





Wirral Community Health & Care  
NHS Foundation Trust  
Annual Report and Accounts  
1 April 2019 - 31 March 2020

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

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The Annual Report and a full copy of the Annual Accounts 2019-20 will be made available on our website at [www.wchc.nhs.uk](http://www.wchc.nhs.uk). A limited number of printed copies will be sent to official statutory and non-statutory bodies. A summary of this report and accounts will be available as part of our Annual Members Meeting.

Paper copies of the Annual Report are available to members of the public free of charge and copies of this document can be made available in other formats on request. If you require a copy in large print, audio CD or in another language, please contact the Patient Experience Officer (See below).

### **Your Experience - tell us what you think**

Your feedback will help us to improve the services we provide to everyone in our community.

If you have a compliment, comment, concern or complaint, please get in touch via:

- ✓ Tel: 0800 694 5530
- ✓ Email: [yourexperience@nhs.net](mailto:yourexperience@nhs.net)

# Performance Report

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## Performance overview from the Chief Executive - a review of our performance during 2019-20

Welcome to our Annual Report and Accounts for 2019-20, which sets out the achievements of the Trust and how we continue to build upon our reputation for excellent quality, high levels of performance and patient and service user focused delivery. We have a strong track record in partnership working, and this has been at the forefront of the Trust's effective response to the COVID-19 pandemic in 2020.

This performance overview provides a summary of the Trust, our purpose, the key risks to the achievement of our objectives and how the trust performed during the 2019-20 financial year.

Our vision remains to be the outstanding provider of high quality, integrated care to the communities we serve. This is underpinned by our values:

### **The values at our HEART...**

***Health and wellbeing at the heart of everything we do***

***Exceptional person-centred care***

***Actively supporting each other***

***Responsive, professional, innovative***

***Trusted to deliver***



On 1 April 2019 the Trust officially changed its name to Wirral Community Health & Care NHS Foundation Trust. This acknowledged our successful integration of health and social care and recognised our unique position within the system. The new name supports our ambition to expand the Trust's offer across Wirral and Cheshire East and to further enhance our reputation as a provider of high-quality health and social care services.

The NHS Long Term Plan sets out the vision for future healthcare, and the Trust continues to align its strategy to this national plan to increase community and primary care services and place-based care.

During 2019-20 our services and teams, both health and social care, have continued to provide services to people to avoid hospital admission, to support earlier and safe discharges from hospital and to allow people to access services closer to home thereby reducing the number of visits to hospital. We are able to add value to our patients and service users with our holistic approach and multidisciplinary working, as we are one of only a handful of Trusts to provide health and care services. We continue to apply our excellent knowledge of our communities and remain committed to strong partnership working.



We continue to develop significant services for our communities to support their health and wellbeing, and developments during 2019-20 include;

- Realignment of Trust staff to the seven units making up Wirral's Primary Care Networks. This is particularly significant given the Trust's employment of both health and social care professionals
- Positive feedback from the Adult Social Care Peer review
- Senior leaders are continuing to lead and support the strategic system-wide developments in the Healthy Wirral Partners Board and the wider Cheshire & Merseyside Health & Care Partnership (HCP)
- A single point of access for all health and social care referrals across Wirral. The co-location of mental health colleagues in the Trust's integrated gateway has improved co-ordination, responses and enhanced a multi-disciplinary professional approach for all new referrals
- Our award-winning Tele-triage service has continued to expand its support and value across the care home sector
- The Trust has been one of 14 champion sites supporting NHS England in the roll out of personal wheelchair budgets
- We fitted solar panels to the roof of two wings of St. Catherine's Health Centre in October 2019, and currently the solar panels are providing 40% of our total energy needs for this building
- Our Inclusion & Partnership Forum has gone from strength to strength seeing several new member stakeholder organisations join
- Proactive engagement with our local community with an emphasis on engagement with young people through the INVOLVE Group, and a wide range of development sessions for our elected Governors

We are very proud of these developments and others delivered during the year, and to recognise these achievements and the resilience of the Trust we have chosen to include the detailed analysis of performance in this Annual Report, which is optional for 2019-20 due to the impact of the COVID-19 health emergency.

For the same reasons, the Trust has also decided to prepare the full Quality Report for 2019-20 rather than the option of the shorter Quality Account. The Quality Report is not included in this Annual Report as Trusts are not required to include this for 2019-20. The Quality Report will be shared with stakeholders and finalised separately in line with national recommendations following the amendments to primary legislation for Quality Accounts.

The financial climate for NHS Trusts remains challenging, and the Trust has worked hard to meet all of our statutory financial duties, deliver our efficiency programme and deliver a financial surplus at year-end in line with the control total set by our regulators NHS Improvement.

Our staff continue to be our greatest asset, and we are delighted that our expertise and care has been recognised in a number of national awards including Chief Nursing Officer Awards.

A national Level 4 incident was declared on 3 March 2020, and in response to the emergency situation, the Trust's control environment was revised to respond to the national command and control structure. Further details of our response to the COVID-19 health

emergency are described in the Annual Governance Statement and performance analysis.

The Trust was inspected by the CQC in 2018. In March 2020 the CQC issued the Routine Provider Information Request (RPIR) to the Trust for submission, but this process was stopped due to the COVID-19 pandemic and the response of the Trust to the national Level 4 incident. We look forward to resuming the CQC inspection process as soon as possible and the opportunity this will provide to demonstrate the significant improvements the Trust has made.

On behalf of the Trust Board, I would like to thank all of our staff and volunteers for their energy, passion and dedication in what has been a successful year for Wirral Community Health & Care NHS Foundation Trust.

As Accountable Officer, and on behalf of the Directors of the Trust, I can confirm our responsibility in preparing the Annual Report and Accounts and that they are fair, balanced and understandable and provide necessary information for patients, regulators and other stakeholders to assess the NHS Foundation Trust's performance, business model and strategy.

A handwritten signature in black ink, appearing to read 'K. Howell', is centered on a light gray rectangular background.

**Karen Howell**

**Chief Executive**

**10 August 2020**

## Performance Analysis

### What our service users and their families have been saying about our services and our teams during 2019-20

“Staff were so helpful, put me at ease. The staff worked wonders and fitted me in. It was so quickly done for me. I can't thank all the staff for the amazing service, they're all so happy, friendly, understanding, very caring staff. Can I also say that the staff at the front of the [health] centre were also amazing in getting me to the DVT department. Paul insisted I didn't walk.” **DVT Service**

“My Family Nurse is motivating and encouraging and helps me to make better decisions for my body. It's a supportive service and I have been learning lots.” **Cheshire East Family Nurse Partnership**

“We would like to thank you all for the care and consideration given on his long journey, in particular 'D' - whenever she came, she always said that if there was anything I was worried about, to ring them day or night which gave me a positive feeling that I had some form of safety net, as he did not want to end up in hospital. One day when I felt things weren't right, the GP could not call until after morning surgery, so I rang [the Community Nursing Team] and 'D' came almost right away. It was a relief to see her, and his departure from our world was a calm and peaceful one, for which we are all truly grateful.” **Field Road Community Nursing Team**

“The way you are looked after by the professional team is excellent. Help is at hand when needed. It makes you feel safe if there is a problem.” **Community Cardiology**

“Absolutely loved it. Great fun was had by all, especially my daughter as it brought her out of her shell. I have a disability, so it's difficult for me to get out and give my daughter exercise. She's all rosy cheeked and loved playing with Spartacus.” **0-19 Fit Club and the Trust's Therapy Dog**

“This is a fabulous service, not only did it educate him, it educated the whole family and we have now lost weight and feel much healthier.” **0-19 Fit Club and the Trust's Therapy Dog**

“Wow is all I can say! From booking my appointment online, I was so relieved to see an option for transgender when asked my gender as it made things so much easier when I arrived at clinic and less anxiety-ridden for me. I wasn't worried about attending and having to have awkward conversations regarding my identity as I had been able to record this online. 'M' was amazing - so friendly and approachable and an absolute asset to your service - definitely a 5-star review \*\*\*\*\*” **Sexual Health**

“I have a very bad fear of the dentist [which I've had] since childhood. I came to Victoria Central Health Centre, met 'H' and her staff and they made me so at ease. I have been back many times since. [They are] a fabulous team.” **Community Dental**

“Never have I had such confidence in a health professional. ‘C’ knowledge, expertise and experience are astounding. I was instantly reassured and have continued to successfully breastfeed my baby. This service is an essential part of the NHS.” **Infant Feeding Team, Wirral**

“The work you do is just amazing - thank you!” **Integrated Specialist Palliative Care Team**  
“Very helpful, informative and really put me at ease on my first motherhood experience. ‘K’ has been incredible, so kind and caring and really made me feel ready for being a mum.”  
**Cheshire East 0-19**

## Statement of the purpose and activities of Wirral Community Health & Care NHS Foundation Trust

The legislation under which we were established was the National Health Service Act 2006 and according to the establishment order, Wirral Community National Health Service Trust came into force on 1 April 2011.

We had a revised version of our Establishment Order passed by Parliament in July 2013 to reflect the Board composition of 5 Non-Executive Directors and 4 Executive Directors.

Monitor, in exercise of the powers conferred by section 35 of the National Health Service 2006, and all other powers exercisable by Monitor, authorised Wirral Community NHS Trust to become an NHS Foundation Trust from (and including) 1 May 2016.

On 1 April 2019 the Trust officially changed its name to Wirral Community Health & Care NHS Foundation Trust. This was to acknowledge our successful integration of health and social care and recognise our unique position within the system. The new name supports our ambition to expand the Trust's offer across Wirral and Cheshire East and to further enhance our reputation as a provider of high-quality health and social care services. As an organisation we promote parity for health and social care as we continue to strive to provide the very best integrated community services for residents. Thorough consultation was undertaken with staff, Joint Union Staff Side, members, governors and partner organisations to ensure everyone's views were incorporated into developing the new name which now clearly identifies who we are and what we do.

Wirral Community Health & Care NHS Foundation Trust's Head Office is at:

St Catherine's Health Centre  
Derby Road  
Birkenhead  
CH42 0LQ

Tel: 0151 651 3939  
[www.wchc.nhs.uk](http://www.wchc.nhs.uk)

The accounts for the year ended 31 March 2020 have been prepared by Wirral Community Health and Care NHS Foundation Trust under section 232 (15) of the National Health Service Act 2006 in the form which the Secretary of State has, with the approval of Treasury, directed.

### Who we are

Located in Wirral in North West England, we provide high-quality primary, community and social care services to the population of Wirral and a community based 0-19 healthy child programme to the population of Cheshire East.

We play a key role in the local health and social care economy as a high-performing organisation with an excellent clinical reputation.

Our expert teams provide a diverse range of community health care services, seeing and treating people right through their lives both at home and close to home.

We employ almost 1,700 members of staff, nearly 90% of whom are directly supporting our patients and service users. Our workforce represents 74% of the costs of the organisation and are our most important and valued resource. We have a turnover of £85.1m.

Our vision recognises the important role we play in delivering integrated care with partners in the local health economy.

**Our vision is:**

**To be the outstanding provider of high quality,  
integrated care to the communities we serve**

**Our values are:**

**The values at our HEART...**

***H**health and wellbeing at the heart of everything we do*

***E**xceptional person-centred care*

***A**ctively supporting each other*

***R**esponsive, professional, innovative*

***T**rusted to deliver*



## **What we do**

Our services are local and community-based, provided from around 50 sites across Wirral, including our main clinical bases, St Catherine's Health Centre in Birkenhead and Victoria Central Health Centre in Wallasey.

We also provide integrated 0-19 services in Cheshire East comprising health visiting, school nursing, family nurse partnership and breastfeeding support services from 13 bases.

Wirral Community Health & Care NHS Foundation Trust is one of a handful of places in England to have made significant progress towards truly integrated health and social care provision; of which we are very proud.

We have no inpatient beds; however we provide in-reach support into the local acute trust, residential and nursing homes across Wirral.

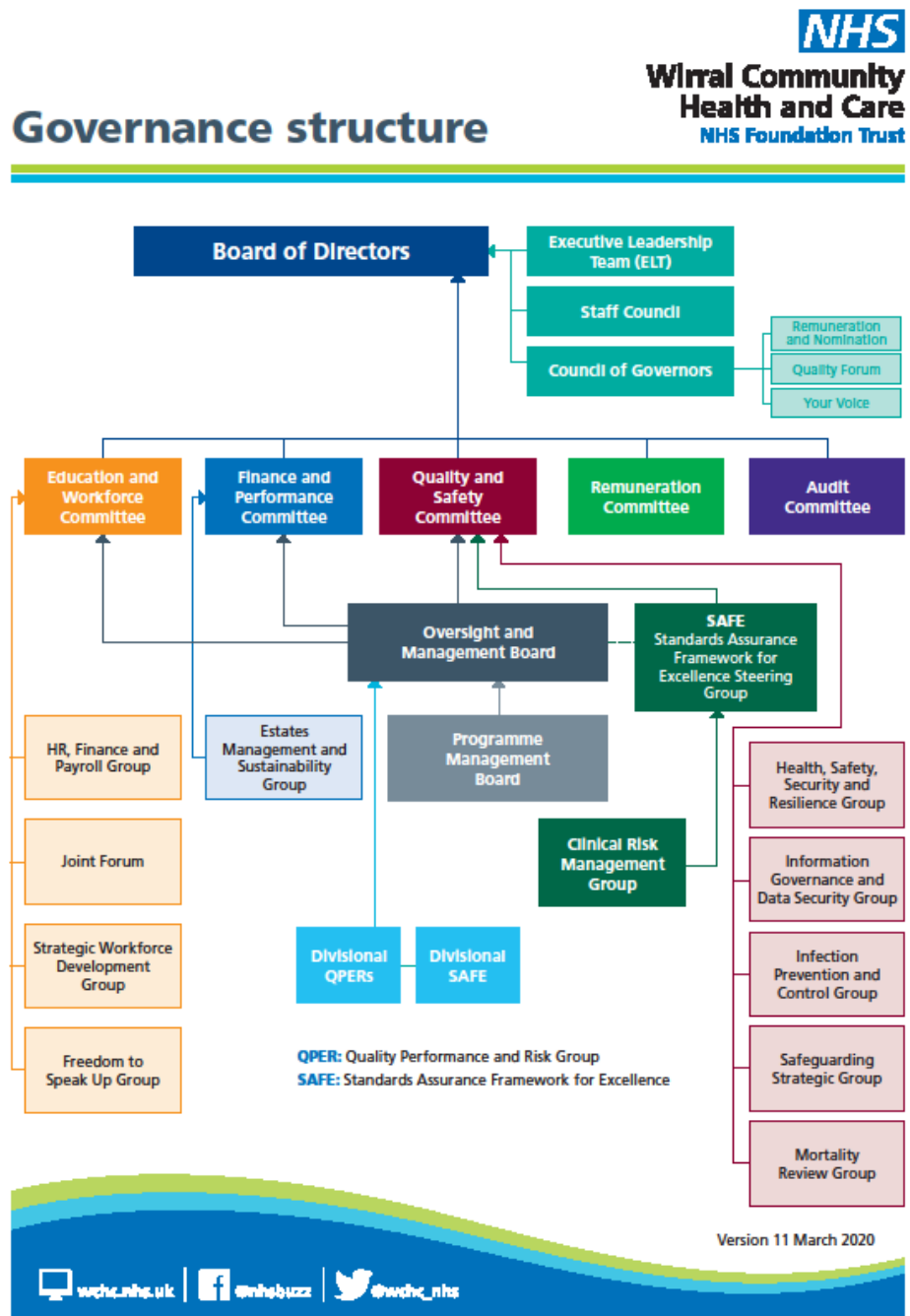
In 2019-20, our services collectively delivered close to 1 million face to face contacts, as shown in the table below.

Division	Service	Contacts 2019/20
Adult & Community Services	Integrated Continence	7,349
	Community Nursing/Matrons	290,626
	Community Discharge team	4,044
	Integrated Specialist Palliative Care	7,621
	Parkinson/Alzheimer's	649
	Tissue Viability	300
	Heart Services (Heart Failure, Intermediate Heart Centre, Cardiac Rehabilitation)	38,776
	Speech and Language Therapy	2,273
	Community Physiotherapy & MSK	39,724
	Podiatry	42,706
	Dietetics	6,419
	Weight Management Service	2,662
	Rehabilitation at Home	10,578
	Wheelchairs (West Cheshire)	1,037
	Wheelchairs (Wirral)	2,032
Urgent & Primary Care	Single Point of Access (Telephone Contacts)	19,074
	Deep Vein Thrombosis (DVT)	12,870
	Intermediate Care	12,360
	Walk-in Centre(s)	94,824
	Dental Service	8,423
	Ophthalmology	9,998
	Rapid Response/Home First	9,489
	Tele-triage Service	4,036
	GP Out of Hours	41,822
Integrated Children's	Health Visitors & Family Nurse Partnership – Wirral	47,545
	Health Visitors & Family Nurse Partnership – East Cheshire	45,262
	School Nursing - Wirral	41,566
	School Nursing - East Cheshire	53,963
	Sexual Health	28,365
	Paediatric Nutrition & Dietetics	1,576
	Paediatric Speech and Language Therapy	11,289
	Paediatric Continence	1,569
Social Care	Birkenhead ICCT	6,656
	South Wirral ICCT	4,181
	Wallasey ICCT	5,518
	West Wirral ICCT	4,632
	Rapid Community Response Team	2,614
	CADT	3,913
	First Contact	1,688
	Integrated Discharge Team	5,660
	Occupational Therapy	2,549

	POPIN	1,074
	Visual Impairment	495
	Provider Led Review Team	233
	STAR	7,698
<b>Total</b>		<b>947,738</b>



The current governance structure of the Trust is shown below:



## Who we serve

Wirral is a borough of contrasts in both its physical characteristics and demographics. Rural areas and urban and industrialised areas are contained in an area of just 60 square miles.

Wirral is home to around 323,000 people. Demographically, Wirral differs slightly to England, as it has a lower proportion of younger adults in their 20s and 30s and a higher proportion of older people.

Despite a small geographical footprint, life expectancy varies by 12 years for men and 10 years for women between the most and least deprived areas. This is the fourth largest gap for life expectancy at 65 between people living in the most and least deprived areas when compared to statistical near neighbours<sup>1</sup>.

Although Wirral has areas of great affluence, just over 35% of the population were classed as living in deprivation in 2019, compared to 31% in 2015<sup>2</sup>. Meanwhile, disease prevalence rates show that Wirral has higher percentages of the population living with long-term conditions than the North of England or England averages across 18 of 19 categories<sup>3</sup>.

Wirral does, however, perform well compared to similar areas on a range of factors such as homelessness and educational attainment. The percentage of children classed as being ready for school and attainment at GCSE are above average and these are both hugely important for the future prosperity of Wirral residents.

The NHS Long Term Plan (2019) sets out the challenges of funding, staffing, increasing inequalities and meeting the needs of an ageing population<sup>4</sup>. As other areas are doing, Wirral is facing the challenge of reconfiguring services to meet projected increases in demand within available resources.

Whilst Cheshire East tends to have overall better health outcomes and generally lower levels of deprivation than Wirral, it faces a similar set of population-level factors, with demographic pressure and the health and care consequences of an ageing population, plus the need for service reconfiguration. Compared to Wirral, it also has a significantly more rural geography, with associated challenges for service delivery<sup>5</sup>.

## Our business environment

We value greatly our excellent working relationships with all of our partners and commissioners. These interdependent relationships are becoming ever more important as the local health economy pursues more integrated working to improve the quality and efficiency of health and social care.

The majority of our services are provided through block contracts with the following

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<sup>1</sup> <https://www.wirralintelligenceservice.org/media/2885/life-expectancy-update-2015-17-final.pdf>

<sup>2</sup> <https://www.wirralintelligenceservice.org/media/2928/imd-2019-briefing-paper-november-2019-final2.pdf>

<sup>3</sup> <https://www.wirralintelligenceservice.org/media/2778/compendium-2019-final.pdf>

<sup>4</sup> <https://www.england.nhs.uk/long-term-plan/>

<sup>5</sup> <https://opendata-cheshireeast.opendata.arcgis.com/>

organisations;

- Wirral Health & Care Commissioning (WHCC) /NHS Wirral CCG
- NHS England
- Wirral Borough Council
- Cheshire East Council

Whilst the integration agenda and place-based planning have been and will continue to be key business drivers, the Trust has also considered the potential challenge in the development of the contestable market, including:

- block contracts
- outcome-based commissioning
- tender and procurement practices
- commissioner led 'any qualified provider' initiatives

We have considered the competition we face from other organisations including neighbouring NHS trusts and private providers. We have also calculated the risk to our Trust based on potential loss of services. No services judged at high risk pose a threat to the Trust's on-going sustainability.

## **Our strategy for 2019-20**

Our vision and values, our assessment of population need, and our understanding of local and national priorities have informed our strategic themes and priorities.

Our strategic themes, strategic objectives and associated priorities are shown on the 'plan on a page'.

# Organisational Strategy: Plan on a page

*Our vision is to be the outstanding provider of high quality integrated care to the communities we serve.*



## Our objectives and goals

<p>We will reliably provide the highest levels of safe and person-centred care.</p>	<p>We will attract, enable, value and involve skilled and caring staff, liberated to innovate and improve services.</p>	<p>We will maintain financial sustainability and support our local system.</p>
<p><b>Our Populations</b></p> <ul style="list-style-type: none"> <li>Outstanding, safe care every time</li> <li>More person-centred care</li> <li>Improving services through integration and better coordination</li> </ul>	<p><b>Our People</b></p> <ul style="list-style-type: none"> <li>Improving staff engagement</li> <li>Advancing staff wellbeing</li> <li>Enhancing staff development</li> </ul>	<p><b>Our Performance</b></p> <ul style="list-style-type: none"> <li>Growing community services across Wirral, Cheshire &amp; Merseyside</li> <li>Increasing efficiency of all services</li> <li>Delivering against contracts and financial requirements</li> </ul>

## Trust priorities - achieving our vision by working with partners to develop...

### 1. Place-based, Integrated Care Teams\*

- Align WCT staff to 'Neighbourhoods' and GP practices

### 2. Services and pathways that provide proactive, well coordinated care and support.

- Review priority pathways, including frailty, long term conditions, urgent care and children and families
- Bring together physical and mental health care pathways
- Realise benefits of health and social care integration
- Develop Single Gateway

### 3. Focus on health and wellbeing (for staff and public).

- Develop staff training to help people stay well
- Person-centred assessments
- Link people to community support
- Greater focus on staff wellbeing

\*Place-based care means organisations collaborating to manage the common resources available, addressing the challenges they collectively face.

## Care Quality Commission

The Trust was inspected by the CQC in 2018. In March 2020 the CQC issued the Routine Provider Information Request (RPIR) to the Trust for submission, but this process was stopped due to the COVID-19 pandemic and the response of the Trust to the National Level 4 incident.

During 2019-20 the role of the SAFE Steering Group within the governance structure was crucial in monitoring compliance and delivery against CQC fundamental standards.

The implementation of the Standards Assurance Framework for Excellence (SAFE) system across the organisation was highly successful with an internal audit review of the systems and processes in place providing **Substantial Assurance**. The adoption and implementation

of the system by the Trust has been recognised nationally and continues to provide teams with a single on-line tool to store, access and present information about their service, relating to the Key Lines of Enquiry, including Well-Led, which is used by CQC and NHS Improvement in their reviews.

## Strategic and operational risk and opportunities

There is a systematic approach to the identification, management and escalation of risks within the Trust. The Risk Policy was updated in 2019-20 to reflect changes in monitoring and reporting risk through the governance structure. The Trust recognises the need for robust systems and processes to support continuous programmes of risk management enabling staff to integrate risk management into their day to day activities and support informed decision-making through an understanding of risks, their likely impact and their mitigation.

The Trust operates within a clear risk management framework which is set out in the Risk Policy and describes how risk is identified, documented on the risk register, reported, monitored and escalated. Risks are recorded at service, divisional and organisational level forming the Trust's organisational risk register.

Adult Social Care is firmly embedded in the Trust's Clinical Risk Management Group with evidence of shared learning between health and social care practitioners, especially in areas such as Safeguarding and the Mental Capacity Act.

Strategic risks affecting the Trust are identified and managed through the Board Assurance Framework (BAF).

The strategic risks noted against each strategic theme are detailed in the Annual Governance Statement. During 2019-20, the Board of Directors had oversight of the following major risk areas:

- On-going compliance with statutory, regulatory and professional standards
- The impact of the outcome of the CCG Urgent Care Review that could negatively impact on the Trust's financial position
- Failure to engage and support staff to deliver the trust's vision and strategy
- Failure to recruit and retain the appropriate mix of staff to ensure safe delivery of services
- The configuration of PCNs disrupting or restricting quality of services
- Failure to establish, foster and manage the right partnerships to respond to the NHS Long Term Plan
- Failure to keep pace in digital advancement and innovation

The NHS Long Term Plan recognised community services as a central pillar of the NHS.

*"We will boost 'out of hospital' care, and finally dissolve the historic divide between primary and community health services"*

As such, the Trust welcomes and has actively contributed to the work of the Community Network which, supported by its co-hosts NHS Confederation and NHS Providers, has

worked hard to raise the profile of community services to give us a strong voice in policy discussions and to make the case for more investment in community services.

The Trust recognises that this is a time of great opportunity for community health services with the commitments in the long-term plan demonstrating how seriously this is being taken.

For our part, the Trust is committed to providing high-quality integrated care to the communities we serve across Wirral and Cheshire East and supporting a renaissance in community services allowing people to stay at home for as long as possible.

## Going Concern

The Trust's Annual Report and Accounts have been prepared on a going concern basis. This takes account of the uncertainties during the COVID-19 pandemic and the suspension of the operational planning process for 2020/21, but also considers assurances provided by NHS England and NHS Improvement on the continued funding for the provision of healthcare in their circular of 27 May 2020. Although NHS funding was only initially confirmed for April to July 2020, the regulator has indicated that this funding will continue for a longer period during 2020/21 and into the following year. The regulator's statement says: "Providers can therefore continue to expect NHS funding to flow at similar levels to that previously provided where services are reasonably still expected to be commissioned."

The Trust continues to work closely with the Healthy Wirral Partnership and maintains a strong relationship with NHS Wirral CCG and other commissioners of the Trust's services. The Local Government contracts, which comprise almost one third of the Trust's income are all contractually committed for at least the next two years. The Trust's strong performance as measured by the NHS Improvement (the regulator) Use of Resources criteria to assess performance and the viability of the 2020/21 financial plan also indicate sufficient financial resilience to manage any short-term uncertainties. The Trust have a strong cash position at the balance sheet date and have performed liquidity scenario analysis for the next 18 months. This analysis includes base assumptions that NHS funding continues in line with the plan, and downside scenarios that model a reduction in 2021 NHS income of 10% and 15% without reduction in activity or expenditure. The modelled worst case scenario demonstrates that the Trust would have sufficient cash to meet its liabilities and remain with surplus cash balances to 30 September 2021. This demonstrates operational sustainability and supports the going concern assertion. The Trust are also able to manage planned capital expenditure not yet committed to offset additional cash flow pressures should these arise. Therefore, although NHS funding into 2020/21 is not confirmed the Board are confident that the Trust remains a going concern.

# Performance Analysis

## Performance management

Wirral Community Health & Care NHS Foundation Trust measures performance against three domains which are derived from and aligned to the organisation's strategic objectives, Board Assurance Framework, contractual requirements and statutory requirements.

The three domains are;

- **Our Populations** - focusing on quality and patient experience measures
- **Our People** - focusing on workforce and staff experience measures
- **Our Performance** - focusing on national and local performance, contractual requirements, financial and sustainability measures

These three domains form the core of the Trust's performance monitoring and management.

The revised governance structure put in place in 2018-19 has been further tested during 2019-20 with the role of the Oversight & Management Board (OMB), the Programme Management Board and the Standards Assurance Framework for Excellence (SAFE) Steering Group to ensure the flow of assurance to the committees of the Board is well established.

The purpose of the OMB is to provide assurance to the Board of Directors, through the sub-committees of the Board, that effective performance management is being discharged across the organisation.

The OMB reviews performance and risk management across the Trust according to:

- Quality performance
- Workforce performance
- Financial performance
- Contractual performance

A monthly health risk score report is also presented which details the management status of all live organisational risks throughout the Trust.

Performance dashboards are available in the Trust's Information Gateway (TIG) to support the monitoring of performance against each of the performance domains; these dashboards provide timely access to information and allow members of the OMB to monitor performance at organisation, division and service level.

Integrated performance data including quality, workforce, performance and finance is scrutinised at service and divisional level through monthly QPER and SAFE meetings, before being reported to the OMB and each of the committees of the Board.

The timeliness and availability of performance data through the Trust Information Gateway (TIG) has further strengthened the control framework and the introduction of a live risk module in TIG allowing scrutiny of risks by risk score, age of reporting and type has been

welcomed and recognised as providing substantial assurance to the committees of the Board, including the Audit Committee.

Each sub-committee of the Board (with the exception of the remuneration committee) receives a risk management report at every meeting providing assurance on the management of organisational risks associated with each committee's duties and accountabilities providing an opportunity to scrutinise the detail of high-level risks and those not progressing.

The Board of Directors receives a report from the Chairs of each committee on the areas of focus and work of the committee including any high-level risks for escalation, and the Board Assurance Framework (BAF) presented at every meeting of the Board considers the potential impact of organisational risks on the relevant strategic risk.

The Programme Management Board provides assurance to the OMB on the delivery of the overall strategy by monitoring the progress of key strategic programmes, cost improvement and efficiency programmes and Capital Expenditure projects.

## **Standards Assurance Framework for Excellence (SAFE) Steering Group**

The Standards Assurance Framework for Excellence (SAFE) Steering Group is responsible for the effective management and delivery of the Trust's quality governance framework ensuring compliance with regulatory standards including the Care Quality Commission (CQC).

The SAFE Steering Group provides assurance direct to the Quality & Safety Committee.

The SAFE Steering Group also reviews learning from serious incidents and complaints to ensure Trust-wide dissemination of learning to support continuous delivery of high quality, safe services.

The Trust has embedded a web-based solution for the quality governance assurance framework, the SAFE system powered by InPhase, which is used as the comprehensive repository for evidence against the regulatory frameworks governing the Trust. The SAFE system brings the available information together, allowing for the rapid identification of areas of outstanding practice and areas for further development.

The system gives staff an easy to access, on-line tool to store, access and present information about their service and therefore enhance assurance against regulatory compliance. The system, launched across the organisation in January 2019, has also had positive impact on organisational culture through effective staff engagement in the process.

There are several modules incorporated into the system which are monitored through the committees of the Board; further detail can be found in the Director's Report.



## Flow of information through the governance structure

The committees of the Board (as described in the governance structure diagram) meet on a schedule as follows;

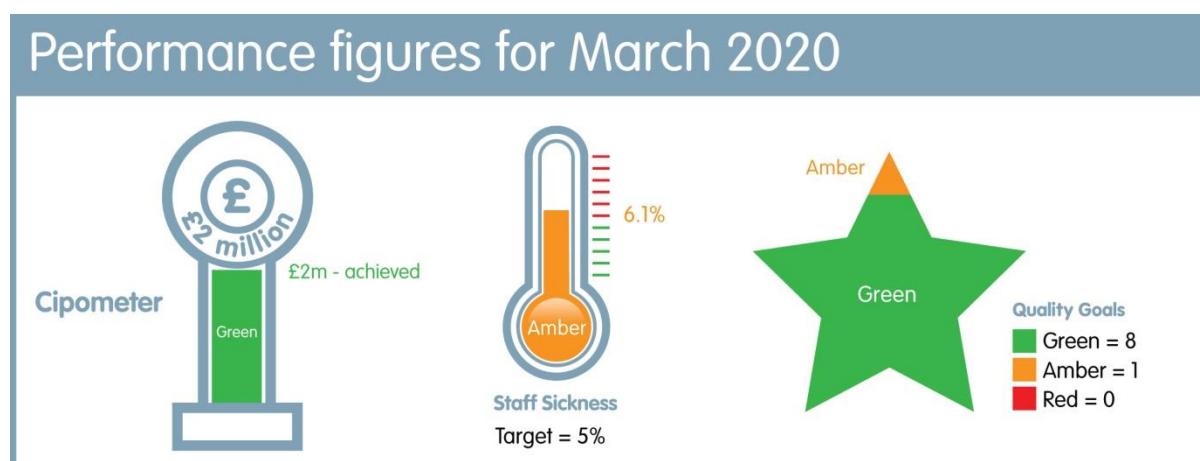
- Education & Workforce Committee (bi-monthly)
- Finance & Performance Committee (bi-monthly)
- Quality & Safety Committee (bi-monthly)
- Remuneration & Terms of Service Committee (at least once per annum)
- Audit Committee (4 meetings per annum)

The duties and responsibilities of each committee are recorded in the Annual Governance Statement.

The Board of Directors receives an Integrated Performance Report at each meeting. The purpose of the report is to provide assurance on the delivery of safe, effective, quality services and the Trust's performance against strategic objectives. The report enables key indicators from each of the Trust's three strategic domains to be triangulated and reviewed, ensuring that risks to quality and financial performance are identified early and well managed. The Integrated Performance Report is supported by the performance dashboards in TIG.

In addition to the KPIs monitored at the Board meetings, the Board of Directors also receives a dashboard based on the NHSE/I Outcomes Framework. This uses the methodology described by NHS Improvement and provides the Board with the latest published performance of the organisation.

### Reporting a strong year-end position



The year-end financial position for 2019-20 was strong with a surplus against the control total of £2.753m reported. This was £1.758m better than our original control total demonstrating a significant and positive contribution to the Healthy Wirral system recovery. Our Use of Resources rating remained 1, the highest level afforded by regulators and the Trust successfully achieved the CIP target of £2m.

The management of performance in the last few weeks of 2019-20 against KPIs was affected by the Trust's response to COVID-19 and the national direction to fully step down, partially step down or continue services. This was to ensure the focus of our service delivery to those most in need. We continued to monitor performance against a number of high priority KPIs and this performance has remained consistent and good.

The Trust is proud of this strong performance given the challenging financial and workforce pressures being seen and experienced by many NHS providers nationally, especially with the COVID-19 health emergency. It is testament to the commitment, professionalism and dedication of all our staff who work tirelessly to provide high-quality health and social care to the communities we serve in Wirral and Cheshire East.

The next section of this report provides a summary of performance according to our strategic themes followed by a series of case studies of projects and initiatives completed during 2019-20.

## Our populations

The first strategic theme focuses on our population, and our objective is “we will reliably provide the highest levels of safe and person-centred care”.

Our goals are;

- Outstanding, safe care every time
- More person-centred care
- Improving services through integration and better coordination

Progress with the delivery of this strategic objective and the related KPIs are monitored and reviewed in detail by the Quality and Safety Committee.

At the end of 2019-20, there were 8 green-rated quality goals and one amber-rated quality goal. The amber goal related to assessment response times in Adult Social Care. The quality goals are described in the next section.

Further quality performance measures are shown in the table below; these are regularly reported to the Quality and Safety Committee. During 2019-20 the Trust maintained or improved in all these measures

Our Populations	2019-20	Thresholds		
		Red	Amber	Green
Avoidable Grade 3 and 4 Pressure Ulcers per 10,000 contacts	<b>0.21 (rate)</b>	1.23	0.82 - 1.23	0.82
CQUIN Performance	<b>100%</b>	<90%	90 - 99%	100%
Friends and Family Test (patients)	<b>96.5%</b>	<85%	85 - 90%	>90%
Missed Medication Incidents	<b>0.52 (rate)</b>	1.14	0.65 - 1.14	0.65
Zero Never Events	<b>100%</b>	99%		100%

In line with national guidance from NHS Improvement and in light of the national response to COVID-19, the Trust is preparing its Annual Quality Report to the new timetable, with submission by 15 December 2020. A summary of the quality achievements is included below, and this will be expanded in greater detail in the Quality Report that the Trust will publish later in the year. In accordance with national guidance the Annual Quality Report will not be subject to external audit this year.

## Progress with the achievement of the quality goals in 2019-20

### *Highlights from the Annual Quality Report*

As the main provider of community health and adult social care across Wirral and the 0-19 healthy child programme in Cheshire East, we are committed to ensuring continuous quality improvement to the quality of services we provide.

Quality is at the heart of our agenda with our vision to be the outstanding provider of high quality, integrated care to the communities we serve. Quality and efficiency are two sides of the same coin; high quality care means we get it right first time; it means using the full talents of all professionals, and it means working with service users, patients and carers as partners in their own care.

The Trust has continued in its aim to provide safe, effective and patient-centred care to the people who accessed our services in 2019-20. The high-quality care our staff deliver is driven by an organisational culture that embraces the Trust's values.

The Annual Quality Report is being prepared and will reflect our commitment to providing the best possible standards of clinical care. It will show how we listen to patients, service users, staff and partners and how we work with them to deliver services that meet the needs and expectations of the people who use them.

We aim to be an outstanding organisation recognised for the consistent delivery of high-quality care across all services, maximising patient safety and experience.

Our staff continue to develop innovations that are transforming the delivery of integrated community services, ensuring their sustainability. We are determined to maintain our financial stability and see quality as both a clinical and business priority. We have been changing the way we deliver services, making sure we continue to deliver care efficiently and working with our staff to embed technological solutions that give us more time to provide care to our populations.

Annually, the Trust identifies three quality goals aligned to the recognised pillars of quality;

- Patient Safety
- Person Centred Care
- Clinical Effectiveness

These are shown below:

## Our Quality Goals...

Patient Safety	Patient Experience	Clinical Effectiveness
We will reduce avoidable pressure ulcers by one third based on 2018/19 performance, with an ambition to achieve zero.	We will carry out 12 shadowing events, to look and listen to what happens along a person's care pathway, to see what is working well and what needs to improve.	We will develop a QI network to evaluate impact of quality improvements undertaken across the Trust.
We will improve our response times for social care assessments across all neighbourhood teams.	The organisation will maximise the Trust's Your Voice Group to embed a consistent approach to service user engagement and feedback across all services.	We will implement a consistent framework for clinical, professional and managerial supervision across the Trust, strengthening support mechanisms for staff.
We will increase reported incidents by 10% or more above the 2018/2019 levels.	We will undertake four co-produced <b>Always Events</b> with patients/service users to learn from person-centered perspectives.	We will implement a validated Patient Reported Outcome Measures for Palliative patients to improve the quality of their end of life care.

**CQUINS**

- Achieving a minimum uptake of 80% in the staff flu vaccination programme
- Implementing a culture of care barometer
- Developing an Infection, Prevention and Control back to basics programme
- Human Factors in Serious Incident Management

*“Our vision is to be the outstanding provider of high quality integrated care to the communities we serve.”*



Quality goals are subject to a consultation and approval process with external partners as well as senior leaders, the Board of Directors and our Council of Governors.

The trust has undertaken the year-end assessment of the delivery of quality goals, and the draft assessment is that eight of the nine goals were achieved during 2019-20. The draft assessment is included in the draft Quality Report which will be shared with stakeholders for

document assurance, scrutiny and comment in line with the Quality Account regulations. The feedback will be considered by the Trust, and the final version will be published in line with the timescales recommended by NHS England and NHS Improvement for the completion of the quality report

Examples of projects and initiatives to support the achievement of the quality goals include.

**Patient Safety - Reducing avoidable pressure ulcers**



The Community Nursing Division implemented the ‘ASSKIN’ framework and each community nursing base has posters and stickers.

The Integrated Children’s Division developed a patient advice leaflet for children and families to help reduce avoidable pressure ulcers for children. The leaflet was approved via the divisional INVOLVE young people’s panel and the Trust’s ‘Your Voice’ Group.

**Patient Experience - Undertaking co-produced Always Events**

Five services across the Trust completed an Always Event with action plans completed where appropriate.

