

THE WALTON CENTRE NHS FOUNDATION TRUST

ANNUAL REPORT & ACCOUNTS 2013 / 14

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Service Act 2006**

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1.0 STRATEGY, BUSINESS & PERFORMANCE

1.1 Foreword from the Chairman and Chief Executive

Welcome to the Walton Centre NHS Foundation Trust's Annual Report for the period 1st April 2013 to 31st March 2014.

Our vision is:

To provide our patients with excellent neurosurgery, neurology, pain and spinal services, built on research and education and delivered with care, dignity and compassion in line with the Walton Way.

The Walton Centre provides services in the following specialist areas:

- Neurology.
- Neurosurgery.
- Pain Management and Pain Relief.
- Specialist Spinal Services.
- Neuropsychology.
- Rehabilitation.
- Specialist Diagnostic Services.

The Walton Centre was established in 1992 and attained Foundation Trust status on 1st August 2009. It is the only standalone neurosciences trust in the UK and serves a patient population of circa 3.5 million from Merseyside, Cheshire, Lancashire, Greater Manchester, the Isle of Man and North Wales.

This year the Walton Centre has continued with its strategic investment programme to provide first class facilities for patients. Our day case and short stay facility (Jefferson Ward) was extended, refurbished and re-opened in September 2013. This now accommodates ten inpatient beds, nine day case spaces and treatment rooms for minor procedures. This has enabled the Trust to provide more care for day case and short stay patients. Three extra recovery bays have also been opened to accommodate extra surgical activity following the opening of our sixth theatre last year. In addition, work is nearing completion on our fourth MRI scanner. Work on the Trust's new rehabilitation centre also commenced in August 2013. This facility is adjacent to the main Walton Centre building and will accommodate the new specialised rehabilitation unit, a new Pain Management and Neuropsychology facility, twelve additional outpatient clinic rooms, accommodation for relatives and improved teaching and training facilities. In addition Mersey Care

NHS Trust is relocating its acquired brain injuries rehabilitation unit to this new facility which is scheduled to open in January 2015.

Our 'Home from Home' fundraising appeal to raise funds for much needed on-site accommodation for families whose loved ones are undergoing lifesaving treatment at the Trust is on course to reach its target by December 2014. This accommodation will be provided in our new rehabilitation centre building.

The Cheshire and Merseyside Rehabilitation Network has continued to thrive since its official launch in January 2013. The hub of the network is based at the Walton Centre and provides 30 dedicated hyper-acute and acute rehabilitation beds. These are supported by two specialist spoke units at St Helen's Hospital (20 beds) and Broadgreen Hospital (15 beds). The aim of the network is to provide a high quality rehabilitation service via a multidisciplinary team of medical and nursing staff supported by other specialists in key areas such as physiotherapy, occupational therapy and speech & language therapy. Over the last twelve months the network has expanded to include a community specialist service operating from two localities - St. Helen's & Knowsley and Liverpool & South Sefton. This service treats patients with complex rehabilitation needs on discharge from the rehabilitation network and continues rehabilitation programmes in the community. The Trust is also the host Trust for the Cheshire and Mersey Adult Critical Care & Major Trauma Operational Delivery Network.

The Walton Centre aims to provide its patients with high quality care and a positive experience. In November 2013 the Trust underwent an unannounced inspection by the Care Quality Commission and was found to be fully compliant against all the following standards:

- Care and welfare of people who use services.
- Meeting nutritional needs.
- Cleanliness and infection control.
- Staffing.
- Complaints.

To ensure the hospital maintains high quality care and a positive patient experience, patient and staff 'Listening Weeks' regularly take place to learn from the experiences of patients, relatives, carers and staff. The Trust also undertakes regular internal audit and inspections of its services to ensure our ambition of providing excellence in neurosciences is maintained. The Walton Centre was also recently named sixth best hospital in England for cleanliness, food, privacy and dignity in the results of the first Patient Led Assessments of the Care Environment (PLACE).

The Trust is facing increased demands for its services and in these challenging times, research and innovation are integral to transforming the delivery of evidence based, safe, efficient and cost effective care whilst improving health outcomes. The Walton Centre is collaborating with a range of partners including Liverpool Health Partners (LHP), the North West Coast Academic Health Science Network (NWC AHSN) and the North West Coast Collaboration for Leadership in Applied Health Research and Care (NWC CLAHRC) to support the translation of research outputs into practice and the adoption of innovation to transform services. In addition, the Walton Centre has been involved in the Healthy Liverpool Programme established by Liverpool Clinical Commissioning Group (CCG) to develop a vision for health and care provision for the city of Liverpool to address long standing and deep rooted health inequalities.

There have been a number of changes to the Board of Directors during the period covered by this report. These are detailed in section 2. Throughout 2013/14 the Trust has continued to build on its financial position and overall operational effectiveness and we are delighted to announce that we ended the year with a Monitor governance risk rating of green and a Monitor Continuity of Service Risk Rating of 4.

The Board of Directors is responsible for ensuring the production of the Trust's annual report and accounts and consider this annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and other stakeholders to assess the Walton Centre's performance, business model and strategy.

The Trust's successful performance throughout the year was once again due to the hard work and dedication of our magnificent staff and the invaluable assistance provided by our many supporters such as our volunteers, support groups, charitable groups, fundraisers, members, governors, current and ex-patients. The Board of Directors would also like to take this opportunity to thank all those who have raised funds and donated money to the Walton Centre Neuroscience Fund and 'Home from Home' appeal. We are very grateful for your continued support and hard work.



Chris Harrop, Chief Executive



Ken Hoskisson, Chairman

This report was approved and adopted by the Board of Directors on 23 May 2014. The Trust's 2013/14 accounts have been prepared under a direction issued by Monitor under the National Health Service Act 2006.

1.2 Strategic Objectives

The Trust's five year strategy (2012 - 2017) is structured around nine strategic objectives and four goals:

- Objective One: Quality of Care.
- Objective Two: Developing our Centre.
- Objective Three: Neurology Services.
- Objective Four: Neurosurgery, Anaesthesia and Pain Services.
- Objective Five: Rehabilitation.
- Objective Six: Research and Innovation.
- Objective Seven: Reputation and Relationships.
- Objective Eight: Our Workforce.
- Objective Nine: Financial Strength.

The Trust's four goals which shape our objectives are:

1. *Be World Class* - we will provide world class patient care and experience, recruit and retain world class workers and undertake pioneering world class research, development and education.
2. *Always Caring* - we will provide excellent patient care, experience and environment supported by sound governance arrangements and sound business infrastructure.
3. *Forward Thinking* - we will be forward thinking, which will enable our patients to access high quality services in a timely way and in the location of their choice so that we are the provider of choice in our field.
4. *Working Together* - we will work with our staff, governors, members and other stakeholders so that we can respond to opportunities to improve services for patients, their families and carers.

In consultation with staff we have developed the 'Walton Way' values and behaviours. These play a key role in the way the Trust delivers its services. The five core values of the Walton Way and the complementary value of innovation are embedded throughout the Trust in everything we do.

These values are Caring, Dignity, Respect, Openness and Pride.

Our Walton Way values and associated behaviours describe what we mean by quality - we take a pride in all our services and treat our patients with dignity and respect. We ensure that an excellent

standard of care is given and we are open and transparent in all we do with our patients and their families and carers.

Our strategy is to continually improve and develop services on-site at the Walton Centre whilst also extending of our network of specialist services closer to home for the benefit of patients. By extending the specialist element of the patient journey into the community, more patients receive the same high quality of care provided on-site at the Walton Centre and by extending and improving facilities on-site at the Walton Centre we can provide services along the whole length of the patient pathway, including rehabilitation. Research is an essential component of our strategy and we are exploring new and innovative ways of delivering healthcare, adopting more effective treatments where possible. In essence, we aim to offer a more comprehensive service and be more responsive to patient and commissioner needs without diluting the excellent care and treatment currently given.

Over recent years the Trust has experienced a trend of strong growth in activity. Over the four years to 2013/14 inpatient activity has grown by 26% and outpatient activity by 25%. Patients are able to access our specialist services close to home from a network of 12 local hospital satellite bases as we operate on a 'hub and spoke' model. Whilst consultations and diagnostic services are offered from these satellite sites highly specialised assessments and in-patient care is provided mainly on-site at the Walton Centre.

