King's College Hospital
NHS Foundation Trust

ANNUAL REPORT AND ACCOUNTS 2024/25

King's College Hospital NHS Foundation Trust

Annual Report and Accounts 2024/25

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

CONTENTS

GLOSSARY

ACRONYM	MEANING
BAF	Board Assurance Framework
BREEAM	Building Research Establishment Environmental Assessment Method
BAME	Black, Asian and Minority Ethnic
CCU	Critical Care Unit
CDEL	Capital Departmental Expenditure Limit (the Trust's capital budget)
CHP	Combined Heat and Power
CIP	Cost Improvement Programme
CO2	Carbon Dioxide
COO	Chief Operating Officer
CQC	Care Quality Commission
DH	Denmark Hill Site (King's College Hospital, Denmark Hill)
DHSC	Department of Health and Social Care
DIPC	Director of Infection Prevention and Control
DNA	Did Not Attend
DSPT	Data Security and Protection Toolkit
ECS	Emergency Care Standard (four-hour target)
ED	Emergency Department
EDS	Equality Delivery System
EMS	Environmental Management Scheme
EPR	Electronic Patient Record
ESR	Electronic Staff Record
FFT	Friends and Family Test
FTSUG	Freedom to Speak Up Guardian
H&S	Health and Safety
HFMA	Healthcare Financial Management Association
HR	Human Resources
ICO	Information Commissioner's Office
ICT	Information Computer Technology
IFRS	International Financial Recording Standards
JSCC	Joint Staff Consultative Committee
KCH	King's College Hospital
KCL	King's College London
KE	King's Executive
KFM	King's Facilities Management
KHP	King's Health Partners
LGFC	Lambeth GP's Food Co-op

LGBT	Lesbian, Gay, Bisexual, Transgender
MRSA	Methicillin-resistant staphylococcus aureus
NCEPODS	National Confidential Enquiry into Patient Outcome and Death Studies
NED	Non-Executive Director
NHSE	NHS England
NICE	National Institute for Health and Care Excellence
NOF	National Oversight Framework
SEL ICS	South East London Integrated Care System
PDC	Public Dividend Capital
PRUH	Princess Royal University Hospital
PSF	Provider Sustainability Fund
PTL	Patient Tracking List
QI	Quality Improvement
R&I	Research and Innovation
RIDDOR	Reporting of Injuries, Diseases and Dangerous Occurrences Regulations
RTT	Referral to Treatment
SDEC	Same Day Emergency Care
SHMI	Standardised Hospital-level Mortality Index
SIRO	Senior Information Risk Owner
SLAM	South London and Maudsley NHS Foundation Trust
UCC	Urgent Care Centre
ULEZ	Ultra Low Emission Zone
WRA	Workplace Risk Assessment
WRES	Workforce Race Equality Scheme

INTRODUCTION

Chairman's Statement

This is my first chairman's statement introducing the Annual Report and Accounts since I started my appointment in June 2024.

I am delighted to join the board, staff, and partners as we work to:

- Improve the health care we deliver to our patients, in particular providing local hospital services to the people of Lambeth, Southwark, and Bromley.
- Serve as the Major Trauma Centre for South East London, Kent and parts of Surrey and Sussex.
- Operate a London wide cardiac centre and hyper-acute stroke units at Denmark Hill and PRUH.
- Provide a wide range of other tertiary services including liver disease and transplantation, neurosciences, diabetes, haematology, and fetal medicine.
- Undertake high quality research which has an international reputation and boasts a high proportion of patients involved in clinical trials.
- Work actively as a member of King's Health Partners, the Academic Health Science Centre.
- Work in partnership with local government and community groups to promote health equity and address health inequalities.

During my induction to the organisation, I have been impressed by the dedication and professionalism of the staff and their commitment to delivering high quality care to the communities we serve. There is a passionate sense of identity with KCH from staff. Equally impressive has been the groundbreaking innovation in the way services are delivered. These are strong foundations on which we can grow and develop.

As I joined the board the decision had been made to place the organisation in the National Oversight Framework Tier 4 due to the budget overspend during the 2023/24 financial year which raised questions about the financial stability of the Trust. Like all public services funded by the taxpayer we are accountable for how we deliver value within the resources we have available.

The Trust, like the wider NHS and health systems across the world, is confronted by rising demand driven by demography and complexity whilst, as Lord Darzi pointed out in his report, 'Independent investigation of the NHS in England' (September 2024) resources are not keeping pace with demand – resources are finite. The Trust, like all health care services, will need to work differently and use technology, data and Artificial Intelligence (AI) to transform services. Some of these developments are being used somewhere in the Trust now whether that is the way we organise and deliver our support services , or the way we can use data to better support the delivery of diagnostic and treatment services or how we can better target services to individuals and communities through improved data analysis or how we can support patients to self-manage their own care. The key question is how do we transform? As the Chair I have focussed on four strategic priorities:

1. **Financial recovery and stability.** During the year a high-quality financial diagnostic was undertaken which led to the development of a financial strategy which sets out a pathway to financial recovery over a five-year period which, in turn, will provide greater financial stability. The body of this report sets out the progress which has been made during the year.

2. **Vision and Purpose.** As the King's strategy for 20 21/26 enters its final year it is important to set out the strategic direction for the Trust for the next five years to 2031 – how we will plan to meet the needs of the population we serve within the resources that will be available. During the year the Board will work to develop the next strategy and will draw on the evidence from research and the expertise, innovation and knowledge of patients, staff and partners.

3. **People and Culture.** During my first year as I met staff I would often ask "what is the best thing about working at King's?" Over 80% of the answers would refer to the work with colleagues, "the people I work with" a number would add "I love working at King's. These conversations communicated a powerful sense of belonging and identity. Paradoxically, the staff survey describes low levels of staff engagement and a culture where some staff do not feel valued or listened to. It is a priority for the Board that we develop an inclusive culture where all staff can bring their best self to work, where the organisation can benefit from the talent a diverse workforce offers and where staff feel valued and "psychologically safe".

4. **Quality Improvement- the King's Improvement Method.** Staff who feel supported and valued are key to delivering high quality safe care. A Trust wide quality improvement approach is an essential building block. The King's Improvement Method will offer a systematic approach to embedding continuous quality improvement.

We have made good progress during 2024/25. Whilst there is no doubt that we operate in a challenging environment. I am impressed, each day, by the remarkable care that is delivered by the equally remarkable staff. Whilst the challenges we face are significant the strengths and assets of the organisation – our people – are considerable and provide grounds for hope and optimism for the future.

I would like to thank all the staff, our partners, our governors and, my colleague Board members for all they have contributed to meeting the healthcare needs of the population we serve.

To end with a quote from one of the Trust Board's development sessions: "The best organisations are not the best because they are perfect; they are the best at getting better".

Let us build on the progress outlined in this annual report and adopt “the best at getting better “as our objective over the coming years.

Sir David Behan
Chairman, King’s College Hospital NHS Foundation Trust

PERFORMANCE REPORT

Chief Executive's Statement

It is now over six years since I joined the Trust as Chief Executive, and I remain incredibly proud to lead the organisation, and the superb people who make up Team King's.

The past year has presented a number of challenges, particularly in relation to our financial position. However, I am optimistic about the future, and we are delivering a number of positive changes across the Trust, which I know our patients and local communities see, and appreciate.

Becoming financially sustainable

We delivered cost-savings worth £50.8 million during 2024/25 and were in receipt of £100 million deficit support funding, leaving us with a year-end deficit of £33.7 million. On one level, this is positive, and the cost-improvements we have made easily eclipse what we have achieved in previous years. In addition, every project or initiative that has delivered savings has been subject to equality and quality impact assessments, so ensuring we are not compromising the level of care we provide.

However, the reality is that we have a significant underlying deficit that will take years to remedy, and we need to start living within our means as an organisation if we are to make our services financially sustainable, and thus viable for the long-term. Of course, providing safe, high-quality care is our number one priority, but we also have a responsibility to use the public money at our disposal to maximum affect.

Access to care

Over the past year, I am pleased that we have seen the benefit of measures introduced to bring down waiting times for cancer care. We now have significantly fewer people waiting longer than they should for a cancer diagnosis and treatment, which is so important for our patients, and positive for our staff as well.

We have invested in improvements and much needed extra capacity for patients across our hospitals. This includes a new respiratory support unit and same day emergency care unit, both at the PRUH. We also completed an extensive refurbishment to the Liver Intensive Care Unit at King's College Hospital.

Innovating for patients and staff

Within the year we and our partners Guys' and St Thomas' NHS Foundation Trust also marked the first anniversary of Epic launching. The electronic patient record system is used across the entirety of King's.

It has streamlined access to important clinical information due to the removal of paper-based records, and through bringing functions of multiple systems into one. A key part of the Epic roll out was the introduction of MyChart, an app which lets patients access parts of their health record, including appointment information. Over 500, 000 patients have now signed up to MyChart, allowing them more insight and control over their care. We've also seen a significant

reduction in the number of patients that do not attend appointments when signed up to MyChart, with a DNA rate of just 5% compared to 13% for those not using the app.

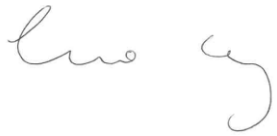
External recognition

We continue to be recognised on local and national stages for our work. We were named Inclusive Employer of the Year at the BeLambeth Awards, and the PRUH based arm of the Project SEARCH programme won the SEND Champion for Employment Award at the Bromley SEND Awards.

As I noted earlier, we have superb people doing amazing work here at King's. They are being recognised for their work as teams, and individuals. Sara Hunt, a midwife at the PRUH, was awarded the Bereavement Midwife of the Year award at the Mariposa Awards, while our neuro-oncology team were given a Professional Excellence award by The Brain Tumour Charity for the support they provide people affected by brain tumours. Sharlene Greenwood, Consultant Physiotherapist, was appointed as Professor of Exercise and Lifestyle Therapy at King's College London, and in doing so she became the first ever Allied Health Professional at the Trust to be appointed as an honorary Professor.

Innovation is part of who we are at King's and our teams will never stop looking for ways to improve experience and outcomes for patients. From our use of robotic radiotherapy and life-saving advances in liver transplant care to our participation in clinical studies and trials such as on Type 1 Diabetes and nerve stimulation therapy for stroke patients, we have continued to lead the way in research and innovation.

Looking to the future, our key priority is to continue to deliver high quality care to our patient population. In order to do this, we must remain focused on improving operational performance and achieving financial sustainability. I look forward to working alongside the Trust Board, our partners, Governors and colleagues to deliver these essential priorities.



Professor Clive Kay
Chief Executive

Overview of Performance
This section provides information about the Trust, its purpose, the key risks to the achievement of its objectives, and how it has performed during the year.

Purpose
King's College Hospital NHS Foundation Trust has as its principal purpose the provision of goods and services for the purposes of the health service in England.

About King's
The graphic below summarises, at a glance, some of the key numbers that give a sense of life across our hospitals as of March 2025.

Activities

The Trust provides services to local residents of the London Boroughs of Lambeth, Southwark, Bromley, Bexley and Lewisham from its sites at King's College Hospital (Denmark Hill), Princess Royal University Hospital, Farnborough Common, and Orpington Hospital. It also provides services at Beckenham Beacon and Queen Mary's Hospital, Sidcup. These include accident and emergency services, maternity, care of the elderly, orthopaedics, diabetes, ophthalmology, oncology, dermatology and many more. The Trust also provides a number of community-based services including dentistry.

For people across south-east London and Kent, King's College Hospital is the designated major trauma centre, as well as a heart attack centre and the regional hyper-acute stroke centre. The helipad at King's College Hospital, which opened in November 2016, has reinforced the hospital's position as a major trauma centre for the south of England.

King's College Hospital NHS Foundation Trust is renowned for the international reputation of its specialist services. These include a number of tertiary services including treatment for liver disease and transplantation, neurosciences, diabetes, cardiac services, haematology and fetal medicine.

The Trust has a reputation as a pioneer in medical research, with a record of innovation in a number of key fields. It is home to leading clinical units and research centres, such as the Clinical Age Research Unit, the HIV Research Centre, the Cicely Saunders Institute and the Harris Birthright Centre.

King's College London was founded in 1829. Clinical teaching in the medical faculty was dependent upon the Middlesex Hospital until 1839 when King's College London gained its own hospital in Portugal Street.

Established in 1840, the original King's College Hospital – a former workhouse – was based on Portugal Street, Holborn, close to Lincoln's Inn Fields in central London. It was first used as a training facility for students at King's College London, but quickly developed into a major hospital for the area. The hospital moved to its current Camberwell site in 1913.

King's became part of the NHS in 1948 as a teaching hospital. The 1960s saw the introduction of a new dental school, maternity block (now the Ruskin Wing) and the King's Liver Unit. This was followed by the Normanby College of Nursing, Midwifery and Physiotherapy. In 1995 the UK's first specialist Motor Neurone Disease Care and Research Centre was established, and the Weston Education Centre was opened in 1997, accommodating the medical school, library and lecture theatres. A new Accident and Emergency Department was opened in the same year.

King's College Hospital gained Foundation Trust status on 1 December 2006. Following the dissolution of South London Healthcare Trust, King's formally acquired the Princess Royal University Hospital (PRUH) and Orpington Hospital in October 2013.

King's is recognised globally as a world-leading innovation centre. From conducting the UK's first bone marrow transplant, to helping to establish the world's first voluntary blood donor service, King's has been at the forefront of new healthcare for over a century. Over 50 years ago, King's established one of the first liver units in the country, and has since been a major European transplant programme, completing over 6,000 successful liver transplants.

We are a founding member of King's Health Partners (KHP) - one of eight accredited Academic Health Science Centres in the UK committed to delivering better health for all through high impact innovation. King's is also a member of the Shelford Group - a group of the top 10 teaching and research-active NHS Trusts.

Structure

The Trust currently operates with a group structure, based around the two main hospital sites, Denmark Hill and the Princess Royal University Hospital and South Sites (PRUH). The Trust has twenty-two care groups, aligned to the site structure as well as a number of pan-Trust corporate and clinical services such as Workforce, Finance and ICT.

By organising in this way, the Trust is able to group the resources required for delivering similar types of care so that it could improve patient pathways and increase the efficiency of service delivery. It also aims to provide clearer accountability.

More about the Trust governance model can be found on page 40.

The Trust's Strategic Objectives 2024/25

The Trust continued to deliver its five-year Strategy, Strong Roots, Global Reach. Our vision is for King's to be BOLD:

Brilliant People: we will attract, retain and develop pasionate and talented people, creating an environment where they can thrive.

Outstanding care: We deliver excellent health outcomes for our patients, and they always feel safe, cared for and listened to.

Leaders in Research, Innovation and Education: we continue to develop world-class research, innovation and education, providing the best teaching, and brining new treatments and technologies to patients.

Diversity, Equality and Inclusion at the heart of everything we do: we proudly champion diversity and inclusion at King's, and act decisively to deliver more equitable experiences and outcomes for our patients and people.

The Performance Analysis section on page 21 provides further information on how we have delivered against these objectives in 2024/25.

Risks to achieving our strategic goals

The Trust's approach to managing risk is outlined in the accountability report later in this document Through its Board Assurance Framework, the Trust has identified a number of risks that could affect the delivery of its strategy including:

- **Recruitment & Retention:** If the Trust is unable to right-size the organisation and continue to recruit and retain staff with the appropriate skills, this will affect our ability to deliver financially sustainable services and future strategic ambitions which may adversely impact patient outcomes and staff and patient experience.
- **King's Culture & Values:** If the Trust is unable to develop a values based 'Team King's' culture, utilising feedback about staff experience, staff engagement and wellbeing may deteriorate, adversely impacting our ability to provide compassionate and culturally competent care to our patients and each other.
- **Financial Sustainability:** If the Trust is unable to improve the financial sustainability of the services it provides, then we may not achieve our financial plans, adversely impacting our ability to deliver our investment priorities and improve the quality of services for our patients in the future.
- **Maintenance and Development of the Trust's Estate:** If the Trust is unable to maintain and develop the estate sufficiently, our ability to deliver safe, high quality and sustainable services will be adversely impacted.
- **Apollo Implementation:** If the Trust fails to deliver the Apollo Electronic Patient Record (EPR) transformation programme effectively then the clinical and operational benefits may not be realised.
- **Research and Innovation:** If the Trust fails to capitalise on innovative and pioneering research opportunities, this may affect our ability to support the development of new treatments and technologies for patients now and in the future, adversely impacting the Trust's ambitions as a world-leading research and innovation centre.
- **High Quality Care:** If the Trust does not have adequate arrangements to support the delivery and oversight of high-quality care, this may result in an adverse impact on patient outcomes and patient experience and lead to an increased risk of avoidable harm
- **Partnership Working:** If the Trust does not collaborate effectively with key stakeholders and partners to plan and deliver care, this may adversely impact our ability to improve services for local people and reduce health inequalities.
- **Demand and Capacity:** If the Trust is unable to restore services (as a result of the COVID-19 pandemic) and sustain sufficient capacity to manage increased demand for services, patient waiting times may increase, potentially resulting in an adverse impact on patient outcomes and experience and/or patient harm.
- **IT Systems:** If the Trust's IT infrastructure is not adequately protected, systems may be comprised, resulting in reduced access to critical patient and operational systems and/or the loss of data.

King's Health Partners

The Trust is part of King's Health Partners (KHP), one of the UK's first and foremost Academic Health Science Centres. The partnership was established in 2009, incorporating King's College London, King's College Hospital, Guy's and St Thomas', and South London and Maudsley NHS Foundation Trusts.

Integrated Care System

King's is a partner in the South East London Integrated Care System which covers the London boroughs of Bexley, Bromley, Greenwich, Lambeth, Lewisham and Southwark. This comprises local authorities, acute provider Trusts, primary and community care providers.

Acute Provider Collaborative

In partnership with Lewisham and Greenwich NHS Trust, and Guy's and St Thomas' NHS Foundation Trust, King's established an Acute Provider Collaborative (APC) in May 2020. The initial focus of the APC was to develop a system-wide response to the backlog of patients waiting for treatment in a number of high volume, low complexity areas. Overseen by a Committee-in-Common, the APC is working to establish specialty-based hubs across South East London, to ensure that all capacity in the system is utilised as far as possible.

Details of Overseas Operations and Subsidiaries

King's Commercial Services Limited has continued to diversify income by expanding commercial activities both in the UK and overseas. It has now been in operation for over 10 years. KCS delivered a surplus of £0.04m to the Trust in 2024/25 including income from its ownership of the Synnovis LLP pathology joint venture.

KCH Management Limited continues to develop a hospital management and consultancy business both in the UK and overseas, predominantly in the Middle East. There are currently two outpatient clinics, an ambulatory centre and a full-scale inpatient hospital open in Dubai, with a number of other facilities in development in the Middle East, Asia and Africa. The company operates a successful international recruitment business covering nurses and doctors for both King's and other healthcare organisations and is currently developing a nursing education offer. The company also delivers education programmes. The company delivered a deficit of £0.1mto the Trust.

King's Facilities Management LLP (KFM) was created to provide a fully managed service across nine diagnostic and treatment facilities. These include theatres, adult critical care, radiology, cardiac catheter laboratories, liver laboratories, endoscopy, renal dialysis, children's critical care and dental. KFM maintains these facilities and equipment, and provides consumables, implants and devices used during clinical procedures.

Separately, KFM provides an end-to-end procurement and supply chain function for the Trust, working with operational leads to identify future requirements for equipment and consumables. KFM seeks to contribute to the Trust through the identification and delivery of cost improvement programme savings through more focused contract management. Since 2019, KFM has managed the outpatient pharmacy service on behalf of the Trust.

The Trust has consolidated a contribution of £11.2 million from KFM for 2024/25.

PERFORMANCE ANALYSIS

Financial Performance and Sustainability

The Trust agreed to deliver a deficit plan at the start of the year of £141.8 million. This was amended part way through the year and the Trust agreed to deliver a deficit target of £40.0 million. The Trust delivered an adjusted deficit of £33.7 million, after removing the impact of allowable items, including impairments and the impact of accounting standard changes, of £4.3m. The Trust drew down Provider Revenue Support PDC of £5.0 million in year.

Liquidity and Capital

In 2024/25 the Trust drew down £2.3 million of DHSC Capital Programme Allocation and £10.2 million System Capital Support PDC funding against 2024/5 capital projects. Capital expenditure incurred is in line with the Trust's CDEL allowance.

Total capital expenditure in 2024/25 was £53.3 million (including Right of Use Assets of £3.4 million). The programme included the development of the endoscopy unit at the PRUH, ward refurbishments as well as investment in ICT infrastructure and device upgrades, and medical equipment. The Trust also continued to invest in the infrastructure of the Trust to ensure the most pressing maintenance needs were addressed.

Borrowings and Capital Plan

Total borrowings are £438.2 million for the Trust and £383.7 million for the Group. The Trust's reported total borrowings include past expenditure on the Private Finance Initiative (PFI) schemes for the Golden Jubilee Wing and Ruskin Wing at King's College Hospital and the PRUH, and total £250.6 million.

Going Concern

IAS 1 requires management to undertake an assessment of the NHS Foundation Trust's ability to continue as a going concern.

King's College Hospital NHS Foundation Trust's annual report and accounts have been prepared on a going concern basis. Non-trading entities in the public sector are assumed to be going concerns where the continued provision of a service in the future is anticipated, as evidenced by inclusion of financial provision for that service in published documents.

In applying the guidance, the Trust is not aware of any plans for services currently provided to be ceased.

After making enquiries, the Directors have concluded that there is sufficient evidence that services currently delivered by the Trust will continue to be provided and that there is financial provision for this within the forward plans of commissioners. The Directors have therefore prepared these financial statements on a going concern basis.

A Review of King's Strategic Objectives for 2024/25

The Trust published our 5-year strategy, 'Strong Roots, Global Reach' in 2021, setting out the Trust's BOLD vision with four ambitions:

- To have **Brilliant people** to attract, retain and develop passionate and talented people, creating an environment where they can thrive.

- To deliver **Outstanding Care** for our patients, their families and carers.
- **To be Leaders in Research, Innovation and Education**, we continue to develop and deliver world-class research, innovation and education - providing the best teaching, and bringing new treatments and technologies to patients.
- To make King's a more inclusive place for staff and patients and to build on our commitment to put **Diversity, Equality and Inclusion at the heart of everything we do.**

Over the past year we have:

- Created new and more diverse routes into employment through the expansion of Project SEARCH and the delivery of Apprenticeship 500.
- Responded to staff by reviewing our approach to flexible working and taking further action to reduce incidents of violence and aggression.
- Supported careers at King's by enhancing work-based learning; increasing the availability of coaching; and upskilling and embedding inclusive talent management and succession planning across our leadership teams.
- Improved patient experience and outcomes by delivering protected mealtimes and new ward-based champions to improve patient nutrition and hydration.
- Invested in the future of clinical care by delivering major capital projects across all sites such as neo-natal unit; child health; haematology; critical care unit; endoscopy; and new operating theatres and recovery suites.
- Reduced delays in care, by working with partners across the South-East London and investing in technology such as new MRI and CT scanners and robotic surgery.
- Delivered digital solutions to support staff to transform the way we work, interact with partners and provide care to our patients.
- Increased research across the organisation by achieving accreditation for additional research labs and securing further dedicated research space.
- Bolstered research participant recruitment, to ensure King's remains one of the top 10 research active Trusts in the country.
- Successfully delivered of EDI leadership and staff training: programmes, supported by a Virtual Learning Environment.
- Made our services more efficient and delivering safe and sustainable cost improvements, by increasing theatre, day case and outpatient productivity, by reducing patient length of stay and by increasing our discharge rate.
- Undertaken a comprehensive financial diagnostic and options appraisal that led to Board approval of the financial strategy and preferred route to financial sustainability.
- Developed a Transformation and Improvement Programme to ensure delivery of the agreed Strategy across the Trust through workforce, operational clinical service, corporate service and asset management transformation.
- Implemented a comprehensive programme of training and development for staff including Competent Person, Authorised Person and Responsible Person professional instruction and managerial / degree / master's level qualifications.
- Transformed patient access to our outpatient services by using new digital tools.

Performance - Core Constitutional Targets

Providing high quality care when patients most need it

The Trust's FY2024-25 Operating Plan included an objective to reduce the number of patients waiting more than 65 weeks for treatment to 80 by the end of September 2024. Delivering this plan was dependent on enacting system mutual aid in key services areas, no further industrial action and delivery of the activity plan across key service areas. Unfortunately, this target was not achieved.

On 3 June 2024 our Pathology partner, Synnovis was impacted by a cyber-attack and the Trust had to reduce activity to ensure delivery of core emergency pathways. This necessitated a significant reduction in elective activity.

Between July and September there were significant restrictions on some patient cohorts who could not be treated onsite due to their clinical condition. This impacted our ability to treat some long waiting patients.

Before the Synnovis incident Elective Recovery Fund (ERF) activity delivery equated to approximately 115% compared to the Trust's 2019/20 ERF baseline and approximately 110% from June onwards. Following the implementation of a number of Counting and Coding changes (described above) the overall estimated ERF position was approximately 106% compared to the 110% baseline target.

The number of COVID-positive patients in our beds remains low this year with an average of 29 patients in our General and Acute (G&A) beds compared to 43 for FY23/24. We have typically been caring for on average one patient per day in our critical care beds which is comparable to last year.

Referral to Treatment (18-week) performance

Despite industrial action in June and the extended impact of reduced activity following the Synnovis pathology cyber-attack between June and September, the Trust has implemented a number of elective recovery plans to deliver against the 65-week forecasts between August to March 2025, ending the year with 102 patients waiting over 65 weeks by the end of March 2025.

The Trust planned to reduce the number of 65 week wait patients to 80 by the end of March with enhanced recovery actions which included mutual aid and extended use of ISP providers to treat long wait patients on Denmark Hill waiting lists in Bariatric Surgery, Colorectal and General Surgery. Additional weekend DSU lists and additional lists in main theatres were also being put on during February and March.

There were ongoing actions in other key specialties to deliver the 65-week year-end forecast including Ophthalmology and Maxillo-facial Surgery.

The total PTL size has been reducing between April to December 2024, and despite increasing in Q4 there were 88,631 pathways on the PTL by the end of March. This remains below pre-Epic levels with reductions across all wait groups for March. RTT incomplete performance for patients waiting under 18 weeks has also improved from 56.90% in April to 63.99% in March 2025, even though we continue to reduce the number of long wait patients on the PTL.

As part of our on-going Elective Recovery Programme, the Theatre Productivity Improvement Programme continues as we seek to maximise the use of our day case and inpatient theatres. We have also been implementing the GIRFT F Cohort 3 programme to review and standardise clinic templates across 19 services and continue to work to maximise potential capacity and optimise new:follow up ratios as part of our ongoing Outpatient Transformation programme of work.

Cancer treatment targets

Following the consultation on cancer waiting time targets in 2023 performance monitoring continues to be focussed on the 28-day Faster Diagnosis Standard (FDS) as well as the 31-day and 62-day cancer standards. Monitoring of the two-week wait continues within the Trust but ceases to be published as the metric no longer forms part of the NHS Operating Framework.

Following the implementation of Epic in October 2023 the Trust was put into the Tiering programme for its cancer performance. However, as a result of the pathway transformation work and improved performance that has been observed during this year, the Trust received written confirmation that it was being moved out of the Tier 1 programme from November 2024. This was because of the improvements delivered in our 62-day referral to treatment and 28-day Faster Diagnosis Standard performance.

We have not been compliant with the 62-day GP referral to treatment standard (national target is 85%) during 2024-25 but performance has been improving for each quarter during the year, with Quarter 3 performance at 71.4%. This reduced in Quarter 4 to 67.0% as we reduced the number of backlog patients waiting for treatment.

The number of patients waiting over 62 days for first cancer treatment (the “backlog”) has remained below the last year’s reduction target of 150 cases for March 2024 for most of the financial year, peaking at 160 cases in August and September during the Synnovis incident. The backlog reduced to levels just over 100 towards the end of November, and we have seen the seasonal increase in the backlog to 169 cases by the middle of January 2025. The number of backlog patients reduced to 135 patients by the end of March.

Performance against the new 31-day treatment target has been relatively stable during the year, achieving 91.2% in Quarter 3 and improving to 93.7% in Quarter 4 but remains below the new national target of 96%.

The Trust has exceeded the new 75% national target for the 28 Faster Diagnosis this financial year apart from April and January. Whilst performance for Quarter 1 was below target at 74.6%, the national target has been achieved for each quarter for the remainder of the year with performance at 76.2% for Quarter 4.

Diagnostic waiting times

At the start of this financial year in April 2024, there were 11,704 patients waiting on the diagnostic waiting list for a DM01 reportable test over 6 weeks which equated to performance of 58.3%.

Since the implementation of the Epic system in October 2023, there has been a significant increase in the total DM01 diagnostic PTL from 16,399 total waiters to 28,042 by the end of April 2024. Whilst the PTL size has remained relatively static during 2024, we were required

to report on planned patients waiting beyond their treat by date from March 2025 onwards. There were 31,943 patients waiting on the total DM01 diagnostic PTL which reflected the additional planned waiters who are now reportable as active DM01 waiters.

The number of patients waiting on the diagnostic waiting list for a DM01 reportable test over 6 weeks has increased from 11,704 patients waiting at the end of April 2024 to 14,412 at the end of March 2025, which equates to 54.9% performance. The majority of the breach increases have been reported in non-obstetric ultrasound (7,229 breaches by March 2025) and cardiac echocardiography (4,682 breaches in March 2025).

The Trust does have a number of short and medium recovery actions in place which are helping to maintain current performance levels but a long-term solution is now needed to manage ongoing demand.

Emergency Care Standard (ECS)

Type 1 A&E department attendance levels for the period April 2024 to March 2025 are 3.8% higher compared to the same period last year. Type 3 Urgent Treatment Centre (UTC) attendances have also increased by 5.4% for the Denmark Hill UTC and by 1.4% at PRUH UTC.

Four-hour performance at the Denmark Hill site has improved significantly this financial year compared to FY23/24 with performance exceeding 70% on a monthly basis with the exception of October where performance of 69.0% was reported. Performance for Quarter 2 improved to 75.84% and despite increased winter and patient flu-related pressures, performance for Quarter 3 was 71.0% and improved in Quarter 4 to 72.0%.

Bed occupancy at DH has remained exceptionally high throughout the year with average occupancy at 97.1% based on our daily Sitrep submissions consistent with 97.0% reported for 2023/24. The number of patients waiting over 12-hours for admission into beds increased from a monthly average of 197 cases between April and November to 404 cases between December and March. The in-year monthly high of 443 breaches was reported in January 2025.

Four-hour emergency performance at the PRUH site remained challenged in Quarter 1 at 63.8% but has seen improved performance in Quarter 2 and peaking at 70.7% for Quarter 3 but reducing slightly to 69.8% for Quarter 4.

Bed occupancy at PRUH has remained high at 96.8% for the year which also includes beds at Orpington Hospital. The number of patients waiting over 12-hours for admission into beds remained high in Quarter 1 with a monthly average of 650 cases. Whilst improvements were delivered during July and August, the number of breaches has increased to 618 cases in December and 836 in January.

Formal care group decompression plans for ED have remained in place from November this year as well as winter arrangements including LAS winter plans to manage flow on both of our acute hospital sites. There is ongoing work with SLAM to support a potential solution to reduce long waits for mental health patients within ED specifically at the Denmark Hill site.

Ambulance handover delays remain a focus at both acute sites. Particular focus has been given to reducing the number of delays over 60 minutes. Denmark Hill site had zero

ambulance handover breaches each month this financial year apart from 3 cases reported in October 2024. The number of 30-60 minutes breaches at Denmark Hill reduced from 679 in Quarter 1 to 616 in Quarter 3, but increasing to 742 during Quarter 4.

PRUH site reduced the number of 60-minute ambulance handover breaches from 71 in Quarter 1 to 38 in Quarter 2 but increased over the winter months with 88 breaches reported for Quarter 4. The number of 30-60 minutes handover breaches at PRUH reduced from 1,486 in Quarter 1 to 1,302 in Quarter 2, but increased back to 1,471 in Quarter 3 and further to 1,630 during Quarter 4.

Infection Prevention and Control (IPC)

The Trust continues to monitor all other instances of healthcare-associated infections as a matter of priority. In 2024/25 there were three cases of methicillin-resistant staphylococcus aureus (MRSA) at the Trust compared to 10 cases reported for the previous year.

There were 179 cases of E-Coli Bacteraemia against a target of 178. In 2024/25 there were 112 cases of C. difficile across the Trust which is above the target set by the Department of Health and Social Care (DHSC) of 108, but below last year's incidence of 115

The overwhelming lesson learned from the Trust-apportioned MRSA/avoidable MSSA BSI cases is the insertion and care of intravenous lines, the majority of which were peripheral lines. There are also issues to address as regards adequacy of MRSA screening and timely commencement of MRSA protocol. It can be seen however that the IV Task & Finish group established last year, and has led to a reduction in rates of infection.

Clinical Outcomes

Annual Summary of Patient Outcomes – 2024–25

King's College Hospital NHS Foundation Trust has demonstrated consistent and improving performance across the 2024–25 financial year, with a strong focus on delivering safe, effective, and person-centred care. The Trust's outcomes reflect a mature clinical governance framework, responsiveness to national benchmarks, and a growing emphasis on patient-defined priorities.

Overall Performance

The Trust has maintained a consistently high standard of care, with a notable reduction in red-rated indicators over time. In Q4 2024–25, 79% of indicators were rated green, with no red-rated outcomes for the second consecutive quarter.

Quarter	Green Indicators	Yellow	Red	Total Indicators
Q1	60	7	3	70
Q2	85	7	0	92
Q3	64	6	5	75
Q4	34	9	0	43

Mortality and Survival Outcomes
SHMI (Summary Hospital-level Mortality Indicator) remained “as expected” across all sites throughout the year. In Q4, SHMI for pneumonia and hip fracture improved to “better than expected.” Risk-adjusted mortality was within or better than expected for: stroke, hip fracture, bowel, prostate and oesophago-gastric cancers, adult and paediatric liver intensive care, cardiac surgery, perinatal, neonatal and stillbirths, and paediatric intensive care.

Stroke Care
Imaging and admission times improved across the year, however time to thrombolysis remained above the national target (DH: 1h 4m; PRUH: 1h 9m in Q4), with improvement plans in place. Direct admissions to stroke units and time spent on stroke units were close to or better than national averages.

Cancer Outcomes
Bowel and oesophago-gastric cancer outcomes were generally within expected ranges. A key area for improvement included:

- High rates of late-stage oesophago-gastric cancer diagnoses (56% at KCH vs. 37% national average).
- Improvement actions are underway via the South East London Cancer Alliance.

Organ Donation
The Trust demonstrated good performance in donor conversion rates and specialist nurse involvement. The referral rate of potential donors after circulatory death (87% vs. 94% national average) is being addressed through targeted actions.

Paediatric and Maternity Outcomes
The paediatric diabetes service at Denmark Hill responded to being an outlier on elevated HbA1c levels with increased use of hybrid closed-loop insulin pumps and wellbeing support. External outlier alerts for paediatric liver transplant outcomes were investigated and addressed. Mortality outcomes for neonatal remain good, however at Denmark Hill there are improvement actions in relation to necrotizing enterocolitis and bronchopulmonary dysplasia. Maternity outcomes are better than national average for the majority of indicators.

Learning from Deaths
The Trust recorded 2,367 deaths in 2024–25 and 172 structured reviews were conducted to ensure all learning opportunities were identified and responded to. Five reviews identified issues with the care provided. Key themes for improvement were identified as the need to have early palliative care discussions, the need for improved documentation, organ donation considerations, and bereavement and complaint management. Mortality review processes were integrated into the Epic patient record system during the course of the year.

Medical outcomes
Outcomes are better than national average, or within expected range, for pregnant women with pre-existing diabetes. In hip fracture, whilst mortality outcomes remain good, patient safety outcomes are good in some areas (inpatient fractures and pressure ulcers at PRUH, reoperation rates at DH) and under added scrutiny in others (inpatient fractures and pressure ulcers at DH, reoperation rates at PRUH). Evidence-based proxy outcomes indicators are better than the national average for chronic obstructive pulmonary disease, heart failure, asthma and cardiac rhythm management.

Patient-Centred Outcomes and Innovation
The Trust launched high-value care projects for COPD and major trauma using the Per Empo system to capture patient-defined outcomes, as well as high value care projects in alcohol-related liver disease and acutely unwell (deteriorating) patients. The PROMs (Patient-Reported Outcome Measures) project progressed to rollout, supporting standardised and inclusive patient feedback.

Governance and Clinical Audit
The Trust participated in 100% of mandated national clinical audits and the 2025–26 audit programme was formally approved in Q4 by the Board's Quality Committee.

Quality and Safety
In 2024/25, the Trust set a number of quality priorities aimed at enhancing the quality of care and patient safety. These priorities included addressing workforce challenges, improving outcomes for acutely unwell patients, increasing patient engagement through MyChart, and utilising health data for quality improvement.

Workforce and Patient Safety emerged as a critical focus area. The Trust aimed to understand the impact of workforce challenges on patient safety, monitor insights related to workforce and patient safety, and assess the overall safety culture. A comprehensive thematic review was conducted to analyse patient safety incident data, learning responses, and workforce-related risks. This review identified insufficient staffing as a primary factor affecting patient safety. The process for monitoring workforce-related patient safety issues was extended into the 2025-26 period, with improvement workstreams addressing staffing shortages and linking data usage across the Trust. Additionally, the assessment of organisational safety culture will be integrated into the Patient Safety Incident Response Framework (PSIRF) under the oversight of the Patient Safety Committee.

For **Acutely Unwell Patients**, the organisation focused on improving outcomes through enhanced monitoring and response systems. A dashboard integrating data from EPIC, InPhase, and Patient Experience systems was launched, providing real-time monitoring of patient conditions and facilitating timely interventions. The Trust also participated in the Worry and Concern pilot, incorporating patient concerns into the recognition and assessment of acute illness, which informed the nationally led Martha's Rule initiative. Furthermore, a new automated triage system phone line was introduced, enabling patients and their carers to discuss concerns about deterioration with the Critical Care Outreach Team (CCOT).

Embedding and Enhancing MyChart was another priority, aimed at increasing patient engagement through this digital tool for accessing care information. Significant efforts were made to increase patient sign-ups to MyChart through in-reach and outreach activities, resulting in 237,228 King's patients having an active MyChart account by March 31, 2025. Between April 2024 and March 2025, 17,724 individuals received support with accessing or using MyChart. The first draft of the MyChart manual was developed, informed by themes recorded from PALS contacts. Additionally, the rollout of MyChart's patient scheduling tools to appropriate services, including FastPass and patient self-rescheduling functions, led to measurable reductions in patient waiting times.

The final quality account priority focused on **Health Data Utilisation** to improve patient safety, experience, and outcomes. The Integrated Quality Report was revised with performance data

provided through the Business Intelligence Unit at Trust and Site level, with a relaunch planned for July 2025. Adult nursing metric dashboards were delivered within Epic, allowing higher-level assessment and analysis of performance over time. Quality Improvement workshops were conducted to enhance the capture of patient demographic data, particularly focusing on outpatients data capture. Patient safety improvement dashboards were completed, integrating and triangulating safety, experience, and risk data, aligning with the Trust's Safety Priorities under PSIRF.