Some of the Always Events included;

Service	Aim Statement
Community Cardiology	We will introduce four new talks to the cardiac rehabilitation education programme for patients to increase the breadth of information given.
Integrated Children’s Division	We will introduce a Dad’s health group to enable them to develop and improve services for fathers.
Wirral Sexual Health	We will improve accessibility to Sexual Health Wirral clinics, increasing choice and reducing waste
Dental Service	We will introduce information leaflets and other patient literature using easy read and symbol formats for patients with additional needs

### ***Clinical Effectiveness - Implementing Patient Reported Outcome Measures (PROMS) for palliative patients***

The Trust implemented the Integrated Palliative Care Outcome Measure (IPOS) for Community Nursing teams as this was already in use by the Integrated Palliative Care Team within the Trust. The IPOS is a more streamlined measure which is brief, yet which still captures end of life care patient's most important concerns, both in relation to symptoms, but also extending to information needs, practical concerns, anxiety or low mood, family anxieties and overall feeling of being at peace.

The IPOS template has been built on the Trust's electronic patient record system (SystemOne).

### **Health and Social Care Integration - Year 3**

During 2019-20 Adult Social Care services provided by the Trust have continued to perform well against agreed contractual arrangements. Below are some of the performance highlights;

- Achieved a 4% reduction in long-term placement numbers and our percentage of people supported to live at home was 71%; which is slightly above the national average. Both of which evidence a continued focus to support more people at home for longer
- Adult Social Care services received over 46,000 contacts during the year including over 5,000 safeguarding concerns and over 1,200 safeguarding enquiries were conducted
- Over 8,500 assessments were completed
- Over 6,000 people were supported to receive services from the domiciliary care market
- 7,500 reviews were undertaken with individuals and families and over 4,000 people were supported to access reablement services.
- Significant improvements in both the timeliness and quality of complaint responses. This will continue throughout 2020-21 as we continue to seek to embed learning from complaints, incidents and concerns across the service.

In June 2019, the Trust received the findings from the Adult Social Care Peer Review, which was facilitated as part of the North West Sector Led Improvement Programme and arranged in collaboration with commissioners from the Local Authority and Cheshire and Wirral Partnership NHS Foundation Trust.

The objectives of the peer review were to assess progress in a number of areas including;

- how far teams had adopted integrated approaches to assessment
- the extent by which the Trust was working with individuals to support independence through a strength-based approach; and
- how new arrangements across Wirral were continuing to support the professional development of social work

The peer review was robust, challenging and intensive, with over 100 staff and colleagues and partners interviewed over a three-day period. We were delighted that the feedback received was overwhelmingly positive and below are some of the key messages;

- Everyone interviewed said “Integration is the right thing to do”
- The benefits of integration are being evidenced on the front-line and for people using services, with improved decision making and positive multi-disciplinary team working
- Staff felt social work is valued within the Trust and by the Leadership Team
- There are examples of some really good and innovative practice - Trusted Assessor / Therapies and Provider-Led Reviews
- There is evidence of positive examples of strength-based working with plans in place for further development
- There are opportunities to work closely between the Trust and Cheshire and Wirral Partnership NHS Foundation Trust to further strengthen the voice of the social worker

Importantly, the peer review also identified opportunities for further enhancement and development in areas such as, career progression, training and development.

These opportunities have been a continued focus throughout the year. For example, links to the Cheshire and Merseyside Social Work Teaching Partnership have been bolstered and a Strength Based ‘Train the Trainer’ Programme has been implemented with the assistance of Research in Practice for Adults (RIPFA) training.

In December 2019, Social Work England was established as the regulator for Social Workers and introduced new professional standards and training requirements. The Trust’s Senior Management and Learning and Organisational Development team have been working on an Adult Social Care Continuous Professional Development Framework. It is anticipated that this will clarify the commitments required by individual staff members and employers and embed the importance of evidencing the varied learning opportunities that staff are undertaking in their daily roles as well as evidencing how they are distributing their learning with colleagues and evaluating the impact for people accessing services.

The Trust’s Mandatory Training compliance rates for Adult Social Care staff remained high at 97.9% during 2019-20; this was above the trust average. Several staff practice development days were also held, and several service areas developed their own peer learning arrangements and practice learning days.

During 2019-20 our adult social care teams strengthened the Trust’s relationship with colleagues in Cheshire and Wirral Partnership NHS Foundation Trust, adopting a collaborative approach to training and development, including jointly commissioning a number of courses such as Best Interest Assessor Training.

The Trust has also continued an active programme of recruitment, welcoming 21 practitioners across a range of social care posts. This has included a dedicated Quality Lead for Adult Social Care who will work across all services to embed learning and best practice. Adult Social Care is now embedded with the trust’s Clinical Risk Management Group and there has been evidence of shared learning between health and social care practitioners,



especially in areas such as safeguarding and the Mental Capacity Act.

The Trust continues to maintain strong working links with the Professional Standards Team at Wirral Borough Council and worked collaboratively to introduce a new Social Work Forum. The Trust looks forward to working closely with the recently appointed Principal Social Worker (PSW) to strengthen the consistency and quality of practice across Wirral.

We are proud of the significant transformational work completed during 2019-20 working closely with partner agencies, commissioning colleagues at Wirral Health and Care Commissioning, Wirral University Teaching Hospital NHS Foundation Trust and Cheshire and Wirral Partnership NHS Foundation Trust. These include;

- A single point of access for all health and social care referrals across Wirral. The co-location of mental health colleagues in the Trust's integrated gateway has improved co-ordination, responses and enhanced a multi-disciplinary professional approach for all new referrals
- A continued focus on improving the arrangements for discharge from hospital, supporting a 'Home First' approach. The introduction of the Discharge to Assess vehicle which enables people to be taken straight home with arranged support delivered upon arrival is helping to prevent any delays in hospital discharges
- A digital discharge process in Wirral University Teaching Hospital NHS Foundation Trust to reduce delays and support quicker, safer discharges
- Introduction of the Grand Care model supporting greater independence when people get home; the Trust is one of only a small number of sites across the country to introduce this model
- An improved transition pathway for young people in Wirral has been achieved with collaboration across all partner agencies. The refresh and re-launch of a number of key groups including the Local Authority's Transition Operation Group, Preparation for Adulthood Group and the Special Educational Need Operational and Strategic Groups have been crucial to success. Internally the Trust also reviewed policies to ensure an integrated and consistent approach across all services. Improving transition arrangements for young people into Adult Social Care remains a key priority for 2020-21.
- A focus on making safeguarding personal through participation in a 12-month project 'Safeguarding Voices' arranged by the Merseyside Safeguarding Board (in conjunction with HealthWatch) which captured the lived experiences of those involved in safeguarding with the aim to improve understanding, practice and outcomes. The Trust's Quality and Safety Committee receives and approves a detailed tri-annual safeguarding report.

## **Developing Place-Based Care in Wirral**

During 2019-20, the Trust played an important role in the evolution of the Neighbourhood Care model in Wirral, as it adapted to the national introduction of Primary Care Networks. Primary Care Networks are a key building block of proactive primary and community care, introduced across England on 1 July 2019.

We recognise that integration is the cornerstone of our care model which the Trust is ideally placed and enthusiastic to lead alongside colleagues in primary care.

During 2019-20, the Trust realigned its staff to the seven units making up Wirral's Primary Care Networks. This is particularly significant given the Trust's employment of both health and social care professionals.

The Trust also delivered development sessions for primary and community teams within the Primary Care Network units. These were designed to build relationships and help the teams prioritise and deliver local improvements. Examples included joint staff training sessions, improvement to Multi-Disciplinary Team meetings and introducing ways for better, quicker contact between teams.

This has built the foundations for more integrated delivery of health and social care services, reducing complexity and improving people's experience of services.

The Trust recognises the significant importance of such actions and developing closer and stronger relationships between primary and community teams, is consistent with the NHS Long Term Plan and essential for implementing Place-Based Care in Wirral.

## **Speech and Language Therapy - service improvements**

The community adult Speech and Language Therapy team made a number of successful service improvements during the 2019-20 including;

- Improved patient access and choice to outpatient clinics by running them at different sites across Wirral
- Information was provided on safe oral intake in care homes, as well as how to appropriately thicken fluids and modify food textures. A training session was run by the SLT Team for all Wirral care home staff (chefs, carers, nurses, managers were all in attendance). This is part of the continued implementation of IDDSI (International Dysphagia Diet Standardisation Initiative)
- NHS.net email addresses were created for all Wirral care homes, in line with Trust Information Governance Policy. This meant reports and care plans could be shared securely and in a timely manner, reducing the cost of postage, paper and time for admin staff
- A training session was delivered to the Community Learning Disability Team on supporting Service Users' communication needs

## **Implementing personal wheelchair budgets**

During 2019-20, The Trust's Wheelchair Service had significant success implementing personal wheelchair budgets across Wirral and West Cheshire. The Trust has been one of 14 champion sites supporting NHS England in the roll out of personal wheelchair budgets nationally and mentoring other wheelchair providers and CCGs in developing and implementing their local offer.

Personal wheelchair budgets offer users more choice and control of wheelchairs, one that meets their assessed needs and any specific requirements they identify as being important to them. Since April 2019, the service has made a difference to the lives of more than 700

patients through having a personal wheelchair budget.

All patients who are eligible for a new NHS wheelchair are now offered a personal wheelchair budget. This provides the choice of staying within NHS provision, contributing to their NHS wheelchair (enabling them to have a different wheelchair or additional features) or accessing a wheelchair outside of the NHS.

*One patient told us that 'by using a personal wheelchair and 'Access to Work funding together, I am able to purchase a chair which provided me with more maneuverability in tight environments such as the office I work in and improved access getting on and off the bus'.*

This would not have previously been possible with standard NHS provision and the Trust is extremely proud of the difference this has made to so many service users.

The team completed a patient experience audit of the experiences of those patients using a personal wheelchair budget. The results showed that 100% of patients received a personalised assessment where they were supported to identify the health and wellbeing outcomes they wished to achieve. Feedback from patients was very positive, *"It was brilliant, the patience and time taken to explain the process and they provided appropriate equipment for me. I can now go out with my family and my foot position is comfortable"*.

The Wheelchair Service have made all of this happen by their determination and passion for the work they do.

## **Inclusion - getting it right for everyone**

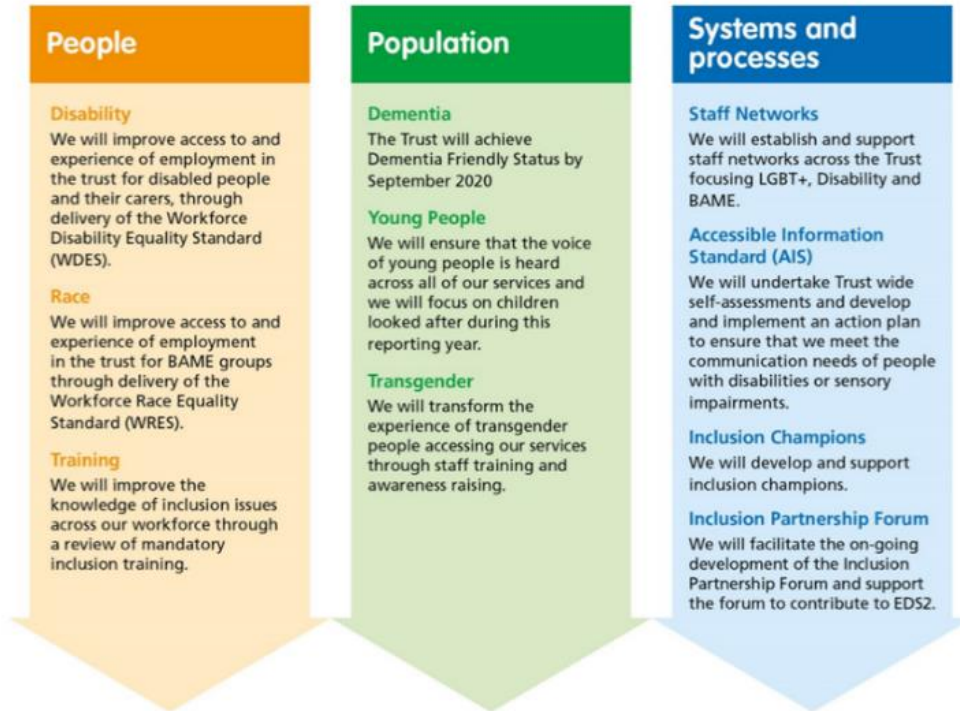
The Trust has high ambitions to become a fully inclusive Trust in all that we do, ensuring everyone can be involved in shaping and influencing the decisions and services that affect them and the people we serve.

Our Inclusion Strategy is a long-term commitment to ensure that inclusion will be considered in everything we do as both a major employer and provider of health and adult social care, driven by equalities legislation as well as our own organisational goals.

In 2019-20 we built on the successful foundations put in place the previous year as we strive to reach our Inclusion objectives, year-on-year throughout the life of the strategy.

We have had some great successes, some of which are highlighted below, and we look forward to the work ahead to deliver the actions we have set ourselves.

# Inclusion Objectives 2019/2020



Getting it right for everyone

**Inclusion**  
 Getting it right for everyone

wirralct.nhs.uk | @nhsbuzz | @wirralct

## Embedding our Inclusion approach

Our Inclusion branding has become instantly recognisable across the Trust. Over 60+ members of staff have signed up to become **Inclusion Champions** and wear their rainbow lanyards with pride. We have established regular and well-attended Inclusion Champion meetings to share best practice, exchange ideas and consider new developments in the field.

### Wear yours with Pride...

Your NHS Rainbow pin badge represents how our organisation offers open, non-judgemental and inclusive care for everyone who identifies as LGBT+.

Wear yours to show your pride in equality and diversity. Let's 'get it right for everyone.'

Order your team's badges today - email: [wcnt.inclusion@nhs.net](mailto:wcnt.inclusion@nhs.net)

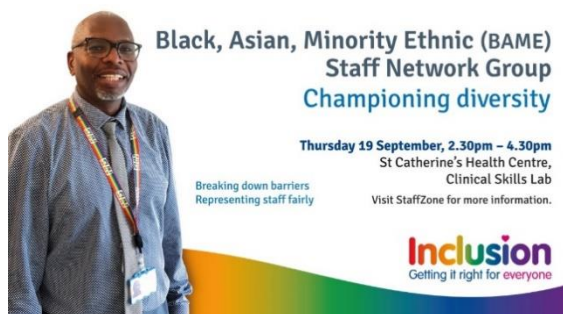


Our **Inclusion & Partnership Forum** has gone from strength to strength seeing several new member stakeholder organisations join. This energetic forum has proven to be a valuable opportunity to develop synergies and shared opportunities and resources across the Wirral system. For example, Age UK have offered to provide a training and awareness session to

Trust staff on better meeting the needs of Older People using our services.

In the summer of 2019, we saw the inaugural meeting of the newly developed **Inclusion Steering Group** take place, bringing together senior operational and corporate leaders from across the trust to ensure delivery of our inclusion objectives and to give operational and strategic support. This group also has oversight and responsibility for ensuring the organisation meets its Public Sector Equality Duty including delivery of the Workforce Race Equality Standard, Workforce Disability Equality Standard and the Equality Delivery System assessment (EDS2), all of which have been reported and action plans developed; delivery of this remains on-going. Our EDS2 assessment which was supported by our Inclusion Champions and our Inclusion & Partnership Forum saw us assess performance against 8 goals; we achieved a rating of 'achieving' for six and 'excelling' for two.

Three staff networks have also continued to meet throughout the year supported by the Inclusion Team. This ensures that staff with protected characteristics who may experience disadvantage, discrimination or barriers in the workplace feel well supported and have a collective voice in the organisation to raise any questions or concerns. The networks are for Black & Asian and Minority Ethnic (BAME) staff, Lesbian, Gay, Bisexual and Trans (LGBT+) staff and staff with Disabilities.



The Trust has an active BAME staff network that has been meeting on a monthly basis since spring/summer last year. The network meetings are supported by the Inclusion Team and

are there to provide a safe and supportive environment for BAME members of staff from across the organisation to share experiences and support, identify any issues or barriers they may experience. The network reports to the Inclusion Steering Group and through this group into the board committees (predominantly the Education & Workforce Committee), ensuring that the voice of our BAME staff members are heard at Board level. Work is on-going to explore how this voice can be further strengthened and promoted.

### ***Training***

'Inclusion' has been embedded within the Trust's 'Onboarding' programme for new starters and as we continue to develop our new Management & Leadership programme, this will have Inclusion woven throughout.

During 2019-20, the Inclusion Team delivered bespoke sessions to service teams on an ad hoc basis in order to raise awareness of the Inclusion Strategy and objectives. This included a very interactive and engaging session with the Board of Directors.

### ***Events & awareness raising***

The Inclusion Team worked collaboratively across the organisation and with stakeholders to help support the adoption of the Inclusion values across the organisation and to support the health and wellbeing of the Trust's workforce.

A menopause event was held early in 2019-20, with one of the Trust's medical staff (also our resident menopause expert) providing an awareness session on the menopause, giving informal advice and guidance to staff. The event was so well received by staff that a further two workshops were delivered later in the year, one for line managers to help them to support their staff who may be experiencing symptoms and a workshop for staff members seeking advice and guidance themselves.

LGBT+ history month was marked across the Trust with a screensaver campaign highlighting a 'staff story'. The audio story on Staff Zone was delivered by a transgender member of staff, who very eloquently recounted her journey of transition and the support and challenges she had faced in the workplace. This staff story was also shared with the Board of Directors in a public meeting.

LGBT+ history month also saw the launch of the NHS rainbow pin badges across the Trust giving staff the chance to wear a visible symbol of their inclusion values to patients, service users and colleagues, supporting an atmosphere of inclusion and tolerance for all.

## **We're proud to be supporting LGBT+ History Month**

Helping to educate out prejudice and make LGBT+ people visible.

Listen to the powerful story from one of our colleagues who is transitioning and the challenges she faces in everyday life.

Visit the Inclusion section on StaffZone.



A team of our dedicated Inclusion Champions also raised awareness of our inclusion approach by sporting Inclusion T-shirts as they successfully completed the Wirral Coastal Walk.

## **INVOLVE group - working with young people**

Our INVOLVE group is going from strength to strength and now includes over 24 active members. Our members range from 14 to 18 and a mixture of both male and female members.

The group have effectively contributed to the development and delivery of new initiatives and the review of existing services, both internal and external to the organisation. We have welcomed guests from Wirral University Teaching Hospital NHS Foundation Trust children's services, the Local Authority, Sexual health and school nursing services and the group have supported these services to review how they engage and communicate with young people. An example of this includes the delivery and presentation of the school nurse puberty session in schools and more recently the planning for the successful 0-19 healthy child programme tenders for both Wirral and Cheshire East.

In 2019-20 the group had the opportunity to meet with Ruth May, Chief Nursing Officer for England during her visit to the Trust and they shared their positive experiences of being part of INVOLVE. Members have also supported the organisation in getting some key messages out to young people via social media about keeping safe during the COVID-19 pandemic and sharing resources and important contact details.

The INVOLVE group are an integral part of the delivery of our outstanding services for Children and Young people across Wirral and Cheshire East.

## **Wirral Young Chamber Cadets**

The Trust was delighted to work closely with The Wirral Chamber of Commerce during 2019-20 as a partner organisation in their Young Chamber Cadets Programme. Bridging the gap between education and employment, the programme works with chosen schools across Wirral and addresses important issues around positive role models, socio-economic aspirations and reaching potential from a young age. The programme also aims to highlight the diverse industries across Wirral and the Trust was proud to be a key representative of the local NHS.

As part of the programme primary schools were partnered with local businesses and organisations and the Trust was thrilled to be with partnered Cathcart Street Primary School. In early spring we welcomed a group of Year 5 children on a VIP Behind the Scenes Tour of St Catherine's Health Centre where the children met with a number of healthcare professionals and had the opportunity to ask about the many roles available in the NHS. The children were also set an Enterprise Challenge by the Trust to develop a healthy eating campaign including the design of a poster and a menu.

The feedback from the children, teachers and Trust staff was extremely positive and we are excited to be continuing our involvement in the programme in 2020-21.

## Launch of new public website

The Trust's new public website was launched in December 2019 showcasing the services we offer to our local population in Wirral and Cheshire.

It has a new web address to reflect our new organisational name - [wchc.nhs.uk](http://wchc.nhs.uk) and is more user friendly, modern, accessible and better designed for use across multiple devices including smart phones and tablets. We were pleased to include new photography of our staff and service users to really bring the site to life and the feedback we have received so far has been overwhelmingly positive. The next phase of development will be to develop more on-line content from our services, including videos to showcase what they do and to provide further information for service users to self-care.



## Annual Art Exhibition with The Wirral Arts Society

Our annual Art Exhibition at St Catherine's Health Centre was opened by The Mayor of Wirral in November 2019 featuring work by pupils from Woodchurch High School. We were delighted to combine the event with the Christmas Carol Concert at St Catherine's Church welcoming many members of the local community.

## Supporting our young membership with work placement opportunities

In 2019-20 we continued to offer a successful programme of work experience placements and ad hoc placements throughout the year, in partnership with 5 local schools and 14 services across the Trust for students aged 14 -18 years.

The programme is extremely popular with both our local schools but also our services and teams as it provides a valuable opportunity to engage with the future workforce and provide valuable insight on NHS careers. The contribution and ideas from the students is always impressive and very much valued by Trust staff.

We were delighted to have been awarded the Fair Train Work Experience Quality Standard in 2019-20 recognising the value of the work experience placements we offer to young



people. The Work Experience Quality Standard is a widely and highly respected accreditation nationally and we are very proud to have maintained our bronze level award.

## Volunteering - providing valuable support to the Trust

The Trust is proud and privileged to have an active and dedicated cohort of over 90 volunteers working across more than 10 services and teams and as part of our Council of Governors. Our volunteers support front-line clinical and corporate services, from health visitors and school nurses in 0-19, to IT, Community Cardiology, Dietetics, Speech and language, Physiotherapy, Sexual Health and the League of Friends. They do everything from administration tasks to hospitality, where they meet and greet people coming to our health centres and make sure they know where to go and are warmly welcomed.

Most of our volunteers are with us for 4 hours each week, but some do more, adding up to hundreds of hours of support they kindly donate every week. We recognise the value and benefits of volunteering not only giving members of the local community a sense of purpose and in many cases reducing social isolation, but also providing valuable support and sharing skills with our workforce

Building on the success of previous recruitment events, in 2019-20 the Adult Social Care Teams across the Trust held a volunteer recruitment event with 15 people signing up to support our services.

Every year the Trust recognises and celebrates National Volunteers Week in June by sending individual Thank You cards to acknowledge the invaluable contribution and support of our volunteers.

Our volunteers from the League of Friends provide a valuable tea-bar service at Victoria Central Walk-in Centre. Every year they raise thousands of pounds providing tea, snacks and a cheery smile to patients and visitors alike. In 2019-20 the money they raised funded over £15,000 worth of equipment for services that the NHS wouldn't normally provide.

These included:

- a 12-week FIT CLUB weight management programme for children who have been identified as overweight and are on a package of support from the NHS 0-19 FIT Club weight management service
- a Dynamap for the Walk-In Centre to enable accurate observations such as oxygen levels in small children and babies
- a book library for Speech and Language Therapy Service to run training programmes for parents
- many other items including Littmann 12 Track Stethoscope, Ear Examination Simulator for staff training, 'readiness for school' books and bean bags and a not-for-profit shop for patients at Leighton Court in Wallasey

Our volunteers add so much value to our services, improving the health and care experience of the communities we serve. We are also delighted that so many of our volunteers provided positive feedback on their experiences of supporting the Trust.

*"I would really recommend NHS volunteering to everyone. Volunteering has given me a real*

*boost and helped me feel part of a team”*

## Sexual Health Wirral - Pharmacy Partnership

Sexual Health Wirral have embedded strong partnership working and robust pathways with Wirral pharmacies, all helping to promote prevention methods and raise awareness of STIs and contraception.

Service contracts with over 30 community-based Pharmacies supports the provision of Emergency Contraception (EC) for free, ensuring people can access help and support locally, and often at weekends and evenings to help reduce unplanned pregnancy rates in Wirral.

All venues place the EC for Free sticker in windows, so people know they are a key partnership site, this is then promoted via social media campaigns and the Sexual Health Wirral website

## Sexual Health Wirral & Tomorrow’s Women Wirral

Sexual Health Wirral work closely with local agencies, especially those who support our more vulnerable communities. Education and awareness raising is key and Tomorrow’s Women is just one of many agencies who help the service reach people who may not access help and support through mainstream clinics.

One example of a successful Public Health initiative is a regular outreach session at the Tomorrow’s Women Wirral venue, targeting women who may have missed their cervical screening invite letter, are overdue or in some cases may never have had a smear test.



Many of these ladies may be scared, apprehensive or not aware of the potential risks to not attending their national screening invite and recall. By taking our services out to an environment where the ladies feel safe, familiar and comfortable this ensures more time and a gentle approach, resulting in increased uptake of the services and improved health outcomes

## An award-winning Trust

During 2019-20 the Trust was recognised for its success in improving services through better integration and coordination, in line with our goals and some examples of our successful awards are provided below.

The Tele-triage Service won the **Empowerment Award** at the inaugural **Cheshire and Merseyside Digit@LL Awards 2019**. The service was selected from a large number of nominations for transforming healthcare within nursing and residential homes, enabling better outcomes for patients and reducing the pressure on A&E. Through the use of iPads and Skype, the Tele-triage Service provides healthcare advice to care home staff, helping to manage any health concerns they have about their residents and thereby aiming to reduce unnecessary hospital admissions.

The Tele-triage Service was also announced as **Transformation Award** finalists in **North West Coast Research and Innovation Awards 2019**.

The Trust received an **Innovation Award** for the **Standards Assurance Framework for Excellence (SAFE) system** at In Phase's annual user conference. SAFE is the Trust's quality assurance system to support the monitoring of CQC standards.

Our **0-19 service** was shortlisted for a **Nursing Times Award 2019** in the Child and Adolescence Services category recognising innovation and evidence of improved outcomes of care that involves families and/or empower adolescents.

## Our People

The second strategic theme focuses on the people and staff of Wirral Community Health & Care NHS Foundation Trust and is monitored for assurance at the Education & Workforce Committee.

Monitoring of performance at the committee is centred on the organisation's People Strategy which includes a range of metrics with KPI performance reported to the Board for monitoring.

In total the Trust employs around 1,700 staff, almost 90% of whom are patient and service user facing and around 90% of whom are women. Our workforce represents 74% of the costs of the organisation and our most valued resource. The largest staff groups remain nursing, physiotherapists and clinical support.

Our People	2019-20	Thresholds		
		Red	Amber	Green
Mandatory Training Compliance	95.6%	>75%	75 - 90%	>90%
Sickness and Absence	5.56%	>5.8%	5 - 5.79%	<5.0%
Voluntary Staff Turnover	10.5%	>9.50%	8 - 9.49%	<8.0%
Vacancy Rate	6.1%	>12%	10 - 12%	<10%

The Trust have a Cap on Agency expenditure which is set by NHSI to assist in targeting improvements in avoiding agency use. The Trust expenditure target for 2019-20 was £1,882,000 with the year-end position reporting 16.7% over this cap.

## Staff flu campaign

The target for the 2019-20 staff flu campaign was to reach 80% uptake in frontline staff. The Trust reached over 80%, the highest ever uptake.

The campaign focused on the seriousness of flu; how it can cause serious illness and even death;



To encourage staff, uptake milestones were celebrated, staff were thanked for getting vaccinated, and targets were set e.g. 'Let's reach 80% by Christmas!'

The campaign used a multi-media approach with messages in the weekly staff bulletin, via screensavers, campaign banners on Staff Zone, social media, posters and team meetings. Video was utilised, with messages from Director of Nursing Quality Leads and the Chief Executive weekly video messages explaining about flu vaccination and the short time it took to have a vaccination - 'Protected in less than 3 seconds', and one video showed the Chief Executive having her flu vaccine.

A focus of the campaign was the immunisers themselves: 'Proud to be your flu immuniser' being the key message. Posters introduced staff to their immunisers, providing familiarity, and were encouraged to contact them if they had queries or wanted reassurance, for example needle phobic staff.

It was straightforward for staff to arrange their vaccine – there was a timetable, but with the addition of a dedicated flu email address and phone number, staff could request a vaccine at a time and place to suit them.

Staff were reminded of important flu facts e.g. the vaccine is inactive and cannot give you flu, as well as when there were peaks in the local area, local hospitals etc. The flu vaccine league table was shared weekly, representing the uptake across all services.

We asked staff to share a #MyFluFact - real-life experiences from those affected by flu, to highlight the reality of how flu does not discriminate and can affect anyone.

The campaign once again included the 'get a jab, give a jab' scheme that promotes to staff that with every vaccine administered to all staff (not just frontline), the Trust donates two doses (one full measles vaccination) to UNICEF for children in developing countries.

## Recognising our staff

The Trust's staff recognition scheme is our way of recognising the hard work and dedication of colleagues who go the extra mile for our communities and each other. Our scheme is open to all employees of the Trust and is complemented by local recognition and engagement activities within each of our divisions as well as nominations for national awards.

## Annual HEART awards

The 2019-20 HEART Awards were due to take place on Friday 13 March 2020. However, in the week leading up the awards and shortly before the COVID-19 national lockdown measures were introduced, the Trust took the difficult decision to postpone the event in the interests of staff safety.



We will not lose the opportunity to recognise and celebrate the wonderful achievements of our staff

however and will be holding a virtual awards ceremony in early summer 2020.

We received 107 nominations for the awards across 8 categories, the most ever submitted!

## Thank You cards

Our Thank You cards continue to provide an opportunity for instant recognition to colleagues for delivering the HEART values. Anybody can send a Thank You card and since their launch the enthusiasm and momentum has been building with colleagues enjoying sending and receiving cards.

## Employee of the Month

The Employee of the Month has become a regular feature and recognises individuals in each of the clinical and corporate divisions for their hard work, commitment and enthusiasm in their daily work. All nominations are assessed by divisional judging panels and winners are announced in the weekly staff bulletin.

Our new recognition wall for 2019-20 in St Catherine's Health Centre, celebrates all the winners of the Heart Awards and the Employees of the Month.



## The daily shout out!

In March 2020, the Trust, like all other NHS providers across the UK, responded to the National Level 4 incident and the Coronavirus pandemic. The response by staff across the Trust has been incredible with the highest levels of commitment, flexibility, innovation, support and compassion shown to the people we care for, but also to each other. Many Trust staff were reassigned to new roles and services, and teams across the Trust developed new and innovative ways of working and engaging with patients and service users in record time. To recognise the daily efforts of staff across the whole organisation in clinical, non-clinical, corporate and social care teams, a 'Daily Shout Out' was introduced in our daily COVID-19 staff bulletin. These shout outs have been a wonderful way to recognise the contribution of individuals and the remarkable teamwork from across the Trust in ensuring our response to COVID-19.

## Launch of our NEW Staff Zone

In May 2019 the Trust launched its new staff intranet – Staff Zone.

After months of insight work with staff to ensure the new site would meet their needs, it was launched with huge success. The new site is compatible with all smart phones and tablets, appears automatically on every Trust laptop and PC when staff log on, and has been built to support continued growth and development.

Use of Staff Zone has already risen significantly from 2018-19, and large cohorts of staff have reported that the new search function is easy to use and is saving significant time.

## Appraisals

We maintained our strong track record with annual appraisals in 2019-20 with 99% of all staff receiving a performance appraisal.

## Training and development

Education and training opportunities are essential to ensure a workforce that is fit for purpose and performing at its peak to deliver outstanding effective healthcare. The Trust aims to ensure that job relevant learning opportunities are provided to those who require them in line with national guidelines, local priorities and personal development plans and are delivered in a flexible way to support modernising workforce initiatives, delivery of new models of care, provide opportunities for career development and promote professional body requirements for registration.

## Apprenticeships

During 2019-20, we continued to support staff in their development with a further 51 apprentices confirmed across the Trust, totalling over 70 staff that have accessed this form of professional development. Not only is this a significant increase on the two previous years, but it also maximises the use of the apprenticeship levy and will significantly contribute to the Trust workforce development plans, representing an investment of over £777,000 in staff development.

Whilst there is a diverse range of clinical and non-clinical apprenticeships accessed by a wide range of staffing disciplines, the Trust has invested significantly in apprenticeships for Advanced Clinical Practitioner MSc and Social Worker Degree programmes; providing the greatest access to such programmes in the Cheshire and Merseyside region.

In January 2020, the Trust was delighted to be able to offer the new social work apprenticeships scheme to 8 staff as part of a wider career development opportunity. This was in addition to a wide range of other apprenticeships and further educational learning opportunities available. In addition, 13 newly qualified social workers have been supported through their Assessed and Supported Year in Employment (ASYE) and 15 social workers have progressed through the Career Progression Framework.

Planning for apprenticeships remains aligned to the Trust's workforce plans to ensure we have sufficient skills to meet future health and care challenges.

The Trust also developed an Admin Development Course which started in November 2019 in partnership with Wirral Metropolitan College providing a great opportunity for administrative staff to build and develop their skills across a range of areas.

## Building our future workforce

Extensive work was completed during 2019-20 to support our future workforce.

The Trust embarked on a successful collaboration with The Prince's Trust; the first NHS Trust in Cheshire and Merseyside to offer the 'Step into the NHS' programme providing 16 young adults with work experience. A key part of the programme is to provide training and work opportunities to prepare the participants for a role in the NHS and at the end of the programme all the participants were better equipped having enhanced their knowledge and skills, thus supporting their future career success.

To mark the end of the placements, we held a wonderful celebration event at St Catherine's Health Centre, and we were delighted to be joined by the Lord Lieutenant of Merseyside to recognise the achievements and contribution of the young people who participated.

One of the young people shared some reflections after completing the programme;

*"As much as I enjoyed the duties I have been given, the biggest thing that I have enjoyed here is the comradery between staff. They have been so helpful and supportive, it has made my time here very insightful, enjoyable and I felt instantly welcome. I was surprised at how willing my colleagues were in taking time out to thoroughly explain things to me, and ensured I was actively participating, which has pushed me to try and excel and meet the high standards that the teams have".*

We successfully bid for funding to increase student nursing and allied health professional placements by 65; an increase of 100%. This also supported the development of new and promising relationships with Liverpool John Moores University, The University of Liverpool and Edgehill University. Work is also well underway to implement the new Future Nursing Standards which will change the way students are supported, also enabling the Trust to further increase student numbers.

It is anticipated that through increased placement opportunities and enhanced quality placements we will increase future workforce pipeline.

We were delighted to receive positive feedback from a recent student following their placement with Sexual Health Wirral.

*'This placement was one of the best placements I've had in terms of support, learning opportunities and feeling part of the team. I was provided with an induction and student package on the first day of my placement which made me feel extremely welcome and comfortable. There were so many opportunities for learning during the six weeks and this was all helped along with the excellent friendly staff'*

In partnership with colleagues from neighbouring trusts and Health Education England the Trust continues to invest in the new Nurse Associate role and is one of the first pilot sites for the new Trainee Nursing Associate programme. The role of the Nurse Associate has been recognised nationally and extensive work has been completed locally to embed the role as an essential part of our care delivery. During 2019-20, 5 trainees graduated to become Nurse Associates and are now working in our 0-19 and Community Nursing services.



We continue to successfully 'grow our own' staff. Our Wheelchair Service recruited another Rehabilitation Engineer Technician, which is part of its workforce plan, to train its own Rehabilitation Engineer. This was particularly important as Rehabilitation Engineers are difficult to recruit to and the role is vital to a safe wheelchair service delivery.

## **Leadership for All**

Our Leadership for All model was launched in 2015 to enhance leadership skills across the workforce. The model provides a set of behaviours that are essential for effective performance and applies to all staff. Building upon this work the Trust undertook a large scale engagement exercise with managers of all grades to better understand their development needs. The outcome of which has refreshed the Trust's Leadership for All framework and will be used to underpin Management and Leadership development investment.

## **Leadership Forum**

Following the successful launch of this forum, in 2018-19, the Trust continued to hold quarterly forums for senior leaders across all clinical and non-clinical divisions during 2019-20. The forums provide a valuable opportunity for engagement with key decision makers and influencers across the Trust to consider key topics, seek feedback and agree a collective response to ensure consistent and clear communication across all Trust services.

In 2019-20 a programme of guest speakers was also introduced to provide new ideas and support the personal development and growth of our leaders. The value of the forums are allowing colleagues to engage across services and teams, learn and share ideas and take the opportunity to think differently is already proving beneficial.

In Q4 2019-20 an evaluation of the forum was completed to seek feedback, ideas and suggestions for the future of the group. The feedback received was overwhelmingly positive and plans to launch a new Leadership for All forum will be introduced from 2020-21.

## **Learning and Organisational Development**

During 2019-20, the Trust invested significantly in Learning and Organisational Development to ensure sufficient capacity to deliver our far-reaching and ambitious training and development agenda. As a result, the training and development offer to staff has increased and the Trust has been able to make significant strides in delivering apprenticeships, maximising the use of the Apprenticeship Levy and mitigating funding loss.

## **Mandatory Training**

Mandatory training is a key performance indicator with the Trust having set a compliance of 90%; this was achieved in April 2019. The training compliance rate has continued to increase and has remained over 95% since July 2019 including during the Trust's response to COVID-19.

## Wellbeing

The Trust had two key staff well-being goals in 2019-20.

- To promote the physical and mental wellbeing of staff
- To address key causes of sickness in the workforce to improve attendance levels and support staff wellbeing



As part of this, a number of actions were taken including developing a fast-track physio referral programme, introduced mental health awareness training for managers, developing a wellbeing brand (sunflower) and improving the information and signposting pages on Staff Zone. By encouraging the sharing of best practice, we

refreshed and refocused the Wellbeing Champions network across numerous staff bases. A carers' survey was conducted, and the Trust made links with a local carers' charity and produced a carers' support plan to encourage discussions about staff carers' needs. The Stress Management Policy was also revised with a focus on proactively supporting mental health.

These goals will be reviewed as part of the wider People Strategy review which will be completed in line with national strategy.

A hugely successful strand of our staff wellbeing programme has been the welcome addition of Spartacus, our visiting therapy dog, and his owner to the Trust. During 2019-20 they were kept very busy visiting services across the Trust including IT, Speech & Language Therapy and the Field Road Community Nursing Team, who said *"Spartacus lifted the team's spirits and we would love another visit again."*

The Board of Directors were also delighted to welcome Spartacus to an informal board session to hear about the wonderful work of Therapy Dogs UK and his meeting with Matt Hancock, Secretary of State for Health & Social Care at the Houses of Parliament.



## Freedom To Speak Up

Revised arrangements are in place to support staff in raising concerns through Freedom To Speak Up (FTSU), with the appointment of a senior operational manager as the Freedom to Speak up Guardian, to supplement the work of the existing Non-Executive Freedom to Speak up Guardian.

Promoting Freedom to Speak Up remains a key priority for the Trust. During the last year Freedom to Speak up Policy has been refreshed, taking account of new guidance. As such the name of the policy has now been changed to “Speaking Up” as this promotes a more mainstream approach, which supports staff to identify opportunities for improvement and learning opportunities as well as concerns.

October 2019 was National Speak Up Month and there was a full communication programme throughout the month including screen savers, new banners, pens and other promotional material.

Weekly drop in sessions were held throughout the month for staff and towards the end of the month we welcomed the National Guardian’s Office Regional Liaison who attended a thank you event for the Speak Up Champions.

2019 has also seen the introduction of a new FTSU Guardian for the Trust, who is now established in role and linked in with both the North West and National Guardian’s Officer.

## Staff Survey 2019

The staff survey was conducted during September-October 2019, and significant progress has already been made in several of the areas for improvement. In particular the wellbeing agenda which now offers fast-track muscular skeletal services for staff, and the introduction of mental health awareness training for managers. Further detail is included in the Staff Report.