Other key components of the Trust's strategy include:

- As a partner in the Major Trauma Centre Collaborative for Merseyside and Cheshire (MTCC).
- Designation as the hub for the Cheshire and Merseyside Rehabilitation Network.
- Hosting the Cheshire and Mersey Adult Critical Care & Major Trauma Operational Delivery Network.

In 2012 in response to increasing activity the Trust embarked on an ambitious strategic investment programme at a total cost of £40m to increase our capacity. This involved building our new 29 bed Chavasse ward and our new Neuro Research Centre, extending Jefferson day ward to create ten inpatient beds and building a sixth operating theatre. In January 2015 we will also open a three storey building adjacent to the Trust's main building which will accommodate the new specialised rehabilitation unit, a new Pain Management and Neuropsychology facility, twelve additional outpatient clinic rooms, accommodation for relatives, improved teaching and training facilities plus Mersey Care NHS Trust's acquired brain injuries rehabilitation unit.

1.3 Business, Activity and Performance

Throughout 2013/14 the Trust has remained in a strong position on quality, performance and finances. In 2012/13 a review of the divisional structure responsible for the management and delivery of all operational objectives was undertaken which has been further defined in 2013/14. Additional staff have been employed and major improvements to our facilities undertaken to ensure the Trust's two divisions - Neurosurgery and Neurology continue to deliver excellent care to our patients.

The Division of Neurosurgery is responsible for:

- Neurosurgery.
- Anaesthetics.
- Theatres.
- Critical Care.
- Pain services.
- Pathology.
- Day Case Unit.

The Division of Neurology is responsible for:

- Neurology.
- Therapies.
- Advanced Neurology Nurses.
- Neurophysiology.
- Neuropsychiatry.
- Neuropsychology.
- Pharmacy.
- Medical Records.
- Patient Access Centre.
- Medical Secretariat.
- Rehabilitation.
- Outpatients.
- Radiology.

Division of Neurosurgery

The division continues to grow from strength to strength with significant appointments across all of the major clinical areas. One of the main areas of focus for this year is the collection and publication of outcomes. Commissioning is increasingly outcome focussed to ensure quality services are delivered by clinicians and we are privileged to be the host trust for a national audit and outcomes manager who is currently working in conjunction with the Society of British Neurosurgeons (SBNS) and the Health Quality Improvement Programme (HQIP) on an ambitious audit programme that aims to provide high quality outcome data reflecting the full range of elective and emergency neurosurgery. In the field of research, two prestigious NIHR grants have been awarded for spinal and neuro-oncology clinical trials centred at the Trust.

Neurosurgery

The department of Neurosurgery has the busiest neurosurgical service in the UK with sixteen consultant neurosurgeons, supported by sixteen neurosurgeons in training (registrars and fellows) and two senior assistant surgeons. The Trust's consultants include international and national leaders in all subspecialty disciplines in neurosurgery and we are recruiting to further expand vascular, skull base, functional and spinal deformity surgery in line with anticipated commissioning changes and activity pressures over the next 12 months. The Complex Spine Taskforce recently published a document producing a template for service delivery in England, agreed by Sir Bruce Keogh - NHS England's Medical Director, which lists the Walton Centre as the busiest unit for the internal fixation of traumatic fractures and the Trust's minimally invasive spinal and cranial surgery service continues to expand. This year the division has continued to increase throughput by utilising capacity at external clinics in neighbouring trusts. The Trust is also a partner in the Merseyside & Cheshire Major Trauma Centre Collaborative (MTCC) along with Aintree University Hospital NHS Foundation Trust and the Royal Liverpool and Broadgreen University Hospitals NHS Trust. The MTCC was re-accredited for a further year in February 2014 and published outcomes for patients treated by the MTCC show a significant improvement in comparison with previous data.

Anaesthesia

The department of Anaesthesia continues to grow with seventeen consultants and fifteen middle grade and specialty doctor posts managing one of the largest neuro-intensive care units in the UK. Recent developments include the introduction of patient diaries, communication devices for quadriplegic patients and the use of iPads which aid patients to communicate with their families and carers. With an emphasis on research and innovation to improve patient care, it is anticipated a research fellow will be appointed later this year.

The Trust's intensive treatment unit (ITU) has recently joined the case mix programme of the Intensive Care National Audit and Research Centre (ICNARC). Activity and patient outcome data for our ITU will be compared with data from similar national units and will be used to assist the Trust's decision making, resource allocation and local performance management.

Pain Medicine

The department is currently recruiting an additional full time consultant, bringing the total to nine. Audit and research features heavily for the department, with prospective data for cervical cordotomy for cancer patients published in the Journal of Palliative Medicine in August 2013 and participation and patient recruitment in a multi-centre NIHR (National Institute for Health Research) trial to study the effects and safety of a new form of spinal implant. A fast track sciatica service commenced during the year, in conjunction with neurosurgical colleagues, providing quick access to treatment for patients with this debilitating condition. This has resulted in a successful NIHR award to study the impact of surgery versus spinal injections for acute sciatica and to assess whether surgery could be avoided for some patients. A practical pain management course has been developed by the department, with its inauguration in July 2013. Our nationally recognised Pain Management Programme is designing condition specific programmes for patients with, for example, pelvic pain and chronic regional pain syndrome (CRPS) and has organised an international course on the practical management of cancer pain which has been approved by European Federation in Pain EFIC.

Pathology

The department comprises three distinct disciplines: Neuro-pathology, Neuro-immunology and Neuro-biochemistry. The laboratory provides interactive and rapid diagnostic consultations between medical staff and its two neuro-pathologists in order to achieve excellence in the treatment of patients. The recent outsourcing of routine biochemistry tests to Liverpool Clinical Laboratories (LCL) has allowed the department to concentrate on more complex laboratory investigations. Within Neuro-pathology there is a move to expand the transmission electron microscopy service as it is one of a very small number of laboratories within the UK providing this service. Neuro-immunology is a key player in supporting research programmes within the Trust and the department also hosts the Walton Centre Research Tissue Bank.

Division of Neurology

Following the successful recruitment into the cerebrovascular service last year it became apparent that further support in this service was required and an additional consultant commenced in post in January 2014. This has enabled the division to continue to expand its specialised stroke services and improve links with the adjacent stroke unit at Aintree University Hospital NHS Foundation Trust (AUH). Walton Centre staff are now involved with provision of acute thrombolysis services at

AUH and we are continuing the development of intra-arterial stroke treatment on-site at the Walton Centre. The division is also reviewing on-call arrangements to improve acute neurology care at the centre, increase consultant availability to 7 days a week and further enhance junior doctor supervision and training.

Neurology

In addition to on-site provision of specialist neurology services the Trust operates a 'hub and spoke' model which also provides specialist neurology services close to patient's homes from a network of 12 local hospital satellite bases.

During 2013/14 there has been further expansion in the number of sessions existing clinicians undertake particularly in the areas of headache and epilepsy services. Senior consultants are also actively involved in national programmes associated with the clinical reference groups and specialist commissioning groups, ensuring that the Trust is at the centre of national service planning and configuration.

Therapies

Discussions with commissioners about functional electrical stimulation (FES) for patients with multiple sclerosis and other neurological disorders have continued throughout 2013/14. The Trust's physiotherapy lead for this service has been successful in obtaining an NHS England Regional Innovation Fund award for approximately £40,000 to undertake a research project to evidence the effectiveness of this service.

Outpatient Services

As part of the Trust's 'Forward 2 Excellence' (F2E) programme our on-site outpatients department has been partly refurbished, additional consulting rooms have been provided and the roles of staff reviewed to match patient need. In addition, a system of self check-in for patients has been introduced which has proved highly successful and popular with both patients and staff and has reduced the need for patients to queue. The system is linked to a communication system within each clinic room via iPads which informs the clinician when the patient has arrived and allows patients to be called through to the clinic room for their consultation more efficiently.

Rehabilitation

The Cheshire and Merseyside Rehabilitation Network, a service which provides both hyper-acute and specialised rehabilitation, has had a successful year and gained full accreditation from UKROC (UK Rehabilitation Outcomes Collaborative). The National Trauma Peer Review Panel, which reviewed the Cheshire & Mersey Major Trauma Network on the 25th February 2014,

commended the Cheshire & Mersey Rehabilitation Network, as a “National exemplar for rehabilitation”. The network also achieved 100% of the standards required for the review.