Research and Development

Research and Development (R&D) is a central part of the offer of care we make to patients, relatives and staff. The Trust R&D five-year strategy (Oct 2019-September 2024) has successfully completed with all objectives met.

An R&D roadmap has been developed and launched to cover the next phase of R&D strategy from November 2024-2026. Since the launch of our research strategy in 2019, we have:

- Increased commercial and academic research activity.
- Developed a supportive Trust-wide research culture where staff understand the benefits of conducting clinical research.
- Developed an Advanced Therapies and Biomedical Sciences Hub to deliver therapies that are based on cells, genes and small molecules.

While these are significant achievements, we know that we can go further. Our new roadmap focuses on supporting and developing staff to become the research leaders of tomorrow, increasing participation of under-represented groups in research, harnessing new technology, increasing collaborations and ensuring we implement the recommendations from the Lord O'Shaughnessy report.

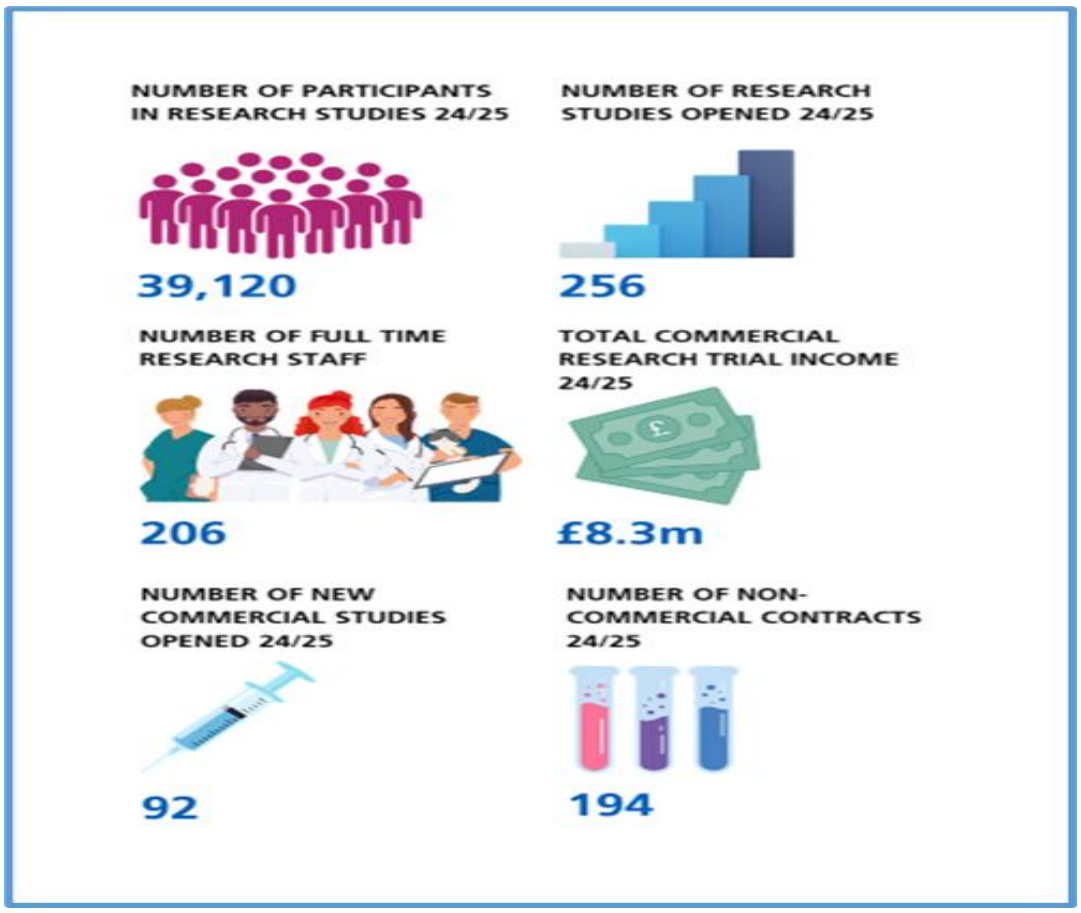
R&D Highlights 2024/25

- Investigating the use of AI to detect pre-cancerous growths – Collaboration with medical technology manufacturer Medtronic and Dr Bu Hayee (Clinical Director for Liver and Gastroenterology) resulting in a £2.4m grant
- Roseline Agyekum, Community Kidney Nurse Researcher, won the bronze award in the Renal Nurse of the Year category at 2024's British Journal of Nursing (BJN) awards.
- Professor Anil Dhawan – R&D Director - receives the GG2 Outstanding Achievement in Medicine award.
- In a significant milestone for diabetes research, clinicians and researchers successfully delivered the UK's first infusion of stem-cell-derived insulin-producing cells to a person with Type 1 diabetes, as part of a clinical trial.
- First UK patient dosed for commercial B-Cell malignancy trial by Haematology Research team.

R&D Performance

King's College Hospital remains the top five highest performing NHS Trusts in the U.K in terms of recruitment to the National Institute for Health and Care Research portfolio of research studies during 24/25.

The infographic highlights the research data for the full research portfolio (NIHR and non-portfolio studies combined) for the 2024/25 financial year.



Freedom to Speak Up (FSUG) Guardian

Last year, King's committed to training managers to respond positively to concerns, emphasising the critical role of leadership in fostering confidence among staff. Dr. Jayne Chidgey-Clark, the National Guardian, highlighted that confidence in speaking up stems from knowing that concerns will be addressed appropriately. At King's, leaders and managers are encouraged to actively listen and act on staff concerns, as failure to do so can affect both wellbeing and patient care. To support managers, especially those at Band 6 and above, bespoke training is being delivered by the FTSU Guardians, integrated into leadership programs to reinforce managerial accountability.

One significant outcome of this focus on training is a rise in managers themselves raising concerns through FTSU and seeking informal advice from Guardians on handling concerns. This commitment to educating and supporting managers will remain a key priority for 2025/26.

This year, more staff are raising concerns through the FTSU Guardians each quarter compared to previous years, with a 35.47% increase in cases brought to the Guardians in 2024/2025 compared to 2023/2024. The presence of a Deputy Guardian at the Princess Royal

Hospital (PRUH) and increased FTSU visibility and engagement across the South Sites has led to a significant rise in staff raising concerns at PRUH and South Sites, accounting for 39% of the total cases raised this year compared to 15% in 2023/24.

Through various engagement activities, such as listening sessions, clinical huddles, team meetings, training events, webinars, and ward visits, the Guardians have reached out to nearly 3,000 staff this year, in addition to handling formal confidential cases. Training provided by the Guardians includes topics on psychological safety and fostering civility in the workplace. The introduction of the InPhase software module has secured the handling of confidential FTSU data and facilitates alignment with other Trust-wide safety indicators and mechanisms.

Nurses, the largest workforce group, continue to be the highest reporters both nationally and at King's. Administrative and clerical staff, due to many service redesigns and consultations, have accessed the FTSU service for support, making them the second highest staff group. Doctors, nationally the least likely to raise concerns, are the third highest reporting professional group at King's, suggesting increased confidence and Trust in FTSU.

Concerns relating to culture and behaviours have increased over the last two years, with poor working relationships and inappropriate attitudes and behaviours being the most reported category of 2024/25. To address this, King's is working to triangulate FTSU data with patient safety, experience, HR metrics, and NHS Staff Survey results to identify patterns and key areas of concern across the Trust. All FTSU data is integrated into the Trust's Integrated Quality Report to ensure Board-level oversight and accountability.

The King's Ambassador Scheme, launched in March 2023, integrates FTSU, EDI, and wellbeing initiatives, with over 60 Ambassadors currently involved. There has been a noticeable 61% increase in staff requesting anonymity when raising concerns, primarily due to fear of retaliation. King's is embedding guidance from the National Guardian Office (NGO) on mitigating detriment into all HR policies and introducing a risk assessment process to support staff who raise concerns.

Ongoing training and support will continue to be provided to ensure concerns are managed appropriately, staff feel valued for speaking up, and lessons learned are shared transparently. It is essential that staff Trust their concerns are taken seriously and lead to meaningful action.

Anti-Bribery Policy

King's has a zero-tolerance policy towards fraud and bribery. Appropriate policies are in place and the Counter Fraud Team ensures compliance, overseen by the Audit Committee. More detail can be found in the Annual Governance Statement, later in this report.

Health Inequalities and Community Engagement

The Trust recognises the importance of working with patients, stakeholders and the wider community to ensure that service delivery meets their needs. A summary of how the Trust has met this goal in the last year can be found in the Quality Account on our website.

Improving the delivery of services at King's and supporting the needs of our diverse local population was identified as a one of four organisational priorities in the *Strong Roots, Global Reach* strategy published in 2021. The King's Health Inequalities Programme is dedicated to reducing unfair and avoidable health disparities among patients and staff.

Our key aims are to:

- Remove barriers preventing fair access for patients.
- Reduce preventable differences in patient healthcare experiences.
- Reduce unfair differences in patient outcomes.
- Support staff to reduce their risk of health inequalities.

Addressing health inequalities remained a cornerstone of our outward-facing EDI strategy. The Health Inequalities Programme brought together staff, patients, and community experts which in turn informed a review of our Maternity and Diabetes services offer as part of our EDS reporting.

In collaboration with Centric, two evidence-led reports were launched exploring how to engage patients in the "Vital 5" health themes and make clinical trials more inclusive. The insights are now informing Trust-wide communications and care models.

King's Sustainable Healthcare for All - Our King's Green Plan

The King's Green Plan, launched in 2021, outlines the commitment to providing environmentally sustainable healthcare, a vision of the desired future, and the strategy to achieve it. During the fourth year of implementing this Plan, despite financial challenges, the commitment to NHS England's ambition to achieve net zero carbon emissions remains steadfast.

The sustainability team continues to collaborate across King's College Hospital NHS Foundation Trust and Guy's and St Thomas' NHS Foundation Trust, adopting a local system approach to address key environmental sustainability challenges.

The carbon footprint is reviewed and calculated annually, and in 2024/25, it was equivalent to an NHS Carbon Footprint (emissions controlled directly) of 39,696 tonnes CO2e and NHS Carbon Footprint Plus (including emissions that can be influenced) of 209,911 tonnes CO2e. Compared to the previous year, this represents a 2% decrease in the NHS Carbon Footprint and a 5% increase in the NHS Carbon Footprint Plus.

Summary of Sustainability Performance in 2023/24

The key target of the five-year period of the Trust Green Plan was to reduce NHS Carbon Footprint emissions by 44% by 2025/26 compared to a 2019/20 baseline. As of 2024/25, this target remains ambitious and will require the Trust to reduce CO2e emissions by just under 9,000 tonnes in the next year alone.

Key Performance Updates for 2024/25 include:

The Trust has reduced the amount of energy used to power and heat its buildings, cutting related carbon emissions by 1%.

In August 2024, £216,000 was awarded from the Greater London Authority (GLA) Zero Carbon Accelerator to explore the best heating solutions for the Denmark Hill site. This funding follows a previous GLA-supported project, completed in April 2024, which identified opportunities to connect to the Southwark Heat Network. The new feasibility study will assess the potential benefits of two low-carbon heating options: linking to the district heat network or developing an Air Source Heat Pump (ASHP) energy centre. Alongside this, a new low-temperature hot

water (LTHW) system will be designed to replace the existing steam heating system, paving the way for a more sustainable energy future at the site.

In January 2025, £480,000 in funding was received to help reduce energy costs and further carbon reduction efforts. This funding will support LED lighting upgrades at Denmark Hill's Dental Building and the Day Surgery Unit at the PRUH and optimise the Building Management System (BMS) across the sites. The BMS improvements will involve adjusting heating, ventilation, and air conditioning systems to run more efficiently, minimising energy waste while maintaining a comfortable environment for both patients and staff. These upgrades will contribute significantly to lowering energy consumption, reducing operational costs, and extending the lifespan of key infrastructure.

Strides are also being made in renewable energy. In March 2025, £250,000 in grant funding was awarded from the GB Energy Solar Fund to install two roof-mounted solar photovoltaic (PV) arrays. One array will be installed at Orpington Hospital (79 kWp), and the other at the PRUH Day Surgery Unit (68 kWp). These arrays will provide low-carbon electricity to support decarbonisation objectives, helping to reduce reliance on traditional energy sources and contribute to sustainability goals.

- Medical gases and inhalers: The focus on reducing nitrous oxide waste continues, as this anaesthetic gas has a global warming potential 260 times greater than carbon dioxide. Following significant progress at the Denmark Hill site, where four out of five nitrous oxide manifolds have been decommissioned, a similar approach is now being planned and progressed at the Princess Royal University Hospital and Orpington Hospital. Compared to 2023-24, emissions from nitrous oxide (including Entonox) have reduced by 5%. Work on low-carbon inhaler provision is also progressing, with hundreds of inhalers returned to the site and many more in local community pharmacies that are part of the South East London Inhaler Recycling programme.
- Travel and Transport: The proportion of Zero-Emission Vehicles (ZEVs) in the Trust's Salary Sacrifice Scheme saw a significant uplift in 2024/25, climbing from 51% to 68% of the total fleet. The Trust proudly operates the NHS's only dedicated A&E electric vehicle charger. In 2024/25, this unique asset supported London Ambulance Service (LAS) with over 320 charging sessions, delivering more than 6,200 kWh of energy to power their electric ambulance fleet.
- In August 2024, 40 new EV chargers were activated at the PRUH site. Since launch, these chargers have facilitated over 3,200 charging events and dispensed 46,000 kWh, helping staff and patients embrace the shift to electric vehicles. The Trust has continued to grow its core electric vehicle fleet, increasing to 24% of the fleet being EVs.
- Air quality and greening: Air quality is generally improving in London, but in March 2025 alone, two alerts for high air pollution levels were observed. At King's, these alerts are now shared with all staff on the intranet, and messages are highlighted to vulnerable staff and patients on actions that can be taken. Air pollution is also flagged as a health risk on the electronic patient records system EPIC for patients living in areas of elevated air pollution.
- Greenspace and nature: The partnership with Lambeth GP Food Co-op on patient gardening sessions at Jennie Lee House continues. Meanwhile, a new diabetic foot clinic garden at Denmark Hill was completed this year, and work is progressing on a Critical Care Unit patient rooftop garden installation.

- Sustainable food: A further food waste reduction of 14% was recorded this year, building on previous efforts, leading to a 28% reduction since 2022/23. Further reductions are expected over the next year with the launch of the new patient menu and Trust Food and Drink Strategy.
- Climate Change Adaptation Plan: The Trust's Climate Change Adaptation Plan Working Group started work on an action plan to mitigate the impacts of climate change on the Trust's operations.
- Environmental management: The Capital Estates and Facilities Team achieved BSI recertification to the ISO14001:2015 environmental management standard during the year, demonstrating international best practice.
- Waste and recycling: The amount of waste generated and disposed of by the Trust was reduced by 430 tonnes over the past year, with an 11% reduction in associated carbon emissions.
- The Facilities team continued the 'Trust Use Only' furniture re-homing scheme, saving over £46,400 by relocating and reusing items rather than throwing them away and buying new ones. A furniture recycling project was also started, which will see 27 furniture pieces (patient chairs and an assessment bed) reupholstered/repaired rather than replaced, saving over £5,000.
- Procurement: In procurement practices, NHS England's 10% Net Zero and Social Value weighting criteria, as well as Carbon Reduction Plan (CRP) requirements, are consistently applied, and work is ongoing to ensure consistent application in contract management. Carbon emissions from procurement show an annual carbon increase of 8%, largely driven by revised and improved conversion figures.

The Trust Board, through the Trust Executive, has responsibility for oversight, management, and delivery of commitments relating to environmental sustainability and climate-related issues and receives an annual sustainability report outlining progress. The implementation of the Green Plan is governed through the Sustainability Steering Group, which has three primary functions: strategy and planning; systems of management control; and performance and assurance.

Task force on climate-related disclosures

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

The phased approach incorporates the disclosure requirements of the governance, 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 in the King's Green Plan.

Delivery of the Trust Green Plan is overseen by a board-level Net Zero lead and the Sustainability Steering Group. The Trust recognises both the 'transitional' risk associated with

meeting the mandatory Net Zero carbon targets and the ‘physical’ risk associated with the impacts of climate change on operations. Physical risks are managed by the Emergency Preparedness Resilience & Response (EPRR) team and associated governance processes, including the EPRR Working Group and Trust corporate risk register. Relevant plans include the ‘Adverse weather plan’ and ‘Business Continuity Plan’.

The Trust Climate Change Adaptation Plan was published during 2024, and the risk register will be reviewed to ensure strategic climate risks are recognised appropriately, supporting preparedness for climate change.

Metrics and targets relating to ‘physical’ risks will be reviewed as part of the Green Plan refresh process taking place in 2025/26.

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	% change 2024/25 vs 2023/24
Building Energy Management							
Energy Expenditure (£)	6,714,940	6,554,575	6,713,553	10,987,380	12,743,934	13,740,335	8%
Purchased Gas (kWh)	130,609,385	132,586,057	132,154,000	121,625,966	140,831,526	145,307,427	3%
Purchased Electricity (kWh)	25,934,228	25,886,666	26,002,174	28,152,865	28,123,567	25,294,976	-10%
Exported Electricity (kWh)*	8,886,585	9,955,560	8,925,859	4,908,249	4,744,134	6,672,433	41%
Total Net Energy Consumption (kWh)	147,657,02	148,517,16	149,230,31	144,185,897	164,240,257	163,929,970	0%
Energy Carbon Emissions (tCO_2e)	35,330	35,008	35,923	33,348	36,447	36,092	-1%
Air pollution footprint from heat and power (kg)	n/a	n/a	n/a	n/a	NOx: 38,502 PM 10: 487 PM2.5: 452	NOx: 39,575 PM 10: 498 PM2.5: 463	NOx: +3% PM 10: +2% PM2.5: +2%
Water Management							
Water Consumption (m^3)	295,478	294,099	305,533	305,900	343,819	373,463	9%
Water Carbon Emissions incl. sewerage (tCO_2e)	300	296	145	145	123	120	-3%
Waste Management							
Waste (tonnes)	5,415	5,132	5,467	5,513	5,612	5,184	-8%
Waste Expenditure (£)	1,850,000	1,499,492	1,728,437	2,220,809	2,392,083	2,494,773	4%
Waste Carbon Emissions (tCO_2e)	1,119	1,388	1,234	1,268	1,236	1,106	-11%
Medical Gases							
Anaesthetic Gases (tCO_2e)	3,015	2,460	2,231	2,651	1,633	1,549	-5%
Inhalers (tCO_2e)**	329	196	272	175	396	345	-13%
Total Medical Gases (tCO_2e)	3,344	2,656	2,502	2,827	2,030	1,893	-7%
Transport							
Fleet Mileage (miles)	1,185,000	942,799	768,985	450,812	440,500	334,215	-24%
Fleet Carbon Emissions (tCO_2e)	n/a	251	187	113	133	96.2	-28%
Air Pollution Footprint from fleet (kg)	n/a	n/a	n/a	n/a	NOx: 269 PM 10: 2.5 PM2.5: 2.5	NOX: 163 PM10: 1.55 PM2.5: 1.55	NOx: -39% PM 10: -38% PM2.5: -38%
Procurement							
Other Procurement Expenditure (£)***	423,234,831	586,574,622	644,496,343	658,313,000	437,742,708	448,307,673	2%
Other Procurement Carbon Footprint (tCO_2e) ****	189,117	285,722	263,696	232,167	143,216	154,006	8%
Carbon							
NHS Carbon Footprint (tCO_2e)	39,074	38,197	38,881	35,451	40,354	39,696	-2%
NHS Carbon Footprint Plus (tCO_2e)	194,917	291,304	271,843	237,926	199,765	209,911	5%

* Please note 3-month period of no electricity export in 2023-24, leading to significant increase YoY

** Please note increase in 2023-24 due to improved data capturing and reporting with the introduction of EPIC

*** Please note exclusion of spend on other categories listed above (e.g. building energy, transport) and improved methodology from 2023-24

**** Please note this increase is largely driven by updated conversion factors based on the Department for Environment, Food & Rural Affairs (Defra) Standard Industrial Classification (SIC) codes.

Summary of Performance

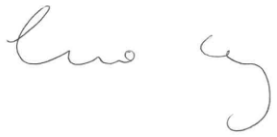
The performance report was approved by the Board of Directors on 26th June 2025 and signed on its behalf by:

Professor Clive Kay Date: 26th June 2025
Chief Executive

Significant issues and events since the end of 2024/25

There have been no significant issues or events since the end of the reporting period.

The performance report was approved by the Board of Directors on 26th June 2025 and signed on its behalf by:



Professor Clive Kay Date: 26th June 2025
Chief Executive

ACCOUNTABLITY REPORT 2024/25

2.1 Directors' Report

Governance Framework

Our governance framework comprises its membership body, the Council of Governors and the Board of Directors.

The Trust's membership is drawn from patients, staff and individuals from the local constituencies it serves. More information about recruiting and involving members in the life of King's starts on page 62.

The Council of Governors is elected by the membership or appointed in accordance with the Trust's Constitution. The Council of Governors is responsible for representing the interests of members and stakeholders in the governance of King's. The Council of Governors exercises statutory powers, such as the appointment or removal of non-executive directors, appointing the external auditor, approving mergers, acquisitions and significant transactions, holding the non-executive directors individually and collectively to account, and representing the interests of members and the public. The Council of Governors meets formally four times per year to discharge its duties. The matters specifically reserved for the Council's decision are set out in the Trust's Constitution. More information about the Council of Governors, including its composition and terms of office, can be found on page 56.

Led by the Chair, the Board of Directors sets King's strategy, determines objectives, monitors performance and ensures that adequate systems are maintained to measure and monitor effectiveness, efficiency and economy. It decides on matters of risk and assurance and is responsible for delivering high quality and safe services. It provides leadership and effective oversight of King's operations to ensure the Trust is operating in the best interests of patients within a framework of prudent and effective controls that enables risk to be assessed and managed. The Board is responsible of setting the Trust values which sets the culture of the organisation. Further information about King's internal controls and approach to clinical and quality governance can be found in the Annual Governance Statement starting on page 99.

The Board of Directors, comprising the Chair, Deputy Chair, independent non-executive directors and executive directors, is collectively responsible for the success of King's. The responsibilities of the Senior Independent Director (SID) are undertaken by one of the non-executive directors. One of the non-executive directors is appointed by King's College London (KCL). All Board members have been assessed against the requirements of the 'fit and proper' person test. The terms of office and voting rights of each director are recorded later in this section of the annual report. Non-executive directors bring a breadth of expertise to the Board and provide objective and balanced opinions on matters relating to Trust business.

The Board meets six times per year and has a formal schedule of matters specifically reserved for its decision. The Board delegates other matters to its Committees and the executive directors. This is outlined in the Trust's Constitution, board Committee terms of references and standing financial instructions. The Board also has a number of development sessions throughout the year.

The Trust's Constitution sets out the roles and responsibilities of the membership body, Council of Governors and the Board. It also details the procedures for resolving any disputes between the Council of Governors and the Board of Directors. To develop an understanding of the views of

members and governors, Board members attend meetings of the Council of Governors and its Committees, the Annual Members' Meeting, and community events. They also visit wards and other clinical areas across all sites on a regular basis.

Board of Directors

Executive directors are full-time King's employees. Non-Executive Directors (NEDs) are appointed by the Council of Governors on a four-year fixed term (due to the size and complexity of the Trust). The Council of Governors has the power to remove non-executive directors. Executive Directors manage the day-to-day running of King's whilst the Chair and the non-executive directors provide strategic and board-level guidance, support and challenge. The Board benefits from the wide range of skills and experience of its members, gained from NHS organisations, other public bodies and private sector organisations. The skills portfolio of the directors, both executive and non-executive, includes accountancy, audit, education, management consultancy, commercial, communications, transformation, governance and medicine. This broad coverage of knowledge and skills strengthens the effectiveness of the Board, giving assurance that it is balanced, complete and appropriate to supporting King's in meeting its objectives.

During 2024/25, the Board of Directors comprised:

Chair	Sir David Behan (from 1 June 2024)
Deputy Chair	Jane Bailey (Acting Chair from 1st February 2024 until 31 May 2024)
Non-Executive Directors	Dame Christine Beasley (Senior Independent Director) Nicholas Campbell-Watts Professor Yvonne Doyle Akhter Mateen Simon Friend Professor Graham Lord (from 1 September 2024) Professor Richard Trembath (until 31 August 2024)
Chief Executive Officer	Professor Clive Kay
Deputy Chief Executive Officer	Julie Lowe (From July 2024)
Chief Financial Officer	Roy Clarke
Chief People Officer	Mark Preston
Chief Nurse and Executive Director of Midwifery	Tracey Carter
Chief Medical Officer	Dr Leona Penna (Until 31 August 2024) Dr Rantimi Ayodele (acting from 1 September - 31 December 2024. Dr Mamta Shetty Vaidya (from 1 January 2025)
Chief Digital Information Officer (Joint GSTT)	Beverley Bryant (Until 31 August 2024)

Denmark Hill Site CEO	Julie Lowe (until 30 June 2024) Anna Clough (From July 2024)
PRUH and South sites CEO	Angela Helleur

Non-Executive Directors

Sir David Behan
Sir David Behan began his career as a social worker and over a twenty-five-year period worked in five local authorities, leading three as director of social services. He was President of the Association of Directors of Social Services in 2002.

In 2003, he became the first Chief Inspector of the Commission for Social Care Inspection. In 2006, he became the first Director General for Social Care in the Department of Health in England, advising ministers of both the Labour and coalition governments. During this period, he was responsible for a range of policy areas, including social care reform and the development of the first dementia strategy for England. As CEO of the Care Quality Commission (CQC) from 2012 to 2018, he led a fundamental reform of the way health and care services were regulated.

From 2018 he has held several non-executive director and adviser roles with a number of public and private organisations across the health and social care system, which currently include: Cera Care, HC-One limited, the London School of Economics Care Policy Evaluation Centre, the Catholic Safeguarding Standards Board and the international Sciana Leadership Programme.

Between 2018 and 2023 he chaired the Board of Health Education England and until August 2024, was a Non-Executive Director of NHS England chairing the Workforce, Training and Education Committee. He was appointed as the new chair of King's College Hospital NHS Foundation Trust in April 2024 and formally began his duties as Chair in June 2024.

Sir David Behan is Interim Chair of the Office for Students. He took up his position in July 2024, following the conclusion of the Independent Public Bodies Review of the Office for Students, which Sir David led.

Voting Board Member. Term in office: June 2024 to Current (four-year term)

Jane Bailey
Jane joined the Trust in July 2023 as Deputy Chair and took on the role of Acting Chair from February 2024 to June 2024. She brings six years' experience on the Board of University Hospital Southampton (UHS), during which time she served as Deputy Chair and Senior Independent Director during the period covering the COVID-19 pandemic, and briefly as interim Chair.
Jane started her career at the pharmaceutical company GlaxoSmithKline, having graduated from King's College London University with a degree in Human Environmental Studies. There she became senior commercial vice president. Jane specialised in leading global research and development teams in the formation of strategies to bring new medicines to patients. For five years she ran her own strategy development consultancy working across a breadth of healthcare organisations. In 2017, Jane gained an MSc in public health, with distinction, at King's College, London University.

Voting Board Member. Term in office: July 2023 to Current (four-year term)

Dame Christine Beasley
Dame Christine Beasley has held senior roles across the NHS in a career spanning 50 years. This includes being appointed Chief Nursing Officer at the Department of Health, a position she held from 2004 to 2012. She has extensive experience of driving positive changes in clinical practice, as well as overseeing major organisational change and development.

Voting Board Member. Term in office: October 2021 to Current (four-year term)

Nicholas Campbell-Watts
Nicholas Campbell-Watts has spent much of his career working with people and communities experiencing multiple and complex health and social care challenges linked to mental health, learning disabilities, homelessness, or offending. He has predominantly worked at a senior level in the voluntary sector. He currently works for Certitude, a charity that supports people across London who have learning disabilities, autism, and mental health needs.

Nicholas has a track record of involvement in system and organisational change and transformation and has previous experience as a NED at Lambeth NHS Primary Care Trust. He has lived and worked in south London for over 30 years and currently lives in Lewisham. He is married with three children.

Voting Board Member. Term in office: January 2020 to Current (Reappointed in late 2023 for a second four-year term)

Professor Yvonne Doyle CB
Professor Yvonne Doyle was the NHS Medical Director for Public Health until 31 March 2023, leading the public health national function within the NHS. Her most recent roles were Medical Director & Director of Health Protection in Public Health England (2019 to 2021), and PHE Regional Director for London (2013 to 2019). Yvonne has acted as Statutory Adviser to two Mayors of London. She qualified as a doctor and has worked for over 30 years in senior roles in the NHS and the UK Department of Health, and in the academic and independent sectors.

She has acted as an adviser to the WHO on Healthy Cities and continues to take a research interest in urban health and the environment.

Voting Board Member. Term in office: October 2021 to Current (four-year term)

Simon Friend
Simon Friend has a strong background in finance and audit, including as a chartered accountant and former partner at PricewaterhouseCoopers LLP (PwC). He has a thorough understanding of governance, and board experience across a range of sectors. Simon is also a NED at Guy's and St Thomas' NHS Foundation Trust, where he chairs the finance, commercial and investment Committee. Prior to that, he was a NED at Royal Brompton and Harefield NHS Foundation Trust.

Simon also holds several roles at non-NHS organisations including as a Non-Executive Director of Otsuka Pharmaceuticals Europe Limited and Bristol based law firm, Bevan Brittan LLP.

Voting Board Member. Term in office: September 2023 to 31 March 2025.

Professor Graham Lord
BA MB BChir MA PhD FRCP FRSB FMedSci, NIHR Senior Investigator (Emeritus)

Graham Lord is the Senior Vice-President, Health & Life Sciences, King's College London (KCL), Executive Director, King's Health Partners and Chief Academic Officer & Board Director, Guy's & St. Thomas' and King's College Hospital NHS Foundation Trusts. He was previously Vice-President at the University of Manchester and Dean of the Faculty of Biology, Medicine and Health, a Consultant Transplant Nephrologist at Manchester NHS Foundation Trust and Executive Director of the Manchester Academic Health Science Centre (2019-2024).

Graham qualified in Medicine from Cambridge. Following clinical posts at the Hammersmith Hospital and Imperial College, he was appointed as Senior Lecturer and Honorary Consultant specialising in renal and transplantation medicine. As an MRC Clinician Scientist, he undertook postdoctoral research in fundamental immune cell biology including a five-year appointment as a Visiting Fellow at Harvard University. On his return to the UK, he established a Department of Experimental Immunology at KCL and was the Director of the NIHR Biomedical Research Centre from 2012-2019. His clinical academic interests include multi-organ transplantation and the immunogenetics of transplant survival. Graham has significant commercial expertise, having founded companies in the US that focus on immuno-oncology, infectious diseases and autoimmunity. He has a long-term interest in academic healthcare systems and how they can drive improvements to human health in an equitable and sustainable manner and recently graduated from the Advanced Management Program at Harvard Business School.

Voting Board Member. Term in office: September 2024 to current (four-year term).

Akhter Mateen
Akhter Mateen is a former Chief Auditor of Unilever. He retired from Unilever in December 2012. In his 29-year career he has held high-level finance roles in Pakistan, Bangladesh, the UK, Latin America, South-East Asia and Australasia. Since 2014, he has held non-executive roles in various public, private and not-for-profit organisations. He is currently an Independent Member of the Governance, Risk and Audit Committee of the Bar Standards Board, a Trustee of Malala Fund UK – focusing on education for girls around the world, and a Trustee of Developments in Literacy (DIL) UK – a charity contributing to the education of underprivileged children in Pakistan. He has also served in the past as the Deputy Chair of Great Ormond Street Hospital NHS Foundation Trust. He has an MBA in Finance.

Voting Board Member. Term in office: July 2020 to Current (four-year term)

Executive Directors

Professor Clive Kay
Professor Clive Kay joined King's as Chief Executive in April 2019. Clive has extensive clinical and leadership experience, and prior to taking up his position at King's he was Chief Executive at Bradford Teaching Hospitals NHS Foundation Trust from January 2015. Previously he was Clinical Director of Radiology (2001-2006) and subsequently the Medical Director (2006-2014) at Bradford.

Prior to working at Bradford, Clive was a Visiting Associate Professor of Radiology at the Medical University of South Carolina. He was a Member of Council of the Royal College of Radiologists, and former Chairman of both the Royal College of Radiologist's Scientific Programme Committee

and the British Society of Gastrointestinal and Abdominal Radiology. He is currently a Fellow of the Royal College of Radiologists and a Fellow of the Royal College of Physicians of Edinburgh. Clive currently serves as the Acute Partner Member of the South East London Integrated Care Board. As of 1 April 2025, Clive became Chair of the Shelford Group, a collaboration between ten of the largest teaching and research NHS hospital Trusts in England.

Voting Board Member. Term in office: April 2019 to Current (permanent contract, six-month notice period)

Julie Lowe
Julie took up the Deputy Chief Executive role at King's in July 2024. She joined the Trust in 2020 and was previously Site Chief Executive for the Denmark Hill site. Julie joined the NHS in 1992 as a national NHS management trainee. She has worked in hospitals in London, Yorkshire and Hertfordshire in a variety of positions, including nine years in Chief Executive roles. Prior to joining King's, Julie spent three years as Programme Director for the South East London Integrated Care System (ICS).

Voting Board Member. Term in office: April 2019 to Current (permanent contract, six-month notice period)

Tracey Carter MBE, Chief Nurse and Executive Director of Midwifery
Tracey Carter joined the Trust in June 2023. Prior to this she worked at West Hertfordshire Teaching Hospitals NHS Trust, where she was Chief Nurse and Director of Infection Prevention and Control from 2014 until her departure. Tracey has over 30 years' experience as a nurse, and has held several other senior nursing positions, including Deputy Chief Nurse at Barts Health. In May 2019, Tracey received a prestigious Chief Nursing Officer award, and in 2020 she was appointed a Member of the Order of the British Empire (MBE) for her nursing leadership and services to the NHS.

Voting Board Member. Term in office: June 2023 to Current (permanent contract, six-month notice period)

Roy Clarke, Chief Financial Officer
Roy joined the Trust in March 2024 on secondment from Norfolk and Norwich University Hospitals NHS Foundation Trust, where he was Chief Financial Officer. He was made substantive in the role at King's in November 2024. Prior to joining the team at Norfolk and Norwich in 2020, Roy held a number of Board positions within the NHS, including as Chief Financial Officer at Royal Papworth Hospital NHS Foundation Trust. Roy is a Chartered Management Accountant and is also a Trustee at the Royal College of Obstetricians and Gynaecologists. He has also worked as an Executive Reviewer for the Care Quality Commission.

Voting Board Member. Term in office: March 2024 to Current (Permanent contract from November 2024, six-month notice period)

Anna Clough
Anna joined the Trust in April 2023 as Site Chief Operating Officer for King's College Hospital. She became Site Chief Executive for King's College Hospital in July 2024. Anna joined the NHS in 2001 and has held a number of senior roles within the health service. This includes a previous period at King's, first as Business Manager for Women's and Children's services, and then Divisional Manager for Liver, Renal and Surgery. Since then, Anna has worked in leadership

roles, including at NHS Improvement, where she was performance lead for London. Prior to re-joining King's, she was Deputy Chief Operating Officer at St George's University Hospitals NHS Foundation Trust.
Term in office: July 2024 to Current (permanent contract, six- month notice period)

Angela Helleur
Angela joined the Trust in September 2023 as Interim Site Chief Executive for Princess Royal University Hospital and South Sites (PRUH & SS) and was made substantive in the role in November 2023. She joined the Trust from the South East London Integrated Care Board (ICB), where she was Chief Nursing Officer. Angela has 42 years' experience in the NHS having trained as a nurse in Exeter and as a midwife at King's. She was previously chief nurse and chief operating officer for Lewisham and Greenwich NHS Trust, and also held senior leadership roles in acute provider organisations, at a Strategic Health Authority and at NHS Improvement.
Voting Board Member. Term in office: September 2023 to Current (permanent contract, six-month notice period)

Mark Preston
Mark joined the Trust as Chief People Officer in September 2021. Mark was previously Executive Director of Organisational Development and People at Surrey and Sussex Healthcare NHS Trust, a role he held for five years before joining us here at King's. Mark brings significant experience to the role, having worked at a number of secondary and tertiary providers across London, including a previous period at King's where he was Associate Director of Human Resources.
Voting Board Member. Term in office: September 2021 to Current (permanent, six month notice period)

Dr Mamta Shetty Vaidya
Dr Mamta Shetty Vaidya joined the Trust in January 2025. Before joining King's, Mamta was Chief Medical Officer and a Consultant Paediatric Intensivist at Barking, Havering and Redbridge University Hospitals NHS Trust. Prior to this she was Deputy Medical Director at The Royal London Hospital, part of Barts Health NHS Trust, where she worked for more than 15 years.
Voting Board Member. Term in office: January 2025 to Current (permanent contract, six- month notice period)

To contact an Executive, send an email to the Foundation Trust Office at kchtr.FTO@nhs.net

Board Meetings and Committees
The Board of Directors meets regularly throughout the year. It also holds a series of strategy discussions and workshops. Patient stories and staff stories are a regular item on the Board agenda. During the year, the Board had seven Committees, one of which was stood down in the year. Each Committee is chaired by a non-executive director. The Board approves terms of reference for the Board Committees, which set out the remit and delegated authority of each Committee. All Committees report regularly to the Board.

Audit Committee
The Audit Committee is responsible for providing independent assurance to the Board of Directors in a range of areas including internal control, governance, risk management, fraud, corruption, impropriety and externally reported financial performance.

The Committee receives assurance from the executive team and other areas of the organisation through reports, both regular and bespoke. It validates the information it receives through the

work of internal audit, external audit and counter-fraud. Assurance is also brought to the Committee through the knowledge that non-executive directors gain from other areas of their work, not least their own specialist areas of expertise as well as their roles on other Board Committees.

The Audit Committee is chaired by Non-Executive Director Akhter Mateen and its membership is composed entirely of non-executive directors (Simon Friend, Prof. Yvonne Doyle and Jane Bailey). The internal and external auditors regularly attend Committee meetings, as do the Chief Financial Officer, Chief Executive Officer, Deputy Chief Executive Officer and Chief Nurse & Executive Director of Midwifery, although they are not members of the Committee. The Trust Chair, and other members of the executive team attend meetings of the Committee by invitation. The broad knowledge and skills of the members and attendees strengthens the effectiveness of the Committee. The Committee chair provides the Board of Directors with a highlight report at each meeting, escalating any issues as necessary. The Committee met five times a year.

During 2024/25 the Committee considered several reports that provided assurance in relation the system of internal financial control. These included a review of internal audit progress reports, the annual audit plan 2024/25, the Head of Internal Audit Opinion and the DSP Toolkit. Ten internal audit reports were reviewed by the Committee. The Committee oversaw the procurement of the internal audit and local counter-fraud service through a robust process.

The Committee fulfilled its responsibility to oversee the financial reporting process and external audit oversight, ensuring that the Trust's financial statements were accurate and compliant with relevant standards. In the year, the Committee reviewed the draft 2024/25 accounts, the draft going concern statement, and the annual report on losses and special payments. The annual financial accounts 2023/2024 and the ISA 260 report on annual accounts and annual report were also reviewed. External audit progress reports and sector updates were regularly included in the Committee's agendas.

