer of choice through attendance at a number of venues within the local area to promote vacancy and support the long-term unemployed with CV and report writing skills.

We have also revamped our external job adverts for key roles, providing an easy-to-read format, highlighting career pathways, development opportunities and promoting the benefit of NHS terms and conditions.

We continue to build our relationships with higher education and further education sectors which will provide an opportunity for us to develop a talent pipeline and also enable our colleagues to develop into new roles.

Staff consultation

We continue to work in close partnership with Trade Union colleagues, with a Partner Agreement which:

- Provides opportunities for joint problem solving in relation to the issues affecting the health and wellbeing of employees and the continued efficient operation of the organisation.
- Provides staff with an additional mechanism of support through potentially challenging situations.
- Promotes the co-operation of staff and managers within the trust by providing a culture in which matters affecting staff can be discussed.
- Supports consultation in relation to key changes on HR policies
- Supports consultation on operational changes within the organisation, including final performance, key Trust service changes.

The Joint Partnership Council (JPC) is held monthly and attended by both management and local Staff Side colleagues. The agenda items include both local, regional and national topics and the relationship between Staff Side and management is a productive and positive partnership.

Trade Union Facility Time

The trust will fulfil its obligations under the Trade Union (Facility Time Publications Requirements) Regulations for the year 2024-25 by reporting the information in July 2025 and then publishing this on the trust's website.

The information reported for 2023-24 is as follows:

Table 1 - Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
16	12.97 wte

Table 2 - Percentage of time spent on facility time

Percentage of time	Number of employees
0%	4
1%-50%	11*
51%-99%	1

100%	0
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* Includes 1 individual who spent between 0.8% of their working hours since this is above the figure of 0%.

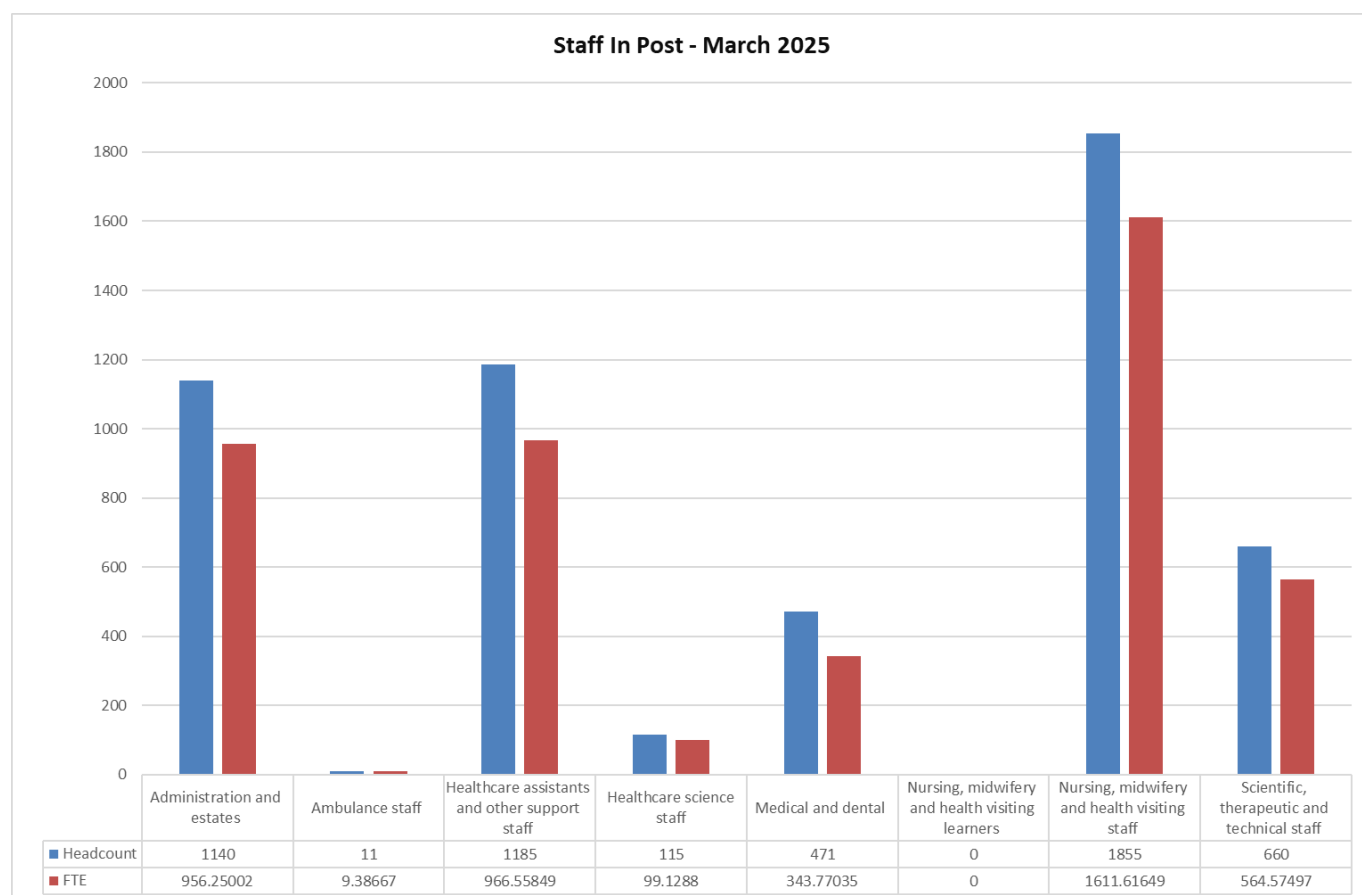
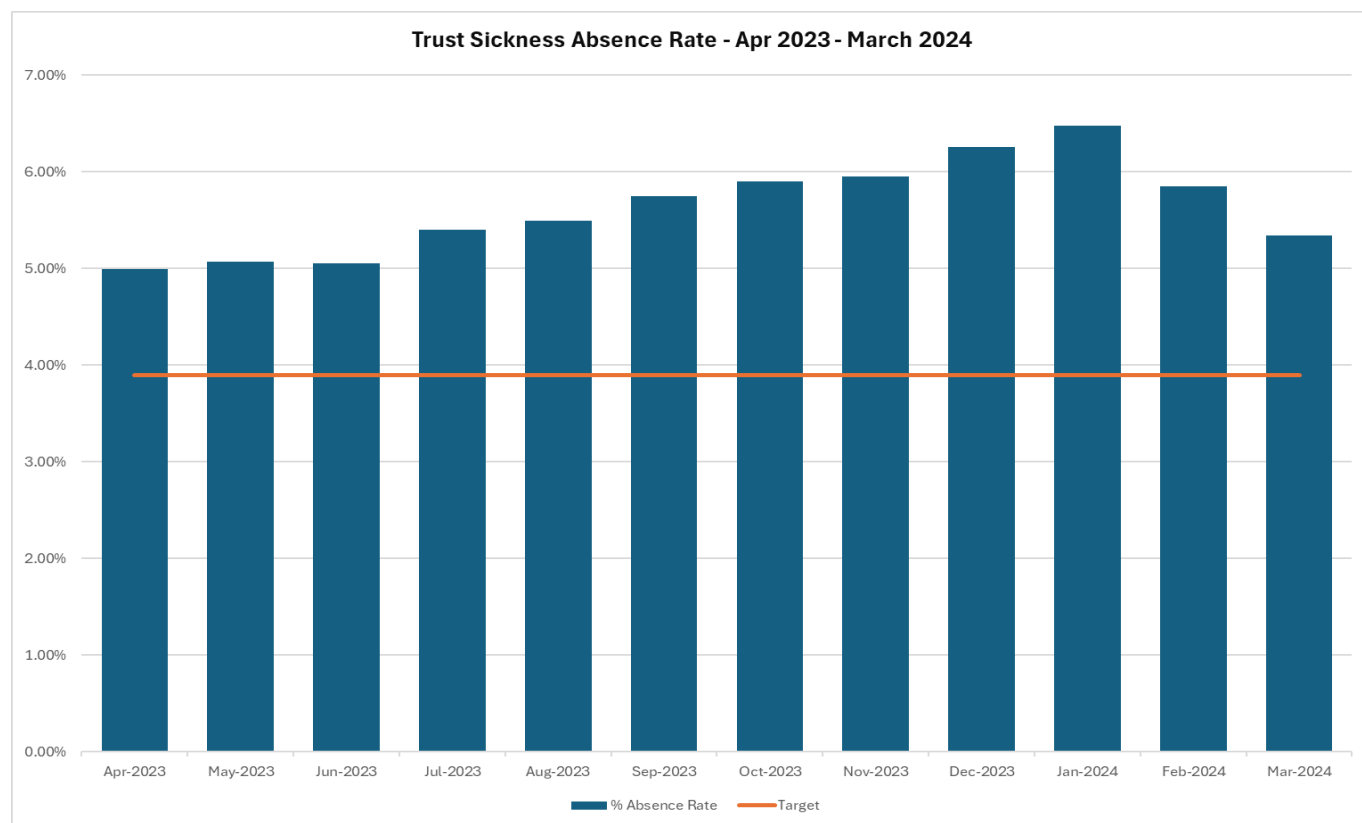
Table 3 - Percentage of pay bill spent on facility time

Provide the total cost of facility time	£54,470.41
Provide the total pay bill	£278,000,000
Provide the percentage of the total pay bill spent on facility time, calculated as: $(\text{total cost of facility time} \div \text{total pay bill}) \times 100$	0.02%

Table 4 - Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: $(\text{total hours spent on paid trade union activities by relevant union officials during the relevant period} \div \text{total paid facility time hours}) \times 100$	15.05%
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Workforce data

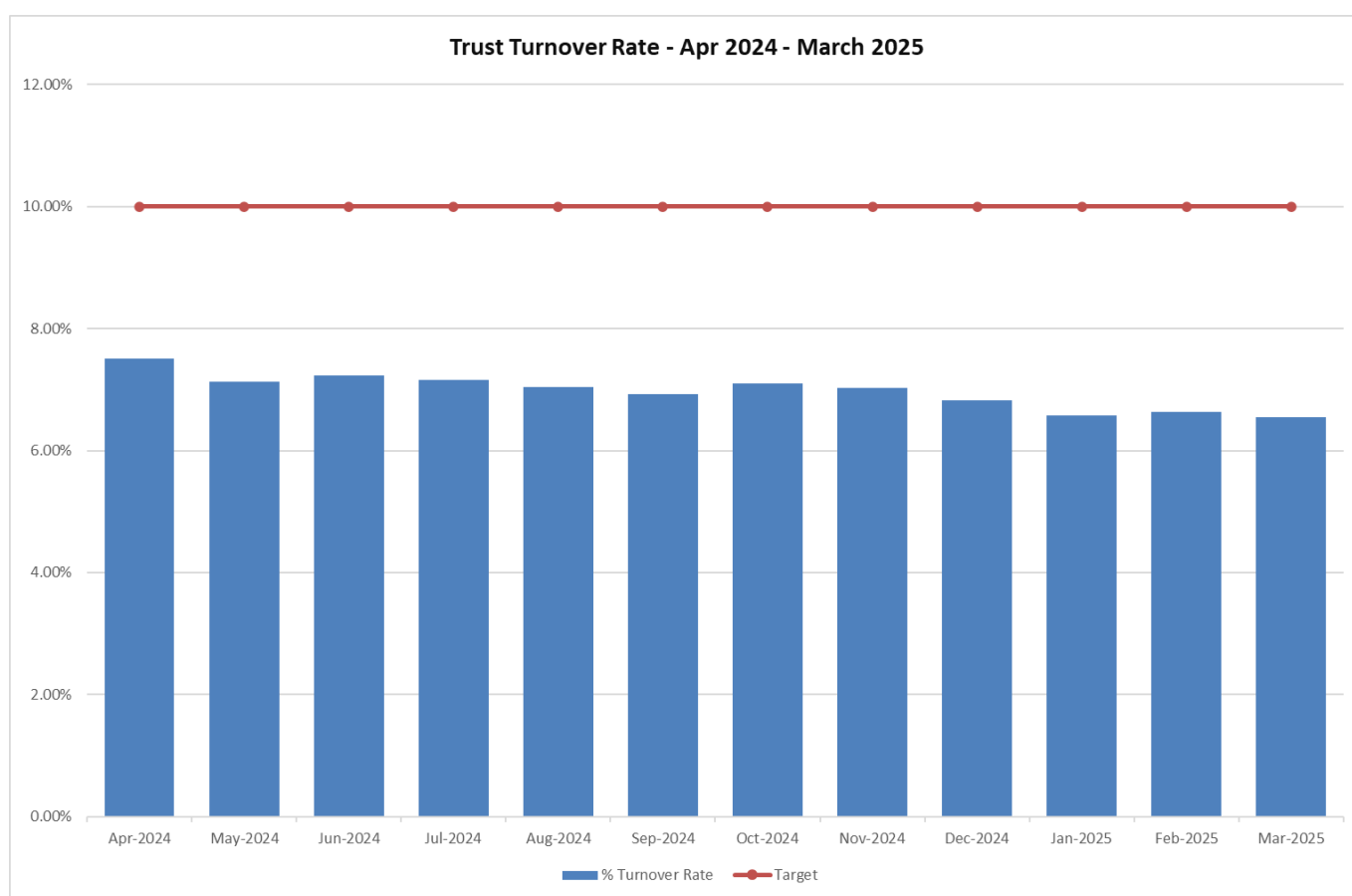


Staff turnover

Staff turnover is reported within NHS Hospitals and Community Health Services (HCHS): Summary statistics for HCHS staff in England through NHS Digital. The series utilises data from the Electronic Staff Record (ESR) data warehouse and is an official statistics publication complying with the UK Statistics Authority's Code of Practice.

The turnover section within the organisation benchmarking tool, NHS Workforce Statistics dashboard is updated on a quarterly basis, in monthly reports, accessible through the following link: [Microsoft Power BI](#). Staff turnover is reported within NHS Hospitals and Community Health Services (HCHS): Summary statistics for HCHS staff in England through NHS Digital. The series utilises data from the Electronic Staff Record (ESR) data warehouse and is an official statistics publication complying with the UK Statistics Authority's Code of Practice.

The trust turnover has remained below the 10% threshold throughout the year, indicating a healthy turnover across the organisation.



NHS Trust Code of Governance

North Tees & Hartlepool NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a comply or explain basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012.

There are other disclosures and statements (mandatory disclosures) that we are required to make, even where we are fully compliant. The mandatory disclosures have already been made within the main text of the Annual Report.

NHS Foundation Trusts are required to provide (within their Annual Report) a specific set of disclosures in relation to the provisions within Schedule A of the Code of Governance. We are compliant with these provisions and in compliance with the Code.

NHS System Oversight Framework

System Oversight Framework

NHS England NHS System Oversight Framework provides the framework for overseeing systems including providers and identifying potential support needs. The framework looks at five national themes:

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

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.

Segmentation

During 2024/25 North Tees and Hartlepool NHS Foundation Trust has been allocated to segment 2 of the NHS Oversight Framework.

The trust will continue to make significant contributions to the wider local health economy and maintains regular engagement with NHS England.

This segmentation information is the trust's position as at 31 March 2025. Current segmentation information for NHS trusts and foundation trusts is published on the NHS England website:

<https://www.england.nhs.uk/publication/nhs-system-oversight-framework-segmentation/>

EPRR assurance

The NHS England Core Standards for EPRR are the minimum standards which NHS organisations must meet for emergency preparedness and response. The trust is required to undertake an annual self-assessment against the core standards to provide assurance to NHS England that robust and resilience EPRR arrangements are maintained within the trust.

For 2024/25 the EPRR core standards assessment provides assurance that the trust is fully compliant with 50 out of 62 standards, allowing us to declare partial compliance (81%) with the required EPRR core standards .

EPRR activity and priorities

2024 has been another challenging year for EPRR, particularly with the ongoing response to industrial action during the first half of the year and endeavouring to implement the review of arrangements and delivery of training and exercises at a time when the trust is under continued day-to-day operational pressure and additional demand on NHS services

EPRR priorities for the coming year include the continued co-ordination and delivery of EPRR across the trust to develop and maintain the trust's capacity and capability to respond in the event of any incident; a full review and update of business continuity arrangements; further development of EPRR arrangements across the trust and ongoing delivery of EPRR training for all key response roles.