The network operates via a hub and spoke model and includes the hyper-acute and complex rehabilitation units based on-site at the Walton Centre (the hub) along with spoke sites based at Broadgreen Hospital and St Helen’s Hospital. It is supported by a comprehensive multi-discipline team including nursing, therapy, clinical and Neuro-psychology, Neuro-psychiatry, social support and clerical / administrative / managerial staff. In order to continually improve the experience for patients undergoing hyper-acute rehabilitation 10 beds were relocated to a dedicated ward and gym facility at the Walton Centre in December 2013.

The new on-site rehabilitation unit being developed at the Walton Centre is a purpose built three storey building offering state of the art specialised rehabilitation accommodation. This will accommodate 30 beds, a gym, therapy rooms, a lounge, a common room for patients and landscaped therapy gardens. In addition, the new facility will provide much needed on-site relatives accommodation and purpose-designed accommodation for the Trust’s pioneering Pain Management Programme and other clinical facilities.

Administrative and Clerical Services

The division manages all clinical administrative and clerical services within the Trust. These include medical secretaries, medical records and the patient administration centre. A partial booking system has been implemented within the epilepsy service which has significantly reduced ‘did not attend’ (DNA) rates for outpatients and a plan is in place to roll this system out across all specialities. Satellite hospital neurology services are supported administratively by the host hospital. However, in 2013/14 the division introduced a pilot model at one of its satellite hospitals. It is envisaged that by bringing the medical secretary service under the management of the Walton Centre it will improve services to both the consultants and patients and if this model proves successful it will be rolled out to all satellite sites.

Pharmacy

Pharmacy services to the Walton Centre are provided via a service level agreement (SLA) by Aintree University Hospital NHS Foundation Trust. An Electronic Prescribing and Medicines Administration (EPMA) project was implemented in March 2014 to further improve medicines management within clinical areas.

Neurophysiology

The Walton Centre Neurophysiology Service provides electroencephalogram, nerve conduct studies and telemetry diagnostic tests at the Walton Centre, Alder Hey Hospital and the Royal

Liverpool University Hospital. This service has continued to develop throughout the year and it is planned to increase inpatient telemetry beds in 2014. In addition the Trust is planning to introduce a home telemetry service. The service also recruited a third consultant in April 2014.

Neuroradiology

This year the Trust has installed a fourth MRI scanner and built a new fluoroscopy suite. Following a review of job plans and activity undertaken in the area further investment has been provided to increase the number of radiologists. The department is also exploring means by which the Walton Centre's radiology service can offer expert neuro-radiological support to GPs and other hospitals.

Corporate Support Departments

The Trust's clinical services are supported by a range of corporate departments, each led by a Corporate or Executive Director.

2013/14: Summary Financial Review

2013/14 was the Trust's fourth full financial year as a foundation trust since becoming authorised on the 1 August 2009. The Trust experienced another successful year from a financial perspective and a surplus of £1.2m which was £0.2m above plan. The Trust has delivered another strong performance in relation to the foundation trust financial risk ratings set by Monitor achieving a rating of 4 which, as noted below, represents the lowest level of financial risk achievable. The Trust achieved its statutory financial duties and met the financial targets set by Monitor. During 2013/14 the Monitor Risk Assessment Framework established a new metric for determining financial risk in foundation trusts. This is known as the Continuity of Service Risk Rating (CoSR) and replaced the old five point Financial Risk Rating metrics from 1 October 2013. The new measure encompasses two indicators:

1. A Capital Service Capacity Ratio – this is an indication of the ability to service borrowings and pay dividends, and
2. A Liquidity Rating – this is an indication of the cash available to the Trust.

For each indicator a score is obtained ranging from 1 = Poor Performance to 4 = Excellent Performance, from which a weighted average rating is then calculated. The Trust's Continuity of Service Risk Rating (CoSR) at the end of March 2014 is level 4. This is the lowest level of financial risk. The breakdown of this result is shown below:

Continuity of Service Risk Rating as at 31 March 2014		
Metric	Weight	March 13/14
Liquidity ratio (days)	50%	42.3
Capital servicing capacity (times)	50%	3.44
Rating		
Liquidity ratio (days)		4
Capital servicing capacity (times)		4
Weighted Average		4
Overall rating		4

2013/14: Main Trends and Issues

The Trust has increased its income over the last 12 months by 7.6% which is mainly due to a continuation in underlying growth for our services during the last financial year. The Trust has continued to work hard to strengthen its key strategic priorities such as the Merseyside & Cheshire Major Trauma Centre Collaborative (MTCC) and the expansion of the Cheshire & Merseyside Rehabilitation Network which the Walton Centre is currently leading. The Trust also agreed to host the Cheshire and Mersey Operational Delivery Network for Adult Critical Care & Major Trauma from 2013/14. In addition the final phase of the Trust's internal refurbishment programme was completed in September 2013 with the opening of an extended day case and short stay unit (Jefferson Ward) and the final phase of the Trust's Strategic Investment Programme, the new Walton Centre building, is well on track for completion by January 2015.

The Trust has worked very closely with our commissioners in Wales and with our Welsh Governors to ensure that the relationship between commissioners and the Trust goes from strength to strength and that service plans for the future are developed in partnership and are built upon a sustainable financial model for both parties.

The Trust acknowledges the support it has received from all its commissioners throughout 2013/14. This continued support, and the recognition of the excellent services we provide, has enabled us to develop our new facilities.

In total, the Trust has invested £19.7m on capital projects in 2013/14 including:

- Completion of the extension and refurbishment of Jefferson Ward.
- A new rear entrance to the Walton Centre.
- Continued investment in Information Management and Technology (IM&T) projects.
- Replacement telemetry systems.
- Other new and replacement medical and surgical equipment.

2013/14: Cost Improvements & Efficiencies

The Trust successfully delivered a cost improvement programme totalling c£4.5m in 2013/14 which represents a similar figure to previous years. This is in line with the Trust's financial plan and all schemes were achieved recurrently. The headline schemes are in relation to savings in procurement, skill mix and vacancy control.

Principal risks and uncertainties

The principal risks and uncertainties facing the Trust are:

- **Commissioner funding:** Funding available from commissioners may be reduced as a consequence of measures such as restrictions on the specialised services budget, re-designation of specialised services or changes in tariff.
- **Specialised services reconfiguration:** Although the Trust is one of the country's leading and largest providers of neuroscience services, and fully meets the current national specialised services specifications, reconfiguration of specialised services may affect the range or requirements for provision of neuroscience services in a way that impacts on the sustainability of the Trust's existing service model. There remains some uncertainty regarding the future commissioning of some elements of Neuroscience services which could see Clinical Commissioning Groups (CCGs) taking the lead commissioning role from 2015-16 for a limited number of Neuroscience services and treatments.
- **Capacity:** Over recent years the Trust has experienced a trend of strong growth in activity. Over the four years to 2013/14 inpatient activity has grown by 26% and outpatient activity by 25%. The Trust faces the risk that, even with its strategic investment programme, capacity may not be sufficiently adequate to meet future growth.

Future main trends and factors

The main trends and factors likely to affect the Trust's future development, performance and position are:

- **NHS England's 5 year national strategy for specialised services:** This is due to be issued for consultation in summer 2014. It is anticipated that it will describe NHS England's plans to achieve reconfiguration of specialised service provision with the aim of improving quality and reducing costs, including the use of 'hub and spoke' approaches. The strategy will also include stricter compliance with national service specifications.

- **The Trust's expertise in providing care using the 'hub and spoke' model and its compliance with all national service specifications:** these place the Trust in a strong position to continue to be a provider of choice for specialist neuroscience services.
- **NHS England's plans to move towards routine services being available seven days a week:** This aims to improve clinical outcomes and patient focused services. Its Urgent and Emergency Care Review also outlined the necessity for same day access to services and to connect urgent and emergency care services in broader emergency care networks. The Walton Centre, as a specialist centre and a leading partner in the regional major trauma service, will be closely involved in this plan.
- **Liverpool CCG's Healthy Liverpool Programme:** This programme plans to create common city wide clinical pathways. The Walton Centre is collaborating with Liverpool CCG and other partners to ensure the Liverpool health economy is able collectively to meet NHS England's requirement for a specialist centre and to provide clinically and financially sustainable services over the longer term.