## Chief Nursing Officer Awards

In November 2019, we were delighted to welcome the Chief Nursing Officer, Dr Ruth May to the Trust to showcase the incredible work of our nurses across the Trust.

The visit came about because one of our community night nurses contacted Ruth directly and invited her to come and see the great work, we do in Wirral.

Over sixty staff joined the event to share details of the Trust and the services provided, and an hour-long discussion and Q&A session with Ruth were incredibly engaging. We had children in nurses’ uniforms pledging to be our workforce of the future and our ‘INVOLVE’ group of young people joined us.

Whilst visiting us she also presented 3 of our staff with the coveted Nursing Officer Awards.

- The Deputy Director of Nursing was presented with the Gold CNO award for *being an inspirational leader who shows great compassion towards patients and colleagues alike,*

and for her *significant contribution to delivering quality services, including the development of our SAFE system and the clinical innovations scheme.*

- The Teletriage Team were awarded the Silver CNO award in acknowledgement of their *leadership in relation to innovation and advancement of technology.* They were recognised for their *willingness to go above and beyond to get the Teletriage Service implemented across the local economy, and for true resilience, ensuring that we are providing excellent care to care home residents whilst supporting the wider health economy in avoiding inappropriate admissions to A&E.*
- A Nurse Practitioner for Older People, was presented with the Silver CNO Award in recognition for her contribution to *improving care for individuals suffering with Dementia and their families/carers by introducing 'Forget Me Not' stickers discretely placed on the front door of patients who suffer with dementia, so that health and care professionals are all aware of the patient's condition.*

## Our Performance

The final strategic theme of the Trust's performance framework covers the monitoring of all contractual performance KPIs along with financial performance and performance against the Cost Improvement Programme (CIP) along with associated risks.

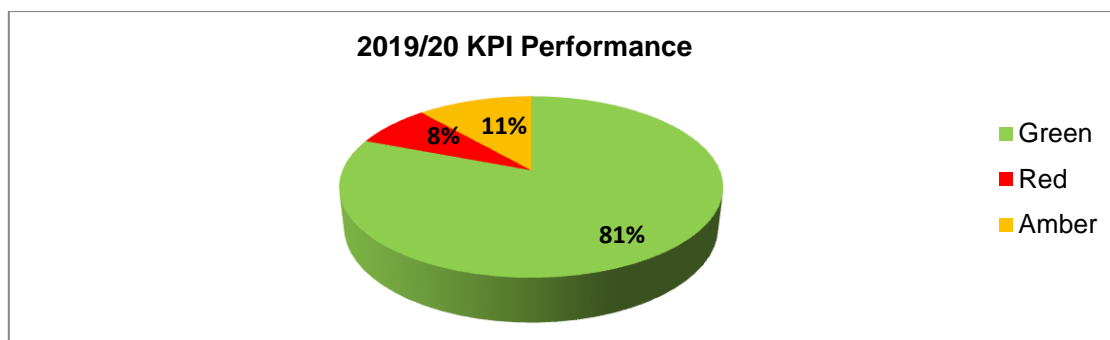
Financial and contractual performance is monitored through the governance structure from team and service level to divisional level at monthly Quality, Performance and Risk (QPER) meetings, and the Oversight & Management Board (OMB), chaired by the Chief Executive. The assurance on performance reporting is monitored by the Finance and Performance Committee which meets on a bi-monthly schedule. The Trust Information Gateway (TIG) supports real-time monitoring and scrutiny of performance at team-level up to trust-wide.

Financial performance monitoring is driven by Use of Resources risk ratings as set by NHS Improvement along with CIP progress. The progress against all contractual KPIs, of which there were 90 (pre-COVID-19 health emergency), were presented by exception to the Oversight & Management Board each month with associated performance reports published for Non-Executive Directors. The Finance & Performance Committee reviews progress by exception (i.e. amber or red rated performance) and exception reports triangulate to known risks or uncertainties as does the review of financial performance.

Our Performance	2019-20	Thresholds		
		Red	Amber	Green
6 Week Diagnostic Wait	99.9%	<99%		>99%
A&E 4 hour wait	99.6%	<90%	90-95%	>95%
Agency Cap (% variance to plan)	16.7%	>25%	0-25%	0%
CIP v Plan	100%	<95%	95-98%	>98%
I&E Margin distance from Plan	2.5%	<-3%	-3-0%	>0%
KPI Performance (% KPIs that are Green or Amber)	92.3%	<80%	80-90%	>90%
Referral to Treatment Time	100%	<85%	85-92%	>92%
Use of Resources	1	3	2	1

During 2019-20 the OMB, the Finance & Performance Committee and the Education & Workforce Committee have all closely monitored performance against the agency cap from both a workforce and a performance perspective. There has been a lot of focused work with new systems and processes established through a collaborative approach between HR and procurement teams which has resulted in an improved position. This KPI remains under close review to ensure a sustained improvement in 2020-21.

Across all KPIs the Trust demonstrated strong performance during 2019-20.



In 2019-20 the Trust was delighted to be awarded the Wirral 0-19 contract to deliver the Healthy Child Programme. The five-year contract (with the possibility of an additional two years) began in February 2020. The service model was developed with staff, focusing on neighbourhoods and communities and working closely with partners to respond to local health needs together.

We were disappointed to not be successful in securing the contract for the Child Health Information System (CHIS) for Cheshire & Merseyside. The contract was awarded to NHS South, Central and West Commissioning Support Unit. Sadly, this decision affected a number of our staff who were supported during demobilisation and transfer to the new provider.

Financial performance in 2019-20 was strong with the Trust exceeding the set control total of £995k by £1.76m. The surplus included £990k of Provider Sustainability Fund (PSF) income.

The overall CIP target of £2m was achieved with £1.78m identified as recurrent savings.

The Trust's Use of Resources rating was 1 (the highest available) as described below.

<b>NHSI Risk Rating</b>	<b>2019-20</b>
Capital Service Cover	1
Liquidity	1
I&E Margin	1
I&E Margin: distance from plan	1
Agency	2
<b>Overall Rating</b>	<b>1</b>

The Trust met all of its statutory financial duties for 2019-20. The following table details the financial performance that resulted in an overall control total surplus of £2.753m.

As an independent organisation we have always maintained a strong financial position. We have consistently delivered on Income and Expenditure (I&E) targets, CIPs, cash and external financing targets and our capital plans.

	<b>2019-20 £'000</b>
Net surplus for the year	1,434
Adjustment for items not included in the control total	
Reversal of impairment of land and buildings	(430)
Remeasurement of Merseyside Pension Scheme Liabilities	1,749
Control total	<b>2,753</b>
Comprising:	
Sustainability and Transformation Fund income	990
Underlying Surplus	1,763
<b>Total</b>	<b>2,753</b>

## Cost Improvement Plan (CIP)

The Trust's approach to CIP planning during 2019-20 again focused on service transformation and business planning to inform the development of individual Cost Improvement Plans. This led to the delivery of planned savings based on schemes developed by front-line teams following a series of engagement and planning sessions the previous year.

An adaptation to the forward planning process for 2019-20, following a service and divisional planning exercise, was to focus on a smaller number of higher value savings programmes, allowing Trust resources to be targeted to support the services delivering the transformation. This will form part of a rolling programme of transformation across the organisation over multiple years.

The implementation of parts of this plan was, however, delayed by the COVID-19 pandemic but the Trust still achieved its planned CIP target for the financial year.

All CIP projects are monitored through the Programme Management Board with the Finance & Performance Committee overseeing delivery against the CIP financial plan. All proposed plans go through a rigorous Quality Impact Assessment, overseen by the Director of Nursing and Medical Director to ensure any changes are safe and quality is maintained

## Promoting innovation

As a demonstration of our commitment towards research and innovation, we actively seek to support staff to get involved and test ideas that will deliver better evidence-based outcomes for our patients.

We have an Innovation Fund led by the Medical Director which is available for teams to access to support their research projects or innovations. Further details will be included in the Quality Report.

All proposals must set out an innovative approach that makes a significant contribution to the evidence base for delivering high quality care and demonstrate that it addresses improvements in at least three of the 5 domains of quality care as described by the Care Quality Commission (CQC).

The Trust continues to seek efficiencies in its services and grow community services with greater integration, and examples are shown below.

## **Changes to blue badge service**

Trust Occupational Therapists are also employed as Mobility Assessors for Blue Badge Applications. During 2019-20 they worked with the Local Authority to implement the new Blue Badge Scheme Department of Transport guidance, which has been extended to include hidden disabilities such as autism and mental health conditions.

## **Implementation of TOMS (Therapy Outcome Measures) across Adult Social Care Occupational Therapy**

The Occupational Therapists in Adult Social Care are now using TOM, a therapy outcome measure that allows professionals to describe the relative abilities and difficulties of a patient in four areas (impairment, activity, participation and well-being) to monitor the effectiveness of their interventions. It has become an integral part of the Occupational Therapy assessment and helps us to showcase the high-quality service delivered to patients and how patients have benefited from the service. One of the Occupational Therapist's has become a TOM champion and is studying the use of this outcome measure at Masters Level; it is the preferred outcome measure for therapy teams across the Trust which we hope will allow us to compare effectiveness across the various therapy teams.

## **MSK physiotherapy**

The Trust has worked in partnership with Wirral University Teaching Hospital (WUTH) on the new MSK integrated triage service. Whilst WUTH is the primary provider of the service, the Trust is working as a subcontractor to support improved delivery of the service to the Wirral population.

From a significant waiting list of patients, the Trust worked effectively to ensure all patients were seen whilst also maintaining a clinically effective service to patients already on the caseload.

The service redesigned clinical templates to increase productivity and reviewed appointment pathways to introduce an opt-in service to target those patients most at need. Diaries and templates were reviewed and managed on a daily basis to provide flexibility and in order to maximise the resources available for patients.

The service successfully addressed the waiting list with all patients seen.



## **An ambitious Digital Strategy**

In 2019-20, work has been completed to further improve the Digital/IT Service across the Trust footprint.

The aim of the strategy is to enable a digitally connected population, ensuring technology supports their needs and accessibility, whether that be to their health and care record, or services. The Trust has also committed to support staff to be as digitally enabled as possible, introducing new systems to better support staff needs and to help staff continue to deliver safe, effective and efficient care.

The Digital Team has been developing a service to enable staff to hold secure video consultations with service users outside the Trust's network. This provides an alternative to conventional meetings by using the video facilities in phones, tablets and similar devices. It allows face to face contact without the need to travel, offering an additional, flexible way to deliver our services.

The Trust's Community Cardiology Service went live on SystmOne (Electronic Patient Record system) in December 2019 for the Heart Failure Service, Rapid Access Chest Pain & Consultant Cardiology Services.

## **Sustainable Development Management Plan 2019-20**

Our services are local and community-based, provided from around 26 sites including care homes and specialist schools across Wirral, including our main clinical bases, St Catherine's Health Centre in Birkenhead and Victoria Central Health Centre in Wallasey. We are also commissioned to deliver podiatry services outside of Wirral by West Cheshire Clinical Commissioning Group and Liverpool Clinical Commissioning Group.

We also provide integrated 0-19 services in Cheshire East comprising health visiting, school nursing, family nurse partnership and breastfeeding support services from 23 bases including medical centres and children's centres.

The Trust has a Sustainable Development Management Plan (SDMP) that assists in clarifying objectives on sustainable development. This has been in place since the establishment of the Trust in April 2011 and has been updated in 2018. The plan has Board level accountability through the Finance & Performance Committee and ensures that sustainability issues have visibility and ownership at the highest level of the organisation.

The SDMP helps the Trust to;

- Meet the minimum requirements of sustainable development
- Save money through increased efficiency and resilience
- Ensure the health and wellbeing of the local population is protected and enhanced
- Improve the environment in which care or the functions of the organisation are delivered for service users and staff
- Have robust governance arrangements in place to monitor progress
- Demonstrate a good reputation for sustainability

- Align sustainable development requirements with the strategic objectives of the organisation

## Environmental Management System

The Trust has developed an Environmental Management System (EMS) which resulted in achieving the ISO 14001-2015 Environmental Award in December 2017 for St Catherine's Health Centre in the first year. Our certification was renewed in December 2018 and was expanded to cover 3 additional properties; Highfield Centre, Fender Way Health Centre and Prenton Clinic.

The audits this year took place slightly later on the 11<sup>th</sup> and 12<sup>th</sup> March. We included another 3 sites into this year's audit, Victoria Central Health Centre including Albert Lodge, X-Ray and Walk-In Centre taking the total to seven in all. We were again successful in passing this two day audit and winning the award for the third successive year.

The award is an internationally accepted standard that outlines how to put an effective environmental management system in place. It is designed to help businesses remain commercially successful without overlooking environmental responsibilities. Staff have been encouraged via the use of screen savers and staff bulletins to recycle the following items in work;

- Used batteries
- Cardboard
- Used toner and printer cartridges
- Aluminium Cans. (we are currently looking for a local school or charity that are also collecting cans for funds for local initiatives. We intend to offer our cans in support of these good causes)

## Water usage to date

Having been fitted in May 2018, waterless urinals in St Catherine's Health Centre have now saved 1.9 million litres of clean water to date. This gives the Trust a saving not only of the cost of the clean water but also the cost of removing and treating the waste water to date.

A dripping tap wastes approximately 5,500 litres of water a year, and we encouraged staff to report leaking taps in our buildings allowing our engineers to repair them quickly. Trust staff are very engaged with sustainability, and staff regularly request additional recycling facilities when they identify the opportunity to do more to protect the use of resources.

## Solar Panels

The Trust Board passed an ambitious initiative in October 2019 to fit 306 QCells Panels to the roof of both wings 4 and 5 of St. Catherine's Health Centre as seen below.



This is helping the Trust avoid 28 tonnes of CO2 emissions per annum which is the equivalent of planting over 130 trees every year. The 306 panels will generate an estimated 85,000kWh a year enough to power 21 houses for a year. Currently the solar panels are providing 40% of our total energy needs for this building. In the first year this will reduce St Catherine's total electricity cost by over 22%. There will be times when the solar generation exceeds their consumption, for example during summer weekends when generation is high and consumption is lower. The excess solar electricity will be sold to the national grid.

## Bio Boiler

We are once again running solely on biofuels for both the heating and hot water facilities at St. Catherine's Health Centre, this will help the Trust reduce harmful emissions and reduce greenhouse gas emissions by about 34% as well as providing economic benefits to the Trust.

## Electric Car Charging Points



The benefits of electric vehicles to the environment are clear and with more than 20 car manufacturers now producing electric vehicles the Trust decided now was the time to invest in two double charging points to help encourage staff to convert to electric vehicles.

## LED lighting

The Trust has completed the change of the lighting at all our owned properties from fluorescent to LED (Light Emitting Diodes). The benefits of LED lighting are numerous and include;

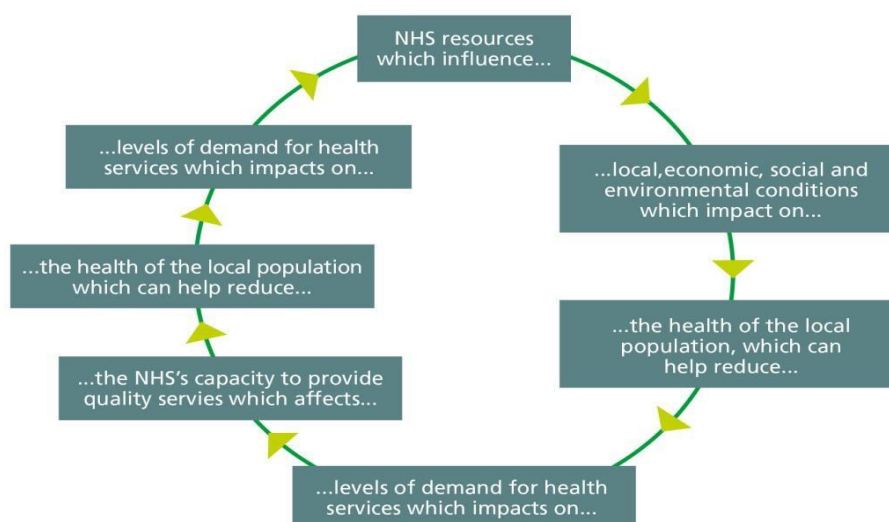
- Less Heat = Less Energy Consumed. LED lights give off less heat than halogen bulbs.
- LED lighting is flicker free which means it cannot produce headaches generally associated with fluorescent lighting.
- They do not contain toxic metal materials such as mercury and other metals dangerous to the environment.
- They are 100% recyclable, which helps to reduce Carbon Dioxide emissions.
- LED bulbs are brighter and produce better light quality than traditional lighting applications.

## Our commitment to reducing the carbon footprint

The Climate Change Act (2008) was introduced to ensure the UK cuts its carbon emissions by 80% by 2050. The 80% target is set against a 1990 baseline.

The Act enables the UK to become a low carbon economy. It sets in place a legally binding framework allowing the government to introduce measures which will achieve carbon reduction and mitigate and adapt to climate change.

As the largest public sector producer of carbon emissions, the health system has a duty to respond to meet these targets which are entrenched in law. Contributing to the Climate Change Act target with a 34% reduction in carbon emissions by 2020 is a key measure of our ambition across the country. Consequently, it has the potential to make a significant contribution to tackling climate change in the UK.



Sustainability issues form an integral part of our Estates Strategy. All Trust properties that

need a Display Energy Certificate (DEC) have one in place and the DEC is displayed on each reception desk.

We have a Sustainable Transport Plan (STP) in place for the Trust which considers the burden NHS organisations place on the local transport infrastructure, whether through patient, clinical or other business activity. Video phones have been installed for use with our sites in East Cheshire; these enable immediate face-to-face discussions between staff based in different sites, and reduce avoidable travel thus reducing carbon emissions. Similarly, the Trust is committed to reducing the wider environmental and social impacts associated with the procurement of NHS goods and services; this is set out within our policies on sustainable procurement.

Our strategy embraces advances in technology and communication, creates the space and opportunity for innovation and fosters pioneering partnerships. Its core principles are motivational and collaborative. They speak to wider calls for patient and staff wellbeing, positive behavioural change and the integration of sustainability into the design, delivery and quality of care we provide.

The strategy is ambitious and delivering it will require cooperation, a long-term perspective and changes to the way we operate. However, as a framework for understanding and responding to future developments that will affect the health of our local communities and the healthcare services we provide, it is vital.

Sustainable development (or sustainability) is about meeting the needs of today without compromising the needs of tomorrow. In the health and care system, this means working within the available environmental and social resources to protect and improve health now and for future generations.

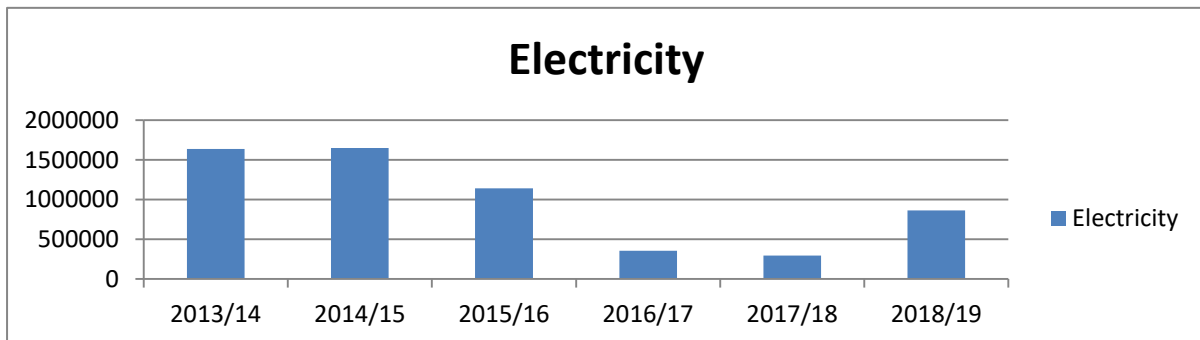
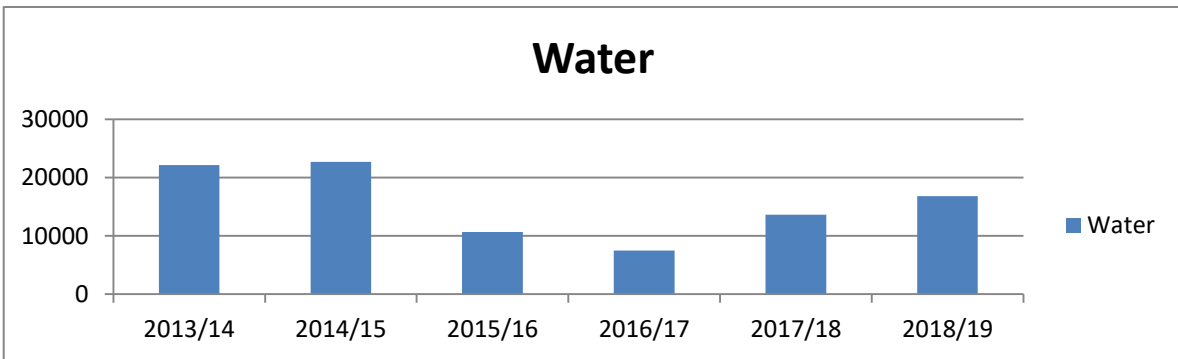
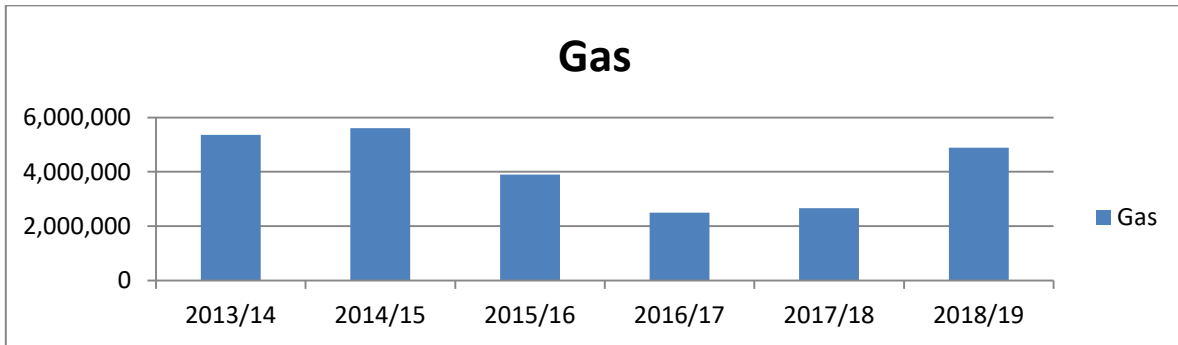
The figures below provide an overview of the Trust's energy Usage over the last 6 years.

Resource		2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Gas	Use (kWh)	5,358,913	5,610,846	3,946,014	2,459,919	2,665,069	4,886,735
	tCO <sub>2</sub> e	1,137	1,177	826	514	735	898.43
Electricity	Use (kWh)	1,637,270	1,649,446	1,140,224	356,222	294,918	864,800
	tCO <sub>2</sub> e	917	1,022	656	184	195	221.04
Total Energy CO <sub>2</sub> e		2,054	2,199	1,481	698	835	1,119.47
Total Energy Spend		£ 438,610	£448,607	£ 239,063	£ 120,301	£206,535	£271,007
Water		2013/14	2014/15	2015/16	2016/17	2017/18	
Mains	m <sup>3</sup>	22,142	22,672	10,645	7,487	13,623	16,799
	tCO <sub>2</sub> e	20.17	20.65	9.70	6.82	11.50	15.25
Water & Sewage Spend		£ 36,320	£61,471	£39,507	£26,766	£49,060	£64,737

Total utilities costs were higher in 2018-19 compared with 2017-18, with energy increasing

from £206,535 to £271,007 and water & sewerage from £49,060 to £64,737.

This increase is due in part to the continued inclusion of accrued financial, and associated estimated consumption, figures for the VCHC site. Actual utilities usage data is still not available for VCHC because the Trust are yet to start receiving actual electricity, gas and water recharges associated with their occupied premises on the site from NHS Property Services. Therefore, the figures are based on the best estimate of cost and usage based on the information available at the time; being estimates they are subject to potential differences when the actual figures are finally known.





## Waste Hierarchy

The UK-wide policies on waste are built on an EU concept known as the waste hierarchy. The waste hierarchy requires anyone managing waste to consider first prevention, preparing for reuse and recycling followed by other methods of recovery, for example energy recovery and, lastly, disposal. Prevention, preparing for reuse and recycling should be given priority order in any waste legislation and policy. Our response to this is included in the paragraph below on increasing recycling.

## Procurement without Carbon

Procurement is called sustainable when it integrates requirements, specifications and criteria that are compatible and in favour of the protection of the environment, of social progress and in support of economic development, namely by seeking resource efficiency, improving the quality of products and services and ultimately optimising costs.

Through sustainable procurement and together with its collaborative partners across the region the Trust uses its buying power to give a signal to the market in favour of sustainability and to base its choices of goods and services on;

- Economic consideration: best value for money, price, quality, availability, functionality.
- Introduction of recycled paper for all offices, this saves 350 trees a year.
- Double sided printing and use of black and white as standard.
- Environmental aspects i.e. green procurement, the impact on the environment that the product and/or service has over its whole life cycle, from cradle to grave
- Social aspects: effects of purchasing decisions on issues such as poverty eradication, international equity in the distribution of resources, labour considerations and human rights

## Sustainable development objectives for 2020-21

- The Trust has already exceeded the target the Climate Change Act set in 2008 that requires a 34% reduction in carbon emissions by 2020 however to ensure that we reach the end goal set to ensure the NHS cuts its carbon emissions by 80% by 2050 we must keep improving.
- It is fundamental to be a sustainable organisation that we operate with integrity and responsibility, we will achieve this by measuring and monitoring our progress which we believe is the key to ensuring that we are developing in the right direction.
- We recognise the vital role our staff can play in helping us deliver this environmental management system, as well as the power of partnership to accelerate progress and achieve success. The Trust has set ambitious but achievable targets for 2020-21.
- Reduce carbon emissions associated with energy use by a further 2.5%
- Reduce waste being sent to landfill by increasing recycling by 2.5%
- Reduce water consumption by 2.5%.
- Reduce carbon emissions associated with transport.



## Our response to the COVID-19 health emergency

### Overview

The Annual Governance Statement describes the actions taken in response to the COVID-19 health emergency following the declaration of a national level 4 incident by HM Government. However, the response to COVID-19 by teams across the Trust started in late January 2020 when Wirral welcomed UK citizens repatriated from Wuhan in China and subsequently from Japan.

### Supporting the repatriation of UK citizens

The Trust was part of a system response to welcome UK citizens to the accommodation block on the Arrowe Park Hospital site. The response was implemented at significant pace to ensure all arrangements were in place to meet the needs of the people arriving. All possible health, social and humanitarian needs were considered for the group with staff including social workers, community nurses, health visitors and GPs all working together.

The response demonstrated highly effective partnership working across NHS organisations locally, regionally and nationally, other statutory and public bodies in Wirral, the voluntary and 3<sup>rd</sup> sector and the local population of Wirral.

The staff supporting the guests during their quarantine worked tirelessly and with dedication and it was wonderful to receive such positive feedback, gratitude and thanks from the guests.

One of the guests expressed their thanks with the following note which they displayed in the accommodation block and shared with the local, regional and national media.

*“I didn’t want to leave without expressing my deepest gratitude for what you have done for us over these past two weeks. I arrived as a potential carrier of a deadly virus. I was a little anxious as to how I would be received. I needn’t have been. You greeted us warmly with gifts, cards and flowers and smiles. You made us feel welcome. In our time of turmoil, you took care of us with compassion and professionalism. The experience has been humbling. Not once did I feel you didn’t have enough time to speak to me or help me. You proactively sought to make my confinement here more comfortable. I am one of the 83 but I am sure my sentiment is shared by us all. Thank you.”*

### Service delivery during the COVID-19 health emergency

The Trust’s response to the COVID-19 health emergency has touched all aspects of the organisation, and staff and public welfare has been at the forefront of our response.

In line with national guidance issued for community services, the Trust completed a review of services with some services stopped, some reduced and others maintained to ensure appropriate support to the people of Wirral and Cheshire East. The change to services also

enabled the reassignment of staff across the organisation to high priority areas including community nursing, social work, intermediate care and unplanned care. In any services that were reduced priority was given to the identification of those at high risk to ensure continued care and support.

The pace of change has been rapid with many services developing new and innovative delivery models including adopting the use of digital platforms not only to communicate as staff groups, but also to consult with patients, service users and the public. The Trust's Inclusion Team developed a guidance document and checklist to support services in ensuring that any changes made to service delivery are meaningfully assessed to understand the potential impact on vulnerable and protected groups.

The response to COVID-19 has shone a light on the excellent service, professionalism and care that services and teams across the Trust provide to the people of Wirral and Cheshire East. The partnership working within the Trust and across the health and care systems within which we work, has been strengthened and become more diverse. Together with partner organisations, we seized the opportunity to innovate and transform the ways we work in order to keep our local communities safe.

Thanks to the dedication and hard work of staff across the Trust, Wirral as a health community was recognised as having the best performance across the Cheshire & Merseyside region for the average length of stay (the average length of stay is the average time a patient spends in hospital for a single admission, and the length of stay can be positively managed by appropriately discharging patients from hospital without unnecessary delay), based on robust clinical review and appropriate risk assessments supported by a professional multi-disciplinary team. This was an important contribution to enabling the hospital to have beds available for COVID-19 patients in response to national emergency COVID-19 legislation and demonstrated an incredible improvement on previous performance. By safely reducing bed occupancy in the hospital we could ensure the appropriate level of support for our most poorly patients during the pandemic.

Below are some examples of how the Trust and its services have responded to the COVID-19 health emergency.

- Adoption of all Public Health PPE (Personal Protective Equipment) guidance
- Reconfiguration of Trust buildings, clinics and office space to ensure social distancing measures are in place; where necessary staff have been moved to alternative accommodation
- Development of a risk assessment for social distancing to support safe office accommodation
- Rapid adoption of virtual consultations with service users
- Use of digital technology for team handovers, safety huddles, team meetings and supervision ensuring continued engagement and support for Trust staff whether working remotely, shielding or on-site
- Acknowledgement of the Care Act Easements through the Coronavirus Act 2020

allowing, if required, for the streamlining of assessments and prioritisation of care in order that the most urgent and acute needs are met.

- Rapid mobilisation to support the 3-hour hospital discharge with all assessments taking place in the community
- Providing robust multi-disciplinary team (MDT) support for commissioned emergency beds to support hospital discharge arrangements
- Expanding the Trusted Assessor arrangements and establishing a dedicated team to undertake complex reviews at pace, thereby supporting the domiciliary care market to maintain capacity and flow
- New Community Integrated Response Team, incorporating Rapid Response, Home First and Rehabilitation at Home, established to support hospital admission avoidance and discharge
- Working alongside colleagues from Primary Care, Mental Health and the Local Authority to support individuals that are shielding to ensure access to the right support and advice
- Development of on-line resources for patients (e.g. Community Cardiology)
- Introduction of temporary 7-day services to ensure rapid response to incoming referrals and queries
- Public communication using the 'Still Here For You' campaign
- On-line question & answer sessions for specific services (e.g. Sexual Health)
- Implementation of a tele-triage consultation pathway offering face to face appointments as necessary for those at high-risk or most vulnerable
- Relocation of training to venues across Wirral (including The Hive and Birkenhead Army Reserve Centre) to ensure social distancing measures were in place and vital training could take place for reassigned staff and students

Additionally, the Trust has also supported and facilitated staff to work from home by ensuring the supply of suitable IT equipment and the deployment of several digital platforms.

### **Staff health and wellbeing**

Staff health and wellbeing has continued to be a high priority during COVID-19 with the Trust taking its duty of care to its staff very seriously.

Regular communication and advice on health and safety including social distancing and working from home have been provided, and important messages on infection prevention and control, including the use of PPE shared. Individual risk assessments for vulnerable staff have also been completed with managers and the HR team.

Since the start of the COVID-19 response there has been a clear communication to all staff. The COVID-19 daily update has provided a source of health and wellbeing information highlighting topics such as mental health awareness and where/how to seek help and support, access to the Trust's Employee Assistance Programme, information on free wellbeing apps and advice through national websites including [www.people.nhs](http://www.people.nhs).



A dedicated wellbeing section on Staff Zone has been regularly updated with the latest resources, including a wellbeing guide, '*Managing your wellbeing during COVID-19*', containing practical tips for remote working, isolation, mental and physical wellbeing.

Staff networks have continued to be an effective forum for staff to share and feel supported; the BAME, disability and faith network meetings have been made available to all staff via MS Teams and the feedback received has been positive with good attendance.

The Wellbeing Champions have also continued to meet to discuss wellbeing topics, resources and to share examples of how wellbeing is being supported across the many sites and for staff whilst working remotely.

Physical resources to support wellbeing have been welcomed in the Trust, some through links with local businesses and donations, and others we have sourced via regional and national campaigns. Financial benefits such as the NHS Employers and NHS England sourced discounts and benefits have also been regularly promoted as part of the COVID-19 daily update.

Regular screensavers have further spread wellbeing messages, including a 'going home' checklist to support staff to finish their day with clarity and calmness despite the challenging times and chaplaincy service details. Daily 'shout outs' in the COVID-19 daily update have boosted morale, while the FAQ section on Staff Zone has enabled staff to ask any questions to get the support and advice needed.

As the Trust begins the phased restarting of services, in line with national guidance, the focus will be on monitoring the effectiveness of wellbeing and supportive initiatives and assessing the overall impact of COVID-19 on staff health and wellbeing.

Future plans will be closely co-ordinated with the Organisational Development team for the recovery phase and include virtual support to students, resilience training through MS Teams, Trust-wide pulse surveys and wellbeing telephone check-ins with line managers. Lastly, all staff will participate in an appraisal which will primarily focus on wellbeing and how the Trust can support colleagues.

### **Looking forward - the on-going response to COVID-19 and service delivery through 2020-21**

NHS England and NHS Improvement have written to all NHS Trusts about the second phase of the response to COVID-19. The letter repeats an important message that the NHS is still open for business whilst recognising all the work that has been achieved in the response to the pandemic.

The financial impact of COVID-19 remains under close scrutiny with the Trust following clear national and regulatory guidance. Further detail is included in the Annual Governance Statement.

The Trust recognises that the pandemic response has brought in new ways of working, many of which it may be desirable to keep. These include backing local initiatives and flexibility, enhanced local system working, strong clinical leadership, flexible and remote working where appropriate, and rapid scaling of new technology-enabled service delivery options such as digital consultations.

## Looking forward - our organisational strategy

During 2020-21, the Trust will play a full and critical role in responding to the COVID-19 pandemic that began to very seriously affect the UK at the end of Q4 2019-20.

We know that responding to this pandemic will require our teams to work very differently to ensure that NHS services for the sickest people do not become overwhelmed. As nationally directed through guidance released in March 2020, this will necessitate redeploying resources to those services that support rapid response to clinical need and expedite hospital discharges safely.

We will also align our service delivery to standard operating procedures that take a risk-based approach to provision, with remote consultation being preferred to face to face treatment where this is possible. Where face to face contact is necessary, we will work to the highest standards of infection prevention and control and support other organisations within Wirral to do the same.

Working very closely with partners from across the health and care system, we expect to evaluate the impact of the changes that we implement so that positive changes, such as greater familiarity and use of remote consultation, or a more coordinated approach to hospital discharge, can be continued following the pandemic.

We expect that success in minimising the effects of COVID-19 will depend on following the principles of partnership working, focusing on the needs of our population and making best use of our collective resources.

Once the pandemic eases, we will actively work to support the recovery of the health and care system. We will continue to work with the Healthy Wirral programme to build a resilient, integrated and sustainable health and care system that meets the needs of our population and the individuals for whom we care.

# Accountability Report

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## The Directors' Report

### The Board of Directors

Wirral Community Health and Care NHS Foundation Trust is headed by a Board of Directors with overall responsibility for the exercise of the powers and performance of the NHS Foundation Trust.

The Board is made up of the Chairman, Non-Executive Directors, Chief Executive and other Executive Directors. The Chief Executive and Executive Directors bring skills and expertise from their positions in key areas of the Trust. The Chairman and Non-Executive Directors work part-time. They each bring insight and experience from a range of professional backgrounds. They are not involved in the day-to-day running of the organisation but offer an independent view which both constructively challenges and contributes to the strategic development, performance and management of the Trust.

The Trust's Establishment Order reflects its composition;

- ✓ Non-Executive Chairman
- ✓ 4 Non-Executive Directors (all considered independent)
- ✓ 4 Executive Directors

There are a further 4 non-voting Directors.

The board structure for 2019-20 comprised of;

- ✓ Chairman
- ✓ Chief Executive
- ✓ Chief Finance Officer/Deputy Chief Executive
- ✓ Medical Director
- ✓ Director of Nursing & Quality Improvement
- ✓ Director of Human Resources & Organisational Development (non-voting)
- ✓ Director of Corporate Affairs (non-voting)
- ✓ Chief Operating Officer (non-voting)
- ✓ Chief Strategy Office (non-voting from February 2020)
- ✓ 4 x Non-Executive Directors (including Senior Independent Director)

The Associate Director of Adult Social Care provides specialist advice and guidance to the Board of Directors on the social care profession and attends both public and private Board meetings in the capacity as specialist advisor.

No member of the Board of Directors holds the position of Director or Governor of any other NHS Foundation Trust.

The Chairman of the Board of Directors is also the Chairman of the Council of Governors.



## Non-Executive Directors

### Professor Michael Brown, CBE DL Chair

Professor Brown joined the trust as Chair in September 2017.

Professor Brown is the independent Chair of Procure Plus Holdings Limited and previously served as Chair of Alder Hey Children's Charity.

Previously the Vice-Chancellor, CEO and Board Member of Liverpool John Moores University, Michael served as Chair of the Strategy Committee of the Merseyside European Union Objective One Funding, the Liverpool Democracy Commission, Liverpool Strategic Improvement and Innovation Programme and the Liverpool and Merseyside Theatres Trust (Everyman and Playhouse Theatres).

### Brian Simmons Non-Executive Director and Chair of Audit Committee Appointed Senior Independent Director in February 2019

Brian<sup>6</sup> has been a Non-Executive Director with Wirral Community and Health and Care Trust since 2011. Before retiring in 2013, he was the Assistant Chief Officer and Finance Director for the Cheshire Constabulary.

Brian joined the Civil Service in 1972 working in accounts and audit roles for the Property Service Agency. Prior to joining Cheshire Constabulary in 2000, he worked as a Senior Civil Servant Finance and Business Services Director for a Ministry of Agriculture Research Laboratory.

Brian is a fellow of the Chartered Institute of Management Accountants.

Brian is the Non-Executive Director 'Freedom To Speak Up Guardian' for the Trust.

### Beverley Jordan Non-Executive Director Appointed Deputy Chair in February 2019.

Former Vice President and Head of Operations, Global Medicines Development, Astra Zeneca.

Beverley is a Chartered Accountant (trained with Coopers & Lybrand) with over twenty years in financial and broader corporate leadership roles across different business divisions at AstraZeneca, the FTSE-100 multinational pharmaceutical company.

She was latterly (2013-16) Vice-President and Head of Operations for the Global Medicines Development Group, the business division responsible for the clinical development and regulatory approval of new medicines globally. She is currently a Trustee and Honorary Treasurer for Wigan Borough Citizens' Advice and a student mentor for Manchester Business School.

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Brian Simmons was re-appointed by the Council of Governors for a further 3-year term of office with effect from 1 May 2019.

**Professor Chris Bentley**  
**Non-Executive Director**

Chris joined the Trust as a Non-Executive Director and Chair of the Quality & Safety Committee in February 2019.

Chris has worked at Board level in the NHS for 22 years. He was Director of Policy and Public Health in Health Authorities in West Sussex and then Sheffield, and subsequently for the Strategic Health Authority of South Yorkshire.