Health and safety policies

Regulation 5 of The Management of Health and Safety Regulations sets out that organisations must have suitable arrangements in place for their undertakings. North Tees & Hartlepool NHS Foundation Trust fulfils this obligation by providing a number of specific health and safety related policies. The trust's policies have been introduced and constantly developed as part of an ongoing commitment to its statutory and moral obligations. All the trust's health and safety policies have a systemic approval route via the Health and Safety Subgroup and the Quality Assurance Committee ensuring key stakeholders, including staff-side colleagues, have the opportunity to contribute to policy development. Examples of these policies include:

- Health and Safety policy
- Lone Worker Policy
- Working with Display Screen equipment Policy
- Dealing with the safe handling of sharps Policy
- Reporting under RIDDOR Regulations Policy
- HS24 E-inspections Policy

Application of the Modern Slavery Act

The Modern Slavery and Human Trafficking Act 2015 Act established a duty for commercial organisations to prepare an annual slavery and human trafficking statement to include the steps the organisation has taken during the year to ensure that slavery and human trafficking is not taking place in any of its supply chains or in any part of its own business.

North Tees and Hartlepool NHS Foundation Trust provides integrated hospital and community health services to a population of around 400,000 people in Stockton-on-Tees, Hartlepool and East Durham, including Sedgefield, Peterlee and Easington. Care is delivered from two main acute hospital sites, the University Hospital of Hartlepool and the University Hospital of North Tees in Stockton-on-Tees and a number of community facilities across the area including Peterlee Community Hospital and the One Life Centre, Hartlepool. The trust provides bowel and breast screening services, as well as community dental services to a wider population in Teesside and Durham and employs approximately 5,500 medical, nursing, allied health

professionals, clinical and non-clinical support staff with a total annual turnover of around £486 million.

The trust supports and is aware of its responsibilities towards patients, service users, employees and the local community and expects all suppliers to adhere to the same ethical principles. We have internal policies and procedures in place that assess supplier risk in relation to the potential for modern slavery or human trafficking.

We have zero tolerance for slavery and human trafficking and are fully aware of our responsibilities towards our service users, employees and local communities. We expect all the companies we do business with to share the same ethical values.

We also have an impartial Freedom to Speak up Guardian who supports staff to raise any concerns.

To identify and mitigate the risks of modern slavery and human trafficking in our own business and our supply chain, the trust and its subsidiary companies operates and adheres to a robust recruitment process including compliance with the National NHS Employment Checks / Standards (this includes employees UK address, right to work in the UK and suitable references) and employ agency staff (where appropriate) from agencies on approved frameworks so that we are assured that pre-employment clearance has been obtained to safeguard against human trafficking or individuals being forced to work against their will. If there is not an available worker from a framework agency, this is escalated to senior managers and local pre-employment checks, including the right to work in the UK, are sought.

We adhere to the principles inherent within both our safeguarding children and adult's policies. These provide clear guidance so that our employees are clear on how to raise safeguarding concerns, and by ensuring representation via the safeguarding team, on the modern slavery network and the vulnerable, exploited, missing, trafficked strategic and operational groups, we provide a level of compliance with all respective laws and regulations. These include provision of fair pay rates, fair terms and conditions of employment and access to training and development opportunities.

Our purchasing and procurement is governed by the NHS 'Supplier Code of Conduct' and standard NHS Terms & Conditions. High value contracts are effectively managed and relationships built with suppliers through frameworks which have been negotiated under the NHS Standard Terms and Conditions of Contract with anti-slavery and human trafficking policies and processes in place. All of our suppliers must comply with the provisions of the UK Modern Slavery Act (2015).

The trust upholds professional codes of conduct and practice relating to procurement and supply, including through our Procurement Team's membership of the Chartered Institute of Procurement and Supply

Accounting Officer's responsibilities

Statement of the Chief Executive's Responsibilities as the Accounting Officer of North Tees & Hartlepool NHS Foundation Trust (NTHFT).

The NHS Act 2006 states that the Chief Executive is the Accounting Officer of the NHS Foundation Trust. The relevant responsibilities of the Accounting Officer, including their

responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper accounts, are set out in the NHS Foundation Trust Accounting Officer Memorandum issued by NHS England.

NHS England, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require North Tees & Hartlepool 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 trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

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

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

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

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

Signed:



Stacey Hunter

Date: 25 July 2025

Chief Executive and Accounting Officer

Annual Governance Statement

Scope of responsibility

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

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of North Tees & Hartlepool 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 North Tees & Hartlepool 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

Within the Trust, overall responsibility for risk management is held by the Chief Executive in line with the Trust Scheme of Reservation and Delegation. The Chief Executive discharges this responsibility in line with the Risk Management Policy as follows:

The Chief Nurse and Chief Medical Officer are responsible for clinical risk management and this is discharged within the Quality and Safety Team.

The Director of Risk, Assurance & Compliance is responsible for non-clinical risk management.

Executive Directors and Directors who attend the Board have delegated responsibility for managing risks in accordance with their portfolios as reflected in their job descriptions. For example, the Chief Finance Officer has executive responsibility for financial governance and associated financial risks.

The Risk Management Group oversees the operation of the Trust's risk management process. Membership of the group includes clinical and non-clinical representation across the Care Groups along with Director level input. The Risk Management Group is chaired by the Director of Risk, Assurance & Compliance and is accountable to the Site Leadership Team who report into the Group Management Team.

The Audit Committee is tasked with reviewing the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the whole of the organisation's activities (both clinical and non-clinical), that supports the achievement of the organisation's objectives.

All staff are responsible for health and safety and the effective management of risks within their teams, services or departments and must keep themselves and others safe. All staff have a duty of care to provide safe services and do no harm.

The Trust Board will undertake Risk Management training within the agreed training timetable to comply with NHSI Well-led Framework requirements.

The Trust's Risk Management team provide:

- One to one training,
- Trusts Management Training (Risk and Governance section)
- Digital bite size training (eLearning)
- Healthcare Financial Management Association (HFMA) training, Risk and Governance
- Training (eLearning).

The risk and control framework

The Risk Management Policy provides a framework for managing risks across the Trust and is consistent with best practice and Department of Health and Social Care guidance. The policy has been reviewed and updated and provides a clear, structured and systematic approach to the management of risks to ensure that risk assessment is an integral part of clinical, managerial and financial processes across the organisation. The policy sets out the role of the Trust Board and its committees together with the individual responsibilities of the Chief Executive, Executive Directors, Directors and all staff, in managing risk.

Risk management by the Trust board is underpinned by five (5) interlocking systems of internal control:

- Risk Register (informed by care groups, corporate directorates and team)
- Board Committees (1st line)
- Audit Committee (2nd line)
- Annual Governance Statement

The **Board Assurance Framework (BAF)** sets out the strategic risks to delivery of the trust's strategic objectives together with the controls in place to mitigate the risks and the assurance that can be evidenced relating to their control.

The Board has overall responsibility for ensuring systems and controls are in place, sufficient to mitigate risks which may threaten the achievement of the trust's objectives.

The Board achieves this primarily through the work of its committees, through use of Internal Audit and other independent inspection and by systematic collection and scrutiny of performance data to evidence the achievement of the objectives. It does this by using a model of assurance which shows the boundaries between different roles and responsibilities in the management and assurance of risks. This helps to avoid duplication and gaps in its risk management, performance management, governance and control arrangements.

By setting out roles and responsibilities relating to risk management and assurance, the model links to the trust's assurance framework using a three lines of defence model, with assurance sources mapped to risks. This model is fully adopted by the committees who have been able to measure quality of assurance not just its quantity.

The BAF is designed to provide the Board with a simple but comprehensive method for the effective and focussed management of strategic risks to Trust objectives. The Board, through its committee structure, defines the strategic risks and ensures that each is assigned to a Lead Director as well as to a Lead Committee:

- **The Lead Director** is responsible for assessing any strategic risks assigned to them by the Board and for providing assurance as to the effectiveness of primary risk controls to the Lead Committee.
- **The role of the Lead Committee** is to review the Lead Director's assessment of their strategic risks, consider the range of assurances received as to the effectiveness of primary risk controls, and to recommend to the Lead Director any changes to the BAF to ensure that it continues to reflect the extent of risk exposure at that time.
- **The Audit Committee** is responsible for reviewing the whole BAF in order to provide assurance to the Board that strategic risks are appropriately rated and are being effectively managed; and for advising the Board as to the inclusion within the BAF of additional risks that are of strategic significance.

During 2024/25, the Board approved the strategic objectives, refreshed the strategic risks within the BAF and approved the risk appetites. The trust board has received and reviewed the Board Assurance Framework in full four times throughout the year with monthly reports on assurance. The three main board committees have received and reviewed the Board Assurance Framework relevant to their area on a monthly basis.

The Board and its committees are not involved in operational management and delivery, but exercise oversight of the management of the organisation. The Board and its committees require assurance from management (and other sources) in order to carry out their role in corporate governance. Work commenced during 2024/25 on providing a level of assurance to the Board and Committees which will be rolled out in full during 2025/26.

The proforma Board Assurance Framework document complies with HM Treasury Guidance on Assurance Frameworks.

The strategic risks identified and monitored through the BAF during the year related to:

- **Quality and Safety** – the inability to achieve standards of safety and quality of patient care across the trust resulting in substantial incidents of avoidable harm and poor clinical outcomes, linked to CQC domains.
- **Digital** – the failure to implement new digital systems to meet requirements and the transformation agenda, failure to comply with legal and regulatory requirements, failure to maintain effective cyber-attack defences and limited digital resources to support delivery of the digital agenda.
- **Trust Estate** – a critical infrastructure failure including buildings, insufficient capital to maintain the trust estate, the inability for the estate to allow for the provision of optimal clinical

services, reduction in system capacity if the trust was unable to provide services and non-compliance with relevant legal and regulatory requirements.

- **People** – failure to address the health and wellbeing needs of our people, not having a culture of compassion, civility and respect, not growing a workforce for the future and not embedding new ways of working with appropriate staffing levels.
- **Performance & Compliance** – inability to meet the national targets for referral to treatment targets, cancer and diagnostics targets.
- **System Working & External Threats** – inability to deliver future health and care services to our communities, inability to deliver a frailty management service, failure to deliver optimal integrated care, failure to take a system wide approach to vulnerable services and a lack of system wide engagement to deliver optimal outcomes.
- **Research & Innovation** – inability to deliver an effective research and innovation function, limitation of inconsistent funding, failure to embed research, ineffective research outputs and missed opportunities to improve service and patient outcomes.
- **Finance** – the impact of decisions made nationally/regionally that has an adverse financial impact, contract performance, cost containment, delivery of recurrent savings and Trust subsidiary activities that may prevent the delivery of the annual financial plan.

The Risk Register is a collated summary of the risks identified as being the high-level risks to the Trust, as set out in the Risk Management Policy. Each Care Group and Corporate Directorate has in place risk registers which are overseen by the Risk Management Group, and Senior Leadership Team. It directs management focus to the mitigation of significant risks.

The Audit Committee is responsible for scrutinising the overall systems of internal control (clinical and non-clinical) and for ensuring the provision of effective independent assurance via internal audit, external audit and local counter-fraud services.

The audit committee reports to the board via a chair's log after every meeting and annually on its work via the Annual Report of the Audit Committee in support of the Annual Governance Statement, specifically commenting on the fitness for purpose of the BAF, the completeness and extent to which risk management is embedded in the trust and the integration of governance arrangements. It has fulfilled the role by using the assurance provided in the Board Assurance Framework which it receives in full.

The audit committee has also assessed its own effectiveness, what it has accomplished and whether it has fulfilled its responsibilities along with that of the board sub committees during 2024/25 and has concluded it is content with the scrutiny it, and committees, have provided.

The trust board and its committees have taken an active role in the improvement of risk management processes. This has included the alignment of Board Assurance Framework to the Board committees and agreed schedules of review of the risks at each.

The trust board is responsible for approving the risk appetites that are proposed from the committees, which sets the risk appetite of the organisation and is described in the Risk Management Policy. Risk appetite is defined as 'the amount of risk the organisation is prepared to accept, tolerate, or be exposed to at any point in time.' It allows the Board to take considered risks and to seek assurance that risks of any grade in areas of low tolerance are being managed, rather than focussing predominately on high rated risks. During 2024/25 the board

committees considered the risk appetite at meetings in November 2024 and this was ratified by the board in January 2025. This exercise will be undertaken early in 2025/26.

Quality Governance Arrangements

The trust has robust and effective quality governance arrangements in place which include:

- The Chief Nurse and Chief Medical Officer are responsible for the quality governance arrangements in the trust, and this is discharged within the Quality and Safety Team.
- The Quality Assurance Committee, chaired by Ms Fay Scullion, non-executive director, which has oversight of the Quality Governance framework, with sub-groups focusing on patient experience, patient safety, clinical effectiveness, infection control, safeguarding, safer medication and health and safety.
- An annual clinical audit programme which is approved at quality assurance committee and audit committee
- Serious incidents occurring within the organisation are subject to human factors and systems-based investigation and are reported to the quality assurance committee for discussion and understanding of the learning from the event, in addition to being shared with senior leadership team
- All staff are encouraged to report incidents and learning is shared across the organisation
- Freedom to Speak Up Guardian is effective and visible across the whole of the organisation
- The trust Board receives a report from the chair of the quality assurance committee, and private discussions around key issues arising
- The Board Assurance Framework provides assurance against the strategic objectives of delivering excellence in patient outcomes and experience

The trust is committed to ensuring that, as far as is reasonably practicable, the way we provide services to the public and the way we treat our staff reflects their individual needs and does not discriminate against individuals or groups on any grounds. The equality impact assessment is incorporated into the quality and equality impact assessment (QEIA) process which is part of robust governance arrangements in the trust. This process has been developed to ensure the trust has the appropriate steps in place to safeguard quality whilst delivering significant changes to service delivery and also understand the impact of the change either negatively or positively on any groups of the community which may be affected.

Well Led

The trust was inspected by the Care Quality Commission during 2022, which included a Well Led inspection. The report concluded that the ratings had changed from 'good' to 'requires improvement' with 13 trust wide 'must do' actions identified.

Following the inspection findings, the trust commissioned an independent governance review in December 2022, which was undertaken by the Good Governance Institute (GGI). The review focused on governance systems, management of risks and our responsibility for maintaining a sound system of internal control and governance that supports the delivery of strategy within the

context of system working and the achievement of our strategic aims and objectives, and that those systems remain fit for purpose.

GGI undertook the review between March and May 2023, which focused on seven key themes;

- Board membership and profile
- Governance structures
- Board and committee business
- Assurance and reporting
- Risk management
- Accountability
- Communications and Stakeholder Engagement

A final report was issued in July 2023, which contained 24 recommendations to strengthen existing governance systems and processes. These were agreed and a work plan was developed to support and evidence the implementation of the recommendations. This process was supported by a Non-Executive lead who provided robust oversight and challenge to the implementation of the governance work plan.

Compliance with NHS Provider Licence

The NHS provider licence forms part of the oversight arrangements for the NHS. It sets out conditions that providers of NHS-funded healthcare services in England must meet to help ensure that the health sector works for the benefit of patients, now and in the future. In March 2023, NHS England updated NHS Provider Licence and subsequently the organisation is only required to self-certify on the following:

Condition CoS7 - for NHS foundation trusts only, the required resources available if providing commissioner requested services (CRS).

The trust Board confirmed that it has a reasonable expectation that required resources will be available to deliver designated services Condition CoS7(3).

Workforce

The main source of Registered Nurses for the Trust comes from Teesside and Sunderland Universities. The Trust has recently appointed approx. 30 newly qualified nurses in January 2025 and are forecasted to appoint a further 35 new nurses in September 2025. This recruitment in addition to the recruitment from the Registered Nurse Degree Apprenticeship programme means that the RN vacancy position is minimal, with natural turnover throughout the year creating posts for the September newly qualified nurses also. NT are also planned to receive 18 Nursing Associates and 5 Registered Nurses between 2025 and 2028 via apprenticeship programmes.