Throughout the year, there were regular reviews of the corporate risk register and the Board Assurance Framework (BAF). The Committee consistently reviewed external audit reports, and also carried out a financial governance review.

The Committee fulfilled its counter fraud oversight responsibilities through regular reviews and updates on counter fraud activities. The reviews included regular counter fraud progress reports, the annual work plan for counter fraud activity and the KCH LCFS annual report 2023/24. Among the counter fraud reports reviewed were a temporary staffing report and the pharmacy and prescriptions proactive report.

The Committee demonstrated compliance with regulatory, legal, and ethical standards through regular reviews of relevant disclosures and other governance and assurance processes. Items in this category that were reviewed included the annual report on losses and special payments, the quality account assurance review, the annual EPRR report and the information governance and management annual report. The Committee also received cybersecurity assurance, reviewed the standing financial instructions and scheme of delegation which were recommended for adoption by the Board of Directors.

The Committee has reviewed its effectiveness in the year. There was general agreement that the Committee is effective, with comments indicating there has been improvement over the year. Areas identified for improvement included risk management and developing a better

understanding of where behaviour and skills weaknesses impact on compliance. There is scope to improve the timeliness of paper publication, so that members have time to digest complex issues, and there is an opportunity to consider the work of other Committees, in more detail.

Finance and Commercial Committee

The Committee is responsible for overseeing the Trust's financial management and control. This includes reviewing and monitoring financial budgets, statements, and strategies, as well as working capital requirements, cash flow, and capital programmes. The Committee met 12 times during 2024-25.

The purpose of the Committee is to provide assurance to the Board regarding the Trust's financial plans, strategies, and performance, including revenue, capital, working capital, and financial recovery programmes. The Committee also advises on future financial planning, oversees the operational and financial delivery of the Trust's commercial entities, and monitors the progress and benefits of major projects, including capital, digital, and estate developments, ensuring lessons learned are applied to improve processes.

The Committee fulfils this purpose primarily through receiving assurance from the executive team by reviewing reports and data, but also through presentations from relevant professional leads. Assurance is also brought to the Committee through the knowledge that non-executive directors bring through their experience and professional expertise. The Chair of the Committee provides the Board of Directors with a highlight report at each meeting and escalates issues of concern as appropriate.

The Committee was chaired by Simon Friend. The membership is a mix of Non-Executive Directors (Akhter Mateen, Jane Bailey, Prof Richard Trembath, Prof Graham Lord and Prof Yvonne Doyle) and Executive Directors (Roy Clarke (Chief Finance Officer), Beverley Bryant (Joint Chief Digital Information Officer), Julie Lowe (Deputy Chief Executive), Angela Helleur and Anna Clough (Site CEOs), Tracey Carter (Chief Nurse & Executive Director of Midwifery), Dr Leonie Penna (Chief Medical Officer) and Dr Mamta Shetty Vaidya (Chief Medical Officer). The Chair and Chief Executive are ex-officio members had have attended most of the meetings through the year. Two governor observers attend the meetings and so does a representative from the South East London Integrated Care System. The breadth of knowledge and experience of the membership of the Committee supports its experience.

The Committee reviewed financial performance at each meeting. Monthly financial reports were reviewed at each meeting. Other reviews included financial sustainability, several major financial plans and strategies including the 2024/25 operational expenditure plan and the capital plan, the 2024/25 financial plan submission, financial strategy, governance approach, and the non-recurrent cash support plan. A financial strategy refresh was also carried out. The Committee reviewed KFM and KCS budgets, along with two overseas business opportunities. Throughout the year, the Committee also monitored investment board outcomes.

Throughout the year, the Committee demonstrated a strong focus on monitoring major projects and estate development. It regularly reviewed significant project updates, including the Vinci/UHL position and the PRUH fire compartmentation issues. Throughout the year, the Committee also maintained oversight of estate-related risks. The Committee also reviewed the PFI improvement workstream. The performance of subsidiaries was also reviewed throughout the year.

During the course of the financial year, the Committee considered and addressed a range of other reports related to the Trust's finances. These included the Month 12 timetable & headlines, the national oversight framework four (NOF4) implications letter, alongside monthly finance reports. Throughout the year, the Committee examined changes in national financial planning, as well as specific changes affecting SEL and King's. Operational planning was routinely reviewed. The FCC annual report 2023/24 was also reviewed. In addition, the Committee considered the financial diagnostic strategy on multiple occasions and received the MBI review of reporting.

In response to the organisation's placement in National Oversight Framework 4 (NOF4), the Committee provided enhanced scrutiny and support throughout the financial year to underpin the broader organisational recovery efforts. Following receipt of the NOF4 Implications Letter in May 2024, the FCC intensified its focus on key risks, notably financial sustainability, ensuring this remained standing items across meetings. The Committee oversaw the development and implementation of a Financial Diagnostic Strategy, conducted a Financial Governance Review, and closely monitored the PFI Improvement Workstream and major project updates. These measures were aligned with the work of the Improvement Committee and reflected a concerted effort to strengthen financial planning, governance, and operational resilience. Throughout the year, the Trust maintained a strong focus on its Cost Improvement Programme (CIP).

The delivery of CIP schemes was closely monitored to ensure they were both achievable and non-recurrent where appropriate. The Committee supported the development of a refreshed Financial Strategy, including counterfactual modelling and diagnostic analysis, to identify and realise savings opportunities while maintaining quality of care.

The Chair of the Committee provided a summary report of the Committee's work at each meeting of the Board of Directors**.**

The Committee has reviewed its effectiveness using a questionnaire .

Quality Committee

The purpose of the Committee is to provide assurance to the Board of Directors through monitoring and reviewing the overall quality of services provided by the Trust across the key domains of patient safety, clinical effectiveness and patient experience; ensure that the services delivered by the Trust comply with all external regulatory requirements related to the quality and safety of services, including compliance with CQC registration conditions and requirements; that an effective and impactful culture and approach to continuous quality improvement is in place at the Trust and ensuring that the Trust maintains effective structures, systems and processes for quality governance.

The Quality Committee was chaired by Prof Yvonne Doyle. The membership is a mix of Non-Executive Directors (Nicholas Campbell Watts and Dame Christine Beasley) and Executive Directors (Dr Mamta Shetty Vaidya (Chief Medical Officer), Julie Lowe (Deputy Chief Executive Officer), Tracey Carter (Chief Nurse and Executive Director of Midwifery) and Angela Helleur (PRUH & South Sites Chief Executive). The Director of Equality, Diversity and Inclusion (EDI) regularly attends meetings. The Chair and Chief are ex-officio members and have attended most of the meetings through the year. Two Governor Observers attend the meetings, and a representative from the South East London Integrated Care System is also invited. The breadth of knowledge and experience of the membership of the Committee supports its effectiveness. The Quality Committee has met five times through the year.

The Committee considers safety, outcomes and experience at every meeting. It does this primarily through the review of the integrated quality report and the quarterly patient outcomes reports but has also considered a number of bespoke reports including Patient-Led Assessment of the Care Environment results, CQC maternity survey results, medicine safety report, complaints and PALS annual report, infection prevention control annual report, maternity and neonatal report. The Committee received the Freedom to Speak Up Guardian report, mechanical restraint report and three internal audit reports addressing safety standards.

The Committee considered a number of statutory reports through the year including the quality account annual report; complaints and PALS annual report 2023-2024; infection prevention control (HCAI) annual report; vulnerability annual report 2023-24; FTSU annual report 2023/24 and End of Life Care annual report.

The Committee considers governance and risk at each meeting. This includes reviewing the Board Assurance Framework risks allocated to this Committee - Board Assurance Framework - BAF 7: High Quality Care. The quality risk register and quality impact assessment were also reviewed in the year. The Committee also focused on clinical effectiveness, for example, several care groups made presentations to the Committee. Other reports reviewed included, patient outcomes reports, and cost improvement programme. In addition, the Committee received assurance about how the Trust ensured compliance with the Mental Capacity Act and the Mental Health Act and received assurance in relation to radiation protection standards, including IRMER compliance through the health and safety report.

The Committee has reviewed its effectiveness. There was recognition that the Committee has improved over the course of the year, although there is more to do. Not all Committee members were aware there was a workplan to guide the Committee's business or that the Committee had made conscious decisions about the information it wanted to see throughout the year. There is scope to improve the timeliness of paper publication and the quality of the papers.

In general terms, the Committee has fulfilled its responsibilities as laid out in its terms of reference, with the exception of receiving an annual mortality report and an annual claims report, although it should be noted that mortality is covered through the quarterly patient outcomes report, and claims and inquests are reported to the Committee in the integrated quality report at each meeting.

People, Inclusion, Education and Research Committee

The People, Inclusion, Education, and Research Committee met five times in 2024-25.

The role of the Committee is to assure the Board regarding the Committee's responsibilities to seek assurance on the development and delivery of the Trust's workforce and equality, diversity and inclusion (EDI) strategies, the effectiveness of its workforce planning arrangements, and the implementation of its education and training strategies, plans, and programmes; whether delivered internally, externally, or in partnership with other organisations. Additionally, the Committee seeks assurance that the Trust's research and innovation strategy is being effectively managed and delivered to achieve its core aims of increasing commercial and academic research activity, developing an Advanced Therapies and Biomedical Sciences Hub, and fostering a supportive Trust-wide research culture.

The Committee is chaired by Jane Bailey and the membership is a mix of Non-Executive Directors (Nicholas Campbell Watts, Prof Yvonne Doyle, Prof Graham Lord and Dame Christine Beasley) and Executive Directors (Dr Mamta Shetty Vaidya (Chief Medical Officer), Tracey Carter (Chief Nurse and Executive Director of Midwifery) and Angela Helleur (PRUH and South Sites Chief Executive Officer). The Director of Equality, Diversity and Inclusion and Director of Research and Development are regular attendees of Committee meetings. The Chair and Chief Executive are ex-officio members and have attended most of the meetings through the year. A Governor Observer attends the meetings. The breadth of knowledge and experience of the membership of the Committee supports its effectiveness.

Throughout 2024/25, the Committee reviewed a comprehensive range of agenda items to fulfil its workforce responsibilities. This included a review of workforce performance reports, receipt of updates on early resolution cases, board assurance framework discussions on recruitment and retention and King's culture and values, workforce information metrics and the people and culture plan. Other reviews included, the violence and aggression plan, Guardians of Safe Working, midwifery bi-annual establishment review, and initiatives aimed at improving staff experience, addressing employee satisfaction and wellbeing. An examination of the senior leadership development programme was carried out. The National NHS Staff Survey 2024 was discussed as well as the bi-annual nurse staffing establishment and medical engagement score.

The Committee actively reviewed agenda items to meet its EDI responsibilities by addressing various EDI reports and updates. These included Health Inequalities updates, a presentation from King'sAble, the Women's Network, King's & Queers and the Reach Network, and a review of the Workforce Race Equality Standard (WRES) update. The Committee also examined the Workforce Disability Equality Standard (WDES), the workforce sexual orientation report, and a review of BAF risks related to culture and behaviours was also carried out.

To fulfil its education and research responsibilities, the Committee reviewed reports and updates on education and training standards though this area received less frequent and consistent attention. Reviews included Guardians of Safe Working report, Higher Level Responsible Officer Quality Review Visit report, GMC survey action plan and the bi-annual nurse staffing establishment review. Regarding research, the Committee reviewed BAF Risk 6, which focused on research and innovation and received a research roadmap.

While the Committee effectively fulfilled its responsibilities in relation to workforce and equality, diversity, and inclusion (EDI), there were identified gaps in its oversight of education and research during the reporting period. Specifically, the Committee did not consistently review reports on education strategies, professional development plans, or external recommendations. There was limited coverage of undergraduate and postgraduate education, and ongoing education partnerships were not routinely assessed. In relation to research, discussions were primarily limited to matters linked to Board Assurance Framework (BAF) Risk 6, with few dedicated agenda items addressing research strategy, governance, or performance. To strengthen its oversight and fully meet its remit, the Committee will prioritise regular reviews of education and research strategies, introduce annual evaluations of research outputs, and increase the frequency of discussions on education partnerships and workforce development in future meetings

Improvement Committee

The Committee was established in September 2024 to provide strategic oversight of the Trust's improvement programme to assure the Board of Directors of its progress and effectiveness. Its role includes offering guidance and governance to support the Trust's transition from National

Oversight Framework 4 (NOF4) to Framework 3 (NOF3), in accordance with nationally defined exit criteria. The Committee is responsible for maintaining full oversight of the improvement plan. It escalates key risks and issues to the Trust Board and provides assurance across all areas of the Trust's overall plan, including strategy, culture and leadership, governance, people, finance, and operational delivery. The Committee operates alongside, and does not replace, existing Board Committees which continue to provide assurance in their respective domains.

The Committee is chaired by the Trust Chair and the membership is a mix of Non-Executive Directors (Sir David Behan, Chairman; Jane Bailey, Deputy Chair and Chair of the People, Inclusion, Education & Research Committee; Prof Yvonne Doyle, Non-Executive Director and Chair of the Quality Committee; Simon Friend, Non-Executive Director and Chair of the Finance and Commercial Committee) and Executive Directors (Prof Clive Kay, Chief Executive Officer; Julie Lowe, Deputy Chief Executive Officer; and Roy Clarke, Chief Financial Officer). The Committee met five times in the year. An NHS England Improvement Director attended all Committee meetings in the year. The breadth of knowledge and experience of the membership of the Committee supports its effectiveness.

In the area of oversight and strategic guidance, the Committee provided consistent direction to the Trust's improvement programme by reviewing updates on the overall programme including discussions on transition criteria and enforcement undertakings. It helped shape preparations for the quarterly regional oversight meeting. Improvement Programme highlight reports were reviewed regularly and the Committee considered detailed improvement plans across several key workstreams, including board development, making data count, people and culture, workforce, PMO, system sustainability, corporate services, and cost improvement plan (CIP) delivery.

In fulfilling its assurance and governance responsibilities, the Committee actively monitored the delivery of key milestones and performance metrics, including discussions on the Trust's transition from NOF4 to NOF3, enforcement undertakings, risk management and assurance, the impact of RSP funding, findings from PA Consulting's readiness assessment, and a revised EQIA process. Additionally, the Committee reviewed system readiness for improvement, providing robust challenge and scrutiny to confirm organisational preparedness. This included an assessment of progress towards delivering the Trust's CIP, and an update on workstream-level outcomes.

With respect to stakeholder engagement and reporting, the Committee remained engaged with system partners and regulators through structured oversight mechanisms, for example attending regional oversight meetings, receiving letters from NHS England, which included formal responses to RSP meetings. There was a discussion on 'Nexus' in the year to clarify the relationship between the Improvement Committee and other Board-level Committees, promoting governance coherence.

Over the past year, the Committee has successfully delivered on the majority of its responsibilities, contributing meaningfully to the organisation's priorities. Updates on key workstreams and cost improvement programmes touched on resource matters, and there is scope to strengthen demonstrated promising alignment with other Board Committees, and there is an opportunity to build on this by enhancing cross-Committee collaboration to ensure a more integrated and informed approach to governance, in line with the purpose of the Committee.

Remuneration Committee
The Remuneration Committee is chaired by the Chair of the Board of Directors. On behalf of the Board of Directors, this Committee agrees executive directors' remuneration and terms of service. Together with the Chief Executive Officer, Committee members form a panel for the appointment of executive directors. The Committee met three times in the year. More information can be found in the Remuneration Report on page 64.

Acute Providers Collaborative
The Trust works closely with Guy's and St Thomas' NHS Foundation Trust and Lewisham and Greenwich NHS Trust, and the Acute Provider Collaborative was established in 2020 to formalise these arrangements. The purpose of the Committee-in-Common is to align decision-making between the three Trusts and to provide oversight of joint working. At a high level, the Committee is responsible for driving and overseeing alignment activities between the Trusts in the context elective recovery plans for the South East London Integrated Care System and building relationships between the three Trusts.

KHP Academic Joint Committee
King's College Hospital, with Guy's and St Thomas' NHS Foundation Trust and King's College London, have established an Academic Joint Committee which is still in its early stages of development. The Committee is aimed at improving health and care through collaborative research, education, and clinical practice. The Committee held its first meeting in the year to establish its working arrangements.

Evaluation and Development of the Board
Collectively, the Board holds development sessions periodically throughout the year to allow for deeper discussion and investigation of key topics. Board members also undertake personal development on an ongoing basis. All Executive and Non-Executive Directors have an annual performance appraisal that includes an assessment of progress against agreed objectives as well as individual development. The performance of executive directors is reviewed by the Chief Executive Officer and considered by the Remuneration and Appointments Committee. The Chair of the Board of Directors undertakes NED appraisals and reports them to the Nominations Committee. The Senior Independent Director leads the Chair's appraisal and reports to the Nominations Committee.

In 2024-25, the Board dedicated time during its development sessions to reflect, assess, and strengthen its strategic leadership. Key areas of focus included:

- A series of externally facilitated development sessions focused on culture, leadership and strategy.
- Board development, including training on finance and interpreting management information.
- Feedback from the Recovery Support Programme entry meeting and progress updates on the Trust's improvement programme, ensuring continuous improvement and accountability.
- A dedicated risk appetite workshop, supporting the Board in refining its approach to risk-taking in pursuit of organisational goals.

Board of Directors – Meetings, Attendance, Committee Memberships

Board of Directors (Current Members)	Board of Directors (Public)	Audit & Risk Committee	Board in Committee	Finance & Commercial Committee	Improvement Committee	People, Inclusion, Education, Research Committee	Quality Committee	Remuneration Committee	
Total number of meetings held	**6**	**5**	**4**	**12**	**5**	**5**	**5**	3	
Non Executive Directors									
Sir David Behan*/Chairman**	5/5	2/4**	2/2	9/9**	5/5	4/5**	3/4**	2/3	
Jane Bailey Deputy Chair	5/6	3/2	3/4	11/12	5/5	5/5	n/a	3/3	
Dame Christine Beasley	6/6	n/a	4/4	n/a	n/a	3/5	2/5	3/3	
Professor Yvonne Doyle	5/6	4/5	4/4	11/12	4/5	5/5	5/5	3/3	
Simon Friend	6/6	4/5	4/4	12/12	4/5	n/a	n/a	3/3	
Akhter Mateen	6/6	5/5	4/4	12/12	n/a	n/a	n/a	3/3	
Professor Graham Lord*	2/2	n/a	2/2	n/a	n/a	n/a	n/a	n/a	
Nicholas Campbell - Watts	6/6	n/a	4/4	n/a	n/a	5/5	5/5	3/3	
Executive Directors									
Professor Clive Kay** Chief Executive Officer	6/6	4/5**	4/4	12/12	4/5	3/5	4/5**	3/3	
Angela Helleur Site Chief Executive - PRUH & South Sites	6/6	n/a	4/4	12/12	n/a	4/5	4/5	n/a	
Anna Clough* Site Chief Executive - DH	4/4	n/a	2/2	8/9	n/a	2/3	2/3	n/a	
Julie Lowe Deputy Chief Executive	6/6	n/a	4/4	11/12	5/5	3/5	4/5	n/a	
Dr. Mamta Shetty Vaidya* Chief Medical Officer	2/2	n/a	n/a	2/2	n/a	1/1	1/1	n/a	
Mark Preston Chief People Officer	6/6	n/a	4/4	n/a	n/a	5/5	n/a	3/3	
Tracey Carter MBE Chief Nurse and Executive Director of Midwifery	6/6	5/6	3/4	10/12	n/a	3/5	3/5	n/a	

Board of Directors (Current Members)	Board of Directors (Public)	Audit & Risk Committee	Board in Committee	Finance & Commercial Committee	Improvement Committee	People, Inclusion, Education, Research Committee	Quality Committee	Remuneration Committee	
Roy Clarke Chief Financial Officer	6/6	5/5	4/4	12/12	5/5	n/a	n/a	n/a	

Board Members no longer in post	Board of Directors (Public)	Audit & Risk Committee	Board in Committee	Finance & Commercial Committee	Improvement Committee	People, Inclusion, Education, Research Committee	Quality Committee	Remuneration Committee	
Prof Richard Trembath Non-Executive Director (*Left 31 August 2024)*	1/2	n/a	1/2	n/a	n/a	1/2	n/a	n/a	
Dr. Leonie Penna Chief Medical Officer *(Left 31 August 2024)*	1/2	n/a	2/2	**3/5**	n/a	2/2	2/3	n/a	
Dr Rantimi Ayodele Acting Chief Medical Director *(Until 31 December 2024*)	2/2	n/a	2/2	3/4	n/a	1/2	2/2	n/a	
Beverley Bryant Chief Digital Information Officer (Joint GSTT) *(Left 31 August 2024)*	1/2	n/a	2/2	3/5	n/a	n/a	n/a	n/a	

***** Board Members who joined/left the Trust at a point during 2024/25; therefore, would not have been able to attend all meetings within the reporting year. The total number of meetings each person attended are indicated for the reporting period.

S

** The Chair is an ex-officio member of all Committees except Audit Committee. The Chief Executive is an ex-officio member of all Committees except udit Committee and Remuneration Committee.

Council of Governors

The Council of Governors is made up of elected and appointed stakeholders. Elected governors make up the majority of the Council; appointed stakeholder governors include representatives from CCGs, partner health provider organisations, and local councils, which play an important part in stakeholder relations. Governors are elected by the members of the Trust. The membership constituencies include patients, staff and residents from Bromley, Lambeth, and Southwark, as well as the wider London area.

The composition of the Council, names of individual governors and their terms of office can be found in the tables on page 58.

To contact a Governor, send an email to the Foundation Trust Office at kch-tr.FTO@nhs.net

Function and Meetings of the Council of Governors

The Council of Governors met three times during the reporting period. The attendance of individual governors at these meetings, is detailed in a table on page 58.

All directors are invited to attend Council meetings. Individual directors, executive and non-executive, regularly present items at Council meetings, in accordance with the planned agenda.

The Council of Governors has two key functions, which are to hold non-executive directors to account for the performance of the Board and to represent the interests of members and the public. The Council of Governors also has specific responsibilities, which include the appointment, remuneration and removal of the Chair and other non-executive directors. During the reporting year, the Council of Governors received updates and provided oversight on key areas of Trust performance and strategy. This included scrutiny of the operational plan, financial position, quality account priorities, and delivery of the Trust strategy. Governors were briefed on major developments such as EPIC, Synnovis, and the Recovery Support Programme. The Council also considered patient experience and complaints through updates on PALS, and took part in discussions on Non-Executive Director appointments. Governors engaged actively through observations of Board Committees, review of sub-committee minutes, and discussions on enhancing governor involvement and managing Council business effectively.

The Council elects one of its members to be the Lead Governor. The Lead Governor during the year was Professor Daniel Kelly. The Lead Governor acts as a communication link between Governors and the Board of Directors. In very rare circumstances the Lead Governor will act as a direct communication link between regulators such as NHS England and the Council of Governors where it is inappropriate for regulators to communicate directly with the Trust Chair or Director of Corporate Affairs.

Governors in the Community

Governors are active within the community, helping to facilitate communication between the Trust, members and the local communities of Southwark, Lambeth, Bromley and south-east London more widely. Governors are pivotal to sharing the Trust's vision and performance with key stakeholders.

As guardians of the community interest, the Council of Governors ensures that the needs of members are considered in the planning of future services.

Governor Committees
The Council of Governors has Committees which provide the opportunity to delve deeper into issues that are of interest to members, patients and the local community. All governors are eligible to serve on governor Committees, except for the Nominations Committee, where members are elected following a nomination process.

Patient Experience and Safety Committee
The Committee acts as a reference group for the Trust's planned activity relating to patient experience and safety. Committee members are involved with a range of initiatives to improve patient experience and safety and to monitor progress against King's quality priorities.

Strategy Committee
The Committee reviews the Trust's strategy and annual forward plan, and feeds back to the Council of Governors.

Nominations Committee
This Committee is responsible for determining and administering the selection process for the appointment and remuneration of the Chair and Non-Executive Directors, and recommending the preferred candidates to the Council of Governors for appointment. This includes consideration of the structure, size and composition of the Board. It also monitors the performance of Non-Executive Directors and makes recommendations to the Council of Governors for the reappointment or removal of individual Non-Executive Directors.

During the year the Committee met to support the Council with the appointment of the Chair of the Board of Directors and a non-executive Director. An external recruitment firm was used to support the appointment of the non-executive director.

Nominations Committee Members	**Status**	**Constituency**
Sir David Behan (Chair from 1 June 2024)	Current	n/a – Chair of the Trust and Council of Governors
Jane Bailey (Acting Chair until 31 May 2024)	Current	n/a - Deputy Chair of the Trust
Prof Daniel Kelly	Current	Public Governor Lambeth
Jane Allberry (until 14/06/2024)	Retired	Public Governor Southwark
Hilary Entwistle	Current	Public Governor Southwark
Dr Devendar Singh Banker	Current	Public Governor Bromley
Dr Akash Deep	Current	Staff Governor
Billie McPartlan	Current	Patient Governor

Non-Executive Directors Review Sessions
The Council of Governors held review sessions during 2024-25, at which Non-Executive Directors discussed the ways in which they discharge their duties to provide constructive challenge and strategic expertise to the executive team and what level of assurances they receive.

Governor Development and Engagement
King's is committed to providing support and training for governors and opportunities to engage with staff, directors, members and one another. The Council of Governors held two development sessions during the year to strengthen their effectiveness and explore key areas of Trust activity.

Topics included an introduction to the Chair, reflections on the role of Governors at King's, and ways of working together more effectively. A key area of focus was End of Life Care and Chaplaincy, where Governors considered how the Trust provides compassionate, person-centred support to patients and families, including spiritual and emotional care. Governors also took part in a facilitated discussion to identify what is working well, what could be improved, and to shape future priorities and workplans

All governors are invited to attend meetings of the Public Board of Directors. Governors also observe a number of the Board's Committee meetings including, Audit Committee, People Committee, Quality Committee and the Trust's Finance and Commercial Committee.

Council of Governors – Meetings and Attendance (three Council of Governor meetings during the reporting period)

Council of Governors Tenures and Meeting Attendances, 01 April 2024 –31 March 2025				
		Constituency	**Tenure**	**Meetings Attended**
Patient Governors	Deborah Johnston	Patient	15/06/2021 – 15/06/2027	3/3
	Pauline Manning	Patient	26/07/2024 – 26/07/2027	0/3
	Devon Masarati	Patient	15/06/2021 - 15/06/2027	2/3
	Billie McPartlan	Patient	01/12/2019 – 01/12/2025	3/3
	Fidelia Nimmons	Patient	01/02/2023 – 01/11/2024	1/3
	Chris Symonds	Patient	01/02/2023 - 31/01/2026	3/3
	David Tyler	Patient	14/06/2024 – 14/06/2027	1/3
	Adrian Winbow	Patient	14/06/2024 – 14/06/2027	0/3
Public Governors	Ibtisam Adem	Lambeth	10/02/2023 – 10/02/2026	1/3
	Rashmi Agrawal	Lambeth	15/06/2021 – 15/06/2027	1/3
	Jane Allberry	Southwark	15/06/2021 - 14/06/2024	1/3
	Devendra Singh Banker	Bromley	01/02/2020 – 01/02/2026	0/3
	Tony Benfield	Bromley	01/02/2023 - 31/01/2026	1/3
	Angela Buckingham	Southwark	15/06/2021 – 15/06/2027	3/3
	Hilary Entwistle	Southwark	01/12/2019 – 01/12/2025	3/3
	Cllr Robert Evans	Bromley	20/11/2022 - 19/11/2025	1/3
	Emily George	Lambeth	15/06/2021 – 15/06/2027	0/3
	Daniel Kelly	Lambeth	15/06/2021 – 15/06/2027	2/3
	Jane Lyons	Southwark	26/07/2024 – 26/07/2027	2/3
	Marianna Masters	Lambeth	21/11/2024 – 21/11/2027	1/3
	Victoria O'Connor	Bromley	01/02/2023 - 31/01/2026	1/3
	Katie Smith	Bromley	01/02/2023 - 31/01/2026	2/3
	Lindsay Batty Smith	Southwark	15/06/2021 – 15/06/2027	3/3
	Temitayo Taiwo	Lambeth	26/07/2024 – 26/07/2027	2/3
	Jacqueline Best-Vassell	SEL System	01/02/2023 - 31/01/2026	3/3
Staff Governors	Michael Bartley	Nurses and Midwives	26/07/2027 – 26/07/2027	2/3
	Erika Grobler	Nurses and Midwives	18/11/2021 - 14/06/2024	0/3
	Aisling Considine	Allied Health Professionals	15/06/2021 – 15/06/2027	1/3
	Dr Akash Deep	Medical and Dentistry	15/06/2021 – 15/06/2027	1/3
	Tunde Joksenumi	Admin, Clerical and Management	15/06/2021 – 15/06/2027	1/3
	Christy Oziegbe	Nurses and Midwives	01/02/2023 - 31/01/2026	3/3
Stakeholder Governors	Cllr Jim Dickson	Lambeth Council	23/02/2022 – 21/11/2024	0/3
	Anne Marie Rafferty	King's College London	30/09/2022 - 01/10/2025	3/3
	Yogesh Tanna	King's College Hospital NHS Foundation Trust	23/10/2023 - 22/10/2026	3/3

Board Members attend the Public Council of Governor meetings.

Management framework
The Board of Directors is the key decision-making body at the Trust. It is responsible for ensuring compliance with the Trust's provider licence, constitution, mandatory guidance issued by NHS England, and with relevant statutory requirements and contractual obligations.

Commercial opportunities and activities are subject to scrutiny by the Board of Directors, to ensure that benefits derived from non-NHS income are channelled into supporting King's core NHS activities without incurring significant financial or reputational risk. Information about King's services outside the UK can be found in the performance report on page 20.

Directors and governors are supplied with information to enable them to discharge their duties.

The performance of the Board of Directors, its Committees and individual directors are subject to regular review. The Board is committed to the NHS/CQC Well-Led Framework and was inspected by the CQC during late 2022. A full action plan was drafted following receipt of the report in February 2023 this was regularly reviewed by the executive led Quality Assurance Group. During late 2022/23, an external assessment of the Board's governance was commissioned. This review resulted in a new Board Committee structure being agreed by the Board of Directors at its meeting in March 2023. The changes were be implemented during 2023/24. A financial governance review was undertaken by NHSE in Q4 2023/24 and the recommendations are being implemented as part of a wider Trust Financial Recovery programme.

Company directorships and other significant interests and commitments
King's maintains a register of interests for its directors and governors. Arrangements to view the register can be made by contacting the Foundation Trust Office at kch-tr.FTO@nhs.net. The register is also published on the Trust's website.

Board members and governors are asked to declare any interests and to self-certify that they meet the eligibility criteria set out in the Trust's Constitution. In addition, governors and directors are subject to a check by the Disclosure and Barring Service on appointment.

Political Donations
The Trust did not make any political donations during 2024/25.

Use of Consultants
On occasions the Trust brings in consultants from outside to provide advice and support that cannot be provided within the Trust.

	Group	
	2024-25	2023-24
	£000	£000
Consultancy costs	**3,341**	3,119

Better Payments Practice Code (BPPC)
King's has a responsibility to meet the Better Payments Practice Code (BPPC). This focuses on the speed at which the Trust pays its invoices to the private sector and to other NHS organisations. The BPPC requires the NHS Trusts to aim to pay all valid invoices by the due date or within 30 days of receipt of a valid invoice, whichever is later. The target is to pay 95% of invoices, in terms of value and volume, within 30 days.

The Foundation Trust's performance against this target was as follows:

	Group 2024-25	
	Number	**£000**
Non-NHS Trade Invoices:		
Paid in the year	188,636	1,297,278
Paid within target	177,697	1,270,682
Percentage paid within target	94.2%	97.9%
NHS trade invoices		
Paid in the year	3,110	81,233
Paid within target	3,110	81,233
Percentage paid within target	100.0%	100.0%
Total trade invoices		
Paid in the year	191,746	1,378,511
Paid within target	180,807	1,351,915
Percentage paid within target	94.3%	98.1%

Cost Allocation Requirements
King's has complied with the cost allocation and charging guidance issued by HM Treasury.

Summary of the Group's Financial Performance
The Group out-turn for the year was a deficit of £37.972m and this includes the asset impairment of £4.424m. This charge relates to impairments that arise from a clear consumption of economic benefits or service potential in the asset. The NHS Improvement financial performance control total measures the surplus (deficit) before impairments and after removing the income and expense impact of capital donations/grants. The control total deficit after adjusting for asset impairments and the impact of donated assets was £33.666m.

Because of the continuing service provider relationship that the Trust has with NHS England and ICSs, and the way those commissioners are financed, the Trust is not exposed to the degree of financial risk faced by business entities. The Trust has limited powers to borrow or invest surplus funds and financial assets. Liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

Income Disclosures
King's is a public benefit corporation and its principal purpose is the provision of goods and services for the purposes of the health service in England. During the reporting period, income from the provision of goods and services for the purposes of the health service in England was greater than from the provision of goods and services for any other purpose. Income received from non-NHS services is directly invested in the provision of NHS services and does not impact the services provided to NHS patients. For the financial year 2024/25, no surplus was available for reinvestment.

Full details of financial performance in 2024/25, the responsibilities of the Accounting Officer and a statement from the auditors can be found in the Annual Accounts 2024/25 on pages later in this report.

Responsibility of Directors for Preparing the Annual Report and Accounts
Directors are responsible for preparing the Annual Report and Accounts. The Directors of King's College Hospital NHS Foundation Trust consider that the Annual Report and Accounts 2023/24, taken as a whole, are fair, balanced and understandable, and provide the information necessary for patients, regulators and other stakeholders to assess the Trust's performance, business model and strategy.

The Directors have taken all reasonable steps they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Trust's auditor is aware of that information. So far as the Directors are aware, there is no material audit information of which the Trust's auditors are unaware.

Accountability and Audit
Grant Thornton UK LLP was appointed as the Trust's external auditor in November 2020. The firm was appointed for a two-year term (to cover the audits of the 2020/21 and 2021/22 financial years). This was extended in 2022/23 to cover a further two years. This was extended for a further year in July 2024.

The Board of Directors maintained a system of evaluating and continually improving effectiveness of risk management and internal control processes. KPMG continued as internal auditors during 2024/25, having been re-appointed in April 2020 on a three-year contract. KPMG provide a comprehensive internal audit function and they now also provide the Trust's Counter-Fraud function. The internal audit plan is discussed with Executive Directors, Non-Executive Directors and the Audit Committee. A full procurement of the internal audit service and the local counter fraud service was carried out during 2024/25, and KPMG were reappointed to deliver both functions.

The Board of Directors ensures effective scrutiny of financial and operational matters through its designated Committees and by receiving reports from the executive which present a balanced and understandable assessment of King's performance and forward plans. Information about King's financial, quality and operational objectives and performance, including clinical outcome data, is published to allow members and governors to evaluate its performance.

Furthermore, all the Board Directors have made enquiries of fellow directors and the Trust's internal and external auditors through the Board of Directors' meeting and Audit Committee, and taken any steps required to give effect to their duties to the Trust to exercise reasonable care, skill and diligence.

Independence of the External Auditor
The Trust's external audit provider, Grant Thornton UK LLP, has confirmed to the Trust that there are no significant matters that impact on their independence as auditors that they are required or wish to draw to the Trust's attention. They have complied with, and implemented policies and procedures to meet the requirements of, the Financial Reporting Council's Ethical Standard and confirm that as a firm, and each covered person, they are independent and are able to express an objective opinion on the financial statements.

The auditors have confirmed that they have complied with the requirements of the National Audit Office's Auditor Guidance Note 01 issued in December 2019 which sets out supplementary guidance on ethical requirements for auditors and local public bodies.

Ensuring the Trust is Well-Led

The Trust has a governance framework in place that aims to ensure it is well-led. Quality governance, the approach to risk management and internal control are outlined elsewhere in this report. The Board, through its Quality Committee, assures itself in relation to patient care. More detail on this can be found in the Annual Governance Statement (see page 99) and the 2024/25 Quality Account (found on the Trust website). Details of the development and evaluation of the Board can be found earlier in this section.

Stakeholder Engagement

The Trust continues to work with a wide range of stakeholders, including local Healthwatch groups, CCGs, local MPs and local authorities. It is actively engaged in developing integrated care systems in the relevant local authority areas (Bromley, Lambeth and Southwark). The Trust has good relationships with a number of local charities and community groups.

King's Membership

King's membership is split into four constituencies: public, patient, voluntary/community groups and staff.

Public Membership – anyone who is 16 years old or over and lives within the London Boroughs of Lambeth, Southwark and Bromley. In order to reflect the role King's has within the wider south East London health system, the Trust has established a SEL Constituency and a London Constituency.

Patient Membership – anyone who is 16 years old or over that has been a patient of King's in the past six years, or has been the carer of a patient of King's in the past six years, is entitled to become a patient member.

Staff Membership – All staff that have employment contracts lasting more than 12 months are automatically opted into membership. They have the option to opt out should they wish. King's Volunteers and full-time employees of King's contractors are also eligible to become members, though they must opt in to become a member.

Associate Membership – Any voluntary or community organisation working in our boroughs or serving our patients and communities can join King's as an Associate member. Associate membership provides an opportunity to increase partnership working and communication between King's and local voluntary and community groups for the benefit of our patients and their families.

Membership Strategy

On 31st March 2024, our patient and public membership stood at 10,557. This remains within our target of between 9,800 and 11,100 members.

There are now around 60 voluntary and community organisations which have joined King's as Associate members.

Membership Communication

We have distributed our membership leaflets for adults and a dedicated young person's leaflet across our sites and online.

Our e-bulletin reaches over 4,000 members. Associate members also received regular e-bulletins during the year.

Annual Members' Meeting 2024

The Trust's Annual Members Meeting was held at the end of September 2024. The meeting included a Trust update on finance and quality, presentations from clinical staff about the new electronic patient record. Our lead governor provided a governors' update and there was a question-and-answer session for members.

Member engagement in quality programmes

The Trust's ability to engage members in quality programmes including PLACE and nutrition audits and there is an ongoing programme of patient engagement.

Current membership numbers:

Membership size and movements	
Public constituency	**Last Year (2024/25)**
At year start (April 1)	7,710
New members	41
Members leaving	20
At year end (March 31)	7,731
Staff constituency	**Last Year (2024/25)**
At year start (April 1)	14,232
New members	1,070
Members leaving	1,861
At year end (March 31)	1,3441
Patient Constituency	**Last Year (2024/25)**
At year start (April 1)	2,841
New members	18
Members leaving	12
At year end (March 31)	2,847

2.2 REMUNERATION REPORT

The information provided in this part of the remuneration report is not subject to audit.

Foreword

The Remuneration and Appointments Committee has worked with the Chief Executive Officer and Chief People Officer to ensure that the resilience of the leadership team has been maintained throughout the year. There have been no changes to the Trust's remuneration policies in the past year. Taking into consideration national pay agreements, the Board agreed a 5% cost-of-living increase for all very senior and executive staff. The paragraphs below outline the key activities of the Committee during the year.

Sir David Behan, Chair of the Remuneration Committee

The Annual Statement

The following King's Executive appointments were made in 2024/25:

- Roy Clarke as Chief Financial Officer on a permanent basis
- Dr Mamta Shetty-Vaidya as Chief Medical Officer
- Dr Rantimi Ayodele as Acting Chief Medical Officer
- Anna Clough as Site Chief Executive Denmark Hill
- Julie Lowe as Deputy Chief Executive.