Chris was a clinical Non-Executive Director on the Board of Derbyshire Community Health Service NHS Trust for 7 years during which time the Trust was awarded Foundation Trust status.

Chris is a well-known figure in population health and healthcare circles, primarily through his work as Head of the Health Inequalities National Support Team but also more recently as an independent consultant providing advisory support to the Integrated Care Systems (ICSs) agenda.

Currently Chris provides consultancy support to the Equity and Health Inequalities Teams of Public Health England and NHS England / Improvement.

**Gerald Meehan**  
**Non-Executive Director**

Gerald joined the Trust as a Non-Executive Director and Chair of the Education & Workforce Committee in February 2019 and is also employed by Cheshire and Merseyside Health and Care Partnership (STP) as the Local Government Advisor.

Gerald has over 35 years' experience in Local Government and the operation of local democracy with a track record of successfully delivering major change programmes in a range of settings including county, city, and metropolitan, unitary and combined authorities.

Gerald has a broad set of leadership experiences with a strong emphasis on partnership working and innovative models of service. He is personally driven by a strong public sector ethos and progressive local democracy.

Most recently Gerald was the Chief Executive of Cheshire West and Chester Council (CWAC) and the sub-regional lead for Cheshire & Warrington. Gerald is a Registered Social Worker, and specialist in Child Protection and Children's services.

## Non-Executive Director Terms of Office and re-appointments

The table below sets out the Non-Executive Director terms of office and the timetable for re-appointments to be led by the Council of Governors.

During 2019-20 the Council of Governors led the process to re appoint one NED in their post, this was Brian Simmons who was reappointed as Chair of Audit Committee/Senior Independent Director.

Non-Executive Director	Term	Term expiry
Michael Brown <sup>7</sup>	3 years	September 2020
Brian Simmons	2 years	May 2022
Beverley Jordan <sup>7</sup>	3 years	September 2020
Chris Bentley	3 years	February 2022
Gerald Meehan	3 years	February 2022

## Executive Directors

The Executive Team is led by the Chief Executive and collectively meets weekly as the Executive Leadership Team (ELT) which reports key decisions and recommendations to the Board of Directors.

Karen Howell

**Chief Executive**

*Voting member of the Board of Directors*

Karen grew up in Wirral where she also trained and worked as a nurse in her early career. She is a highly experienced regional and national health leader with over 25 years at board level.

Prior to joining Wirral Community Health & Care NHS Foundation Trust, her previous roles included: Managing Director for Specialised and Tertiary Commissioning for NHS Wales, Interim Chief Executive at Hywel Dda University Health Board, NHS Wales Mental Health Lead, Northwest Regional Clinical Director for Prison Health, Department of Health National Director High Secure Services, Department of Health National Policy Lead Medium Secure Services, Director of Forensic Services at MerseyCare NHS Trust and Director of Nursing/Deputy CEO at Halton & St Helens Primary Care Trust.

Karen is a Registered Nurse and has a MSc in Law and Biomedical Ethics from The University of Liverpool.

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<sup>7</sup> Following guidance from NHSE/I and in light of the COVID-19 response, the Council of Governors agreed to extend Non-Executive Director Terms of Office that were due to end in September for a further 6 months. The Council of Governors will lead the reappointment process in due course.

**Mark Greatrex**  
**Chief Finance Officer and Deputy Chief Executive**  
*Voting member of the Board of Directors*

Mark has over 28 years NHS experience and prior to joining Wirral Community Health & Care NHS Foundation Trust has worked as Deputy Director of Finance at Liverpool Heart & Chest NHS Foundation Trust, the Walton Centre NHS Foundation Trust and Mersey Regional Ambulance Service. Previous to this Mark spent 12 years at St.Helens & Knowsley Hospitals NHS Trust in various financial and non-financial roles.

Mark is a member of the Chartered Institute of Management Accountants (CIMA) and is a keen advocate of the Healthcare Financial Management Association, where he has served on its North West Branch Committee.

Mark leads the Finance portfolio which includes Information, IT (until February 2020 when the responsibility moved to the new Chief Strategy Officer post), Estates, Procurement and Facilities. Mark is the Senior Information Risk Officer (SIRO) for the organisation.

**Dr Nick Cross**  
**Medical Director**  
*Voting member of the Board of Directors*

Nick has close links with Wirral as a graduate of Liverpool University Medical School. Initially embarking on a career in anaesthetics and intensive care, Nick became attracted to a career in general practice and was a partner in a Wigan practice before moving to a practice in East Yorkshire, where he was until 2016.

Alongside his role in the Trust, Nick was the Associate Medical Director for a large, mental health, community and primary care trust in East Yorkshire, and this ended in September 2018 following his substantive appointment to the Medical Director role.

Nick, a qualified GP, continues to keep abreast of the day to day challenges and opportunities facing general practice whilst also keeping abreast of new and exciting clinical developments.

Nick has a strong desire to ensure that general practice and community service thrive and is keen to share his experience and leadership to achieve this aim.

**Paula Simpson**  
**Director of Nursing**  
*Voting member of the Board of Directors*

Appointed in 2018 Paula is a committed nurse with 30 years' experience in the NHS, passionate about providing high quality, person centered care.

Paula graduated with a Bachelor's Degree in Nursing from the University of Liverpool in 1992 after which she embarked on a career in Health Visiting within Wirral.

Over time Paula developed a keen interest in quality improvement, population health and health protection. This led her to complete a Master's Degree in Applied Public Health, during which she undertook a variety of system-wide commissioning and professional leadership roles across the Merseyside Health and Care System.

Her passion for nursing leadership brought her back to Wirral in 2014 to undertake the role of Deputy Director of Nursing. Since then, Paula has been awarded a Florence Nightingale Scholarship and works at

a national level to influence nursing workforce development.

Jo Shepherd (nee Harvey)

**Director of Human Resources & Organisational Development**

*Non-voting member of the Board of Directors*

Jo is a member of the Chartered Institute of Personnel and Development and has over 15 years' experience as a Human Resources professional. Jo has worked in the NHS since 2002 and prior to the role of Director of Human Resources at Wirral Community Health and Care NHS Trust, Jo was Human Resources Director for NHS Wirral and before that the Assistant Director of Human Resources at United Lincolnshire Hospitals NHS Trust. Previously Jo worked for ten years in both managerial and HR roles in the Civil Service, at the Lord Chancellor's Department and OFSTED.

Jo leads the organisation's workforce and Organisational Development agenda ensuring the effective planning, development and management of the Trust's workforce, and leads on Equality and Human Rights.

Val McGee

**Chief Operating Officer**

*Non-voting member of the Board of Directors*

Val is the Chief Operating Officer for the Trust.

Val has over 36 years' experience in the NHS, the majority of which has been in operational management.

Val joined Wirral Community NHS Foundation Trust in January 2015 as Director of Integration and Partnerships before appointment to her current role as Chief Operating Officer.

Val was Service Director and Deputy Director of Operations for Cheshire & Wirral Partnership Trust, working across a wide geographical area. Prior to working with Cheshire & Wirral she worked in the acute sector as Hospital Manager in Wigan, followed by an operational role in mental health.

She commenced her career at Leighton Hospital, Crewe as General Manager for Surgical specialities including A&E.

Alison Hughes

**Director of Corporate Affairs**

*Non-voting member of the Board of Directors*

Alison has worked in the NHS for over 9 years providing leadership and advice to NHS Board of Directors on all matters associated with corporate governance.

She has a sound understanding of the regulatory and political environment in which NHS organisations operate and provides leadership on all matters of corporate governance ensuring all statutory duties are met.

Alison is also responsible for the Communications & Marketing strategies for the Trust.

Alison has worked closely with our Board of Directors for a number of years and played a key role in leading the trust to achieve Foundation Trust status in May 2016. As such, Alison provides advice and regulatory guidance to our Trust Council of Governors. Alison previously worked in the pharmaceutical industry and brings a sound understanding and almost 10 years' experience working in the commercial healthcare sector.

Tony Bennett  
**Chief Strategy Officer**  
*Non-voting member of the Board of Directors*

Tony joined the Trust in February 2020 having worked in the NHS for 23 years. He started his career at Royal Liverpool & Broadgreen University NHS Trust in 1996 before moving to Liverpool Heart & Chest NHS Foundation Trust in 2001.

Privileged to have worked in both a clinical and non-clinical capacity Tony has extensive knowledge working within both operational and strategic positions. Tony has a BSc in Clinical Physiology, an MSc in Health & Social Care Management and in 2018 he received the NHS Academy Nye Bevan Executive Leadership Award.

Tony has significant experience delivering and leading community services and stakeholder / partnership working to build sustainable services ensuring people receive timely access to high quality care.

His key areas of expertise include strategy, service redesign, quality improvement and business development with a successful track record delivering transformational change within healthcare.

Additional governance roles are undertaken by members of the executive team as outlined in the table below;

<b>Post</b>	<b>Governance roles</b>	<b>Responsible for</b>
Director of Nursing	Director of Infection Prevention & Control (DIPC)	Infection Prevention & Control Service and related policies. Publishing an annual IPC report.
	Safeguarding Lead Officer	Ensuring best practice principles are followed, appropriate recruitment processes followed, and job-specific training provided. Attends partnership boards. Publishing an annual safeguarding report.
	Executive Nurse	Helps the board make strategic decisions in view of their effect on the quality and safety of patient care.
	Nominated Individual (CQC)	Overseeing compliance with the CQC regulatory framework
Medical Director	Caldicott Guardian	Protecting the confidentiality of service-user information, enabling and applying the highest standards for appropriate information sharing.
	Accountable Officer for Controlled Drugs	Ensures all incidents involving controlled drugs are reported correctly, communication with Local Intelligence Network.
	Responsible Officer (RO) for Medical Registrations & Revalidation	Provides local leadership in developing systems of appraisal and clinical governance; lead for End of Life Care.

Post	Governance roles	Responsible for
Chief Finance Officer & Deputy Chief Executive	Senior Information Risk Owner	Managing information risks to the organisation; oversight of information security incident reporting and response.
	Security Management Director	Overseeing and providing strategic management and support for all security management work within the organisation
Chief Operating Officer	Accountable Emergency Officer	Ensuring that the NHS England core standards for Emergency Planning Resilience and Response are met
Director of HR & OD	Executive Lead for Freedom To Speak Up	Supporting the board reflection, and leading the organisation's approach to FTSU
Associate Director of Adult Social Care	Freedom To Speak Up Guardian	Ensuring that colleagues can speak up about anything that might affect the quality of staff experience or patient care

The Board of Directors completes annual self-declarations to demonstrate compliance with the Fit and Proper Persons Regulations (Health and Social Care Act 2008 (Regulated Activities) Regulations 2014, Regulation 5). During 2019-20, the Trust reviewed and included detailed processes in the existing Trust Fit and Proper Persons Policy, to further strengthen its processes in relation to the Fit and Proper Persons Test for all directors, including Associate Directors. The policy sets out the requirements of the test, the checks and evidence to be collected on an annual basis, the monitoring of compliance through annual declarations and testing at appraisal and the consequences of non-compliance.

The pre-employment checks for the new Chief Strategy Officer position was conducted in accordance with the Trust's Fit and Proper Persons Policy.

## Declaration of Interests of the Board of Directors

The Board of Directors undertakes an annual review of its Registers of Declared Interests. At each meeting of the Board of Directors and at each committee of the Board, there is a standing agenda item which requires all Executive and Non-Executive Directors to make known any interest in relation to the agenda, and any changes to their declared interests, and any actions to be taken in response to these for the meeting are noted in the meeting minutes.

During 2019-20 following a follow up to the 2018-29 internal audit advisory review, the Trust further strengthened processes in relation to the management of conflicts of interest including flow charts to more clearly demonstrate why and how to make a declaration of interest, and the processes for the Trust's consideration and approval process for sponsored posts. These changes were reviewed by the Audit Committee.

The Register of Interests is available to the public via the [Trust's website](#).

## Statutory statements required within the Directors report

Wirral Community Health and Care NHS Foundation Trust has complied with the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information guidance.

The Trust aims to pay all undisputed invoices efficiently and within 30 days of receipt of goods or a valid invoice. The table below summarises our performance for 2019-20. During 2019/20 the Trust paid £79 in late payment charges due to late payment of three invoices. The fees and charges/income disclosures are unchanged from last year.

Better Payment Practice Code - Compliance 2019/20		
Payables	Number	£'000
Non-NHS		
Total invoices paid in the year	9,846	18,581
Total paid within the 30 day target	8,961	16,328
Percentage paid within the target	91.0%	87.9%
NHS		
Total invoices paid in the year	759	7,006
Total paid within the 30 day target	658	5,565
Percentage paid within the target	86.7%	79.4%

The Trust has met the requirement of section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) in so far as the income from the provision of goods and services for the purposes of the health service in England is greater than its income from the provision of goods and services for any other purpose.

So far as each member of the Board of Directors of Wirral Community Health and Care NHS Foundation Trust is aware, there is no relevant audit information of which the NHS Foundation Trust's auditor is unaware. The Directors have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the NHS Foundation Trust's auditor is aware of that information.

The Trust has not been in receipt of any political donations.

The Trust has complied with the cost allocation and charging guidance issued by HM Treasury.



## Disclosures relating to NHS Improvement's well-led framework

The Board of Directors has regard to the well-led framework and tests performance against the Key Lines of Enquiry that constitute the well-led framework. The Trust was inspected by the CQC in 2018.

The Trust considered the feedback and actions required as part of the CQC report and robust action plans were developed immediately to address all MUST DO and SHOULD DO actions. The progress against these action plans was tracked through the Quality & Safety Committee during 2018-19 and 2019-20, with the Committee receiving assurance on the action taken but also the evidence to demonstrate on-going compliance. All actions have now been completed.

The CQC reviewed its inspection arrangements and the responsibility for undertaking inspections of community trusts was transferred from the acute provider inspection team to a new community and mental health inspection team. The trust has met their new CQC inspection key contacts, and there is ongoing engagement with them.

The trust was due to be re-inspected by the CQC in 2020, however this was paused by the CQC due to the COVID-19 pandemic.

The trust undertook a range of key actions and programmes to improve quality governance during 2018-19 in relation to well-led and these workstreams were embedded during 2019-20 as business as usual. Examples include;

The implementation of the Standards Assurance Framework for Excellence (SAFE) system across the organisation was highly successful with an internal audit review of the systems and processes in place providing Substantial Assurance. The adoption and implementation of the system by the Trust has been recognised nationally and continues to provide teams with a single on-line tool to store, access and present information about their service, relating to the Key Lines of Enquiry, including Well-Led, used by CQC and NHS Improvement in their reviews.

This was expanded in 2020 to include the Trust's response to the COVID-19 pandemic, keeping the system at the forefront of standards assessment and assurance.

- The **SAFE Steering Group** is chaired by the Director of Nursing and ensures the effective management and delivery of the SAFE programme.
- The **Trust Information Gateway (TIG)** provides all services and teams, and senior leaders including members of the Board with the opportunity to analyse, manage and use performance data to support the Trust's activities. The information is reviewed in each of the committees of the board and the monthly Oversight & Management Board meetings, allowing current performance information to be reviewed by managers and all members of the Board.
- The Trust's revised governance structure was in place throughout 2019-20 to provide strengthened oversight and assurance on performance across the organisation from service and divisional level to the committees and the Board of Directors (further information on this review is included in the Annual Governance Statement). To ensure the governance structure was working appropriately, the Trust requested the internal auditors test the arrangements as part of the internal audit work programme for 2019-20. This work was not completed in year due to the COVID-19 emergency. The work will be completed in the forthcoming year.
- The Trust's **Risk Management Policy** was updated during 2019-20 to reflect changes in monitoring risk to include any risk where the current score is 10 or above on the Trust's risk matrix. There is a

- systematic approach to the identification, management and escalation of risks within the Trust.
- The **Board Assurance Framework** is reviewed and updated at every Board meeting and informs strategic developments.
- The **Fit and Proper Persons Policy** has been updated to include further detail on roles and responsibilities, and the Policy clearly supports the process for all members of the Board to ensure that those with Director level responsibility for the quality and safety of care and for meeting the fundamental standards were fit and proper to carry out these important roles
- The enhanced **staff recognition** scheme has proved very popular with the Thank You cards, and Employee of the Month schemes well used throughout the organisation
- The Trust has an active Inclusion programme aligned to the Trust's **Equality & Diversity Strategy**, and further details are included in the performance analysis.
- Revised arrangements are in place to support staff in raising concerns through **Freedom To Speak Up**, with the appointment of a senior operational manager as a Freedom to Speak Up Guardian, to supplement the work of the existing Non-Executive Freedom to Speak up Guardian.
- The Trust's **Leadership Forum** is well established and brings together all senior leaders from across the Trust to share a common purpose and shared goals to disseminate within the workforce
- The **Informal Board sessions occur every two months and** allow dedicated time for information sharing, learning and reflection by the members of the board and focused time on board dynamics. A competitive tender process was undertaken during 2019-20 to appoint external providers for the delivery of a structured Board development programme, which will begin after the emergency response to the COVID-19 pandemic.
- The leadership walkround programme was rebranded as **Service Shadowing** during 2019-20 and provides regular visits allowing senior leaders to connect with services and experience service delivery from the staff's perspective

The Trust conducted a self-assessment against the NHSI well-led framework for developmental reviews during 2019-20. This identified areas of good practice and areas where the Trust could further develop. The key findings were shared with the Board of Directors in December 2019, and an action plan in response to the areas for development was prepared, although this has been paused while the Trust focused its efforts on the response to the COVID-19 health emergency. The Trust will resume the delivery of the action plan, and refine this if necessary in light of the new ways of working in response to the COVID-19 pandemic.

There are no material inconsistencies between the annual governance statement, corporate governance statement, the intended quality report and the annual report or reports arising from the CQC planned and responsive reviews of the Trust and any consequent action plans developed by Wirral Community Health and Care NHS Foundation Trust.

## Quality governance

Under the Single Oversight Framework, NHS Improvement segments providers based on the level of support required across five key themes of quality of care, finance and use of resources, operational performance, strategic change and leadership, and improvement capability.

During 2019-20 and as a result of focused work across the Trust on agency spend, the Trust's overall rating improved from a segment 2 to segment 1.

The Board of Directors recognises that quality is not just a programme or a project within the organisation and it is not the responsibility of any one individual to implement the quality agenda.

The quality governance structures and processes in place across the organisation aim to ensure that arrangements are fit for purpose and the highest standards of quality and safety are maintained. These are described in more detail in the Annual Governance Statement. In line with national guidance from NHS Improvement, the Trust is preparing its annual Quality Report to the new timetable, with the submission by 15 December 2020. The Trust has included a summary of the quality achievements in the performance analysis section, and this will be expanded in greater detail in the Quality Report when published.

The principal committee for maintaining the oversight of quality governance is the Quality & Safety Committee which reports directly to the Board of Directors and meets on a bi-monthly basis.

The Trust gains assurance on the quality governance arrangements in place as part of the annual internal audit plan and the annual clinical audit and quality improvement programme.

The Trust has successfully embedded the electronic solution single assurance framework (SAFE system) which is used as the comprehensive repository for evidence against the regulatory frameworks governing the Trust. The system brings the available information together, allowing the rapid identification of areas of outstanding practice and areas for further development.

The system enables staff to have a single on-line tool to store, access and present information about their service and therefore enhance assurance against regulatory compliance. The system was launched across the organisation in January 2019, and has also had positive impact on organisational culture through staff engagement in the process.

There are a number of modules across the system which are monitored through various committees:

- **CQC module:** This includes individual team's CQC self-assessments and divisional review section, the Trust's SHOULD DO and MUST DO action plans, following the inspection in 2018 and the CQC fundamental standards.
- **NHSI Well-Led Framework:** This provides a framework for Corporate services to self-assess against the standards for Well-Led.
- **Procedural Documents Module:** This includes information on Policies, Standard Operating Procedures (SOP) and Patient Group Directions (PGD). The information is displayed as a schedule providing information on the lead author, last review date and expiry date allowing a simple search to identify the status of documents. The status is RAG rated and enables clear identification of when documents are due for review and a clear way to alert authors. Full versions of the documents are stored securely on Datix to maintain a document archive. Staff can access all procedural documents via StaffZone.
- **Inspection module:** This includes information on inspections that will reoccur: Hand hygiene, Environmental Audits (Quarterly) and Team Leader Checklist and medicine management inspections (Monthly). SAFE will hold information from a given time period and then refresh in the next time period to allow new data to be entered. Performance over time can be tracked.
- **Health and care audit module:** The information is displayed as a schedule providing information on the status of audits and assurance levels. Full versions of the completed audits will be stored on SAFE.
- **NICE guidance module:** Nice Guidance and Quality Standards will upload onto SAFE on a monthly basis. They will be reviewed by the Trust NICE group and applicability noted. Compliance against each applicable standard will be tracked and monitored on SAFE.

## Patient care

The Annual Quality Report 2019-20 will be submitted to NHS Improvement by the revised national submission date of 15 December 2020 and will describe quality improvements and quality governance in more detail including patient care.

The performance analysis section of this Annual Report includes a summary of the progress with the Trust's quality goals, local and national targets, and the improvement of care provided to patients and service users through the enhancement of existing services and the introduction of new services.

The Trust utilised patient and service user feedback in the development of services, feedback from the annual staff survey and also sought peer review feedback for the adult social care services during 2019-20.

## Stakeholder relations

The performance report describes the stakeholder relationships developed and progressed during 2019-20 to facilitate the delivery of improved healthcare, including the partnership and system-wide working at local, regional and national level in response to the COVID-19 health emergency.

A handwritten signature in black ink, appearing to read 'K. Howell', is centered on a light gray rectangular background.

**Karen Howell**

**Chief Executive**

**10 August 2020**

# Remuneration Report

## Annual statement from the Chair of the Remuneration Committees

I am pleased to present the Directors' Remuneration Report for the financial year 2019-20 on behalf of Wirral Community Health and Care NHS Foundation Trust's two Remuneration Committees. The Remuneration & Terms of Service Committee is established by the Board of Directors with primary regard to Executive Directors, and the Remuneration & Nomination sub-group is established by the Council of Governors with regard to Non-Executive Directors.

In accordance with the requirements of the FReM and NHS Improvement we have divided this report into the following parts;

- The Directors' Remuneration Policy sets out Wirral Community Health & Care NHS Foundation Trust's senior managers' remuneration policy and,
- The Annual Report on Remuneration includes details about the Directors' service contracts and sets out governance matters such as the committee membership, attendance and the business completed

## Major decisions on remuneration

The structure of the Chief Executive's salary and benefits was reviewed, and the salary level for a new director post was approved. The nationally recommended annual uplift for the VSM framework was approved for eligible staff and there was a minor amendment to the terms and conditions of service for Very Senior Management staff.

There were no decisions on remuneration in respect of Non-Executive Directors by the Remuneration & Nomination sub-group of the Council of Governors.



**Professor Michael Brown, CBE,  
DL  
Chairman**

**10 August 2020**

## Senior managers' remuneration policy

Remuneration for senior managers is shown on page 88

All senior manager posts are subject to approval by the Remuneration Committee. Any pay awards are agreed by that committee.

Senior Managers are remunerated in accordance with the national VSM framework and guidance. The level of remuneration for each senior manager post is determined by the Remuneration Committee taking into account this guidance, national benchmarking (e.g. NHS Provider annual survey on Executive Director remuneration) and market influences.

Senior Managers participate in an annual appraisal process which identifies and agrees objectives to be met. This is supported by a personal development plan.

The Trust does not operate a performance-related pay or bonus scheme.

One senior manager is paid above £150,000. This salary was subject to the same review and approval process as detailed above, additionally supported by the provision of an NHSI opinion to the Remuneration Committee.

The remuneration policy for senior managers is determined by the Remuneration Committee to ensure a fair and consistent approach is taken.

## Service contract obligations

Senior managers' contracts are permanent on appointment and are subject to a period of three months' notice. They are entitled to NHS redundancy payments should their posts be made redundant.

## Statement of consideration of employment conditions elsewhere in the Foundation Trust

The majority of staff are employed on national NHS terms and conditions and these are taken into account when setting the remuneration policy for Senior Managers.

## Annual report on remuneration

### The Remuneration Committees

#### The Board of Directors Remuneration & Terms of Service Committee

The Remuneration & Terms of Service Committee is a non-executive committee of the Trust Board of Directors. Its responsibilities, as set out in its terms of reference, include consideration of matters associated with the nomination, remuneration and associated terms of service for Executive Directors (including the Chief Executive).

During 2019-20, the members of the committee were;

Michael Brown, Chairman (Chair of the Remuneration Committee)  
Brian Simmons, Non-Executive Director (Chair of the Audit Committee)  
Beverley Jordan, Non-Executive Director  
Chris Bentley, Non-Executive Director  
Gerald Meehan, Non-Executive Director

Committee meetings are considered to be quorate when the Chairman (of the committee) and two Non-Executive Directors are present.

The Remuneration & Terms of Service Committee meets at least annually; during 2019-20, it met on 4 occasions. The attendance record by members of the committee is detailed at page 113.

The Director of Human Resources and Organisational Development and the Chief Finance Officer have also attended in an advisory role to assist the committee in their consideration of matters. They are not members of the committee and did not participate in any discussion or decision making in respect of their own remuneration or other terms of service.

The decisions of the Remuneration and Terms of service committee are subject to the same equality and diversity requirements/policies as all other committees, which support equalities legislation and the Trust's own Inclusion Strategy. Primarily, this committee is focused on the Trust's commitment to "promoting a fair and welcoming organisation, celebrating difference to ensure our workforce are all valued and treated equally". Decisions made by the committee are subject to Equality Impact Assessment where required and this is recorded in the papers submitted to the committee.

#### The Council of Governors Remuneration & Nomination sub-group

The Remuneration & Nomination sub-group has been established by the Council of Governors to consider all matters associated with Non-Executive Director appointments, remuneration and terms of service.

The group comprises the Lead Governor (Bill Wyllie), one staff governor (Fiona Fleming), one appointed governor (Jan Gidman) and two further elected governors (Irene Cooke and Lynn Collins). All governors were invited to express an interest to join the group and one of the elected governors is the chairman of the group.

Only the members of the group are entitled to attend but members of the Board of Directors are invited to attend in particular the Chairman, Chief Executive and Director of HR & Organisational Development to consider specific matters. The Director of Corporate Affairs attends each meeting of the group.

When the Chairman's performance or remuneration is being considered the Chairman withdraws from the

meeting.

During 2019-20, the Council of Governors through the Remuneration & Nomination sub-group ensured appropriate oversight and decision relating to the re-appointment of the Chair of the Audit Committee/Senior Independent Director.

There was one meeting in 2019-20 on 16 April to consider the reappointment of the Chair of Audit Committee/Senior Independent Director. This was attended by;

Chairman of the Board of Directors  
Bill Wyllie (Lead Governor)  
Jan Gidman (Appointed Governor)  
Fiona Fleming (Staff Governor)  
Lynn Colling (Public Governor)

## **Disclosures required by the Health and Social Care Act**

In accordance with section 156 (1) of the Health and Social Care Act 2012, information on the Trust's policy on pay and on the remuneration and expenses of the directors is addressed through the disclosures in the remuneration and staff report.

The Trust has not received claims for or paid any expenses to governors.

## **Fair pay multiple (*subject to audit*)**

The Trust is required to disclose the relationship between the remuneration of the highest paid director and the median remuneration of the Trust's workforce. The median remuneration of the employees paid by the Trust is £31,112 (2018-19: £29,608). The banded remuneration of the highest paid director in the financial year is £165k-£170k (2018-19 £150k-£155k).

This is 5.56 times the median remuneration (2018-19: 5.15).

## **Payments to past senior managers**

There have been no payments to past senior managers during the year.

## **Payments for loss of office**

Payments for loss of office are disclosed in note 6.1 in the financial statements. No payments were made to Directors for loss of office in the period.



## Remuneration for Senior Managers (subject to audit) - Salaries and pension entitlements of Directors

Name	Position	2019-2020				2018-2019			
		Salaries and fees	Taxable benefits	Pension related benefits	Total	Salaries and fees	Taxable benefits	Pension related benefits	Total
		(bands of £5000)	£ rounded to nearest £100	(bands of £2,500)	(bands of £5000)	(bands of £5000)	£ rounded to nearest £100	(bands of £2,500)	(bands of £5000)
<b>Non Executive Directors</b>									
Michael Brown	Chairman	40-45	0	N/A	40-45	40-45	0	N/A	40-45
Christine Allen	Non-executive director (to 31 January 2019)	N/A	N/A	N/A	N/A	10-15	0	N/A	10-15
Beverley Jordan	Non-executive director	10-15	0	N/A	10-15	10-15	0	N/A	10-15
Brian Simmons	Non-executive director	10-15	0	N/A	10-15	10-15	0	N/A	10-15
Chris Bentley	Non-executive director (from 1 February 2019)	10-15	0	N/A	10-15	0-5	0	N/A	0-5
Gerald Meehan	Non-executive director (from 1 February 2019)	10-15	0	N/A	10-15	0-5	0	N/A	0-5
Murray Freeman	Non executive Director (to 9 May 2018)	N/A	N/A	N/A	N/A	0-5	0	N/A	0-5
<b>Executive Directors</b>									
Karen Howell	Chief Executive	165-170	10,500	7.5-10	185-190	150-155	9,100	12.5-15	170-175
Mark Greatrex	Chief Finance Officer/Deputy Chief Executive	125-130	0	0	125-130	125-130	200	117.5-120	245-250
Paula Simpson*	Director of Nursing	100-105	0	10-12.5	110-115	90-95	0	165-167.5	260-265
Jo Shepherd (formerly Harvey)	Director of Human Resources and Organisational Development	100-105	8,300	22.5-25	130-135	95-100	8,400	55-57.5	160-165
Dr Ewen Sim	Medical Director (to 2 August 2018)	N/A	N/A	N/A	N/A	30-35	0	80-82.5	110-115
Dr Nick Cross	Interim Medical Director (from 1 December 2017 to 9 September 2018)	N/A	N/A	N/A	N/A	50-55	0	N/A	50-55
	Medical Director (from 10 September 2018)	145-150	0	55-57.5	200-205	80-85	0	122.5-125	200-205
Val McGee	Chief Operating Officer	110-115	8,900	10-12.5	130-135	105-110	8,000	217.5-220	335-340
Alison Hughes	Director of Corporate Affairs	80-85	6,800	35-37.5	125-130	70-75	5,000	47.5-50	125-130
Tony Bennett*	Chief Strategy Officer (from 3 February 2020)	15-20	0	7.5-10	20-25	N/A	N/A	N/A	N/A
David Hammond	Interim Director of Business Development and Strategy (from 12 June 2017 to 21 May 2018)	N/A	N/A	N/A	N/A	5-10	0	0-2.5	10-15

**Pension Benefits** *(subject to audit)*

<b>2019/20</b>	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 2020 bands of £5,000	Lump sum at pension age related to accrued pension at 31 March 2020 bands of £5,000	Cash Equivalent Transfer Value at 31 March 2019 £000	Real Increase in Cash Equivalent Transfer Value £000	Cash Equivalent Transfer Value at 31 March 2020 £000
Mark Greatrex	0-2.5	0	40-45	90-95	580	101	696
Jo Shepherd	0-2.5	0	20-25	40-45	364	30	403
Nick Cross	2.5-5	5-7.5	10-15	25-30	141	49	193
Val McGee	0-2.5	2.5-5	50-55	155-160	1,181	60	1,269
Paula Simpson*	N/A	N/A	N/A	N/A	469	N/A	N/A
Alison Hughes	0-2.5	N/A	10-15	N/A	102	29	133
Tony Bennett*	0-2.5	0-2.5	25-30	55-60	342	8	400

2018/19	Real increase in pension at pension age	Real increase in pension lump sum at pension age	Total accrued pension at pension age at 31 March 2018	Lump sum at pension age related to accrued pension at 31 March 2019	Cash Equivalent Transfer Value at 31 March 2018	Real Increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2019
	bands of £2,500	bands of £2,500	bands of £5,000	bands of £5,000	£000	£000	£000
Mark Greatrex	5-7.5	12.5-15	35-40	90-95	479	86	580
Jo Harvey	2.5-5	2.5-5	20-25	40-45	267	88	364
Dr Ewen Sim	2.5-5	7.5-10	25-30	70-75	412	0	0
Nick Cross	5-7.5	12.5-15	5-10	20-25	34	105	141
Val McGee	10-12.5	30-32.5	45-50	145-150	834	322	1,181
Paula Simpson	7.5-10	17.5-20	25-30	60-65	279	181	469
Alison Hughes	2.5-5	N/A	5-10	N/A	57	43	102
David Hammond	0-2.5	N/A	5-10	N/A	80	26	108

## Notes to the remuneration and pension tables

The pension benefits table reflects the full pension benefits for each scheme member from the NHS Pension Scheme during the financial year.

The real increase in cash equivalent transfer value includes the impact of inflation when calculating the increase year on year.

Paula Simpson suspended her membership of the pension scheme during the 2019-20 financial year. Tony Bennett did not join the Trust until February 2020 and therefore any pension increase arising in the year have been prorated to reflect his days in office.

Non-executive directors do not receive a pensionable remuneration.

A handwritten signature in black ink, appearing to read 'Karen Howell', is written over a light grey rectangular background.

**Karen Howell**  
**Chief Executive**

**10 August 2020**

## Staff Report for 2019-20

At the end of 2019-20, Wirral Community Health and Care NHS Foundation Trust employed 1,657 people. Details of our workforce are provided below.

The following staff costs have been incurred during the period;

	2019/20		
	Total £'000	Permanent £'000	Other £'000
Salaries and wages	46,504	44,224	2,280
Social Security costs	3,972	3,768	204
Apprenticeship Levy	215	215	0
Employers Contributions to NHS Pensions	5,057	5,057	0
Employers Contributions to NHS Pensions paid by NHSE	2,218	2,218	0
Other Pension Contributions	2,738	2,738	0
Termination payments	251	251	0
Agency/contract staff	2,196	0	2,196
<b>Total</b>	<b>63,151</b>	<b>58,471</b>	<b>4,680</b>

The overall staff turnover figure for 2019-20 was 14.03%; an increase in the figure for 2018-19 which was 13.15%.

When removing staff that have transferred in and out of the organisation via TUPE, and excluding those posts made redundant and leaving involuntarily, the turnover figure for 2019-20 was 10.49% (2018-19 10.8%).

## Staff numbers

The average whole time equivalent of staff employed by the Trust during the period is detailed in the table below;

	2019/20		
	Total Number	Permanent Number	Other Number
Medical and dental	18	11	7
Administrative and estates	145	131	14
Healthcare assistants and other support staff	408	403	5
Nursing and health visiting staff	556	532	24
Scientific, therapeutic and technical staff	272	260	12
Healthcare sciences staff	1	1	0
<b>Total whole time equivalent staff numbers</b>	<b>1,400</b>	<b>1,338</b>	<b>62</b>

## Staff composition - employee gender distribution

The figures reflecting the breakdown of gender distribution of employees within the Trust during 2019-20 are included in the table below:

	2019-2020	Headcount
Directors male <i>(including Non-Executives)</i>	54%	7
Directors female <i>(including Non-Executives)</i>	46%	6
All Employees male	11%	183
All Employees female	89%	1474

## Sickness Absence Data

The Trust's sickness absence data for 2019/20 is available through the published data provided by NHS Digital: <https://digital.nhs.uk/data-and-information/publications/statistical/nhs-sickness-absence-rates>

Information from the Electronic Staff Record (ESR) system reports the annual sickness rate for the year 2019-20 as 5.56%. This figure was higher than the Trust's target figure of 5.0%. The level fluctuated throughout the year and the trend reflected the seasonal variation experienced annually, although this was impacted during March 2020 by over twice the normal levels of Cold/Flu/Chest/Respiratory conditions, potentially COVID-19 related. Appropriate guidance and wellbeing advice was put in place to support staff at this time, and sickness absence was supportively and effectively managed.

## Equality disclosures

### The policy in relation to disabled employees

The Trust is a 'Disability Confident' employer and is therefore entitled to display the Jobcentre Plus 'Disability Confident Employer' symbol for advertising, corporate material and publications. The Trust has a set of equality and inclusion objectives which include equal opportunities training for all staff to eliminate discrimination against disabled employees.

All relevant policies are assessed for their impact on disabled staff, and adjustments are made to support disabled employees to gain and continue employment with the Trust. As part of meeting our duties under the Equality Act 2010 the Trust has recently revised its approach to Equality and Diversity, and has established an "Inclusion Team" which is leading on our strategy to bring about an innovative and service led improvement approach to E&D. The Disability, LGBT+ and BAME Staff Forums have been relaunched which aim to foster good relations and support staff to share concerns and issues with the Trust to improve their working lives. The recruitment, redeployment and managing attendance policies are up to date and include provisions to support applicants with disabilities in recruitment and existing staff with reasonable adjustments.

The Disability Staff Forum was instrumental in the review of the Managing Attendance Policy and a wider Inclusion Champion Group has been set up to gain representation across the trust and ensure

examples of service improvement regarding equality are captured and shared. The trust has established a Workforce Race Disability Action Plan as part of the national process within the NHS to meet the Workforce Disability Equality Standard.

We have developed opportunities for work placements for young people with disabilities to provide a pathway into work and our apprenticeship programme has also provided young people from a range of backgrounds with employment opportunities. We were proud to deliver the first Prince's Trust programme 'Get into Admin and Community Health Services' in Cheshire and Merseyside this year - an employability programme which aims to give disadvantaged young people between the ages of 16-30, including those with disabilities, the opportunity to gain skills and experience in the NHS/Health Care sector and to enable them to progress into training and/or employment in the sector.

## The policy on equal opportunities

Wirral Community Health and Care NHS Foundation Trust aims to be a leading organisation for promoting Equality and Diversity in Wirral. We believe that any modern organisation has to reflect all the communities and people it serves, in both service delivery and employment, and tackle all forms of discrimination. We need to remove inequality and ensure there are no barriers to health and wellbeing.

We aim to implement this by:

- becoming a leading organisation for the promotion of Human Rights Equality and Diversity, for challenging discrimination, and for promoting equalities in service delivery and employment;
- creating an organisation which recognises the contribution of all staff, and which is supportive, fair and free from discrimination; and
- ensuring that the trust is regarded as an exemplary employer.

The Trust has made a commitment to valuing diversity and achieving equality; the Trust's vision is that NHS care in Wirral will have a culture of fairness, equality, and respect for diversity that is evident to everyone.

The following principles underpin our work:

- support and respect for everyone's Human Rights as a fundamental basis for our work with people
- identifying and removing barriers that prevent people we serve from being treated equally
- treating all people as individuals and valuing their own experiences and needs
- finding creative, sustainable ways of supporting Human Rights, improving equality and increasing
- diversity
- working with the people who use our services and staff towards achieving equality
- learning from what we do both from what we do well and from where we can improve
- using everyday language in our work; and
- working together to tackle barriers to equality across our organisation.

The Trust produces an annual Inclusion report along with a workforce equality report and patient equality report.

## **Actions Taken to Inform or Consult with Staff and Employee Representatives**

The Trust has numerous methods of communicating with staff on matters of concern to them including a weekly Communications bulletin, a monthly Human Resources bulletin, use of the Electronic Staff Records staff portal alongside individual direct emails on special issues. There are regular staff representative meetings through a formal quarterly Joint Forum meeting and also through a regular cycle of operational management and staff side (Trade Union) meetings where key priorities in the trust are discussed, with a focus on the impact on the workforce. Where required, formal consultation takes place with staff side representatives in relation to significant service change.

The quarterly forum meetings are a two-way flow of information to support organisational changes that may impact upon staff. This includes the discussion of key performance information, discussion of strategic priorities and provision of data regarding workforce performance. There is also a process of joined up learning following large scale organisational change projects involving staff side, management and Human Resources.