Going concern

Following extensive enquiries the directors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts. The main factors in reaching this conclusion were:

- The Trust's two year plan forecasts a CoSRR of 4 as a minimum in each financial year under the current Monitor financial governance regime.
- Projected cash balances are sufficient to sustain the significant investment programme in 2014/15 and meet short term operating costs. The two year plan demonstrates that the Trust has sufficient cash headroom to support its plans for at least the next 24 months.
- In the next two years the Trust only plans to use loan finance to support the completion of the strategic investment programme (which was subject to due diligence during 2013/14). There is no requirement for short term loans or overdraft facilities in the two year plan.

Auditors' opinions have provided assurance as to the accuracy and reliability of the Trust's financial systems and the robustness of the internal controls.

2013/14: Activity

During 2013/14 the Trust's activity has grown by 8.63% in comparison 2012/13. The largest growth has been seen in Neurology where activity is 10.5% higher than the same period last year. There have been increases in elective inpatients of 8.7%, day cases of 7.9% and non-elective activity has increased 11.6% compared to 2012/13.

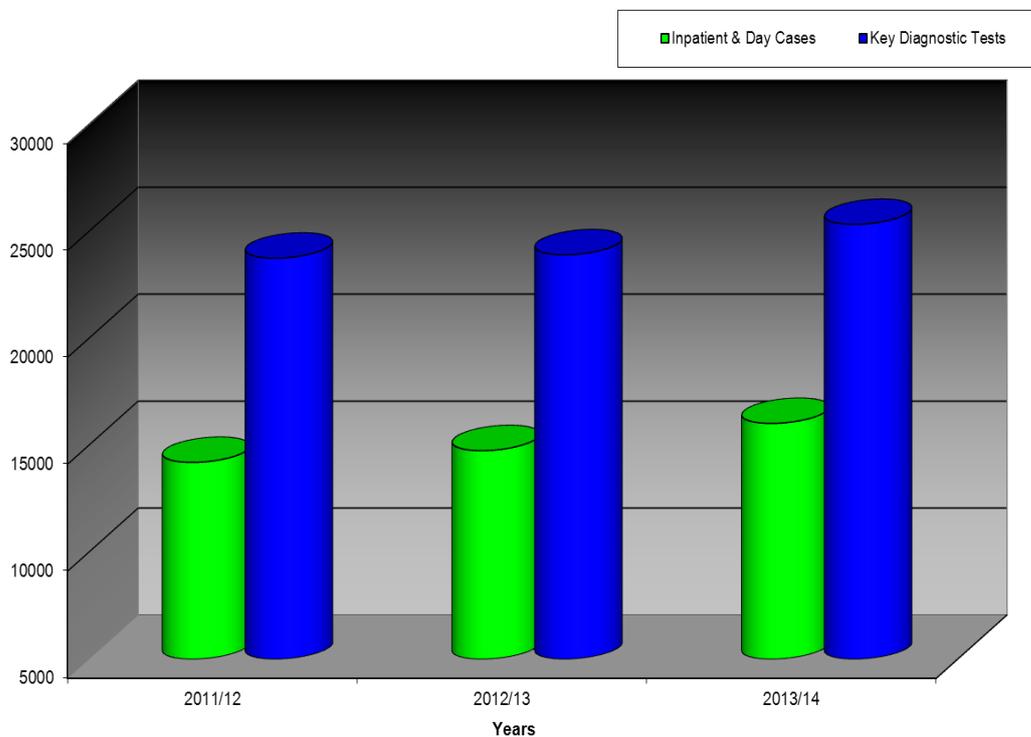
Summary of Activity

The table below shows key activity for the period April 2014 to March 2014 compared to previous years.

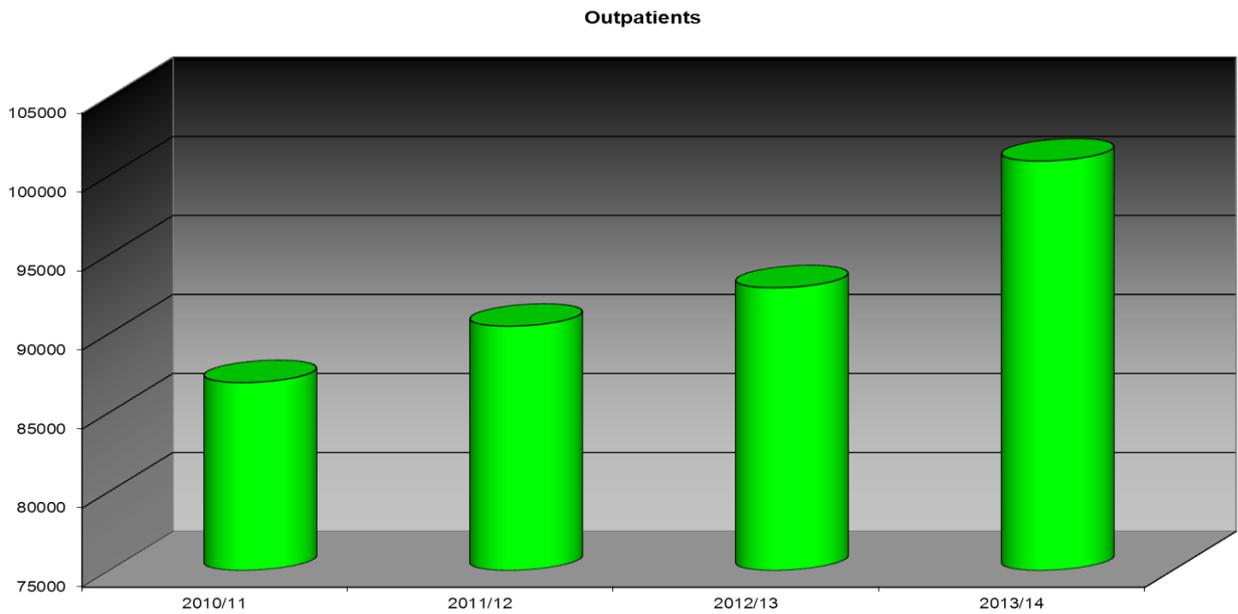
	2009/10	2010/11	2011/12	2012/13	2013/14
Day Cases	8715	8507	8881	9500	10254
Inpatients	4540	5050	5322	5254	5773
Outpatients	80590	86890	90458	92888	100911
Key Diagnostic Tests	21345	22683	23757	23913	25336

Summary of Annual Activity:

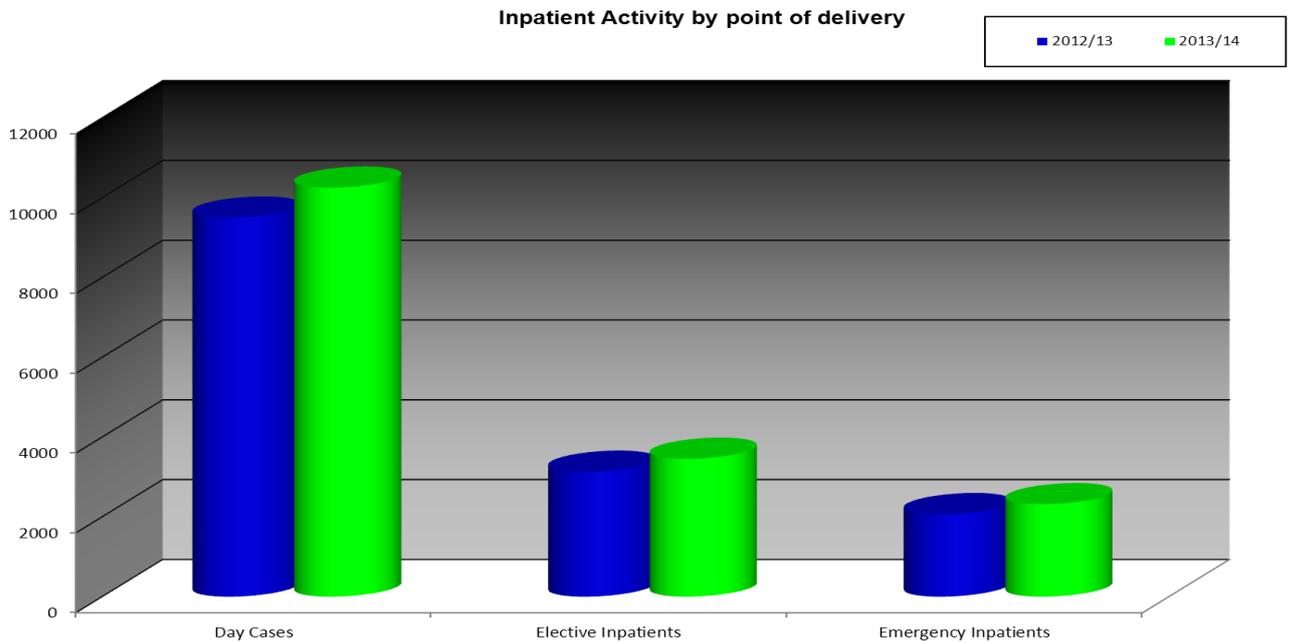
Summary of Annual Activity



Outpatients:



Inpatients at Point of Delivery:



Bed Occupancy Rates

Bed occupancy is measured in line with the national KH03 definition and reflects occupancy at midnight. This can vary by 1-3% from the measurement of occupancy levels at other times throughout the day. Overall for 2013/14 the average bed occupancy for the Trust's main wards [i.e.

excluding Critical Care and the Neuro-Rehabilitation Unit (NRU)] was 85.6%, a marginal decrease of 2.7% on 2012/13.

The table below gives the breakdown of occupancy rates for 2013/14.

Main Wards:

	Q1	Q2	Q3	Q4	Overall
2012/13	87.6%	91.2%	86.8%	87.8%	88.3%
2013/14	87.6%	83.6%	84.5%	86.8%	85.6%

Critical Care:

	Q1	Q2	Q3	Q4	Overall
2012/13	82.9%	90.1%	87.0%	90.9%	87.7%
2013/14	89.3%	86.3%	88.2%	83.1%	86.7%

NRU: Included Acute Rehab from 01 Jan 2013

	Q1	Q2	Q3	Q4	Overall
2012/13	76.0%	82.2%	76.8%	80.1%	78.9%
2013/14	86.1%	84.9%	88.2%	82.9%	85.5%

2013/14: Referral to Treatment Targets (RTT)

During 2013/14 the Trust has maintained good performance against all RTT targets. However increased demand for our services continues to be a challenge. Stringent management and review of all activity is undertaken on a weekly basis to provide assurance to the Board of Directors that all patients are managed appropriately and safely.

2013/14: Monitor Performance and Regulatory Ratings

Monitor award foundation trusts regulatory ratings based on self-certification received from trusts in their annual plan, in-year quarterly submissions and any exception reports, including any reports from third parties such as the Care Quality Commission (CQC). The ratings for the Walton Centre Foundation Trust over the last two years are summarised in the tables below. Ratings awarded at the start of the year are based on the expected performance at the time of the annual risk assessment in our annual plan. The quarterly ratings are based on actual performance reported to Monitor, via quarterly in-year submissions. From 1st October 2013, Monitor introduced a Risk Assessment Framework which replaced its Compliance Framework. The aim of a Monitor assessment under the Risk Assessment Framework is to show when there is:

- A significant risk to the financial sustainability of a provider of key NHS services which endangers the continuity of those services, and/or
- Poor governance at an NHS foundation trust.

These are assessed separately using new types of risk categories; each NHS foundation trust is therefore assigned two ratings:

The Continuity of Services Rating:

The Continuity of Services Rating (CoSR) states Monitor’s view of the risk facing a provider of key NHS services. There are four rating categories ranging from 1 which represents the most serious risk to 4 representing the least risk. This new continuity of services rating is not calculated and used in the same way as the financial risk rating (FRR) applied to NHS foundation trusts through Monitor’s Compliance Framework. Whereas the FRR was intended to identify breaches of trusts’ terms of authorisation on financial grounds, the continuity of services risk rating will identify the level of risk to the on-going availability of key services.

Governance Rating:

Monitor uses a combination of existing and new methods to assess governance issues at NHS foundation trusts and to gain assurance of their standards of governance.

Previously, under the Compliance Framework foundation trusts were assigned 2 ratings:

1. Finance Risk Rating (FRR) – 1 was the most serious risk, 5 was the least risk.
2. Governance Risk Rating (GRR) – Red was the most serious risk, green was the least risk.

2013/14 Performance:

	Annual Plan 2013/14	Q1 2013/14	Q2 2013/14	Q3 2013/14	Q4 2013/14
UNDER THE COMPLIANCE FRAMEWORK:					
FRR	4	4	4	N/A	N/A
GRR	Green	Green	Green	N/A	N/A
UNDER THE RISK ASSESSMENT FRAMEWORK:					
Continuity of Service Rating	N/A	N/A	N/A	4	4
Governance Rating	N/A	N/A	N/A	Green	Green

2012/13 Performance:

	Annual Plan 2012/13	Q1 2012/13	Q2 2012/13	Q3 2012/13	Q4 2012/13
UNDER THE COMPLIANCE FRAMEWORK:					
FRR	4	4	4	4	5
GRR	Amber/Green	Amber/Green	Amber/Green	Green	Green

2013/14: Overview of Trust performance against national priorities from the Department of Health's Operating Framework:

Performance Indicator	2012/13 Performance	2013/14 Target	2013/14 Performance
Incidence of MRSA	0	0	1*
Screening all in-patients for MRSA	100%	100%	100%
Incidence of Clostridium difficile	7	<=5	12**
All Cancers : Maximum wait time of 31 days for second or subsequent treatment: surgery	100%	94%	98.63%
All Cancers : 62 days wait for 1 st treatment from urgent GP referral to treatment	85.7%	85%	100%
All Cancers : Maximum waiting time of 31 days from diagnosis to first treatment	100%	96%	100%
All Cancers : 2 week wait from referral date to date first seen	100%	93%	100%

*This is within Monitor's de-minimus limit of 6 cases and deemed achieved

** This is within Monitor's de-minimus limit of <13 cases and deemed achieved

1.4 Our People Matter – Walton Centre Staff

2013/14 has seen an on-going commitment to implement the Trust's 'People Strategy' which aims to help the organisation and its staff function to maximum effect, focusing on the workforce components of the Trust's five year strategic plan. The People Strategy is supported by three other key initiatives:

- **Work Well – The Walton Way** which describes the Trust's approach to health and well-being, recognising that the health and well-being of staff is important to deliver health and well-being to the local population.
- **The Management, Education, Leadership Talent (MELT) Strategy** which states how the Trust will educate, manage and lead staff as well as retain, attract talent and develop the Trust's future workforce.
- **The Workforce Plan** which sets out how the Trust will meet both current and future workforce requirements.

In addition, key Human Resources (HR) policies were revised and developed ensuring they are compliant with employment law, best practice and to ensure staff safety. An annual programme of HR 'Master Classes' has been developed and sessions continue on a rolling twelve month programme, ensuring our managers have the skills and confidence to manage their staff effectively.

HR Shared Service (Payroll and Recruitment) Provision

The Trust outsourced the provision of transactional HR and payroll service to Capita HR Solutions on the 1 January 2012, as part of a framework with a number of other North Mersey trusts. However, following a negotiation process, both sides have mutually agreed to terminate the contract. Payroll has been outsourced to St Helens & Knowsley Hospitals NHS Trust with effect from 1 April 2014 and Recruitment has been brought in-house with effect from 1 May 2014

Training and Development (T&D)

The Trust is strongly committed to the training, development and education of its workforce and the talent of the future, offering access to a wide range of quality education and CPD (Continuing Professional Development) provision. With a recently developed Organisational Development (OD) framework, directly aligned to the strategic priorities, the Trust aims to ensure the future development of the workforce is planned and embedded into the heart of the business, fully supporting the culture of the Walton Way.