Recruitment for all band 3 and band 5 nursing posts is carried out via centralised recruitment centres which are held on a monthly basis. Ward Managers and Senior Clinical Matrons support this process where applicants are taken through a variety of skills stations to ascertain their appoint ability and preferred areas to work. Alongside this process are the management of the successful candidate pools where staff are held whilst awaiting a vacancy in a specific area or department which reduces the need for them to need to re-apply and reduces the lead time from appointment to start date.

Assurance

Developing workforce safeguards and safer staffing remains priority. Monthly workforce assurance check and challenge meetings are now fully embedded and impacting positively on effective rostering and scrutiny in relation to any additional shifts, additional spend and staff management.

Monthly check and challenge meetings are well embedded at the Trust, where rostering efficiencies and key performance indicators are reviewed with the care group senior team, finance business partners, workforce business managers, and senior clinical matrons and ward managers. This review assures that safe and effective rostering of the nursing teams is in place and that support is given to any areas where KPI's are not being met.

The Professional Workforce Assurance Council (PWAC) and the Temporary Staffing Focus Group (TSFG) both meet monthly and provide assurance that full compliance with policy and process is maintained in relation to the Nursing, Midwifery and Allied Health Professions workforce. Trust wide temporary staffing use is reviewed within TSFG to assure that all use is fully rationalised and escalated where required and that clear exit strategies are in place to continue to drive down the use of temporary staffing across all staff groups including medical and dental and admin and clerical.

All elements of safer staffing are reviewed at the site led workforce group meetings. Any unresolved concerns are escalated to the Tactical and Strategic Group and Site Leadership Team as required. Both sites undertake a look forward exercise to the week ahead, to ensure that a plan is in place to support any gaps in the nursing workforce.

On a monthly basis the safer staffing report is presented to the People Committee for assurance and at each meeting of the Public Board by the Chief Nurse.

Establishment review process

Nursing and midwifery establishment reviews are carried out bi-annually using the Safer Nursing Care Tool and Birth Rate Plus which are the only evidence based nursing and midwifery establishment tools available. Patient acuity and dependency data is reviewed and then triangulated with professional judgement and patient quality metrics. Currently the recommendations from the reviews are reported to People Committee and then to Board as per the NHSE mandate.

Care Quality Commission

North Tees and Hartlepool NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is registered without conditions for all services provided.

The most recent CQC visit took place between the 3 to 26 May 2022. The trust has been rated as 'Requires Improvement', additional detail regarding the recent visit is located in the CQC section on page 95. The Care Quality Commission (CQC) published a report in September 2022, following the inspection of two core services, maternity and children and young people. The trust's overall rating as highlighted below is 'requires improvement'. The report outlined 13 'must do' actions and 18 'should do' actions. The trust has since addressed all the CQC must and should do actions from the inspection.

Overall rating for this Trust	Requires Improvement
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Are services at this Trust safe?	Requires Improvement
Are services at this Trust effective?	Requires Improvement
Are services at this Trust caring?	Good
Are services at this Trust responsive?	Good
Are services at this Trust well-led?	Requires Improvement

Register of Interests

The trust has published on its website an up-to-date register of interests, including gifts and hospitality, for decision-making staff (as defined by the trust with reference to the guidance) within the past 12 months as required by the Managing Conflicts of Interest in the NHS guidance.

Pension

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

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

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

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

The financial plan is approved by the Board of Directors and submitted to NHSE, our independent regulator (in exercising its powers originally conferred by Monitor). The process for approving the plan involves the Integrated Care Board (ICB) and the regional NHSE team to create a coordinated strategic and transformational submissions from the North East and North Cumbria ICB. This plan includes forward projections and is monitored by the Resources Committee with key performance indicators and financial sustainability metrics also reviewed monthly by the Senior Leadership Team and the Board of Directors at each of its meetings.

The Integrated Care System (ICS) has an overall requirement to deliver the agreed plan with NHSE at the end of the 12-month period.

The Integrated Care System (ICS) has an overall requirement to deliver the agreed plan with NHSE at the end of the 12-month period. During 2024/25 ICS partners agreed to undertake a 'grip and control' review to mirror work mandated for challenged systems. Two audit partners, Audit One undertook a review of financial controls for all system partners with each organisation providing a self assessment against control areas and PWC undertook a wider review on a risk based approach reviewing arrangements for financial plans and arrangements for CIP and PMO. The output was an overarching system report and an individual specific report for the Trust. A number of development actions were identified by the Trust as part of the Audit One self assessment review and key recommendations from the Audit One audit and PWC audit were identified which are being overseen by the Financial Recovery Group and Resources Committee. A number of areas of best practice from across the system including the Trust were shared.

For the purpose of the accounts only Group refers to the financial statements that present the assets, liabilities, equity, income, expenses and cash flows of North Tees & Hartlepool Trust and its subsidiaries as those of a single entity.

The Group (excluding the North Tees and Hartlepool NHS Foundation Trust General Charitable Fund) recorded an adjusted financial performance surplus in 2024/25 of £0.002 million. At 31 March 2025 the trust's closing cash position amounted to £57.6 million.

The Group's (excluding the Charity) surplus within the annual accounts of £5.826 million reconciles to the financial performance surplus of £0.002 million by adjusting for the impairment of assets £5.644 million, donations towards capital expenditure £12.186 million, depreciation on donated assets £0.585 million and DHSC centrally procured inventories for COVID response £0.133 million.

The trust recognises the risk relating to its ageing estate and this is acknowledged as a strategic risk for the trust. The trust will continue in 2025/26 to review and prioritise all capital expenditure bids to minimise clinical and organisational risk.

Financial governance arrangements are managed within the corporate governance framework which includes Standing Orders, Standing Financial Instructions and a Scheme of Delegation. Financial governance is supported by internal and external audit to ensure economic, efficient and effective use of resources and is monitored by the Audit Committee.

Internal Audit (AuditOne) provides an independent and objective assurance. Through the agreed audit programme, it assists the trust to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. The head of internal audit opinion provides good assurance that there is a sound system of internal control, designed to meet the trust's objectives, and that controls are generally being applied consistently.

Financial governance arrangements are managed within the corporate governance framework which includes standing orders, standing financial instructions and a scheme of delegation. financial governance is supported by internal and external audit to ensure economic, efficient and effective use of resources and is monitored by the audit & risk committee.

The trust's Internal Auditor (AuditOne) has drafted the audit opinion on the adequacy and effectiveness of governance, risk management and control. Their annual opinion for the year ending 31 March 2025 is 'good assurance' can be given that there is a generally sound system of internal control, designed to meet the organisation's objectives, and that controls are generally being applied consistently. However, some weakness in the design and inconsistent application of controls put the achievement of particular objectives at risk. Therefore, there are no significant issues that we need to consider in preparing this opinion.

Their annual plan, agreed with the audit committee, focussed on key BAF risks and trust strategic priorities, including known areas of weakness. In 2024/2025, AuditOne identified one High, 27 Medium and 55 Low risk rated recommendations to improve weaknesses in the design of controls and/or operating effectiveness. The High risk recommendation related to a Sepsis follow up audit.

Information governance

Assurance continues to be provided to the Board of Directors that systems and processes are being constantly assessed and improved to ensure that information is safe. In accordance with UK GDPR Article 37, we have an appointed Data Protection Officer (DPO) who provides support, advice and assurance to the Board in respect of obligations pursuant to legislation, monitors compliance and acts as a point of contact for data subjects and the supervisory authority (ICO).

The Data Security and Protection Standards for health and care are set out in the National Data Guardian's (NDG) ten standards and are measured through the completion of the Data Security Protection Toolkit (DSPT). All organisations that have access to NHS patient data and systems must use this toolkit to provide assurance that they are practicing good data security and that personal information is handled correctly.

The trust submitted its DSPT submission on the 29 June 2024. The trust has self-assessed compliance with all standards and all mandatory evidence items were evidenced, meeting all mandatory assertions; therefore, The trust scored as all 'Standards Met' for the 2024 DSPT.

The 2023-24 DSPT was also subject to external audit, a sample of thirteen of the mandatory assertions taken across the ten standards were audited by external audit (Audit One) during March and April 2024 prior to the DSPT submission.

The trusts independent risk assessment scored the trust as 'Substantial' for all ten National Data Guardian Standards and the overall confidence level of the independent assessor in the veracity of the self-assessment was also rated as 'Substantial'.

The 2024/25 DSPT submission is significantly different from previous years as it is now aligned to the Cyber Assessment framework (CAF). The cyber assessment framework provides a systematic and comprehensive approach to assessing the extent to which cyber and information governance risks to essential functions are being managed.

At the time of writing, the status of the 2024/25 DSPT is that the trust has provided baseline information on all 39 outcomes. The trust is gathering evidence to support the submission. The final submission date is 30 June 2025.

Data Security

The confidentiality and security of information regarding patients and staff is monitored and maintained through the implementation of our Governance Framework which encompasses the elements of law and policy from which applicable information Governance (IG) standards are derived.

Personal information is increasingly held electronically within secure digital systems, it is inevitable that in complex NHS organisations, especially where there is a continued reliance upon manual paper records during a transitional phase to paperless or a paper light environment, that a level of data security incidents can occur.

Any incident involving loss or damage to personal data is comprehensively investigated by the trust in line with its Data and Cyber Breach Management Policy and graded in line with the NHS Digital 'Guide to the Notification of Data Security and Protection Incidents'.

All incidents are graded using the NHS Digital breach assessment criteria and our risk assessment tool according to the significance of the breach and the likelihood of those serious consequences occurring. The incidents are also graded according to the impact on the individual or groups of individuals rather than on the trust. Those incidents deemed to be of a high risk are reportable to the Information Commissioners Office (ICO) via the Data Security Protection Toolkit within 72 hours of being reported to the trust.

We actively encourage staff to report any suspected data protection and cyber breaches irrespective of their severity in line with its reporting policy.

We reported one incident to the ICO during the reporting period, a reduction from four in the previous year. The reported incident is related to 'inappropriate disclosure by a staff member', the incident has since been closed without action by the ICO and the trust has taken appropriate action to mitigate.

In order to further strengthen existing trust policy and to prevent repeat incidents in areas where incidents have occurred the following key actions were undertaken:

- Review of IG policies and standard operating procedures to ensure they reflect the specific needs and practicalities of each internal department and they reflect the changing needs of legislation and national guidance.
- Continued programme of comprehensive quality assurance and spot checks to ensure all departments are complying with Trust policies relating to the protection of personal data.
- Continue to provide annual data security training inclusive of cyber security and the provision of targeted training in areas of non-compliance.
- Robust monitoring of departmental action plans following incidents to ensure appropriate actions have been implemented via the digital governance committee.
- Full annual review of information assets and information flows through The trust within a redesigned framework to comply with GDPR requirements.
- Regular staff awareness campaigns run via communications team targeting areas of non-compliance.
- HR processes followed where repeated non-compliance has been found.

Data use and reporting

North Tees and Hartlepool NHS Foundation Trust submitted records during 2024-25 to the Secondary Uses Service (SUS) for inclusion in the Data Quality Maturity Index (DQMI) which are included in the latest published data.

The trust will be taking the following actions to improve data quality Clinical coding audit.

Clinical coding translates medical terms written by clinicians about patient diagnosis and treatment into codes that are recognised nationally. North Tees and Hartlepool Foundation Trust was not subject to the Payment by Results clinical coding audit during the reporting period. The in-house clinical coding audit manager conducts a 200 episode audit every year as part of the Data Security and Protection (DSP) Toolkit and also as part of continuous assessment of the auditor.

The 2024-25 audit is still being carried out so the results are not yet available, but the services reviewed within the sample are 200 finished consultant episodes (FCEs) taken from all surgical specialties and include day cases.

The errors include both coder and documentation errors of which the coding errors will be fed back to the coders as a group and individually. The documentation errors will be taken to directorate meetings.

Depth of coding and key metrics are monitored by the trust in conjunction with mortality data. Targeted internal monthly coding audits are undertaken to provide assurance that coding reflects clinical management. Any issues are taken back to the coder or clinician depending on the error. The clinical coders are available to attend mortality review meetings to ensure the correct coding of deceased patients.

Our coders organise their work so that they are aligned to the clinical teams. This results in sustained improvements to clinical documentation. This supports accurate clinical coding and a reduction in the number of healthcare resource group changes made. This is the methodology

which establishes how much we should get paid for the care we deliver. We will continue to work hard to improve quality of information because it will ensure that NHS resources are spent effectively.

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 managers and clinical leads within the NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the board, the audit committee, the resources committee, the quality assurance committee and people committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Trust Board

The Group Board comprises seven voting executive directors, including a group chief executive and twelve non-executive directors inclusive of the group chair. A review of the size of the Board and the balance of skills and experience is currently being considered in line with succession planning arrangements and to ensure the requirements of the organisation are adequately being met.

- During 2024/25 there were six (6) changes to the Board of Directors:
- Leavers included Hilary Lloyd, chief nurse and Susannah Cook - group chief people officer and associate non executive directors Rudy Bilous and Alison Gerner.
- Ms Maurya Cushlow was appointed as interim chief nurse until 31 March 2025 and Matt Neligan joined the board as chief strategy officer.

The changes were approved by the nomination committees and endorsed by the council of governors and remuneration committee as appropriate.

The overarching governance framework for the trust is set out in detail in the Standing Orders, Standing Financial Instructions and the Scheme of Reservation and Delegation. The Corporate Governance Structure, Board Committee Terms of Reference, Standing Orders and Standing Financial Instructions were reviewed during the year to ensure the governance framework reflects the organisation of the trust and maintains internal control.

The Board has overall responsibility for determining the future direction of the trust and ensuring delivery of safe and effective services in accordance with legislation and principles of the NHS. The trust Board also ensures that the organisation complies with relevant regulatory standards.

The trust board consider performance against national priorities set out in the NHS System Oversight Framework for NHS Providers, which sets out how NHS England works alongside

Trusts to support the delivery of high quality and sustainable services for patients. The trust continues to be rated as '2' on the Oversight Framework.

Performance is reported and discussed monthly in the trust Board meeting and its Sub Committees.

Conclusion

In conclusion, the trust had not had any significant internal control issues in 2024/25.

Signed:



Stacey Hunter

Chief Executive and Accounting Officer

Date: 25 July 2025

Independent auditor's report to the Council of Governors and Board of Directors of North Tees and Hartlepool NHS Foundation Trust

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of North Tees and Hartlepool NHS Foundation Trust (the 'Foundation Trust' or the 'Trust') and its subsidiaries (the 'Group'):

- give a true and fair view of the state of the Group's and the Foundation Trust's affairs as at 31 March 2025 and of the Group's and Foundation Trust's income and expenditure for the year then ended;
- have been properly prepared in accordance with the accounting requirements of the Department of Health and Social Care Group Accounting Manual, as directed by NHS England; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006.

We have audited the financial statements which comprise:

- the Consolidated Statement of Comprehensive Income;
- the Group and Trust Statements of Financial Position;
- the Group and Trust Statements of Changes in Equity;
- the Group and Trust Statements of Cash Flows; and
- the related notes 1 to 37.

The financial reporting framework that has been applied in their preparation is applicable law and the accounting requirements of the Department of Health and Social Care Group Accounting Manual, as directed by NHS England.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)), the Code of Audit Practice issued by the Comptroller & Auditor General and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Group and the Foundation Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the accounting officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and the Foundation Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Independent auditor's report to the Council of Governors and Board of Directors of North Tees and Hartlepool NHS Foundation Trust (continued)

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

The going concern basis of accounting for the Group and the Foundation Trust is adopted in consideration of the requirements set out in the Department of Health and Social Care Group Accounting Manual which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

Other information

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

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

We have nothing to report in this regard.

Responsibilities of accounting officer

As explained more fully in the Accounting Officer's responsibilities statement, as the accounting officer of North Tees and Hartlepool NHS Foundation Trust, the accounting officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the accounting officer is responsible for assessing the Group's and the Foundation Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Foundation Trust without the transfer of the Foundation Trust's services to another public sector entity.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

Independent auditor's report to the Council of Governors and Board of Directors of North Tees and Hartlepool NHS Foundation Trust (continued)

considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the Group and its control environment, and reviewed the Group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management, internal audit and local counter fraud about their own identification and assessment of the risks of irregularities, including those that are specific to the National Health Service and public sector.