Staff side representatives are part of the Trust's Freedom to Speak Up Steering Group and the Strategic Workforce Development Group as well as being represented on key strategic workstreams such as E- Rostering and Community Nursing Transformation and being part of the annual service transformation and Cost Improvement Programme planning; this ensures they are directly involved in key decisions about the workforce.

During 2019/20 we began a programme with our staff side representatives to focus on the development of "Just Culture" principles through partnership working. This is designed to have a positive impact on trust culture, building the principle of learning and accountability, to allow people and teams to use experience of when things don't go to plan to improve performance and development.

## **Information on Health and Safety Performance and Occupational Health**

The Trust has two Occupational Health contracts with external providers (covering Wirral and Cheshire East staff) offering the full range of occupational health services from pre-employment screening, management and employee advice alongside staff support facilities to assist with counselling or other causes of anxiety/stress.

The Trust is committed to providing, maintaining and continuously improving a working environment which supports the health, safety and wellbeing of those who could be affected by its activities. This work includes developing and improving the information and signposting pages on Staff Zone. By encouraging the sharing of best practice, we refreshed and refocused the Wellbeing Champions network across numerous staff bases. The Stress Management Policy was also revised with a focus on proactively supporting mental health.



## Information on policies and procedures with respect to countering fraud and corruption

The Audit Committee assesses the risk of fraud on an on-going basis through its Counter Fraud Service and ensures strong preventative measures are in place. The Chief Finance Officer (CFO) oversees this process as the nominated executive lead for counter fraud and is responsible for the strategic management of all anti-fraud, bribery and corruption work. The Director of Corporate Affairs is the Trust Fraud Champion.

The Foundation Trust has robust processes in place to detect any potential allegations of fraud which are reported to the Audit Committee. The Trust includes fraud related risks in the organisational risk register, and these risks are managed in accordance with Trust policy on risk management.

The Trust has an Anti-Fraud Bribery & Corruption Policy available on the intranet and attention is drawn to this at induction and fraud awareness sessions.

The Speaking Up Policy has been widely shared with staff across the organisation as part of a wider campaign on raising concerns, and the Trust recruited over 60 Freedom To Speak Up Champions from across the organisation.

## Approach to Staff Engagement

The Trust has a People Strategy (2017-2020) which is structured in 4 sections each supported by an annual delivery plan. These 4 areas reflect our strategic goals and the on-going priorities to plan, develop and support our workforce;

- Engagement Delivery Plan
- Wellbeing Delivery Plan
- Education and Training Delivery Plan
- Workforce Delivery Plan

How we engage with our people, i.e. how we share information and involve people in our purpose and performance, how we communicate, how we generate a sense of working together and mutual achievement, defines the culture in our Trust. Our values underpin our culture, and our leadership behaviours describe how we expect people to behave and take responsibility when going about their jobs. However, there are also key structures and processes that will assist us as an organisation in building a strong bond between managers and their teams, between the board and the workforce, and between teams working in different disciplines across the Trust.

A focus on regular, clear, open and two-way communication is essential. Providing information to staff to keep them up to date and to equip them to do their job is important. The Trust values all feedback from staff as a tool to continuously improve. We have a good track record for openness and listening to our staff and we need this to continue and grow; for staff to tell us what is working and what isn't. We provide a variety of forums through which staff can provide feedback to the Trust: Trust Board, Council of Governors, Joint Forum, Staff Council, Team meetings, Executive

Briefing. In 2020 we will focus on pulse surveys (regular, short surveys with targeted questions) to gain more timely and responsive feedback from our staff as part of our engagement programme.

Our inclusion staff forums (BAME, LGBT+ and Disability) have also become a valued mechanism for engaging with hard to reach groups. Similarly, our champion forums for Freedom to Speak Up, Inclusion and Wellbeing provide opportunities to engage with the workforce on specific issues and create a two-way dialogue. These forums help to drive the agendas for each of these themes and ensure the approach taken by the trust is relevant and meaningful for our employees.

We use the Raising Concerns process to provide an opportunity for staff to tell us about patient safety issues and there are HR policies available for staff to raise individual or collective grievances about their personal experience of work. Our Freedom To Speak Up Guardian, supported by a network of FTSU champions, provides more ways for our staff to raise issues.

Our Leadership Walkrounds have been reviewed this year to allow executive directors the opportunity to shadow staff members and gain a greater insight into the delivery of care. This has been incredibly successful, with directors seeing delivery of trust services at first hand, observing the challenges faced by our staff as well as the high quality of care provided.

The importance of formal partnership working with the recognised trade unions is fundamental to the machinery of the organisation. Joint Union Staff Side colleagues play an invaluable role in representing their members from all staff groups in formal consultation and negotiation.

Our annual “HEART Awards” staff awards, combined with our long service awards play an important role in recognising contribution and performance. This year we have widened our staff recognition scheme to include “Thank You” cards and divisional “Employee of the Month” awards. This has helped to maintain a regular focus on the contribution our staff make to their work, their team and to our service users.

Appraisal is a key part of how we engage with our people about their work, and how they contribute to the Trust’s success. Our leadership behaviours set out in “Leadership for All”, are based on our values and encapsulate our culture and are a fundamental element of our appraisal process. We have simplified these to enable our staff to focus more clearly on the key elements of the behaviours which make them effective in their roles;



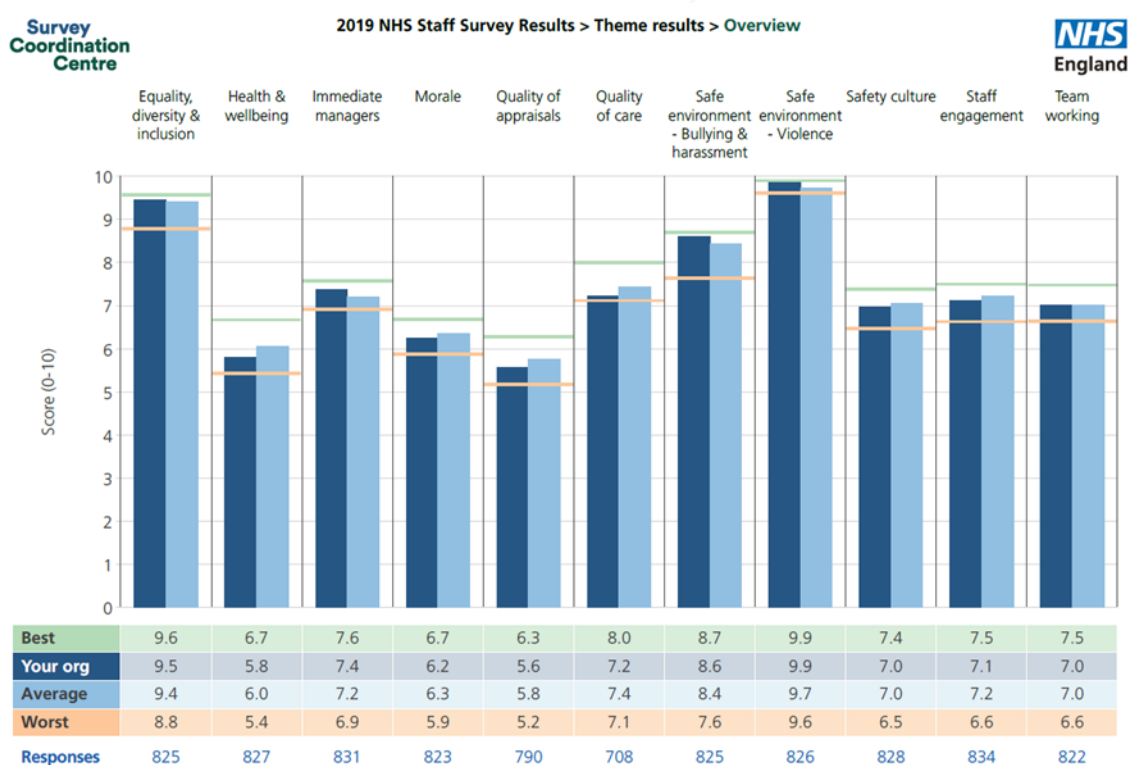
Our quarterly senior leadership forum has provided a fantastic opportunity for senior leaders to engage on key issues in relation to the development of the trust's plans and strategy, as well as to provide development through targeted sessions on key issues, and through invited speakers. Similar forums will be available to all staff groups moving forwards, building on the success of the senior forum and providing development opportunities across the workforce.

## Staff survey results - Summary of performance

This was the fifth year the Trust used a combined method of paper based and electronic surveys. 1607 staff received the survey which was an increase on the previous year. The overall final response rate was 52% which was higher than the NHS average (48%).

Response Rate				
	2018	2019		
	Trust	Trust	Benchmarking group (community average)	Trust improvement/deterioration
Response rate	50%	52%	53%	Increase in response rate by 2%

There have been significant changes in the reporting process for the 2019 survey and the survey responses have been split into 11 themes (one more than the previous survey). The Trust's performance against these themes is set out below;



**We improved our performance in 8 themes, and maintained performance in 3.**

**We showed above average performance in 4 themes, average in 2 and below average in 5 when compared to other community trusts.**

A breakdown of performance across the 10 themes, including performance for the previous two years is included below:

	2019-20		2018-19		2017-18	
	Trust	Benchmarking Group	Trust	Benchmarking Group	Trust	Benchmarking Group
Equality, diversity & inclusion	9.5	9.4	9.4	9.3	9.4	9.3
Health and wellbeing	5.8	6.0	5.8	5.9	5.8	6.0
Immediate managers	7.4	7.2	7.1	7.0	6.9	7.0
Morale	6.2	6.3	6.1	6.2	No comparable data	No comparable data
Quality of appraisals	5.6	5.8	5.3	5.6	5.1	5.4
Quality of care	7.2	7.4	7.2	7.3	7.1	7.3
Safe environment – bullying & harassment	8.6	8.4	8.4	8.4	8.4	8.4
Safe environment – violence	9.9	9.7	9.9	9.7	9.9	9.7
Safety culture	7.0	7.0	6.8	7.0	6.7	6.9
Staff engagement	7.1	7.2	7.0	7.1	6.9	6.9
Team working	7.0	7.0	6.9	6.9	6.8	6.8

## Future priorities and targets

In response to the 2019 staff survey results there will be actions concerning the following themes which did not see an improvement from the 2018 scores;

- Staff engagement - to explore further the low scores for the questions on morale, involving staff in decisions and senior manager communications to then identify areas for action and teams/ departments requiring support.
- Health and wellbeing - providing a clearly articulated wellbeing offer, asking staff what they want to see to improve their health and wellbeing at work and publicising staff benefits. Wellbeing champions will seek feedback on initiatives that would improve satisfaction levels.
- Quality of Care - examining through focus groups why we scored low in the areas of staff not being satisfied with the care they give to patients, why they feel their role does not make a difference and not being able to give the care they desire. We will also review the scores on the feedback from incidents.
- Quality of Appraisals - clear focus on improvement and development in appraisals and have a clearly articulated offer on all the development opportunities across the trust.

The key action from this year's survey is to use the new 2020 pulse survey to engage with staff on a regular basis and focus on a theme per quarter and the specific ways in which we can respond to staff's immediate concerns. This is to improve continual feedback on progress and ensure a regular dialogue throughout the year.

Divisional action plans will be developed following a review of their results and determine specific actions to address any areas of concern. For any services/departments that are showing below the trust average for 8 or more of the 11 themes there will also be tailored actions developed.

The action plans will be taken into consideration as part of the new People Strategy Delivery Plans 2020-21 to ensure they are incorporated into the Trust's wider strategy concerning staff experience and development. Monitoring of the action plans and progress will be at committee level through Education and Workforce Committee, at senior operational level at Oversight and Management Board and at divisional level through QPER meeting structures.

It should be noted that the action planning process for the 2019 survey was interrupted by the COVID-19 outbreak and the re-focus of all trust services on the pandemic. The pulse survey will however be used during this period to check on staff engagement and wellbeing in particular. Normal appraisal arrangements have also been suspended nationally, but the trust is introducing a "light-touch" appraisal with a focus on staff wellbeing.

## Trade union Facility Time

In accordance with the Trade Union (Facility Time Publication Requirements) Regulations 2017, this is the report produced for the financial year 2019-20 based on the returns submitted to date from trade union representatives.

**Table 1- Relevant Union Officials**

What was the total number of your employees who were relevant union officials during the relevant period?	Number of employees who were relevant union officials during the relevant period Full-time equivalent employee number
9	7.08

**Table 2 - Percentage of time spent on facility time**

	Number of Employees
0%	0
1-50%	7
51-99%	2
100%	0

**Table 3 - Percentage of pay bill spent on facility time**

	Figures
Provide the total cost of facility time	£51,028.56
Provide the total pay bill	£61,401,558.75
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.08%

**Table 4 - Paid trade union activities as a percentage of total paid facility time hours**

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	5.04%
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*This may be subject to revision for formal publication with gov.uk following further checks of data received.*

## Expenditure on consultancy

During the year, the Trust paid £262,349 to external consultants. This is reflected in note 4: "Operating Expenses" in the financial statements included below

## Off-payroll engagements

Where possible the Trust employs staff directly on permanent or short-term contracts. However, for some specialist clinical and information technology roles which are more difficult to recruit, the Trust may make use of workers engaged through off-payroll arrangements.

The highest paid longer-term sessional staff, principally locum GPs, are included on the Trust's payroll and appropriate tax and national insurance is deducted at source in compliance with IR35 rules. All other agency staff are recruited through national approved framework contracts.

The tables below summarise all off-payroll engagements, including those where tax is deducted by the Trust under IR35 rules, which cost more than the equivalent of £245 per day.

**Table 1 - For all off-payroll engagements as of 31 March 2020, for more than £245 per day and that last longer than six months:**

	Number
Number of existing engagements as of 31 March 2020	36
<b>Of which, the number that have existed:</b>	
for less than one year at the time of reporting	13
for between one and two years at the time of reporting	9
for between two and three years at the time of reporting	2
for between three and four years at the time of reporting	0
for more than 4 years at the time of reporting	12

**Table 2 - For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2019 and 31 March 2020, for more than £245 per day and that last longer than six months:**

	Number
Number of new engagements, or those that reached six months in duration, between 1 April 2019 and 31 March 2020	16
<b>Of which:</b>	
Number assessed as caught by IR35	0
Number assessed as not caught by IR35	16
Number engaged directly on the Trust's payroll	0
Number of engagements reassessed for consistency/assurance purposes during the year	0
Number of engagements that saw a change to IR35 status following the consistency review	0

No board members are subject to off-payroll arrangements.



## Exit packages (*subject to audit*)

During the year 15 exit packages were agreed. These are disclosed in note 6.1: “Exit packages” in the financial statements below.

## Gender Pay Gap

Under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017, all Trusts are required to report annually on gender pay gap.

The Trust is committed to furthering equality, diversity and human rights and reducing inequalities in the workplace. We have been addressing equality and fair access to career pathways and progression through our Equality Strategy 2018-2021.

The Trusts results for 2018/19 reported during 2019/20 can be located via this link: <https://gender-pay-gap.service.gov.uk/Employer/O7aQZzzU>



## Compliance with NHS Foundation Trust Code of Governance

Wirral Community Health and Care NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a comply or explain basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012.

The Board of Directors and the Council of Governors are committed to the principles of best practice and good corporate governance as detailed in the NHS Foundation Trust Code of Governance. The Board regularly reviews metrics in relation to regulatory and contractual requirements and additional internal performance targets/standards of the Trust. To review the performance and effectiveness of the Trust, several arrangements are in place including governance structures, policies and processes to ensure compliance with the code.

These arrangements are set out in documents and processes that include;

- The constitution of the NHS Foundation Trust
- Standing orders for the Board of Directors and Council of Governors setting out the roles and responsibilities of each
- Code of Conduct for the Board of Directors and Council of Governors
- Schemes of delegation and matters reserved to the Board
- Established role of Senior Independent Director
- Standing Financial Instructions
- Terms of Reference for the Board of Directors and its sub-committees and the Council of Governors and its sub-groups
- Board of Directors and Council of Governors Register of Interests
- Fit and Proper Persons declarations by Executive, Non-Executive Directors and Associate Director
- Performance appraisal process for all Executive and Non-Executive Directors
- Freedom to Speak Up Policy and identified Freedom To Speak Up Guardian
- Robust Audit Committee arrangements in place
- Governor-led appointments process for external auditor
- Non-Executive Director meetings established pre-Board of Directors
- Anti-Fraud work plan and policy
- High quality reports to the Board of Directors and Council of Governors appropriate to their respective functions and relevant to the decisions being made
- Regular attendance by Directors at Council of Governor meetings
- Attendance records for Directors and Governors at key meetings
- Annual NHS Provider License self-certification
- Bi-monthly Board of Directors Informal Board Sessions

Where applicable the Trust complies with all provisions of the Code of Governance issued by Monitor in July 2014. The Trust also recognises that systems and processes continue to embed, and work is continually on-going with the Council of Governors and Board of Directors to review this.

## Governance arrangements

The basic governance structure of all NHS Foundation Trusts includes;

- Public and staff membership
- Council of Governors
- Board of Directors

## Membership and constituencies

The Trust's governance structure including membership constituencies is set out in Wirral Community Health & Care Trust's Foundation Trust Constitution published at [www.wchc.nhs.uk](http://www.wchc.nhs.uk) and in the NHS Foundation Trust directory at [www.gov.uk/government/publications/nhs-foundation-trust-directory](http://www.gov.uk/government/publications/nhs-foundation-trust-directory).

The Trust has two constituencies;

- Staff constituency and,
- Public constituency

All members of the organisation are members of one of these constituencies.

The public constituencies include;

- Wallasey
- Birkenhead
- Wirral West
- Wirral South & Neston
- The Rest of England (*acknowledging that the Trust provides services beyond its Wirral constituency boundaries, most notably in Cheshire East*)

The Trust has set out clear eligibility criteria for public and staff membership of the organisation accessible from our public website. The Trust uses an electronic database to record and report on membership numbers.

At the end of 2019-20, the Trust had 7,873 members split as follows across the two constituencies;

- ✓ 6,147 public members
- ✓ 1,726 staff members

An analysis of the Trust's membership population demonstrates that it is broadly representative of the communities we serve; however, recruitment activities are targeted according to any areas where further recruitment is necessary.

During 2019-20, the 'Your Voice' group continued to meet with the expanded membership that included governors and more members. The Your Voice Group met bi-monthly and provided a voice to help drive and improve the experiences of people and their families who access Trust services. Members shared an understanding of common issues affecting local people in relation to services provided by the Trust.

The Your Voice Group reflects the communities the Trust serves. It is made up of:

- Public members of the Trust
- Public governors
- Trust staff including the Director of Corporate Affairs who Chairs the group

The agreed terms of reference of the group include the following;

- To improve the experience of patients and service users receiving care from the Trust
- To share patient, service user and public feedback intelligence with the group including compliments, concerns and learning from complaints and the Trust's position in relation to the national Friends and Family (FFT) score
- To report to the group on the patient and service user experience aspects of the Trust's annual quality goals
- To input into the development of new quality goals (following governor input)
- To contribute and share views on service redesign and key projects
- To develop and implement the Trust's Membership Strategy

During 2019-20 the members of the Your Voice group supported the Trust with the introduction of the PLACE framework to review buildings across the Trust estate, provided feedback on the Trust's new public website and contributed to the development of a series of patient information leaflets including Community Nursing, complaints and Hand Hygiene.

The group also met with the Trust's INVOLVE young people's group to discuss the issues facing young people and how Trust services support and interact with them.

## **The Council of Governors**

Governors are the direct representatives of staff, stakeholders, members and the public interests and form an integral part of the governance structure that exists in all NHS Foundation Trusts.

The principal role of the Council of Governors is to appoint the Non-Executive Directors to the Trust Board of Directors. Additionally, the governors hold the Non-Executive Directors individually and collectively to account for the performance of the Board of Directors and to represent the interests of members and the wider public.

Other statutory aspects of the Council of Governors, as set out in the FT Constitution include;

- Approving the appointment of the Chief Executive
- Appointing and removing the Chairman and other Non-Executive Directors
- Setting the remuneration of the Chairman and other Non-Executive Directors
- Appointing and removing the external auditor
- Contributing to the forward plans of the organisation
- Receiving the Annual Accounts, Auditors Report and Annual Report
- Reviewing the membership and public engagement strategy
- When appropriate, making recommendations and/or approving revision to the Foundation Trust constitution

The Council of Governors has not exercised their power under paragraph 10C of schedule 7 of the NHS Act 2006 during 2019-20.

In October 2019 the Trust held governor elections following the end of terms of office and vacant seats of 5 public governors and 1 staff governor. The elections were run independently by UK Engage and in accordance with the Model Election Rules as included in the FT Constitution.

Constituency and class	Number of seats
Public - Birkenhead	1
Public - Wirral South & Neston	1
Public - Wirral West	1
Public - Wallasey	1
Public - Rest of England	1
Staff	1

The election results were as follows;

Constituency	Candidates	Opposed or Unopposed	Elected
<b>Public Governors</b>			
*Birkenhead	Fahim Syed	Opposed	Yes
**Wirral South and Neston	Veronica Cuthbert	Opposed	Yes
***Wirral West	Ronnie Morris	Opposed	Yes
****Wallasey	Sharon Cringle	Opposed	Yes
Rest of England	Jan Gidman	Unopposed	Yes
<b>Staff Governors</b>			
Trust staff	George Taylor	Unopposed	Yes

\*For the Birkenhead Constituency the number of eligible voters was 1,801. The votes cast were 142. The vote was for one candidate. The turnout was 7.88% and of the total number of 140 valid votes counted, Fahim Syed had the highest number (98) and was duly elected.

\*\*For Wirral South & Neston Constituency the number of eligible voters was 1,159. The votes cast were 93. The vote was for one candidate. The turnout was 8.02% and the total number of 92 valid votes counted, Veronica Cuthbert had the highest number (55) and was duly elected.

\*\*\*For Wirral West Constituency the number of eligible voters was 1,027. The votes cast were 123. The vote was for one candidate. The turnout was 11.98% and of the total number of 123 valid votes counted, Ronnie Morris had the highest number (47) and was duly elected.

\*\*\*\*For Wallasey Constituency the number of eligible voters was 1,723. The votes cast were 127. The vote was for one candidate. The turnout was 7.37% and the total number of 123 valid votes counted, Sharon Cringle had the highest number (107) and was duly elected.

## The composition of the Council of Governors

The Council of Governors comprises 20 governors;

- 11 elected governors representing the five public constituencies of Birkenhead, Wallasey, Wirral West, Wirral South & Neston and Rest of England
- 3 staff governors representing the one staff constituency
- Six appointed governors representing the views from partner organisations (see below).

The following table provides the detail of the public and staff governors during 2019-20.

Name	Constituency/ Organisation	Term of Office (End date)	2019 election status
<b>Public Elected Governors</b>			
Sharon Cringle	Wallasey	3 years (2022)	Newly elected
Dr Paul Ivan	Wallasey	3 years (2020)	
Bill Wyllie	Wallasey	3 years (2021)	
Irene Cooke	Birkenhead	3 years (2021)	
Angela Gill	Birkenhead	Resigned September 2019	
Ian Jones	Birkenhead	3 years (2021)	
Fahim Syed	Birkenhead	3 years (2022)	Newly elected
Veronica Morris	Wirral West	3 years (2022)	Newly elected
Lynn Collins	Wirral West	3 years (2020)	
Veronica Cuthbert	Wirral South & Neston	3 years (2022)	Newly elected
Kevin Sharkey	Wirral South & Neston	3 years (2021)	
Jan Gidman	Rest of England	3 years (2022)	Newly elected
<b>Staff Elected Governors</b>			
George Taylor	Staff Governor	3 years (2022)	Newly elected
Fiona Fleming	Staff Governor	3 years (2020)	
Fiona Davies	Staff Governor	3 years (2021)	
<b>Appointed Governors</b>			
Paul Edwards	Appointed Governor, NHS Wirral CCG		
Eve Collins	Appointed Governor, University of Chester		
Karen Prior	Appointed Governor, HealthWatch Wirral		
Brian Simpson	Appointed Governor, Magenta Living		
Julie Webster	Appointed Governor, Wirral Borough Council		
Vacancy	Appointed Governor		

## Council of Governors Meetings

During 2019-20, the Council of Governors met formally on 3 occasions.

- 3 June 2019
- 9 September 2019
- 10 February 2020

Four informal development days were also held as follows;

- 8 April 2019
- 8 July 2019
- 19 November 2019
- 13 January 2020

The Trust's Annual Members Meeting took place on 13 November 2019.

The following table summarises governor attendance at each formal meeting of the Council of Governors.

		Possible Meetings	Meetings Attended
<b>Public Elected Governors</b>			
Lynn Collins	Public Governor, Wirral West	3	2
Irene Cooke	Lead Governor /Public Governor, Birkenhead	3	3
Veronica Cuthbert	Public Governor, Wirral West	3	2
Fahim Syed	Public Governor, Birkenhead	1	1
Dr Paul Ivan	Public Governor, Wallasey	3	2
Ian Jones	Public Governor, Birkenhead	3	1
Kevin Sharkey	Public Governor, Wirral South/Neston	3	2
Sharon Cringle	Public Governor, Wallasey	1	0
Bill Wyllie	Public Governor, Wallasey (Lead Governor)	3	3
Jan Gidman	Rest of England	1	1
Veronica Morris	Public Governor, Wirral West	1	1
<b>Staff Elected Governors</b>			
Fiona Davies	Staff Governor	3	1
George Taylor	Staff Governor	1	0
Fiona Fleming	Staff Governor	3	0
<b>Appointed Governors</b>			
Paul Edwards	Appointed Governor, NHS Wirral CCG	3	1
Eve Collins	Appointed Governor, University of Chester	3	2
Karen Prior	Appointed Governor, HealthWatch Wirral	3	0
Brian Simpson	Appointed Governor, Magenta Living	1	1
Julie Webster	Appointed Governor, Wirral Borough Council	1	1

The Standing Orders for the Council of Governors sets out the process for the removal from the Council of Governors any governor who consistently and unjustifiably fails to attend meetings or has an actual (or potential) conflict of interest which could prevent the proper exercise of duties. In 2019-20 the governors agreed the removal of a public governor from the Wallasey constituency.

### Council of Governors' Register of Interests

All governors are required to complete an eligibility form and are required to comply with the Council

of Governors Code of Conduct and declare any interests that may result in a potential conflict of interest in their role as Governor of Wirral Community Health and Care NHS Foundation Trust.

Any member wanting to communicate with the Council of Governors can do so by using the following contact details or the following e-mail address [Foryouwithyou.@nhs.net](mailto:Foryouwithyou.@nhs.net)

Director of Corporate Affairs  
Wirral Community Health and Care NHS Foundation Trust  
St Catherine's Health Centre  
Derby Road  
Birkenhead  
CH42 0LQ

## Council of Governors Subgroups

The Council of Governors has established a Remuneration & Nomination sub-group that meets to discuss the formal aspects of the Non-Executive Directors role including remuneration, terms of office and annual performance evaluation. The membership of the group and the meetings held during 2019-20 are described above in the Remuneration Report.

A quarterly governor Quality Forum has been established to provide assurance to the Council of Governors on the quality of the services delivered by the Trust, and their management within the Trust's governance structure. The group has appointed a public governor as Chair who is supported by the Deputy Director of Nursing.

The overarching aims of the group, as described in the Terms of Reference are to ensure the Trust;

- meets its duties and aspirations about the quality of care and patient experience
- ensures that the interests of the patients, carers, families and the general public in the areas served by the Trust are represented during the development of work connected to care quality and patient experience improvement

The scope and duties of the 'Your Voice' group were revised in 2019-20 and expanded to incorporate membership strategy, engagement and recruitment. The group's membership includes public governors from each of the Trust constituencies and members and service users from across the organisation. During 2019-20 the group agreed to increase the frequency of meetings to bi-monthly acknowledging the work of the group. The Director of Corporate Affairs is the Chair of the Your Voice group with a Non-Executive buddy.

## Training and development for governors

All governors are invited to attend a series of full day development days during the year, to provide an opportunity to reflect on achievements and look ahead to future priorities and revisit the key duties of the governor role.

Following the public and staff elections new governors are invited to an induction session prior to attending their first formal Council of Governors meeting.

At each meeting of the Council of Governors there is time built into the agenda to provide an opportunity to learn about specific topics including the annual quality cycle, gathering patient experience, financial planning and strategy development. The Lead Governor has also attended events nationally to gain a broader understanding of the role.



All governors are also invited to attend informal meetings with the Chairman, to provide an opportunity to share experiences of the Trust, learnings for the future and any areas of challenge.

### The Board of Directors' relationship with the Council of Governors and members

Members of the Board of Directors are keen to understand the view of governors and members about the Trust. As highlighted in the table below, both Executive and Non-Executive Directors attend each meeting of the Council of Governors and membership events to understand emerging opinions. The following table summarises Board of Directors attendance at formal Council of Governors' meetings during 2019-20. Many of the Directors also attended the informal governor development days to provide updates and discuss important topics with governors.

- 3 June 2019
- 9 September 2019
- 10 February 2020

		Possible Meetings	Meetings Attended
Michael Brown	Chairman	3	3
Karen Howell	CEO	3	1
Brian Simmons	NED	3	2
Beverley Jordan	NED	3	3
Chris Bentley	NED	3	1
Gerald Meehan	NED	3	3
*Anthony Bennett	Chief Strategy Officer	1	1
Mark Greatrex	Chief Finance Officer	3	0
Val McGee	Chief Operating Officer	3	1
Jo Shepherd	Director of HR & OD	3	2
Dr Nick Cross	Medical Director	3	0
Alison Hughes	Director of Corporate Affairs	3	3
Paula Simpson	Director of Nursing & Quality Improvement	3	1

*\*Anthony Bennett joined the Trust in February 2020*

In addition to Council of Governors meetings and subgroups, the governors are also encouraged to attend public Board of Directors meetings to gain a broader understanding of the reviews taking place at Board level and observation of the decision-making processes and challenges from Non-Executive Directors.

The Chairman's Report to the Council of Governors also provides feedback and a description of the key performance indicators reported to the Board of Directors and any significant decisions taken.

The Board of Directors share the priorities included within the annual operational plan with the Council of Governors

The Board of Directors and Council of Governors continue to develop a clear policy detailing how disagreements between the two bodies will be resolved, aligned to the scheme of reservation and

delegation of powers and the Code of Conduct for both bodies.

## The Board of Directors

The Board of Directors functions as a corporate decision-making body considering the key strategic issues facing the Trust in carrying out its statutory and other functions. It is a unitary Board with collective responsibility for all aspects of performance of Wirral Community Health and Care NHS Foundation Trust; the Board of Directors is legally accountable for the services provided by the Trust.

The Board of Directors is also responsible for establishing the values and standards of conduct for the Trust and its staff in accordance with NHS values and accepted standards of behaviour in public life (The Nolan principles).

The Board has resolved that certain powers and decisions may only be exercised or made by the Board in formal session. These powers are set out in the Matters Reserved to the Board and Scheme of Delegation within the Corporate Governance Manual.

The arrangements in place for the discharge of statutory functions have been checked for any irregularities and are legally compliant.

The names of board members, who served during the reporting period, and their biographical details, are included in the Directors' report.

The Board of Directors met in formal session on 5 occasions during 2019-20. The Board meeting in April 2020 was cancelled as the Trust responded to the national Level 4 incident due to the COVID-19 health emergency, however emergency governance arrangements described below allowed approvals and decisions to be taken. An additional Board meeting took place on 6 May 2020, and the planned forward work programme for the Board is now continuing as normal.

The Trust established a local command structure at pace with local decision-making capability maintained through the development of emergency governance arrangements, approved by the Board of Directors. The command structure is aligned with local NHS and Local Authority partners allowing effective system collaboration and response. The command structure includes the Tactical Command Group reporting to the Strategic Command Group, chaired by the CEO and a series of specialist cells including workforce and clinical. The principles of the Trust's Risk Policy were adopted allowing for effective identification and management of risk during the Level 4 incident.

Whilst a number of Trust's meetings have been temporarily suspended the process for emergency approvals has been described in the emergency governance arrangements. A weekly NED assurance meeting with the CEO, CFO and Director of Corporate Affairs has been also established which provides additional assurance on the management of the Level 4 incident. The Trust's Quality & Safety Committee has also remained in place to ensure continued focus on the safety of services during the pandemic.

According to the standing orders of the Trust, the chairman may call a meeting of the board at any time and one-third or more members of the board may request a meeting in writing to the chairman. This provision was not enacted during 2019-20.

The Terms of Reference of the committees of the Board state that meetings will be quorate if two Non- Executive Directors and one Executive Director are present.

In the absence of a Non-Executive Director member of the committee another Non-Executive Director shall be nominated to formally attend and therefore count towards quoracy. Any Non-Executive

Director formally attending shall enjoy the same rights and privileges as standing Non-Executive members including the right to propose resolutions. Their attendance is formally recorded in the minutes.

#### Explanatory notes:

The table below shows the attendance record for each board member compared to the maximum number of meetings they were required to attend during 2019-20 as per the requirement in the Terms of Reference to attend three quarters of available meetings.

The Quality & Safety Committee, the Finance & Performance Committee and the Education & Workforce Committee meet on a bi-monthly schedule.

April 2019 - March 2020	Board	Rem Com	Audit	Quality & Safety	Finance & Performance	Education & Workforce
<b>Number of Meetings</b>	<b>5</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>6</b>	<b>6</b>
<b>Chair/Non-Executive</b>						
Michael Brown (Chairman)	3	4				
Chris Bentley	4	4	4	5	5	4
Gerald Meehan	5	4	5	5	5	6
Brian Simmons	5	4	5	5	4	4
Beverley Jordan	5	4	5	5	6	6
<b>Executive Directors &amp; Directors</b>						
Karen Howell	4					
Paula Simpson	4			5	5	6
Alison Hughes	5		5	5	6	6
Mark Greatrex	4		3	3	3	
Jo Shepherd	5	1		4		6
Val McGee	4			2	5	5
*Anthony Bennett	1					
Dr Nick Cross	4			4	4	5

Remuneration Committee, three of the four meetings were held virtually

\*Anthony Bennett joined the Trust in February 2020

The Board is of sufficient size and the balance of skills and experience is appropriate for the requirements of the business and the future direction of the Trust; arrangements are in place to ensure appropriate review of the Board's balance, completeness and appropriateness to the requirements of the Trust. During 2019-20 the Trust identified that it required additional capacity to provide the Board with leadership and advice on the growing strategic developments and organisational business development, commissioning and contractual management functions. Following Board discussions, it was agreed to create a new Director level post, with the title Chief

Strategy Officer. This post was recruited with the support of a recruitment agency and the post holder commenced the role in February 2020.

The names and voting status of members of the Board are described in the Directors Report.

All Executive and Non-Executive Directors undergo annual performance evaluation and appraisal with the Chief Executive and Chairman respectively. The Chairman also meets with all voting members of the Board to discuss their progress, contribution and objectives.

In 2019-20 the Trust undertook a proactive developmental review of leadership and governance using the well-led framework. The methodology for the review was based on guidance issued by NHS Improvement, which is wholly shared with the CQC assessment of the well-led question, and as such included a focus on integrated quality, operational and financial governance.

The scope of the review covered all eight key lines of enquiry (KLOEs), with an in-depth focus on the areas of well-led that the CQC identified as requiring improvement during the inspection in 2018 and a focus on the functionality of the revised governance arrangements.

The review was completed during Q2-Q3 of 2019-20 led by a team comprising the Deputy Chair and the Director of Corporate Affairs. The findings and initial conclusions were collated by the review team and presented to the Board of Directors in December 2019 at an informal board session. In March 2020 the members of the Board considered the areas for further development and any areas for further review to agree an action plan for tracking and regular reporting. This process was paused due to the COVID-19 pandemic.

## Committees of the Board

The committee structure reporting to the Trust Board is clearly defined through the terms of reference and reporting arrangements. The Board has formally delegated specific responsibilities to the committees listed below; detailed reports and full minutes from each of the committees are reported to the Board of Directors. As described in the Annual Governance Statement, the revised governance structure put in place in 2018-19 has been further tested during 2019-20 with the role of the Oversight & Management Board, the Programme Management Board and the Standards Assurance Framework for Excellence (SAFE) Steering Group to ensure the flow of assurance to the committees of the Board is well established.

This governance structure remained in place during 2019-20 and will be subject to an internal audit review to ensure the robustness of the arrangements.

The members of the Board were sufficiently assured that the introduction of TIG and the Oversight and Management Board would provide robust performance management on a monthly basis and sufficient assurance to the committees of the Board. The escalation in-month has been recognised to ensure timely alerts as appropriate to the committees.

- Quality & Safety Committee
- Finance & Performance Committee
- Education & Workforce Committee
- Remuneration & Terms of Service Committee (at least once per annum)
- Audit Committee (4 meetings per annum)

The table below provides detail on committee chairmanship and membership

### Sub-Committees of the Board - Chairmanship and Membership

Committee	Non-Executive Director(s)	Director(s)
<b>Audit Committee</b>	<b>Brian Simmons (Chair)</b> Beverley Jordan Chris Bentley Gerald Meehan	By invitation <i>(not formal members)</i>
<b>Finance &amp; Performance Committee</b>	<b>Beverley Jordan (Chair)</b> Chris Bentley Gerald Meehan	Chief Finance Officer Director of Nursing Chief Operating Officer
<b>Quality &amp; Safety Committee</b>	<b>Chris Bentley (Chair)</b> Gerald Meehan Beverley Jordan	Director of Nursing Medical Director Director of HR & OD Chief Operating Officer Chief Finance Officer
<b>Education &amp; Workforce Committee</b>	<b>Gerald Meehan (Chair)</b> Beverley Jordan Chris Bentley	Director of HR & OD Director of Nursing Medical Director Chief Operating Officer
<b>Remuneration Committee</b>	<b>Michael Brown (Chair)</b> Beverley Jordan Brian Simmons Chris Bentley Gerald Meehan	By invitation <i>(not formal members)</i>

## Sub-Committees of the Board - Duties and accountabilities

As part of the Trust's governance arrangements, the chair of each committee presents a report on the matters considered and any decisions taken at its meetings at the next meeting of the Trust board, with full minutes provided once approved.

The table below provides an overview of the duties and accountabilities of each committee of the Board. The primary role of each is to provide assurance to the Board on the areas of responsibility.

<b>Committee</b>	<b>Duties and accountabilities</b>
<b>Quality &amp; Safety</b>	<p>Approving and monitoring implementation of the quality strategy.</p> <p>Reviewing the annual clinical audit plan.</p> <p>Reporting to Board on all aspects of quality, governance and compliance.</p> <p>Receiving assurance that the Trust meets all relevant statutory/regulatory obligations in relation to quality, clinical governance and compliance.</p> <p>Advising the Board of all significant risks, areas for development and exceptional good practice, ensuring lessons are learned and shared.</p> <p>Reviewing instances where the statutory Duty of Candour requirements are applied.</p> <p>NOTE: Mechanisms that ensure treatment is safe, effective, well-led, responsive and caring include the work of governance groups which feed the Board via this committee.</p>
<b>Finance &amp; Performance</b>	<p>Monitoring the financial and contractual/ commissioning performance of the Trust against objectives/targets, including capital and estates and IM&amp;T. Ensuring appropriate governance after FT authorisation.</p>
<b>Education &amp; Workforce</b>	<p>Co-ordinating, developing, prioritising, monitoring, reviewing and overseeing implementation of workforce, organisational development and learning and development plans and monitoring effectiveness.</p>
<b>Remuneration &amp; Terms of Service</b>	<p>Deciding the appropriate remuneration and terms of service for the Chief Executive, all on the VSM pay scale/other managers on local pay.</p>

<p><b>Audit</b></p>	<p>Ensuring an effective internal audit function that meets Public Sector Internal Audit Standards. Reviewing findings/ensuring implementation.</p> <p>Scrutinising the risks and controls which affect the Trust's business and assuring adequate governance arrangements are in place and being followed.</p> <p>Receiving regular reports on the work/findings of the internal and external auditors and local counter fraud team.</p> <p>Receive assurances from the clinical audit function.</p> <p>Approving the Trust's annual quality account.</p> <p>Receiving the annual report and accounts</p>
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## The Audit Committee

The Audit Committee provides an independent and objective review of the establishment and maintenance of an effective system of integrated governance, risk management and internal control across the whole of the organisation's activities (clinical and non-clinical), that support the achievement of the organisation's objectives.