The Remuneration and Appointments Committee were provided with updates on appointments to other senior posts in the organisation along with confirmation on the outcomes of Executive Director appraisals.

Senior Manager Remuneration Policy

The remuneration Committee reviewed the earn-back requirement that is included in executive director contracts and agreed to remove earn-back clauses from future executive contracts and it should no longer be a requirement for current executive directors that have it in their contract. All new appointments were made within standard NHS terms and conditions

The remuneration and terms of service of the Chair and Non-Executive Directors are determined by the Council of Governors, taking account of market and survey data from relevant benchmark sources which can include the Foundation Trust Network and the Trust's NHS peer group. More information about this process and the role of the Council of Governors' Nominations Committee can be found on pages 57.

Remuneration for King's most senior managers (Directors accountable to the Chief Executive) is determined by the Remuneration and Appointments Committee, which comprises the Chair and the Non-Executive Directors. See page 54-5 for Committee membership and meeting attendance.

The work of the Remuneration and Appointments Committee is informed by relevant benchmark data, periodic assessments conducted by independent remuneration consultants and by salary awards and terms and conditions applying to other NHS staff groups. The work of the Committee is supported by the Chief Executive Officer and the Chief People Officer, who are not members of the Committee. The Committee engaged an external recruitment agency to support the appointment of the Chief Finance Officer and the Chief Medical Officer.

The Trust's strategy and annual planning processes set key business objectives which, in turn, inform individual and collective objectives for senior managers. Individual performance and that of King's as a whole is closely monitored, discussed throughout the year and forms part of the annual appraisal.

Details of senior employees' remuneration can be found on pages 68-71. Note 1.8.2 in the annual accounts sets out accounting policies for pensions and other retirement benefits.

The Trust has taken a number of steps to ensure that the salaries for Executive Directors and Chief Officers are reasonable, especially where payment is more than £150,000. These steps include:

- Posts are evaluated using a recommended independent external agency. The Trust commissions Hays Executive to undertake this task in line with the Hays job evaluation scheme
- Hays considers a number of factors in the evaluation, comparing similar-sized Trusts and functions/complexity, factoring in the London market dimension and the relative remuneration amongst the Shelford Group, of which King's is a member. Hays provides the Trust with a salary range and recommendation
- The Remuneration and Appointments Committee agrees the salary range and benefits package before the post is advertised based on the advice from Hays Executive and market advice from the executive search organisation
- Due cognisance is given to the VSM annual pay survey, which includes executive pay levels. The post is advertised and once appointed and remuneration agreed via the Remuneration and Appointments Committee, the Trust seeks guidance from NHSE to support the salary range
- The only non-cash element of the most senior managers' remuneration packages is pension-related benefits accrued during membership of the NHS Pension Scheme. Contributions into the scheme are made by both the employer and employee in accordance with the statutory regulations
- The Trust does not consult with staff on its senior staff remuneration. This is solely a matter for the Remuneration and Appointments Committee.

Service Contract Obligations
All senior managers have a standard King's service contract. Each individual Executive Director and Non-Executive Director has their appointment date, contract status and notice period (for Executive Directors only) listed in the Director's report.

Policy on Payment for Loss of Office
All senior managers are required to have a six-month notice period in their service contract. Policy for loss of office is in line with the NHSE VSM guidance and the Trust has a policy of not paying over contractual entitlement.

Compensation in the event of early termination for substantive directors is in accordance with contractual entitlements, as set out in the Agenda for Change (AfC) national terms and conditions of service. There were no exceptions to this policy during 2024/25.

Diversity and Inclusion
In line with the Trust policy on diversity and inclusion, the Remuneration and Appointments Committee has considered the diversity at the most senior levels of the organisation as part of a wider review of talent management and succession.

Non-Executive Director Remuneration Framework
Remuneration for Non-Executive Directors and the Chair is at a spot rate and is not pensionable. It has not been reviewed during 2024/25.

Senior Manager Remuneration Framework

	Explanation
Salary	Senior manager pay is awarded on a spot rate and is not subject to incremental increase. Senior managers may, at the discretion of the Remuneration and Appointments Committee, be awarded a cost–of-living increase, in line with the rest of the Trust (in 2024/25 this was 5%).
Pension benefits	Senior managers may opt to be members of the NHS Pension Scheme. Contributions to the scheme are made by the employee and the employer in line with statutory regulations.
Performance-related pay	Senior managers do not receive performance related pay.
Other employee benefits	There were no other employee benefits made in 2024/25
Performance Management Framework	Performance is managed on an annual baseline in line with the financial year. Individual objectives are agreed with line managers, in line with the Trust Strategy and monitored throughout the year. The Trust has an online appraisal process which is used by all staff.

Annual Report of the Remuneration and Appointments Committee
The membership, meetings and attendance of the Remuneration and Appointments Committee can be found on pages 54-5. The Chief Executive Officer and Chief People Officer attended the Committee for relevant agenda items but were not full members. During 2024/25, the Committee took advice no external advice, nor did it use any executive search agencies to fill key posts.

The Committee took reports during the year including:
- The appointments outlined on page 64.
- The resignations of executive directors.

There have been no other major decisions on senior managers' remuneration or substantial changes relating to senior managers' remuneration in 2024/25.

The Committee agreed to award senior managers a 5% pay increase, in line with the national pay award for Agenda for Change staff.

The information in this section of the remuneration report is subject to audit.

Fair Pay Disclosures

NHS Foundation Trusts are required to disclose the relationship between the total remuneration of the highest-paid director in their organisation against the 25th percentile, median and 75th percentile of remuneration of the organisation's workforce. Total remuneration of the employee at the 25th percentile, median and 75th percentile is further broken down to disclose the salary component.

The banded remuneration of the highest paid director in the organisation in the financial year 2024-25 was £337.5k (2023-24, £322.5k). This is a change between years of 4.7% (2023-24, 4.9%) relating to the agreed pay uplift. The highest-paid director did not receive any performance pay or bonuses in either year.

The percentage change in average employee remuneration (based on total for all employees on an annualised basis, excluding the highest paid director, divided by full time equivalent number of employees, also excluding the highest paid director) between years is 6.3% (2023-24, 7.5%). The percentage increase is a weighted average by payroll category (substantive 6.3%, bank 0.08% and agency -0.04%). No performance pay or bonuses were paid by the Trust in either year.

No employees received remuneration in excess of the highest-paid director in 2024-25 (2023-24: 0).

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

For employees of the Trust as a whole, the range of remuneration in 2024-25 was from £23.7k to £337.5k (2023-24 £22.4k to £322.5k).

The remuneration of the employee at the 25th percentile, median and 75th percentile is set out below.

The pay ratio shows the relationship between the total pay and benefits of the highest paid director (excluding pension benefits) and each point in the remuneration range for the organisation's workforce.

		2024-25	
	25th percentile	**Median**	**75th percentile**
Total Remuneration (£)	35,719	47,490	63,723
Salary component of total remuneration (£)	35,473	45,873	63,723
Pay ratio information	9.45 : 1	7.11 : 1	5.30 : 1

		2023-24	
	25th percentile	**Median**	**75th percentile**
Total pay and benefits excluding pension benefits (£)	34,208	45,239	60,440
Salary component of total pay (£)	33,833	45,239	60,440
Pay ratio information	9.43 : 1	7.13 : 1	5.34 : 1

The movement in the pay ratio from 2023-24 to 2024-25 is small due to similar pay awards included in both years.

The information in this section of the remuneration report is not subject to audit.

Director and Governor Expenses

There were no director or governor expenses during 2024/25.

The information in this section is subject to audit.

Salary and pension entitlements of senior managers

A) Remuneration

Name	Title	2024-25 Salary (bands of £5,000)	2024-25 Pension Related Benefits (bands of £2,500)	2024-25 Total (bands of £5,000)	2023-24 Salary (bands of £5,000)	2023-24 Pension Related Benefits (bands of £2,500)	2023-24 Total (bands of £5,000)
Chairman and Non-Executive Directors							
Charles Alexander	Chairman	-	-	-	35 - 40	-	35 - 40
David Behan	Chairman	50 - 55	-	50 - 55			
Jane Bailey	Deputy Chair	30 - 35	-	30 - 35	20 - 25	-	20 - 25
Professor Jon Cohen	Non-Executive Director	-	-	-	5 - 10	-	5 - 10
Professor Yvonne Doyle	Non-Executive Director	10 - 15	-	10 - 15	10 - 15	-	10 - 15
Professor Richard Trembath	Non-Executive Director	5 - 10	-	5 - 10	10 - 15	-	10 - 15
Nicholas Campbell-Watts	Non-Executive Director	10 - 15	-	10 - 15	10 - 15	-	10 - 15
Akhter Mateen	Non-Executive Director	10 - 15	-	10 - 15	10 - 15	-	10 - 15
Steve Weiner	Non-Executive Director	-	-	-	5 - 10	-	5 - 10
Dame Christine Beasley	Non-Executive Director	10 - 15	-	10 - 15	10 - 15	-	10 - 15
Simon Friend	Non-Executive Director	10 - 15	-	10 - 15	5 - 10	-	5 - 10
Graham Lord	Non-Executive Director		-				
Executive Directors							
Professor Clive Kay	Chief Executive	335 - 340	-	335 - 340	320 - 325	-	320 - 325
Lorcan Woods	Chief Financial Officer	-	-	-	285 - 290	310.0 - 312.5	600 - 605
Roy Clarke *	Chief Financial Officer	265 - 270	-	265 - 270	10 - 15	2.5 - 50	10 - 15
Dr Leonie Penna **	Chief Medical Officer	30 - 35	-	30 - 35	240 - 245	-	240 - 245
Clare Williams	Chief Nurse and Executive Director of Midwifery	-	-	-	25 - 30	47.5 - 50.0	75 - 80
Tracey Carter	Chief Nurse & Executive Director of Midwifery	195 - 200	460.0 - 462.5	655 - 660	155 - 160	-	155 - 160
Beverley Bryant ***	Chief Digital Information Officer	70 - 75	-	70 - 75	160 - 165	-	160 - 165
Jonathan Lofthouse	Site Chief Executive (Princess Royal University Hospital and South Sites)	-	-	-	60 - 65	-	60 - 65
Angela Helleur	Site Chief Executive PRUH and South Sites	195 - 200	-	195 - 200	120 - 205	-	120 - 205
Julie Lowe	Site Chief Executive (Denmark Hill)	225 - 230	127.5 - 130.0	350 - 355	200 - 205	-	200 - 205
Mark Preston	Chief People Officer	180 - 185	25.0 - 27.5	205 - 210	170 - 175	-	170 - 175
Mamta Shett Vaidya	Chief Medical Officer	60 - 65	-	60 - 65	-	-	-
Rantimi Ayodele	Acting Chief Medical Officer	15 - 20	117.5 - 120.0	135 - 140	-	-	-
Anna Clough	Site Chief Executive	120 - 125	25.0 - 27.5	155 - 160	-	-	-

*** Salary Recharged**

Roy Clarke * On Secondment from Norfolk & Norwich University Hospital Foundation Trust - April 24 - November 24	Chief Financial Officer	185 - 190	-	-	10 - 15	-	10 - 15

**** Salary relating to non-managerial role**

Dr Leonie Penna	Chief Medical Officer	85 - 90	-	85 - 90	160 - 165	-	160 - 165
Arthur Vaughan **	Acting Chief Financial Officer	-	-	-	10 -15	2.5 - 5.0	15 - 20

Arthur Vaughan did not receive any remuneration in relation to the role of Acting Chief Financial Officer. Information included above relates to remuneration received in relation to his substantive role for the period he was Acting Chief Financial Officer.

***** Salary paid by Guys and St Thomas' NHS Foundation Trust**

Beverley Bryant (GSTT salary includes the recharge cost to the Trust)	Chief Digital Information Officer	105 - 110	-	105 - 110	250 - 255	-	250 - 255

******** Salary paid by Kings College Hospital NHS Foundation Trust

Charles Alexander (KCH Recharges 50% of salary costs to GSTT)					75 - 80	0	75 - 80

None of Executive Director received a taxable benefit in kind in 2024/25
None of the Directors claimed non-taxable expenses in 2024/25
The Trust has not paid any of the Directors compensation on early retirement or for loss of office.
The Trust has not made any payments to past Directors.

Salary and pension entitlements of senior managers

Sir David Behan	Chairman	10 June 2024 - March 2025
Professor Yvonne Doyle	Non-Executive Director	1 April 2024 - 31 March 2025
Professor Richard Trembath	Non-Executive Director	1 April 2024 - 31 August 2024
Nicholas Campbell-Watts	Non-Executive Director	1 April 2024 - 31 March 2025
Akhter Mateen	Non-Executive Director	1 April 2024 - 31 March 2025
Dame Christine Beasley	Non-Executive Director	1 April 2024 - 31 March 2025
Jane Bailey	Deputy Chair	1 April 2024 - 31 March 2025
Simon Friend	Non-Executive Director	1 April 2024 - 31 March 2025
Professor Graham Lord	Non-Executive Director	1 Sept 2024 - 31 March 2025
Professor Clive Kay	Chief Executive	1 April 2024 - 31 March 2025
Roy Clarke	Chief Financial Officer	1 April 2024 - 31 March 2025
Dr Leonie Penna	Chief Medical Officer	1 April 2024 - 02 September 2024
Beverley Bryant	Chief Digital Information Officer	1 April 2023 - 31 August 2024
Julie Lowe	Deputy Chief Executive	1 April 2024 - 31 March 2025
Mark Preston	Chief People Officer	1 April 2024 - 31 March 2025
Tracey Carter	Chief Nurse & Executive Director of Midwifery	1 April 2024 - 31 March 2025
Angela Helleur	Site Chief Executive PRUH and South Sites	1 April 2024 - 31 March 2025
Dr Mamta Shetty Vaidya	Chief Medical Officer	6 January 2025 - 31 March 2025
Dr Rantimi Ayodele	Acting Chief Medical Officer	03 September 2024 - 05 Jan 2025
Anna Clough	Site Chief Executive, Denmark HIll	1 July 2024 - 31 March 2025

None of the Non-Executive or Executive Directors received benefits in kind in 2024-25

Salary and pension entitlements of senior managers

B) Pension Benefits

This pensions information is provided by the NHS Business Services Authority - Pensions Division on an annual basis.

Name	Title	Real Increase in pension at pension age (bands of £2,500)	Real Increase in pension lump sum at pension age (bands of £2,500)	Total accrued pension at pension age at 31 March 2025 (bands of £5,000)	Lump sum at pension age at 31 March 2025 (bands of £5,000)	Cash Equivalent Transfer Value at 1 April 2024	Real increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2025
		£000			£000	£000	£000	£000
Executive Directors								
Julie Lowe	Deputy Chief Executive	5.0 -7.5	7.5 - 10.0	95 -100	250 - 255	2,028	142	2,198
Mark Preston	Chief People Officer	2.5 - 5.0	(2.5) - (5.0)	65 - 70	170 - 175	1,564	34	1,621
Tracey Carter	Chief Nurse & Executive Director of Midwifery	20.0 - 22.5	52.5 - 55.0	80 - 85	215 - 220	1,380	478	1,883
Rantimi Ayodele	Acting Chief Medical Officer	0.0 - 2.5	2.5 -5.0	45 - 50	115 - 120	854	26	988
Mamta Shetty Vaidya	Chief Medical Officer	0	(20.0) - (22.5)	60 - 65	140 - 145	2018	0	1355
Anna Clough	Site Chief Executive (Denmark Hill)	0.0 - 2.5	(0.0) - (2.5)	45 - 50	120 - 125	943	0	983

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

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 disclosure applies. The CETV figures and the other pension details include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

The real increase in CETV 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 scheme or arrangement) and uses common market valuation factors for the start and end of the period.

The value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20, less, the contributions made by the individual. The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights. This value does not represent an amount that will be received by the individual. It is a calculation that is intended to convey to the reader of the accounts an estimation of the benefit that being a member of the pension scheme could provide. The pension benefit table provides further information on the pension benefits accruing to the individual.

Roy Clarke chose not to be covered by the pension arrangements during the reporting year.

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 operating expenses at the time the foundation Trust commits itself to the retirement, regardless of the method of payment.

CETV as at 1st April 2024 has been inflated by 6.7% (Consumer Price Index)

Remuneration report

The disclosures in the remuneration report fulfil our obligations under the Health and Social Care Act 2012.

Signed:

Date: 26th June 2025

Professor Clive Kay
Chief Executive and Accounting Officer

2.3 Staff Report

The information in this section of the staff report is not subject to audit.
The following tables provide information on staff costs and numbers during 2024/25. The Trust is also required to make a number of disclosures in its staff report. These are also detailed below.

The information in this section of the staff report is subject to audit.
Workforce data

Average number of employees (WTE basis)

Group	Total 2024-25	Permanent 2024-25	Other 2024-25	Total 2023-24	Permanent 2023-24	Other 2023-24
	No.	No.	No.	No.	No.	No.
Medical and dental	**2,685**	**1,063**	**1,622**	**2,744**	**1,022**	**1,722**
Ambulance staff	**0**	**0**	**0**	**0**	**0**	**0**
Administration and estates	**3,035**	**2,783**	**252**	**3,272**	**2,898**	**374**
Healthcare assistants and other support staff	**1,666**	**1,367**	**299**	**1,801**	**1,463**	**338**
Nursing, midwifery and health visiting staff	**5,405**	**4,788**	**617**	**5,447**	**4,670**	**777**
Nursing, midwifery and health visiting learners	**9**	**0**	**9**	**3**	**0**	**3**
Scientific, therapeutic and technical staff	**1,785**	**1,577**	**208**	**1,820**	**1,547**	**273**
Healthcare science staff	**333**	**261**	**72**	**315**	**256**	**59**
Social care staff	**21**	**20**	**1**	**20**	**18**	**2**
Other	**0**	**0**	**0**	**0**	**0**	**0**
Total average numbers	**14,939**	**11,859**	**3,080**	15,422	11,874	3,548

Staff Costs

Employee benefits

	Group					
	2023-24			2023-24		
	Total	**Permanent**	**Other**	Total	Permanent	Other
	£000	**£000**	**£000**	£000	£000	£000
Salaries and wages	**795,996**	**658,050**	**137,946**	742,996	603,185	139,811
Social security costs	**93,932**	**77,901**	**16,031**	91,588	75,436	16,152
Apprenticeship levy	**4,291**	**4,291**	**-**	4,725	4,725	-
Employer contributions to NHS Pensions	**88,935**	**73,756**	**15,179**	84,570	69,655	14,915
Employer contributions to NHS Pensions paid by NHS England on behalf of the Trust	**58,307**	**48,356**	**9,951**	37,064	30,528	6,536
Termination benefits	**1,674**	**1,674**	**-**	4,964	4,964	-
Temporary staff (including bank and agency)	**65,408**	**-**	**65,408**	89,944	-	89,944
Total gross employee benefits	**1,108,543**	**864,028**	**244,515**	1,055,851	788,493	267,358
Recoveries from other bodies in respect of staff cost netted off expenditure	**-**	**-**	**-**	-	-	-
Total employee benefits	**1,108,543**	**864,028**	**244,515**	1,055,851	788,493	267,358
Of which						
Costs capitalised as part of assets	**-**	**-**	**-**	(4,916)	(4,916)	-
Total employee benefits excluding capitalised costs	**1,108,543**	**864,028**	**244,515**	1,050,935	783,577	267,358

The information in this section of the staff report is not subject to audit.

Sickness Absence data

Figures Converted by DH to Best Estimates of Required Data Items		Statistics Produced by NHS Digital from ESR Data Warehouse		
Average FTE 2024	**Adjusted FTE days lost to Cabinet Office definitions**	**FTE-Days Available**	**FTE-Days Lost to Sickness Absence**	**Average Sick Days per FTE**
13,581	134,323	4,956,998	217,901	9.9

Source: NHS Digital - Sickness Absence and Workforce Publications - based on data from the ESR Data Warehouse

Period covered: January to December 2024

Data items: ESR does not hold details of the planned working/non-working days for employees so days lost and days available are reported based upon a 365-day year. For the Annual Report and Accounts the following figures are used:

The number of FTE-days available has been taken directly from ESR. This has been converted to FTE years in the first column by dividing by 365.

The number of FTE-days lost to sickness absence has been taken directly from ESR. The adjusted FTE days lost has been calculated by multiplying by 225/365 to give the Cabinet Office measure.

The average number of sick days per FTE has been estimated by dividing the FTE Days by the FTE days lost and multiplying by 225/365 to give the Cabinet Office measure. This figure is replicated on returns by dividing the adjusted FTE days lost by Average FTE.

The information in this part of the staff report is not subject to audit.
Workforce Equality Analysis

	2024/2025	
	Headcount	%
Age		
(0-16)	0	0%
(17-21)	79	1%
22+	14262	99%
Ethnicity		
White	5390	38%
Black, Asian and Minority Ethnic	8246	57%
Not declared	615	4%
Unknown	90	1%
Gender (All staff)		
Male	3646	25%
Female	10695	75%
Gender (Senior Managers)		
Male	50	52%
Female	46	48%
Gender (Board)		
Male	8	50%
Female	8	50%
Recorded Disability		
Yes	498	3%
No	12497	87%
Not declared	1114	8%
Unknown	232	2%
Sexual Orientation		
Bisexual	240	2%
Gay or Lesbian	454	3%
Heterosexual	11503	80%
Other	40	0.3%
I do not wish to disclose	1907	13%
Unknown	197	1%
Religion		
Atheism	1722	12%
Buddhism	379	3%
Christianity	7339	51%
Hinduism	748	5%
Islam	1138	8%
Jainism	25	0.2%
Judaism	45	0.3%
Sikhism	168	1%
Other	822	6%
I do not wish to disclose	1753	12%
Unknown	202	1%
Total Staff Numbers	**14341**	

The information in this section is subject to audit

Exit packages

Exit Packages agreed in 2024-25

Exit package cost band (including any special payment element)	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
	Number	£	Number	£	Number	£	Number	£
Less than £10,000	7	20,237	26	114,017	31	116,179	-	-
£10,000 - £25,000	6	102,340	4	65,766	9	154,469	-	-
£25,001 - £50,000	12	482,295	4	133,524	16	615,819	-	-
£50,001 - £100,000	18	1,181,847			18	1,181,847	-	-
£100,001 - £150,000	2	213,047			2	213,047	-	-
£150,001 - £200,000					-	-	-	-
Greater than £200,000	-	-	-	-	-	-	-	-
Total	**45**	**1,999,766**	**34**	**313,308**	**76**	**2,281,361**	**-**	**-**

Exit Packages agreed in 2023-24

Exit package cost band (including any special payment element)	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
	Number	£	Number	£	Number	£	Number	£
Less than £10,000	-	-	17	64,160	17	64,160	-	-
£10,000 - £25,000	-	-	14	243,738	14	243,738	-	-
£25,001 - £50,000	-	-	11	409,967	11	409,967	-	-
£50,001 - £100,000	-	-	11	758,173	11	758,173	-	-
£100,001 - £150,000	-	-	6	681,896	6	681,896	-	-
£150,001 - £200,000	-	-	-	-	-	-	-	-
Greater than £200,000	-	-	-	-	-	-	-	-
Total	**-**	**-**	**59**	**2,157,935**	**59**	**2,157,935**	**-**	**-**

Analysis of Other Departures

	Agreements Number	**Total value of agreements**	Agreements Number	Total value of agreements
	2024-25	**2024-25**	2023-24	2023-24
	No.	**£000**	No.	£000
Voluntary redundancies including early retirement contractual costs	-	-	**42**	**1651**
Mutually agreed resignations (MARS) contractual costs	-	-	-	-
Early retirements in the efficiency of the service contractual costs	-	-	-	-
Contractual payments in lieu of notice	**31**	**282**	34	507
Exit payments following employment tribunals or court orders	3	32	-	-
Non-contractual payments requiring HMT approval (special severance payments) *		-	-	-
Total	**34**	**314**	76	2158
of which:				
non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months of their annual salary	**-**	**-**	-	-

The Remuneration Report includes disclosure of exit payments payable to individuals named in that report.

The information in this section of the staff report is not subject to audit

Off Payroll Arrangements

The Trust follows NHSE policy on off-payroll arrangements and any highly paid appointment is subject to NHSI approval and, where necessary, Trust Board approval.

During 2024/25, no Board members were off-payroll.

The Trade Union (Facility Time Publication Requirements) Regulations 2017

By law, organisations are required to publish Trade Union (TU) facility time information. The data below is for the financial year 1 April 2024 to 31 March 2025

Relevant union officials

Number of employees who were relevant union officials during the relevant period (full time equivalent)	*Full-time equivalent employee number*
33	33

Percentage of time spent on facility time

Percentage of time	*Number of employees*
0%	0
1-50%	33
51%-99%	0
100%	0

Percentage of pay bill spent on facility time

	Figures
Provide the total cost of facility time	£392,779
Provide the total pay bill	£1,571,119
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.25

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: *(total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100*	25%

Supporting our Staff

The Trust recognises that there is clear evidence supporting the link between staff health and wellbeing and safe patient care and is committed to continually working to improve the health and wellbeing of staff. The Trust's recruitment policy ensures that all applicants with a disability who meet the essential criteria are offered an interview. Successful candidates are asked what adaptations they may require, in order to carry out their role. Similarly, staff who become disabled after commencing employment with the Trust will be supported and individual packages of support and training will be offered depending on need.

The Trust has an in-house occupational health department which supports and advises both managers and staff on the full remit of occupational health services in line with our policies on sickness absence and equality and diversity.

The King's Reasonable Adjustment Plan has been well received by staff in the Trust and has supported conversations between staff with a disability or long-term health condition and their line managers to discuss what support and changes can be put in place to enable them to thrive at work.

The Trust's Workforce team, EDI team, Occupational Health and our line managers have been working collaboratively to ensure that we are being proactive and providing the support that our staff require to enable them to remain at work and their experience of this is positive and fulfilling.

The Trust recognises that the best outcomes often happen when concerns are dealt with at the earliest opportunity, quickly and informally. Our Early Resolution Policy provides guidance to managers and staff on this approach, and our Disciplinary Policy places an emphasis on 'just culture' principles and restorative justice.

The Trust has an approved counter-fraud and corruption policy and does not tolerate any form of fraud, bribery or corruption by its employees, partners or third parties acting on its behalf. We investigate allegations fully and apply sanctions to those found to have committed a fraud, bribery or corruption offence.

We have continued to work on streamlining our policies, benchmarking where possible with other NHS Trusts and professional bodies. We continue to aim to provide streamlined processes which are less onerous for all staff and managers. We carry out this work in

partnership with our staff side colleagues. Our policies are discussed and agreed at the Trust's Workforce Policy Review Group before final ratification at our Partnership Committee.

Supporting employee experience at King's

Our King's People and Culture Plan (2022-2026) is one of the supporting strategies of the Trust's '*Strong Roots, Global Reach*' overarching strategy, which places our Brilliant People at the centre of everything we do. The Plan is being reviewed in line with Trust's overall strategy refresh with objectives being updated for delivery post-2026.

Staff Wellbeing

The Trust continue to be active regarding the well-being of our staff. Our Well-being hubs have remained a very popular resource and we have permanent locations for the hubs at our Denmark Hill, PRUH and Orpington sites. As well as a place to take a break, the hub provide an opportunity for staff to seek additional support and advice, and we also run our in-reach service for those staff not able to regularly attend the hubs.

The Trust also offers a range of other well-being services to staff including mental health first aiders, Talking Therapies, financial well-being, smart fridges for health eating options, and a variety of clubs (e.g. running, book club, art for health).

Learning & Organisational Development

The Learning and Organisational Development team deliver a range of personal and professional development opportunities for staff across the Trust. This is managed under the King's Kaleidoscope banner. Examples include:

- King's Kaleidoscope hosts a suite of online learning catalogues and resources.
- The Organisational Development Team offer a business partner model to the Trust, enabling us to provide team-based interventions.
- The Trust currently has around 370 learners on Apprenticeship programmes covering over 35 different topics. This spans both clinical and non-clinical staff and our offer is open internal and external candidates.
- An internal coaching skills programme and coaching network is in development.
- The Trust continues to meet its target of 90% completion rate for our core skills compliance.
- We have a thriving Work Experience (WEX) programme and have hosted nearly 600 students from the local area into WEX placements. We have received the National Gold standard for Work Experience.

The Trust exceeded its target, (90%) for appraisal completions for 2024 reaching a total of 93% at the end of the appraisal 'season'. For 2025 a refresh of the appraisal documentation has been undertaken following feedback from stakeholders and this new format will launch in April 2025.

Following a successful launch in 2021, the Trust is now in its fourth year of DFN Project Search. This has supported 70 young people with autism and special education needs. One of our former interns, who successfully gained employment at the Trust spoke of his experience at King's at the Annual Shelford Group Conference.

Staff Feedback
We use the data and commentary from leavers' surveys, the national quarterly pulse survey and the annual National Staff Survey to inform us on how staff feel about working at King's.

We also receive regular feedback via the Trust's joint staff and management Committees, (i.e. the Partnership Committee and Local Negotiating Committee), and the FTSU Guardian on the key concerns being raised by our staff. This feedback is used to develop interventions to address the issues and concerns staff have raised with us.

The Trust employs a number of methods for ensuring staff are engaged and informed including Ask the CEO sessions, Trust bulletin, all-staff emails, and management cascades. The Trust also directs staff to our detailed intranet.

2024 National Staff Survey
The 2024 Staff Survey took place between September–November 2024. 6818 staff (49%) completed the 2024 staff survey. This was the Trust's highest ever response rate and a 1% increase on last year (48%, 6783 responses).

Indicators	2024		2023		2022	
People Promise Elements and themes	Trust Score	Benchmarking group score	Trust Score	Benchmarking group score	Trust Score	Benchmarking group score
We are compassionate & inclusive	**6.96**	7.21	**6.98**	7.24	**6.99**	7.2
We are recognised & rewarded	**5.64**	5.92	**5.63**	5.94	**5.55**	5.7
We each have a voice that counts	**6.43**	6.67	**6.43**	6.7	**6.49**	6.6
We are safe & healthy	**5.80**	6.09	**5.71**	n/a	**5.69**	5.9
We are always learning	**5.67**	5.64	**5.64**	5.61	**5.62**	5.4
We work flexibly	**5.69**	6.24	**5.64**	6.2	**5.61**	6.0
We are a team	**6.59**	6.74	**6.57**	6.75	**6.58**	6.6
Staff engagement	**6.58**	6.84	**6.64**	6.91	**6.70**	6.8
Morale	**5.54**	5.93	**5.56**	5.91	**5.53**	5.7

People Priorities 2024/25
The national staff survey scores provide the Trust with opportunities to focus on key areas for improving staff experience. This year we have asked each of our local teams to develop an action plan based on their survey results. Each plan will focus on where improvements will be made and how the teams celebrate their successes.

Given our overall results, the Trust has also been working on three key interventions to make longer lasting improvements to staff experience. This approach will deliver structured and focussed initiatives where all staff are involved and benefit from these.

Trust Recruitment

The Trust received 108,558 applications for roles and conducted 9,274 interviews. Including Junior Doctors on rotation programmes, 1,966 new starters joined the Trust in 2024/25. International recruitment of nurses was paused in 2024/25. The Trust headcount has decreased from 13,755 to 13,341 and our overall establishment has reduced from 15,296, (1 April 2024) to 14,696, (31 March 2025). The overall Trust vacancy rate reduced from 9.21% on 1 April 2024 to 8.59% on 31 March 2025. The Trust voluntary turnover rate has been on a downward trend over the year and was recorded at 10.70% in March 2025 which is below the target of 13%.

Temporary Staffing

The temporary staffing provision saw a significant decrease in demand and use in 2024/25 compared to the previous year.

- There was an overall fill of 186,071 bank shifts in 2024/25, compared to 215,702 bank shifts filled in 2023/24, (13% decrease).
- There was a fill of 13,827 shifts by agency in 2024/25, compared to 23,800 agency shifts in 2023/24, (42% decrease).
- There was an overall average fill of 83% for requested shifts in 2024/25, which was higher than the fill rate of 78% of requested shifts in 2023/24.

Workforce Inclusion

The past 12 months have marked a significant period of growth, impact, and reflection for Equality, Diversity and Inclusion at King's. As we closed the chapter on the 2022–2024 Roadmap to Inclusion, we moved with intention into a year of embedding learning, expanding innovation, and building structural resilience. Our approach centred on ensuring EDI remained a lived reality across every care group, directorate, and team, not just a corporate function. Through targeted training, active community engagement, and structural change, we have continued to place equity and inclusion at the heart of how we lead, work, and care.

Training and Development

Capacity-building and skills development remained central to our EDI agenda. We continued to embed the Cultural Intelligence (CQ) programme with full-day CPD-accredited sessions delivered by internal facilitators. Over 300 staff participated, equipping themselves with the intercultural skills and self-awareness needed to lead compassionately and inclusively.

The Workplace Adjustments Programme grew in reach, with training delivered monthly and bespoke sessions arranged for high-need care groups. Combined with the Workplace Adjustment Policy and live WDES action plan, this approach continues to empower both managers and staff to embed disability inclusion into daily working practices.

We refreshed Active Bystander training, and introduced a new immersive experience, the EDI Virtual Reality sessions, to build empathy and real-world understanding of discrimination and allyship. Our Inclusive Recruitment training, jointly delivered with HR, was embedded further with over 150 staff participating.

Through Skill Boosters and a growing digital learning library, staff accessed over 550 completions of on-demand inclusive training, spanning topics from microaggressions to inclusive language.

Positive Action Initiatives

To address persistent disparities in career progression identified in WRES, WDES, and Gender Pay Gap data, the Trust's EDI team led a suite of targeted positive action initiatives throughout 2024–25. These included tailored development programmes for ethnic minority, women and disabled staff. Highlights included a bespoke coaching series, which supported over 80 ethnic minority colleagues in building confidence, communication, and career planning skills. For women, the Thresholds career development programme provided practical tools for goal setting and interview success, while the Calibre Leadership Programme empowered disabled and neurodivergent staff through peer support, coaching, and leadership development—leading to a 50% promotion or stretch assignment rate among participants. Collectively, these initiatives improved self-efficacy, clarified progression routes, and created tangible career outcomes, laying the groundwork for a more inclusive talent strategy.

As part of our commitment to supporting our Internationally Recruited Nurses, Midwives and AHPs, we partnered with an external trainer to lead a session focused uniquely on "Navigating the Loss" associated with moving to another country to live and work.

Recognition and Awards

We introduced the Trust's first Inclusion Awards, celebrating the unsung champions of inclusion across the organisation. With 107 nominations across seven categories, the awards were a powerful affirmation of grassroots leadership and visible commitment from the Executive.

Nationally, the Trust continued to receive accolades. We were winners at the Better Society Awards, SEL Inclusion Awards and Mayor of London's Design Lab, and finalists at the National Diversity Awards, Inspiring Workplaces, Nursing Times Workforce Awards, and HPMA Awards. These achievements reflect our collective efforts to embed inclusive values and practices across our systems and services.

Structural Improvements and Accountability

We made further progress embedding EDI into the heart of the organisation. Every care group continues to be supported by an EDI Business Partner, with tailored support provided for improvement planning, complaint resolution, and inclusive policy implementation.

Our efforts in data governance also strengthened. We published our first Workforce Sexual Orientation Equality Standard (WSOES) report, one of few NHS Trusts to do so, setting a new standard in transparency and strategic action for LGBTQ+ equity.

We introduced EDI into Consultant appraisals, with 64% compliance in its first year, and ensured EDI responsibilities are now reflected across executive portfolios.

Policy enhancements included the development of new Trans and Non-Binary Guidance, a refreshed Workplace Adjustments Policy, and practical tools such as the Inclusion Charter and the Inclusive Language Guidance launched in early 2025.

Cultural Engagement and Awareness Campaigns
Engaging with national diversity awareness campaigns remained vital to our inclusion strategy. Across the year, over 25 cultural, faith, and inclusion-focused observances were marked with Trust-wide events, webinars, and campaigns.

Highlights included vibrant celebrations for Black History Month, Pride, Diwali, and International Women's Day, as well as powerful observances such as Trans Day of Remembrance and the International Day for the Elimination of Violence Against Women.
Staff Networks were instrumental in curating and delivering these experiences. Each event created space for connection, reflection, and learning—and also reinforced the message that inclusion is not an occasional effort, but an everyday practice.

Widening Participation
Our partnership with Project SEARCH reached a milestone with over 40 young adults with learning disabilities or autism supported across three years, and 11 gaining Trust employment. These internships exemplify how tailored support creates real pathways to sustainable work.
The Future Leaders Programme welcomed 64 students from underrepresented backgrounds for an immersive 'Experience the NHS' day, sparking new career aspirations across disciplines.

Staff Networks
The Trust's five Staff Networks have continued to play a pivotal role in advancing inclusion, fostering community, and influencing strategy across King's. Each network has delivered impactful programmes tailored to their communities and grown in membership. King's & Queers expanded visibility through Pride events and a member survey; the Women's Network focused on career growth and recognition through events like International Women's Day; King's Able championed disability inclusion with a strong presence during Disability History Month; REACH led on race equity through its flagship conference and the launch of the "See Me First" campaign; and the Interfaith and Belief Network delivered wide-ranging multi-faith events in partnership with Chaplaincy. Each network is supported by two Executive Sponsors, who have access to dedicated EDI coaching to enhance their allyship and leadership.

Counter Fraud and Corruption
The Trust has a number of policies in place to counter fraud and corruption and has a good track record in reporting suspected fraud. The work of the Local Counter Fraud Representative is outlined elsewhere in this report and is reported to the Audit Committee. During 2024/25, KPMG has provided the Trust with counter-fraud services, following a competitive tender process.

Health and Safety

King's has the Health and Safety (H&S) of all staff, patients, visitors and the public as a key priority. Providing a safe and secure environment, as well as meeting all of the Trusts' statutory obligations, are instrumental to delivering that objective.

The delivery of workplace safety across the Trust is determined by the requirements of the Executive working symbiotically with the legal requirements in order to fulfil the Trust's statutory responsibilities.

The H&S Team are readily available to assist in the development of Risk Assessment, Safe Systems of Work (SSoW) and the plethora of safety evaluations for all wards, departments and services. The department also carry out limited Internal Audits to measure compliance throughout the Trust, to provide assurance that health and safety policies, procedures and safe systems of work are being adhered and/or to implement health and safety arrangements.

Overview of Legal Compliance

The table below outlines the main health & safety legislation and identifies the administerial work that the Trust has carried out to ensure compliance.

Legislation	Description of Actions/Compliance	
Health & Safety at Work Act 1974	KCH Health & Safety Management Policy published and reviewed. Competent persons are in place to provide compliance advice. Health and Safety Committee held bi-monthly.	
Management of Health & Safety at Work Regulations 1999	Annual H&S Audit programme in place. Annual H&S Work plan Training available for Risk Assessments (Workplace, COSHH and Anti-Ligatures for all Divisions).	
Display Screen Equipment Regulations 1992	DSE Self- assessment tool has been updated and includes an action plan for users in Trust premises, as well as for staff working from home.	
Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995 (RIDDOR)	Latest changes to RIDDOR have been implemented and investigations have been conducted for all incidents with the findings shared at the H&S Committee and QPPB.	