We obtained an understanding of the legal and regulatory framework that the Group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. This included the National Health Service Act 2006.
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Group's ability to operate or to avoid a material penalty. These included the Data Protection Act 2018 and relevant employment legislation.

We discussed among the audit engagement team including relevant internal specialists such as valuations and IT regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following area, and our specific procedures performed to address it are described below:

- the validity and completeness of accruals recorded at 31 March 2025 and the timing of their recognition are subject to potential management bias: we tested a sample of accruals to supporting documentation to assess whether the liability had been incurred as at 31 March 2025. We also tested a sample of invoices received and paid post year end to assess if a liability existed as at 31 March 2025, and checked whether an associated creditor or accrual had been recorded.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

Independent auditor's report to the Council of Governors and Board of Directors of North Tees and Hartlepool NHS Foundation Trust (continued)

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and internal audit concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing internal audit reports.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the National Health Service Act 2006

In our opinion:

- the parts of the Remuneration Report and Staff Report subject to audit have been prepared properly in accordance with the National Health Service Act 2006 in all material respects; and
- the information given in the Performance Report and the Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Use of resources

Under the Code of Audit Practice and Schedule 10(1(d)) of the National Health Service Act 2006, we are required to report to you if we have not been able to satisfy ourselves that the Foundation Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

We have nothing to report in respect of this matter.

Respective responsibilities of the accounting officer and auditor relating to the Foundation Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources

The accounting officer is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in the use of the Foundation Trust's resources.

We are required under the Code of Audit Practice and Schedule 10(1(d)) of the National Health Service Act 2006 to satisfy ourselves that the Foundation Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Independent auditor's report to the Council of Governors and Board of Directors of North Tees and Hartlepool NHS Foundation Trust (continued)

We are not required to consider, nor have we considered, whether all aspects of the Foundation Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We undertake our work in accordance with the Code of Audit Practice, having regard to the Auditor Guidance Notes issued by the Comptroller & Auditor General, as to whether the Foundation Trust has proper arrangements for securing economy, efficiency and effectiveness in the use of resources against the specified criteria of financial sustainability, governance, and improving economy, efficiency and effectiveness.

The Comptroller & Auditor General has determined that under the Code of Audit Practice, we discharge this responsibility by reporting by exception if we have reported to the Foundation Trust a significant weakness in arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2025. Other findings from our work, including our commentary on the Foundation Trust's arrangements, will be reported in our separate Auditor's Annual Report.

Annual Governance Statement and compilation of financial statements

Under the Code of Audit Practice, we are required to report to you if, in our opinion:

- the Annual Governance Statement does not meet the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual, is misleading, or is inconsistent with information of which we are aware from our audit; or
- proper practices have not been observed in the compilation of the financial statements.

We are not required to consider, nor have we considered, whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in respect of these matters.

Reports in the public interest or to the regulator

Under the Code of Audit Practice, we are also required to report to you if:

- any matters have been reported in the public interest under Schedule 10(3) of the National Health Service Act 2006 in the course of, or at the end of the audit; or
- any reports to the regulator have been made under Schedule 10(6) of the National Health Service Act 2006 because we have reason to believe that the Foundation Trust, or a director or officer of the Foundation Trust, is about to make, or has made, a decision involving unlawful expenditure, or is about to take, or has taken, unlawful action likely to cause a loss or deficiency.

We have nothing to report in respect of these matters.

Independent auditor's report to the Council of Governors and Board of Directors of North Tees and Hartlepool NHS Foundation Trust (continued)

Certificate of completion of the audit

As at the date of this audit report, we have not received confirmation from the National Audit Office that the audit of the NHS group consolidation is complete.

In accordance with Auditor Guidance Note 07, we are therefore unable to certify that we have completed our audit of North Tees and Hartlepool NHS Foundation Trust for the year ended 31 March 2025 in accordance with the requirements of the National Health Service Act 2006 and the National Audit Office Code of Audit Practice. We are satisfied that our remaining work in this area is unlikely to have a material impact on the financial statements.

Use of our report

This report is made solely to the Council of Governors and Board of Directors ("the Boards") of North Tees and Hartlepool NHS Foundation Trust NHS Foundation Trust, as a body, in accordance with paragraph 4 of Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Boards those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Boards as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in cursive script, reading 'S Kenny', on a light-colored rectangular background.

Stuart Kenny (Key Audit Partner)
For and on behalf of Deloitte LLP
Appointed Auditor
Newcastle upon Tyne, United Kingdom
31 July 2025

Accounts

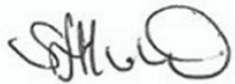
For the year 1 April 2024 to 31 March 2025



Foreword to the accounts

North Tees and Hartlepool NHS Foundation Trust

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



Signed

Name	Stacey Hunter
Job title	Chief Executive Officer
Date	25 July 2025

Consolidated Statement of Comprehensive Income

		Group	
		2024/25	2023/24
	Note	£000	£000
Operating income from patient care activities	3	439,839	392,563
Other operating income	4	46,856	33,745
Operating expenses	7, 9	(481,205)	(428,897)
Operating surplus / (deficit)		5,490	(2,589)
Finance income	11	3,027	3,404
Finance expenses	12	(672)	(724)
PDC dividends payable		(2,400)	(1,816)
Net finance costs		(45)	864
Other gains / (losses)	13	59	(35)
Corporation tax expense		(51)	(61)
Surplus / (deficit) for the year		5,453	(1,821)
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	8	(10,564)	(67)
Revaluations	8, 20, 21.3	5,276	5,880
May be reclassified to income and expenditure when certain conditions are met:			
Fair value (losses) / gains on financial assets mandated at fair value through OCI	22	(73)	131
Total comprehensive income for the period		92	4,123

Please note that the surplus for the year of £5.453m (2023/24 £1.821m deficit for the year) includes income and expenses which fall outside of control total. The control total is the surplus/deficit set by NHSE for NHS organisations to adhere to. The performance against control total is a surplus of £0.002m (2023/24 £1.354m surplus for the year) and note 37 details and explains the movement from annual surplus / (deficit) to control total surplus. The note also includes the prior year comparator.

Statements of Financial Position

	Note	Group		Foundation Trust	
		31 March 2025 £000	31 March 2024 £000	31 March 2025 £000	31 March 2024 £000
Non-current assets					
Intangible assets	15, 16	1,737	1,209	1,732	1,203
Property, plant and equipment	17, 18	148,485	134,514	148,485	134,513
Right of use assets	21	19,458	20,337	19,458	20,337
Other investments / financial assets	22	1,472	1,545	0	0
Receivables	25	1,874	1,790	60,079	27,452
Total non-current assets		173,026	159,395	229,754	183,505
Current assets					
Inventories	24	7,024	6,626	6,467	6,145
Receivables	25	25,167	24,209	26,543	25,771
Cash and cash equivalents	26	59,108	72,000	55,292	65,007
Total current assets		91,299	102,835	88,302	96,923
Current liabilities					
Trade and other payables	27	(65,486)	(70,730)	(61,340)	(58,063)
Borrowings	29	(5,684)	(4,804)	(5,684)	(4,804)
Provisions	31	(2,614)	(6,532)	(2,462)	(6,454)
Other liabilities	28	(6,619)	(3,918)	(6,554)	(3,887)
Total current liabilities		(80,403)	(85,984)	(76,040)	(73,208)
Total assets less current liabilities		183,922	176,246	242,016	207,220
Non-current liabilities					
Borrowings	29	(32,897)	(34,884)	(32,897)	(34,884)
Other financial liabilities	30	0	0	(63,574)	(38,725)
Provisions	31	(1,601)	(1,997)	(1,662)	(1,997)
Total non-current liabilities		(34,498)	(36,881)	(98,133)	(75,606)
Total assets employed		149,424	139,365	143,883	131,614
Financed by					
Public dividend capital		196,048	186,081	196,048	186,081
Revaluation reserve		12,937	18,225	12,937	18,225
Income and expenditure reserve		(62,385)	(68,211)	(65,102)	(72,692)
Charitable fund reserves	23	2,824	3,270	0	0
Total taxpayers' equity		149,424	139,365	143,883	131,614

The notes on pages 8 to 55 form part of these accounts.

Name
Position
Date

Stacey Hunter
Chief Executive Officer
25 July 2025



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

Group	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Charitable fund reserves £000	Total £000
Taxpayers' and others' equity at 1 April 2024 - brought forward	186,081	18,225	(68,211)	3,270	139,365
Surplus / (deficit) for the year	0	0	5,826	(373)	5,453
Impairments	0	(10,564)	0	0	(10,564)
Revaluations	0	5,276	0	0	5,276
Fair value losses on financial assets mandated at fair value through OCI	0	0	0	(73)	(73)
Public dividend capital received	9,967	0	0	0	9,967
Taxpayers' and others' equity at 31 March 2025	196,048	12,937	(62,385)	2,824	149,424

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

Group	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Charitable fund reserves £000	Total £000
Taxpayers' and others' equity at 1 April 2023 - brought forward	169,015	12,412	(66,138)	2,887	118,176
(Deficit) / surplus for the year	0	0	(2,073)	252	(1,821)
Impairments	0	(67)	0	0	(67)
Revaluations	0	5,880	0	0	5,880
Fair value gains losses on financial assets mandated at fair value through OCI	0	0	0	131	131
Public dividend capital received	17,266	0	0	0	17,266
Public dividend capital repaid	(200)	0	0	0	(200)
Taxpayers' and others' equity at 31 March 2024	186,081	18,225	(68,211)	3,270	139,365

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

Foundation Trust	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2024 - brought forward	186,081	18,225	(72,692)	131,614
Surplus for the year	0	0	4,421	4,421
Impairments	0	(10,564)	0	(10,564)
Revaluations	0	5,276	0	5,276
Public dividend capital received	9,967	0	0	9,967
Other reserve movements	0	0	3,169	3,169
Taxpayers' and others' equity at 31 March 2025	196,048	12,937	(65,102)	143,883

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

Foundation Trust	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2023 - brought forward	169,015	12,412	(69,644)	111,783
Deficit for the year	0	0	(4,013)	(4,013)
Impairments	0	(67)	0	(67)
Revaluations	0	5,880	0	5,880
Public dividend capital received	17,266	0	0	17,266
Public dividend capital repaid	(200)	0	0	(200)
Other reserve movements	0	0	965	965
Taxpayers' and others' equity at 31 March 2024	186,081	18,225	(72,692)	131,614

Information on reserves

Public dividend capital

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

Revaluation reserve

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

Income and expenditure reserve

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

Charitable funds reserve

This reserve comprises the ring-fenced funds held by the NHS charitable funds consolidated within these accounts. These reserves are classified as restricted or unrestricted; a breakdown is provided in note 23.

Statements of Cash Flows

	Note	Group		Foundation Trust	
		2024/25	2023/24	2024/25	2023/24
		£000	£000	£000	£000
Cash flows from operating activities					
Operating surplus / (deficit)		5,490	(2,589)	4,698	(4,850)
Non-cash income and expense:					
Depreciation and amortisation	7.1	18,297	17,984	18,295	17,977
Net impairments	8	5,644	6,136	5,644	6,136
Income recognised in respect of capital donations	4	(12,186)	(3,814)	(12,186)	(3,814)
(Increase) / decrease in receivables and other assets		(1,416)	4,828	(33,794)	4,919
Increase in inventories		(398)	(56)	(322)	(10)
(Decrease) / increase in payables and other liabilities		(2,159)	(852)	31,218	368
Decrease in provisions		(4,334)	(2,049)	(4,348)	(2,069)
Movements in charitable fund working capital		16	68	0	0
Tax paid		(51)	(61)	0	0
Other movements in operating cash flows		65	(94)	3,230	869
Net cash flows from operating activities		8,968	19,501	12,435	19,526
Cash flows from investing activities					
Interest received		2,948	3,351	4,921	4,432
Purchase of intangible assets		(897)	(1,205)	(897)	(1,205)
Purchase of PPE		(39,420)	(36,380)	(39,420)	(36,380)
Sales of PPE		78	83	78	83
Receipt of cash donations to purchase assets		12,079	3,908	12,079	3,908
Net cash flows from charitable fund investing activities		79	53	0	0
Net cash flows used in investing activities		(25,133)	(30,190)	(23,239)	(29,162)
Cash flows from financing activities					
Public dividend capital received		9,967	17,266	9,967	17,266
Public dividend capital repaid		0	(200)	0	(200)
Movement on loans from DHSC		(1,088)	(1,088)	(1,088)	(1,088)
Capital element of lease liability repayments		(3,066)	(4,133)	(3,066)	(4,133)
Interest on loans		(453)	(482)	(2,637)	(1,499)
Interest paid on lease liability repayments		(207)	(234)	(207)	(234)
PDC dividend paid		(1,880)	(1,966)	(1,880)	(1,966)
Net cash flows from financing activities		3,273	9,163	1,089	8,146
Decrease in cash and cash equivalents		(12,892)	(1,526)	(9,715)	(1,490)
Cash and cash equivalents at 1 April - brought forward		72,000	73,526	65,007	66,497
Cash and cash equivalents at 31 March	26	59,108	72,000	55,292	65,007

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

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

Accounting convention

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

Note 1.2 Going concern

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

Note 1.3 Consolidation

Subsidiaries

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

NHS Charitable Funds

The Trust is the Corporate Trustee to North Tees and Hartlepool NHS Foundation Trust General Charitable Fund. The Trust has assessed its relationship to the charitable fund and determined it to be a subsidiary because the Trust is exposed to, or has rights to, variable returns and other benefits for itself, patients and staff from its involvement with the charitable fund and has the ability to affect those returns and other benefits through its power over the fund.

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

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

Optimus Health Limited and North Tees and Hartlepool Solutions Limited Liability Partnership

The amounts consolidated are drawn from the draft accounts of the subsidiaries for the year to 31 March 2025 for Optimus Health Limited and North Tees and Hartlepool Solutions Limited Liability Partnership (LLP).

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

Note 1.4 Revenue from contracts with customers

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

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

Revenue from NHS contracts

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

Aligned payment and incentive contracts form the main payment mechanism under the NHSPS. API contracts contain both a fixed and variable element. Under the variable element, providers earn income for elective activity (both ordinary and day case), out-patient procedures, out-patient first attendances, diagnostic imaging and nuclear medicine, and chemotherapy delivery activity. The precise definition of these activities is given in the NHSPS. Income is earned at NHSPS prices based on actual activity. The fixed element includes income for all other services covered by the NHSPS assuming an agreed level of activity with 'fixed' in this context meaning not varying based on units of activity. Elements within this are accounted for as variable consideration under IFRS 15 as explained below.

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

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

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

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

Revenue from research contracts

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

NHS injury cost recovery scheme

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

Note 1.5 Other forms of income

Grants and donations

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

Note 1.6 Expenditure on employee benefits

Short-term employee benefits

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

Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Both schemes are unfunded, defined benefit schemes that cover NHS employers, general practices and other bodies, allowed under the direction of 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.

NEST Pension Scheme

The Trust (and its subsidiaries, North Tees and Hartlepool Solutions LLP and Optimus Health Limited) offers the National Employment Savings Trust (NEST) to employees. This is a defined contribution pension scheme.

Note 1.7 Expenditure on other goods and services

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

Note 1.8 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential be provided to, the Trust;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably;
- the item has a cost of at least £5,000; or
- collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, have broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control.

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

Subsequent expenditure

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

Measurement

Valuation

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

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

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

- Land and non-specialised buildings – market value for existing use; and
- 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 buildings, where the construction is completed by the Trust's subsidiary - North Tees and Hartlepool Solutions LLP and the costs have recoverable VAT for the Trust.

The Trust has a contract with Cushman & Wakefield for production of the MEA valuation. The name of the surveyor is Jim Stevenson, Associate, Registered Valuer, BSc (Hons) MRICS. The prior year valuation contract was with the Valuation Office Agency and the name of the surveyor was Joe Green, Senior Surveyor, RICS Registered Valuer.

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

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

Depreciation

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

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

Revaluation gains and losses

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

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

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

Impairments

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

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve.

Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised. Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

De-recognition

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

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

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

Donated and grant funded assets

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

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

This includes assets donated to the Trust by the Department of Health and Social Care as part of the response to the coronavirus pandemic. As defined in the GAM, the Trust applies the principle of donated asset accounting to assets that the Trust controls and is obtaining economic benefits from at the year end.