As described above the Trust's Non-Executive Directors (with the exception of the Chairman) are members of the Audit Committee. Their attendance during 2019-20 is included in the table above.

The Audit Committee met its responsibilities as set out in its terms of reference during 2019-20 by;

- Reviewing all risk and control related disclosure statements together with the Head of Internal Audit statement and External Audit Opinion.
- Reviewing the Board Assurance Framework at each of its meetings noting the work of the individual sub-committees in monitoring organisational risks
- Reviewing the 2018-19 Annual Report and Accounts before submission
- Reviewing the External Auditors Audit Findings Report, and management response to it
- Receiving regular updates on the procedures and policies in place for all work related to fraud and corruption
- Reviewing the work and the implementation of findings from the Internal Auditor through the Audit Tracker Tool which has been developed in-year in TIG allowing real-time access for committee members and managers
- Approving the Internal Audit Annual Plan for 2019-20
- Receiving and approving the Clinical Audit Annual Programme for 2019-20
- Reviewing arrangements by which staff can raise issues (noting the work of the Quality & Safety Committee in relation to Raising Concerns/FTSU)
- Receiving regular updates in relation to Local Security Management
- Approving the revised Risk Management Policy and receiving regular oversight of all organisational risks through the TIG risk dashboard
- Approving the revised Policy for Policy Management and associated documents
- Receiving the Trust-wide policy schedule for progress reporting and monitoring

During 2019-20 the Audit Committee did not consider any significant issues in relation to financial statements, operations or compliance. As described above, the committee received regular reports on the work of internal and external audit and assurance from other committees of the Board.

The Trust has not engaged the external auditor for non-audit work during 2019-20.

The audit fees are disclosed in note 4 of the financial statements, and the value of external audit services for the reporting period was £50,500 plus VAT including fees for the audit of the Quality Report. It is worth noting that assurance work on Quality Reports has ceased in accordance with national guidance in light of COVID-19, and no limited assurance opinions are expected to be issued in 2019-20.

## The role of Internal Audit

The internal audit function for the Trust is provided by Mersey Internal Audit Agency (MIAA) who work closely with the Audit Committee to develop and agree an Annual Internal Audit Plan. The plan fully complies with the Public Sector Internal Audit Standards and the HfMA Audit Committee Handbook and is based on a comprehensive risk assessment aligned to the organisation's strategic objectives.



## NHS Oversight Framework

NHS England and Improvement's Oversight Framework provides the framework for overseeing providers and identifying potential support needs. The framework looks at five themes;

- Quality of care
- Finance and use of resources
- Operational performance
- Strategic change
- Leadership and improvement capability (well-led)

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

### Segmentation

Following the publication of the CQC inspection report and the overall rating of Requires Improvement, the Trust moved from segment 1 to segment 2 in 2018-19. The Trust was disappointed with this technical change but as the issues raised by the CQC have been addressed the Trust has been ensuring regular updates to all regulators to provide assurance on progress.

Overall, at the end of 2019-20 the Trust received a Use of Resources rating of 1 (the highest available); this rating consists of 5 constituent parts as detailed below.

This segmentation information is the Trust's position as at 31 March 2020. Current segmentation information for NHS trusts and foundation trusts is published on NHS Improvement website.

### Finance and use of resources

The finance and use of resources theme is based on the scoring of five measures from '1' to '4', where '1' reflects the strongest performance. These scores are then weighted to give an overall score. Given that finance and use of resources is only one of the five themes feeding into the NHS Oversight Framework, the segmentation of the trust disclosed above might not be the same as the overall finance score here.

Individually, a rating of 2 was applied for the Agency Cap due to the Trust having exceeded its set cap for 2019-20; this was predominantly due to the on-going workforce challenges and recruiting staff to certain roles and most significantly the impact of winter funding initiatives across Wirral which required additional agency staffing.

Area	Metric	2019-20				2018-19			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Financial sustainability	Capital service capacity	1	1	1	1	1	1	1	1
	Liquidity	1	1	1	1	1	1	1	1
Financial efficiency	I&E margin	3	2	1	1	1	1	1	1
Financial controls	Distance from financial plan	1	1	1	1	1	1	1	1
	Agency spend	3	3	2	2	2	2	2	2
<b>Overall scoring</b>		2	2	1	1	1	1	1	1

# Statement of the Chief Executive's responsibilities as the Accounting Officer of Wirral Community Health and Care 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 Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require Wirral Community Health and Care 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 Wirral Community Health and Care 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 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 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 Foundations Trust's performance, business model and strategy and
- prepare the financial statements on a going concern basis and disclose any material uncertainties over going concern.

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

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

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

A handwritten signature in black ink, appearing to read 'Karen Howell', is centered on a light gray rectangular background.

**Karen Howell**  
**Chief Executive**

**10 August 2020**



## Annual Governance Statement

**Name of Organisation:** Wirral Community Health & Care NHS Foundation Trust

**Organisation Code:** RY7

### Scope of responsibility

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

I also acknowledge my responsibilities as set out in the *NHS Foundation Trust Accounting Officer Memorandum*.

### The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Wirral Community Health & Care NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Wirral Community Health & Care NHS Foundation Trust for the year ended 31 March 2020 and up to the date of approval of the annual report and accounts.

### Capacity to handle risk

I am responsible for risk management across all organisational, financial and clinical activities.

The Trust's Risk Policy sets out the Trust's approach which is preventative, aimed at influencing behaviour and developing a culture within which risks are recognised and addressed. This process is aligned to controlling clinical and non-clinical risks and to support a pervasive safety culture.

The Board of Directors provides leadership to the risk management process supported by the sub-committees of the Board. The Audit Committee comprising all Non-Executive Directors oversees the systems of internal control and overall assurance processes associated with managing risk.

Risk management training is a key part of the organisation's corporate and local induction. The Trust's approach to risk management supports staff in ensuring that risks within the organisation are managed proactively and effectively and to ensure compliance with statutory obligations. The Trust is keen to ensure that risk management processes not only identify and manage risk but also provide an opportunity for learning and shared reflection.

The organisation uses a web-based incident reporting and risk management system, Datix.

### Impact of COVID-19 pandemic on the Trust's capacity to handle risk

NHS England declared a Level Four incident, the highest level of emergency preparedness planning on 3 March 2020.

In response to the emergency situation, the Trust's control environment was amended to respond to the national incident command and control structure, led by a National Strategic Commander and feeding down to the HCP, CCG and the Trust via NHS England/Improvement.

Much of the Trust's business as usual activity was suspended, in line with national direction, whilst all efforts were focussed on achieving resilience and capacity in the health and care system to deal with the anticipated pandemic activity.

The Trust established a local command structure at pace with local decision-making capability maintained through the development of emergency governance arrangements, approved by the Board of Directors. The command structure is aligned with local NHS and Local Authority partners allowing effective system collaboration and response. The command structure includes the Tactical Command Group reporting to the Strategic Command Group, chaired by the CEO and a series of specialist cells including workforce and clinical. The principles of the Trust's Risk Policy were adopted allowing for effective identification and management of risk during the Level 4 incident.

Whilst a number of Trust's meetings have been temporarily suspended, the process for emergency approvals has been described in the emergency governance arrangements. A weekly NED assurance meeting with the CEO, CFO and Director of Corporate Affairs has been also established which provides additional assurance on the management of the Level 4 incident. The Trust's Quality & Safety Committee has also remained in place to ensure continued focus on the safety of services during the pandemic.

It is essential that appropriate financial controls and governance are maintained throughout the COVID-19 response. The Trust has set an emergency COVID-budget and introduced temporary and enhanced financial governance arrangements for the approval and capture of all COVID-19 related expenditure. Financial approval limits have remained in place and the Trusts Standing Financial Instructions have continued to operate. Both business continuity and business resilience plans have been effectively enacted throughout the Trust's response.

In accordance with national guidance, operational plans that demonstrated the sustainability of the Trust and the savings to be achieved, previously agreed with NHSE/I for 2020-21 have also been suspended.

This has resulted in amended financial arrangements being confirmed for the initial period of April - July 2020 to enable a streamlined response to COVID-19. There have been significant changes to block contract payments and arrangements for provider to provider recharges and the revised position assumes a suspension of efficiency and performance targets. This provides all trusts with a minimum level of income over the period.

NHSE/I intend that providers will not be adversely affected by the financial impact of COVID-19 and that cashflow will be managed effectively during the crisis. As the transition process is clarified and operational planning arrangements are finalised nationally, the Trust will respond accordingly. However, it is possible that transitional arrangements will be in place for most of the financial year.

As an integrated provider of health and social care, the Trust is managing significant uncertainty in relation to the Local Authority Pension Scheme in light of COVID-19. This uncertainty relates to the valuation of assets reported in the Pension Fund and therefore the impact on the net liability reported. However, any liability is covered by the Local Authority as part of agreed contractual arrangements.

### ***Material valuation uncertainty due to COVID-19***

Cushman and Wakefield (a **leading global real estate services firm**) completed a land and buildings revaluation noting that market activity is being impacted in many sectors.

As at the valuation date, they considered that they can attach less weight to previous market evidence and published build cost information for comparison purposes, to inform opinions of value. Indeed, the current response to COVID-19 means that they are faced with an unprecedented set of circumstances on which to base a judgement.

Their valuations are therefore reported on the basis of 'material valuation uncertainty' as per VPS 3 and VPGA 10 of the RICS Red Book Global. Consequently, they advise that less certainty, and a higher degree of caution, should be attached to valuation(s) than would normally be the case. Given the unknown future impact that COVID-19 might have on the real estate market, they recommend that the Trust keeps the valuation of these properties under frequent review.

For the avoidance of doubt, the inclusion of the 'material valuation uncertainty' declaration above does not mean that the valuation cannot be relied upon. It is used in order to be clear and transparent with all parties, in a professional manner that, in the current extraordinary circumstances, less certainty can be attached to the valuation than would otherwise be the case.

In considering the valuer's report, and whilst the Trust feels that the valuation received is appropriate, it is worthy of note that Trust buildings remain in use and are less affected, the DRC valuations are less affected and there is not expected to be any further information that significantly moves the indices used.

### **The risk and control framework**

The Risk Policy sets out the responsibility and role of the Board of Directors, the Chief Executive and Executive Directors in relation to risk management with overall responsibility for the management of risk lying with the Chief Executive, as Accountable Officer.

The policy, updated during 2019-20 and approved by the Audit Committee, provides a systematic approach to the identification, management and escalation of risks within the Trust. The Trust recognises the need for robust systems and processes to support continuous programmes of risk management enabling staff to integrate risk management into their day to day activities and support informed decision-making through an understanding of risks, their likely impact and their mitigation.

The Trust operates within a clear risk management framework which sets out how risk is identified, documented on the risk register, reported, monitored and escalated. This framework is set out in the Risk Policy. Risks are recorded at service, divisional and organisational level forming the Trust's organisational risk register (on Datix).

The process of sound risk management and the development of an organisation-wide risk awareness culture is a priority. In addition to the Risk Policy, the Trust has developed a number of systems which encourage staff at all levels to be involved in identifying and reporting risks. These include, but are not limited to; on-line risk and incident reporting via the Datix system, refreshed face to face risk management and identification training for senior leaders, risk drop-in sessions for services and teams with the Trust's Risk Manager, a renewed focus on risk identification, reporting, escalation and monitoring through the governance arrangements established in the Trust, team leader checklists to ensure risk management is included on the agenda for team meetings, and service shadowing and visits by senior leaders.

The revised governance structure put in place in 2018-19 has been further tested during 2019-20 with the role of the Oversight & Management Board, the Programme Management Board and the Standards Assurance Framework for Excellence (SAFE) Steering Group to ensure the flow of assurance to the committees of the Board is well established. The Oversight & Management Board receives a monthly health score report which details the status of all live organisational risks.

The timeliness and availability of performance data through the Trust Information Gateway (TIG) has further strengthened the control framework and the introduction of a live risk module in TIG allowing scrutiny of risks by risk score, age of reporting and type has been welcomed and recognised as providing substantial assurance to the committees of the Board, including the Audit Committee.

Each sub-committee of the Board (with the exception of the remuneration committee) receives a risk management report at every meeting providing assurance on the management of organisational risks associated with each committee's duties and accountabilities providing an opportunity to scrutinise the detail of high-level risks and those not progressing. The Board of Directors receives a report from the Chairs of each

committee on the areas of focus and work of the committee including any high-level risks for escalation and the Board Assurance Framework (BAF) presented at every meeting of the Board considers the potential impact of organisational risks on the relevant strategic risk.

Incident reporting is openly encouraged through staff training and further work to strengthen awareness and confidence to raise incidents has been supported at the highest level during 2019-20 with a specific quality goal and with the Board of Directors considering service coverage by triangulating contractual performance, staff feedback and patient experience. This has been addressed through, but not limited to, service shadowing visits, SAFE staff sessions facilitated by Non-Executive Directors and Freedom To Speak Up (FTSU) processes. Any risks identified from serious incidents that impact upon public stakeholders are managed by involving the relevant parties and ensuring they are satisfied that all lessons have been learned.

Wirral Community Health & Care NHS Foundation Trust has a Board Assurance Framework (BAF) in place which the Board of Directors receives at every meeting; the BAF records the principal risks that could impact on the Trust achieving its strategic objectives and provides a framework for reporting key information to the Board of Directors.

During 2019-20 there were 12 principal risks (strategic risks) recorded on the BAF against the organisation's 9 strategic goals, themed according to three strategic areas - Our Population, Our People and Our Performance. Each risk on the BAF is rated according to the risk matrix and any with a risk rating of >15 is discussed by the Board of Directors to review progress and mitigating actions. Risk rating being the product of a score of 1-5 for 'likelihood' of the risk occurring and a score of 1-5 on the 'consequence/impact' of occurrence.

Following an internal audit review of the format of the Board Assurance Framework, changes were made during 2019-20 to more clearly describe the actions to be taken to mitigate any gaps in control or assurance and to more clearly highlight the risk appetite for each risk. The members of the board agreed on risk appetite definitions from averse to cautious, moderate, open and adventurous. Of the 12 principal risks, four were categorised as risk averse; these related to regulatory and financial compliance, patient/service user safety and digital innovations.

During 2019-20, the Board of Directors ensured on-going assessment of in-year and future risks. Major risks related to;

- On-going compliance with statutory, regulatory and professional standards
- The impact of the outcome of the CCG Urgent Care Review that could negatively impact on the Trust's financial position
- Failure to engage and support staff to deliver the trust's vision and strategy
- Failure to recruit and retain the appropriate mix of staff to ensure safe delivery of services
- The configuration of PCNs disrupting or restricting quality of services
- Failure to establish, foster and manage the right partnerships to respond to the NHS Long Term Plan
- Failure to keep pace in digital advancement and innovation

The BAF is recognised as a key tool to drive the board agenda by ensuring the board focuses attention on those areas which present the most challenge to the organisation's success.

The annual assurance framework review completed by internal audit (MIAA) concluded that ***"the organisation's Assurance Framework is structured to meet the NHS requirements, is visibly used by the Board and clearly reflects the risks discussed by the Board"***.

The strategic risks noted against each strategic theme in the table below, detail the risks recorded in the BAF during 2019-20. Full details can be found in the Board Assurance Framework February 2020.

Strategic Theme	Strategic Risk Areas	Summary Mitigating Actions
<p><b>Our Populations</b></p> <p>Impact: Loss of public confidence, poor reputation, loss of CQC registration, poor patient/service user experience, loss of key workforce</p>	<p>Non-compliance of our services with statutory, regulatory and professional standards</p>	<ul style="list-style-type: none"> <li>- SAFE governance framework and structure (inc. MIAA assurance review)</li> <li>- Clinical Risk Management Group</li> <li>- CQC self-assessment programme (inc. peer review and focus groups)</li> <li>- CQC engagement meetings (new inspection team)</li> <li>- Divisional governance structures including Quality Lead roles</li> </ul>
	<p>Citizens' health &amp; wellbeing negatively affected by sub-optimal quality services</p>	<ul style="list-style-type: none"> <li>- QIA &amp; EIA processes in place</li> <li>- Inclusion Strategy</li> <li>- Healthy Wirral Programme and associated governance structure</li> <li>- NICE implementation</li> <li>- CQC self-assessment programme (inc. peer review and focus groups)</li> </ul>
	<p>Services are designed without consideration of current and future service user and potential service user health and social care outcomes and the need to address health inequalities</p>	<ul style="list-style-type: none"> <li>- Alignment to system-wide strategic intention and NHS Long-Term Plan</li> <li>- Healthy Wirral Programme and associated governance structure</li> <li>- PCN collaboration and engagement</li> <li>- Wirral Partnership Delivery Group</li> </ul>
	<p>The configuration of PCNs may disrupt and or restrict the ability of the Trust to maintain quality of our services to the detriment of our communities' health</p>	<ul style="list-style-type: none"> <li>- Alignment to system-wide strategic intention and NHS Long-Term Plan</li> <li>- Healthy Wirral Programme and associated governance structure</li> <li>- PCN collaboration and engagement</li> <li>- Wirral Partnership Delivery Group</li> <li>- People Strategy and Strategic Workforce Development Group</li> <li>- System-wide target operating model</li> <li>- PCN engagement workshops</li> <li>- Re-alignment of operational and clinical leadership structures at locality level</li> <li>- Attendance at LMC and PLT meetings</li> </ul>
<p><b>Our People</b></p> <p>Impact: Lack of understanding of strategic approach, sub-optimal feedback from service users, lack of staff skills to support system requirements,</p>	<p>Failure to engage and support staff to deliver the Trust's vision and strategy for outstanding services</p>	<ul style="list-style-type: none"> <li>- People Strategy and delivery plans</li> <li>- Leadership Forum and revised Leadership model</li> <li>- Freedom To Speak Up</li> <li>- Annual Staff Survey and Staff FFT</li> <li>- Staff Council</li> </ul>
	<p>Failure to build the staff skills, workforce infrastructure and career pathways to enable our staff to play their full part in an integrated delivery system</p>	<ul style="list-style-type: none"> <li>- Staff Survey action plans</li> <li>- Communications &amp; Marketing Strategy (inc. internal comms)</li> <li>- Strategic Workforce Development</li> </ul>



safe staffing levels	Failure to recruit and retain the appropriate mix of staff to ensure services are delivered safely	<p>Group</p> <ul style="list-style-type: none"> <li>- Learning &amp; OD function restructure</li> <li>- CEO SRO workforce lead for Cheshire &amp; Merseyside</li> <li>- Annual workforce plan</li> <li>- Apprenticeship programme</li> <li>- Development of new roles (e.g. Nurse Associates)</li> <li>- Service skills matrices and compliance monitoring</li> <li>- NHSI workforce plan self-assessment</li> <li>- Safe Staffing Steering Group</li> </ul>
<p><b>Our Performance</b></p> <p>Impact: inequality of services, increased monitoring from regulators, reduced service offer or revised service models,</p>	Failure to foster, establish and manage the right partnerships that enable a response to the Long-Term Plan resulting in a threat to our sustainability	<ul style="list-style-type: none"> <li>- Alignment to system-wide strategic intentions and NHS Long-Term Plan</li> <li>- Healthy Wirral Programme and associated governance structure</li> <li>- Joint commissioning structure established - Wirral Health and Care Commissioning</li> <li>- System-wide target operating model</li> <li>- PCN engagement workshops</li> <li>- Re-alignment of operational and clinical leadership structures at locality level</li> </ul>
	Failure to deliver the efficiency programme resulting in a reduction in service delivery and options for people	<ul style="list-style-type: none"> <li>- Executive Lead for CIP</li> <li>- Programme Management Board with robust governance</li> <li>- PMO and Finance Team oversight</li> </ul>
	Failure to achieve all the relevant financial statutory duties resulting in less freedom to operate and increased regulation	<ul style="list-style-type: none"> <li>- Financial Plan approval and monitoring (FPC)</li> <li>- Audit Committee with clear ToR and authority delegated by Board of Directors</li> <li>- External &amp; internal audit plans</li> </ul>
	The impact of the outcome of the Urgent Care Review that could negatively compromise the Trust's financial position and the UTC future model of care	<ul style="list-style-type: none"> <li>- Urgent Care Transformation Steering Group</li> <li>- Capacity and demand and workforce modelling</li> <li>- Aligned Incentive Agreement arrangements</li> <li>- Co-operation with ECIST</li> <li>- Activity reporting to FPC</li> <li>- Staff engagement and consultation</li> <li>- MD - Trust Clinical Lead for Unplanned Care</li> </ul>
	Failure to keep pace in digital advancements and innovation, and cyber security guidance to improve health and social care outcomes	<ul style="list-style-type: none"> <li>- MD - Trust Innovation Lead</li> <li>- Alignment to system-wide strategic intentions and NHS Long-Term Plan</li> </ul>

		<ul style="list-style-type: none"> <li>- Healthy Wirral Programme and associated governance structure</li> <li>- DSP compliance and mandatory training compliance</li> <li>- IG and DSP Group established with membership including SIRO, Caldicott, CNIO, DPO</li> <li>- NHS Digital's CAREcert service</li> </ul>
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## Quality Governance

Quality Governance is the combination of structures and processes at and below board level to deliver trust-wide quality service, and as such the Board of Directors recognises that quality is an integral part of its business strategy and to be most effective, quality should be the driving force of the organisation's culture.

The Board of Directors knows that quality is not just a programme or a project within the organisation and it is not the responsibility of any one individual to implement the quality agenda. Quality is the responsibility of everyone at the Trust.

The Quality & Safety Committee has responsibility for ensuring the effective implementation and monitoring of robust quality governance arrangements across the organisation. The committee meets on a bi-monthly basis and has a Non-Executive Chairman. The Director of Nursing is the Executive Lead.

The Quality Strategy 2017-20 outlined the board's quality priorities in three areas:

- Person centred care
- Outstanding, safe care every time
- Effective and responsive care

The strategy is based on a continuous quality improvement model, developed with staff and supported by internal quality improvement workshops. The quality goals are developed with the Quality & Safety Committee with input from the Governors' Quality Forum, and performance against them are regularly reported to the committee and the Oversight & Management Board. For 2019-20 performance against the quality goals will be reported in the Quality Account.

The Trust has a strong track record of achieving its quality goals and the annual Commissioning for Quality and Innovation (CQUIN) schemes. The CQUIN schemes for 2019-20 were both national and local measures and included;

- Achieving an 80% uptake of flu vaccinations by frontline clinical staff
- Culture of Care Barometer Action Plan
- Developing an infection prevention control (IPC) back to basics programme
- Human Factors learning in Serious Incident Management

Evidence for Q3 CQUIN performance was submitted to commissioners at the end of 2020 and all milestones were agreed without the requirement to submit any additional information. In light of the COVID-19 pandemic the Trust is in discussion with commissioners regarding the submission of Q4 evidence.

The Trust fully supports the Francis report (2013) and the recommendations in relation to the duty of openness, transparency and candour (173 to 184) and has adopted 10 principles underpinning 'Being Open' as supported by the National Patient Safety Agency (NPSA). A Speaking Up Policy (GP51), formerly Raising Concerns Policy has been developed and the Board of Directors is committed to the policy as part of its approach to openness and honesty. The policy identifies a Freedom to Speak-Up Guardian supported by a team of Freedom to Speak-Up Champions.

Wirral Community Healthy & Care NHS Foundation Trust is registered with the Care Quality Commission and systems exist to ensure compliance with the registration requirements; the Health and Social Care Act 2008 (Regulated Activities) Regulations 2010 and the Care Quality Commission (Registration) Regulations 2009.

The Board of Directors is responsible for ensuring compliance with these regulations at all times and the work of the Standards Assurance Framework for Excellence (SAFE) steering group reporting to the Quality & Safety Committee regularly monitors compliance against the standards highlighting any risks of non-compliance.

The Trust was inspected by the CQC in 2018. In March 2020 the CQC issued the Routine Provider Information Request (RPIR) to the Trust for submission, but this process was stopped due to the COVID-19 pandemic and the response of the Trust to the National Level 4 incident.

During 2019-20 the role of the SAFE steering group within the governance structure was crucial in monitoring compliance and delivery against CQC fundamental standards. The implementation of the Standards Assurance Framework for Excellence (SAFE) system across the organisation was highly successful with an internal audit review of the systems and processes in place providing **Substantial Assurance**. The adoption and implementation of the system by the Trust has been recognised nationally and continues to provide teams with a single on-line tool to store, access and present information about their service, relating to the Key Lines of Enquiry, including Well-Led, used by CQC and NHS Improvement in their reviews.

The Board of Directors has assessed compliance with the NHS Foundation Trust Condition 4 (FT governance) and believes that effective systems and processes are in place to maintain and monitor the following conditions;

- The effectiveness of governance structures
- The responsibilities of Directors and sub-committees
- Reporting lines and accountabilities between the Board, its sub-committees and the executive team
- The submission of timely and accurate information to assess risks to compliance with Wirral Community's provider licence
- The degree and rigour of oversight the Board has over the Trust's performance

These conditions are detailed within the Corporate Governance Statement, the validity of which is assured via the Board of Directors through a process of self-certification, review of evidence and identification of any risks.

This review also considers the on-going delivery of services within the requirements of the NHS Provider Licence and the Single Oversight Framework and the UK Corporate Governance Code.

Risk management is embedded in the activity and governance of the organisation. The Risk Management Framework is fully integrated across clinical and non-clinical divisions of the organisation. The organisational risk register is aligned to the Board Assurance Framework and high-level risks are reported and scrutinised by the Oversight & Management Board and the relevant committees of the Board, thereby ensuring the Board of Directors maintains oversight of all significant and emerging risks.

Incident reporting is actively encouraged across the organisation with a focus on safety, openness and learning. The Quality & Safety Committee and Oversight & Management Board closely monitor the rates of incident reporting across divisions to identify any areas of focus and developing trends. All Divisions have access to Datix for electronic visibility of incidents to give real time information regarding incident numbers, levels of harm, emerging trends to support continuous learning.

During 2019-20 there was a quality goal related to incident reporting which reported a green position at the year-end with overall incident reporting improved by 20% when compared to 2018-19.

The Education & Workforce Committee receives the Trust's workforce plan and approves the Annual People Strategy. The workforce plan is a key supporting plan to deliver the Trust's strategic objectives and is one of the four key elements of the People Strategy. In particular, it delivers the Strategic People objective of "We

*attract, enable, value and involve skilled and caring staff, liberated to innovate and improve services, releasing time to care”.*

The Trust's workforce trajectory is updated on an annual basis and submitted to NHS Improvement as part of the annual planning process. The Education & Workforce Committee receives a quarterly update on national and local workforce developments to complement the workforce planning staff projections.

Our People Strategy sets out the key activities the trust takes to recruit, retain, develop and support the workforce to deliver our vision. This includes four delivery plans - Engagement, Wellbeing, Education and Training and Workforce. The workforce plan in particular identifies how the trust complies with the 21 recommendations in NHSI's Developing Workforce Safeguards, which also reference the National Quality Board expectations and the CQC's fundamental standards.

The Trust has introduced the nationally recognised six step workforce planning process, which identifies existing and future demand based on a wide range of professional knowledge and data and how any gaps can be filled. It takes account of nationally recognised tools and strategies and is developed with input from

all divisions and professional groups through the Strategic Workforce Development Group, to ensure that services have the right staff with the right skills at the right time. The 5-year workforce plan was approved by the Education & Workforce Committee in February 2020.

Integrated performance data including quality, workforce, performance and finance is scrutinised at service and divisional level through monthly QPER and SAFE meetings, before being reported to the Oversight & Management Board and each of the committees of the Board. Each committee provides a detailed report on its workplan to every meeting of the Board and will highlight any performance issues or emerging risks for escalation.

All service developments involving skill mix or workforce changes require a Quality and Equality Impact Assessment which is reviewed at divisional level and a board level panel including the Medical Director and Directors of Nursing and HR & OD before approval is given.

Where available, staffing levels reflect national recommendations and all service reviews include detailed assessments of staffing establishments based on available modelling tools and a range of considerations such as demand profiling, recruitment data, turnover, staff feedback and education and training requirements. During 2019-20 the Trust implemented the E-Roster system to deliver safer care at the highest standards, whilst balancing the demands of cost and productivity improvements.

Wirral Community Health & Care NHS Foundation Trust is confident that it remains compliant with the registration requirements of the Care Quality Commission. The Trust remains committed to working closely with the CQC to ensure on-going compliance through regular engagement meetings; during 2019-20 the CQC confirmed that the future inspections (of Community Trusts) would be performed by the Mental Health Inspection Team and the Trust met with the new inspection team in Q3, 2019-20.

In 2019-20 the Trust undertook a proactive developmental review of leadership and governance using the well-led framework. The methodology for the review was based on guidance issued by NHS Improvement, which is wholly shared with the CQC assessment of the well-led question, and as such included a focus on integrated quality, operational and financial governance.

The scope of the review covered all eight key lines of enquiry (KLOEs), with an in-depth focus on the areas of well-led that the CQC identified as requiring improvement during the inspection in 2018 and a focus on the functionality of the revised governance arrangements.

The review included an initial self-assessment by the members of the Board against the well-led framework with the outcomes informing the scope of any future targeted reviews that could be commissioned from an external reviewer. Further work by the review team included an information and evidence gathering exercise against each of the KLOEs and the prompts underpinning each one. This included;

- **Desk top document reviews.** Key documents reviewed in relation to each KLOE, with a focus on how well the key document(s) provided evidence for the KLOE.
- **Interviews.** The review team completed non attributable semi-structured interviews to gain views and opinions of the Board's effectiveness from key internal stakeholders
- **External partner organisations** were invited to contribute towards the review also through non attributable interviews.
- **Focus groups** were held with staff to gain a broader perspective on the Board's effectiveness and the governance arrangements. The discussions included clarity of the Trust's strategy, the culture, clarity on roles and responsibilities, risk management and processes for learning and innovation.
- **Observation of key meetings.** The review team observed one meeting of the Board and each of its committees, the Oversight and Management Board and the SAFE Steering Group, to gather information on the effectiveness of the challenge and debate, and interactions between executives and non-executives.

The review was completed during Q2-Q3 of 2019-20 led by a team comprising the Deputy Chair and the Director of Corporate Affairs. The findings and initial conclusions were collated by the review team and presented to the Board of Directors in December 2019 at an informal board session. In March 2020 the members of the Board considered the areas for further development and any areas for further review to agree an action plan for tracking and regular reporting. This process was paused due to the COVID-19 pandemic.

The Foundation Trust has undertaken risk assessments and has a sustainable development management plan in place which takes account of UK Climate Projections 2018 (UKCP18). The Trust ensures that its obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

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

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

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

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

The financial plan is approved by the Board of Directors and submitted to NHS Improvement. The performance against the plan is closely monitored at the Finance & Performance Committee. Key performance indicators and performance against NHSI's financial sustainability risk rating are reported to the Board of Directors in the Integrated Performance Report and via the Trust's Information Gateway (TIG), a web-based performance monitoring tool.

Our financial plan for 2019-20 required in-year cost savings of £2m. To support delivery, the Programme Management Board (PMB) maintained monthly oversight of cost improvement schemes progress, supported by the Project Management Office (PMO).

The Trust's resources are managed within the framework of the Corporate Governance Manual which includes Standing Financial Instructions. Financial governance arrangements are supported by internal and external audit to ensure economic, efficient and effective use of resources and monitored through the Audit Committee.

Under the Single Oversight Framework, NHS Improvement segments providers based on the level of support required across five key themes of quality of care, finance and use of resources, operational performance, strategic change and leadership, and improvement capability.

During 2019-20 and as a result of focused work across the Trust on agency spend, the Trust's overall rating improved from a segment 2 to segment 1.

## **Information governance**

The Trust evidences its adherence to the National Data Guardian's 10 data security standards via the Data Security and Protection Toolkit. The Trust was awarded 'substantial assurance' for the 2019-20 submission by Mersey Internal Audit Agency. The formal submission of the toolkit has been delayed to September 2020 by NHS Digital though the Trust is working towards submission during the summer months.

The Trust's Information Governance and Data Security Assurance Framework is underpinned by robust policies and procedures. All staff sign up to the Confidentiality Code of Conduct on commencement with the Trust and complete Data Security Awareness e-learning annually. The Trust met the 2019-20 mandatory 95% DSA training compliance requirement included in Assertion 3 of the Toolkit. Bespoke training packages are developed in areas where knowledge gaps are identified.

The Information Governance and Data Security Group meets monthly and supports the information governance agenda, ensuring effective management of information risk and providing the Quality & Safety Committee with assurance that best practice mechanisms in line with national standards and local contract requirements are in place for information governance and data security. Membership of the group includes the Senior Information Risk Owner (SIRO), Caldicott Guardian, Chief Nursing Information Officer (CNIO), Information Asset Owners (IAOs) and the Data Protection Officer (DPO).

The Trust proactively reacts to cyber notifications from NHS Digital's CAREcert service, ensuring patching is completed and reported within necessary timeframes. The Trust is in the process of working towards Cyber Essentials+.

The Trust has appointed IAOs for specific information assets. IAOs ensure that information is handled and managed appropriately. They have a responsibility for managing their assets and any identified risks associated to their asset on the Trust's Information Asset Register. Data flows in and out are also captured on the Information Asset Register. IAOs report to the SIRO, who in turn reports to the Chief Executive Officer.

A robust incident reporting system (Datix) is in use by the Trust ensuring that all incidents are reviewed and responded to promptly. The organisation uses reported incidents to support learning and further develop the Information Governance and Data Security strategy.

Data Protection Impact Assessment (DPIA) documentation is available to all staff and completion is required when processing is likely to result in a high risk to individuals or for new projects that require the processing of personal data.

The Trust conducts user, system and confidentiality audits to ensure access levels are proportionate, access is authorised and legal and to establish both the physical and electronic security of personal data.

Four incidents were reported to the Information Commissioners Office (ICO) in 2019-20. The ICO was satisfied with the internal investigation for all incidents and consequently all incidents have been closed with no further action.

## **Data quality and governance**

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare quality accounts for each financial year. NHS Improvement (in exercise of the powers conferred on Monitor) has issued guidance to NHS foundation trust boards on the form

and content of annual quality reports which incorporate the above legal requirements in the *NHS Foundation Trust Annual Reporting Manual*.

The revised Annual Reporting Manual (ARM) from NHSE/I published to reflect the NHS response to COVID-19 and the National Level 4 incident, removed the requirement for NHS Foundation Trusts to produce a Quality Report and only requires the production of a quality account (to a later deadline) and without it needing to be included in the Annual Report.

The Trust is developing a Quality Account in accordance with the latest published guidance which will present a balanced view of quality performance. All data included is reviewed by the Quality & Safety Committee and is supported through a comprehensive annual Quality Strategy including a quality strategy delivery plan and clearly defined Quality Goals. The Board of Directors receives assurance via the Quality & Safety Committee on the achievement of the Quality Goals and the effective implementation of the strategy.

The Standards Assurance Framework for Excellence (SAFE) steering group has been well established in the Trust's governance structure provides assurance on the Quality & Safety Committee on compliance with statutory and regulatory requirements.

The Director of Nursing provides executive leadership to the quality and safety agenda.

The Quality Account is not required to be reviewed by external auditors Ernst & Young.

Elective waiting time data does not apply to the Trust.

### **Review of effectiveness**

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive 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 the content of the quality account and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the board, the Audit Committee and the sub-committees of the board, particularly the Quality & Safety Committee and the Finance & Performance Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

In accordance with Public Sector Internal Audit Standards, the Director of Internal Audit has provided an annual opinion, based upon and limited to the work performed, on the overall adequacy and effectiveness of the organisation's risk management, control and governance processes (i.e. the organisation's system of internal control) during 2019-20. This is achieved through a risk-based plan of work, developed with the Executive Leadership Team and approved by the Audit Committee.

The purpose of the Director of Internal Audit Opinion is to contribute to the assurances available to me as Accounting Officer and the Board of Directors which underpin the board's own assessment of the effectiveness of the organisation's system of internal control.

The overall opinion for 2019-20 provides **Substantial Assurance**.

It confirms that *"there is a good system of internal control designed to meet the organisation's objectives, and that controls are generally being applied consistently"*.

The work of internal audit during 2019-20 included 11 assurance reviews, of which 6 received substantial assurance, 2 received moderate assurance and 3 limited assurance.

In relation to all audit reviews, the Trust provided a managerial response with action plans in place to deliver on the recommendations made. Each sub-committee of the Board receives audit reports relevant to its scope

of responsibility and associated action plan where required. The Audit Committee maintains oversight of all internal audit reviews via an audit tracker tool and regular progress reports from MIAA.

Review Title	Assurance Level
Financial Systems Reporting & Integrity	Substantial
Performance Data & Key Performance Indicators	Substantial
Service Review of GP OOHs	Substantial
Service Review of Specialist Dental	Substantial
Data Protection & Security Toolkit	Substantial
Standards Assurance Framework for Excellence	Substantial
Service Review of Sexual Health	Moderate
Cyber Security Follow Up	Moderate
Fuel Care System	Limited
Agency Cap	Limited
IT Resilience & Recovery	Limited

The Trust has a robust programme of clinical audit in place and during 2019-20, 28 clinical and professional audits were completed. The key quality outcomes from the audits will be reported in the Annual Quality Account.

The Council of Governors plays an important part in the governance structure within Wirral Community Health & Care NHS Foundation Trust, ensuring through their interaction with the Board of Directors the interest of members and the public is heard and at the fore when reviewing the Trust's performance and future ambitions.

My review is also informed by external audit opinion, external inspections, including CQC and accreditations and reviews completed during the year.

The processes outlined below are established and ensure the effectiveness of the systems of internal control through;

- Board of Directors review of the Board Assurance Framework and organisational risk register
- Audit Committee scrutiny of controls in place
- Review of progress in meeting the Care Quality Commission Fundamental Standards by the Standards Assurance Framework for Excellence (SAFE) group and the Quality & Safety Committee
- Internal audits of effectiveness of systems of internal control



## **Conclusion**

As Accounting Officer, I confirm that there were no significant issues to report in 2019-20 and internal control systems are fit for purpose and being further developed to ensure sustainability.

A handwritten signature in black ink, appearing to read 'Karen Howell', is centered on a light gray rectangular background.

**Karen Howell**

**Chief Executive  
Wirral Community Health & Care NHS Foundation Trust**

**24 June 2020**

# INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF WIRRAL COMMUNITY HEALTH AND CARE NHS FOUNDATION TRUST

## Opinion

We have audited the financial statements of Wirral Community Health and Care NHS Foundation Trust for the year ended 31 March 2020 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, Statement of Cash Flows, the Statement of Changes in Taxpayers Equity and the related notes 1 to 20, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and HM Treasury's Financial Reporting Manual (FRM) to the extent that they are meaningful and appropriate to NHS foundation trusts.