Legislation	Description of Actions/Compliance	
Health & Safety Information for Employees Regulations (Amendment) 2009. Health & Safety Consultation with Employees Regulations 1996 Safety Representatives and Safety Committees Regulations 1977.	Terms of Reference have been reviewed for the H&S Committee. KCH H&S Policy has been updated for 2025. Health and Safety Committee is attended by Managers, Trust Competent Persons and TU Safety Reps. Reports on Audits, Action Plan progress, and Risk Register Acts as consultative Committee for H&S policies.	
Control of Substances Hazardous to Health (COSHH) Regulations 2002 Electricity at Work Regulations 1989 Workplace (Health Safety & Welfare) Regulations 1992 Provision and Use of Work Equipment Regulations (PUWER) 1998 The Control of Noise at Work Regulations 2005 Control of Asbestos Regulations 2012 Personal Protective Equipment at Work Regulations 2022	Regulations are monitored by the KCH Health and Safety Committee and managed through meetings of the specialist groups. Authorising Engineers, where appropriate, are in place to advise on subject matters under the control of CEF. Annual Health & Safety Internal reviews of compliance. Health and Safety advisors attend the subject matter groups to monitor compliance Revoking EU PPE Regulation 2016/425.	

In the 2024/25 reporting period, there were a total of 41,403 reported incidents of personal accidents, ill-health, and assaults, marking a 3.8% increase compared to the previous year. Out of these, 969 submissions were accepted as valid health and safety incidents, while 1,285 reports were rejected.

Violence and aggression (V&A) incidents accounted for 3,470 reports, which is a significant decrease of 34.4% from the previous year. These incidents were primarily based on patient or visitor aggression towards staff. Despite an anticipated increase in V&A incidents, the actual number remained lower than expected.

The highest number of reported incidents were related to Blood Borne Virus (BBV) and needlestick injuries, with 369 incidents, representing an 18.6% increase from the previous year. Sharps and needlestick injuries were the most common sub-category of occupational accidents, with 275 incidents recorded, 188 of which occurred in Denmark Hill.

The Health and Safety Department continued its efforts to reduce exposure to risks by adhering to regulations and conducting roadshows and virtual advice sessions. However, staff and resource constraints limited the availability of these initiatives.

The department also completed a Musculo-Skeletal Awareness Road Show across the Trust, promoting injury awareness and safety to staff.

The Trust is required to have access to competent health and safety advice, as laid down in Regulation 7 of the Management of Health and Safety at Work Regulations 1999. Subject Matter Experts (SMEs) in various fields continue to provide assurance and collaborate with the Health and Safety Department.

The Health and Safety Team follows a systematic approach to identify, assess, and control workplace hazards, utilizing the HSE's PDCA cycle (Plan, Do, Check, Act). The department functions independently to efficiently manage health and safety regulations and reduce the likelihood of incidents.

Internal Safety Audits (ISAs) are conducted to analyse trends and predict safety concerns. However, due to staff and resource constraints, only a limited ISA was carried out during the reporting period. Common safety issues identified included work overload, communication breakdowns, lack of teamwork, ambient risks, and human factors

The Health and Safety Department also undertakes risk assessments, with over 90% compliance for Workplace Risk Assessments (WRAs) and COSHH Assessments. Common shortfalls identified included lack of registration of portable electrical appliances, absence of health and safety posters, and missing hand hygiene records.

Between April 2024 and March 2025, 35 incidents were reported to the Health and Safety Executive (HSE) under RIDDOR regulations, a 25% increase from the previous year. The leading categories for RIDDOR submissions were assaults and mental health injuries.

Statutory and mandatory training compliance surpassed 90% for most topics, although some areas like Data Security Awareness and Infection Control fell slightly short.

The Health and Safety Team aims to continue improving occupational health and safety across the Trust, working with all divisions and departments to maintain legal compliance and promote staff well-being. The team is also exploring low-cost innovative ideas to enhance the reporting and investigation of safety incidents.

4.4 Disclosures set out in Code of Governance for NHS Provider Trusts

The Trust has applied the principles of the Code of Governance for NHS Provider Trusts (the Code) on a 'comply or explain' basis. The Code is founded on the principles of the UK Corporate Governance Code and was most recently revised in October 2022. A summary of where detail can be found in relation to the matters, we are required to disclose in the report is included in the table below:

Code of Governance reference	Requirement	Annual report reference
A.2.1 (Disclose)	The board of directors should assess the basis on which the Trust ensures its effectiveness, efficiency and economy, as well as the quality of its healthcare delivery over the long term, and contribution to the objectives of the ICP and ICB, and place-based partnerships. The board of directors should ensure the Trust actively addresses opportunities to work with other providers to tackle shared challenges through entering into partnership arrangements such as provider collaboratives. The Trust should describe in its annual report how opportunities and risks to future sustainability have been considered and addressed, and how its governance is contributing to the delivery of its strategy.	Accountability Report - Director's Report
A.2.3 (Disclose)	The board of directors should assess and monitor culture. Where it is not satisfied that policy, practices or behaviour throughout the business are aligned with the Trust's vision, values and strategy, it should seek assurance that management has taken corrective action. The annual report should explain the board's activities and any action taken, and the Trust's approach to investing in, rewarding and promoting the wellbeing of its workforce.	Accountability Report - Staff Report, Director's Report
A.2.8 (Disclose)	The board of directors should describe in the annual report how the interests of stakeholders, including system and place-based partners, have been considered in their discussions and decision-making, and set out the key partnerships for collaboration with other providers into which the Trust has entered. The board of directors should keep engagement mechanisms under review so that they remain effective. The Board should set out how the organisation's governance processes oversee its collaboration with other organisations and any associated risk management arrangements.	Accountability Report - Director's Report, AGS

Code of Governance reference	Requirement	Annual report reference
B.2.6 (Disclose)	The board of directors should identify in the annual report each non-executive director it considers to be independent. Circumstances which are likely to impair, or could appear to impair, a non-executive director's independence include, but are not limited to, whether a director: • has been an employee of the Trust within the last two years • has, or has had within the last two years, a material business relationship with the Trust either directly or as a partner, shareholder, director or senior employee of a body that has such a relationship with the Trust • has received or receives remuneration from the Trust apart from a director's fee, participates in the Trust's performance-related pay scheme or is a member of the Trust's pension scheme • has close family ties with any of the Trust's advisers, directors or senior employees • holds cross-directorships or has significant links with other directors through involvement with other companies or bodies • has served on the Trust board for more than six years from the date of their first appointment • is an appointed representative of the Trust's university medical or dental school. Where any of these or other relevant circumstances apply, and the board of directors nonetheless considers that the non-executive director is independent, it needs to be clearly explained why.	Accountability Report – Directors' Report
B.2.13 (Disclose)	The annual report should give the number of times the board and its Committees met, and individual director attendance.	Accountability Report – Directors' Report

Code of Governance reference	Requirement	Annual report reference
B.2.17 (Disclose)	For foundation Trusts, this schedule should include a clear statement detailing the roles and responsibilities of the council of governors. This statement should also describe how any disagreements between the council of governors and the board of directors will be resolved. The annual report should include this schedule of matters or a summary statement of how the board of directors and the council of governors operate, including a summary of the types of decisions to be taken by the board, the council of governors, board dcmmittees and the types of decisions which are delegated to the executive management of the board of directors.	Accountability Report – Directors' Report
C.2.5 (Disclose)	If an external consultancy is engaged, it should be identified in the annual report alongside a statement about any other connection it has with the Trust or individual directors.	Accountability Report
C.2.8 (Disclose)	The annual report should describe the process followed by the council of governors to appoint the chair and non-executive directors. The main role and responsibilities of the nominations committee should be set out in publicly available written terms of reference.	Accountability Report – Directors' Report
C.4.2 (Disclose)	The board of directors should include in the annual report a description of each director's skills, expertise and experience.	Accountability Report – Directors' Report
C4.7 (Disclose)	All Trusts are strongly encouraged to carry out externally facilitated developmental reviews of their leadership and governance using the Well-led framework every three to five years, according to their circumstances. The external reviewer should be identified in the annual report and a statement made about any connection it has with the Trust or individual directors.	Accountability Report – Director's Report – not applicable for 2023/24

Code of Governance reference	Requirement	Annual report reference
C.4.13 (Disclose)	The annual report should describe the work of the nominations committee(s), including: • the process used in relation to appointments, its approach to succession planning and how both support the development of a diverse pipeline • how the board has been evaluated, the nature and extent of an external evaluator's contact with the board of directors and individual directors, the outcomes and actions taken, and how these have or will influence board composition • the policy on diversity and inclusion including in relation to disability, its objectives and linkage to Trust vision, how it has been implemented and progress on achieving the objectives • the ethnic diversity of the board and senior managers, with reference to indicator nine of the NHS Workforce Race Equality Standard and how far the board reflects the ethnic diversity of the Trust's workforce and communities served • the gender balance of senior management and their direct reports.	Accountability Report – Directors' Report and Staff Report
C.5.15 (Disclose)	Foundation Trust governors should canvass the opinion of the Trust's members and the public, and for appointed governors the body they represent, on the NHS foundation Trust's forward plan, including its objectives, priorities and strategy, and their views should be communicated to the board of directors. The annual report should contain a statement as to how this requirement has been undertaken and satisfied.	Accountability Report – Director's Report

Code of Governance reference	Requirement	Annual report reference
D.2.4 (Disclose)	The annual report should include: the significant issues relating to the financial statements that the audit committee considered, and how these issues were addressed • an explanation of how the audit committee (and/or auditor panel for an NHS Trust) has assessed the independence and effectiveness of the external audit process and its approach to the appointment or reappointment of the external auditor; length of tenure of the current audit firm, when a tender was last conducted and advance notice of any retendering plans • where there is no internal audit function, an explanation for the absence, how internal assurance is achieved and how this affects the external audit • an explanation of how auditor independence and objectivity are safeguarded if the external auditor provides non-audit services.	Accountability Report – Director's Report
D.2.6 (Disclose)	The directors should explain in the annual report their responsibility for preparing the annual report and accounts, and state that they consider the annual report and accounts, taken as a whole, is fair, balanced and understandable, and provides the information necessary for stakeholders to assess the Trust's performance, business model and strategy.	Accountability Report – Director's Report
D.2.7 (Disclose)	The board of directors should carry out a robust assessment of the Trust's emerging and principal risks. The relevant reporting manuals will prescribe associated disclosure requirements for the annual report.	Accountability Report - Annual Governance Statement

Code of Governance reference	Requirement	Annual report reference
D.2.8 (Disclose)	The board of directors should monitor the Trust's risk management and internal control systems and, at least annually, review their effectiveness and report on that review in the annual report. The monitoring and review should cover all material controls, including financial, operational and compliance controls. The board should report on internal control through the annual governance statement in the annual report.	Accountability Report - Annual Governance Statement
D.2.9 (Disclose)	In the annual accounts, the board of directors should state whether it considered it appropriate to adopt the going concern basis of accounting when preparing them and identify any material uncertainties regarding going concern. Trusts should refer to the DHSC group accounting manual and NHS foundation Trust annual reporting manual which explain that this assessment should be based on whether a Trust anticipates it will continue to provide its services in the public sector. As a result, material uncertainties over going concern are expected to be rare.	Performance Report and Annual Accounts.
E.2.3 (Disclose)	Where a Trust releases an executive director, e.g. to serve as a non-executive director elsewhere, the remuneration disclosures in the annual report should include a statement as to whether or not the director will retain such earnings.	Not applicable for 2024/25
Appendix B para 2.3 (Disclose)	The annual report should identify the members of the council of governors, including a description of the constituency or organisation that they represent, whether they were elected or appointed, and the duration of their appointments. The annual report should also identify the nominated lead governor.	Accountability Report – Director's Report.
Appendix B para 2.14 (Disclose)	The board of directors should ensure that the NHS foundation Trust provides effective mechanisms for communication between governors and members from its constituencies. Contact procedures for members who wish to communicate with governors and/or directors should be clear and made available to members on the NHS foundation Trust's website and in the annual report.	Accountability Report – Director's Report.

Code of Governance reference	Requirement	Annual report reference
Appendix B para 2.15 (Disclose)	The board of directors should state in the annual report the steps it has taken to ensure that the members of the board, and in particular the non-executive directors, develop an understanding of the views of governors and members about the NHS foundation Trust, e.g. through attendance at meetings of the council of governors, direct face-to-face contact, surveys of members' opinions and consultations.	Accountability Report – Directors' Report
Additional requirement of FT ARM resulting from legislation	If, during the financial year, the Governors have exercised their power* under paragraph 10C** of schedule 7 of the NHS Act 2006, then information on this must be included in the annual report. This is required by paragraph 26(2)(aa) of schedule 7 to the NHS Act 2006, as amended by section 151 (8) of the Health and Social Care Act 2012. * Power to require one or more of the directors to attend a governors' meeting for the purpose of obtaining information about the foundation Trust's performance of its functions or the directors' performance of their duties (and deciding whether to propose a vote on the foundation Trust's or directors' performance). ** As inserted by section 151 (6) of the Health and Social Care Act 2012)	Accountability Report – Directors' Report Whilst Directors have attended all Governor meetings, this power has not been exercised.

4.5 NHS System Oversight Framework

NHS England's NHS Oversight Framework (NOF4) provides the framework for overseeing systems including providers and identifying potential support needs. NHS organisations are allocated to one of four 'segments'.

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

- objective and measurable eligibility criteria based on performance against the six oversight themes using the relevant oversight metrics (the themes are: quality of care, access and outcomes; people; preventing ill-health and reducing inequalities; leadership and capability; finance and use of resources; local strategic priorities)

- additional considerations focused on the assessment of system leadership and behaviours, and improvement capability and capacity.

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

For the accounting period 2024/25, the Trust was in NOF segment 4. Due to the deterioration in the Trust's financial position in Q4 2023/24, the Trust received notification on 12th April 2024 that it was being placed in segment 4 and would receive support from the National Recovery Support Programme. Enforcement Undertakings were subsequently issued against the Foundation Trust's Licence. The Trust formally entered the Recovery Support Programme and has been allocated an Improvement Director by NHSE. The Trust met with the Recovery Support Programme in July 2024 and criteria have been agreed, which if met, will allow the Trust to transition to segment 3 by December 2025. Improvement is needed in strategy (including workforce and financial strategies), leadership and governance (including financial governance), system alignment and improvement and transformation capacity and capability.

Current segmentation information for NHS Trusts and foundation Trusts is published on the NHS England website: NHS England » NHS oversight framework segmentation

4.6 Statement of the Chief Executive's responsibilities as the Accounting Officer of King's College Hospital NHS Foundation Trust

The NHS Act 2006 states that the Chief Executive is the Accounting Officer of the NHS Foundation Trust. The relevant responsibilities of the Accounting Officer, including their responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper accounts, are set out in the NHS Foundation Trust Accounting Officer Memorandum issued by NHS England.

NHS England has given Accounts Directions which require King's College Hospital NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those Directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of King's College Hospital NHS Foundation Trust and of its income and expenditure, other items of comprehensive income and cash flows for the financial year.

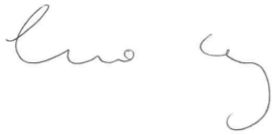
In preparing the accounts and overseeing the use of public funds, the Accounting Officer is required to comply with the requirements of the Department of Health and Social Care Group Accounting Manual and in particular to:

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

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

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

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



Signed: Date: 26th June 2025

Professor Clive Kay, Chief Executive and Accounting Officer

4.7 Annual Governance Statement 2024/25

Scope of Responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the 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 or 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 King's College Hospital NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place within the 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

As Chief Executive and Accounting Officer, I have overall responsibility for risk management with the Chief Nurse and Executive Director of Midwifery providing operational leadership. Each Executive Director is responsible for managing the risks within their portfolio. All Executive Directors report to me and I have a range of forums in place to ensure that they are held to account for the performance and delivery of individual, team and Trust objectives.

The Trust's Risk Management Strategy has resulted in:

- Enhanced risk profile reporting through the Executive Risk and Governance Committee and the Audit & Risk Committee.
- The development of the Trust's intranet to collate guidance and support on risk management and quality governance including best practice examples observed in the Trust.
- Development of the risk module on the Local Risk Management System delivering more effective operational risk management and more effective reporting pathways, allowing focus on risk metrics, effectiveness of mitigating actions and timeliness of reviews.
- Positive assurance through internal audits of the Trust's approach to managing risk in 2022/23 to 2024/25.

The risk and control framework

The Trust's risk management strategy outlines the risk principles, framework and process. The risk management policy support the strategy and focuses on the identification, recording, assessment and management of risk. The policy also includes a 5 x 5 matrix for the assessment and evaluation of risk. The risk scoring is based on an assessment of the consequence/impact and the likelihood.

The policy identifies the duties of key individuals in the risk management process and the roles and responsibilities of relevant groups and Committees.

The Trust's internal auditors have reviewed the design of the revised risk management framework (April 2021), assessed the operating effectiveness of the arrangements (March 2022) and reviewed the Corporate Risk Register (March 2023), operational functionality of the Care Group risk management processes (January 2024) and management of risk within cancer performance (March 2025). All the reviews have provided positive assurance.

Risk appetite

The Trust recognises that its long-term sustainability depends upon delivery of its strategic objectives and its relationships with its patients, staff, the local community and strategic partners. The risk management policy outlines the Board's approach to risk appetite with the lowest risk appetite relating to safety and compliance objectives, including employee health and safety, with a higher appetite associated with the strategic partnerships. During 2024/25 the Board considered the risk appetite as part of the review and update of the Trust's risk management policy and strategy, due to be completed in May 2025.

Board Assurance Framework

The Board Assurance Framework (BAF) connects the Trust's strategic objectives to risk management and assurance arrangements. It summarises the potential risks impacting the achievement of the Trust's strategic objectives and the key controls and processes in place to manage the key risks. The BAF supports the Board's understanding of the effectiveness of the key controls and mitigations in place to manage strategic risk and, as a result, supports oversight of the delivery of the Trust's strategic objectives. The BAF is reviewed regularly by the Board of Directors and by relevant board committees.

Quality governance arrangements

'Outstanding care' forms part of King's BOLD vision, which was set out in Trust's strategy published in July 2021.

The corporate quality governance arrangements are led by the Chief Nurse and Executive Director of Midwifery and the Chief Medical Officer. The Trust's Quality Committee scrutinises the clinical and quality risk management control arrangements and assurances that the arrangements are operating effectively. The Committee is chaired by a non-executive director.

The Committee receives an Integrated Quality Report at each meeting. This report provides information on key quality indicators, including infection control, patient safety, patient experience and clinical effectiveness.

In addition to quarterly patient outcome reports the Committee receives updates on any specific quality and safety concerns the Trust is managing, for example: externally-led inspection findings and action plans; infection, prevention and control issues and learning from individual patient cases.

Risks to quality and safety are managed through the Trust's risk management processes. There are processes in place in relation to the identification and response to safety incidents. The Trust has maintained a positive level of incident reporting and has a framework for the

identification and investigation of serious incidents. Over the course of 2024/25, the Trust has declared 3 Never Events.

During 2023-24 the Trust went live with Learning from Patient Safety Events (LfPSE) and the Patient Safety Incident Response Framework (PSIRF). This marked a significant change in the way in which patient safety incidents are responded to by the organisation moving the focus to sustained improvements and better patient and staff engagement. During the course of 2024/25, the Trust commissioned 19 Patient Safety Incident Investigations, including one in collaboration with a range of SEL system partners and 7 which met the criteria for referral to the Maternity and Newborn Safety Investigations programme.

The Trust has Quality Governance arrangements in place, including a Quality Assurance Framework, alongside a quality reporting structure through site and group level Outstanding Care Boards. The Quality Assurance Framework was subject to internal audit during 2024/25 and assessed as providing **'significant assurance with minor improvement opportunities'.**

The Trust completed a full quality round of all care groups under the Quality Assurance Framework. This is an executive led quality visit supported by members of the quality governance team, medical equipment and pharmacy and which concludes with a mock 'well led' interview for the care group.

Care Quality Commission (CQC)

The Trust has not been subject to any inspections from the CQC during 2024-25 and the Trust remains rated as 'Requires Improvement'. The Trust continues to engage in a responsive and open dialogue with the CQC ahead of the full roll out of the new Single Assessment Framework. The Trust is compliant with its CQC registration.

Major risks

The Trust's principal risks are overseen by the Trust Board and its Committee through the board assurance framework. As outlined above the Trust's BAF was refreshed during the year to reflect in-year and future risks to the achievement of our strategic objectives and BOLD vision.

The principal risks faced by the Trust in 2024/25 are set out below:

Risk	Summary	Board Oversight & Assurance Committee
Recruitment & Retention	If the Trust is unable to right-size the organisation and continue to recruit and retain staff with the appropriate skills, this will affect our ability to deliver financially sustainable services and future strategic ambitions which may adversely impact patient outcomes and staff and patient experience.	People, Education Inclusion and Research Committee
King's Culture & Values	If the Trust is unable to develop a values based 'Team King's' culture, utilising feedback about staff experience, , staff engagement and wellbeing may	People, Education Inclusion and

	deteriorate, adversely impacting our ability to provide compassionate and culturally competent care to our patients and each other.	Research Committee
Financial Sustainability	If the Trust is unable to improve the financial sustainability of the services it provides, then we may not achieve our financial plans, adversely impacting our ability to deliver our investment priorities and improve the quality of services for our patients in the future.	Finance and Commercial Committee
Maintenance and Development of the Trust's Estate	If the Trust is unable to maintain and develop the estate sufficiently, our ability to deliver safe, high quality and sustainable services will be adversely impacted.	Finance and Commercial Committee
Apollo Implementation	If the Trust fails to deliver the Apollo Electronic Patient Record (EPR) transformation programme effectively then the clinical and operational benefits may not be realised.	Finance and Commercial Committee
Research & Innovation	If the Trust fails to capitalise on innovative and pioneering research opportunities, this may affect our ability to support the development of new treatments and technologies for patients now and in the future, adversely impacting the Trust's ambitions as a world-leading research and innovation centre.	People, Education Inclusion and Research Committee
High Quality Care	If the Trust does not have adequate arrangements to support the delivery and oversight of high-quality care, this may result in an adverse impact on patient outcomes and patient experience and lead to an increased risk of avoidable harm	Quality Committee
Partnership Working	If the Trust does not collaborate effectively with key stakeholders and partners to plan and deliver care, this may adversely impact our ability to improve services for local people and reduce health inequalities.	Board of Directors
Demand and Capacity	If the Trust is unable to restore services (as a result of the COVID-19 pandemic) and sustain sufficient capacity to manage increased demand for services, patient waiting times may increase, potentially resulting in an adverse impact on patient outcomes and experience and/or patient harm.	Quality Committee
IT Systems	If the Trust's IT infrastructure is not adequately protected, systems may be comprised, resulting in	Audit Committee

	reduced access to critical patient and operational systems and/or the loss of data.	

The detail included in the BAF has been developed to:

- map the Trust's key controls, mitigations and sources of assurance to each strategic risk;
- identify the current risk scoring based on the Trust's likelihood/ consequence framework;
- identify any gaps in controls and/or assurances; and
- identify the actions required to address any significant gaps in controls and/or assurances (in line with the development of the Strong Roots, Global Reach Delivery Plan). The Trust's Strategy, Research and Partnerships Committee reviews progress to implement the Strategy Delivery Plan.

Each strategic risk has been assigned to a Board Committee for review and oversight. Review of all BAF risks is also considered at the Trust's Audit Committee. An overview of the BAF and a summary of any changes and key developments is presented to the Trust Board on a quarterly basis.

The BAF was be used to inform the meeting agendas for the Board and its Committees in 2024/25.

Stakeholders involved in risk management

The Trust's stakeholders are involved in the Trust's risk management arrangements in a number of difference ways, including:

- The Trust's members are represented by the Trust's Council of Governors, which includes public, staff, patient and stakeholder governors.
- The Council of Governors receive updates on the delivery of the Trust's objectives and Governor representatives observe Board assurance Committees to seek assurance on the oversight and mitigation of risk.
- Governor engagement in Patient Experience & Safety Committee and Strategy Committee and other Trust patient groups.
- Feedback obtained through the Patient Advice and Liaison Services.
- ICS attendance at Serious Incident Panel and Quality Committee.
- Engagement with staff, governors, patient and community groups in the development of the Trust's five-year strategy.
- The Board receives patient or staff stories at each Board meeting
- Executive and Non-Executive Director clinical visits.

Workforce Strategies

Our Strong Roots, Global Reach strategy places 'Brilliant People' as the centre of everything we do. During 2021/22 we have developed our People and Culture Plan 2022-2026, underpinned by the Trust's refreshed values – We are a kind, respectful team – to support our BOLD vision. The Plan was formally launched in June 2022. In developing the People and Culture Plan we have prioritised five themes:

- Belonging to King's.

- Being our best.
- Looking after our people.
- Inspiring leadership.
- Ensuring our people thrive.

The Board Assurance Framework includes a specific risk in relation to the recruitment and retention of our people. Details regarding the mitigations and key sources of assurance are periodically reviewed by the Board and the Board's Committees. We have developed a strategic recruitment programme which includes a number of initiatives to support recruitment, for example dedicated campaigns for specific services and international recruitment activities.

The Trust's People, Education Inclusion and Research Committee receives regular workforce performance reports to provide a consolidated overview of core workforce priorities and key performance indicators. The report also includes local and national benchmarking information. Metrics reported include: staff engagement, eRostering finalisation, job planning completion, vacancy rates, staff turnover rate, sickness absence, appraisal rates and training compliance. Key workforce metrics are also reported to the Trust Board within the Integrated Performance Report.

The People, Education Inclusion and Research Committee receives other workforce reports including the results of the annual national NHS staff survey and plans to support improvements based on responses to the survey, exception reports from the Guardians of Safe Working and from the Trust's Freedom to Speak Up Guardian, as well as bi-annual nurse establishment reviews.

Workforce planning is undertaken as part of the Trust's business planning cycle. Business cases to address any emerging changes to the Trust's workforce profile and to reduce the reliance on temporary staffing arrangements are also considered by the Trust's Investment Board throughout the year.

Workforce data is reviewed along with operational, finance and quality performance metrics as part of care group and site performance reviews to support the identification and escalation of any emerging risks.

In line with NHS England's Developing Workforce Safeguards recommendations to support Trusts in making informed, safe and sustainable workforce decisions, there is regular reporting on nursing establishments to the People, Education Inclusion and Research Committee and to the Board to provide details of the staffing position including, care hours per patient day (CHPPD), vacancy rates and turnover rates, and to outline any trends. The number of staff required per shift is calculated using an evidence- based tool, the Safer Nursing Care Tool, which provides specific multipliers depending on the acuity and dependency levels of patients. The number is further informed by professional judgement, taking into consideration issues such as ward size and layout, staff skill mix, incidence of harm and patient satisfaction.

On a monthly basis the Trust-wide Nursing and Midwifery Workforce Governance Group provides oversight and supports future nursing and midwifery workforce planning.

Processes to support business-as-usual dynamic staffing risk assessments, include regular review of staffing levels, for example, daily staffing huddles, and weekly e-rostering reviews.

Compliance statements

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

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

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

The Trust's most recent CQC well-led inspection (Feb 2023), assessed the Trust as well-led. During 2024/25, the Trust refreshed its board Committee and executive governance structures aimed at further improve the oversight of risk and the delivery of the Trust's strategic objectives and its improvement agenda.

The Trust was subject to review of its financial governance arrangements by NHS England in Q4 2023-24 in order to understand how the financial position had deteriorated so quickly. As part of the recovery programme, a further, more detailed financial governance review was commissioned. Detailed action plans were developed and implementation has been tracked by Internal Audit and the Audit Committee over the course of the year. Assurance on progress has been provided to the Board of Directors on a regular basis.

The Trust has arrangements in place to identify and mitigate risks to compliance with the NHS Foundation Trust licence condition 4 (8) (Foundation Trust governance) including the Board and Board Committee structure (details are outlined above and in the Accountability Report), the risk management framework and site governance and performance arrangements.

The Trust is able to assure itself by considering information from a range of sources including:

- the Head of Internal Audit opinion and annual report;
- external auditor reports; and
- other external assurance reports e.g. the CQC Well-Led Inspection.

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

The Board reviews the annual planning process. Delivery of the financial plan is subject to scrutiny and oversight by the Finance and Commercial Committee and the Trust Board at each meeting. A Trust-wide process is in place to oversee the development and approval of revenue and capital business cases and significant programmes are monitored by the Finance and Commercial Committee. All these processes have been refreshed and strengthened during 2024/25.

The Trust uses a range of key performance indicators (KPIs) to monitor performance. The Trust's performance management framework is aligned to care group leadership structure and

regular performance reviews are held at a site and group level. Presentation of data has improved over 2024/25, as the Trust has implemented 'Making Data Count' good practice developed by NHSE.

The Trust has a range of policies and procedures to support the financial control framework, and the Trust's Standing Financial Instructions were subject to review during 2024. The final document was agreed by the Trust's Board of Directors in December 2024. During 2024/25 the Trust's internal auditors reviewed the Trust's core financial controls (payroll) which provided **'partial assurance with improvements required**'.

In order to ensure that the Trust achieved its savings plan the Trust implemented enhanced governance to oversee the identification and delivery of its cost improvement programme (CIP). The King's Executive Improvement Board monitors overall progress of the cost improvement programme and major programme achievement against key KPIs, acts as primary decision maker to address key blockers and approve mitigating actions to support continuity of the work streams and programme's delivery objectives and provide assurance that decisions taken support and enhance the quality and safety agenda of the Trust. The Trust agreed a CIP of £50m, which was delivered as was the Trust's headcount reduction target of 600WTE. Assurance is provided to the Board of Directors through Finance and Commercial Committee and the Improvement Committee monthly.

The Trust's external auditors are required to assess the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources in line with the National Audit Office's Code of Audit Practice. The external auditors report the findings of their review to the Audit Committee. The conclusion from the 2024/25 review can be found later in this report.

Information Governance and Data Security 2024/25

The Trust identified a strategic risk related to the IT infrastructure and the requirement to protect systems and data, as detailed in the board assurance framework. The Trust is obligated to process information (both personal and corporate) in accordance with current standards set out in legislation, including the Data Protection Act 2018 and the UK General Data Protection Regulations 2021, as well as other government guidelines, such as the NHS IG Assurance Framework.

Information Governance (IG) at the Trust includes responsibilities, strategy, policy, and procedures for handling personal information. Oversight is provided by the Information Governance Steering Group (IGSG), reporting to the Risk and Governance Committee. The IGSG Chair is the Deputy Chief Executive, serving as the Senior Information Risk Owner (SIRO). Key members include the Caldicott Guardian, Data Protection Officer, IG Manager, Information Security personnel, Head of Patient Records, and representatives from across the Trust.

The Trust assesses its compliance with the IG Assurance Framework through the NHS England Data Security and Protection Toolkit (DSPT). Compliance with DSPT outcomes is verified by meeting the requirements outlined in the Cyber Assessment Framework. This compliance is audited annually by King's internal auditors to support the Trust's position.

The annual submission date for the DSPT is 30 June. The DSPT result for the period 1 July 2023 to 30 June 2024 was reported in the last Annual Report; the result is repeated in this report because the submission date falls in the 2024/25 reporting period.

The Trust received an "Approaching Standards" rating with an action plan agreed with NHS England in June 2024. The Trust has completed four of the five actions and is expected to achieve "Standards met" status for version 6 DSPT 2023/24 once the final action is completed. Work on version 7 DSPT 2024/25 is ongoing, and the results will be included in the 2025/26 Annual Report.

The ICT department have obtained ISO27001 certification, this provides assurance that the information security measures that the Trust's ICT department has in place to protect personal and sensitive data are robust, effective and comply with international standards.

IG Incidents

In the 2024/25 financial year, 608 incidents were reported. One was deemed serious and reported to the ICO, based on NHS England's criteria for DSPT.

ICO Complaints

Twelve complaints about Data Protection were made to the ICO. Ten have been closed, and two remain open.

Data quality and governance

To effectively design, implement, and measure improvements in patient care and patient safety the Trust requires high quality data. The Trust has a series of processes and controls in place to support improvements in the completeness and accuracy of data, including elective waiting list data. Many of these processes continue to be revised following the implementation of our electronic health record (Epic) as we work with the system supplier to improve and enhance activity recording and clinical coding processes within Epic.

The Trust has developed multiple data quality dashboards both within the Epic system itself as well as part of its Business Intelligence report offering to support appropriate oversight and governance of activity and pathways. The Trust has also maintained its monthly Internal Activity Recording Panel governance meeting to review and approve any proposed changes to the recording of Trust data.

Following the implementation of Epic further work has been ongoing to understand the implication of the change on activity data recording. One example is the recent sector review led by SEL ICB during FY20204/25 which reviewed in detail, counting and coding changes arising from Epic. All recording systems have an element of interpretation and as such any change between systems will lead to differences in the way that activity is recorded and reported.

Considering the Trust's reimbursement mechanism is based on the Aligned Payment Incentive (API) regime which comprises Fixed and Variable (ERF) income streams, sector review initially prioritised changes that would impact on Variable income, due to in-year financial implication for Trusts and Commissioners. King's as well as Guys & St Thomas NHS Trusts and commissioners have been able to understand recording issues and agree solutions that are in line with National Expectations and Data dictionary rules. A Joint Trust Activity Recording Panel and Counting & Coding workstream has been setup to oversee this work predominantly in the second half of this financial year.

In late 2024, a number of issues were identified in relation to the validation of long-waiting patients on the PTL which related to pathway management within EPIC. The issue was identified through the pathway assurance process, which highlighted potential missing elective waiting list pathways. It was found that this was caused by a number of factors including

referral management, RTT pathway behaviours within the system, missing admissions as well as user interaction errors. Once the issue was identified a full action plan was developed, including a clinical harm review to understand the impact on patients. Key external partners, including NHS England were also informed.

Data quality arrangements are also assessed as part of the Trust's annual internal audit plan supported by KPMG. In 2024/25, the review focused on ambulance handover delays. The review provided **'significant assurance, with minor improvement opportunities'** and made a number of recommendations, which have been fully implemented:

- Review and agree the required validation processes for staff across both sites relating to handover data. Ensure that this is documented and communicated to relevant teams.
- Agree the definitions of recorded data, source and format of reporting on ambulance handovers within the Trust to ensure consistency.
- Update the IPR to be clear that the source of the data is the London Ambulance Service, and the time parameters applied to the reported data (>30 minutes or 30-60 minutes accordingly).

Equality, Diversity and Inclusion

King's is an incredibly diverse organisation, serving diverse communities and we are incredibly proud of the rich cultural heritage provided by our staff, patients and local communities. Putting diversity, equality and inclusion at the heart of everything we do forms part of King's BOLD vision, which is set out in the Trust's five-year strategy.

The Trust's work in this area is led by an executive-level post, Director of Equality, Diversity and Inclusion, was created to accelerate the Trust's ambitious EDI agenda.

The Trust reported progress regarding the gender pay gap, the workforce race equality standard (WRES) and the workforce disability equality standard (WDES) to the Trust's People, Education Inclusion and Research Committee along with plans to continue to make King's a better place to work. The Trust's gender pay gap data can be found here: Gender pay gap reports for King's College Hospital - Gender pay gap service (gender-pay-gap.service.gov.uk)

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

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 annual audit report and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee, and the Quality Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Board and its Committees continued to meet throughout the year to review and oversee the system of internal control and emerging risks. The Board has oversight of strategic risk.

The Board and the Board's Committees continue to use the assurance framework to oversee the management and mitigation of strategic risks. The Audit Committee has received reports from the Trust's internal and external auditors and other external reviewers during the year to support the Committee's review of the risk management arrangements and governance framework**.**

The King's Improvement Programme

King's has made progress during the year in addressing the significant governance issues that resulted in the Trust entering NOF4 and the Recovery Support Programme. Two financial governance reviews were commissioned and recommendations aimed at embedding financial sustainability, board leadership and culture, accountability, shared understanding of the need to reconcile performance, activity workforce and financial plans with quality ambitions, and governance including understanding of risk, presentation of information and use of business intelligence. In response to these findings, a full improvement programme has been established.

The purpose of the Improvement Programme is to transform the way the Trust uses the resources available to deliver high quality care to patients, in a financially sustainable way; to drive and embed effective distributed leadership in the large multi-sited organisation and embed a culture of continuous improvement for the benefit of our patient and local population. It will also allow the Trust to meet the criteria agreed with NHSE to transition to NOF3 by December 2025.

The Trust is making progress. Programme workstreams have been developed and plans are being agreed; delivery is underway. Workstreams have been mapped against the required Transition Criteria (to ensure that once delivered, the Trust will meet the statutory required improvements set out both in the NHSE Operating Model Transition criteria and enforcement undertakings linked to its Foundation Trust Licence.

Governance has been established and a Programme Management Office (PMO) is in place. The Trust's NHSE Improvement Director is supporting the development of the Programme and there has been regular Board engagement in the development of the programme, and a new Improvement Committee established to oversee progress in meeting the transition criteria and delivery of the improvement programme.

The Trust will be subject to quarterly review meetings with National NHSE Leads, where progress against the Transition criteria and Enforcement undertakings will be monitored with compliance certificates issued once sufficient assurance has been provided.

Progress to date includes the completion of the full Financial Governance Review, with external assurance that the recommendations have been implemented. Financial grip and control has improved, as has financial reporting and the Trust delivered its financial plan for 2024/25. The work to develop a medium-term financial strategy is complete. Four tiered leadership development programmes have been developed and are in delivery to empower and build collective leadership in our senior managers, site leadership teams, and executives. Board development has also begun, with a clear focus on embedding an improvement culture in the organisation with an ambition to create the 'King's Way' to improvement as has work to further mature the Trust's approach to risk.

2024/25 Internal Audit Programme

The Trust's internal auditors, KPMG LLP, develop an annual audit plan based on the Trust's objectives, risk profile and an assessment of existing sources of assurance. The 2024/25 plan was presented to the Audit Committee in April 2024. At the request of the Trust, an additional detailed Financial Governance Review was also included. The reports, detailing the key findings and recommendations were reviewed by the Trust's Audit Committee.

One area was assessed as 'partial assurance with improvements required, with the remaining reviews providing significant assurance. The Financial Governance Review was not rated. Plans are in place to address the recommendations made in the reviews. The Risk and Governance Committee monitors progress with these actions and updates are provided to the Audit Committee.

The conclusions of each of the 2024/25 reviews are noted in the table below:

Review	Assurance Rating
Data Security Protection Toolkit	**Significant assurance with partial improvement required**
Leavers and Overpayments Follow-up	**Significant assurance with partial improvement required**
Temporary Staffing Follow-up	**Significant assurance with partial improvement required**
Maternity Incentive Scheme: Governance of Evidence Submission	**Significant assurance with partial improvement required**
Quality Assurance Framework	**Significant assurance with partial improvement required**
Core Financial Controls: Payroll (joint with LCFS)	**partial assurance with improvement required**
Epic Benefits Realisation	**Significant assurance with partial improvement required**
Risk Management: Cancer Performance	**Significant assurance with partial improvement required**
Data Quality: Ambulance Handover times	**Significant assurance with partial improvement required**
Financial Governance Review (non-core not rated)	Not rated

Head of Internal Audit Opinion
The overall Head of Internal Audit Opinion for the period 1 April 2024 to 31 March 2025 is that:

Significant assurance with minor improvement opportunities' can be given on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.