Useful lives of property, plant and equipment

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

	Min life Years	Max life Years
Land	-	-
Buildings, excluding dwellings	7	88
Dwellings	59	69
Plant & machinery	2	25
Transport equipment	5	15
Information technology	2	10
Furniture & fittings	5	12

Land has an infinite life.

Finance-leased assets (including land) are depreciated over the shorter of the useful life or the lease term, unless the Trust expects to acquire the asset at the end of the lease term in which case the assets are depreciated in the same manner as owned assets above.

Note 1.9 Intangible assets**Recognition**

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

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

Software

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

Measurement

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

Subsequently intangible assets are 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. Revaluation gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

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

Amortisation

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

Useful lives of intangible assets

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

	Min life Years	Max life Years
Software licences	2	7
Licences & trademarks	10	10

Note 1.10 Inventories

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

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

Note 1.11 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.

Note 1.12 Financial assets and financial liabilities

Recognition

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

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

Classification and measurement

Financial assets and financial liabilities are initially measured at fair value plus or minus directly attributable transaction costs 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.

Financial assets measured at fair value through other comprehensive income

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

The Trust has irrevocably elected to measure charitable funds equity instruments at fair value through other comprehensive income.

Impairment of financial assets

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

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

For all Non NHS debtors:

- 100% expected credit losses is assumed on all invoices over 9 months old;
- 90% expected credit losses is assumed on all invoices between 6 months and 9 months;
- 75% expected credit losses is assumed on all invoices between 3 months and 6 months;
- 50% expected credit losses is assumed on all invoices between 1 month and 3 months; and
- 0% expected credit losses is assumed on all invoices between 0 months and 1 month.

For overseas visitors and for BUPA invoices 100% expected credit losses has been assumed on all outstanding invoices. The BUPA debtor balance relates to invoices over 12 months old and all of these invoices are in dispute.

For NHS, expected credit losses have been assumed on specific disputed invoices and where no agreement for receipt has been received via the agreement of balances exercise, the Trust has applied the same percentage credit loss as with Non NHS debtors, based on the age of the outstanding debt.

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

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

Derecognition

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

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

Note 1.13 Leases

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

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

The Trust as a lessee

Recognition and initial measurement

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

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

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

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

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

The Trust has vehicle leases which do not qualify as low value, but are immaterial to the Trust. Following the requirements of IAS 1 Presentation of Financial Statements, the Trust has not applied IFRS 16 to those immaterial leases (regardless of those leases failing to qualify as leases of low-value underlying assets).

Subsequent measurement

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

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

The Trust as a lessor

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

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

Finance leases

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

Operating leases

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

Note 1.14 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rates effective from 31 March 2024:

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

HM Treasury provides discount rates for general provisions on a nominal rate basis. Expected future cash flows are therefore adjusted for the impact of inflation before discounting using nominal rates. The following inflation rates are set by HM Treasury, effective from 31 March 2024:

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

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

Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the Trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the Trust is disclosed at Note 31.3 but is not recognised in the Trust's accounts.

Non-clinical risk pooling

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

Note 1.15 Public dividend capital

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

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

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

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

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

Note 1.16 Value added tax

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

Note 1.17 Corporation tax

Foundation Trusts are exempt from corporation tax on their principal healthcare income streams under section 519A Income and Corporation Taxes Act 1988. In determining whether other income may be taxable, a three-stage test must be employed which asks whether the activity is an authorised activity related to the provision of core healthcare, whether the activity is actually or potentially in competition with the private sector, and whether the annual profits of the activity are in excess of £50k per trading activity. The Trust has assessed its car parking and catering income against this criteria and does not have any corporation tax liability in the current or prior year.

Optimus Health Limited has carried out its own tax computation and corporation tax is payable on its trading year of £51k (2023/24 £61k). The Foundation Trust has assessed that no tax liability arises from North Tees and Hartlepool Solutions LLP.

Note 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.

Note 1.19 Foreign exchange

The functional and presentational currency of the Trust is sterling.

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

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

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

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

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

Note 1.20 Third party assets

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

Note 1.21 Losses and special payments

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

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

Note 1.22 Gifts

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

Note 1.23 Early adoption of standards, amendments and interpretations

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

Note 1.24 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 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. The Trust has carried out a full assessment of all income contracts and has not identified any contracts that contain an insurance component.

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.

Note 1.25 Critical judgements in applying accounting policies

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

a) The Trust's land and buildings non-current assets are valued by Cushman and Wakefield on an annual basis. The Trust changed Valuer this year in line with University Hospital Tees Group. In financial year 2024/25 a full valuation exercise and physical inspection was carried out. The Trust commissions a full physical valuation of all land and buildings every five years and in other years, a table exercise is carried out and only areas of significant capital spend in year will be physically inspected. The remaining life applied to land and building assets is provided by Cushman and Wakefield but in the financial year 2021/22, a detailed structural survey was commissioned by the Trust and the report produced by Faithful and Gould Limited, indicated that the majority of the buildings on the North Tees site have a maximum remaining life of 10 years. This detailed report has been reviewed by Cushman and Wakefield and the valuation report has been amended accordingly. The majority of the buildings on the North Tees site now have a maximum life of 6 years at the end of March 2025.

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

Note 1.26 Sources of estimation uncertainty

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

a) The useful economic life (UEL) of each category of fixed asset is assessed when acquired by the Trust. A degree of estimation is occasionally used in assessing the useful economic lives of assets. The average UEL for tangible fixed assets is 10 years and annual depreciation is £14.153m, therefore on average if all assets were to increase or decrease by 1 year in UEL, the impact would be £1.3m per annum in depreciation.

b) When arriving at the valuation for property, Trust management engages a qualified surveyor to assist them in forming estimates. The value of land and buildings for the Trust is £97.959m and a 1% change in value would equate to £0.980m.

Note 2 Operating Segments

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

The Trust conducts the majority of its business with Health Bodies in England. Transactions with entities in Scotland, Ireland and Wales are conducted in the same manner as those within England.

Organisations which contribute 5% or more of the Trust's income in either year are set out in the table below. Further information can be found in note 36, Related Party Transactions.

	2024/25	2023/24
NHS North East and North Cumbria ICB	80%	82%
North East and Yorkshire Regional Office (incl NHSE NE Commissioning Hub)	6%	6%

Note 3 Operating income from patient care activities (Group)

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

Note 3.1 Income from patient care activities (by nature)	2024/25	2023/24
	£000	£000
Acute services		
Income from commissioners under API contracts	352,326	314,991
High cost drugs income from commissioners	20,326	17,844
Other NHS clinical income	874	2,754
Community services		
Income from commissioners under API contracts*	45,766	44,168
Income from other sources (e.g. local authorities)	850	903
All services		
Private patient income	96	36
National pay award central funding***	854	173
Additional pension contribution central funding**	16,100	9,534
Other clinical income	2,647	2,160
Total income from activities	439,839	392,563

*Aligned payment and incentive contracts are the main form of contracting between NHS providers and their commissioners. More information can be found in the 2023/24 to 2024/25 NHS Payment Scheme documentation.

<https://www.england.nhs.uk/pay-syst/nhs-payment-scheme/>

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

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

Note 3.2 Income from patient care activities (by source)

	2024/25	2023/24
Income from patient care activities received from:	£000	£000
NHS England	49,607	39,501
Integrated care boards	386,640	349,966
Local authorities	850	903
Non-NHS: private patients	96	36
Non-NHS: overseas patients (chargeable to patient)	115	79
Injury cost recovery scheme	790	768
Non NHS: other	1,741	1,310
Total income from activities	439,839	392,563

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

	2024/25	2023/24
	£000	£000
Income recognised this year	115	79
Cash payments received in-year	61	20
Amounts added to provision for impairment of receivables	59	5
Amounts written off in-year	0	3

Note 4 Other operating income (Group)

	2024/25			2023/24		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total
	£000	£000	£000	£000	£000	£000
Research and development	1,487	0	1,487	1,366	0	1,366
Education and training	16,707	0	16,707	14,136	0	14,136
Non-patient care services to other bodies	8,434	0	8,434	6,739	0	6,739
Receipt of capital grants and donations and peppercorn leases	0	12,186	12,186	0	3,814	3,814
Charitable and other contributions to expenditure	0	0	0	0	76	76
Revenue from operating leases	0	549	549	0	1,007	1,007
Charitable fund incoming resources	0	559	559	0	754	754
Other income	6,934	0	6,934	5,853	0	5,853
Total other operating income	33,562	13,294	46,856	28,094	5,651	33,745

Other income includes: LLP sales £1.853m (2023/24 £1.448m); car parking £1.939m (2023/24 £1.848m); catering income £1.176m (2023/24 £1.108m); lease cars £0.859m (2023/24 £0.771m); quality control labs £0.219m (2023/24 £0.226m); and the remainder is made up of miscellaneous other revenue streams.

Note 5 Additional information on contract revenue (IFRS 15) recognised in the period**Note 5.1 Additional information on contract revenue (IFRS 15) recognised in the period**

	2024/25	2023/24
	£000	£000
Revenue recognised in the reporting period that was included in contract liabilities at the previous period end	3,025	4,151
Revenue recognised from performance obligations satisfied (or partially satisfied) in previous periods	0	0

Note 5.2 Transaction price allocated to remaining performance obligations

Revenue from existing contracts allocated to remaining performance obligations is expected to be recognised:	2025	2024
	£000	£000
within one year	6,619	3,918
after one year, not later than five years	0	0
after five years	0	0
Total revenue allocated to remaining performance obligations	6,619	3,918

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

Note 5.3 Income from activities arising from commissioner requested services

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

	2024/25	2023/24
	£000	£000
Income from services designated as commissioner requested services	418,418	377,003
Income from services not designated as commissioner requested services	67,718	48,551
Total	486,136	425,554

Note 5.4 Fees and charges (Group)

HM Treasury requires disclosure of fees and charges income. The Trust does not receive income from charges to service users where income from that service exceeds £1m.

Note 6 Operating leases - North Tees and Hartlepool NHS Foundation Trust as lessor

This note discloses income generated in operating lease agreements where the Trust is the lessor. The income relates to rental income for the Trusts buildings. There are no risks arising from the arrangements that impact on the Trust.

Note 6.1 Operating leases income (Group)

	2024/25	2023/24
	£000	£000
Lease receipts recognised as income in year:		
Minimum lease receipts	549	1,007
Total in-year operating lease income	549	1,007

Note 6.2 Future lease receipts (Group)

	31 March	31 March
	2025	2024
	£000	£000
Future minimum lease receipts due in:		
- not later than one year	567	603
- later than one year and not later than two years	243	325
- later than two years and not later than three years	232	232
- later than three years and not later than four years	170	207
- later than four years and not later than five years	160	170
- later than five years	2,048	2,208
Total	3,420	3,745

Note 7 Operating expenses**Note 7.1 Operating expenses (Group)**

	2024/25	2023/24
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	11,899	4,625
Purchase of healthcare from non-NHS and non-DHSC bodies	5,426	4,352
Staff and executive directors costs	327,877	296,401
Remuneration of non-executive directors	156	112
Supplies and services - clinical (excluding drugs costs)	32,496	27,545
Supplies and services - general	7,240	6,859
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	30,436	27,288
Inventories written down	206	27
Consultancy costs	675	899
Establishment	4,966	4,822
Premises	19,855	16,677
Transport (including patient travel)	780	910
Depreciation on property, plant and equipment	17,835	17,955
Amortisation on intangible assets	462	29
Net impairments	5,644	6,136
Movement in credit loss allowance: contract receivables / contract assets	871	1,348
Decrease in other provisions	(1,447)	(765)
Change in provisions discount rate(s)	3	(87)
Fees payable to the external auditor		
audit services- statutory audit	209	190
Internal audit costs	256	233
Clinical negligence	11,458	10,541
Legal fees	468	52
Insurance	458	407
Research and development	22	1
Education and training	1,564	968
Expenditure on low value leases	470	521
Redundancy	162	260
Car parking & security	36	112
Hospitality	37	115
Losses, ex gratia & special payments	10	21
Other NHS charitable fund resources expended	675	343
Total	481,205	428,897

Fees payable to the external auditor 2024/25 include Deloitte fees for the Group and North Tees and Hartlepool Solutions Limited Liability Partnership of £195k and also Robson Laidler fees for Optimus Health Limited and North Tees and Hartlepool NHS Foundation Trust General Charitable Fund of £14k.

Note 7.2 Limitation on auditor's liability (Group)

The limitation on auditor's liability for external audit work is £1 million (2023/24: £1 million).

Note 8 Impairment of assets (Group)

	2024/25	2023/24
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Changes in market price	5,644	6,136
Total net impairments charged to operating surplus / deficit	5,644	6,136
Impairments charged to the revaluation reserve	10,564	67
Total net impairments	16,208	6,203

Changes in market price of £5.6m (2023/24 £6.1m) relate to the MEA valuation and IFRS16 peppercorn leases valuation as at 31 March 2025 and corresponding decreases in individual building valuations. The revaluation reserve has decreased by £5.3m (2023/24 £5.6m increase) also, so an overall reduction in value of £10.9m (2022/23 £0.5m).

The main reason for the impairment and revaluation reduction is as a result of a reduction in value for the Community Diagnostic Hub building project which was completed in year; a reduction in value for the robotic theatre project which was completed in year; and a reduction in land value due to a change in assumption regarding required floor area for alternative site MEA valuation.

The Trust has appointed a new Valuer, Cushman and Wakefield for 2024/25. The MEA valuation has reduced for the reasons described and the remaining life applied to the buildings is broadly consistent with previous years valuations. A detailed structural survey report produced by Faithful and Gould Limited at the start of 2021/22, indicated that the majority of the buildings on the North Tees site have a maximum remaining life of 10 years. This detailed report has been reviewed by Cushman and Wakefield and the MEA report has been amended accordingly. At 31 March 2025, the remaining life on the majority of the buildings on the North Tees site is now 6 years.

Note 9 Employee benefits (Group)**Note 9.1 Employee benefits (Group)**

	2024/25	2023/24
	Total	Total
	£000	£000
Salaries and wages	248,114	225,064
Social security costs	22,345	21,027
Apprenticeship levy	1,027	1,130
Employer's contributions to NHS pensions	40,754	31,422
Pension cost - other	358	367
Temporary staff (including agency)	16,189	17,980
NHS charitable funds staff	327	203
Total gross staff costs	329,114	297,193
Recoveries in respect of seconded staff	(1,237)	(788)
Total staff costs	327,877	296,405

Note 9.2 Retirements due to ill-health (Group)

During 2024/25 there was 1 early retirement from the Trust agreed on the grounds of ill-health (7 in the year ended 31 March 2024). The estimated additional pension liabilities of these ill-health retirements is £71k (£1,259k in 2023/24).

These estimated costs are calculated on an average basis and will be borne by the NHS Pension Scheme.

Note 9.3 Directors' remuneration (Group)

The aggregate amounts payable to directors were:

	Group	
	2024/25	2023/24
	£000	£000
Salary	2,053	1,656
Taxable benefits	15	15
Other remuneration	0	0
Employer's pension contributions	303	171
Total	2,371	1,842

Further details of directors' remuneration can be found in the remuneration report.

Note 10 Pension costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in accounts do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2025, is based on valuation data as at 31 March 2024, updated to 31 March 2025 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

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

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from 1 April 2024 at 23.7% of pensionable pay (previously 20.6%). The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.

Note 11 Finance income (Group)

Finance income represents interest received on assets and investments in the period.

	2024/25	2023/24
	£000	£000
Interest on bank accounts	2,948	3,351
NHS charitable fund investment income	79	53
Total finance income	3,027	3,404

Note 12 Finance expenditure (Group)

Finance expenditure represents interest and other charges involved in the borrowing of money or asset financing.

	2024/25	2023/24
	£000	£000
Interest expense:		
Interest on loans from the Department of Health and Social Care	445	470
Interest on lease obligations	207	234
Total interest expense	652	704
Unwinding of discount on provisions	20	20
Total finance costs	672	724

Note 13 Other gains / (losses) (Group)

	2024/25	2023/24
	£000	£000
Gains on disposal of assets	59	0
Losses on disposal of assets	0	(35)
Total other gains / (losses)	59	(35)

Total disposals include medical equipment, and plant and equipment assets. These items had a NBV of £19k when disposed and the Trust received sale proceeds of £78k resulting in a net profit of £59k.