T&D initiatives from the last 12 months include:

- Six cohorts of the PRIDE (Personal Responsibility in Delivering Excellence) programme completed which support leaders to gain a 'sense of self' and develop more effective relationships with others. Feedback from attendees remains excellent, confirming the positive difference the programme has made to their role as a leader.
- The Trust has supported a number of senior clinicians and managers to access various leadership development opportunities via the NHS Leadership Academy and the North West Leadership Academy.
- The number of appraisals reported as completed remains high, with the T&D team offering support to reviewers and reviewees to have more meaningful conversations as part of an effective appraisal, and ultimately to help the organisation provide excellent patient care. Our commitment to enabling effective appraisals is supported by the Trust's results for the 2013 National Staff Survey which showed an 8% increase in staff having well-structured appraisals in the previous twelve months.
- The Trust maintains good attendance at mandatory training, supported by a revised policy and a full review of training provision. The T&D team have aligned the content of mandatory training provision to the Core Skills Framework and are committed to ensuring that provision is streamlined and targeted where possible.
- The Trust supports staff to access a range of learning and development opportunities to further develop the service, new job roles and individual progression. Opportunities supported have included preceptorship for new staff nurses, a bespoke neurosciences university module, mentorship, professional qualifications, attendance at conferences, equality and diversity training, clinical examination, safeguarding and IOSHH (Institution of Occupational Safety and Health).
- The Trust supports a high number of undergraduate medical students and provides an excellent educational experience in neurosciences.
- As part of its commitment to the participation of young people in the work of the NHS, the T&D team manages the Trust's work experience programme providing students and others the chance to experience the world of work in the NHS through structured programmes, shadowing staff and engaging in tasks.

- The Forward to Excellence (F2E) programme continues to provide staff with the opportunity to put excellent ideas into action and make a real difference to the services we provide. Phase 2 projects - Theatre List Planning and Emergency Admissions are currently in progress with opportunities to make a real difference to the way we do things in the Trust which will impact positively on patient care and patient experience.

Staff Profile

On 31 March 2014 the Trust employed 1087.34 whole time equivalents made up of the following groups:

Staff Group	FTE	Headcount
Prof Scientific and Technic	38.29	40
Clinical Services	190.40	222
Administrative and Clerical	290.61	313
Allied Health Professionals	83.90	97
Estates and Ancillary	2.63	4
Healthcare Scientists	9.13	10
Medical and Dental	99.71	105
Nursing and Midwifery Registered	372.67	401
Total	1087.34	1192

Staff Engagement

A comprehensive programme of staff engagement has been strengthened during the past year, with additional events aimed at creating a two way dialogue with staff at all levels and in all departments. Established staff communications and engagement methods include a weekly email bulletin to all staff 'Walton Weekly' plus a monthly 'Team Brief' presentation to heads of departments led by the Chief Executive. Quarterly Clinical Senates are also held which draw together clinicians to discuss clinical issues and are well attended from all specialties.

Regular staff and patient 'Listening Weeks' have been launched, with teams of staff carrying out surveys and holding discussions with individuals throughout the Trust to strengthen existing surveys and feedback methods. Governors also participate in these events.

A new 'Tell Chris' initiative by which staff can directly email the Chief Executive with any questions or concerns, proved a success with many suggestions leading to actions to resolve issues. This forms part of the F2E programme of bringing about change through collaboration of staff at all levels.

The Trust continues to have very positive working relationships with Staff Side, through the Staff Partnership Committee, which includes medical representation. The Trust also has a Local Negotiation Committee for medical staff. These committees confer with staff representatives to consult and negotiate on workforce policies, procedures and terms of conditions of employment. Both committees have demonstrated a number of successful policy reviews within the financial year such as the Trust's Equality, Diversity & Human Rights policy, Injury Allowance policy and a refresh of the Trust's Capability policy has also been undertaken. The Trust's workforce policies and procedures are negotiated and agreed through these forums prior to formal ratification at a committee of the Board of Directors.

Staff Health and Wellbeing

A range of after work exercise classes continues to prove popular, with zumba, pilates, circuit training and a running club. The zumba class takes place in a local parish hall and is open to the local community as well as Trust staff. In 2013 the Trust once again organised the NHS NW Games attended by 17 NHS organisations and more than 500 staff from around the region. A health and wellbeing week was again held for staff with fitness taster sessions, health checks and staff benefits promoted.

On 31 March 2014 the Trust comprised:

- 4 male and 3 female Non-Executive Directors.
- 3 female and 3 male Executive Directors.
- 1 female and 2 male Corporate Directors.
- 951 Female staff.
- 241 Male staff.

The Trust also employs a number of staff who are members of the Army, RAF or Navy reserve forces. The Trust is committed to support them, and their families, when they undertake such duties.

1.5 Human Rights, Equality and Diversity

During 2013/14 the Trust has been preparing to deliver objectives and to participate in an Equality Delivery System (EDS) developed for the NHS, which aims to improve the equality performance of the NHS and embed equality into mainstream business planning processes. The EDS is an NHS requirement and enables benchmarking and monitoring of organisations nationally. In order to support the Trust in meeting these requirements, a framework of action has been developed in order to help staff to:

- Understand the impact of discrimination and how to tackle prejudice.
- Advance equality and human rights values in their day to day lives.
- Monitor equality and human rights activity, and take action where necessary to address inequalities.
- Enjoy the benefits of a working environment that values each member of its workforce and the wealth of experience and knowledge it brings.

It is identified that by using the EDS, organisations will be able to meet the requirements of the Equality Act and providers will be better placed to meet the registration requirements of the Care Quality Commission (CQC). The Trust has developed four-year equality objectives and priorities, based on an analysis and grading of equality performance against a set of EDS objectives and outcomes. There are 18 outcomes, grouped under four objectives:

- Better health outcomes for all.
- Improved patient access and experience.
- Empowered, engaged and included staff.
- Inclusive leadership at all levels.

Based on transparency and evidence, the Trust and local interested parties met and agreed one of four grades for each outcome. Events were held and evidence was presented, alongside draft objectives for comments and approval. The grades that the organisation might achieve are:

- Excelling (Gold Star).
- Achieving (Green).
- Developing (Amber).
- Undeveloped (Red).

The Trust was pleased to be rated as Developing or Achieving in all of its outcomes and based on this grading, equality objectives have been set which will show how the most immediate priorities are to be tackled, by whom and when. Going forward local interested parties will review the Trust's progress on an annual basis. The Trust aims to enable its staff to provide high quality services and optimum levels of patient care. This is achieved by providing learning opportunities which are effective, flexible and fair to meet the needs of its staff, the teams they work in and the organisation as a whole.

The Trust is committed to equal opportunities and an organisational culture which supports and promotes lifelong learning through the ethos of a learning organisation. In addition, the organisation recognises the crucial part education can play in improving the working lives of staff. Learning opportunities are delivered in environments which are:

- Conducive to learning.
- Led by qualified and experienced staff.
- Fit for purpose.
- Tailored to the needs of the individual, including making reasonable adjustments where necessary.

All staff have access to a full range of mandatory clinical and non-clinical training opportunities. Training bulletins are widely available on the Trust's web pages and within the Education and Training department.

Equality and Human Rights Training for Staff

Separate, tailored, equality and diversity training courses are currently run for staff, managers and the Board of Directors. Specific disability awareness training sessions have also been run throughout the year. The education, training and development team are working continuously to improve access for all members of staff and to ensure fair and equal access to training and career development opportunities.

Learning Disability Group

The Trust has a Learning Disability Group that feeds into the Trust's Safeguarding Group which in turn reports to the Board of Directors via the Governance, Risk and Quality Committee. The Learning Disability Group meets bi-monthly and has developed good links with the community teams in the local areas.

The following tables represent the diversity of the Trusts workforce as of 31 March 2014.