The basis for forming the opinion includes:

- An assessment of the range of individual assurances arising from contemporary core reviews of financial systems, governance, risk management and data quality;
- An assessment of the range of individual assurances arising from their risk-based internal audit assignments that have been reported throughout the period. This assessment has taken account of the relative materiality of these areas; and
- An assessment of the implementation status of prior year actions raised from internal audit assignments. This assessment has taken account of the severity and nature of actions raised.

KPMG's annual report and opinion provides commentary to support their assessment as follows:

On the basis of our work outlined below, we have concluded that our overall opinion for the period 1 April 2024 to 31 March 2025 is that 'Significant assurance with minor improvement opportunities' can be given on the overall adequacy and effectiveness of the Trust's framework of governance, risk management and control.

The range of individual assurances arising from contemporary core reviews of financial systems, governance, risk management and data quality

For the core areas of operation where we are required to conclude across 2024/25 to inform our Opinion we completed the following reviews which concluded positively and had assurance ratings of 'significant assurance with minor improvement opportunities':

- *Data Quality Ambulance Handover Times: This review identified good processes for capturing data and reporting to Board. One medium and two low priority actions were raised relating to data validation processes. One of the low priority actions, relating to the reporting of Trust handover data, is overdue.*
- *Risk Management Cancer Performance: This review identified well designed risk management processes that were operating consistently. We raised five medium and four low priority actions. Actions are on track for completion in line with agreed timelines and no actions are overdue.*
- *Quality Assurance Framework (QAF): We identified an effective processes for conducting quality visits in line with the QAF. Our four medium and two low priority findings related to coordination and documentation of visits. Actions are on track for completion in line with agreed timelines and no actions are overdue.*

We completed two core reviews as part of our 2024/25 internal audit plan that focused on financial controls and governance, both of which identified significant issues:

- *Financial Governance: This work was completed during quarter one of the financial year. We identified a range of challenges in financial governance, leading to eight high, 31 medium and two low priority findings being raised. Key findings related to financial reporting, oversight and challenge; and workforce controls relating to temporary staffing, leavers and overpayments. All findings were accepted by management, who have implemented actions as they have fallen due throughout the year. Management have completed comprehensive, monthly reporting on the progress of implementing all actions from the review, this reporting has been presented to Risk and Governance Committee. We have validated the implementation of those actions each month as they have fallen due and have reported on the progress of implementation to the Risk and Governance Committee and to Audit and Risk Committee. All actions were implemented in line with their agreed target dates as the year progressed. We completed further testing at the year end to revalidate whether actions that had been implemented earlier in the year have embedded with controls operating effectively from the point they were implemented through to the year end. This testing confirmed that actions have been appropriately implemented, and controls have continued to operate effectively*
- *Payroll: In this review we identified four medium and one low priority findings. Key issues included the processing of some new starters and amendments without appropriate documentation in place and instances of pre-employment checks being completed after new joiners' start dates. Action has since been taken to address these findings by management and none are overdue at the year end*

The range of individual opinions arising from risk-based audit assignments, contained within our risk-based plan that have been reported throughout the year.

- *We provided 'significant assurance with minor improvement opportunities' in each of our risk-based reviews. These reviews were: DSP Toolkit; Leavers and Overpayments (follow up); Temporary Staffing (follow up); Maternity Incentive Scheme (MIS): Governance of Evidence and Submission; and Benefits Realisation: EPIC Implementation.*
- *No high priority findings were raised in our risk-based audit assignments.*

The implementation status of prior year actions raised from internal audit assignments

- *The Trust has implemented 85 recommendations during 2024/25. Of those implemented, 51 recommendations were raised during the year 34 relate to actions from the previous year. There are no overdue actions, which demonstrates a commitment address control weaknesses to strengthen the control environment.*

Other relevant factors

- *In April 2024, NHS England returned the Trust to NHS Oversight Framework segment 4 (NOF 4), after a period in segment 3 since December 2022. The Trust has received support from the National Recovery Support Programme (RSP) to gain assurance that the financial governance challenges that led to the decision to place the Trust into segment 4 of the SOF are being sustainably addressed. The Trust has reported on various domains aligned to the NOF as part of integrated performance reporting to Board throughout 2024/25. Board reporting on Trust Strategy highlights commitment to exiting NOF4 in 2025/26 by working to a core set of 'must-dos' mapped closely to NOF4 transition criteria.*

- *NHS England commissioned a governance review which concluded on actions relating to the Trust refreshing compliance with the HFMA self-assessment and the 'Grip and Control' checklist, along with an action for the Trust to formally consider whether its accountability arrangements need to be strengthened to provide assurance of ownership, commitment and delivery. In our 2024/25 internal audit plan we undertook a financial governance review in quarter one and management have completed actions in line with agreed timelines. We have tracked the implementation of those actions monthly throughout the year*
- *The Trust reported improved financial performance during 2024/25. The Trust recorded a deficit for 2024/25 of £33.7 million (2023/24: £78.7 million deficit), in line with its forecast position and favourable to the agreed plan, driven by strong CIP delivery, reductions in staff costs and lower than anticipated inflation.*
- *A breakeven budget for 2025/26 has been agreed with commissioners and approved by the Trust Board on 24 Mach 2025. This includes £75 million of National Income Support and £24 million of ICB Income Support. The key risks to the delivery of this position include the continued delivery of efficiency plans and programmes.*

We have therefore issued an opinion of 'Significant assurance with minor improvement opportunities' overall.

Conclusion

During the year, significant control issues have been identified and have resulted in the Trust entering National Oversight Framework segment 4 and the Recovery Support Programme, as well as having enforcement undertakings issued against its licence. Detailed recovery plans have been implemented as a result and grip and control of key governance and management functions has been strengthened. The Trust has fully implemented the recommendations of the financial governance review and through this, addressed many of the control issues that led to the Trust entering NOF 4. The Trust now has strengthened risk management arrangements and an internal control framework in place, and as evidenced by the conclusions of a number of individual internal audit reviews and the overall Head of Internal Audit Opinion, these provide significant assurance.

As Accounting Officer, I have ensured action plans are in place and that there has been regular reporting to the Board of Directors on progress.

Professor Clive Kay **26th June 2025**
Chief Executive and Accounting Officer

ANNUAL ACCOUNTS 2024/25

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF GOVERNORS AND BOARD OF DIRECTORS OF KING'S COLLEGE HOSPITAL NHS FOUNDATIONTRUST

Report on the audit of the financial statements

Trust Accounts Consolidation (TAC) Summarisation Schedules for King's College Hospital NHS Foundation Trust

Summarisation schedules numbers TAC01 to TAC34 and accompanying WGA sheets for 2024/25 are attached.

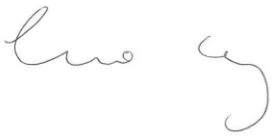
Finance Director Certificate

1. I certify that the attached TAC schedules have been compiled and are in accordance with:
   - the financial records maintained by the NHS Foundation Trust
   - accounting standards and policies which comply with the Group Accounting Manual issued by the Department of Health and Social Care and
   - the template accounting policies for NHS Foundation Trusts issued by NHS Improvement, or any deviation from these policies has been fully explained in the Confirmation questions in the TAC schedules.
2. I certify that the TAC schedules are internally consistent and that there are no validation errors.
3. I certify that the information in the TAC schedules is consistent with the financial statements of the NHS Foundation Trust.

Roy Clarke, Chief Financial Officer
Date 26th June 2025

Chief Executive Certificate

1. I acknowledge the attached TAC schedules, which have been prepared and certified by the Chief Finance Officer, as the TAC schedules which the Foundation Trust is required to submit to NHS Improvement.
2. I have reviewed the schedules and agree the statements made by the Chief Finance Officer above.



Professor Clive Kay Chief Executive Officer
Date: 26th June 2025

Independent auditor's report to the Council of Governors of Kings College Hospital NHS Foundation Trust

Report on the audit of the financial statements

Opinion on financial statements

We have audited the financial statements of Kings College Hospital NHS Foundation Trust (the 'Trust') and its subsidiaries (the 'group') for the year ended 31 March 2025, which comprise the consolidated statement of comprehensive income, the statement of financial position, the statement of changes in taxpayers' equity, the statement of cash flows, the notes to financial statements, the significant accounting policies and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards in conformity with the requirements of the Accounts Directions issued under Schedule 7 of the National Health Service Act 2006, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2024-25.

In our opinion, the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law, as required by the Code of Audit Practice (2024) ("the Code of Audit Practice") approved by the Comptroller and Auditor General. 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 Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and 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

We are responsible for concluding on the appropriateness of the Accounting Officer's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or the Trust to cease to continue as a going concern.

In our evaluation of the Accounting Officer's conclusions, and in accordance with the expectation set out within the Department of Health and Social Care Group Accounting Manual 2024-25 that the group's and the Trust's financial statements shall be prepared on a going concern basis, we considered the inherent risks associated with the continuation of services provided by the group and the Trust. In doing so we had regard to the guidance provided in Practice Note 10 Audit of financial statements and regularity of public sector bodies in the United Kingdom (Revised 2024) on the application of ISA (UK) 570 Going Concern to public sector entities. We assessed the reasonableness of the basis of preparation used by the group and the Trust and the group's and the Trust's disclosures over the going concern period.

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 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.

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

Other information

The other information comprises the information included in the annual report and accounts, 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 and accounts. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Other information we are required to report on by exception under the Code of Audit Practice

Under the Code of Audit Practice published by the National Audit Office in November 2024 on behalf of the Comptroller and Auditor General (the Code of Audit Practice) we are required to consider whether the Annual Governance Statement does not comply with the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2024/25 or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider 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 this regard.

Opinion on other matters required by the Code of Audit Practice

In our opinion:

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

Matters on which we are required to report by exception

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

- we issue a report in the public interest under Schedule 10 (3) of the National Health Service Act 2006 in the course of, or at the conclusion of the audit; or
- we refer a matter to the regulator under Schedule 10 (6) of the National Health Service Act 2006 because we have reason to believe that the Trust, or an officer of the Trust, is about to make, or has made, a decision which involves or would involve the incurring of unlawful expenditure, or is about to take, or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency.

We have nothing to report in respect of the above matters.

Responsibilities of the Accounting Officer

As explained more fully in the Statement of the Chief Executive's responsibilities as the accounting officer, the Chief Executive, as Accounting Officer, is responsible for the preparation of the financial statements in the form and on the basis set out in the Accounts Directions included in the NHS Foundation Trust Annual Reporting Manual 2024/25, 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 Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer has been informed by the relevant national body of the intention to dissolve the Trust and the group without the transfer of their 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 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and the Trust and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks (international accounting standards and the National Health Service Act 2006, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2024-25).
- We enquired of management and the Audit and Risk Committee, concerning the group's and the Trust's policies and procedures relating to:
  - the identification, evaluation and compliance with laws and regulations;
  - the detection and response to the risks of fraud; and
  - the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.
- We enquired of management, internal audit and the Audit and Risk Committee, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- We assessed the susceptibility of the group's and the Trust's financial statements to material misstatement, including how fraud might occur, evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls and fraud in income and expenditure recognition. We determined that the principal risks were in relation to:
  - journal entries that improved the Trust's or group's financial performance for the year;
  - the occurrence and accuracy of income relating to the Trust, in particular income that varies based on activity, and the existence and accuracy of the related receivables;
  - the completeness of non-pay expenditure and payables for the Trust;
  - potential management bias in determining accounting estimates and judgements, in particular those in relation to the valuation of the Trust's land and buildings.
- Our audit procedures involved:
  - evaluation of the design effectiveness of controls that management has in place to prevent and detect fraud;
  - journal entry testing, with a focus on high risk journals at the end of the financial year which could improve the Trust's or group's financial performance;
  - substantive testing of income for the Trust with a focus on income recognition, along with substantive testing of a sample of receivables for the Trust;
  - substantive testing of completeness assertion of expenditure to search unrecorded liability and verify that all transactions related to the reporting period are accurately recorded in the financial statements to ensure expenses are recognised in the correct period, where we tested a sample of non-pay cash payments made and invoices received prevalent at year end and after the year end;
  - challenging assumptions and judgements made by management in its significant accounting estimates in respect of land and building valuations for the Trust;
  - assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

- We communicated relevant laws and regulations and potential fraud risks to all engagement team members, including the potential for fraud in revenue and expenditure recognition in the Trust accounts, and the significant accounting estimates related to land and buildings valuations for the Trust. We remained alert to any indications of non-compliance with laws and regulations, including fraud, throughout the audit.
- The engagement partner's assessment of the appropriateness of the collective competence and capabilities of the group and Trust audit team members included consideration of their:
  - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
  - knowledge of the health sector and economy in which the group and the Trust operates
  - understanding of the legal and regulatory requirements specific to the group and the Trust including:
    - the provisions of the applicable legislation
    - NHS England's rules and related guidance
    - the applicable statutory provisions.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
  - The group's and the Trust's operations, including the nature of its income and expenditure and its services and of its objectives and strategies to understand the classes of transactions, account balances, financial statement consolidation process, expected financial statement disclosures and business risks that may result in risks of material misstatement.
  - The group's and the Trust's control environment, including the policies and procedures implemented by the group and the Trust to ensure compliance with the requirements of the financial reporting framework.
- For components at which audit procedures were performed, we requested component auditors to report to us instances of non-compliance with laws and regulations that gave rise to a risk of material misstatement of the group financial statements. No such matters were identified by the component auditors.

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

Report on other legal and regulatory requirements – the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Matter on which we are required to report by exception – the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report to you if, in our opinion, we have not been able to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2025.

We have nothing to report in respect of the above matter except On 14 June 2024 we identified a significant weakness in the Trust's financial sustainability arrangements. We have concluded that there remains a significant weakness in the Trust's arrangements to deliver financial sustainability. The Trust has not yet made inroads into the underlying deficit and the ability to deliver recurrent pay cost savings is crucial for the Trust's financial performance in both the short and medium term. We recommended that the Trust should deliver at pace the identification and delivery of recurrent cost efficiency, particular recurrent pay cost savings.

Responsibilities of the Accounting Officer

The Chief Executive, as Accounting Officer, is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of the Trust's resources.

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

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

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in November 2024. This guidance sets out the arrangements that fall within the scope of 'proper arrangements'. When reporting on these arrangements, the Code of Audit Practice requires auditors to structure their commentary on arrangements under three specified reporting criteria:

- Financial sustainability: how the Trust plans and manages its resources to ensure it can continue to deliver its services;
- Governance: how the Trust ensures that it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness: how the Trust uses information about its costs and performance to improve the way it manages and delivers its services.

We have documented our understanding of the arrangements the Trust has in place for each of these three specified reporting criteria, gathering sufficient evidence to support our risk assessment and commentary in our Auditor's Annual Report. In undertaking our work, we have considered whether there is evidence to suggest that there are significant weaknesses in arrangements.

Report on other legal and regulatory requirements – Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate for Kings College Hospital NHS Foundation Trust for the year ended 31 March 2025 in accordance with the requirements of Chapter 10 of the National Health Service Act 2006 and the Code of Audit Practice until we have received confirmation from the National Audit Office that the audit of the NHS group consolidation is complete for the year ended 31 March 2025. We are satisfied that this work does not have a material effect on the financial statements for the year ended 31 March 2025.

Use of our report

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

Paul Dossett

Paul Dossett, Key Audit Partner
for and on behalf of Grant Thornton UK LLP, Local Auditor

London

26 June 2025

King's College Hospital NHS
NHS Foundation Trust

Final Annual Accounts
for the year ended 31 March 2025

Statement of the Chief Executive's responsibilities as the Accounting Officer of King's College Hospital NHS Foundation Trust

The NHS Act 2006 states that the Chief Executive is the Accounting Officer of the NHS Foundation Trust. The relevant responsibilities of the Accounting Officer, including their responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper accounts, are set out in the *NHS Foundation Trust Accounting Officer Memorandum* issued by NHS Improvement.

NHS England, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require King's College Hospital NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those Directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of King's College Hospital NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

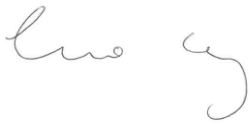
In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Department of Health Group Accounting Manual and in particular to:

- observe the Accounts Direction issued by NHS Improvement, 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 Group Accounting Manual)* have been followed, and disclose and explain any material departures in the financial statements
- ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance
- confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS Foundation Trust's performance, business model and strategy and
- prepare the financial statements on a going concern basis.

The Accounting Officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS Foundation Trust and to enable him/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 the NHS Foundation Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Signed:  Date**:26 June 2025**

Clive Kay
Chief Executive

FOREWORD TO THE ACCOUNTS

King's College Hospital NHS Foundation Trust

These accounts, for the year ending 31 March 2025, have been prepared by King's College Hospital NHS Foundation Trust in accordance with paragraphs 24 and 25 of Schedule 7 to the National Health Service Act 2006 and comply with the guidance for NHS Foundation Trusts within the Department of Health Group Accounting Manual.

Signed:  Date: 26th June 2025

Clive Kay
Chief Executive

Consolidated Statement of Comprehensive Income for year ended 31 March 2025

		Group	
		2024-25	2023-24
	Note	**£000**	£000
Operating income from patient care activities	2.1, 2.2	**1,805,001**	1,659,633
Other operating income	2.1	**131,408**	136,351
Total operating income from continuing operations		**1,936,409**	1,795,984
Operating expenses	3.1	**(1,933,139)**	(1,848,889)
Operating surplus/(deficit) from continuing operations		**3,270**	(52,905)
Finance income and costs			
Finance income		**4,622**	3,067
Finance expenses	5	**(36,377)**	(56,036)
Public Dividend Capital dividends payable		**(9,712)**	(12,210)
Net finance costs		**(41,467)**	(65,179)
Other (losses) / gains	7	849	(681)
Share of profit of associates and joint ventures	7.1	25	(209)
Corporation tax expense		(649)	37
Deficit from continuing operations		**(37,972)**	(118,937)
Deficit for the year		**(37,972)**	(118,937)
Other comprehensive expense, that will not be reclassified subsequently to income and expenditure			
Impairments	6	**(2,337)**	(24,996)
Revaluations	21	**17,554**	26,199
Fair value gains/(losses) on equity instruments designated at FV through OCI		**-**	1,551
Other reserve movements		**44**	(135)
Total other comprehensive income		**15,261**	2,619
Total comprehensive expense for the year		**(22,711)**	(116,318)
Allocation of losses for the year			
Deficit for the year attributable to:			
(i) non-controlling interest; and		-	-
(ii) Trust		**(37,972)**	(118,937)
Total		**(37,972)**	(118,937)
Total comprehensive expense for the year attributable to:			
(i) non-controlling interest; and		**-**	-
(ii) Trust		**(22,711)**	(116,318)
Total		**(22,711)**	(116,318)

Consolidated Statement of Comprehensive Income for year ended 31 March 2025 (continued)

		Group	
	Note	**2024-25**	2023-24
Note to Statement of Comprehensive Income		**£000**	£000
Total comprehensive income / (expense) for the year		**(22,711)**	(116,318)
Add back other comprehensive expenses		**(15,261)**	(2,619)
Deficit for the year		**(37,972)**	(118,937)
Add back impairments and reversal of impairments *	3.1, 6	**(1,027)**	22,267
Remove capital donations / grants I&E impact		**397**	(602)
Adjust for impact of IFRS 16 Implementation to PFI		**4,936**	18,542
Adjusted financial performance		**(33,666)**	(78,730)

** This is the total impairments and impairment reversals charged to the Consolidated Statement of Comprehensive Income in the year as disclosed in note 3.1 and note 6.*

The adjusted financial performance is the primary view which is used by the Board of Directors to monitor the Trust's financial performance and is in line with NHS England's financial performance measure.

The Group's deficit for the year was £37.968m and this figure includes allowable asset impairment reversals of £1.0m. This charge relates to impairment reversals that arise from changes in market value of Land and Buildings assets and intangible assets. The NHSE financial performance measures the surplus/(deficit) before impairments and the impact of donated assets.

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 unconsolidated deficit relating to the Foundation Trust for the year ended 31 March 2025 is £48.0m (2024: £131.7m) and total operating income for the year is £1,929m (2024: £1,790m).

Statements of Financial Position as at 31 March 2025

		Group		Trust	
		31 March 2025	31 March 2024	**31 March 2025**	31 March 2024
	Note	**£000**	£000	**£000**	£000
Non-current assets					
Intangible assets	8	**49,578**	46,750	**49,294**	46,013
Property, plant and equipment	9	**672,360**	665,728	**591,190**	597,058
Right of Use Assets	10	**97,201**	107,165	**154,237**	172,952
Investment in associates, joint ventures and subsidiaries	11.1,11.2	**6,344**	6,319	**250**	250
Other investments	11.4	**4,983**	4,344	**4,011**	4,011
Receivables	13	**16,673**	20,964	**41,241**	60,032
Total non-current assets		**847,139**	851,270	**840,223**	880,316
Current assets					
Inventories	12	**23,043**	25,152	**7,171**	7,324
Receivables	13	**61,853**	70,419	**57,899**	69,635
Cash and cash equivalents	14	**84,864**	72,561	**73,758**	62,797
Total current assets		**169,760**	168,132	**138,828**	139,756
Total assets		**1,016,899**	1,019,402	**979,051**	1,020,072
Current liabilities					
Trade and other payables	15	**(211,734)**	(188,227)	**(176,780)**	(172,177)
Borrowings	17	**(26,452)**	(27,075)	**(36,140)**	(37,278)
Provisions	18	**(1,927)**	(4,828)	**(1,927)**	(4,828)
Other liabilities	16	**(24,567)**	(25,672)	**(24,470)**	(25,688)
Total current liabilities		**(264,680)**	(245,802)	**(239,317)**	(239,971)
Net current (liabilities) / assets		**(94,920)**	(77,670)	**(100,490)**	(100,215)
Total assets less current liabilities		**752,219**	773,600	**739,734**	780,101
Non-current liabilities					
Borrowings	17	**(357,235)**	(373,351)	**(402,033)**	(427,100)
Provisions	18	**(3,496)**	(3,550)	**(3,496)**	(3,549)
Total non-current liabilities		**(360,731)**	(376,901)	**(405,529)**	(430,649)
Total assets employed		**391,488**	396,699	**334,205**	349,452
Financed by:					
Taxpayers' equity					
Public Dividend Capital		**1,217,814**	1,200,314	**1,217,814**	1,200,314
Revaluation reserve	21	**180,436**	165,219	**180,436**	165,219
Financial assets at FV through Other Comprehensive Income reserve		**3,329**	3,329	**1,551**	1,551
Income and expenditure reserve		**(1,010,091)**	(972,163)	**(1,065,597)**	(1,017,603)
Total taxpayers' equity		**391,488**	396,699	**334,205**	349,481

The notes on pages 5 and 10 to 59 form part of these accounts.

The financial statements on pages 4 to 9 were approved by the Board on 26 June 2025 and signed on its behalf by

Signed: **Date:** 26th June 2025

Clive Kay
Chief Executive

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

Group	Note	Public Dividend Capital £000	Revaluation reserve £000	Financial assets at FV through Other Comprehensive Income reserve £000	Income and expenditure reserve £000	Total reserves £000
Taxpayers' and others' equity at 1 April 2024 - brought forward		1,200,314	165,219	3,329	(972,163)	**396,699**
Deficit for the year		-	-	-	(37,972)	**(37,972)**
Impairments	21	-	(2,337)	-	-	**(2,337)**
Revaluations - property, plant and equipment	21	-	17,554	-	-	**17,554**
Public Dividend Capital received		17,500	-	-	-	**17,500**
Other reserve movements		-	-	-	44	**44**
Taxpayers' and others' equity at 31 March 2025		**1,217,814**	**180,436**	**3,329**	**(1,010,091)**	**391,488**
Taxpayers' and others' equity at 1 April 2023 - brought forward		1,103,498	164,016	1,778	(752,998)	516,294
Application of IFRS 16 measurement principles to PFI liability on 1 April 2023		-	-	-	(100,093)	(100,093)
Deficit for the year		-	-	-	(118,937)	(118,937)
Impairments	21	-	(24,996)	-	-	(24,996)
Revaluations - property, plant and equipment	21	-	26,199	-	-	26,199
Fair value gains on equity instruments designated at FV through OCI		-	-	1,551	-	1,551
Public Dividend Capital received		96,816	-	-	-	96,816
Other reserve movements		-	-	-	(135)	(135)
Taxpayers' and others' equity at 31 March 2024		1,200,314	165,219	3,329	(972,163)	396,699

Trust	Note	Public Dividend Capital £000	Revaluation reserve £000	Financial assets at FV through Other Comprehensive Income reserve £000	Income and expenditure reserve £000	Total reserves £000
Taxpayers' and others' equity at 1 April 2024 - brought forward		**1,200,314**	**165,220**	**1,551**	**(1,017,603)**	**349,482**
Deficit for the year		-	-	-	**(47,994)**	**(47,994)**
Impairments	21	-	(2,337)	-	-	**(2,337)**
Revaluations - property, plant and equipment	21	-	17,554	-	-	**17,554**
Public Dividend Capital received		17,500	-	-	-	**17,500**
Taxpayers' and others' equity at 31 March 2025		**1,217,814**	**180,436**	**1,551**	**(1,065,597)**	**334,204**
Taxpayers' and others' equity at 1 April 2023 - brought forward		1,103,498	164,017	-	(785,820)	481,695
Application of IFRS 16 measurement principles to PFI liability on 1 April 2023		-	-	-	(100,093)	(100,093)
Deficit for the year		-	-	-	(131,690)	(131,690)
Impairments	21	-	(24,996)	-	-	(24,996)
Revaluations - property, plant and equipment	21	-	26,199	-	-	26,199
Fair value gains on equity instruments designated at FV through OCI		-	-	1,551	-	1,551
Public Dividend Capital received		96,816	-	-	-	96,816
Taxpayers' and others' equity at 31 March 2024		1,200,314	165,220	1,551	(1,017,603)	349,482

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

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

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

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

Financial assets at FV through Other Comprehensive Income reserve
This reserve holds the valuation gain in respect of the PIK note held by the group.
The Trust holds this PIK note as a result of a historic transaction in which it received a combination of cash and other benefits for the sale of a business. The instrument entitles the Trust to dividends and also the ability to cash out in two tranches in the future.
The PIK (payment in kind) note is a financial instrument which enables the issuer to defer dividend payments until the instrument matures. The dividend expense is not paid in cash but accrued onto the balance of the instrument.

Statement of Cash Flows for the year ended 31 March 2025

		Group		Trust	
		2024-25	2023-24	**2024-25**	2023-24
	Note	**£000**	£000	**£000**	£000
Cash flows from operating activities					
Operating surplus / (deficit) from continuing operations		**3,270**	(52,905)	**(8,957)**	(69,454)
Non-cash income and expense					
Depreciation and amortisation	3.1	**63,599**	57,472	**61,024**	53,386
Net Impairments	3.1	**4,424**	21,134	**4,424**	22,267
Income recognised in respect of capital donations		**(1,116)**	(2,146)	**(745)**	(121)
(Increase)/Decrease in trade and other receivables		**12,151**	34,817	**29,821**	45,118
(Increase)/Decrease in inventories		**2,109**	(2,944)	**153**	598
Increase/(Decrease) in trade and other payables		**23,850**	(13,277)	**5,617**	(8,903)
Increase/(Decrease) in other liabilities		**(1,105)**	9,879	**(1,218)**	9,912
Increase/(Decrease) in provisions		**(3,003)**	1,493	**(3,002)**	1,492
Corporation Tax Paid		**(416)**	288	**-**	-
Other movements in operating cash flows		**720**	1,099	**1,072**	1,029
Net cash used in operations		**104,483**	54,910	**88,189**	55,324
Cash flows used in investing activities					
Interest received		**4,622**	3,067	**6,563**	6,400
Purchase of financial assets		**(836)**	(333)	**-**	-
Purchase of intangible assets	8	**(8,399)**	(19,191)	**(8,286)**	(19,000)
Purchase of property, plant and equipment	9	**(40,659)**	(50,054)	**(17,471)**	(36,181)
Sales of property, plant and equipment		**1,651**	126	**1,445**	350
Receipt of cash donation to purchase asset		**687**	121	**371**	121
Net cash used in investing activities		**(42,934)**	(66,264)	**(17,378)**	(48,310)
Cash flows from financing activities					
Public Dividend Capital received		**17,500**	96,816	**17,500**	96,816
Movement in loans from the Department of Health and Social Care		**(3,418)**	(3,418)	**(3,418)**	(3,418)
Movement in other loans		**(640)**	(640)	**(640)**	(640)
Capital element of lease liability repayments		**(12,145)**	(12,127)	**(22,139)**	(18,986)
Capital element of PFI and other service concession	22.3	**(13,126)**	(12,481)	**(13,126)**	(12,481)
Interest on DHSC loans		**(926)**	(1,019)	**(926)**	(1,019)
Interest on other loans		**(37)**	(49)	**(37)**	(49)
Other Interest		**(4)**	(1)	**(2)**	(1)
Interest paid on lease liability repayments		**(1,068)**	(1,120)	**(1,680)**	(1,563)
Interest element of PFI and other service concession obligations		**(26,911)**	(26,069)	**(26,911)**	(26,069)
Public Dividend Capital dividend paid		**(8,471)**	(13,582)	**(8,471)**	(13,582)
Net cash from financing activities		**(49,246)**	26,310	**(59,850)**	19,008
Increase / (decrease) in cash and cash equivalents		**12,303**	14,956	**10,961**	26,022
Cash and cash equivalents at 1 April		**72,561**	57,605	**62,797**	36,775
Cash and cash equivalents at 31 March		**84,864**	72,561	**73,758**	62,797

Notes to the accounts

1. Accounting policies

Basis of preparation of the financial statements

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

1.1 Going concern

The Trust has prepared its annual report and accounts on a going concern basis.

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

1.2 Accounting convention

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

Consolidated Accounts

1.3 Basis of Consolidation

Charitable funds
The King's College Hospital Charity and Friends of King's are independent charities and are not under the control of the Foundation Trust. Therefore, these charities have not been consolidated within these accounts.

1.3.1 Subsidiaries
Subsidiary entities are those over which the Foundation 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 amounts consolidated are drawn from the draft financial statements of the subsidiaries for the year. Where subsidiaries' accounting policies are not aligned with those of the Foundation Trust then the amounts are adjusted during consolidation where the differences are material. Inter-entity balances, transactions and gains/losses are eliminated in full on consolidation.

The Foundation Trust has a wholly owned subsidiary company, KCH Commercial Services Ltd, which wholly owns KCH Management Ltd. The accounts for these companies have been consolidated into the group accounts.

In 2016/17, the Foundation Trust formed King's Interventional Facilities Management LLP in partnership with Kings Commercial Services Ltd. The accounts for this partnership have been consolidated into the Trust's annual accounts.

1. Accounting Policies (continued)

The primary statements and notes to the accounts have been presented with separate 'Group' and 'Trust' columns. Where the difference between the 'Group' and 'Trust' figures is considered immaterial, the 'Trust' version of the note has been omitted.

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 deficit for the period was (£48.0m) (2023/24: (£131.18)).

1.3.2 Associates

Associate entities are those over which the Foundation Trust has power to exercise a significant influence. Associate entities are recognised in the Foundation Trust's financial statements using the equity method of accounting. The investment is initially recognised at cost. It is increased or decreased subsequently to reflect the Foundation Trust's share of the entity's profit or loss or other gains and losses (e.g. revaluation gains on the entity's property, plant or equipment) following acquisition. It is also reduced when any distribution (e.g. share dividends) are received by the Foundation Trust from the associate.

1.3.3 Joint ventures

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

1.3.4 Joint operations

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

1.4 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Trust's accounting policies, management is required to make various judgements, estimates and assumptions. These are regularly reviewed.

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

1.4.1 Critical judgements in applying accounting policies

There are no critical judgements material to the accounts in year.

1. Accounting Policies (continued)

1.4.2 Sources of estimation uncertainty

The following are assumptions about 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:

Estimate - Revaluation of Land and Buildings

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:

Non-specialised buildings and Land –market value for existing use

Land (Denmark Hill Site) –alternative site basis, based on patient postcode analysis
Specialised buildings –depreciated replacement cost on a modern equivalent asset basis.

The Trust seeks professional advice from its valuers' annually in determining the value of its land and buildings. The values in the valuer's report have been used to inform the measurement of property assets at valuation in these financial statements. The RICS qualified valuer exercised their professional judgement in providing the valuation and it remains the best information available to the Trust. However, the valuer uses informed assumptions regarding obsolescence, rebuild rates and the area of the sites required to accommodate modern equivalent assets with the same service potential which could change and have a material impact on the valuation.

Consequences of Change in Estimate

The net book value at 31 March 2025 of the Trust's Property, Plant & Equipment valued by professional valuers and reflected in these financial statements is £558.5m. A change in the estimated values would result in changes to the Revaluation Reserve and / or a loss or gain recorded as appropriate in the Statement of Comprehensive Income. If the value of land and buildings were to change by 5% this would result in a movement of around £27.9m.

It is also noted that land valuations, which are based on a notional appraisal are very sensitive to input parameters, with small variations in input leading to potentially large movements in value.

The Trust makes a number of other estimates in its financial accounts, which are not considered to be at risk of material uncertainty.

1. Accounting Policies (continued)

1.5 Operating segments

The Foundation Trust has a number of business divisions which are aggregated under one reportable segment being the provision of healthcare. The Foundation Trust provides Private Patient, Research and Development and Training and Education services within this healthcare sector, but as they do not have a material impact, they are aggregated under this one reportable segment. Note 2 entitled "Operating Income" includes the relevant income figures for these services.

The subsidiary figures have not been disclosed separately in this note as the SoCI has been prepared on a group only basis. Separate Group and Trust only SoFP information has been provided. The subsidiaries support the Trust in the overall provision of healthcare.

1.6 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. TheTrust typically applies standard payment terms of 30 days to all invoices raised.

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 BTP on non-elective services is included in the fixed element of API contracts with adjustments for actual achievement being made at the end of the year. BPT earned on elective activity is included in the variable element of API contracts and paid in line with actual activity performed.

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

1. Accounting Policies (continued)

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.

1.7 Other Forms of Income

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

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

1. Accounting policies (continued)

1.8 Expenditure on employee benefits

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

1.8.2 Pension Costs
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 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 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 operating expenses at the time the foundation trust commits itself to the retirement, regardless of the method of payment.

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

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

1.10 Corporation tax

The Finance Act 2004 amended S519A Income and Corporation Taxes Act 1988 provided power to the Treasury to make certain non-core activities of Foundation Trusts potentially subject to corporation tax. This legislation is effective from September 12 2005. Any outstanding payments of corporation tax as at the end of the financial year are provided for in the Statement of Comprehensive Income. The Foundation Trust did not incur Corporation Tax in 2024/25 as the Foundation Trust did not generate any taxable income. Corporation Tax is payable on profits made in the Trust's trading subsidiary companies.

1. Accounting policies (continued)

1.11 Property, plant and equipment

1.11.1 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 will be supplied to the foundation trust;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and either
- the item has cost of at least £5,000; or
- collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

1.11.2 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.

1.11.3 Measurement and Valuation
All property, plant and equipment is measured initially at cost, representing the cost 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 are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period.

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.

1. Accounting policies (continued)

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 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. The Trust has previously used an external advisor to inform MEA assumptions.

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

Valuations are carried out by professionally qualified valuers in accordance with the Royal Institute of Chartered Surveyors (RICS) Valuation – Global Standards (effective from 31st January 2020).
Land and buildings are revalued by full site inspection every three years, with desktop valuations on interim years The last asset valuations were undertaken as at 31 March 2025 by a RICS Registered Valuer from Avison Young (Kerry Maguire) on a desktop basis.

Depreciated Replacement Cost (DRC) is recognised under IAS 16 as a method of valuation for financial reporting purposes. DRC assessments were undertaken for those assets considered to be specialised properties (e.g. NHS patient treatment facilities). The Department of Health and Social Care has adopted the Modern Equivalent Asset approach (MEA) in carrying out the DRC assessment method.

Depreciated Replacement Cost has been adopted because of the asset classification as specialist properties which are rarely sold in the open market. The MEA approach is based on valuing the cost of a modern equivalent asset that has the same service potential as the existing asset and then adjusted to take account of obsolescence.

Only that plant and machinery forming part of the building services installations has been included. Total external works for each site have been allocated to each building based upon a percentage of replacement build costs adopted.

The valuation included the Foundation Trust's PFI schemes.

The carrying values of property, plant and equipment are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable. The costs arising from financing the construction of the property, plant and equipment are not capitalised but are charged to the Statement of Comprehensive Income in the year to which they relate. All impairments resulting from price changes are charged to the Statement of Comprehensive Income. If the balance on the revaluation reserve is less than the impairment the difference is taken to the Statement of Comprehensive Income.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately. Assets are revalued and depreciation commences when they 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.

1.12 Intangible assets

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

1. Accounting policies (continued)

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

Internally generated intangible assets
Internally generated goodwill, brands, mastheads, publishing titles, customer, lists and similar items are not capitalised as intangible assets. Expenditure on research is not capitalised. Expenditure on development is capitalised when it meets the requirements set out in IAS 38.

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

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

1.13 Depreciation, amortisation and impairments

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

Property, plant and equipment which has been reclassified as 'Held for Sale' ceases to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the foundation trust, respectively.

Buildings, installations and fittings are depreciated on their current value on a straight line basis over the estimated remaining life of the asset as advised by the valuer.

Equipment is depreciated on current cost evenly over the useful economic life of the asset. Standard useful economic lives are estimated for each major category of equipment and individual lives will only be applied where it is clear that the standard lives are materially inappropriate.

Useful economic lives reflect the total life of an asset and not the remaining life of an asset. The major categories and their useful economic lives are:

- furniture - 7 - 10 years;
- office and IT equipment - 5 - 8 years;
- soft furnishings - 7 - 10 years;
- medical and other equipment - 5 - 15 years.

Useful economic lives of building assets are provided through the annual independent valuation process and range from 5 - 61 years.
Leased assets (including land) are depreciated over the shorter of the useful economic 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.

1. Accounting policies (continued)

Amortisation
Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Useful economic lives reflect the total life of an asset and not the remaining life of an asset. Standard useful economic lives are estimated for each major category of equipment and individual lives will only be applied where it is clear that the standard lives are materially inappropriate. The Trust has one exception to the standard lives in respect of its Electronic Patient Records system and is amortising this asset over 15 years.

The Trust amortise intangibles over the following useful lives range:
software license, 3 - 10 years.

Revaluation gains and losses
Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that had previously been recognised in operating expenses, in which case they are recognised as 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 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 DHSC GAM, impairments that arise from a clear consumption of economic benefits or service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (I) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

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

De-recognition
Assets intended for disposal are reclassified as ‘Held for Sale’ once all of the following criteria are met. The sale must be highly probable and the asset available for immediate sale in its present condition.
Following reclassification, the assets are measured at the lower of their existing carrying amount and their ‘fair value less costs to sell’. Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.

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

1.14 Donated, government grant or other grant-funded assets

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

Government grant funded assets are capitalised at current value in existing use, if they will be held for their service potential, or otherwise at fair value on receipt, with a matching credit to income. Deferred income is recognised only where conditions attached to the grant preclude immediate recognition of the gain.

1.15 Leases

A lease is a contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration.