Note 14 Trust income statement and statement of comprehensive income

In accordance with Section 408 of the Companies Act 2006, the Trust is exempt from the requirement to present its own income statement and statement of comprehensive income. The Trust's surplus/(deficit) for the period was £4,421k surplus (2023/24: £4,013k deficit). The Trust's total comprehensive (expense) / income for the period was £867k expense (2023/24: £1,800k income).

Note 15 Intangible assets (Group)**Note 15.1 Intangible assets - 2024/25**

Group	Software licences £000	Licences & trademarks £000	Total £000
Valuation / gross cost at 1 April 2024	1,437	8	1,445
Additions	897	0	897
Reclassifications	93	0	93
Valuation / gross cost at 31 March 2025	2,427	8	2,435
Amortisation at 1 April 2024	234	2	236
Provided during the year	461	1	462
Amortisation at 31 March 2025	695	3	698
Net book value at 31 March 2025	1,732	5	1,737
Net book value at 1 April 2024	1,203	6	1,209

The reclassification is assets classified as Information Technology tangible assets at the end of March 2024 but transferred to intangible in financial year 2024/25. These assets include software and licences.

Note 15.2 Intangible assets - 2023/24

Group	Software licences £000	Licences & trademarks £000	Total £000
Valuation / gross cost at 1 April 2023	206	8	214
Additions	1,205	0	1,205
Reclassifications	26	0	26
Valuation / gross cost at 31 March 2024	1,437	8	1,445
Amortisation at 1 April 2023	206	1	207
Provided during the year	28	1	29
Amortisation at 31 March 2024	234	2	236
Net book value at 31 March 2024	1,203	6	1,209
Net book value at 1 April 2023	0	7	7

Note 16 Intangible assets (Foundation Trust)**Note 16.1 Intangible assets - 2024/25**

Foundation Trust	Software licences	Total
	£000	£000
Valuation / gross cost at 1 April 2024	1,437	1,437
Additions	897	897
Reclassifications	93	93
Valuation / gross cost at 31 March 2025	2,427	2,427
Amortisation at 1 April 2024	234	234
Provided during the year	461	461
Amortisation at 31 March 2025	695	695
Net book value at 31 March 2025	1,732	1,732
Net book value at 1 April 2024	1,203	1,203

The reclassification is assets classified as Information Technology tangible assets at the end of March 2024 but transferred to intangible in financial year 2024/25. These assets include software and licences.

Note 16.2 Intangible assets - 2023/24

Foundation Trust	Software licences	Total
	£000	£000
Valuation / gross cost at 1 April 2023	206	206
Additions	1,205	1,205
Reclassifications	26	26
Valuation / gross cost at 31 March 2024	1,437	1,437
Amortisation at 1 April 2023 - as previously stated	206	206
Provided during the year	28	28
Amortisation at 31 March 2024	234	234
Net book value at 31 March 2024	1,203	1,203
Net book value at 1 April 2023	0	0

Note 17 Property, plant and equipment (Group)**Note 17.1 Property, plant and equipment - 2024/25**

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2024	7,760	75,356	115	15,267	54,303	680	31,937	2,834	188,252
Additions	0	8,319	0	22,463	5,109	0	2,761	222	38,874
Impairments	(4,443)	(29,241)	(171)	0	0	0	0	0	(33,855)
Reversals of impairments	0	12,966	0	0	0	0	0	0	12,966
Revaluations	0	4,227	0	0	0	0	0	0	4,227
Reclassifications	3	23,012	56	(23,077)	5	0	(93)	1	(93)
Disposals / derecognition	0	0	0	0	(2,368)	(21)	0	0	(2,389)
Valuation/gross cost at 31 March 2025	3,320	94,639	0	14,653	57,049	659	34,605	3,057	207,982
Accumulated depreciation at 1 April 2024	0	0	0	0	29,192	640	22,906	1,000	53,738
Provided during the year	0	6,019	5	0	5,330	17	2,448	334	14,153
Impairments	0	(3,604)	(5)	0	0	0	0	0	(3,609)
Reversals of impairments	0	(1,366)	0	0	0	0	0	0	(1,366)
Revaluations	0	(1,049)	0	0	0	0	0	0	(1,049)
Reclassifications	0	0	0	0	0	1	(1)	0	0
Disposals / derecognition	0	0	0	0	(2,349)	(21)	0	0	(2,370)
Accumulated depreciation at 31 March 2025	0	0	0	0	32,173	637	25,353	1,334	59,497
Net book value at 31 March 2025	3,320	94,639	0	14,653	24,876	22	9,252	1,723	148,485
Net book value at 1 April 2024	7,760	75,356	115	15,267	25,111	40	9,031	1,834	134,514

Note 17.2 Property, plant and equipment - 2023/24

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2023	6,180	73,824	230	624	49,234	682	28,897	3,727	163,398
Additions	0	10,665	281	14,823	7,862	0	2,788	7	36,426
Impairments	(50)	(8,957)	(396)	0	0	0	0	0	(9,403)
Reversals of impairments	0	(145)	0	0	0	0	0	0	(145)
Revaluations	1,630	(79)	0	0	0	0	0	0	1,551
Reclassifications	0	48	0	(180)	(182)	0	289	(1)	(26)
Disposals / derecognition	0	0	0	0	(2,611)	(2)	(37)	(899)	(3,549)
Valuation/gross cost at 31 March 2024	7,760	75,356	115	15,267	54,303	680	31,937	2,834	188,252
Accumulated depreciation at 1 April 2023	0	0	0	0	27,331	623	20,732	1,554	50,240
Provided during the year	0	7,449	8	0	4,362	19	2,204	344	14,386
Impairments	0	(2,738)	(8)	0	0	0	0	0	(2,746)
Reversals of impairments	0	(602)	0	0	0	0	0	0	(602)
Revaluations	0	(4,109)	0	0	0	0	0	0	(4,109)
Disposals / derecognition	0	0	0	0	(2,501)	(2)	(30)	(898)	(3,431)
Accumulated depreciation at 31 March 2024	0	0	0	0	29,192	640	22,906	1,000	53,738
Net book value at 31 March 2024	7,760	75,356	115	15,267	25,111	40	9,031	1,834	134,514
Net book value at 1 April 2023	6,180	73,824	230	624	21,903	59	8,165	2,173	113,158

Note 17.3 Property, plant and equipment financing - 31 March 2025

Group	Buildings excluding dwellings		Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	Land								
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	3,320	93,743	0	1,008	23,422	22	8,999	1,624	132,138
Owned - donated/granted	0	896	0	13,645	1,454	0	253	99	16,347
NBV total at 31 March 2025	3,320	94,639	0	14,653	24,876	22	9,252	1,723	148,485

Note 17.4 Property, plant and equipment financing - 31 March 2024

Group	Buildings excluding dwellings		Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	Land								
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	7,760	74,982	115	11,812	23,780	40	8,715	1,770	128,974
Owned - donated/granted	0	374	0	3,455	1,331	0	316	64	5,540
NBV total at 31 March 2024	7,760	75,356	115	15,267	25,111	40	9,031	1,834	134,514

Note 17.5 Property plant and equipment assets subject to an operating lease (Trust as a lessor) - 31 March 2025

Group	Buildings excluding dwellings		Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	Land								
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Subject to an operating lease	1,758	1,662	0	0	0	0	0	0	3,420
Not subject to an operating lease	1,562	92,977	0	14,653	24,876	22	9,252	1,723	145,065
NBV total at 31 March 2025	3,320	94,639	0	14,653	24,876	22	9,252	1,723	148,485

Note 17.6 Property plant and equipment assets subject to an operating lease (Trust as a lessor) - 31 March 2024

Group	Buildings excluding dwellings		Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	Land								
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Subject to an operating lease	1,781	1,965	0	0	0	0	0	0	3,746
Not subject to an operating lease	5,979	73,391	115	15,267	25,111	40	9,031	1,834	130,768
NBV total at 31 March 2024	7,760	75,356	115	15,267	25,111	40	9,031	1,834	134,514

Note 18 Property, plant and equipment (Foundation Trust)
Note 18.1 Property, plant and equipment - 2024/25

Foundation Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2024	7,760	75,356	115	15,267	54,292	680	31,937	2,834	188,241
Additions	0	8,319	0	22,463	5,109	0	2,761	222	38,874
Impairments	(4,443)	(29,241)	(171)	0	0	0	0	0	(33,855)
Reversals of impairments	0	12,966	0	0	0	0	0	0	12,966
Revaluations	0	4,227	0	0	0	0	0	0	4,227
Reclassifications	3	23,012	56	(23,077)	5	0	(93)	1	(93)
Disposals / derecognition	0	0	0	0	(2,368)	(21)	0	0	(2,389)
Valuation/gross cost at 31 March 2025	3,320	94,639	0	14,653	57,038	659	34,605	3,057	207,971
Accumulated depreciation at 1 April 2024	0	0	0	0	29,182	640	22,906	1,000	53,728
Provided during the year	0	6,019	5	0	5,329	17	2,448	334	14,152
Impairments	0	(3,604)	(5)	0	0	0	0	0	(3,609)
Reversals of impairments	0	(1,366)	0	0	0	0	0	0	(1,366)
Revaluations	0	(1,049)	0	0	0	0	0	0	(1,049)
Reclassifications	0	0	0	0	0	1	(1)	0	0
Disposals / derecognition	0	0	0	0	(2,349)	(21)	0	0	(2,370)
Accumulated depreciation at 31 March 2025	0	0	0	0	32,162	637	25,353	1,334	59,486
Net book value at 31 March 2025	3,320	94,639	0	14,653	24,876	22	9,252	1,723	148,485
Net book value at 1 April 2024	7,760	75,356	115	15,267	25,110	40	9,031	1,834	134,513

Note 18.2 Property, plant and equipment - 2023/24

Foundation Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2023	6,180	73,824	230	624	49,223	682	28,897	3,727	163,387
Additions	0	10,665	281	14,823	7,862	0	2,788	7	36,426
Impairments	(50)	(8,957)	(396)	0	0	0	0	0	(9,403)
Reversals of impairments	0	(145)	0	0	0	0	0	0	(145)
Revaluations	1,630	(79)	0	0	0	0	0	0	1,551
Reclassifications	0	48	0	(180)	(182)	0	289	(1)	(26)
Disposals / derecognition	0	0	0	0	(2,611)	(2)	(37)	(899)	(3,549)
Valuation/gross cost at 31 March 2024	7,760	75,356	115	15,267	54,292	680	31,937	2,834	188,241
Accumulated depreciation at 1 April 2023	0	0	0	0	27,327	623	20,732	1,554	50,236
Provided during the year	0	7,449	8	0	4,356	19	2,204	344	14,380
Impairments	0	(2,738)	(8)	0	0	0	0	0	(2,746)
Reversals of impairments	0	(602)	0	0	0	0	0	0	(602)
Revaluations	0	(4,109)	0	0	0	0	0	0	(4,109)
Disposals / derecognition	0	0	0	0	(2,501)	(2)	(30)	(898)	(3,431)
Accumulated depreciation at 31 March 2024	0	0	0	0	29,182	640	22,906	1,000	53,728
Net book value at 31 March 2024	7,760	75,356	115	15,267	25,110	40	9,031	1,834	134,513
Net book value at 1 April 2023	6,180	73,824	230	624	21,896	59	8,165	2,173	113,151

Note 18.3 Property, plant and equipment financing - 31 March 2025

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	3,320	93,743	0	1,008	23,422	22	8,999	1,624	132,138
Owned - donated / granted	0	896	0	13,645	1,454	0	253	99	16,347
Total net book value at 31 March 2025	3,320	94,639	0	14,653	24,876	22	9,252	1,723	148,485

Note 18.4 Property, plant and equipment financing - 31 March 2024

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	7,760	74,982	115	11,812	23,779	40	8,715	1,770	128,973
Owned - donated / granted	0	374	0	3,455	1,331	0	316	64	5,540
Total net book value at 31 March 2024	7,760	75,356	115	15,267	25,110	40	9,031	1,834	134,513

Note 18.5 Property plant and equipment assets subject to an operating lease (Trust as a lessor) - 31 March 2025

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Subject to an operating lease	1,758	1,662	0	0	0	0	0	0	3,420
Not subject to an operating lease	1,562	92,977	0	14,653	24,876	22	9,252	1,723	145,065
Total net book value at 31 March 2025	3,320	94,639	0	14,653	24,876	22	9,252	1,723	148,485

Note 18.6 Property plant and equipment assets subject to an operating lease (Trust as a lessor) - 31 March 2024

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Subject to an operating lease	1,781	1,965	0	0	0	0	0	0	3,746
Not subject to an operating lease	5,979	73,391	115	15,267	25,110	40	9,031	1,834	130,767
Total net book value at 31 March 2024	7,760	75,356	115	15,267	25,110	40	9,031	1,834	134,513

Note 19 Donations of property, plant and equipment

	2024/25
	£000
Decarbonisation Project at Hartlepool	10,409
Health and Social Care Academy	881
Nurses Welfare Facilities	125
Ultrasound Scanners	110
Haematology Equipment	110
Video Cystoscope	83
Navigational Bronchoscopy	62
Snowdrop and Oasis Suites	61
Robotic Surgery	41
Therapy Garden	14
Other	183
	12,079

Note 20 Revaluations of property, plant and equipment

	2024/25	2023/24
	£000	£000
Impairment charged / (credited) to the Statement of Comprehensive Income		
Buildings excluding dwellings	2,735	5,696
Dwellings	166	387
Land	2,489	50
Total	5,390	6,133
(Decrease) / increase in Revaluation Reserve		
	2024/25	2023/24
	£000	£000
Buildings excluding dwellings	(3,295)	3,963
Dwellings	0	0
Land	(1,953)	1,630
Total	(5,248)	5,593

The Trust has appointed a new Valuer, Cushman and Wakefield for 2024/25. The name of the surveyor is Jim Stevenson, Associate, RICS Registered Valuer. The effective date of the valuation is 31 March 2025.

The impairment of £5.4m (2023/24 £6.1m) relates to the MEA valuation as at 31 March 2025 and corresponding decreases in individual building valuations. The revaluation reserve has decreased by £5.2m (2023/24 £5.6m increase) also, so an overall reduction in value of £10.6m (2023/24 £0.5m).

The main reason for the impairment and revaluation reduction is as a result of a reduction in value for the Community Diagnostic Hub building project which was completed in year; a reduction in value for the robotic theatre project which was completed in year; and a reduction in land value due to a change in assumption regarding required floor area for alternative site MEA valuation.

The remaining life applied to the buildings is broadly consistent with previous years valuations. A detailed structural survey report produced by Faithful and Gould Limited at the start of 2021/22, indicated that the majority of the buildings on the North Tees site have a maximum remaining life of 10 years. This detailed report has been reviewed by Cushman and Wakefield and the MEA report has been amended accordingly. At 31 March 2025, the remaining life on the majority of the buildings on the North Tees site is now 6 years.

Note 21 Leases - North Tees and Hartlepool NHS Foundation Trust as a lessee

This note details information about leases for which the Trust is a lessee.

68% of the net book value of all right of use assets relates to properties where the lessor is either NHS Property Services or Community Health Partnerships. 15% of the net book value of all right of use assets relates to managed service contracts for Radiology and Pathology. The remaining leases either relate to plant and machinery or information technology.

The Trust has applied IFRS 16 to account for lease arrangements from 1 April 2022 without restatement of comparatives.