In our opinion, the financial statements:

- give a true and fair view of the state of Wirral Community Health and Care NHS Foundation Trust's affairs as at 31 March 2020 and of its income and expenditure for the year then ended; and
- have been prepared in accordance with the Department of Health and Social Care's Group Accounting Manual 2019/20 and the directions under paragraphs 24 and 25 of Schedule 7 of the National Health Service Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the Foundation 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 the Comptroller and Auditor General's (C&AG) AGN01, 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 have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Accountable Officer's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Accountable Officer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## Overview of our audit approach

Key audit matters	<ul style="list-style-type: none"> <li>• <b>Going Concern</b></li> <li>• <b>Property Plant and Equipment Valuation</b></li> <li>• <b>Valuation of LGPS Pension Assets</b></li> <li>• <b>Risk of fraud in revenue and expenditure recognition</b></li> <li>• <b>Risk of misstatements due to fraud or error</b></li> </ul>
Materiality	<ul style="list-style-type: none"> <li>• Overall materiality of £1.66m which represents 2% of operating expenditure..</li> </ul>

## Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
<p><b>Going Concern</b></p> <p><i>(refer to note 1.3, Going Concern)</i></p> <p>Covid-19 has impacted the short and medium term financial environment and certainty of future funding arrangements.</p> <p>We are required to assess the evidence and disclosures that the Trust can continue as a going concern up to 12 months after the date of the audit opinion. Since NHSE funding for 2021-22 is currently in review, management have enhanced going concern disclosures in the financial statements to acknowledge the uncertainty and set out the assumptions underpinning the going concern conclusion.</p>	<p>We have:</p> <ul style="list-style-type: none"> <li>• Assessed management's assessment of going concern by testing the starting point assumptions that the Trust would achieve it's 2019/20 control total and begin the 2020/21 financial year with sufficient cash to cover it's liabilities were consistent with the reported position in the audited 2019/20 financial statements.</li> <li>• Tested the cash flow and liquidity projections for 2020/21, by agreeing cash inflow and outflow assumptions to business plans, assessing the assumptions against the experience of the current financial year and testing mathematical accuracy, to</li> </ul>	<p>We are satisfied there is no material uncertainty regarding the Trust's use of the going concern assumption.</p> <p>We are satisfied that the Trust's financial position, cash flow forecasting and future financial plans support the fact that the Trust will continue as a going concern for a period of 12 months following the audit report date.</p> <p>We have noted that Covid-19 has impacted the short and medium term financial planning process across the NHS and therefore the certainty of future funding arrangements. We consider that the disclosure in the financial statements appropriately discloses the assumptions on which</p>

Risk	Our response to the risk	Key observations communicated to the Audit Committee
	<p>identify any indication of circumstances that would indicate the Trust is not able to continue as a going concern for the 2020/21 financial year.</p> <ul style="list-style-type: none"> <li>• Considered the funding environment and managements liquidity projections for the period 12 months from the signing date of the accounts that fall within the 2021/22 financial year,by testing the reasonableness of outturns and assumptions in managements base and downside cash, liability and income projections for the first two quarters of 2021/22.</li> <li>• Assessed if there are any identified indications that the regulator would not intend services to continue to be delivered for 12 months from the date of signing the financial statements.</li> </ul> <p>We challenged the disclosures in note 1.3, “going concern”, by testing whether the assumptions and uncertainties had been disclosed by the Trust. We concluded the note, as amended, appropriately discloses the Trust’s assessment of the use of the going concern basis for the financial statements.</p>	<p>management’s going concern basis of accounting is applied.</p>

Risk	Our response to the risk	Key observations communicated to the Audit Committee
<p><b><u>Valuation of property, plant and equipment (PPE)</u></b></p> <p><i>Refer to the accounting policies Note 1.6 Key sources of estimation uncertainty and Note 9.4 Valuation of land and buildings</i></p> <p>Land and buildings account for a significant proportion of the Trust's net assets. The valuation of land and buildings is complex and is subject to a number of assumptions and judgements. The Trust carries out a rolling valuation programme, with the value and remaining useful lives of land and buildings estimated by their appointed external valuers.</p> <p>The Royal Institute of Chartered Surveyors (RICS), the body setting the standards for property valuations, has issued guidance to valuers highlighting that the uncertain impact of Covid-19 on markets might cause a valuer to conclude that there is a material uncertainty.</p> <p>The valuer, in providing the desktop revaluation report to the Trust to revalue their PPE, disclosed a material uncertainty relating to the valuation movements due to Covid-19. The Trust included appropriate additional disclosure within the financial statements in response to this.</p>	<p>We evaluated the competence, capabilities and objectivity of management's specialist by engaging our own specialist to report to us on the valuers qualifications and valuation methodology.</p> <p>We read the instructions issued to the valuer to ensure these are consistent with accounting standards and do not contain indication of management bias.</p> <p>We tested the information provided to the valuer, including testing the basis for floor areas and the classification of assets to ensure the correct valuation methodology has been applied.</p> <p>We agreed the revaluation values to the asset register and the financial statements.</p> <p>Specifically in response to the impact of Covid-19 on our inherent risk we have:</p> <ul style="list-style-type: none"> <li>• Considered the wider impact of material uncertainty on whether reasonable assurance over valuation could be obtained, by engaging our real estate experts to provide information on the impact of market uncertainty on the basis of valuations. We concluded that assets valued at Depreciated Replacement Cost (DRC) were subject to less uncertainty than those valued on an Investment or Existing Use valuation basis;</li> <li>• Obtained clarification from the valuer on the basis for including the uncertainty and their consideration of the impact on the Trusts land and buildings. The response from the valuer concluded that the basis of</li> </ul>	<p>We are satisfied that the classification of assets reported in the financial statements is appropriate and that these are materially unchanged from the full valuation as at 31 March 2018.</p> <p>We concluded that assets valued at Depreciated Replacement Cost (DRC) were subject to less uncertainty than those valued on an investment or existing use value. As all material Trust building assets are valued on a DRC basis we considered it to be unlikely that Covid-19 would have led to a material misstatement. The response from the valuer and the Trust disclosures reflect these considerations.</p> <p>Although the valuation of land is more reliant on market evidence EYRE were satisfied that the valuer's approach of not changing land values from the prior year was reasonable. The total land value in the financial statements is not material.</p> <p>We have concluded that management's disclosure of the uncertainty and basis of valuation is appropriate.</p> <p>Our testing found no errors in the application of the valuation to the financial statements. The overall impact of applying the desktop valuation report results in revaluation and impairment movements which are immaterial.</p>

Risk	Our response to the risk	Key observations communicated to the Audit Committee
	<p>valuation for to the assets meant that additional information would be unlikely to significantly influence the output;</p> <ul style="list-style-type: none"> <li>• We tested that the assumptions used by the valuer in the last full valuation report, in relation to asset use and valuation basis, remained appropriate for the Trust asset base. We confirmed with the Trust and the valuer that there are no significant new buildings or change in use of existing buildings, resulting in a DRC basis remaining appropriate. We concluded that assets valued at DRC were subject to less uncertainty than those valued on an investment or existing use value; and</li> <li>• We challenged the disclosure of the uncertainty in the financial statements note 1.6 Key sources of estimation uncertainty and Note 9.4 Valuation of land and buildings.</li> </ul> <p>The Trust disclosures reflect the considerations of the uncertainty and the subsequent clarification received from the valuer.</p>	
<p><b>Valuation of Local Government Pension Scheme (LGPS) assets</b></p> <p><i>Refer to the accounting policies Note 1.6 Key sources of estimation uncertainty and Note 6.3 Pension costs – Local Government Pension Scheme</i></p> <p>On 1 June 2017 Social Care staff were TUPE'd from Wirral Metropolitan Borough Council to the Trust under a section 75</p>	<p>We have made enquires of the pension fund auditor to confirm the controls and processes in place and testing completed on the assets. Due to changes in the Local Government timetable as a result of Covid-19, the Pension Fund auditor work on assets is not yet complete.</p> <p>We therefore performed alternative procedures.</p>	<p>We concluded that the actuary process for the roll forward of assets was acceptable.</p> <p>Our testing of the asset values did not find a material difference when considering the basis of the actuary roll forward and comparing the disclosed asset figure to our own roll forward, our EY Pensions experts roll forward, and to the whole fund asset reports produced by the pension fund.</p>

Risk	Our response to the risk	Key observations communicated to the Audit Committee
<p>agreement to enable integrated health and social care in the community across the Wirral.</p> <p>For 2019/20 the Trust accounted for the Local Government pension liabilities for the transferred staff by applying IAS 19 (employee benefits). The net liability is calculated on asset and liability figures provided by an actuary, and are therefore valued based on estimation techniques and actuarial assumptions.</p> <p>The impact of Covid-19 on markets has increased the risk that the assets values may be subject to greater uncertainty, and the impact on the Wirral Pension Fund reporting timetable has led delays in responses from the Fund and their auditor.</p>	<p>We obtained from the actuary additional information on the basis of the asset valuation estimate. The actuary uses an asset roll forward methodology from the 31 March 2019 full valuation, adjusted for actual cashflows.</p> <p>We tested this by:</p> <ul style="list-style-type: none"> <li>• testing the 11 month cashflow data sent to the actuary to full year payroll information held by the Trust, and reperformed the calculations the actuary applied to this to derive full year figures. There were no significant variances between full year and 11 month rolled forward cash flows.</li> <li>• Performing a roll forward of 31 March 2019 disclosed pension assets using published indices to define a range for our expectation of the actuary roll forward. The pension fund assets reported by the actuary were within this range.</li> <li>• We engaged our own experts to perform a separate roll forward to assess the assets disclosed by the actuary. The variance between our experts roll forward compared to the actuary's reported asset value was within our acceptable range.</li> </ul> <p>The actuary includes an assumption for the month 12 performance of the fund as a whole. We tested this by</p> <ul style="list-style-type: none"> <li>• Obtaining quarterly investment returns from the pension fund and comparing the actuary assumption against the reported performance. This</li> </ul>	<p>We therefore considered that the pension assets are not materially misstated.</p> <p>We concluded that reconciling the draft pension fund financial statements to the asset values disclosed to the actuary did not result in a difference that would have a material impact on the Trust share of assets disclosed.</p> <p>We have concluded that management's disclosure of the uncertainties in the Annual Governance Statement, note 1.6 to the financial statements and note 6.3 to the financial statements are appropriate.</p>

Risk	Our response to the risk	Key observations communicated to the Audit Committee
	<p>resulted in no material difference to the asset values.</p> <ul style="list-style-type: none"> <li>• We obtained draft full asset value and detail from the pension fund and reconciled this to the whole fund assets reported in the actuary report</li> <li>• Reconciled the full asset value by fund and type to the custodian reports on valuation as at 31 March 2020.</li> <li>• Comparing the asset valuation provided to the actuary and to us to the draft Pension Fund financial statements, with no variance that would materially affect the Trust share of assets identified.</li> </ul> <p>We enquired of management to confirm there were no significant changes or events that the actuary should be made aware of.</p> <p>We tested the application of the actuarial information to the Trust's financial statements, including the related disclosures.</p> <p>We challenged the disclosure of the uncertainty in note 1.6 Key sources of estimation uncertainty and note 6.3 Pension costs – Local Government Pension Scheme of the financial statements.</p>	



Risk	Our response to the risk	Key observations communicated to the Audit Committee
<p><b>Risk of fraud in revenue and expenditure recognition (£85m income, £84m expenditure, PY comparative £83m income £80m expenditure)</b></p> <p><i>Refer to the Audit Committee Report (page 11); Accounting policies (note 1); and Notes 3-4 of the Financial Statements.</i></p> <p>Under ISA 240 there is a presumed risk that revenue may be misstated due to improper revenue recognition. In the public sector, this requirement is modified by Practice Note 10 issued by the Financial Reporting Council, which states that auditors should also consider the risk that material misstatements may occur by the manipulation of expenditure recognition.</p> <p>We have assessed that the risk is prevalent predominantly in:</p> <ul style="list-style-type: none"> <li>• Completeness and valuation of accruals.</li> <li>• Completeness of provisions.</li> <li>• Existence and valuation of manual debtors and accrued income, and specifically in regards to the timing of significant one off income transactions in and around the year end.</li> </ul>	<p>We focussed our audit response on items of income and expenditure which could be subject to manipulation, testing a sample of accruals of income and expenditure and the completeness of provisions.</p> <p>We considered the appropriate classification of expenditure as capital rather than revenue in nature for additions to PPE to assess whether the items were capital or revenue in nature, to identify any expenditure excluded from the Statement of Comprehensive Income.</p> <p>We reviewed and tested revenue and expenditure recognition policies and substantively tested income and expenditure transactions using a lower threshold.</p> <p>We reviewed the financial statements for evidence of significant or unusual transactions. We also tested a sample of income and expenditure transactions from material revenue streams including year-end debtor and creditor balances, and tested variances between amounts recognised and amounts externally confirmed through the Agreement of Balances exercise.</p> <p>We tested cut-off of income and expenditure at the year-end and conducted testing to identify any unrecorded liabilities at the year-end.</p> <p>Our testing also reviews a sample of transactions that have occurred post year end to identify any omissions in expenditure.</p>	<p>Our testing has not identified any material misstatements due to revenue and expenditure recognition.</p> <p>Overall our audit work did not identify any material issues or unusual transactions which indicate any improper misreporting of the Trust's financial position.</p>

Risk	Our response to the risk	Key observations communicated to the Audit Committee
<p><b>Risk of Misstatements due to fraud or error (Management override)</b></p> <p><i>Refer to the Audit Committee Report (page 10)</i></p> <p>The risk that the financial statements as a whole are not free of material misstatements whether caused by fraud or error.</p> <p>As identified in ISA (UK) 240, management is in a unique position to perpetrate fraud because of its ability to manipulate accounting records directly or indirectly and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. We identify and respond to this fraud risk on every audit engagement.</p> <p>We have not identified any specific fraud risks.</p> <p>We identify inherent risks of error or bias in our assessment of the significant risk relating to revenue recognition.</p> <p>The risk manifests specifically in whether year end adjustment journals are appropriate and supported, the application of estimates and judgements, and whether significant or unusual transactions are identified and accounted for appropriately.</p>	<p>We focus our audit responses around estimates at year end, including accruals of income and expenditure, and on items of income and expenditure which are non-routine and involve more management estimation and judgement, including provisions.</p> <p>We carried out procedures for identifying fraud risks during the planning stages, and inquired with management about risks of fraud and the controls put in place to address those risks.</p> <p>We gained an understanding of the oversight given by those charged with governance of management's process over fraud.</p> <p>We considered the effectiveness of management's controls designed to address the risk of fraud.</p> <p>We carried out specific audit procedures to test journal entries in the accounts, particularly testing journal entries and other adjustments in the preparation of the financial statements.</p>	<p>We have not identified any material weaknesses in controls or evidence of management override.</p> <p>We have not identified any instances of inappropriate judgements being applied which would indicate manipulation in accounting records or fraudulent financial reporting.</p> <p>We did not identify any other transactions during our audit which appeared unusual or outside the Trusts normal course of business.</p>

## **An overview of the scope of our audit**

### **Tailoring the scope**

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for the Foundation Trust. This enables us to form an opinion on the financial statements. We take into account size, risk profile, the organisation of the Foundation Trust and effectiveness of controls, including controls and changes in the business environment when assessing the level of work to be performed. All audit work was performed directly by the audit engagement team.

### **Materiality**

*The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.*

We determined materiality for the Trust to be £1.66 million (2019: £1.60 million), which is 2% (2019:2%) of Operating Expenditure. We believe that operating expenditure provides us with a reasonable basis for determining materiality as it is the key driver of the Trust's financial position.

During the course of our audit, we reassessed initial materiality set at £1.60 million, and concluded that the reassessment was appropriate in relation to the reported actual financial position at year end.

### **Performance materiality**

*The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.*

On the basis of our risk assessments, together with our assessment of the Trust's overall control environment, our judgement was that performance materiality was 75% (2019: 75%) of our planning materiality, namely £1.25million (2019: £1.20million). We have set performance materiality at this percentage due to our experience of our prior year audit finding no significant issues and our understanding of the control environment at the Trust

### **Reporting threshold**

*An amount below which identified misstatements are considered as being clearly trivial.*

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of £0.083million (2019: £0.080million), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

### **Other information**

The other information comprises the information included in the annual report set out on pages 1-135, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

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

We read all the financial and non-financial information in the Annual Report and Accounts 2019-20 to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge

acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

We have nothing to report in this regard.

### **Opinion on other matters prescribe by the Code of Audit Practice issued by the NAO**

In our opinion:

- the information given in the performance report and accountability report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the parts of the Remuneration and Staff report identified as subject to audit has been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2019/20.

### **Matters on which we report by exception**

The Code of Audit Practice requires us to report to you if

- We issue a report in the public interest under schedule 10(3) of the National Health Service Act 2006;
- We refer the 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 a director or officer of the Trust, is about to make, or has made, a decision involving unlawful expenditure, or is about to take, or has taken, unlawful action likely to cause a loss or deficiency;
- We are not satisfied that the Trust has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources as required by schedule 10(1)(d) of the National Health Service Act 2006;
- we have been unable to satisfy ourselves that the Annual Governance Statement, and other information published with the financial statements meets the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2019/20 and is not misleading or inconsistent with other information forthcoming from the audit; or
- we have been unable to satisfy ourselves that proper practices have been observed in the compilation of the financial statements.

We have nothing to report in respect of these matters.

The NHS Foundation Trust Annual Reporting Manual 2019/20 requires us to report to you if in our opinion, information in the Annual Report is:

- materially inconsistent with the information in the audited financial statements; or
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the NHS Foundation Trust acquired in the course of performing our audit.
- otherwise misleading.

We have nothing to report in respect of these matters.

## **Responsibilities of Accounting Officer**

As explained more fully in the Accountable Officer's responsibilities statement set out on page 122, the Accountable Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Accountable 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 Accountable Officer is responsible for assessing the company'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 Council of Governors intend to cease operations, or have no realistic alternative but to do so.

## **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.

## **Auditor's responsibilities with respect to value for money arrangements**

We are required to consider whether the Foundation Trust has put in place 'proper arrangements' to secure economy, efficiency and effectiveness on its use of resources. This is based on the overall criterion that "in all significant respects, the audited body had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people".

Proper arrangements are defined by statutory guidance issued by the National Audit Office and comprise the arrangements to:

- Take informed decisions;
- Deploy resources in a sustainable manner; and
- Work with partners and other third parties.

In considering your proper arrangements, we draw on the requirements of the guidance issued by NHS Improvement to ensure that our assessment is made against a framework that you are already required to have in place and to report on through documents such as your annual governance statement.

We are only required to determine whether there are any risks that we consider significant within the Code of Audit Practice, which defines significant as:

*"A matter is significant if, in the auditor's professional view, it is reasonable to conclude that the matter would be of interest to the audited body or the wider public. Significance has both qualitative and quantitative aspects".*

Our risk assessment supports the planning of sufficient work to enable us to deliver a safe conclusion on arrangements to secure value for money and enables us to determine the nature and extent of further work that may be required. If we do not identify any significant risk there is no requirement to carry out further work. Our risk assessment considers both the potential financial impact of the issues we have identified, and also the likelihood that the issue will be of interest to local taxpayers, the Government and other stakeholders.

## **Scope of the review of arrangements for securing economy, efficiency and effectiveness in the use of resources**

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criterion issued by the Comptroller and Auditor General in April 2020, as to whether the Foundation Trust had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The Comptroller and Auditor General determined this criterion as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Foundation Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2020.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether, in all significant respects, the Foundation Trust had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

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

### **Certificate**

We certify that we have completed the audit of the financial statements of Wirral Community Health and Care NHS Foundation Trust in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Code of Audit Practice issued by the National Audit Office on behalf of the Comptroller and Auditor General (C&AG).

### **Use of our report**

This report is made solely to the Council of Governors of Wirral Community Health and Care NHS Foundation Trust in accordance with paragraph 24(5) of Schedule 7 of the National Health Service Act 2006 and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors, for our audit work, for this report, or for the opinions we have formed.



*10<sup>th</sup> August 2020*

*Hassan Rohimun  
for and on behalf of Ernst & Young LLP  
Manchester*



**Wirral Community  
Health and Care**  
NHS Foundation Trust

**WIRRAL COMMUNITY HEALTH AND CARE  
NHS FOUNDATION TRUST**

**FINANCIAL STATEMENTS FOR THE YEAR  
ENDED 31 MARCH 2020**

## **FOREWORD TO THE ACCOUNTS**

### **Wirral Community Health and Care NHS Foundation Trust**

#### **Accounts for the year ended 31 March 2020**

The following presents the accounts for Wirral Community Health and Care NHS Foundation Trust for the year ended 31 March 2020.

These accounts have been prepared by Wirral Community Health and Care NHS Foundation Trust in accordance with the requirements set out in paragraphs 24 and 25 of Schedule 7 to the National Health Service Act 2006 (the 2006 Act) in the form which NHS Improvement, the independent regulator of NHS Foundation Trusts has, with approval of the Treasury, directed.

A handwritten signature in black ink, appearing to read 'Karen Howell', is centered on a light gray background.

**Karen Howell, Chief Executive**

**10 August 2020**



## Statement of Comprehensive Income (SoCI)

	Note	2019/20 £000	2018/19 £000
Operating income from patient care activities	3	80,787	76,170
Other operating income		4,360	6,924
<b>Total operating income</b>		<b>85,147</b>	<b>83,094</b>
Operating expenses of continuing operations	4	(84,109)	(80,112)
Impairments net of (reversals)	7	430	19
<b>Operating surplus/(deficit)</b>		<b>1,468</b>	<b>3,001</b>
<b>Finance costs</b>			
Finance income		126	91
PDC dividend expense		(160)	(181)
<b>Net finance costs</b>		<b>(34)</b>	<b>(90)</b>
<b>Surplus/(deficit) for the year</b>		<b>1,434</b>	<b>2,912</b>
<b>Other comprehensive income</b>			
<b>Will not be reclassified to income and expenditure:</b>			
Impairments	7	0	(327)
Revaluations		110	218
Other recognised gains and losses		(1)	2
Remeasurement of net defined benefit pension scheme assets/(liabilities)		436	(1,062)
<b>Total comprehensive income/(expense) for the period</b>		<b>1,979</b>	<b>1,745</b>

Reconciliation from the Statement of Comprehensive Income to the Trust trading position:

	2019/20 £000	2018/19 £000
Surplus/(deficit) for the period	1,434	2,912
Normalising adjustments:		
Add back all I&E impairments/(reversals)	(430)	(19)
Remove non-cash element of on-SoFP pension costs	1,749	830
<b>Trading (deficit)/surplus for the period</b>	<b>2,753</b>	<b>3,723</b>
Comprising:		
Provider Sustainability Fund income	990	2,963
Underlying surplus	1,763	760
	<b>2,753</b>	<b>3,723</b>

The notes on pages 157 to 188 form part of these accounts.

## Statement of Financial Position (SoFP)

	Note	31 March 2020 £000	31 March 2019 £000
<b>Non-current assets</b>			
Intangible assets	8	650	985
Property, plant and equipment	9	24,125	23,182
Receivables	12	184	102
<b>Total non-current assets</b>		<b>24,959</b>	<b>24,269</b>
<b>Current assets</b>			
Inventories	11	487	471
Receivables	12	6,331	6,932
Cash and cash equivalents	13	18,287	16,880
<b>Total current assets</b>		<b>25,105</b>	<b>24,283</b>
<b>Total Assets</b>		<b>50,064</b>	<b>48,552</b>
<b>Current liabilities</b>			
Trade and other payables	14	(12,555)	(14,264)
Provisions	15	(22)	(278)
Other liabilities	14	(112)	(149)
<b>Total current liabilities</b>		<b>(12,689)</b>	<b>(14,691)</b>
<b>Total assets less current liabilities</b>		<b>37,375</b>	<b>33,861</b>
<b>Non-current liabilities</b>			
Other liabilities	6.3	(10,235)	(8,922)
<b>Total non-current liabilities</b>		<b>(10,235)</b>	<b>(8,922)</b>
<b>Total assets employed</b>		<b>27,140</b>	<b>24,939</b>
<b>Financed by taxpayers' equity</b>			
Public dividend capital		698	477
Revaluation reserve		2,843	2,734
Income and expenditure reserve		23,599	21,729
<b>Total taxpayers' and others' equity</b>		<b>27,140</b>	<b>24,939</b>

The financial statements and notes on pages 153 to 188 were approved by the Audit Committee, on behalf of the Board, on 10 August 2020. They are signed on its behalf by:



**Karen Howell, Chief Executive**

**10 August 2020**

## Statement of Changes in Taxpayers' Equity (SoCITE)

	Total Taxpayers' Equity £000	Public Dividend Capital £000	Revaluation Reserve £000	Income and Expenditure Reserve £000
<b>Taxpayers' and others' equity at 1 April 2019 - brought forward</b>	<b>24,939</b>	<b>477</b>	<b>2,734</b>	<b>21,729</b>
Surplus/(deficit) for the year	1,434	0	0	1,434
Revaluations - property, plant and equipment	110	0	110	0
Other recognised gains and losses	(1)	0	(1)	0
Remeasurements of defined net benefit pension scheme liability/asset	436	0	0	436
Public dividend capital received	221	221	0	0
<b>Taxpayers' and others' equity at 31 March 2020</b>	<b>27,140</b>	<b>698</b>	<b>2,843</b>	<b>23,599</b>
<b>Taxpayers' and others' equity at 1 April 2018</b>	<b>23,035</b>	<b>315</b>	<b>2,841</b>	<b>19,879</b>
Surplus/(deficit) for the year	2,912	0	0	2,912
Net impairments	(327)	0	(327)	0
Revaluations - property, plant and equipment	218	0	218	0
Other recognised gains and losses	2	0	2	0
Remeasurements of defined net benefit pension scheme liability/asset	(1,062)	0	0	(1,062)
Public dividend capital received	162	162	0	0
<b>Taxpayers' and others' equity at 31 March 2019</b>	<b>24,939</b>	<b>477</b>	<b>2,734</b>	<b>21,729</b>

## Statement of Cash Flows (SoCF)

	Note	2019/20 £000	2018/19 £000
<b>Cash flows from operating activities</b>			
<b>Operating surplus/(deficit)</b>		1,468	3,001
<b>Non-cash or non-operating income and expense:</b>			
Depreciation and amortisation	4	2,220	1,813
Impairments and reversals	4	(430)	(19)
On SoFP pension liability - employer contributions paid less net charge to the SOCI	6.3	1,749	830
(Increase)/decrease in receivables		491	(538)
(Increase)/decrease in inventories		(16)	0
Increase/(decrease) in trade and other payables		(1,153)	561
Increase/(decrease) in other liabilities		(37)	22
Increase/(decrease) in provisions		(256)	261
Other movements in operating cash flows		(1)	2
<b>Net cash generated from/(used in) operations</b>		<b>4,035</b>	<b>5,934</b>
<b>Cash flows from investing activities</b>			
Interest received		126	91
Purchase of intangible assets		(151)	(141)
Purchase of property, plant and equipment		(2,693)	(2,158)
<b>Net cash generated from/(used in) investing activities</b>		<b>(2,718)</b>	<b>(2,208)</b>
<b>Cash flows from financing activities</b>			
Public dividend capital received		221	162
PDC dividend (paid)/refunded		(132)	(112)
<b>Net cash generated from/(used in) financing activities</b>		<b>89</b>	<b>50</b>
<b>Increase/(decrease) in cash and cash equivalents</b>		<b>1,406</b>	<b>3,775</b>
<b>Cash and cash equivalents at 1 April - brought forward</b>		<b>16,880</b>	<b>13,105</b>
<b>Cash and cash equivalents at 31 March</b>		<b>18,287</b>	<b>16,880</b>

## Notes to the Accounts

### 1. Accounting policies and other information

#### 1.1. Basis of preparation

NHS Improvement, in exercising the statutory functions conferred on Monitor has directed that the financial statements of NHS Foundation Trusts shall meet the accounting requirements of the Department of Health and Social Care (DHSC) Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the DHSC GAM 2019/20, issued by the DHSC. 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 DHSC 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.

#### 1.2. Accounting convention

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

#### 1.3. Going concern

The Trust's annual report and accounts have been prepared on a going concern basis. This takes account of the uncertainties during the COVID-19 pandemic and the suspension of the operational planning process for 2020/21, but also considers assurances provided by NHS England and NHS Improvement on the continued funding for the provision of healthcare in their circular of 27 May 2020. Although NHS funding was only initially confirmed for April to July 2020, the regulator has indicated that this funding will continue for a longer period during 2020/21 and into the following year. The regulator's statement says: "Providers can therefore continue to expect NHS funding to flow at similar levels to that previously provided where services are reasonably still expected to be commissioned." The Trust continues to work closely with the Healthy Wirral Partnership and maintains a strong relationship with NHS Wirral CCG and other commissioners of the Trust's services. The Local Government contracts, which comprise almost one third of the Trust's income are all contractually committed for at least the next two years. The Trust's strong performance as measured by the NHS Improvement (the regulator) Use of Resources criteria to assess performance and the viability of the 2020/21 financial plan also indicate sufficient financial resilience to manage any short-term uncertainties. The Trust have a strong cash position at the balance sheet date and have performed liquidity scenario analysis for the next 18 months. This analysis includes base assumptions that NHS funding continues in line with the plan, and downside scenarios that model a reduction in 2021 NHS income of 10% and 15% without reduction in activity or expenditure. The modelled worst case scenario demonstrates that the Trust would have sufficient cash to meet its liabilities and remain with surplus cash balances to 30 September 2021. This demonstrates operational sustainability and supports the going concern assertion. The Trust are also able to manage planned capital expenditure not yet committed to offset additional cash flow pressures should these arise. Therefore, although NHS funding into 2020/21 is not confirmed the Board are confident that the Trust remains a going concern.

#### 1.4. Critical accounting judgments 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 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 and the estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

### **1.5. Critical judgments in applying accounting policies**

In the process of applying the Trust's accounting policies, management has not been required to make any judgements, apart from those involving estimations, which have had a significant effect on the amounts recognised in the financial statements.

### **1.6. Key sources of estimation uncertainty**

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a global pandemic on 11 March 2020, impacted global financial markets with travel restrictions implemented by many countries. Market activity has been affected in many sectors.

Under these conditions, the following are assumptions about the future and other major sources of estimation uncertainty that have a significant risk of resulting in estimation uncertainty in the carrying amounts of assets and liabilities within the next financial year:

- Valuation and impairment of non-financial assets – the Trust assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. The key area of uncertainty relates to the Trust's valuation of its land and buildings. Further details are provided in Note 9. The land and buildings were revalued by Cushman and Wakefield (DTZ Debenham Tie Leung Ltd) as at 31 March 2020. The valuation provided was reported on the basis of 'material valuation uncertainty.'
- Asset lives – the Trust estimates the asset lives of intangible and tangible assets. For buildings, the Trust uses the estimate of remaining useful economic life provided by the Trust's valuer. For medical equipment and IT intangible and tangible assets these are reviewed within the Trust by the Deputy Director of IM&T and relevant departments.
- Pension liabilities – the Trust estimates the potential pension scheme liability arising from membership of the Merseyside Pension Fund. This is based on estimated life expectancy of members and current and future performance of investments and is therefore subject to significant uncertainty. Due to market volatility, the Trust delayed obtaining an actuarial valuation of the pension assets and liabilities from the scheme actuaries, Mercer, until June 2020 when more accurate market data was known. The Pension Fund has reported that there are various factors that affect the complexity of valuation and the realisable value of assets. The Trust have considered the stated valuation range provided by the Pension Fund and consider that the assets are reported on the best available information and that the impact of maximum increases and decreases within the range would not have a material impact on the Trust share of Pension Fund assets.

### **1.7. Revenue**

IFRS 15 revenue from contracts with customers was adopted for the first time in the 2018/19 financial statements. As anticipated, this resulted in no change in the way the Trust accounts for revenue due to the nature and value of contract and non-contract income.

In the application of IFRS 15 a number of practical expedients offered in the Standard have been employed. These are as follows:

- The Trust does not disclose information regarding performance obligations part of a contract that has an original expected duration of one year or less;
- The Trust is to similarly not disclose information where revenue is recognised in line with the practical expedient offered in the Standard, where the right to consideration corresponds directly with value of the performance completed to date.

The HM Treasury Financial Reporting Manual (FRM) has mandated the exercise of the practical expedient offered in the Standard that requires the Trust to reflect the aggregate effect of all contracts modified before the date of initial application.

Revenue in respect of services provided is recognised when (or as) performance obligations are satisfied by transferring promised services to the customer, and is measured at the amount of the transaction price allocated to those performance obligations.

The main source of revenue for the Trust is contracts with commissioners in respect of healthcare services. A performance obligation relating to delivery of a spell of health care is generally satisfied over time as healthcare is received and consumed simultaneously by the customer as the Trust performs it. The customer in such a contract is the commissioner, but the customer benefits as services are provided to their patient. Even where a contract could be broken down into separate performance obligations, healthcare generally aligns with paragraph 22(b) of the Standard entailing a delivery of a series of goods or services that are substantially the same and have a similar pattern of transfer.

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 income is received for a specific performance obligation that is to be satisfied in the following year, that income is deferred and recognised as a contract liability.

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 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 a provision for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

## **1.8. Employee Benefits**

### **1.8.1. Short-term employee benefits**

Salaries, wages and employment-related payments, including payments arising from the apprenticeship levy, are recognised in the period in which the service is received from employees. The cost of leave earned but not taken by employees at the end of the period is not recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period as it is not deemed to be material.

## **1.8.2. Pension costs**

### **NHS Pensions**

Past and present employees are covered by the provisions of the NHS Pensions Scheme (the scheme). The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies allowed under the direction of the Secretary of State in England and Wales. The scheme is 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, the scheme is accounted for as though it were a defined contribution scheme and the cost to the NHS body of participating in a scheme is taken as equal to the contributions payable to the scheme for the accounting period. Employer's pension cost contributions are charge to operating expenses as and when they become due.

For early retirements other than those due to ill-health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to expenditure at the time the Trust commits itself to the retirement, regardless of the method of payment.

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

### **Local Government Pension Scheme**

Some Adult Social Care employees are members of the Local Government Pension Scheme (LGPS), which is a defined benefit pension scheme. The scheme assets and liabilities attributable to those employees can be identified and are recognised in the Trust's accounts. The assets are measured at fair value and the liabilities at the present value of the future obligations.

The increase in the liability arising from pensionable service earned during the year is recognised within operating expenses. The net interest cost during the year arising from the unwinding of the discount on the scheme liabilities is recognised within finance costs. Re-measurements of the defined benefit plan are recognised in the Income and Expenditure reserve and reported as an item of other comprehensive income.

## **1.9. Expenditure on other goods and services**

Expenditure on other goods and services is recognised when, and to the extent that, the goods or services have been received. They are measured at the fair value of the consideration payable. Expenditure is recognised in the Statement of Comprehensive Income except where it results in the creation of a non-current asset such as property, plant and equipment.

## **1.10. Property, plant and equipment**

### **1.10.1. Recognition**

Property, plant and equipment is capitalised if:

- 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 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, 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 individual useful economic lives.

### **1.10.2. 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 that are held for their service potential and are in use are measured subsequently at their current value in existing use. Assets that were most recently held for their service potential but are surplus are measured at fair value where there are no restrictions preventing access to the market at the reporting date.

### **1.10.3. Revaluation**

Revaluations of property, plant and equipment 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;
- Specialised buildings – depreciated replacement cost on a modern equivalent asset (MEA) basis.

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

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, borrowing costs. 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 economic lives or low values or both, as this is not considered to be materially different from current value in existing use.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there.

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

### **1.10.4. 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. Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised.

## **1.11. Intangible assets**

### **1.11.1. Recognition**

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the Trust's business or which arise from contractual or other legal rights.

They 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; and where the cost is at least £5,000.

Software which 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 which is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset.

Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use;
- The intention to complete the intangible asset and use it;
- The ability to sell or use the intangible asset;
- How the intangible asset will generate probable future economic benefits or service potential;
- The availability of adequate technical, financial and other resources to complete the intangible asset and sell or use it; and
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

### **1.11.2. Measurement**

Intangible assets acquired separately are initially recognised 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. The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria for recognition are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, intangible assets are carried at current value in existing use by reference to an active market, or, where no active market exists, at the lower of amortised replacement cost (MEA basis) and value in use where the asset is income generating. Internally-developed software is held at historic cost to reflect the opposing effects of increases in development costs and technological advances.

Revaluations and impairments are treated in the same manner as for property, plant and equipment.

## **1.12. Depreciation, amortisation and impairments**

Freehold land, assets under construction or development and assets held for sale are not depreciated/amortised.

Otherwise, depreciation or amortisation is charged to write off the costs or valuation of property, plant and equipment and intangible assets, less any residual value, on a straight-line basis over their estimated useful lives. The estimated useful life of an asset is the period over which the Trust expects to obtain economic benefits or service potential from the asset. This is specific to the Trust and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. Any assets held under finance leases are depreciated over the shorter of the lease term and the estimated useful life, unless the Trust expects to acquire the asset at the end of the lease term, in which case the asset is depreciated in the same manner as for owned assets.

At each financial year end, the Trust checks whether there is any indication that its property, plant and equipment or intangible assets have suffered an impairment loss. If there is indication of such an impairment, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually at the financial year end.

A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure.

Impairment losses that arise from a clear consumption of economic benefit should be taken to expenditure. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

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

## **1.13. Leases**

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.

### **1.13.1. The Trust as lessee**

Property, plant and equipment held under finance leases are initially recognised, at the inception of the lease, at fair value or, if lower, at the present value of the minimum lease payments, with a matching liability for the lease obligation to the lessor. Lease payments are apportioned between finance charges and reduction of the lease obligation to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the Statement of Comprehensive Income.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a

reduction of rentals on a straight-line basis over the lease term. Contingent rentals are recognised as an expense in the period in which they are incurred.

Where a lease is for land and buildings, the land and building components are separated and individually assessed as to whether they are operating or finance leases.

#### **1.13.2. The Trust as lessor**

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.

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

#### **1.14. Inventories**

Inventories are valued at the lower of cost and net realisable value, using the first-in first-out cost formula. This is considered to be a reasonable approximation to fair value due to the high turnover of stocks.

#### **1.15. Cash and cash equivalents**

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

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

#### **1.16. Provisions**

Provisions are recognised when the Trust has a present legal or constructive obligation as a result of a past event, it is probable that the Trust will be required to settle the obligation, and a reliable estimate can be made of the amount 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.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

#### **1.17. Clinical negligence costs**

NHS Resolution (the trading name of the NHS Litigation Authority NHSLA) operates a risk pooling scheme under which the Trust pays an annual contribution to NHS Resolution, which in return settles all clinical negligence claims. The contribution is charged to expenditure. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the Trust is disclosed in note 16 but is not recognised in the Trust's accounts.

### **1.18. Non-clinical risk pooling**

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

### **1.19. Contingent liabilities and contingent assets**

A contingent liability is a possible obligation that arises from a past event and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from a past event and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Trust. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingent liabilities and contingent assets are disclosed at their present value.

### **1.20. Financial assets**

Financial assets are recognised when the Trust becomes party to the contractual provision of the financial instrument or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or when the asset has been transferred and the Trust has transferred substantially all of the risks and rewards of ownership or has not retained control of the asset.

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 the Office of National Statistics.

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

Financial assets are classified into the following categories:

- Financial assets at amortised cost;
- Financial assets at fair value through other comprehensive income; and
- Financial assets at fair value through profit and loss.

The classification is determined by the cash flow and business model characteristics of the financial assets, as set out in IFRS 9, and is determined at the time of initial recognition.

#### **1.20.1. Financial assets at amortised cost**

Financial assets measured at amortised cost are those held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and where the cash flows are solely payments of principal and interest. This includes most trade receivables, loans receivable and other simple debt instruments. This is the only category of financial assets relevant to the Trust.

The Trust's financial assets at amortised cost comprise:

- Cash and cash equivalents;
- NHS receivables;
- Other receivables; and
- Accrued income.

After initial recognition, these financial assets are measured at amortised cost using the effective interest method, less any impairment. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the life of the financial asset to the gross carrying amount of the financial asset.

### **1.20.2. Impairment**

For all financial assets measured at amortised cost, lease receivables and contract assets, the Trust recognises a loss allowance representing expected credit losses on the financial instrument.