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

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

1.15.1 The Foundation Trust as lessee
Initial recognition and measurement

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

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

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

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

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

Subsequent measurement

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

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

1.15.2 The Foundation Trust as lessor

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

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

Finance leases

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

Operating leases

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

1. Accounting policies (continued)

1.16 Private finance initiative (PFI) transactions

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

Initial Recognition

In accordance with HM Treasury's *FReM, t*he underlying assets are recognised as property, plant and equipment, together with an equivalent PFI liability. Initial measurement of the asset and liability are in accordance with the initial measurement principles of IFRS 16 (see leases accounting policy).

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

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

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

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

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

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

1.16.1 Services received
The cost of services received in the year is recorded under the relevant expenditure headings within operating expenses.

1.16.2 PFI assets, liabilities and finance costs
The PFI assets are initially measured using the principles of IFRS 16. Subsequently, the assets are measured at current value in existing use per the policies applied under IAS 16.

A PFI liability equal to the capital value of the contract is recognised at the same time as the PFI assets are recognised. This does not include service elements and interest charges within the PFI contract which are expensed in accordance with IFRIC 12 as adapted and interpreted by the FReM and as detailed below.

An annual finance cost is calculated by applying the implicit interest rate in the contract to the opening PFI liability for the period, and is charged to 'Finance Costs' within the Statement of Comprehensive Income.

An element of the annual unitary payment is therefore allocated as a financing cost when repaying the PFI liability over the life of the contract.

1. Accounting policies (continued)

1.16.3 Lifecycle Replacement
Components of the asset replaced by the operator during the contract ('lifecycle replacement') are capitalised where they meet the Foundation Trust's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at cost.

The element of the annual unitary payment allocated to lifecycle replacement is predetermined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term finance lease liability or prepayment is recognised respectively. Where the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a 'free' asset and a deferred income balance is recognised, and is released to the operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

1.16.4 Assets contributed by the Trust to the operator for use in the scheme
Assets contributed by the Foundation Trust for use in the scheme continue to be recognised as items of property, plant and equipment in the foundation trust's Statement of Financial Position.

1.17 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 method. This is considered to be a reasonable approximation to current cost due to the high turnover of stocks.

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

1.18 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. These balances exclude monies held in the Foundation Trust's bank account belonging to patients. Account balances are only set off where a formal agreement has been made with the bank to do so. In all other cases overdrafts are disclosed within payables. Interest earned on bank accounts and interest charged on overdrafts is recorded as, respectively, interest receivable and interest payable in the periods to which they relate. Bank charges are recorded as operating expenditure in the periods to which they relate.

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

1.19 Provisions

The Foundation Trust recognises a provision where it has a present legal or constructive obligation as a result of a past event for which it is probable that there will be a future outflow of cash or other resources to settle the obligation; and a reliable estimate can be made of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using HM Treasury's discount rates.

1. Accounting policies (continued)

Early retirement provisions are discounted using HM Treasury's pension discount rate of 2.40% (2023-24: 2.45%) in real terms.

Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rates effective from 31 March 2025:

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

HM Treasury provides discount rates for general provisions on a nominal rate basis. Expected future cash flows are therefore adjusted for the impact of inflation before discounting using nominal rates.

1.19.1 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 Foundation Trust. The total value of clinical negligence provisions carried by NHS resolution on behalf of the Foundation Trust is disclosed in note 18 but is not recognised in the Foundation Trust's accounts.

1.19.2 Non-clinical risk pooling

The Foundation Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk-pooling schemes under which the foundation trust pays an annual contribution to the 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 as and when the liability arises.

1.20 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in Note 19 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in Note 20, unless the probability of a transfer of economic benefits is remote. Contingent liabilities are defined as:

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

1.21 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.

1. Accounting policies (continued)

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

Classification and measurement

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

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

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

Financial liabilities classified as subsequently measured at amortised cost or fair value through income and expenditure.

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 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 the following equity instruments at fair value through other comprehensive income:

PIK Note held for investment in KCH Healthcare LLC

1. Accounting policies (continued)

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

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

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 a loss allowance representing expected credit losses on the financial instrument.

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).

Overseas visitor's debts less than one year are provided for based on historical recoverability. Private Patient debts and salary overpayments are provided for based on management estimation of the percentage of recoverability. The Foundation Trust applies the percentage provided by the Department of Health to gross debts for injury costs recovery (RTA).

HM Treasury has ruled that central government bodies may not recognise stage 1 or stage 2 impairments against other government departments, their executive agencies, the Bank of England, Exchequer Funds, and Exchequer Funds' assets where repayment is ensured by primary legislation. The Trust therefore does not recognise loss allowances for stage 1 or stage 2 impairments against these bodies.

For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Expected losses are charged to operating expenditure within the Statement of Comprehensive Income and reduce the net carrying value of the financial asset in the Statement of Financial Position.

De-Recognition

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

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

1.22 Public dividend capital

Public Dividend Capital (PDC) is a type of public sector equity finance, which represents the Department of Health and Social Care's investment in the trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

1. Accounting policies (continued)

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 in the PDC dividend policy issued by the Department of Health and Social Care. This policy is available at

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

In accordance with the requirements laid down by the Department of Health and Social Care, 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 thus calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts. The PDC dividend calculation is based upon the trust's group accounts (i.e. including subsidiaries), but excluding consolidated charitable funds.

1.23 Foreign exchange

The functional and presentational currency of the Foundation Trust is sterling (£'000). 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. The Foundation Trust does not have material foreign currency transactions. 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. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the spot exchange rate on 31 March.

1.24 Third party assets

Assets belonging to third parties in which the Trust has no beneficial interest (such as money held on behalf of patients) are not recognised in the accounts. Details of third party assets are given in Note 24 to the accounts.

1.25 Losses and special payments

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

1. Accounting policies (continued)

1.26 Gifts

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

1.27 Early adoption of standards, amendments and interpretations

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

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

The DHSC GAM does not require the following IFRS Standards and Interpretations to be applied in 2024-25. These Standards are still subject to HM Treasury FReM adoption.

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

IFRS 18 Presentation and Disclosure in Financial Statements - The Standard is effective for accounting periods beginning on or after 1 January 2027. The Standard is not yet UK endorsed and not yet adopted by the FReM. Early adoption is not permitted. The expected impact of applying the standard in future periods has not yet been assessed.

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

1. Accounting policies (continued)

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

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

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

- Removal of the distinction between specialised and non-specialised assets held for their service potential. Assets will be classified according to whether they are held for their operational capacity.

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

Changes to valuation cycles and methodology to be implemented for NHS bodies in later periods:

- A mandated quinquennial revaluation frequency (or rolling programme) supplemented by annual indexation in the intervening years.

- Removal of the alternative site assumption for buildings valued at depreciated replacement cost on a modern equivalent asset basis. The approach for land has not yet been finalised by HM Treasury.

The impact of applying these changes in future periods has not yet been assessed. PPE and right of use assets currently subject to revaluation have a total book value of £558.5m as at 31 March 2025.

Assets valued on an alternative site basis have a total book value of £336.6m at 31 March 2025.

1.29 Prior Period Adjustment Policy

The Trust applies IAS 8 when considering if prior period adjustments are required.

2. Operating income

2.1 Income from activities by classification

	Group	
	2024-25	2023-24
	£000	£000
Income from patient care activities		
Income from commissioners under API contracts - fixed *	**1,621,617**	1,499,432
Income from commissioners under API contracts - variable *	**37,118**	53,576
High cost drugs income from commissioners	**43,951**	42,213
Other NHS clinical income	**15,093**	4,527
Additional income for delivery of healthcare services		
Private Patient income	**9,197**	8,765
Additional pension contribution central funding **	**58,307**	37,064
Pay award central funding	**4,458**	809
Other clinical income *****	**15,260**	13,247
Total income from activities * **	**1,805,001**	1,659,633
Other operating income recognised in accordance with IFRS 15		
Research and development	**8,764**	9,494
Education and training	**53,056**	48,894
Non-patient care services to other bodies	**13,013**	11,948
Income in respect of employee benefits accounted on a gross basis	**2,532**	9,415
Trading Income ****	**21,996**	20,553
Other	**13,689**	17,525
Total other operating income (IFRS 15)	**113,050**	117,829
Other operating income recognised in accordance with other standards		
Research and development	**15,014**	13,641
Education and training - notional income from apprenticeship fund	**644**	704
Receipt of capital grants and donations	**1,116**	2,146
Charitable and other contributions to expenditure	**28**	128
Contributions to expenditure - consumables (inventory) donated from DHSC group bodies for COVID response	**-**	548
Rental revenue from operating leases	**1,556**	1,340
Other	**-**	15
Total other operating income (Non-IFRS 15)	**18,358**	18,522
Total operating Income	**1,936,409**	1,795,984

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

** The employer contribution rate for NHS pensions increased from 14.3% to 20.6% (excluding administration charge) from 1 April 2019. Since 2019/20, NHS providers have continued to pay over contributions at the former rate with the additional amount being paid over by NHS England on providers' behalf. The full cost and related funding have been recognised in these accounts.

*** Income from patient care activity is recognised in accordance with IFRS 15.

**** Trading income relates to activities of the Trust's subsidiaries and includes revenus from consumables support services and international platforms work.

***** NHS Clinical Income is income from patient care activities funded by other NHS provider organisations, and other clinical income is patient care income external to the NHS (eg private patient income)

2.2 Income from activities by type

	Group	
	2024-25	2023-24
	£000	£000
NHS Foundation Trusts	**349**	1
NHS Trusts	**8,651**	1,389
Integrated Care Boards and NHS England *	**1,765,451**	1,632,285
NHS Other (including Public Health England and Prop Co)	**6,093**	4,527
Non-NHS		
Local Authorities	**5,248**	4,835
Private patients	**9,197**	8,765
Overseas patients (non-reciprocal)	**5,607**	4,080
Injury costs recovery	**4,405**	3,751
Total income from activities	**1,805,001**	1,659,633

* Includes £58.307m (2023-24: £37.064m) notional income for pension contributions paid by NHS England on behalf of the Trust.

2.3 Overseas visitors

	Group 2024-25 £000	2023-24 £000
Income recognised this year	**5,607**	4,080
Cash payments received in-year	**1,126**	835
Additions to provision for impairment of receivables	**4,290**	2,637
Amounts written off in-year	**2,646**	2,164

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

	2024-25 £000	2023-24 £000
Revenue recognised in the reporting period that was included within contract liabilities at the previous period end	**16,724**	13,285
Revenue recognised from performance obligations satisfied (or partially satisfied) in previous periods	-	-

2.5 Transaction price allocated to remaining performance obligations

Revenue from existing contracts allocated to remaining performance obligations is expected to be recognised:

	31 March 2025 £000	31 March 2024 £000
within one year	**18,278**	19,232
after one year, not later than five years	-	-
after five years	-	-
Total revenue allocated to remaining performance obligations	**18,278**	19,232

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.

2.6 Income from activities arising from commissioner requested and non-commissioner requested services

Under the terms of its Provider License, 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 license 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:

	Group 2024-25 £000	2023-24 £000
Commissioner requested services	**1,762,784**	1,644,115
Non-commissioner requested services	**173,625**	151,869
Total	**1,936,409**	1,795,984

2.7 Fees and charges - aggregate of all schemes that, individually, have a cost exceeding £1m

	Group 2024-25 £000	2023-24 £000
Income	**9,197**	8,765
Full cost	**(7,537)**	(7,125)
Surplus	**1,660**	1,640

2.8 Operating lease income

	Group 2024-25 £000	2023-24 £000
Rental revenue from operating leases	**1,556**	1,340

	31 March 2025 £000	31 March 2024 £000
Future minimum lease receipts due on leases of buildings expiring		
- not later than one year	**1,555**	1,337
- between one and five years	**6,220**	5,348
- later than five years	**10,598**	10,360
Total	**18,373**	17,045

The above note discloses income generated in operating lease agreements where King's College Hospital NHS Foundation Trust is the lessor. The operating leases relate to the lease of space and buildings owned by the Trust.

3. Operating expenses

3.1 Operating expenses by type

	Group 2024-25 £000	2023-24 £000
Purchase of healthcare from NHS and DHSC bodies	**34,460**	19,278
Purchase of healthcare from non-NHS and non-DHSC bodies	**77,456**	82,865
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	**237,304**	222,783
Supplies and services - clinical (excluding drugs costs)	**140,910**	121,944
Supplies and services - general	**4,428**	4,116
Supplies and services – clinical: utilisation of consumables donated from DHSC group bodies for COVID response	**-**	548
Inventories written down (net including drugs)	**539**	586
Staff and executive directors costs	**1,108,543**	1,050,935
Remuneration of non-executive directors	**182**	167
Establishment	**11,193**	16,691
Transport (including patient travel)	**16,515**	14,122
Premises	**58,862**	64,279
Rentals under operating leases - minimum lease payments	**97**	53
PFI service costs	**81,117**	81,757
Clinical negligence	**49,905**	50,217
Depreciation on property, plant and equipment and right of use assets	**58,028**	55,316
Amortisation on intangible assets	**5,571**	2,156
Net impairments	**4,424**	21,134
Movement in credit loss allowance: contract receivables / contract assets	**8,529**	4,052
Consultancy costs	**3,341**	3,119
Education and Training Costs	**4,025**	3,837
Audit fees payable to the external auditor		
Statutory audit	**493**	381
Internal audit costs	**267**	350
Other *	**26,951**	28,203
Total operating expenses	**1,933,139**	1,848,889

* Other operating expenses staff training, as well as legal fees, storage costs, work permits and infection control costs.

The external audit fee for the current year is £493k, including £82k of irrecoverable VAT. No other remuneration was paid to the Trust's external auditors in 2024-25 (2023-24 : Nil). This figure includes £220k inclusive of VAT for subsidiary audits.

Research and development expenditure is included in other operating expenditure, clinical and general supplies and services, premises and establishment expenses as well as in staff costs.

3.2 Late Payment of Commercial Debts (Interest) Act 1998	2024-25 £000	2023-24 £000
Compensation paid to cover debt recovery costs under this legislation	**4**	1

3.3 Limitation on Auditor's Liability

The limitation on auditor's liability in 2024/25 was £5m (2023/24: £5m).

4 Employee benefits

4.1 Employee benefits

	Group	
	2024-25 Total	2023-24 Total
	£000	£000
Salaries and wages	**795,996**	742,996
Social security costs	**93,932**	91,588
Apprenticeship levy	**4,291**	4,725
Employer contributions to NHS Pensions	**88,935**	84,570
Employer contributions to NHS Pensions paid by NHS England on behalf of the Trust	**58,307**	37,064
Temporary staff (including bank and agency)	**65,408**	89,944
Redundancy costs	**1,674**	4,964
Total employee benefits	**1,108,543**	1,055,851
Of which		
Costs capitalised as part of assets	**-**	(4,916)
Total employee benefits excluding capitalised costs	**1,108,543**	1,050,935

4.2 Early retirements due to ill health

During 2024/25 there were 5 early retirements from the trust agreed on the grounds of ill-health (6 in the year ended 31 March 2024). The estimated additional pension liabilities of these ill-health retirements is £409k (£882k in 2023/24).

These estimated costs are calculated on an average basis and will be borne by the NHS Pension Scheme.

4.3 Pension costs

Past and present employees are covered by the provisions of the NHS Pension Schemes. Details of the benefits payable and rules of the schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years".

An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2025, is based on valuation data as at 31 March 2023, updated to 31 March 2025 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the Statement by the Actuary, which forms part of the annual NHS Pension Scheme Annual Report and Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

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

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from 1 April 2024 to 23.7% of pensionable pay. The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.

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

5 Finance expenses

	Group 2024-25 £000	2023-24 £000
Loans from the Department of Health and Social Care		
Capital loans	**896**	997
Finance leases	**1,068**	1,120
Other Loans	**37**	49
Finance costs on PFI and other service concession arrangements		
Main finance cost	**26,990**	26,069
Remeasurement of PFI liability resulting from change in index or rate*	**7,334**	27,749
Interest on late payment	**4**	1
Total interest expense	**36,329**	55,985
Unwinding of discount on provisions	**48**	38
Other finance costs	**-**	13
Total finance costs	**36,377**	56,036

Finance expenditure represents interest and other charges involved in the borrowing of money.

6 Impairments

	Group 2024-25 £000	2023-24 £000
Changes in market price - charged to operating expenses	**(1,027)**	22,267
Changes in market price - charged to the revaluation reserve	**2,337**	24,996
Other impairments - charged to operating expenses	**5,451**	(1,133)
Total	**6,761**	46,130

Asset valuations were undertaken in 2025 as at the prospective valuation date of 31 March 2025. This was based on an alternative site assessed via an analysis of postcode information allocated between outpatients and

The revaluation resulted in an overall decrease of £6.3m in the value of land and buildings owned by the Trust offset by revaluation increases to land and building values of £22.6m.

As a result of the land and buildings revaluation, a net impairment reversal of £1.027m has been taken to the Statement of Comprehensive Income and an impairment of £2.337m has been charged to the revaluation reserve. A revaluation gain of £17.574m has been transferred to the revaluation reserve.
Other impairments relates to early termination of specific projects.

7 Other gains / (losses)

	Group 2024-25 £000	2023-24 £000
Gains on disposal of property, plant and equipment	**1,258**	2
Losses on disposal of assets	**(212)**	(683)
Fair value losses on investments	**(197)**	-
Total (losses) / gains on disposal of assets	**849**	(681)

7.1 Share of operating profit in associates and joint ventures

	Group 2024-25 £000	2023-24 £000
MedTech Innovations	**25**	(209)
	25	(209)

8 Intangible non-current assets

8.1 Intangible non-current assets - current year

Group

Group	Software licences £000	Total £000
Cost or valuation		
At 1 April 2024	**59,552**	**59,552**
Additions purchased	**8,399**	**8,399**
Additions donated	**-**	**-**
Disposals	**(4,024)**	**(4,024)**
At 31 March 2025	**63,927**	**63,927**
Amortisation		
At 1 April 2024	**12,802**	**12,802**
Charged during the year	**5,571**	**5,571**
Disposals	**(4,024)**	**(4,024)**
At 31 March 2025	**14,349**	**14,349**
Net book value		
Purchased	**49,578**	**49,578**
Total at 31 March 2025	**49,578**	**49,578**

8.2 Intangible non-current assets - current year

Trust

Trust	Software licences £000	Total £000
Cost or valuation		
At 1 April 2024	**57,719**	**57,719**
Additions purchased	**8,286**	**8,286**
Disposals	**(3,916)**	**(3,916)**
At 31 March 2025	**62,090**	**62,090**
Amortisation		
At 1 April 2024	**11,706**	**11,706**
Charged during the year	**5,006**	**5,006**
Disposals	**(3,916)**	**(3,916)**
At 31 March 2025	**12,796**	**12,796**
Net book value		
Purchased	**49,294**	**49,294**
Total at 31 March 2025	**49,294**	**49,294**

The range of useful economic lives over which intangible assets are amortised is included in note 1.13.

The Trust considers that depreciated historical cost is an acceptable proxy for current value in existing use, as the useful economic lives used are considered to be realistic reflection of the lives of assets and the depreciation methods used reflect the consumption of the asset.

8 Intangible non-current assets

8.3 Intangible non-current assets - prior year

Group	Software licences £000	Intangible assets under construction £000	Total £000
		Group	
Cost or valuation			
At 1 April 2023	**17,943**	**28,787**	**46,730**
Additions purchased	**686**	**18,489**	**19,175**
Additions donated	**16**	**-**	**16**
Impairments charged to operating expenses	**(6,369)**	**-**	**(6,369)**
Reclassifications	**47,276**	**(47,276)**	**-**
At 31 March 2024	**59,552**	**-**	**59,552**
Amortisation			
At 1 April 2023	**10,646**	**-**	**10,646**
Charged during the year	**2,156**	**-**	**2,156**
At 31 March 2024	**12,802**	**-**	**12,802**
Net book value			
Purchased	**46,750**	**-**	**46,750**
Total at 31 March 2024	**46,750**	**-**	**46,750**

8.4 Intangible non-current assets - prior year

Trust	Software licences £000	Intangible assets under construction £000	Total £000
		Trust	
Cost or valuation			
At 1 April 2023	**16,301**	**28,787**	**45,088**
Additions purchased	**495**	**18,489**	**18,984**
Additions donated	**16**	**-**	**16**
Impairments charged to operating expenses	**(6,369)**	**-**	**(6,369)**
Reclassifications	**47,276**	**(47,276)**	**-**
At 31 March 2024	**57,719**	**-**	**57,719**
Amortisation			
At 1 April 2023	**9,812**	**-**	**9,812**
Charged during the year	**1,894**	**-**	**1,894**
At 31 March 2024	**11,706**	**-**	**11,706**
Net book value			
Purchased	**46,013**	**-**	**46,013**
Total at 31 March 2024	**46,013**	**-**	**46,013**

The range of useful economic lives over which intangible assets are amortised is included in note 1.13.

Intangible assets reclassified from intangible assets under construction in year relates to the Trust's Electronic Patient Records (EPR) system completed in year. On completion in March 2024 the EPR system was revalued resulting in an impairment of £6.369m and the revalued asset balance will amortise over the useful economic life of the asset (15 years).

For all categories of intangible assets, the Trust considers that depreciated historical cost is an acceptable proxy for current value in existing use, as the useful economic lives used are considered to be realistic reflection of the lives of assets and the depreciation methods used reflect the consumption of the asset.

Intangible assets under construction relates to the Trust's Electronic Patient Records (EPR) system completed and reclassified to finished assets in year.

9 Property, plant and equipment

9.1 Property, plant and equipment - current year

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation								
At 1 April 2024	**38,434**	**505,610**	**1,465**	**27,236**	**136,825**	**61,253**	**1,757**	**772,581**
Additions purchased	-	1,806	-	22,260	9,052	5,976	-	**39,094**
Additions - IFRIC 12 scheme assets (excluding lifecycle)	-	-	-	-	1,716	-	-	**1,716**
Additions donations of physical assets	-	-	-	-	55	-	-	**55**
Additions - assets purchased from cash donations/grants	-	-	-	382	93	212	-	**687**
Impairments charged to operating expenses	-	(4,727)	-	(5,450)	-	-	-	**(10,177)**
Impairments charged to the revaluation reserve	-	(6,585)	-	-	-	-	-	**(6,585)**
Reversal of impairments credited to operating expenses	-	709	-	-	-	-	-	**709**
Revaluations	-	5,409	(10)	-	-	-	-	**5,399**
Reclassifications	-	17,751	-	(17,751)	-	-	-	**-**
Disposals	-	-	-	-	(6,384)	(18,708)	(841)	**(25,933)**
At 31 March 2025	**38,434**	**519,973**	**1,455**	**26,677**	**141,357**	**48,733**	**916**	**777,546**
Depreciation								
At 1 April 2024	**-**	**816**	**-**	**-**	**66,277**	**38,416**	**1,344**	**106,853**
Charged during the year	**-**	**21,745**	**85**	**-**	**14,585**	**8,555**	**138**	**45,108**
Impairments charged to operating expenses	**-**	**(747)**	**-**	**-**	**-**	**-**	**-**	**(747)**
Impairments charged to the revaluation reserve	**-**	**(4,248)**	**-**	**-**	**-**	**-**	**-**	**(4,248)**
Reversal of impairments credited to operating expenses	**-**	**(4,297)**	**-**	**-**	**-**	**-**	**-**	**(4,297)**
Revaluations	**-**	**(12,070)**	**(85)**	**-**	**-**	**-**	**-**	**(12,155)**
Disposals	**-**	**-**	**-**	**-**	**(5,779)**	**(18,708)**	**(841)**	**(25,328)**
At 31 March 2025	**-**	**1,199**	**-**	**-**	**75,083**	**28,263**	**641**	**105,186**
Net book value								
Owned - purchased	**19,354**	**286,197**	**1,265**	**24,690**	**57,582**	**20,185**	**216**	**409,490**
Owned - donated	**847**	**18,793**	**190**	**606**	**942**	**284**	**60**	**21,722**
On balance sheet PFI	**18,233**	**213,784**	**-**	**1,381**	**7,750**	**-**	**-**	**241,148**
Total at 31 March 2025	**38,434**	**518,774**	**1,455**	**26,677**	**66,274**	**20,469**	**276**	**672,360**
Revaluation reserve balance								
At 1 April 2024	**10,671**	**153,152**	**1,396**	**-**	**-**	**-**	**-**	**165,219**
Revaluation and indexation in year	**-**	**15,142**	**75**	**-**	**-**	**-**	**-**	**15,217**
At 31 March 2025	**10,671**	**168,294**	**1,471**	**-**	**-**	**-**	**-**	**180,436**

The effective date of land and building revaluation was 31 March 2025 and the valuation was carried out by Kerry Maguire of Avison Young, a RICS registered valuer.
The range of useful economic lives over which property plant and equipment are depreciated are included in note 1.13.
For all categories of non-property assets, the Trust considers that depreciated historical cost is an acceptable proxy for current value in existing use, as the useful economic lives used are considered to be realistic reflection of the lives of assets and the depreciation methods used reflect the consumption of the asset.
The total gross book value of assets held with a net nil carrying value is £5.7m.

9 Property, plant and equipment - continued

9.2 Property, plant and equipment - current year

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings	Total
	Trust							
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation								
At 1 April 2024	**38,434**	**498,165**	**1,465**	**22,073**	**33,629**	**61,253**	**1,757**	**656,777**
Additions purchased	-	1,758	-	7,691	126	5,976	-	**15,551**
Additions - IFRIC 12 scheme assets (excluding lifecycle)	-	-	-	-	1,716	-	-	**1,716**
Additions - assets purchased from cash donations/grants	-	-	-	66	93	212	-	**371**
Impairments charged to operating expenses	-	(4,727)	-	(5,450)	-	-	-	**(10,177)**
Impairments charged to the revaluation reserve	-	(6,585)	-	-	-	-	-	**(6,585)**
Reversal of impairments credited to operating expenses	-	709	-	-	-	-	-	**709**
Revaluations	-	5,473	(10)	-	-	-	-	**5,463**
Reclassifications	-	17,751	-	(17,751)	-	-	-	**-**
Disposals	-	-	-	-	(4,813)	(18,708)	(841)	**(24,362)**
At 31 March 2025	**38,434**	**512,544**	**1,455**	**6,629**	**30,751**	**48,733**	**916**	**639,463**
Depreciation								
At 1 April 2024	**-**	**814**	**-**	**-**	**19,143**	**38,416**	**1,344**	**59,718**
Charged during the year	-	21,521	85	-	3,501	8,555	138	**33,800**
Impairments charged to operating expenses	-	(747)	-	-	-	-	-	**(747)**
Impairments charged to the revaluation reserve	-	(4,248)	-	-	-	-	-	**(4,248)**
Reversal of impairments credited to operating expenses	-	(4,297)	-	-	-	-	-	**(4,297)**
Revaluations	-	(11,852)	(85)	-	-	-	-	**(11,937)**
Disposals	-	-	-	-	(4,467)	(18,708)	(841)	**(24,016)**
At 31 March 2025	**-**	**1,191**	**-**	**-**	**18,177**	**28,263**	**641**	**48,273**
Net book value								
Owned - purchased	**19,354**	**278,776**	**1,264**	**4,954**	**3,937**	**20,185**	**217**	**328,687**
Owned - donated	**847**	**18,793**	**191**	**290**	**887**	**284**	**59**	**21,351**
On balance sheet PFI	**18,233**	**213,784**	**-**	**1,381**	**7,750**	**-**	**-**	**241,148**
Total at 31 March 2025	**38,434**	**511,353**	**1,455**	**6,625**	**12,574**	**20,469**	**276**	**591,186**
Revaluation reserve balance								
At 1 April 2024	**10,671**	**153,152**	**1,396**	**-**	**-**	**-**	**-**	**165,219**
Revaluation and indexation in year	**-**	**15,142**	**75**	**-**	**-**	**-**	**-**	**15,217**
At 31 March 2025	**10,671**	**168,294**	**1,471**	**-**	**-**	**-**	**-**	**180,436**

The effective date of land and building revaluation was 31 March 2025 and the valuation was carried out by Kerry Maguire of Avison Young, a RICS registered valuer.
The range of useful economic lives over which property plant and equipment are depreciated are included in note 1.13.

For all categories of non-property assets, the Trust considers that depreciated historical cost is an acceptable proxy for current value in existing use, as the useful economic lives used are considered to be realistic reflection of the lives of assets and the depreciation methods used reflect the consumption of the asset.
The total gross book value of assets held with a net nil carrying value is £5.7m.

9 Property, plant and equipment

9.3 Property, plant and equipment - prior year

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation								
At 1 April 2023	**64,297**	**487,255**	**1,882**	**22,586**	**130,848**	**57,285**	**1,714**	**765,868**
Additions purchased	-	7,622	-	23,714	12,851	3,968	43	**48,198**
Additions - donations of physical assets (non-cash)	-	-	-	-	1,245	-	-	**1,245**
Additions - assets purchased from cash donations/grants	-	-	-	-	105	-	-	**105**
Impairments charged to operating expenses	(4,502)	(18,318)	-	-		-	-	**(22,820)**
Impairments charged to the revaluation reserve	(21,361)	(6,813)	(406)	-	-	-	-	**(28,580)**
Reversal of impairments credited to operating expenses	-	1,749	-	-	-	-	-	**1,749**
Revaluations	-	15,051	(11)	-	-	-	-	**15,040**
Reclassifications	-	19,064	-	(19,064)	-	-	-	**-**
Disposals	-	-	-	-	(8,224)	-	-	**(8,224)**
At 31 March 2024	**38,434**	**505,610**	**1,465**	**27,236**	**136,825**	**61,253**	**1,757**	**772,581**
Depreciation								
At 1 April 2023	**-**	**468**	**-**	**-**	**60,332**	**29,841**	**1,151**	**91,792**
Charged during the year	-	20,167	98	-	13,362	8,575	193	**42,395**
Impairments charged to operating expenses	-	(2,278)	-	-	-	-	-	**(2,278)**
Impairments charged to the revaluation reserve	-	(3,550)	(34)	-	-	-	-	**(3,584)**
Reversal of impairments credited to operating expenses	-	(2,895)	-	-	-	-	-	**(2,895)**
Revaluations	-	(11,095)	(64)	-	-	-	-	**(11,159)**
Disposals	-	-	-	-	(7,417)	-	-	**(7,417)**
At 31 March 2024	**-**	**816**	**-**	**-**	**66,277**	**38,416**	**1,344**	**106,853**
Net book value								
Owned - purchased	**19,354**	**286,379**	**1,275**	**9,916**	**60,035**	**22,670**	**336**	**399,966**
Owned - donated	**847**	**13,337**	**190**	**6,452**	**2,933**	**166**	**78**	**24,003**
On balance sheet PFI	**18,233**	**205,078**	**-**	**10,868**	**7,580**	**-**	**-**	**241,759**
Total at 31 March 2024	**38,434**	**504,794**	**1,465**	**27,236**	**70,548**	**22,836**	**414**	**665,728**
Revaluation reserve balance								
At 1 April 2023	**32,032**	**130,269**	**1,715**	**-**	**-**	**-**	**-**	**164,016**
Revaluation and indexation in year	**(21,361)**	**22,883**	**(319)**	**-**	**-**	**-**	**-**	**1,203**
At 31 March 2024	**10,671**	**153,152**	**1,396**	**-**	**-**	**-**	**-**	**165,219**

The effective date of land and building revaluation was 31 March 2024 and the valuation was carried out by Kerry Maguire of Avison Young, a RICS registered valuer.
The range of useful economic lives over which property plant and equipment are depreciated are included in note 1.13.

For all categories of non-property assets, the Trust considers that depreciated historical cost is an acceptable proxy for current value in existing use, as the useful economic lives used are considered to be realistic reflection of the lives of assets and the depreciation methods used reflect the consumption of the asset.

9 Property, plant and equipment - continued

9.4 Property, plant and equipment - prior year

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Information technology	Furniture & fittings	Total
	Trust							
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation								
At 1 April 2023	**64,297**	**480,122**	**1,882**	**22,588**	**36,472**	**57,285**	**1,714**	**664,361**
Additions purchased	-	7,601	-	18,549	4,164	3,968	43	**34,325**
Additions - assets purchased from cash donations/grants	-	-	-	-	105	-	-	**105**
Impairments charged to operating expenses	(4,502)	(18,319)	-	-	-	-	-	**(22,821)**
Impairments charged to the revaluation reserve	(21,361)	(6,813)	(406)	-	-	-	-	**(28,580)**
Reversal of impairments credited to operating expenses	-	1,749	-	-	-	-	-	**1,749**
Revaluations	-	14,761	(11)	-	-	-	-	**14,750**
Reclassifications	-	19,064	-	(19,064)	-	-	-	**-**
Disposals	-	-	-	-	(7,112)	-	-	**(7,112)**
At 31 March 24	**38,434**	**498,165**	**1,465**	**22,073**	**33,629**	**61,253**	**1,757**	**656,777**
Depreciation								
At 1 April 2023	**-**	**467**	**-**	**-**	**22,380**	**29,841**	**1,151**	**53,840**
Charged during the year	-	19,949	98	-	3,530	8,575	193	**32,345**
Impairments charged to operating expenses	-	(2,279)	-	-	-	-	-	**(2,279)**
Impairments charged to the revaluation reserve	-	(3,551)	(34)	-	-	-	-	**(3,585)**
Reversal of impairments credited to operating expenses	-	(2,895)	-	-	-	-	-	**(2,895)**
Revaluations	-	(10,877)	(64)	-	-	-	-	**(10,941)**
Disposals	-	-	-	-	(6,767)	-	-	**(6,767)**
At 31 March 2024	**-**	**814**	**-**	**-**	**19,143**	**38,416**	**1,344**	**59,718**
Net book value								
Owned - purchased	**19,354**	**278,936**	**1,275**	**4,753**	**5,218**	**22,670**	**336**	**332,542**
Owned - donated	**847**	**13,337**	**190**	**6,452**	**1,688**	**166**	**78**	**22,758**
On balance sheet PFI	**18,233**	**205,078**	**-**	**10,868**	**7,580**	**-**	**-**	**241,759**
Total at 31 March 2024	**38,434**	**497,351**	**1,465**	**22,073**	**14,486**	**22,836**	**414**	**597,059**
Revaluation reserve balance								
At 1 April 2023	**32,032**	**130,269**	**1,715**	**-**	**-**	**-**	**-**	**164,016**
Revaluation and indexation in year	**(21,361)**	**22,883**	**(319)**	**-**	**-**	**-**	**-**	**1,203**
At 31 March 2024	**10,671**	**153,152**	**1,396**	**-**	**-**	**-**	**-**	**165,219**

The effective date of land and building revaluation was 31 March 2024 and the valuation was carried out by Kerry Maguire of Avison Young, a RICS registered valuer.
The range of useful economic lives over which property plant and equipment are depreciated are included in note 1.13.

For all categories of non-property assets, the Trust considers that depreciated historical cost is an acceptable proxy for current value in existing use, as the useful economic lives used are considered to be realistic reflection of the lives of assets and the depreciation methods used reflect the consumption of the asset.

10 Leases and Right of Use Assets

10.1.1 Right of use assets - current year

Group	Property (land and buildings)	Plant & machinery	Total	Of which: leased from DHSC group bodies
Cost or Valuation	**£000**	**£000**	**£000**	**£000**
Valuation / gross cost at 1 April 2024 - brought forward	124,035	7,911	131,946	54,454
Additions	696	50	746	98
Disposals / derecognition	(749)	(66)	(815)	(749)
Remeasurements of the lease liability	2,384	231	2,615	2,090
Valuation/gross cost at 31 March 2025	**126,366**	**8,126**	**134,492**	**55,893**
Depreciation				
Accumulated depreciation at 1 April 2024 - brought forward	20,168	4,613	24,781	12,343
Provided during the year	11,200	1,720	12,920	6,170
Disposals / derecognition	(364)	(46)	(410)	(364)
Accumulated depreciation at 31 March 2025	**31,004**	**6,287**	**37,291**	**18,149**
Net book value at 31 March 2025	**95,362**	**1,839**	**97,201**	**37,744**
Net book value of right of use assets leased from other NHS providers				**4,574**
Net book value of right of use assets leased from other DHSC group bodies				**33,170**

10.1.2 Right of use assets - prior year

Group	Property (land and buildings)	Plant & machinery	Total	Of which: leased from DHSC group bodies
Cost or Valuation	**£000**	**£000**	**£000**	**£000**
Valuation / gross cost at 1 April 2023 - brought forward	114,786	7,131	121,917	55,675
Additions	1,048	-	1,048	1,048
Additions - peppercorn leases	-	780	780	-
Remeasurement of the lease liability	8,201	-	8,201	(2,269)
Valuation/gross cost at 31 March 2024	**124,035**	**7,911**	**131,946**	**54,454**
Depreciation				
Accumulated depreciation at 1 April 2023 - brought forward	9,288	2,572	11,860	6,448
Provided during the year	10,880	2,041	12,921	5,895
Accumulated depreciation at 31 March 2024	**20,168**	**4,613**	**24,781**	**12,343**
Net book value at 31 March 2024	**103,867**	**3,298**	**107,165**	**42,111**
Net book value of right of use assets leased from other NHS providers				**6,148**
Net book value of right of use assets leased from other DHSC group bodies				**35,963**

10 Leases and Right of Use Assets - Continued

10.2.1 Right of use assets - current year

Trust	Property (land and buildings)	Assets under construction	Plant & machinery	Intangibles	Total	Of which: leased from DHSC group bodies
Cost or Valuation	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Valuation / gross cost at 1 April 2024 - brought forward	131,477	5,165	87,838	109	**224,589**	54,454
Additions	730	-	8,928	-	**9,658**	98
Remeasurements of the lease liability	2,319	-	-	-	**2,319**	2,090
Reclassifications	-	(5,165)	(2,751)	-	**(7,916)**	
Disposals / derecognition	(749)	-	(1,583)	(109)	**(2,441)**	(749)
Valuation/gross cost at 31 March 2025	**133,777**	**0**	**92,432**	**-**	**226,209**	**55,893**
Depreciation						
Accumulated depreciation at 1 April 2024 - brought forward	20,165	-	31,373	99	**51,636**	12,343
Provided during the year	11,423	-	10,916	11	**22,349**	6,170
Revaluations	(218)	-	-	-	**(218)**	
Disposals / derecognition	(364)	-	(1,323)	(109)	**(1,796)**	(364)
Accumulated depreciation at 31 March 2025	**31,006**	**-**	**40,965**	**-**	**71,972**	**18,149**
Net book value at 31 March 2025	**102,771**	**0**	**51,467**	**-**	**154,237**	**37,744**
Net book value of right of use assets leased from other NHS providers						**4,574**
Net book value of right of use assets leased from other DHSC group bodies						**33,170**

10.2.2 Right of use assets - prior year

Trust	Property (land and buildings)	Assets under construction	Plant & machinery	Intangibles	Total	Of which: leased from DHSC group bodies
Cost or Valuation	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Valuation / gross cost at 1 April 2023 - brought forward	121,919	-	80,481	109	**202,509**	55,675
Additions	1,069	5,165	10,082	-	**16,316**	1,048
Revaluations	8,489	-	-	-	**8,489**	(2,269)
Disposals / derecognition	-	-	(2,725)	-	**(2,725)**	-
Valuation/gross cost at 31 March 2024	**131,477**	**5,165**	**87,838**	**109**	**224,589**	**54,454**
Depreciation						
Accumulated depreciation at 1 April 2023 - brought forward	9,288	-	22,568	77	**31,933**	6,448
Provided during the year	11,095	-	9,950	22	**21,067**	5,895
Revaluations	(218)	-	-	-	**(218)**	-
Disposals / derecognition	-	-	(1,145)	-	**(1,145)**	-
Accumulated depreciation at 31 March 2024	**20,165**	**-**	**31,373**	**99**	**51,637**	**12,343**
Net book value at 31 March 2024	**111,312**	**5,165**	**56,465**	**10**	**172,952**	**42,111**
Net book value of right of use assets leased from other NHS providers						6,148
Net book value of right of use assets leased from other DHSC group bodies						35,963

10 Leases and Right of Use Assets - Continued

10.3 Reconciliation of the carrying value of lease liabilities

	Group		Trust	
	2024/25	2023/24	2024/25	2023/24
	£000	£000	£000	£000
Carrying value at 1st April 2024	**107,341**	**110,219**	**171,293**	**169,513**
Lease additions	**746**	1,048	**9,655**	**16,316**
Lease liability remeasurements	**2,615**	8,201	**2,388**	**8,200**
Interest charge arising in year	**1,068**	1,120	**1,683**	**1,563**
Early terminations/disposals	**(405)**	-	**(645)**	**(1,927)**
Reclassification	**-**	-	**(7,915)**	**-**
Lease payments (cash outflows)	**(13,213)**	(13,247)	**(23,822)**	**(22,372)**
Carrying value at 31 March 2025	**98,152**	107,341	**152,637**	**171,293**

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.