Sex

	Head Count	Percentage
Female	951	79.7
Male	241	20.3

Age

Age Range	16-20	21-25	26-30	31-35	36-40	41-45	46-50	51-55	56-60	61+
Female	5	59	132	126	118	122	121	131	97	40
Male	1	11	25	29	30	55	29	33	13	15
Total	6	70	157	155	148	177	150	164	110	55

Ethnicity

Ethnicity	Head Count	Percentage
White - British	1043	87.50%
White - Irish	12	1.01%
White - Any other White background	20	1.68%
Mixed - White & Black African	3	0.25%
Mixed - White & Asian	1	0.08%
Mixed - Any other mixed background	7	0.59%
Asian or Asian British - Indian	47	3.94%
Asian or Asian British - Pakistani	2	0.17%
Asian or Asian British - Any other Asian background	8	0.67%
Asian British	1	0.08%
Black or Black British - Caribbean	2	0.17%
Black or Black British - African	7	0.59%
Black Nigerian	1	0.08%
Chinese	1	0.08%
Any Other Ethnic Group	13	1.09%
Not Stated	24	2.01%
Total	1192	

Religion

Religion	Head Count	Percentage
Atheism	80	6.71%
Christianity	584	48.99%
Buddhism	1	0.08%
Hinduism	13	1.09%
Islam	9	0.76%
Jainism	1	0.08%
Judaism	1	0.08%
Sikhism	1	0.08%
Other	73	6.12%
Not Disclosed	184	15.44%
Unknown	245	20.55%
TOTAL	1192	

Disability

	Disabled	Not Disabled	Not Declared	Unknown	Total
Headcount	37	519	101	535	1192
Percentage	3.10%	43.54%	8.47%	44.88%	

Sexual Orientation

	Bisexual	Gay	Lesbian	Heterosexual	Not Disclosed	Unknown	Total
Headcount	5	9	3	772	163	240	1192
Percentage	0.42%	0.76%	0.25%	64.77%	13.67%	20.13%	

Marriage and Civil Partnership

	Married	Civil Partnership	Divorced	Legally Separated	Single	Widowed	Unknown	Total
Headcount	520	3	48	9	471	7	134	1192
Percentage	43.62%	0.25%	4.03%	0.76%	39.51%	0.59%	11.24%	

The Walton Centre recognises and values the fact our workforce is made up of individuals with a large diversity of backgrounds, perspectives, and characteristics. To support individuals the Trust has set up/linked into a number of staff networks.

1.6 Community and Social Responsibilities

The Walton Centre is committed to working in partnership with our local communities. In addition to delivering aspects of neurological specialist services within the community setting, we have been aware of the growing impact of financial pressures on our local community. To help relieve hardship, we have engaged in a number of ventures which we believe has assisted our local population. For the last few years, the Trust has offered apprenticeships in Functional Skills, ITQ and NVQ. In previous years, these apprenticeship posts have been made available for staff already employed within the Walton Centre but this year, the Trust opened this up to employ three new apprentices from a local school. This has been so successful that the Trust has decided to expand the programme to other local schools and increase the number of posts available for 2014.

The Trust also runs a cadet programme. This involves young people working at the Walton Centre on a twelve month programme supported by a day release in college. In collaboration with a local school, the Trust is also currently working on producing a video to showcase the cadet programme at the Walton Centre. In addition, a number of the Trust's consultants are participating in a scheme with a local school to mentor potential future medical students and the Trust's Work Experience policy has also been updated to offer a more meaningful work experience and to allow access for a wider spectrum of age groups. The Trust also holds an annual open day, participates in career fairs and organises health & wellbeing activities.

The Trust has also set up a number of collection points within the hospital to donate food and other articles to local food banks. We are aware that financial problems also impact on some of our patients and their families and a system of providing emergency food supplies has been made available in times of genuine crisis.

The Trust's zumba exercise class is held in a local parish hall and is open to the local community as well as Trust staff.

1.7 The Environment

The Trust has undertaken a number of measures during the year to reduce its impact on the environment. By changing waste disposal practices at ward and departmental level, the level of recycling has increased from 65% to 80% of total waste, and a new system for sharps bins has also reduced waste and CO₂ (Carbon Dioxide) emissions.

Environmental impacts have been considered in the Trust's refurbishment and new build capital schemes, with for example, LED (Light-emitting diode) lighting as standard. The new building, which includes a combined heat and power installation, high thermal efficiency design and other energy saving measures, is on course for a 'Very Good' BREEAM (Building Research Establishment Environmental Research Assessment Measure) rating.

The Trust is also currently engaged in an innovative joint project with the Aintree University Hospital NHS Foundation Trust and Liverpool Women's NHS Foundation Trust for a programme of investment to improve the energy efficiency of the hospital and its major plant via the NHS Carbon and Energy Fund.

1.8 Reputation & Fundraising

The Trust's profile was considerably heightened by the broadcast on Channel 5 of a second series of Brain Hospital: Saving Lives, following a first series in 2013. Positive media coverage continues to be a regular feature of Trust communications, as well as an increasing following on Twitter, with around 2,500 followers. A Facebook account was opened and is attracting a steadily increasing following. A communications survey of members and staff showed high satisfaction with current communication methods, including the quarterly member's magazine, Neuromatters, which contains news and features about the work of the Trust.

Our Home from Home fundraising appeal is on course to reach its target by December 2014. A new role of Head of Fundraising was created this year to further strengthen the Trust's fundraising function, which began in 2012 with the first charity ball. The post holder works with two fundraising officers in managing all donations to the Walton Neuroscience Fund and organising events in the local community and in the business sector with the support of a Board committee.

This section of the Trust's annual report constitutes the Strategic Report and was approved by the Board of Directors on 23 May 2014.

Signed by:

A handwritten signature in black ink that reads "Chris Harrop". The signature is written in a cursive, slightly slanted style.

Chris Harrop, CEO

23 May 2014

2.0 BOARD OF DIRECTORS

2.1 Directors

The Board of Directors is responsible for ensuring that the services the Trust provides are evidence based, safe, underpinned by quality and are delivered in a cost-effective way in order to meet the needs of patients, carers and the wider community and partner organisations. In doing so the Board of Directors ensures that the Trust complies with its provider licence and all statutory obligations. The Board of Directors comprises the Chairman and Chief Executive plus six independent Non-Executive Directors, five voting Executive Directors and three non-voting Corporate Directors. The Directors have collective responsibility for setting strategic direction and providing leadership and governance. The Trust's Scheme of Reservation and Delegation sets out decisions which are the responsibility of the Board of Directors, those which have been delegated to a committee of the Board of Directors and those delegated to the Executive Team. A copy of the Scheme of Reservation and Delegation is available from Director of Corporate and Research Governance:

- By email: gill.brown@thewaltoncentre.nhs.uk
- By telephone: 0151 529 8523
- By post:
Gill Brown
Director of Corporate and Research Governance
The Walton Centre NHS Foundation Trust
Lower Lane
Fazakerley
L9 7LJ

The Board of Directors meet in public. The current Board of Directors are:

Ken Hoskisson, Chairman

Mr Hoskisson was appointed Chairman at the Walton Centre NHS Trust in 2006 and is a former senior police officer in Merseyside. He first joined the NHS in 1996 as a Non-Executive Director at Aintree University Hospitals NHS Trust [now Aintree University Hospital NHS Foundation Trust] and was later appointed Chairman of the Cardiothoracic Centre NHS Trust [now Liverpool Heart and Chest NHS Foundation Trust] in 2002. Two years later he moved on to the Mersey Regional Ambulance Service [now Nwas]. Mr Hoskisson is also Chairman of Woodlands Hospice and Chairman of the Mersey Committee of SaBRE (Supporting Britain's Reservists and Employers). Mr Hoskisson's current term of office is until July 2015.

Non-Executive Directors:

Janet Rosser, Deputy Chair and Senior Independent Director

Mrs Rosser was appointed as a Non-Executive Director at the Walton Centre in 2006 and was previously a corporate lawyer working for Eversheds, one of the largest law firms in Europe. Since leaving Eversheds Mrs Rosser has been an author and editor for an international law publisher. Mrs Rosser's current term of office is to November 2015.

Christine Lee-Jones, Non-Executive Director

Mrs Lee-Jones was appointed as a Non-Executive Director at the Walton Centre in 2008 and is former Headmistress of Manchester High School for Girls (MHSG), a selective independent school. Prior to her retirement she was in education for over 38 years and before her appointment as Headmistress of MHSG was Principal of Eccles Sixth Form College. In addition to being a registered inspector with the Independent Schools' Inspectorate her current public appointments include Governor of the University of Manchester, Trustee of Genesis Breast Cancer Prevention Charity, Trustee of The Henshaw Society for Blind People, Trustee of the GMP High Sheriff Trust and a Justice of the Peace. Mrs Lee-Jones was High Sheriff of Greater Manchester in 2011-12 and has been a Deputy Lieutenant for the County of Greater Manchester since 2008. She recently became a volunteer for the charity Breast Cancer Care. Mrs Lee-Jones' current term of office is to August 2014.