Note 21.1 Right of use assets - 2024/25

Group and Foundation Trust	Property (land and buildings)	Plant & machinery	Information technology	Total	Of which: leased from DHSC group bodies
	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2024 - brought forward	17,799	6,326	6,062	30,187	17,578
Additions	140	671	0	811	98
Remeasurements of the lease liability	584	1,702	0	2,286	584
Impairments	(300)	0	0	(300)	(299)
Valuation/gross cost at 31 March 2025	18,223	8,699	6,062	32,984	17,961
Accumulated depreciation at 1 April 2024 - brought forward	3,151	3,005	3,694	9,850	3,078
Provided during the year	1,790	1,495	397	3,682	1,752
Impairments	(6)	0	0	(6)	(6)
Accumulated depreciation at 31 March 2025	4,935	4,500	4,091	13,526	4,824
Net book value at 31 March 2025	13,288	4,199	1,971	19,458	13,137
Net book value at 1 April 2024	14,648	3,321	2,368	20,337	14,500
Net book value of right of use assets leased from other NHS providers					0
Net book value of right of use assets leased from other DHSC group bodies					13,137

Note 21.2 Right of use assets - 2023/24

Group and Foundation Trust	Property (land and buildings)	Plant & machinery	Information technology	Of which: leased from DHSC group bodies	
	£000	£000	£000	Total £000	£000
Valuation / gross cost at 1 April 2023 - brought forward	15,409	6,248	6,497	28,154	15,201
Additions	0	140	0	140	0
Remeasurements of the lease liability	2,173	(62)	0	2,111	2,157
Impairments	(3)	0	0	(3)	0
Revaluations	220	0	0	220	220
Reclassifications	0	0	(435)	(435)	0
Valuation/gross cost at 31 March 2024	17,799	6,326	6,062	30,187	17,578
Accumulated depreciation at 1 April 2023 - brought forward	1,474	1,616	3,626	6,716	1,440
Provided during the year	1,677	1,389	503	3,569	1,638
Reclassifications	0	0	(435)	(435)	0
Accumulated depreciation at 31 March 2024	3,151	3,005	3,694	9,850	3,078
Net book value at 31 March 2024	14,648	3,321	2,368	20,337	14,500
Net book value at 1 April 2023	13,935	4,632	2,871	21,438	13,761
Net book value of right of use assets leased from other NHS providers					0
Net book value of right of use assets leased from other DHSC group bodies					14,500

Note 21.3 Revaluations of right of use assets

Revaluations have taken place in year on peppercorn leases as detailed below. The impairment and revaluation impact on peppercorn leases is also included in note 8 and note 20.

68% of the net book value of all non peppercorn leases relates to property leases and as they are subject to annual rent reviews, the cost model can function as a proxy for valuation.

	2024/25	2023/24
	£000	£000
Impairment charged / (credited) to the Statement of Comprehensive Income		
Buildings excluding Dwellings	254	3
Total	254	3
Increase in Revaluation Reserve	2024/25	2023/24
	£000	£000
Land	(40)	220
Total	(40)	220

The Trust has appointed a new Valuer, Cushman and Wakefield for 2024/25. The name of the surveyor is Jim Stevenson, Associate, RICS Registered Valuer. The effective date of the valuation is 31 March 2025. The impairment value includes £0.3m (2023/24 £0.0m) for IFRS16 peppercorn leases and the revaluation reserve includes a decrease of £0.0m (2023/24 £0.2m increase) for IFRS16 peppercorn leases.

Note 21.4 Reconciliation of the carrying value of lease liabilities

Lease liabilities are included within borrowings in the Statement of Financial Position. A breakdown of borrowings is disclosed in note 29.

	Group and Foundation Trust	
	2024/25	2023/24
	£000	£000
Carrying value at 1 April	20,432	22,314
Lease additions	769	140
Lease liability remeasurements	2,286	2,111
Interest charge arising in year	207	234
Lease payments (cash outflows)	(3,273)	(4,367)
Carrying value at 31 March	20,421	20,432

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. The Trust has vehicle leases which do not qualify as low value, but are immaterial to the Trust. Following the requirements of IAS 1 Presentation of Financial Statements, the Trust has not applied IFRS 16 to those immaterial leases (regardless of those leases failing to qualify as leases of low-value underlying assets), these leases are recognised in operating expenditure.

These payments are disclosed in Note 7.1. Cash outflows in respect of leases recognised on-SoFP are disclosed in the reconciliation above.

Note 21.5 Maturity analysis of future lease payments at 31 March 2025

	Group and Foundation Trust	
	Total	Of which leased from DHSC group bodies:
	31 March 2025	31 March 2025
	£000	£000
Undiscounted future lease payments payable in:		
- not later than one year;	4,438	1,907
- later than one year and not later than five years;	9,290	6,186
- later than five years.	6,693	4,874
Net lease liabilities at 31 March 2025	20,421	12,967
Of which:		
Leased from other NHS providers		0
Leased from other DHSC group bodies		12,967

Note 21.6 Maturity analysis of future lease payments at 31 March 2024

	Group and Foundation Trust	
	Total	Of which leased from DHSC group bodies:
	31 March 2024	31 March 2024
	£000	£000
Undiscounted future lease payments payable in:		
- not later than one year;	3,550	1,917
- later than one year and not later than five years;	9,151	6,167
- later than five years.	7,731	5,866
Net finance lease liabilities at 31 March 2024	20,432	13,950
Of which:		
Leased from other NHS providers		0
Leased from other DHSC group bodies		13,950

Note 22 Other investments / financial assets (non-current)

	Group	
	2024/25	2023/24
	£000	£000
Carrying value at 1 April - brought forward	1,545	1,414
Movement in fair value through OCI	(73)	131
Carrying value at 31 March	1,472	1,545

Note 23 Analysis of charitable fund reserves

The Trust has consolidated the accounts of the North Tees and Hartlepool NHS Foundation Trust General Charitable Fund within these statements.

	31 March 2025	31 March 2024
	£000	£000
Unrestricted funds:		
Unrestricted income funds	1,584	1,927
Other restricted income funds	1,240	1,343
	2,824	3,270

Unrestricted income funds are accumulated income funds that are expendable at the discretion of the Trustees in furtherance of the charity's objects. Unrestricted funds may be earmarked or designated for specific future purposes which reduces the amount that is readily available to the charity.

Restricted funds may be accumulated income funds which are expendable at the Trustee's discretion only in furtherance of the specified conditions of the donor and the objects of the charity. They may also be capital funds (e.g. endowments) where the assets are required to be invested, or retained for use rather than expended.

Note 24 Inventories

	Group		Foundation Trust	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
	£000	£000	£000	£000
Drugs	1,795	1,585	1,311	1,167
Consumables	5,229	5,041	5,156	4,978
Total inventories	7,024	6,626	6,467	6,145

Inventories recognised in expenses for the year were £55,276k (2023/24: £49,818k). Write-down of inventories recognised as expenses for the year were £206k (2023/24: £27k).

In response to the COVID 19 pandemic, the Department of Health and Social Care centrally procured personal protective equipment and passed these to NHS providers free of charge. During 2023/24 the Trust received £76k of items purchased by DHSC. Distribution of inventory by the Department ceased in March 2024.

These inventories were recognised as additions to inventory at deemed cost with the corresponding benefit recognised in income. The utilisation of these items is included in the expenses disclosed above.

Note 25 Receivables**Note 25.1 Receivables**

	Group		Foundation Trust	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
	£000	£000	£000	£000
Current				
Contract receivables	16,882	15,219	16,889	15,055
Allowance for impaired contract receivables / assets	(3,478)	(2,941)	(3,440)	(2,903)
Prepayments (non-PFI)	6,477	5,704	5,832	5,546
PDC dividend receivable	0	396	0	396
VAT receivable	4,473	4,846	2,068	4,892
Corporation and other taxes receivable	15	16	15	16
Other receivables	761	954	5,179	2,769
NHS charitable funds receivables	37	15	0	0
Total current receivables	25,167	24,209	26,543	25,771
Non-current				
Contract receivables	1,267	1,211	1,267	1,211
Other receivables	607	579	58,812	26,241
Total non-current receivables	1,874	1,790	60,079	27,452
Of which receivable from NHS and DHSC group bodies:				
Current	7,511	8,423	7,450	8,110
Non-current	607	579	607	579

Contract receivables have increased by £1.7m in 2024/25. This relates to accrued additional income receivable from North East and North Cumbria Integrated Care Board of £4.2m for specific elements of the contract where the cash payment was outstanding at the end of the year, offset by a reduction in prime contract debtors £3.1m (2023/24 increase of £4.8m) and an increase in Salix grant income accrued for Hartlepool decarbonisation of £0.6m (2023/24 £2.6m).

The Trust increase in non-current debtors is due to an increase in the loan to North Tees and Hartlepool Solutions LLP as a consequence of the increase in the financial creditor (note 30) due mainly to significant capital projects for the Community Diagnostic Centre and Hartlepool decarbonisation.

Note 25.2 Allowances for credit losses - 2024/25

	Group	Foundation Trust
	Contract receivables and contract assets	Contract receivables and contract assets
	£000	£000
Allowances as at 1 Apr 2024 - brought forward	2,941	2,903
New allowances arising	2,302	2,302
Changes in existing allowances	58	58
Reversals of allowances	(1,489)	(1,489)
Utilisation of allowances (write offs)	(334)	(334)
Allowances as at 31 Mar 2025	3,478	3,440

Note 25.3 Allowances for credit losses - 2023/24

	Group	Foundation Trust
	Contract receivables and contract assets	Contract receivables and contract assets
	£000	£000
Allowances as at 1 Apr 2023 - brought forward	1,775	1,775
New allowances arising	2,064	2,026
Changes in existing allowances	2	2
Reversals of allowances	(718)	(718)
Utilisation of allowances (write offs)	(182)	(182)
Allowances as at 31 Mar 2024	2,941	2,903

Note 25.4 Exposure to credit risk

The majority of the Trust's income comes from contracts with other public sector bodies, the Trust therefore has low exposure to credit risk. The maximum exposure as at 31 March 2025 is in receivables from private sector bodies. Note 25.1 details total receivables for the Group at £27,041k (2023/24 £25,999k). The receivable value attributable to private sector bodies is £5,783k (2023/24 £4,327k). This is calculated as £27,041k (2023/24 £25,999k), less NHS and DHSC £8,118k (2023/24 £9,002k), prepayments £6,477k (2023/24 £5,704k), VAT receivable £4,473k (2023/24 £4,846k) and injury cost recovery debtor £2,190k (2023/24 £2,120k).

Note 26 Cash and cash equivalents movements**Note 26.1 Cash and cash equivalents movements**

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	Group		Foundation Trust	
	2024/25	2023/24	2024/25	2023/24
	£000	£000	£000	£000
At 1 April	72,000	73,526	65,007	66,497
Net change in year	(12,892)	(1,526)	(9,715)	(1,490)
At 31 March	59,108	72,000	55,292	65,007
Broken down into:				
Cash at commercial banks and in hand	3,816	7,441	0	448
Cash with the Government Banking Service	55,292	64,559	55,292	64,559
Total cash and cash equivalents as in SoFP	59,108	72,000	55,292	65,007
Total cash and cash equivalents as in SoCF	59,108	72,000	55,292	65,007

Note 26.2 Third party assets held by the Trust

North Tees and Hartlepool NHS Foundation Trust held cash and cash equivalents which relate to monies held by the Trust on behalf of patients or other parties. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	Group and Foundation Trust	
	31 March 2025	31 March 2024
	£000	£000
Bank balances	24	24
Total third party assets	24	24

Note 27 Trade and other payables**Note 27.1 Trade and other payables**

	Group		Foundation Trust	
	2025	2024	2025	2024
	£000	£000	£000	£000
Current				
Trade payables	21,508	22,791	9,039	10,751
Capital payables	990	1,536	990	1,536
Accruals	32,877	36,349	36,893	31,634
Social security costs	5,807	6,293	5,446	5,928
Other taxes payable	51	61	0	0
PDC dividend payable	124	0	124	0
Pension contributions payable	3,504	3,213	3,333	3,058
Other payables	422	322	5,515	5,156
NHS charitable funds: trade and other payables	203	165	0	0
Total current trade and other payables	65,486	70,730	61,340	58,063

Of which payables from NHS and DHSC group bodies:

Current	7,558	8,738	7,409	7,609
Non-current	0	0	0	0

Note 27.2 Early retirements in NHS payables above

There are no early retirement amounts included within NHS payables in financial year 2024/25 (2023/24: none).

Note 28 Other liabilities

	Group		Foundation Trust	
	31 March	31 March	31 March	31 March
	2025	2024	2025	2024
	£000	£000	£000	£000
Current				
Deferred income: contract liabilities	6,619	3,918	6,554	3,887
Total other current liabilities	6,619	3,918	6,554	3,887

Deferred income has increased by £2.7m for the Group due mainly to increases in deferred income for Stockton Borough Council, NHS England, North East and North Cumbria Integrated Care Board and Health Education England, where the income was received in February or March 2025 with specific contractual obligations but expenditure will take place in financial year 2025/26.

Note 29 Borrowings**Note 29.1 Borrowings**

	Group and Foundation Trust	
	31 March	31 March
	2025	2024
	£000	£000
Current		
Loans from DHSC	1,246	1,254
Lease liabilities	4,438	3,550
Total current borrowings	5,684	4,804
Non-current		
Loans from DHSC	16,914	18,002
Lease liabilities	15,983	16,882
Total non-current borrowings	32,897	34,884

Note 29.2 Reconciliation of liabilities arising from financing activities - 2024/25

	Loans from DHSC	Lease liabilities	Total
	£000	£000	£000
Group and Foundation Trust - 2024/25			
Carrying value at 1 April 2024	19,256	20,432	39,688
Cash movements:			
Financing cash flows - payments and receipts of principal	(1,088)	(3,066)	(4,154)
Financing cash flows - payments of interest	(453)	(207)	(660)
Non-cash movements:			
Additions	0	769	769
Lease liability remeasurements	0	2,286	2,286
Application of effective interest rate	445	207	652
Carrying value at 31 March 2025	18,160	20,421	38,581

Note 29.3 Reconciliation of liabilities arising from financing activities - 2023/24

Group and Foundation Trust - 2023/24	Loans from DHSC £000	Lease liabilities £000	Total £000
Carrying value at 1 April 2023	20,356	22,314	42,670
Cash movements:			
Financing cash flows - payments and receipts of principal	(1,088)	(4,133)	(5,221)
Financing cash flows - payments of interest	(482)	(234)	(716)
Non-cash movements:			
Additions	0	140	140
Lease liability remeasurements	0	2,111	2,111
Application of effective interest rate	470	234	704
Carrying value at 31 March 2024	19,256	20,432	39,688

Note 30 Other financial liabilities

	Group		Foundation Trust	
	31 March 2025 £000	31 March 2024 £000	31 March 2025 £000	31 March 2024 £000
Non-current				
Other financial liabilities	0	0	(63,574)	(38,725)
Total non-current other financial liabilities	0	0	(63,574)	(38,725)

* This is the financial creditor of the Trust with its subsidiary, North Tees and Hartlepool Solutions LLP. There is also a value of £4,911k (2023/24 £2,199k) included in current trade and other payables. This provides a total liability of £68,485k (2023/24 £40,924k). The significant increase in the financial creditor is due mainly to the Community Diagnostic Centre capital scheme and the Hartlepool decarbonisation capital scheme.

Note 31 Provisions for liabilities and charges analysis**Note 31.1 Provisions for liabilities and charges analysis (Group)**

Group	Pensions: early departure costs £000	Pensions: injury benefits £000	Legal claims £000	Redundancy £000	Other £000	Total £000
At 1 April 2024	803	763	96	243	6,624	8,529
Change in the discount rate	1	2	0	0	(6)	(3)
Arising during the year	124	104	79	0	1,906	2,213
Utilised during the year	(96)	(60)	(24)	(180)	(2,571)	(2,931)
Reversed unused	(313)	(198)	(30)	(63)	(3,039)	(3,643)
Unwinding of discount	12	8	0	0	30	50
At 31 March 2025	531	619	121	0	2,944	4,215
Expected timing of cash flows:						
- not later than one year;	95	61	121	0	2,337	2,614
- later than one year and not later than five years;	380	242	0	0	61	683
- later than five years.	56	316	0	0	546	918
Total	531	619	121	0	2,944	4,215

- Pensions: early departure costs provision is in relation to employees who were in the pre-95 pension scheme and have been made redundant prior to 2006. The provision is the enhanced element of the lump sum plus any interest charge on the early payment of the lump sum.
- Pensions: injury benefits provision is to provide support for staff who sustain an injury, disease or other health condition which is attributable to their employment.
- Legal claims provision is for third party injury claims against the Trust. This can include staff, contractors or the public.