The Trust adopts the simplified approach to impairment, in accordance with IFRS 9, and measures the loss allowance for trade receivables, contract assets and lease receivables at an amount equal to lifetime expected credit losses. For any other financial assets, the loss allowance is measured at an amount equal to lifetime expected credit losses if the credit risk on the financial instrument has increased significantly since initial recognition (stage 2), and otherwise at an amount equal to 12-month expected credit losses (stage 1).

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.

Additionally, the DHSC provides a guarantee of last resort against the debts of its arm's length bodies and NHS bodies (excluding NHS charities), and the Trust does not normally 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 the estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

### **1.21. Financial liabilities**

Financial liabilities are recognised when the Trust becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been extinguished, that is, the obligation has been discharged or cancelled or has expired.

#### **1.21.1. Other financial liabilities**

All of the Trust's financial liabilities are classified as other financial liabilities.

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the amortised cost of the financial liability.

### **1.22. Value Added Tax**

Most of the activities of the Trust are outside the scope of value added tax (VAT). Irrecoverable VAT is charged to the relevant expenditure category or included in the

capitalised purchase cost of non-current assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

### **1.23. Public Dividend Capital (PDC) and PDC dividend**

PDC is a type of public sector equity finance, which represents the DHSC's investment in the Trust. HM Treasury has determined that, being issued under statutory authority rather than under contract, PDC is not a financial instrument within the meaning of IAS 32.

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

An annual charge, reflecting the cost of capital utilised by the Trust, is payable to the DHSC as PDC dividend. The charge is calculated at the real rate set by the Secretary of State with the consent of HM Treasury (currently 3.5%) on the average relevant net assets of the Trust. Relevant net assets are calculated as the value of all assets less all liabilities, except for:

- Donated and grant funded assets;
- Average daily cash balances held with the Government Banking Service (GBS) and National Loans Fund deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility; and
- Any PDC dividend balance receivable or payable.

The average relevant net assets are calculated as a simple average of opening and closing relevant net assets.

In accordance with the requirements laid down by the DHSC, 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.

### **1.24. Losses and special payments**

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

Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had the Trust not been bearing its own risks (with insurance premiums then being included as normal revenue expenditure).

The losses and special payments note (note 19) is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

### **1.25. Early adoption of standards, amendments and interpretations**

No new accounting standards or revisions to existing standards have been early adopted in 2019/20.

### **1.26. 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 2019/20. These Standards are still subject to HM Treasury FReM adoption, with IFRS 16 being for implementation in 2021/22, and the government implementation date for IFRS 17 still subject to HM Treasury consideration:

- IFRS 16 Leases – The Standard is effective from 1 April 2021 as adapted and interpreted by the FReM.
- IFRS 17 Insurance Contracts – Application required for accounting periods beginning on or after 1 January 2021, but not yet adopted by the FReM: early adoption is not therefore permitted.

### **IFRS 16 Leases**

IFRS 16 Leases will replace IAS 17 Leases, IFRIC 4 Determining Whether an Arrangement Contains a Lease and other interpretations and is applicable in the public sector for periods beginning on 1 April 2021. The standard provides a single accounting model for lessees, recognising a right of use asset and obligation in the statement of financial position for most leases: some leases are exempt through application of practical expedients explained below. For those recognised in the statement of financial position the standard also requires the remeasurement of lease liabilities in specific circumstances after the commencement of the lease term. For lessors, the distinction between operating and finance leases will remain and the accounting will be largely unchanged.

IFRS 16 changes the definition of a lease compared to IAS 17 and IFRIC 4. The Trust will apply this definition to new leases only and will grandfather its assessments made under the old standards of whether existing contracts contain a lease.

On transition to IFRS 16 on 1 April 2021, the Trust will apply the standard retrospectively with the cumulative effect of initially applying the standard recognised in the income and expenditure reserve at that date. For existing operating leases with a remaining lease term of more than 12 months and an underlying asset value of at least £5,000, a lease liability will be recognised equal to the value of remaining lease payments discounted on transition at the Trust's incremental borrowing rate. The Trust's incremental borrowing rate will be a rate defined by HM Treasury. Currently this rate is 1.27% but this may change between now and adoption of the standard. The related right of use asset will be measured equal to the lease liability adjusted for any prepaid or accrued lease payments. For existing peppercorn leases not classified as finance leases, a right of use asset will be measured at current value in existing use or fair value. The difference between the asset value and the calculated lease liability will be recognised in the income and expenditure reserve on transition. No adjustments will be made on 1 April 2021 for any existing finance leases.

For leases commencing in 2021/22, the Trust will not recognise a right of use asset or lease liability for short-term leases (less than or equal to 12 months) or for leases of low value assets (less than £5,000). Right of use assets will be subsequently measured on a basis consistent with owned assets and depreciated over the length of the lease term.

HM Treasury revised the implementation date for IFRS 16 in the UK public sector to 1 April 2021 on 19 March 2020. Due to the need to reassess lease calculations, together with uncertainty on expected leasing activity from April 2021 and beyond, a quantification of the expected impact of applying the standard in 2021/22 is currently impracticable. However, the Trust does expect this standard to have a material impact on non-current assets, liabilities and depreciation.

## **2. Operating Segments**

The services provided by the Trust are interdependent and therefore the Board considers that the Trust has only one operating segment, that of the provision of health and social care.



### 3. Operating income

#### 3.1. Operating income (by source)

	2019/20 £000	2018/19 £000
<b>Income from patient care activities received from:</b>		
NHS England	6,465	3,039
Clinical commissioning groups	45,973	44,465
NHS Foundation Trusts	3,471	2,579
NHS Trusts	2	1
Local authorities	24,468	24,695
Department of Health and Social Care	0	880
Injury cost recovery scheme	243	164
Non-NHS: other	165	348
<b>Total income from patient care activities (by source)</b>	<b>80,787</b>	<b>76,170</b>
<b>Other operating income</b>		
Education and training (excluding notional apprenticeship levy income)	1,381	2,171
Provider Sustainability Fund	990	2,963
Charitable and other income	629	326
Rental revenue from operating leases	1,360	1,465
<b>Total other operating income</b>	<b>4,360</b>	<b>6,924</b>
<b>Total operating income</b>	<b>85,147</b>	<b>83,094</b>

#### 3.2. Operating income (by nature)

	2019/20 £000	2018/19 £000
<b>Community services</b>		
Income from CCGs and NHS England	50,220	47,503
Income from other sources (e.g. local authorities)	27,941	27,275
<b>All services</b>		
Agenda for Change pay award central funding*	0	880
Additional pension contribution central funding**	2,218	0
Other clinical income	408	512
<b>Total income from patient care activities (by nature)</b>	<b>80,787</b>	<b>76,170</b>
Total other operating income	4,360	6,924
<b>Total operating income</b>	<b>85,147</b>	<b>83,094</b>

\*Additional costs of the Agenda for Change pay reform in 2018/19 received central funding. From 2019/20 this funding is incorporated into tariff for individual services commissioned by NHS organisations.

\*\*The employer contribution rate for NHS pensions increased from 14.3% to 20.6% (excluding administration charge) from 1 April 2019. For 2019/20, NHS providers 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.

### 3.3. Income from activities arising from 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. However, unlike Acute Trusts, as a Community Trust, no Commissioner requested services are defined in the provider license. The table below reflects the core contracts to Local Authorities, CCGs and NHS England.

	<b>2019/20</b>	<b>2018/19</b>
	<b>£000</b>	<b>£000</b>
<b>Core contracts</b>		
CCGs	40,938	38,910
Local authorities	23,829	23,952
NHS England	3,315	2,320
<b>Total core contracts</b>	<b>68,082</b>	<b>65,182</b>
Other services	17,065	17,912
<b>Total operating income</b>	<b>85,147</b>	<b>83,094</b>

#### 4. Operating expenses

	<b>2019/20</b>	<b>2018/19</b>
	<b>£000</b>	<b>£000</b>
Purchase of healthcare from NHS and DHSC bodies	929	1,244
Purchase of healthcare from non-NHS and non-DHSC bodies	502	879
Staff and executive directors costs	63,151	57,637
Non-executive directors	95	86
Supplies and services - clinical (excluding drugs costs)	4,619	4,664
Supplies and services - general	702	924
Drugs costs (drugs inventory consumed and purchase of non-inventory drugs)	746	769
Consultancy	262	239
Establishment	2,194	2,219
Premises - business rates collected by local authorities	301	582
Premises - other	2,170	2,246
Transport (business travel only)	142	194
Depreciation	1,640	1,220
Amortisation	580	593
Movement in credit loss allowance: contract receivables/assets	269	76
Movement in credit loss allowance: all other receivables & investments	18	0
Provisions arising/released in year	10	261
Audit fees payable to the external auditor:		
- Audit services - statutory audit	52	48
- Other auditor remuneration (payable to external auditor only)	9	9
Internal audit - non-staff	65	77
Clinical negligence - amounts payable to NHS Resolution (premium)	130	133
Legal fees	112	233
Insurance	109	96
Education and training - non-staff	1,287	1,663
Operating lease expenditure (net)	3,366	3,410
Car parking and security	278	263
Hospitality	3	4
Other losses and special payments - non-staff	20	14
Other services (e.g. external payroll)	348	319
Other	0	10
<b>Operating expenditure</b>	<b>84,109</b>	<b>80,112</b>
Impairments net of (reversals)	(430)	(19)
<b>Total operating expenditure</b>	<b>83,679</b>	<b>80,093</b>

The external auditors' liability is limited to £2,000,000.

## 5. Operating leases

### 5.1. Trust as lessee

The majority of the Trust's operating leases are in respect of properties which are owned by NHS Property Services.

	<b>Total</b>	<b>2019/20</b>	<b>Other</b>
	<b>£000</b>	<b>Buildings</b>	<b>£000</b>
		<b>£000</b>	<b>£000</b>
<b>Operating lease expense</b>			
Minimum lease payments	2,556	2,523	33
Service charges	810	810	0
<b>Total</b>	<b>3,366</b>	<b>3,333</b>	<b>33</b>
<b>Future minimum lease payments due:</b>			
- not later than one year	2,682	2,635	47
- later than one year and not later than five years	9,475	9,452	23
- later than five years	29,205	29,205	0
<b>Total</b>	<b>41,362</b>	<b>41,292</b>	<b>70</b>
	<b>Total</b>	<b>2018/19</b>	<b>Other</b>
	<b>£000</b>	<b>Buildings</b>	<b>£000</b>
		<b>£000</b>	<b>£000</b>
<b>Operating lease expense</b>			
Minimum lease payments	2,748	2,717	31
Service charges	662	662	0
<b>Total</b>	<b>3,410</b>	<b>3,379</b>	<b>31</b>
<b>Future minimum lease payments due:</b>			
- not later than one year	2,771	2,717	54
- later than one year and not later than five years	10,787	10,748	40
- later than five years	29,610	29,610	0
<b>Total</b>	<b>43,169</b>	<b>43,075</b>	<b>94</b>

### 5.2. Trust as lessor

The majority of rental agreements are in respect of Trust-owned properties occupied by other NHS organisations. Several contracts are now negotiated on a rolling basis with up to one years' notice and therefore there is no contractual obligation after one year.

	<b>2019/20</b>	<b>2018/19</b>
	<b>£000</b>	<b>£000</b>
<b>Operating lease revenue</b>		
Minimum lease payments	1,360	1,465
<b>Total</b>	<b>1,360</b>	<b>1,465</b>
<b>Future minimum lease receipts due:</b>		
- not later than one year	1,320	1,350
- later than one year and not later than five years	1,017	697
- later than five years	1,084	597
<b>Total</b>	<b>3,421</b>	<b>2,645</b>

## 6. Employee benefits

	2019/20	2018/19
	£000	£000
Salaries and wages	46,504	44,784
Social security costs	3,972	3,806
Apprenticeship levy	215	207
Pension cost - employer contributions to NHS pension scheme	5,057	4,925
Pension cost - employer contributions paid by NHSE on provider's behalf (6.3%)	2,218	0
Pension cost - other	2,738	1,807
Termination benefits	251	0
Temporary staff - agency/contract staff	2,196	2,108
<b>Total staff costs</b>	<b>63,151</b>	<b>57,637</b>

### 6.1. Exit packages

During 2019/20 no voluntary redundancies were agreed (2018/19: none, £nil). Fifteen compulsory redundancies were agreed in relation to the Phlebotomy service at a total cost of £251,196 (2018/19: none, £nil). A provision was created for these redundancy costs in 2018/19 but individual redundancies had not been agreed as at 31 March 2019.

### 6.2. Pension costs – NHS Pension Scheme

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at [www.nhsbsa.nhs.uk/pensions](http://www.nhsbsa.nhs.uk/pensions). Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State 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 2020 is based on valuation data as at 31 March 2019, updated to 31 March 2020 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

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

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

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6%, and the Scheme Regulations were amended accordingly.

The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap set following the 2012 valuation. Following a judgment from the Court of Appeal in December 2018 Government announced a pause to that part of the valuation process pending conclusion of the continuing legal process.

### **6.3. Pension costs – Local Government Pension Scheme**

On 1 June 2017 Wirral Metropolitan Borough Council transferred its Adult and Social Care services to the Trust. As part of this agreement 206 staff were transferred under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE). Of these employees 175 are active members of the Merseyside Pension Fund. Therefore, with effect from 1 June 2017 the Trust became an admitted member of the pension scheme.

The Merseyside Pension Fund is a multi-employer scheme operated under the regulatory framework for the Local Government Pension Scheme (LGPS). The governance of the scheme is the responsibility of the Fund Pensions Committee, which comprises representatives from participating employers. Policy is determined in accordance with the Public Service Pensions Act 2013. Unlike the NHS Pension Scheme this is a funded defined benefit final salary scheme where the scheme assets and liabilities of each scheme member can be separately identified. The Trust and employees pay contributions into a fund, calculated at a level intended to balance the pension's liabilities with investment assets. This is subject to actuarial review by the fund's actuaries, Mercer.

Wirral Metropolitan Borough Council has provided guarantees to the Trust, indemnifying them against pension liabilities over the period of the contract (except for early retirements where the Trust will bear any additional costs arising from these specific arrangements). Therefore, the Trust recognises a contingent asset, disclosed in note 16, for the total liabilities arising from the latest actuarial review.

Given the very volatile nature of the financial markets due to COVID-19, the production of the fund valuation figures were delayed until June 2020 to limit the reliance on estimates and avoid later restatement.

The Pension Fund has reported that there are various factors that affect the complexity of valuation and the realisable value of assets. The Trust have considered the stated valuation range provided by the Pension Fund and consider that the assets are reported on the best available information and that the impact of maximum increases and decreases within the range would not have a material impact on the Trust share of Pension Fund assets.

### 6.3.1 Changes in the defined benefit obligation and fair value of plan assets during the year

	2019/20 £000	2018/19 £000
<b>Present value of the defined benefit obligation at 1 April</b>	<b>(27,151)</b>	<b>(23,375)</b>
Current service cost	(1,638)	(1,565)
Interest cost	(700)	(631)
Contribution by plan participants	(325)	(319)
Remeasurement of the net defined benefit (liability)/asset:		
- Actuarial (gains)/losses	(561)	(1,662)
Benefits paid	193	401
Past service costs*	(782)	0
<b>Present value of the defined benefit obligation at 31 March</b>	<b>(30,964)</b>	<b>(27,151)</b>
<b>Plan assets at fair value at 1 April</b>	<b>18,229</b>	<b>16,345</b>
Interest income	469	453
Remeasurement of the net defined benefit (liability)/asset:		
- Actuarial gains/(losses)	997	600
Administration expenses	(25)	(25)
Contributions by the employer	927	938
Contributions by the plan participants	325	319
Benefits paid	(193)	(401)
<b>Plan assets at fair value at 31 March</b>	<b>20,729</b>	<b>18,229</b>
<b>Plan surplus/(deficit) at 31 March</b>	<b>(10,235)</b>	<b>(8,922)</b>

\*Past service cost includes McCloud impact (£756k) and GMP indexation (£26k).

### 6.3.2 Reconciliation of the present value of the defined benefit obligation and the plan assets to the assets and liabilities recognised in the SoFP

	31 March 2020 £000	31 March 2019 £000
Present value of the defined benefit obligation	(30,964)	(27,151)
Plan assets at fair value	20,729	18,229
<b>Net defined benefit (obligation)/asset recognised in the SoFP at 31 March</b>	<b>(10,235)</b>	<b>(8,922)</b>
<b>Total net (liability)/asset after the impact of reimbursement rights as at 31 March</b>	<b>(10,235)</b>	<b>(8,922)</b>

### 6.3.3 Amounts recognised in the SoCI

	2019/20 £000	2018/19 £000
Current service cost	(1,638)	(1,565)
Interest expense/income	(256)	(203)
Past service cost	(782)	0
<b>Total net (charge)/gain recognised in SoCI</b>	<b>(2,676)</b>	<b>(1,768)</b>
<b>Comprising:</b>		
Contributions made by the Trust recognised in SoCI	(927)	(938)
Liability arising from actuarial adjustments guaranteed by Wirral MBC	(1,749)	(830)
	<b>(2,676)</b>	<b>(1,768)</b>

### 6.3.4 Actuarial assumptions

	2019/20		2018/19	
	Start of period	End of period	Start of period	End of period
<b>Financial assumptions</b>				
Inflation	2.2%	2.1%	2.1%	2.2%
Rate of salary increase	3.7%	3.6%	3.6%	3.7%
Rate of pensions increase	2.3%	2.2%	2.2%	2.3%
Discount rate	2.5%	2.4%	2.7%	2.5%
<b>Post retirement mortality assumptions (normal health)</b>				
<b>Non-retired members</b>				
	27.9	25.9	27.8	27.9
Female	years	years	years	years
	25.2	22.5	25.0	25.2
Male	years	years	years	years
<b>Retired members</b>				
	25.0	24.0	24.8	25.0
Female	years	years	years	years
	22.2	20.9	22.0	22.2
Male	years	years	years	years

### 6.4. Retirements due to ill-health

During 2019/20 there were two (at a total value of £156,300) early retirements from the Trust on the grounds of ill-health (2018/19: two, £116,270). The cost of early retirements is borne by the Trust, but where this is due to ill-health these costs are met by the NHS Pension Scheme. There were no early retirements from the Local Government Pension Scheme (2018/19: nil).

### 7. Impairment of assets

During 2019/20 the Trust reviewed its non-current assets and, following the advice of the Trust's valuers, made the following impairment adjustments to the Trust's land and buildings. No impairments were identified in any other class of tangible or intangible assets.



	<b>2019/20</b>		
	<b>Net impairments £000</b>	<b>Impairments £000</b>	<b>Reversals £000</b>
<b>Impairments and (reversals) charged to operating surplus/deficit</b>			
Changes in market price	(430)	83	(513)
<b>Total impairments and (reversals) charged to operating surplus/deficit</b>	<b>(430)</b>	<b>83</b>	<b>(513)</b>
<b>Total impairments and (reversals)</b>	<b>(430)</b>	<b>83</b>	<b>(513)</b>

	<b>2018/19</b>		
	<b>Net impairments £000</b>	<b>Impairments £000</b>	<b>Reversals £000</b>
<b>Impairments and (reversals) charged to operating surplus/deficit</b>			
Changes in market price	(19)	41	(60)
<b>Total impairments and (reversals) charged to operating surplus/deficit</b>	<b>(19)</b>	<b>41</b>	<b>(60)</b>
Total net impairments charged to revaluation reserve	327	327	0
<b>Total impairments and (reversals)</b>	<b>308</b>	<b>368</b>	<b>(60)</b>

## 8. Intangible assets

	<b>Total (Software licences) £000</b>
<b>2019/20</b>	
<b>Valuation/gross cost at 1 April 2019 - brought forward</b>	<b>2,443</b>
Additions - purchased	151
<b>Valuation/gross cost at 31 March 2020</b>	<b>2,594</b>
<b>Accumulated amortisation at 1 April 2019 - brought forward</b>	<b>1,458</b>
Provided during the year	580
Reclassifications*	(94)
<b>Accumulated amortisation at 31 March 2020</b>	<b>1,944</b>
<b>Net book value at 31 March 2020</b>	<b>650</b>

\*Classification amendment between intangible assets and property, plant and equipment.

	<b>Total (Software licences) £000</b>
<b>2018/19</b>	
<b>Valuation/gross cost at 1 April 2018 - brought forward</b>	<b>2,373</b>
Additions - purchased	141
Disposals	(71)
<b>Valuation/gross cost at 31 March 2019</b>	<b>2,443</b>
<b>Accumulated amortisation at 1 April 2018 - brought forward</b>	<b>936</b>
Provided during the year	593
Disposals	(71)
<b>Accumulated amortisation at 31 March 2019</b>	<b>1,458</b>
<b>Net book value at 31 March 2019</b>	<b>985</b>

### **8.1. Economic life of intangible assets**

The economic life of intangible assets is based on assessment of the individual asset within three to five years.

## 9. Property, plant and equipment – 2019/20

	Total £000	Land £000	Buildings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000
<b>2019/20</b>								
<b>Valuation/gross cost at 1 April 2019 - brought forward</b>	<b>26,676</b>	<b>1,127</b>	<b>18,467</b>	<b>0</b>	<b>1,543</b>	<b>13</b>	<b>5,076</b>	<b>450</b>
Additions - purchased	2,137	0	590	97	280	0	1,170	0
Impairments charged to operating expenses	(125)	0	(125)	0	0	0	0	0
Reversal of impairments credited to operating expenses	146	0	146	0	0	0	0	0
Revaluations	61	0	61	0	0	0	0	0
<b>Valuation/gross cost at 31 March 2020</b>	<b>28,895</b>	<b>1,127</b>	<b>19,139</b>	<b>97</b>	<b>1,823</b>	<b>13</b>	<b>6,246</b>	<b>450</b>
<b>Accumulated depreciation at 1 April 2019 - brought forward</b>	<b>3,494</b>	<b>0</b>	<b>19</b>	<b>0</b>	<b>895</b>	<b>13</b>	<b>2,172</b>	<b>395</b>
Provided during the year	1,640	0	465	0	150	0	996	29
Impairments charged to operating expenses	(42)	0	(42)	0	0	0	0	0
Reversal of impairments credited to operating expenses	(367)	0	(367)	0	0	0	0	0
Revaluations	(49)	0	(49)	0	0	0	0	0
Reclassifications	94	0	4	0	0	0	94	(4)
<b>Accumulated depreciation at 31 March 2020</b>	<b>4,770</b>	<b>0</b>	<b>30</b>	<b>0</b>	<b>1,045</b>	<b>13</b>	<b>3,262</b>	<b>420</b>

## 9.1. Property, plant and equipment – 2018/19

	Total £000	Land £000	Buildings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000
<b>2018/19</b>								
<b>Valuation/gross cost at 1 April 2018 - brought forward</b>	<b>24,845</b>	<b>1,127</b>	<b>18,203</b>	<b>0</b>	<b>1,273</b>	<b>13</b>	<b>3,779</b>	<b>450</b>
Additions - purchased	2,420	0	635	0	270	0	1,516	0
Impairments charged to the revaluation reserve	(327)	0	(327)	0	0	0	0	0
Revaluations	(44)	0	(44)	0	0	0	0	0
Disposals	(218)	0	0	0	0	0	(218)	0
<b>Valuation/gross cost at 31 March 2019</b>	<b>26,676</b>	<b>1,127</b>	<b>18,467</b>	<b>0</b>	<b>1,543</b>	<b>13</b>	<b>5,076</b>	<b>450</b>
<b>Accumulated depreciation at 1 April 2018 - brought forward</b>	<b>2,773</b>	<b>0</b>	<b>10</b>	<b>0</b>	<b>779</b>	<b>13</b>	<b>1,665</b>	<b>306</b>
Provided during the year	1,220	0	289	0	116	0	726	89
Impairments charged to operating expenses	41	0	41	0	0	0	0	0
Reversal of impairments credited to operating expenses	(60)	0	(60)	0	0	0	0	0
Revaluations	(262)	0	(262)	0	0	0	0	0
Disposals	(218)	0	0	0	0	0	(218)	0
<b>Accumulated depreciation at 31 March 2019</b>	<b>3,494</b>	<b>0</b>	<b>19</b>	<b>0</b>	<b>895</b>	<b>13</b>	<b>2,172</b>	<b>395</b>

## 9.2. Property, plant and equipment financing – 2019/20

	<b>Total £000</b>	<b>Land £000</b>	<b>Buildings £000</b>	<b>Assets under construction £000</b>	<b>Plant &amp; machinery £000</b>	<b>Transport equipment £000</b>	<b>Information technology £000</b>	<b>Furniture &amp; fittings £000</b>
<b>2019/20</b>								
<b>Net book value (NBV) at 31 March 2020</b>								
Owned - purchased	<b>24,125</b>	1,127	19,109	97	778	0	2,984	30
<b>NBV total at 31 March 2020</b>	<b>24,125</b>	<b>1,127</b>	<b>19,109</b>	<b>97</b>	<b>778</b>	<b>0</b>	<b>2,984</b>	<b>30</b>

## 9.3. Property, plant and equipment financing – 2018/19

	<b>Total £000</b>	<b>Land £000</b>	<b>Buildings £000</b>	<b>Assets under construction £000</b>	<b>Plant &amp; machinery £000</b>	<b>Transport equipment £000</b>	<b>Information technology £000</b>	<b>Furniture &amp; fittings £000</b>
<b>2018/19</b>								
<b>Net book value (NBV) at 31 March 2019</b>								
Owned - purchased	<b>23,182</b>	1,127	18,448	0	648	0	2,904	55
<b>NBV total at 31 March 2019</b>	<b>23,182</b>	<b>1,127</b>	<b>18,448</b>	<b>0</b>	<b>648</b>	<b>0</b>	<b>2,904</b>	<b>55</b>

#### 9.4. Valuation of land and buildings

The Trust's land and buildings comprise several health centres and clinics across the Wirral. As disclosed in note 1, the estate was revalued by Cushman and Wakefield (DTZ Debenham Tie Leung Ltd) as at 31 March 2020. The valuation has been based on existing use value using the depreciated replacement cost approach as certain properties are specialised in nature. The valuers have assumed that the replacement would be with a modern equivalent asset, which may in some cases be a smaller property.

As a result of the COVID-19 outbreak, the valuation provided by Cushman and Wakefield (DTZ Debenham Tie Leung Ltd) was reported on the basis of 'material valuation uncertainty' as per VPS 3 and VPGA 10 of the RICS Red Book Global. Consequently, less certainty and a higher degree of caution should be attached to the valuation than would normally be the case. However, the inclusion of the 'material valuation uncertainty' declaration does not mean that the valuation cannot be relied upon. COVID-19 has not impacted NHS property values to the same extent as other property sectors, for example leisure and retail, the demand for which, at least in the short-term, has significantly reduced. There has been no reduction in the occupancy/use, and therefore demand, for the Trust's property. Furthermore, the property valuations provided on a depreciated replacement cost basis, with the exception of any land components, were based on comparable build cost information published by the RICS Building Cost Information Service (BCIS) up to and including the valuation date of 31 March 2020. It is not anticipated that any subsequent fluctuations in this information will significantly influence the output produced. The valuer has continued to exercise professional judgement in providing the valuation and this remains the best information available to the Trust.

#### 9.5. Economic life of property, plant and equipment

The economic life of property, plant and equipment, is based on assessment of the individual asset or, in the case of buildings, the advice of the Trust's valuers.

	<b>Min life Years</b>	<b>Max life Years</b>
Buildings	5	44
Plant & machinery	5	15
Transport equipment	3	7
Information technology	3	10
Furniture & fittings	5	24

#### 10. Capital commitments

At 31 March 2020 the Trust had £27,203 capital commitments (31 March 2019: £187,041).

#### 11. Inventories

	<b>2019/20 Consumables £000</b>	<b>2018/19 Consumables £000</b>
<b>Carrying value at 1 April - brought forward</b>	<b>471</b>	<b>471</b>
Additions	3,165	3,115
Inventories consumed (recognised in expenses)	(3,149)	(3,115)
<b>Carrying value at 31 March</b>	<b>487</b>	<b>471</b>

## 12. Trade and other receivables

	31 March 2020 £000	31 March 2019 £000
<b>Current</b>		
Contract receivables (IFRS 15): invoiced	4,308	2,710
Contract receivables (IFRS 15): not yet invoiced/non-invoiced	1,503	3,004
Allowance for impaired contract receivables/assets	(602)	(450)
Allowance for impaired other receivables	(48)	(52)
Prepayments (revenue)	834	1,190
PDC dividend receivable	40	68
VAT receivable	76	225
Other receivables	220	237
<b>Total current receivables</b>	<b>6,331</b>	<b>6,932</b>
<b>Non-current</b>		
Other receivables	235	131
Allowance for impaired other receivables	(51)	(29)
<b>Total non-current receivables</b>	<b>184</b>	<b>102</b>
<b>Of which receivable from NHS and DHSC group bodies:</b>		
Current	1,698	3,390
Non-current	0	0

### 12.1. Provision for impairment of receivables

	Total £000	Contract receivables £000	All other receivables £000
<b>Allowance for credit losses at 1 April 2019 - brought forward</b>	531	450	81
New allowances arising	429	411	18
Reversals of allowances (where receivable is collected in-year)	(142)	(142)	0
Utilisation of allowances (where receivable is written off)	(117)	(117)	0
<b>Total allowance for credit losses at 31 March 2020</b>	<b>701</b>	<b>602</b>	<b>99</b>
<b>Allowance for credit losses at 1 April 2018 - brought forward</b>	520	0	520
Impact of IFRS 9 (and IFRS 15) implementation on 1 April 2018 balance	0	434	(434)
New allowances arising	252	252	0
Reversals of allowances (where receivable is collected in-year)	(176)	(176)	0
Utilisation of allowances (where receivable is written off)	(65)	(60)	(5)
<b>Total allowance for credit losses at 31 March 2019</b>	<b>531</b>	<b>450</b>	<b>81</b>

### 13. Cash and cash equivalents

	2019/20 £000	2018/19 £000
<b>At 1 April</b>	16,880	13,105
Net change in year	1,407	3,775
<b>At 31 March</b>	<b>18,287</b>	<b>16,880</b>
<b>Broken down into:</b>		
Cash at commercial banks and in hand	1	1
Cash with the Government Banking Service	18,286	16,879
<b>Total cash and cash equivalents as in SoFP</b>	<b>18,287</b>	<b>16,880</b>
<b>Total cash and cash equivalents as in SoCF</b>	<b>18,287</b>	<b>16,880</b>

### 14. Trade and other payables

	31 March 2020 £000	31 March 2019 £000
<b>Current</b>		
Trade payables	3,129	2,157
Capital payables (including capital accruals)	96	652
Accruals (revenue costs only)	7,372	9,483
Social security costs	700	668
Other taxes payable	462	462
Other payables	796	843
<b>Total current trade and other payables</b>	<b>12,555</b>	<b>14,264</b>
<b>Of which payable to NHS and DHSC group bodies:</b>	<b>2,540</b>	<b>3,689</b>
<b>Other current liabilities</b>		
Deferred income: contract liability (IFRS 15)	77	114
Deferred income: other (non-IFRS 15)	35	35
<b>Total other current liabilities</b>	<b>112</b>	<b>149</b>
<b>Other non-current liabilities</b>		
Net defined benefit pension scheme liability	10,235	8,922
<b>Total other non-current liabilities</b>	<b>10,235</b>	<b>8,922</b>
<b>Total other liabilities</b>	<b>10,347</b>	<b>9,071</b>

### 15. Provisions for liabilities and charges

	31 March 2020 £000	31 March 2019 £000
Legal claims	22	92
Redundancy	0	186
<b>Total</b>	<b>22</b>	<b>278</b>



£110,382 is included in the provisions of NHS Resolution at 31 March 2020 in respect of clinical negligence liabilities (31 March 2019: £585,233).

### 15.1. Provisions for liabilities and charges - analysis

	Total £000	2019/20 Legal claims £000	Redundancy £000
<b>At 1 April 2019 - brought forward</b>	<b>278</b>	92	186
Arising during the year	<b>82</b>	12	70
Utilised during the year - cash	<b>(266)</b>	<b>(15)</b>	<b>(251)</b>
Reversed unused	<b>(72)</b>	<b>(67)</b>	<b>(5)</b>
<b>At 31 March 2020</b>	<b>22</b>	<b>22</b>	<b>0</b>
<b>Expected timing of cash flows:</b>			
- not later than one year	<b>22</b>	22	0
<b>Total</b>	<b>22</b>	<b>22</b>	<b>0</b>

## 16. Contingencies

### 16.1. Contingent liabilities

The Trust has £10,500 contingent liabilities relating to NHS Resolution cases as at 31 March 2020 (31 March 2019: £6,500). There have been no other contingent liabilities recognised at 31 March 2020 (31 March 2019: nil).

### 16.2. Contingent assets

In 2019/20 the Trust identified a contingent asset of £10,235,000. This represents a contractual guarantee by Wirral Metropolitan Borough Council to underwrite losses to the Trust arising from actuarial valuation of the Merseyside Pension Fund relating to members of the scheme who transferred to the Trust on 1 June 2017. This asset is equal to the liability on the pension scheme disclosed in note 6.3.

## 17. Financial instruments

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 Trust has with Clinical Commissioning Groups and the way those Clinical Commissioning Groups are financed, the Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

The Trust's treasury management operations are carried out by the Finance Department, within parameters defined formally within the Trust's Standing Financial Instructions and policies agreed by the Board of Directors. Trust treasury activity is subject to review by the Trust's internal auditors.

### 17.1. Currency risk

The Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Trust has no overseas operations. The Trust therefore has low exposure to currency rate fluctuations.

## 17.2. Credit risk

Because the majority of the Trust's income comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2020 are in receivables from customers, as disclosed in the trade and other receivables note.

## 17.3. Liquidity risk

The Trust's operating costs are incurred under contracts with Clinical Commissioning Groups, which are financed from resources voted annually by Parliament and other public sector bodies. The Trust funds its capital expenditure from funds available from generated surpluses for the provision of public sector services. The Trust is not, therefore, exposed to significant liquidity risks.

## 17.4. Carrying value of financial assets and liabilities

IFRS 9 Financial Instruments as interpreted and adapted by the DHSC GAM was applied retrospectively from 1 April 2018 without restatement of comparatives. IFRS 9 replaced IAS 39 and introduced a revised approach to classification and measurement of financial assets and financial liabilities and a new forward-looking expected loss impairment model.

	<b>Financial assets at amortised cost</b>	
	<b>31 March 2020</b>	<b>31 March 2019</b>
	<b>£000</b>	<b>£000</b>
<b>Financial assets per the SoFP:</b>		
Receivables (excluding non-financial assets) - with DHSC group bodies	1,658	3,324
Receivables (excluding non-financial assets) - with other bodies	3,907	2,227
Cash and cash equivalents	18,287	16,880
<b>Total as at 31 March</b>	<b>23,852</b>	<b>22,431</b>

	<b>Financial liabilities at amortised cost</b>	
	<b>31 March 2020</b>	<b>31 March 2019</b>
	<b>£000</b>	<b>£000</b>
<b>Financial liabilities per the SoFP:</b>		
Trade and other payables (excluding non-financial liabilities) - with DHSC group bodies	2,540	3,560
Trade and other payables (excluding non-financial liabilities) - with other bodies	8,076	8,771
<b>Total as at 31 March</b>	<b>10,616</b>	<b>12,331</b>

## 18. Related party transactions

Wirral Community Health and Care NHS Foundation Trust is a public interest body authorised by NHS Improvement, the regulator of Foundation Trusts.

The Department of Health and Social Care is a related party as the parent department of the Trust. The Trust has material transactions related NHS clinical commissioning groups, NHS Foundation Trusts and other NHS organisations in the normal course of business.

The table below includes material transactions with these bodies in the financial year:

<b>Organisation</b>	<b>Income £000</b>	<b>Expenditure £000</b>	<b>Receivables Outstanding £000</b>	<b>Payables Outstanding £000</b>
<b>2019/20</b>				
Wirral University Teaching Hospital NHS Foundation Trust	3,852	1,140	341	351
NHS West Cheshire CCG	1,228	0	16	0
NHS Wirral CCG	44,194	142	306	1,098
NHS England	5,287	210	750	28
Bridgewater Community Healthcare NHS Foundation Trust	0	929	0	76
Cheshire & Wirral Partnership NHS Foundation Trust	229	1,274	169	781
NHS Property Services	0	1,155	0	13
Health Education England	1,350	0	11	0
Department of Health and Social Care	0	0	0	0
<b>Total</b>	<b>56,140</b>	<b>4,850</b>	<b>1,593</b>	<b>2,347</b>
<b>2018/19</b>				
Wirral University Teaching Hospital NHS Foundation Trust	2,969	1,142	736	248
NHS West Cheshire CCG	1,153	0	8	40
NHS Wirral CCG	42,790	423	170	436
NHS England	5,996	195	2,219	195
Bridgewater Community Healthcare NHS Foundation Trust	0	842	17	0
Cheshire & Wirral Partnership NHS Foundation Trust	122	850	65	192
NHS Property Services	0	2,509	0	2,144
Health Education England	2,123	0	0	0
Department of Health and Social Care	880	0	3	0
<b>Total</b>	<b>56,033</b>	<b>5,961</b>	<b>3,218</b>	<b>3,255</b>

Additionally, the Trust has material transactions with local government bodies – principally Wirral Metropolitan Borough Council and Cheshire East Council, the NHS Pension Scheme and HMRC.

Ewen Sim was a Board member of the Trust until 2 August 2018 and a GP in the Wirral. Although GP practices are funded for their core service by NHS England, and not through the Trust, they do have other transactions with the Trust.

Fender Way GP practice, where Ewen Sim was a GP until his retirement in August 2018, rents property and incurs service charges from the Trust. The transactions with the practice are shown below:

	<b>Income £000</b>	<b>Expenditure £000</b>	<b>Receivables Outstanding £000</b>	<b>Payables Outstanding £000</b>
<b>Fender Way Medical Practice</b>				
2018/19	39	0	2	0

Receivable balances of £45,660 relating to Fender Way Medical Practice were written off during 2018/19 relating to a dispute with the Trust over historic service charges.

Gerald Meehan became a non-Executive Director on 1 February 2019. He also undertakes work as an adviser for the Cheshire and Merseyside Health and Care Partnership. This is a partnership of health and care providers and commissioners across the Cheshire and Merseyside area, including Wirral Community Health and Care NHS Foundation Trust and is hosted by Warrington and Halton Hospitals NHS Foundation Trust. The Trust paid £32,000 as a contribution to the management costs of the partnership for the 2019/20 financial year (2018/19: £32,000).

Chris Bentley became a non-Executive Director in February 2019. With effect from 1 September 2019 he has undertaken work as an advisor to the Equity and Health Inequalities Teams of NHS England/Improvement and Public Health England, separately and together. Both are related parties to the Trust.

Declarations of interest are given at the start of each meeting by staff members. No other related parties have been identified.

The Trust's Council of Governors are drawn from a range of local stakeholders including patient groups, the local councils, CCGs and other Trusts. Therefore many, by nature of their appointment, have interest in organisations with whom the Trust contracts. A register of interests is maintained and declarations of interest are given at each Governor meeting.

#### **19. Losses and special payments**

During the period the Trust made 9 special payments with a total value of £20,429 (2018/19: 4 at a value of £13,680). Of these, one claim related to a case handled by NHS Resolution at a value of £2,712 (2018/19: 2, £11,769). The Trust wrote off 12 receivable balances in the period with a total value of £120,229 (2018/19: 22 with a total value of £65,704) and there were 2 cases involving a loss of cash in the combined amount of £60 (2018/19: nil).

#### **20. Event after the Statement of Financial Position date**

No adjustments have been made to the financial statements as a result of events occurring after the reporting date.