10.4.1 Maturity analysis of future lease payments at 31 March 2025

The Foundation Trust is not exposed to significant liquidity risks in relation to lease liabilities as the Foundation Trust is able to access funding through the Department of Health and Social Care in order to manage continuing operations.
The trust leases various buildings and medical equipment used in the provision of healthcare.
Buildings leases include renewal clauses and rental cost review dates and medical equipment leases include extension clauses or purchase options. Due to the uncertainty of these, potential future cash flows related to these are not included in the measurement of the lease liabilities.

	Group		Trust	
	Total	Of which leased from DHSC group bodies:	Total	Of which leased from DHSC group bodies:
	31 March 2025	31 March 2025	31 March 2025	31 March 2025
	£000	£000	£000	£000
Undiscounted future lease payments payable in:				
- not later than one year;	11,412	5,461	21,666	5,461
- later than one year and not later than five years;	38,261	18,658	70,625	18,658
- later than five years.	54,783	15,505	69,720	15,505
Total gross future lease payments	**104,456**	**39,624**	**162,011**	**39,624**
Finance charges allocated to future periods	(6,304)	(1,752)	(9,374)	(1,752)
Net lease liabilities at 31 March 2025	**98,152**	**37,872**	**152,637**	**37,872**
Of which:				
- Current	10,441	5,091	20,129	5,091
- Non-Current	87,711	32,781	132,508	32,781

At 31 March 2025, the Trust has not committed to any leases which had not commenced at that date.
There are no restrictions or covenants imposed by the Trust's lease arrangements.

10.4.2 Maturity analysis of future lease payments at 31 March 2024

	Group		Trust	
	Total	Of which leased from DHSC group bodies:	Total	Of which leased from DHSC group bodies:
	31 March 2024	31 March 2024	31 March 2024	31 March 2024
	£000	£000	£000	£000
Undiscounted future lease payments payable in:				
- not later than one year;	12,792	6,375	23,584	6,375
- later than one year and not later than five years;	40,147	19,752	73,713	19,752
- later than five years.	61,548	18,162	84,753	18,162
Total gross future lease payments	**114,487**	**44,289**	**182,050**	**44,289**
Finance charges allocated to future periods	(7,146)	(2,061)	(10,756)	(2,061)
Net lease liabilities at 31 March 2024	**107,341**	**42,228**	**171,294**	**42,228**
Of which:				
- Current	11,754	5,969	21,957	5,969
- Non-Current	95,587	36,259	149,337	36,259

At 31 March 2024, the Trust has not committed to any leases which had not commenced at that date.
There are no restrictions or covenants imposed by the Trust's lease arrangements.

11 Investments

11.1 Subsidiary undertakings, associates and joint ventures held

The Foundation Trust's principal subsidiary undertakings, associates and joint ventures as included in its consolidated accounts are set out below.
The accounting date of the financial statements for the subsidiaries is 31 March 2025, and for the associate (Synnovis), 31 December 2024.
The Trust holds a £250k investment in KCH Commercial Services Ltd.

	Country of Incorporation and Registered Office	Beneficial interest	Principal activity
Directly owned subsidiary undertakings			
KCH Commercial Services Ltd	UK	100%	Holding company
KCH Interventional Facilities Management LLP *	UK	100%	Interventional Facilities Management
Indirectly owned subsidiary undertakings			
KCH Management Ltd	UK	100%	Healthcare services
Associates			
Synnovis Group LLP (Synnovis)**	UK	24.5%	Healthcare services
MedTech Innovations Ltd ***	UK	30%	Healthcare technology
Joint operations			
NIHR/Wellcome Trust Clinical Research Facility (CRF) *****	UK		
Equity		35%	Research
Constructions		54%	Research
Other investments			
King's Fertility Limited	UK	10%	Healthcare services
KHP Ventures I Limited Partnership ****	UK	11.9%	Healthcare technology

* KCH Interventional Facilities Management LLP (KIFM) is a limited liability partnership between King's College Hospital NHS Foundation Trust (90%) and KCH Commercial Services Ltd (10%). KIFM started trading on 1 July 2016 and was set up to provide an efficient transformation and procurement service to the Trust. The income, expenses, assets, liabilities, equity and reserves of KIFM have been consolidated in full into the appropriate financial statement lines.
** Synnovis Group LLP was formerly known as Viapath Group LLP
*** MedTech Innovations Ltd is a joint venture with GSTT NHS FT and King's College London. The Trust has a 30% ownership share in this company.
**** The Trust has invested as a limited partner in KHP Ventures I Limited Partnership. This investment is held through its commercial subsidiary KCS. The current investment represents an 11.9% share of the partnership however this percentage will decrease as additional partners invest in line with fund plans.
***** The Foundation Trust entered into a joint operation with King's College London and South London and Maudsley NHS Foundation Trust for the construction and use of premises known as the NIHR/Wellcome Trust Clinical Research Facility, which opened in November 2012.
The Foundation Trust has capitalised 54% of the cost of the building, and equipment assets therein based on the construction proportion. The Foundation Trust recognises 35% of revenue and expenditure generated by the facility, based on the equity proportion as stipulated in the Collaboration Agreement.

11.2 Carrying value of associates

	2024-25	2023-24
Group		
	£000	£000
Balance at 1 April	**6,319**	5,620
Share of profit	**25**	(209)
Reversal of prior impairment	**-**	1,133
Disposals	**-**	(225)
Balance at 31 March	**6,344**	6,319

The balance includes investment of £1,083k in MedTech Innovations Ltd. The remainder of the balance relates to Synnovis, which provides critical pathology services to the Trust.
The share of profit relates to the investment in KHP MedTech Innovations Ltd.
Investments in Synnovis and MedTech Innovations are held by the Trust's subsidiary KCH Commercial Services Ltd.

11.3 Value of associates

	2024-25	2023-24
	£000	£000
Total gross assets of the entity as at 31 March	**252,000**	217,239
Total revenues for the year ending 31 March	**215,300**	209,314
Profit for the year ending 31 March	**(30,100)**	4,248

The above figures are estimates based on the Synnovis draft annual accounts for the year ended 31 December 2024.
Figures from the Synnovis year end are used as there is not expected to be a material difference in position between the two year end dates.

11.4 Carrying value of other investments

	Group		**Trust**	
	31 March 2025	31 March 2024	**31 March 2025**	31 March 2024
	£000	£000	**£000**	£000
King's Fertility Limited	**335**	335	**335**	335
KHP Ventures I Limited Partnership	**972**	333	**-**	-
Other financial assets*	**3,676**	3,676	**3,676**	3,676
	4,983	4,344	**4,011**	4,011

*Other financial assets relates to a PIK note held by the Trust
The Trust invested £836k into KHP Ventures in year, a new fund. This investment is held by KCH Commercial Services Ltd

12 Inventories

12.1 Inventories - current year

	Group			
	Drugs £000	Consumables £000	Consumables donated from DHSC bodies £000	Total £000
At 1 April 2024	**10,329**	**14,823**	**-**	**25,152**
Additions	**236,072**	**130,002**	**-**	**366,074**
Inventories consumed and expensed	**(237,304)**	**(130,340)**	**-**	**(367,644)**
Write down of inventories	**(539)**	**-**	**-**	**(539)**
At 31 March 2025	**8,558**	**14,485**	**-**	**23,043**

Inventories - current year

	Trust			
	Drugs £000	Consumables £000	Consumables donated from DHSC bodies £000	Total £000
At 1 April 2024	**7,156**	**168**	**-**	**7,324**
Additions	**214,018**	**13,036**	**-**	**227,054**
Inventories consumed and expensed	**(213,625)**	**(13,047)**	**-**	**(226,672)**
Write down of inventories	**(535)**	**-**	**-**	**(535)**
At 31 March 2025	**7,014**	**157**	**-**	**7,171**

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 £0548m of items purchased by DHSC. Distribution of inventory by the Department ceased in March 2024.

The deemed cost of these inventories was charged directly to expenditure on receipt with the corresponding benefit recognised in income. No material balance of centrally issued stock was held by the Trust as at the balance sheet date.

12.2 Inventories - prior year

	Group			
	Drugs £000	Consumables £000	Consumables donated from DHSC bodies £000	Total £000
At 1 April 2023	9,150	13,058	-	22,208
Additions	224,548	111,459	-	336,007
Additions donated	-	-	548	548
Inventories consumed and expensed	(222,783)	(109,694)	(548)	(333,025)
Write down of inventories	(586)	-	-	(586)
At 31 March 2024	10,329	14,823	-	25,152

Inventories - prior year

	Trust			
	Drugs £000	Consumables £000	Consumables donated from DHSC bodies £000	Total £000
At 1 April 2023	7,922	-	-	7,922
Additions	225,070	11,905	548	237,523
Inventories consumed and expensed	(225,264)	(11,737)	(548)	(237,549)
Write down of inventories	(572)			(572)
At 31 March 2024	7,156	168	-	7,324

13 Trade and other receivables

13.1 Trade and other receivables

	Group		Trust	
	31 March 2025	31 March 2024	**31 March 2025**	31 March 2024
	£000	£000	**£000**	£000
Current				
Contract receivables	**56,163**	58,719	**53,353**	52,861
Allowance for impaired contract receivables / assets	**(16,898)**	(11,511)	**(16,898)**	(11,511)
Deposits and advances	**168**	397	**168**	397
Prepayments (non-PFI)	**6,946**	7,652	**4,644**	7,630
PDC dividend receivable	**1,465**	2,706	**1,494**	2,706
VAT receivable	**13,574**	12,229	**13,524**	15,214
Other receivables due from subsidiaries	**-**	-	**1,184**	2,110
Clinician pension tax provision reimbursement funding from NHSE	**124**	103	**124**	103
Other receivables	**311**	124	**306**	125
Total current receivables	**61,853**	70,419	**57,899**	69,635
Non-current				
Contract receivables	**11,004**	12,835	**2,220**	4,050
Other receivables due from subsidiaries	**-**	-	**33,353**	47,853
Clinician pension tax provision reimbursement funding from NHSE	**2,272**	2,201	**2,271**	2,201
Other Receivables	**3,397**	5,928	**3,397**	5,928
Total non-current receivables	**16,673**	20,964	**41,241**	60,032
Total	**78,526**	91,383	**99,140**	129,667
Of which are receivable from NHS and DHSC group bodies:				
Current	**22,620**	25,809	**22,620**	25,809
Non-current	**2,272**	2,201	**2,272**	2,201

The majority of trade is with NHS England and other NHS bodies. As these bodies are funded by the UK Government to buy NHS patient care services, no credit scoring of them is considered necessary.

The largest outstanding debtor at 31 March 2025 was Guy's & St Thomas' Foundation Trust totalling £7.858m (2024: Guy's & St Thomas' Foundation Trust £8.986m).

13.2 Allowances for credit losses - 2024/2025

	Group		Trust	
	Contract receivables	**All other receivables**	**Contract receivables**	**All other receivables**
	£000	**£000**	**£000**	**£000**
Allowances as at 1 Apr 2024 - brought forward	**11,511**	**-**	**11,511**	**-**
New allowances arising	9,255	-	9,255	-
Reversals of allowances	(726)	-	(726)	-
Utilisation of allowances (write offs)	(3,142)	-	(3,142)	-
Allowances as at 31 Mar 2025	**16,898**	**-**	**16,898**	**-**

Allowances for credit losses - 2023/2024	Group		Trust	
	Contract receivables	**All other receivables**	**Contract receivables**	**All other receivables**
	£000	**£000**	**£000**	**£000**
Allowances as at 1 Apr 2023	**10,892**	**-**	**10,680**	-
New allowances arising	4,152	-	4,152	-
Reversals of allowances	(100)	-	(100)	-
Utilisation of allowances (write offs)	(3,433)	-	(3,221)	-
Allowances as at 31 Mar 2024	**11,511**	**-**	**11,511**	**-**

14 Cash and cash equivalents

	Group		Trust	
	31 March 2025	31 March 2024	**31 March 2025**	31 March 2024
	£000	£000	**£000**	£000
Opening balance	**72,561**	57,605	**62,797**	36,775
Net change in year	**12,303**	14,956	**10,961**	26,022
Closing balance	**84,864**	72,561	**73,758**	62,797
Made up of				
Cash with Government Banking Service	**79,412**	67,213	**70,329**	59,688
Commercial banks and cash in hand	**5,452**	5,348	**3,429**	3,109
Cash and cash equivalents as in statement of financial position	**84,864**	72,561	**73,758**	62,797
Patients' money held by the Foundation Trust	**-**	-	**-**	-

15 Trade and other payables

	Group		Trust	
	31 March 2025	31 March 2024	**31 March 2025**	31 March 2024
	£000	£000	**£000**	£000
Current				
Trade payables	**60,504**	42,587	**41,495**	46,039
Capital payables	**9,326**	9,669	**8,655**	9,669
Accruals	**100,086**	93,645	**87,572**	76,526
Receipts in advance	**1,002**	1,615	**1,002**	1,615
Social security costs	**12,414**	13,286	**12,395**	11,717
Other taxes payable	**10,798**	11,734	**10,783**	12,831
Other payables	**17,604**	15,691	**14,878**	13,779
Total	**211,734**	188,227	**176,780**	172,176
Of which are payable to NHS and DHSC group bodies:				
Current	**28,876**	28,329	**28,876**	28,329

All trade and other payables are current; there are no non-current balances.

16 Other liabilities

	Group and Trust	
	31 March 2025	31 March 2024
	£000	£000
Current		
Deferred income	**18,278**	19,232
Other liabilities (pending clawback)	**6,289**	6,440
Total	**24,567**	25,672

All deferred income is current; there are no non-current balances.
£97k of the deferred income is held by the subsidiary, KCH Management Ltd (£12k in 2023-24)

17 Borrowings

	Group		Trust	
	31 March 2025	31 March 2024	**31 March 2025**	31 March 2024
Current	**£000**	£000	**£000**	£000
Loans from DHSC				
Capital loans	**3,658**	3,688	**3,658**	3,688
Other loans	**641**	641	**641**	641
Lease liabilities	**10,441**	11,754	**20,129**	21,957
Obligations under PFI contracts	**11,712**	10,992	**11,712**	10,992
Total current borrowings	**26,452**	27,075	**36,140**	37,278
Non-current				
Loans from DHSC				
Capital loans	**29,998**	33,416	**29,998**	33,416
Other loans	**641**	1,281	**641**	1,281
Lease liabilities	**87,711**	95,587	**132,509**	149,336
Obligations under PFI contracts	**238,885**	243,067	**238,885**	243,067
Total non-current borrowings	**357,235**	373,351	**402,033**	427,100
Total	**383,687**	400,426	**438,173**	464,378

17.1 Reconciliation of liabilities arising from financing activities

Group	**Loans from DHSC**	**Other loans**	**PFI and LIFT schemes**	**Lease Liabilities**	**Total**
	£000	**£000**	**£000**	**£000**	**£000**
Carrying value at 1 April 2024	**37,104**	**1,922**	**254,059**	**107,341**	**400,426**
Cash movements:					
Financing cash flows - payments and receipts of principal	(3,418)	(640)	(13,126)	(12,145)	**(29,329)**
Financing cash flows - payments of interest	(926)	(37)	(26,911)	(1,068)	**(28,942)**
Non-cash movements:					
Additions	-	-	2,251	746	**2,997**
Lease liability remeasurements	-	-	-	2,615	**2,615**
Remeasurement of PFI / other service concession liability resulting from change in index or rate	-	-	7,334	-	**7,334**
Early termination	-	-	-	(405)	**(405)**
Interest charge arising in year	896	37	26,990	1,068	**28,991**
Carrying value at 31 March 2025	**33,656**	**1,282**	**250,597**	**98,152**	**383,687**

Group	**Loans from DHSC**	**Other loans**	**PFI and LIFT schemes**	**Lease Liabilities**	**Total**
	£000	**£000**	**£000**	**£000**	**£000**
Carrying value at 1 April 2023	**40,544**	**2,562**	**137,425**	110,219	**290,750**
Cash movements:					
Financing cash flows - payments and receipts of principal	(3,418)	(640)	(12,481)	(12,127)	**(28,666)**
Financing cash flows - payments of interest	(1,019)	(49)	(26,069)	(1,120)	**(28,257)**
Non-cash movements:					
Application of IFRS 16 to PFI liability on 1st April 2023	-	-	100,093	0	**100,093**
Additions	-	-	1,273	1,048	**2,321**
Lease liability remeasurement	-	-	-	8,201	**8,201**
PFI liability remeasurement	-	-	27,749	-	**27,749**
Interest charge arising in year	997	49	26,069	1,120	**28,235**
Carrying value at 31 March 2024	**37,104**	**1,922**	**254,059**	**107,341**	**400,426**

17 Borrowings - Continued

17.3 Reconciliation of liabilities arising from financing activities

Trust	Loans from DHSC	Other loans	PFI and LIFT schemes	Lease Liabilities	Total
	£000	£000	£000	£000	£000
Carrying value at 1 April 2024	**37,104**	**1,922**	**254,059**	**171,293**	**464,378**
Cash movements:					
Financing cash flows - payments and receipts of principal	(3,418)	(640)	(13,126)	(22,139)	**(39,323)**
Financing cash flows - payments of interest	(926)	(37)	(26,911)	(1,683)	**(29,557)**
Non-cash movements:					
Additions	-	-	2,251	9,655	**11,906**
Lease liability remeasurement	-	-	-	2,388	**2,388**
PFI liability remeasurement		-	7,334	-	**7,334**
Early terminations				(645)	**(645)**
Reclassification				(7,915)	**(7,915)**
Interest charge arising in year	896	37	26,990	1,683	**29,606**
Carrying value at 31 March 2025	**33,656**	**1,282**	**250,597**	**152,637**	**438,172**

Trust	Loans from DHSC	Other loans	PFI and LIFT schemes	Lease Liabilities	Total
	£000	£000	£000	£000	£000
Carrying value at 1 April 2023	**40,544**	**2,562**	**137,425**	**169,513**	**350,044**
Cash movements:					
Financing cash flows - payments and receipts of principal	(3,418)	(640)	(12,481)	(20,809)	**(37,348)**
Financing cash flows - payments of interest	(1,019)	(49)	(26,069)	(1,563)	**(28,700)**
Non-cash movements:					
Application of IFRS 16 to PFI liability on 1st April 2023			100,093	0	**100,093**
Additions			1,273	16,316	**17,589**
Lease liability remeasurement			-	8,200	**8,200**
PFI liability remeasurement	-	-	27,749	-	**27,749**
Interest charge arising in year	997	49	26,069	1,563	**28,678**
Early terminations/disposals	-	-	-	(1,927)	**(1,927)**
Carrying value at 31 March 2024	**37,104**	**1,922**	**254,059**	**171,293**	**464,378**

18 Provisions

18.1 Provisions - current year

Group	Pensions: Early Departure costs £000	Pensions: Injury benefits * £000	Legal claims £000	Other £000	Restructuring Provisions £000	Clinicians' Pension Provision £000	Total £000
At 1 April 2024	1,982	88	263	428	3,313	2,304	**8,378**
Arising during the year	527	111	177	126	-	49	**990**
Utilised during the year - cash	(508)	(54)	(14)	(56)	(756)	(52)	**(1,440)**
Utilised during the year - accruals	(160)	(18)	-	-	-	-	**(178)**
Reversed unused	(87)	-	(111)	-	(2,278)	-	**(2,476)**
Change in discount rate	5	1	-	-	-	(22)	**(16)**
Unwinding of discount	43	5	-	-	-	117	**165**
At 31 March 2025	**1,802**	**133**	**315**	**498**	**279**	**2,396**	**5,423**
Expected timing of cash flows:							
No later than one year	639	72	315	498	279	124	**1,927**
Later than one year and not later than five years	1,135	61	-	-	-	287	**1,483**
Later than five years	28	-	-	-	-	1,985	**2,013**
Total	**1,802**	**133**	**315**	**498**	**279**	**2,396**	**5,423**

All provisions relate to the Trust

The timing of the provisions cash flow represents our best estimate of future liabilities based on available input from NHS professionals in the respective areas. "Other provisions" relates to provisions raised against the cost of defending and settling legal disputes

18.2 Provisions - prior year

Group	Pensions: Early Departure £000	Pensions: Injury benefits* £000	Legal claims £000	Other £000	Restructuring Provisions £000	Clinicians' Pension Provision £000	Total £000
At 1 April 2023	2,356	90	261	1,339	-	2,801	6,847
Arising during the year	476	64	2	9	3,313	-	3,864
Utilised during the year - accruals	(658)	(67)				(56)	(781)
Reversed unused	(119)	-	-	(920)	-	(95)	(1,134)
Change in discount rate	(108)	(2)	-	-	-	(496)	(606)
Unwinding of discount	35	3	-	-	-	150	188
At 31 March 2024	1,982	88	263	428	3,313	2,304	8,378
Expected timing of cash flows:							
No later than one year	658	63	263	428	3,313	103	4,828
Later than one year and not later than five years	1,246	25	-	-	-	207	1,478
Later than five years	78	-	-	-	-	1,994	2,072
Total	1,982	88	263	428	3,313	2,304	8,378

All provisions relate to the Trust

The timing of the provisions cash flow represents our best estimate of future liabilities based on available input from NHS professionals in the respective areas. "Other provisions" relates to provisions raised against the cost of defending and settling legal disputes

18.3 Provisions - further information

Clinical negligence

£659.014m (31 March 2024: £653.291m) is included in the provisions of NHS Resolution at 31 March 2025, in respect of the estimated clinical negligence liabilities and existing liabilities of the Foundation Trust. As such, no provision is included in the Trust's accounts. NHS Resolution took over responsibility for unsettled clinical negligence claims for 1 April 2000, financial responsibility for all other clinical negligence claims transferred on 1 April 2002.

Pensions

The measure of the Foundation Trust's pension liability for early retired staff was recalculated in 2012-13, using the Office for National Statistics life expectancy tables. Expected future cash flows have been discounted using the real discount rate of 2.40% (2023-24: 2.45%) (set by HM Treasury) to determine the full liability.

Legal claims

The provision is based upon information provided by the NHS Resolution and refers to non-clinical claims against the Foundation Trust (e.g. public and employer's liability cases).

Other

The Foundation Trust has provided £0.498m (31 March 2024: £0.371m) for outstanding Employment Tribunal cases and associated legal fees. A further provision has been provided for the costs of defending and settling legal claims.

19 Contingencies

	Group and Trust	
	31 March 2025	31 March 2024
	£000	£000
Contingent liabilities		
Non-clinical legal claims	**(111)**	(111)

The above contingencies refer to non-clinical legal claims, dealt with by the NHS Resolution on behalf of the Foundation Trust. This represents our best estimate of future liabilities based on available input from NHS professionals in the respective areas.

The Foundation Trust has no contingent assets.

20 Contracted capital commitments

	Group	
	31 March 2025	31 March 2024
	£000	£000
Property, plant and equipment	**9,314**	25,382

Capital commitments at 31st March 2025 include works on the the Endoscopy build at the PRUH site. The Trust holds capital commitments of £1.077m.

21 Revaluation reserve

Group and Trust		**31 March 2025**	31 March 2024
	Property, plant and equipment	**Total**	Total
	£000	**£000**	£000
At 1 April	**165,219**	**165,219**	164,016
Net impairments	**(2,337)**	**(2,337)**	(24,996)
Revaluations	**17,554**	**17,554**	26,199
At 31 March	**180,436**	**180,436**	165,219

22 On-SoFP PFI arrangements

22.1 The following are obligations in respect of the finance lease element of on-Statement of Financial Position PFI schemes:

	Group and Trust 31 March 2025 £000	31 March 2024 £000
Gross PFI liabilities	**472,748**	496,879
Of which liabilities are due:		
- not later than one year	**38,706**	37,914
- later than one year and not later than five years	**148,891**	145,239
- later than five years	**285,151**	313,726
Total	**472,748**	496,879
Finance charges allocated to future periods	**(222,151)**	(242,820)
Net PFI liabilities	**250,597**	254,059
Of which liabilities are due:		
- not later than one year	**11,712**	10,992
- later than one year and not later than five years	**51,054**	45,682
- later than five years	**187,831**	197,385
Total	**250,597**	254,059

22.2 Total on-SoFP PFI commitments

Total future obligations under these on-SoFP schemes are as follows:

	Group and Trust 31 March 2025 £000	31 March* 2024 £000
Total future payments committed of which will fall due:		
- not later than one year	**120,103**	112,453
- later than one year and not later than five years	**495,715**	463,648
- later than five years	**1,037,135**	1,096,909
Total	**1,652,953**	1,673,010

22.3 Analysis of amounts payable to service concession operator

This note provides an analysis of the unitary payments made to the service concession operator:

	Group and Trust 31 March 2025 £000	31 March 2024 £000
Unitary payment payable to service concession operator (total of all schemes)	**116,896**	113,089
Consisting of:		
- Interest charge	**26,990**	26,069
- Repayment of finance lease liability	**13,126**	12,481
- Service element	**72,821**	70,789
- Revenue lifecycle maintenance	**3,959**	3,750
	116,896	113,089
Other amounts paid to operator due to a commitment under the service concession contract but not part of the unitary payment	**4,337**	7,218
Total	**121,233**	120,307

22.4 PFI Schemes

King's College Hospital

The PFI consisted of two phases: phase 1 (construction of the new Golden Jubilee Clinical Wing) and phase 2 (refurbishment of the existing Ruskin Wing). The project enabled the centralisation of acute services on the Denmark Hill site following the transfer of services from Dulwich Hospital and Mapother House. As part of the scheme, HpC (King's College Hospital) plc also took responsibility for the provision of site-wide catering, domestic and portering services from April 2000. As a result recurrent revenue savings were achieved.

The project has been financed by a means of a wrapped, index linked bond guaranteed by MBIA-AMBAC and debt and equity capital provided by Costain, Skanska, Sodexo and Edison Capital. The contract period is 38 years. The annual payments by the Trust are dependent on availability and service quality standards being met.

22 On-SoFP PFI arrangements continued

Princess Royal Hospital - building PFI

Under the building PFI, United Healthcare (Bromley) Limited provided the land, building and site-wide hard and soft facilities management at the Princess Royal Hospital.

The capital funding is a combination of senior debt and equity finance. The senior debt financing was originally provided by way of loan from Commerzbank AG (and others). There was a refinancing process in 2004 which involved the issue of 3.018% index-linked guaranteed secure bonds, repayable in 66 six monthly instalments which commenced in 2004 and will end in 2036, and are subject to half yearly indexation in line with RPI.

Princess Royal Hospital - managed equipment services PFI

The MES PFI Scheme agreement dated 22 March 2002 is a 30 year PFI agreement and relates to the purchase of medical equipment, and the installation, maintenance and replacement of this and other clinical equipment. This agreement is between (1) The Trust, (2) United Healthcare (Bromley) Limited and (3) Healthsource (Bromley) Limited and commenced on the 1st of January 2003.

23 Financial instruments

23.1 Risk profile and management

Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the Foundation Trust has with NHS England and integrated care boards, and the way those commissioners are financed, the Foundation 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 Foundation 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 Foundation Trust in undertaking its activities.

The Foundation Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Foundation Trust's standing financial instructions and policies agreed by the board of directors. This treasury activity is subject to review by the internal auditor.

Currency risk

The Foundation Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Foundation Trust itself has no overseas operations and therefore has low exposure to currency rate fluctuations. The Trust's subsidiary, KCH Management Ltd, is involved in some overseas activities and is exposed to exchange rate movements in some of its operations. This is an immaterial risk to the KCH group position.

Interest rate risk

41% of the Foundation Trust's financial assets and 99% of its financial liabilities carry nil or fixed rates of interest. The interest rate on cash held is 0.33%, so overall the Foundation Trust is not exposed to significant interest-rate risk. The two tables below show the interest rate profiles of the Foundation Trust's financial assets and liabilities.

Credit risk

Because the majority of the Foundation Trust's revenue comes from contracts with other public sector bodies, the Foundation 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 (note 12). Trade and other receivables outstanding but not past due date are considered recoverable and are not impaired. Factors determining the of impairment of trade and other receivables past due is included in note 1.21. Debts past their due date are covered by credit provisions or relate to intercompany loans where no requirement to impair has been identified.

Liquidity risk

The Foundation Trust’s operating costs are incurred under contracts with integrated care boards and NHS England, which are financed from resources voted annually by Parliament. The Foundation Trust funds its capital expenditure from funds obtained within its prudential borrowing limit. The Foundation Trust is not, therefore, exposed to significant liquidity risks outside of the uncertainty in the funding regime. See note 1.1.

23.2 Financial assets

	Total	Floating rate	Fixed rate	Non-interest bearing
Group	**£000**	**£000**	**£000**	**£000**
Gross financial assets				
at 31 March 2025	**142,823**	**84,864**	**-**	**57,959**
at 31 March 2024	139,376	72,561	-	66,815
Trust				
Gross financial assets				
at 31 March 2025	**153,683**	**73,758**	**-**	**79,925**
at 31 March 2024	164,932	62,796	-	102,136

The weighted average interest rate for total financial assets was 0.33% (2023-24: 0.37%).
The weighted average period for which fixed years was unlimited (2023-24: unlimited).
The non-interest bearing weighted average term years was nil (2023-24: nil).

23.3 Financial liabilities

	Total	Floating rate	Fixed rate	Non-interest bearing
Group	**£000**	**£000**	**£000**	**£000**
Gross financial liabilities				
at 31 March 2025	**556,103**	**1,282**	**387,828**	**166,993**
at 31 March 2024	558,014	1,922	406,826	149,266
Trust				
Gross financial liabilities				
at 31 March 2025	**575,669**	**1,282**	**442,314**	**132,073**
at 31 March 2024	606,388	1,922	470,779	133,687

The weighted average interest rate for total financial liabilities was 7.35% (2023-24: 7.18%).
The weighted average period for which fixed years was unlimited (2023-24: unlimited).
The non-interest bearing weighted average term years was nil (2023-24: nil).

23.4 Carrying values of financial assets

Group

Carrying values of financial assets as at 31 March 2025	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	52,976	-	-	**52,976**
Other investments / financial assets	335	972	3,676	**4,983**
Cash and cash equivalents	84,864	-	-	**84,864**
Total at 31 March 2025	**138,175**	**972**	**3,676**	**142,823**

Carrying values of financial assets as at 31 March 2024	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	62,471	-	-	**62,471**
Other investments / financial assets	668	-	3,676	**4,344**
Cash and cash equivalents	72,561	-	-	**72,561**
Total at 31 March 2024	**135,700**	**-**	**3,676**	**139,376**

Trust

Carrying values of financial assets as at 31 March 2025	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	75,914	-	-	**75,914**
Other investments / financial assets	335	-	3,676	**4,011**
Cash and cash equivalents	73,758	-	-	**73,758**
Total at 31 March 2025	**150,007**	**-**	**3,676**	**153,683**

Carrying values of financial assets as at 31 March 2024	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	97,792	-	-	**97,792**
Other investments / financial assets	668	-	3,676	**4,344**
Cash and cash equivalents	62,796	-	-	**62,796**
Total at 31 March 2024	**161,256**	**-**	**3,676**	**164,932**

23.5 Carrying values of financial liabilities

	Group		
Carrying values of financial liabilities as at 31 March 2025	**Held at amortised cost £000**	**Held at fair value through I&E £000**	**Total book value £000**
Loans from the Department of Health and Social Care	33,656	-	**33,656**
Obligations under PFI, LIFT and other service concessions	250,597	-	**250,597**
Obligations under leases	98,152	-	**98,152**
Other borrowings	1,282	-	**1,282**
Trade and other payables excluding non financial liabilities	166,993	-	**166,993**
Provisions under contract	5,423	-	**5,423**
Total at 31 March 2025	**556,103**	**-**	**556,103**

Carrying values of financial liabilities as at 31 March 2024	**Held at amortised cost £000**	**Held at fair value through I&E £000**	**Total book value £000**
Loans from the Department of Health and Social Care	37,104	-	**37,104**
Obligations under PFI, LIFT and other service concessions	254,059	-	**254,059**
Obligations under leases	107,341	-	**107,341**
Other borrowings	1,922	-	**1,922**
Trade and other payables excluding non financial liabilities	149,266	-	**149,266**
Provisions under contract	8,322	-	**8,322**
Total at 31 March 2024	**558,014**	**-**	**558,014**

	Trust		
Carrying values of financial liabilities as at 31 March 2025	**Held at amortised cost £000**	**Held at fair value through I&E £000**	**Total book value £000**
Loans from the Department of Health and Social Care	33,656	-	**33,656**
Obligations under PFI, LIFT and other service concessions	250,597	-	**250,597**
Obligations under finance leases	152,638	-	**152,638**
Other borrowings	1,282	-	**1,282**
Trade and other payables excluding non financial liabilities	132,073	-	**132,073**
Provisions under contract	5,423	-	**5,423**
Total at 31 March 2025	**575,669**	**-**	**575,669**

Carrying values of financial liabilities as at 31 March 2024	**Held at amortised cost £000**	**Held at fair value through I&E £000**	**Total book value £000**
Loans from the Department of Health and Social Care	37,104	-	**37,104**
Obligations under PFI, LIFT and other service concessions	254,059	-	**254,059**
Obligations under finance leases	171,294	-	**171,294**
Other borrowings	1,922	-	**1,922**
Trade and other payables excluding non financial liabilities	133,687	-	**133,687**
Provisions under contract	8,322	-	**8,322**
Total at 31 March 2024	**606,388**	**-**	**606,388**

23.6 Fair values of financial assets and liabilities

The carrying value of financial assets and liabilities is considered a reasonable approximation of their fair values.

23.7 Maturity of financial liabilities

	Group		Trust	
	31 March 2025 £000	**31 March 2024 £000**	**31 March 2025 £000**	**31 March 2024 £000**
In one year or less	**223,947**	209,777	**199,281**	204,954
In more than one year but not more than five years	**204,478**	204,302	**236,842**	237,868
In more than five years	**360,431**	399,144	**375,368**	422,349
Total	**788,856**	813,223	**811,491**	865,171

This analysis is based on undiscounted future cash flows i.e. gross liabilities including finance charges. The amounts of both principal and interest payments which the Trust and group are committed to make under PFI and finance lease obligations are shown in Note 17.

24 Third party assets

At 31 March 2025, the Foundation Trust held £0 (31 March 2024: £0) cash at bank and in hand that related to monies held by the Foundation Trust on behalf of patients. This is excluded from the cash at bank and in hand figure reported in the accounts.

25 Events after the reporting period

No events after the balance sheet date have been identified.

26 Related parties

King's College Hospital NHS Foundation Trust is a body corporate established by order of the Secretary of State for Health. The Department of Health and Social Care is the Trust's parent department and ultimate controlling party.

During the year, none of the Board members, the Foundation Trust's governors, members of the key management staff or parties related to them have undertaken any material transactions with the Foundation Trust.

The Department of Health and Social Care (DHSC) is regarded as a related party. During the year, the Foundation Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent entity, including ICBs, NHS Trusts and NHS England, as well as the NHS Resolution and the NHS Business Services Authority . These organisations are listed below.

NHS South East London Integrated Care Board
London Commissioning Region
NHS England Central Commissioning Hub
NHS Kent and Medway Integrated Care Board
NHS South West London Integrated Care Board
NHS England
Guy's and St Thomas' NHS Foundation Trust
NHS Resolution
NHS Sussex Integrated Care Board
NHS Surrey Heartlands Integrated Care Board
Health And Social Care Board
NHS North Central London Integrated Care Board
Oxleas NHS Foundation Trust
NHS Blood And Transplant
Community Health Partnerships Ltd
NHS Buckinghamshire, Oxfordshire and Berkshire West Integrated Care Board
NHS North West London Integrated Care Board
NHS North East London Integrated Care Board

Current year	Income £000	Expenditure £000	Receivables £000	Payables £000
Synnovis Group LLP	10,904	62,120	2,933	15,220
Medtech	-	-	-	-
KHP Ventures*	-	-	-	-

*KCH Group invested £836k into KHP Ventures in the year

Prior year	Income £000	Expenditure £000	Receivables £000	Payables £000
Synnovis Group LLP	10,475	62,333	3,141	6,381
Medtech	-	-	-	-
KHP Ventures	-	-	-	-

26.1 Related parties - Trust

In addition to the related party disclosures above, the Trust has the following transactions with its subsidiary companies:

Current year	Income £000	Expenditure £000	Receivables £000	Payables £000
King's Interventional Facilities Management*	10,560	206,767	21,353	59,853
King's Commercial Services Ltd	605	-	12,000	-
KCH Management Ltd	4,188	1,305	1,207	3

Prior year	Income £000	Expenditure £000	Receivables £000	Payables £000
King's Interventional Facilities Management*	13,767	189,018	37,541	79,939
King's Commercial Services Ltd	356	8	11,500	-
KCH Management Ltd	4,207	1,755	1,193	386

*The Payables figure with King's Interventional Facilities Management includes lease liabilities for equipment owned by the subsidiary

27 Losses and special payments

Group and Trust	2024-25 Number	2024-25 Value £000	2023-24 Number	2023-24 Value £000
Losses of cash due to:				
- overpayment of salaries	**130**	**150**	135	116
- other causes	**-**	**-**	13	8
Bad debts and claims abandoned in relation to:				
- private patients	**8**	**74**	93	44
- overseas visitors	**474**	**2,646**	339	2,164
- other	**37**	**272**	43	34
Stores Losses	**24**	**535**	34	572
Damage to buildings, property etc. due to:				
- theft, fraud etc.	**12**	**18**	13	6
Total losses	**685**	**3,695**	670	2,944
Special payments due to:				
Ex-gratia payments due to:				
- loss of personal effects	**8**	**8**	23	24
Total special payments	**8**	**8**	23	24
Total losses and special payments	**693**	**3,703**	693	2,968

In 2024-25 there were nil cases where the loss or special payment exceeded £300,000 (2023-24: 0 cases).

Losses and special payments are disclosed on an accruals, rather than a cash basis, but exclude provision for future losses.