Other provisions include:

- Clinician pension tax liability for which there is a corresponding income accrual.
- A provision for specific Trust and Subsidiary employment cases and legal cases.

Note 31.2 Provisions for liabilities and charges analysis (Foundation Trust)

Foundation Trust	Pensions: early departure costs £000	Pensions: injury benefits £000	Legal claims £000	Redundancy £000	Other £000	Total £000
At 1 April 2024	803	763	96	243	6,546	8,451
Change in the discount rate	1	2	0	0	(6)	(3)
Arising during the year	124	104	23	0	1,894	2,145
Utilised during the year	(96)	(60)	(24)	(180)	(2,571)	(2,931)
Reversed unused	(313)	(198)	(30)	(63)	(2,984)	(3,588)
Unwinding of discount	12	8	0	0	30	50
At 31 March 2025	531	619	65	0	2,909	4,124
Expected timing of cash flows:						
- not later than one year;	95	61	65	0	2,302	2,523
- later than one year and not later than five years;	380	242	0	0	61	683
- later than five years.	56	316	0	0	546	918
Total	531	619	65	0	2,909	4,124

- Provisions for the Foundation Trust are the same as for the Group, detailed on the previous page, with the exception of £3k Optimus provisions (NEST ERS pension contribution) and £88k LLP provisions (specific employment case and legal claim provision for third party injury claims against the LLP which can include staff, contractors or the public).

Note 31.3 Clinical negligence liabilities

At 31 March 2025, £135,329k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of North Tees and Hartlepool NHS Foundation Trust (31 March 2024: £195,704k).

Note 32 Contractual capital commitments

	Group		Foundation Trust	
	31 March	31 March	31 March	31 March
	2025	2024	2025	2024
	£000	£000	£000	£000
Property, plant and equipment	7,026	17,461	7,026	17,461
Intangible assets	133	113	133	113
Total	7,159	17,574	7,159	17,574

Note 33 Defined benefit pension schemes

	2024/25	2023/24
NEST Payments	£000	£000
Foundation Trust	138	175
North Tees and Hartlepool Solutions LLP	213	184
Optimus Health Limited	8	7
Total	359	366

Note 34 Financial instruments**Note 34.1 Financial risk management**

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the year in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the Trust has with commissioners and the way those commissioners are financed, the Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The Trust has limited powers to borrow or invest surplus funds and 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.

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's Standing Financial Instructions and policies agreed by the Board of Directors. Trust treasury activity is subject to review by the Trust's internal auditors.

Currency risk

The Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Trust has no overseas operations. The Trust therefore has low exposure to currency rate fluctuations.

Credit risk

Because the majority of the Trust's income comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2025 are in receivables from customers, as disclosed in the Trade and other receivables note.

Liquidity risk

The Trust's operating costs are incurred under contracts with Integrated Care Boards, which are financed from resources voted annually by Parliament. The Trust funds its capital expenditure from funds obtained within its prudential borrowing limit. The Trust is not, therefore, exposed to significant liquidity risks.

Note 34.2 Carrying values of financial assets (Group)

	Held at amortised cost £000	Held at fair value through OCI £000	Total book value £000
Carrying values of financial assets as at 31 March 2025			
Trade and other receivables excluding non financial assets	16,054	0	16,054
Cash and cash equivalents	57,590	0	57,590
Consolidated NHS Charitable fund financial assets	0	3,027	3,027
Total at 31 March 2025	73,644	3,027	76,671

	Held at amortised cost £000	Held at fair value through OCI £000	Total book value £000
Carrying values of financial assets as at 31 March 2024			
Trade and other receivables excluding non financial assets	15,038	0	15,038
Cash and cash equivalents	70,125	0	70,125
Consolidated NHS Charitable fund financial assets	0	3,435	3,435
Total at 31 March 2024	85,163	3,435	88,598

Note 34.3 Carrying values of financial assets (Foundation Trust)

	Held at amortised cost £000	Held at fair value through OCI £000	Total book value £000
Carrying values of financial assets as at 31 March 2025			
Trade and other receivables excluding non financial assets	78,722	0	78,722
Cash and cash equivalents	55,292	0	55,292
Total at 31 March 2025	134,014	0	134,014

	Held at amortised cost £000	Held at fair value through OCI £000	Total book value £000
Carrying values of financial assets as at 31 March 2024			
Trade and other receivables excluding non financial assets	42,389	0	42,389
Cash and cash equivalents	65,007	0	65,007
Total at 31 March 2024	107,396	0	107,396

Note 34.4 Carrying values of financial liabilities (Group)

	Held at amortised cost £000	Held at fair value through I&E £000	Total book value £000
Carrying values of financial liabilities as at 31 March 2025			
Loans from the Department of Health and Social Care	18,160	0	18,160
Obligations under leases	20,421	0	20,421
Trade and other payables excluding non financial liabilities	49,713	0	49,713
Provisions under contract	4,215	0	4,215
Consolidated NHS charitable fund financial liabilities	0	203	203
Total at 31 March 2025	92,509	203	92,712

	Held at amortised cost £000	Held at fair value through I&E £000	Total book value £000
Carrying values of financial liabilities as at 31 March 2024			
Loans from the Department of Health and Social Care	19,256	0	19,256
Obligations under leases	20,432	0	20,432
Trade and other payables excluding non financial liabilities	59,016	0	59,016
Provisions under contract	8,529	0	8,529
Consolidated NHS charitable fund financial liabilities	0	165	165
Total at 31 March 2024	107,233	165	107,398

Note 34.5 Carrying values of financial liabilities (Foundation Trust)

	Held at amortised cost £000	Held at fair value through I&E £000	Total book value £000
Carrying values of financial liabilities as at 31 March 2025			
Loans from the Department of Health and Social Care	18,160	0	18,160
Obligations under leases	20,421	0	20,421
Trade and other payables excluding non financial liabilities	110,736	0	110,736
Provisions under contract	4,124	0	4,124
Total at 31 March 2025	153,441	0	153,441

	Held at amortised cost £000	Held at fair value through I&E £000	Total book value £000
Carrying values of financial liabilities as at 31 March 2024			
Loans from the Department of Health and Social Care	19,256	0	19,256
Obligations under leases	20,432	0	20,432
Trade and other payables excluding non financial liabilities	86,329	0	86,329
Provisions under contract	8,451	0	8,451
Total at 31 March 2024	134,468	0	134,468

Note 34.6 Maturity of financial liabilities

The following maturity profile of financial liabilities is based on the contractual undiscounted cash flows. This differs to the amounts recognised in the Statement of Financial Position which are discounted to present value.

	Group		Foundation Trust	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
	£000	£000	£000	£000
In one year or less	58,214	70,517	55,093	57,082
In more than one year but not more than five years	21,285	14,136	40,683	18,409
In more than five years	13,213	22,745	57,451	58,977
Total	92,712	107,398	153,227	134,468

Note 35 Losses and special payments

	2024/25		2023/24	
	Total number of cases	Total value of cases	Total number of cases	Total value of cases
Group and Foundation Trust	Number	£000	Number	£000
Losses				
Bad debts and claims abandoned	0	0	11	3
Stores losses and damage to property	5	206	2	27
Total losses	5	206	13	30
Special payments				
Compensation under court order or legally binding arbitration award	1	0	0	0
Ex-gratia payments	24	10	23	18
Total special payments	25	10	23	18
Total losses and special payments	30	216	36	48
Compensation payments received				

The increase in store losses and damage to property is mainly as a result of stock write off for Optimus Health Limited going back to 2014/15 of £180k (2023/24 £0k). The remaining expenditure is due to theatres stock write off of £26k (2023/24 £27k).

Note 36 Related parties

North Tees and Hartlepool NHS Foundation Trust is a public benefit corporation established under the National Health Service Act 2006. Monitor (NHS England), the Independent Regulator for NHS Foundation Trusts, has the power to control the Trust within the meaning of IAS27 "Consolidated and Separate accounts".

NHS England does not prepare group accounts but does prepare separate NHS Foundation Trust Consolidated Accounts. The NHS FT Consolidated Accounts are included within the Whole of Government Accounts. NHSE is accountable to the Secretary of State for Health and Social Care and therefore the Trust's ultimate parent is the Department of Health and Social Care.

The transactions included in the note relate to transactions with non Government bodies and intra-group transactions between the Trust and its subsidiaries. The note does not include all of the main entities within the public sector that the Trust has had dealings with as this is not required in accordance with IAS 24. These entities are however listed below.

The Foundation Trust

	31 March 2025				31 March 2024			
	Payments to Related Party	Receipts from Related Party	Amounts owed to Related Party	Amounts due from Related Party	Payments to Related Party	Receipts from Related Party	Amounts owed to Related Party	Amounts due from Related Party
	£	£	£	£	£	£	£	£
Prof Derek Bell - Joint Chair, Lay Council Member, Newcastle University	0	0	0	0	(7,300)	474,657	0	4,192
Ms Stacey Hunter - Group Chief Executive, Director of Health Innovation North East and North Cumbria Ltd.	0	54,031	0	7,500	0	0	0	0
Prof Elizabeth Barnes - Non-Executive Director, Governor University of Sunderland.	(43,749)	24,000	(3,280)	42,944	(32,064)	135,408	0	24,000
Dr Hilary Lloyd - Group Chief Nurse, Visiting Professor at Sunderland – no monetary gain								
Dr Anandapuram Dwarakanath - Site Medical Director, Visiting Professor at Sunderland								
Mrs Alison Fellows - Non-Executive Director, family member is a partner at Ward Hadaway Solicitors.	(9,271)	0	0	0	(960)	0	0	0
Mrs Alison Fellows - Non-Executive Director, Governor of the Board, Northumbria University and Member of its Audit Committee.	(3,176)	400	0	0	(57,570)	533	0	0
Mrs Kate Hudson-Halliday - Acting Director of Finance. Family member employed by Gateshead Council.	0	0	(197)	0	(373)	0	0	0
Mrs Kate Hudson-Halliday - Acting Director of Finance. Acquaintances who work in senior positions at Alice House.	(225,939)	3,270	(600)	0	(392,253)	222,419	0	1,351

The Foundation Trust

	31 March 2025				31 March 2024			
	Payments to Related Party	Receipts from Related Party	Amounts owed to Related Party	Amounts due from Related Party	Payments to Related Party	Receipts from Related Party	Amounts owed to Related Party	Amounts due from Related Party
Mr Stuart Irvine - Director of Strategies, Assurance and Compliance / Company Secretary. Chair of Hartlepool College of Further Education and family members x 2 employees at Hartlepool College of Further Education.	(1,646)	14,150	0	0	(2,002)	12,612	0	7,000
Ms Ada Burns - Non-Executive Director. Governor and Chair of the Board of Governors, Teesside University.	(32,563)	8,772	(2,250)	0	0	0	0	0
Mr Christopher Macklin - Non-Executive Director Chair, Audit One.	(384,479)	0	0	0	(220,924)	0	0	0
Ms Ann Baxter - Non-Executive Director. Independent Scrutineer of Safeguarding / Chair of Statutory Safeguarding Partnership, Darlington Borough Council.	(5,016)	0	(361)	179	(5,326)	0	(152)	179
Dr Anandapuram Dwarakanath - Site Medical Director, Charter Trustee of Royal College of Physicians of Edinburgh	(4,560)	0	0	0	0	0	0	0
Prof Rudy Bilous - Group Associate Non-Executive Director, A member of a Data Monitoring Safety Committee for a large International, multinational trial – funded by Boehringer via an unrestricted grant through the University of Oxford (3-4 virtual meetings per year). The post is remunerated.	(209,569)	2,268	(5,643)	1,905	0	0	0	0
All Joint Executive Directors and Non-Executive Directors, South Tees Hospitals NHS Foundation Trust.	(12,296,151)	8,159,199	(1,692,283)	558,482	0	0	0	0

DHSC related party information

Currys Group	(31,663)	0	(2,125)	0	(11,578)	0	(1,040)	0
Fareshare	(500)	0	(2,100)	0	(43,545)	0	(2,228)	0
NHS Confederation	(15,613)	0	0	0	0	0	0	0

Main Public Sector Entities the Trust has dealt with within 2024/25

NHS England

Integrated Care Boards

Department of Health and Social Care

Other NHS providers

Local authorities

The Trust has two subsidiary companies Optimus Health Limited and North Tees and Hartlepool Solutions LLP. The tables below total all intra-group transactions for 2024/25 and 2023/24 with related parties and list the Subsidiary Directors.

North Tees and Hartlepool Solutions LLP

	31 March 2025				31 March 2024			
	Payments to Related Party	Receipts from Related Party	Amounts owed to Related Party	Amounts due from Related Party	Payments to Related Party	Receipts from Related Party	Amounts owed to Related Party	Amounts due from Related Party
	£	£	£	£	£	£	£	£
All Directors	(89,907,611)	2,995,078	(300)	0	(102,181,194)	206,745	(2,718,348)	24,629

List of Directors - these are Trust Directors that sit on the Board of North Tees and Hartlepool Solutions LLP

Mr Ian Simpson - Chair

Mr Neil Atkinson - Director

Mr Chris Hand - Director

Optimus Health Limited

	31 March 2025				31 March 2024			
	Payments to Related Party	Receipts from Related Party	Amounts owed to Related Party	Amounts due from Related Party	Payments to Related Party	Receipts from Related Party	Amounts owed to Related Party	Amounts due from Related Party
	£	£	£	£	£	£	£	£
All Directors	(8,009,153)	85,877	(281,093)	0	(8,136,143)	114,425	0	0

List of Directors - these are Trust Directors that sit on the Board of Optimus Health Limited

Mr Ian Simpson - Chair

Note 37 Movement between deficit for the year and control total performance

	Group	
	2024/25	2023/24
	£000	£000
Adjusted financial performance (control total basis):		
a) Surplus / (deficit) for the period	5,453	(1,821)
b) Remove impact of consolidating NHS charitable fund	373	(252)
c) Remove net impairments not scoring to the Departmental expenditure limit	5,644	6,136
d) Remove I&E impact of capital grants and donations	(11,601)	(3,315)
e) Remove net impact of inventories received from DHSC group bodies for COVID response	133	606
Adjusted financial performance surplus	2	1,354

a) This is the overall surplus / (deficit) achieved by the Trust in the financial year, including any non cash items such as impairments.

b) North Tees and Hartlepool NHS Charitable Funds financial position for the year is included in the Group surplus / (deficit) but charitable funds performance does not impact on control total and is therefore removed.

c) Impairments of non-current assets are non cash items and do not impact on control total and are therefore removed. The significant impairment in both 2024/25 and 2023/24 financial years is in relation to the annual valuation of the Trust's land and buildings by a qualified surveyor. In 2024/25 financial year, the main reason for the material impairment is as a result of a reduction in value for the Community Diagnostic Hub building project which was completed in year; a reduction in value for the robotic theatre project which was completed in year; and a reduction in land value due to a change in assumption regarding required floor area for alternative site MEA valuation.

The Trust has appointed a new Valuer, Cushman and Wakefield for 2024/25. The MEA valuation has reduced for the reasons described and the remaining life applied to the buildings is broadly consistent with previous years valuations. A detailed structural survey report produced by Faithful and Gould Limited at the start of 2021/22, indicated that the majority of the buildings on the North Tees site have a maximum remaining life of 10 years. This detailed report has been reviewed by Cushman and Wakefield and the MEA report has been amended accordingly. At 31 March 2025, the remaining life on the majority of the buildings on the North Tees site is now 6 years.

d) Capital grants and donations received by the Trust for the specific purpose of purchasing capital equipment does not impact on control total and is therefore removed. Donated asset income is material for the Trust in 2023/24 and 2024/25 due to a grant from Salix for Hartlepool decarbonisation over the financial year 2023/24 and 2024/25, totalling £13.4m.

e) During the pandemic, the Department of Health and Social Care provided NHS organisations with personal protective equipment for staff, visitors and patients due to issues with the supply chain. This has continued from financial year 2020/21 to 2023/24 and was given to the Trust free of charge. For this reason, any closing stock cost or benefit to the Trust does not impact on control total and is therefore removed. The Trust has a remaining closing stock of personal protective equipment provided by the Department of Health and Social Care for free of £2k.