Alan Sharples, Non-Executive Director

Mr Sharples was appointed as Non-Executive Director with the Walton Centre in 2011 and is a former Director of Finance, Information and Commissioning at Alder Hey Children's NHS Foundation Trust and has 33 years' experience of financial management in the public sector, 17 years of which was at Board level. He is a former president of the North Wales branch of the Institute of Revenues, Rating and Valuation (IRRV), Vice-Chairman of the North Wales Local Authority Chief Finance Officers' Association and is a trustee of the charity Vision for Children. Mr Sharples' current term of office is to May 2017.

Ann McCracken, Non-Executive Director

Mrs McCracken was appointed as a Non-Executive Director at the Walton Centre in 2012 and has worked in communications throughout her career having started as a journalist and trained on weekly newspapers in Sefton before working in Wrexham, radio and with the Liverpool Daily Post where she was Assistant Chief Sub Editor. A move into the private sector saw Mrs McCracken as editor of British Telecom's internal newspaper. She held several roles with the company in Corporate Social Responsibility, Press, Public Relations and Relationship Management before joining O2 where she is Head of Communications for the North of England. Mrs McCracken was a

Non-Executive Director with the Royal Liverpool and Broadgreen University Hospitals NHS Trust and spent 10 years on the board of Liverpool Women's NHS Foundation Trust, latterly as Deputy Chair. Mrs McCracken's current term of office is to June 2015.

David Chadwick OBE, Non-Executive Director

Professor Chadwick became the first Professor of Neurology of the University of Liverpool in 1993 and was responsible for developing, with colleagues in Liverpool, a comprehensive and nationally recognised, epilepsy service. His research in the field of epilepsy research has also gained international acclaim. Professor Chadwick has held the posts of Deputy Dean and Head of the School of Clinical Science of the Faculty of Medicine of the University of Liverpool. He has been President of the Association of British Neurologists and is also a Fellow of the Academy of Medical Science. Professor Chadwick was appointed as a Non-Executive Director at the Walton Centre in 2012. Professor Chadwick's current term of office is to June 2015.

Seth Crofts, Non-Executive Director

Mr Crofts is the Pro Vice-Chancellor and Dean for the Faculty of Health and Social Care at Edge Hill University and is also a registered nurse in both Adult and Mental Health Nursing with 33 years of nursing experience. He is an experienced leader of health care education, has worked as a reviewer for the Quality Assurance Agency for Higher Education (QAA) since 2002 and been extensively involved in working to develop professional practice in higher education. Mr Crofts has made a major commitment to developing graduate employability and is currently involved in developing practice in health and social care organisations, with a specific interest in developing leadership skills in senior nurses. He is also a Trustee at Parkhaven Trust, a registered charity which provides a wide range of services to support people with dementia, older people and people with learning and physical disabilities. Mr Crofts was appointed as a Non-Executive Director at the Walton Centre in 2013. Mr Croft's current term of office is to November 2016.

Executive Directors:

Chris Harrop, Chief Executive

Mr Harrop qualified as a Public Chartered Accountant (Chartered Institute of Public Financial Accountants [CIPFA]) at Liverpool John Moores University in 1994 and joined the Walton Centre as Director of Finance in 2004. With over 20 years NHS experience covering community, acute and specialised services Mr Harrop was appointed as the Trust's Chief Executive of the Walton Centre with effect from 1 April 2014.

Julie Riley, Acting Director of Operations and Performance

Mrs Riley joined the Walton Centre in January 2007 as Divisional General Manager for Neurology, Long term Conditions and Neuro-rehabilitation. She has over 30 years' experience working in the NHS. She has held a variety of roles working at the Countess of Chester Hospital, The John Radcliffe Hospital in Oxford, The Liverpool Women's Hospital and Glan Clwyd Hospital in North Wales. Her posts include, Head of Midwifery and Directorate Manager, Divisional Manager for Family Services and Divisional Manager for Neurosurgery. Mrs Riley is a Registered Nurse and Midwife, holds a teaching certificate, the Advanced Diploma in Midwifery, an MSc in Healthcare Management and has completed a number of leadership courses. She is also a qualified executive coach.

T. Peter Enevoldson, Medical Director

Dr Enevoldson has been the Medical Director at the Walton Centre since April 2006 and Deputy Chief Executive since 2010. He has been a consultant neurologist with special interests in Stroke and Neuro-Ophthalmology since 1993 and started his training at Oxford, where he also did three years research before completing his clinical student training at St. Mary's Hospital, London. His general physician's training was in Newcastle before specialising in neurology at various hospitals in London.

Mike Burns, Acting Director of Finance

Mr Burns joined the Walton Centre in September 2012 as Deputy Director of Finance. He was born and educated in Liverpool, culminating in a BSc (Hons) in Economics and qualifying as a Chartered Management Accountant (Chartered Institute of Management Accountants [CIMA]) in 2001. Mr Burns previously worked in the NHS at regional level and has previous experience in management consulting, banking, retail and financial services.

Hayley Citrine, Director of Nursing and Modernisation

Ms Citrine joined the Walton Centre in April 2014 as Director of Nursing and Modernisation. Ms Citrine started her career in the NHS in 1985 and has worked as Deputy Director and Associate Director of Nursing for a number of years following previous experience in a variety of clinical posts at South Manchester University Hospitals NHS Trust, Salford Royal NHS Foundation Trust and Warrington & Halton Hospitals NHS Foundation Trust. Ms Citrine holds a Diploma in Nursing, a Diploma in Counselling Skills, a BA (Hons) in Health Studies and is a Master Practitioner in NLP.

Stuart Moore, Director of Strategy and Planning

Mr Moore joined the Walton Centre as Director of Strategy & Planning in April 2012 from the Royal Liverpool & Broadgreen University Hospitals NHS Trust, where he had been Deputy Project

Director for the redevelopment of the Royal Liverpool University Hospital. Following a degree in mathematics from Cambridge University, he began his career on the Civil Service training scheme at the Department of Health. After a range of policy posts, he was seconded to Sheffield Health Authority as Assistant General Manager, returning to the Department of Health to manage the annual spending negotiations with the Treasury. He then held a range of posts at the Royal Liverpool and Broadgreen University Hospitals NHS Trust from 1996, including directorate manager, Head of Planning & Performance and acting Project Director.

Corporate Directors:

Gill Brown, Director of Corporate and Research Governance

Ms Brown joined the Walton Centre in 2011 as Associate Director of Corporate Affairs and Development having previously worked at the Royal Liverpool and Broadgreen University Hospitals NHS Trust in a variety of roles including Laboratory Quality Manager, Research and Development Manager and Corporate Secretary. Ms Brown is a Chartered Scientist, has an MSc in Biomedical Sciences, a Post Graduate Diploma in Quality Management and has 36 years experience working for the NHS.

Dave Pilsbury, Director of Governance and Risk

Mr Pilsbury joined the Walton Centre in January 2012 as Deputy Director of Governance. His previous post was at Greater Manchester West Mental Health NHS FT in the same role. He has previous NHS experience as a Deputy Director within the Governance sector in Acute and Community environments. Prior to working in the NHS he worked in the Prison Service and private industry specialising in Risk Management, Quality and Safety. Mr Pilsbury holds an MSc in Corporate Governance and a Post Graduate Diploma in Safety and is a Chartered Member of the Institute of Occupational Safety and Health.

Mike Gibney, Director of Workforce

Mr Gibney, previously at Cheshire and Merseyside Commissioning Support Unit, has worked in charitable organisations and local government, including nine years in Social Services. He joined the NHS four years ago, through the Gateway to Leadership Scheme. His role at the Walton Centre includes responsibility for HR, Training and Development, Communications and Fundraising.

The following were members of the Board of Directors during 2013/14:

- Liz Mear: CEO 01/04/13 – 31/12/13.
- Lisa Grant, Director of Nursing and Modernisation 01/04/13 – 31/03/14.

- Amanda Oates: Director of Human Resources 01/04/13 – 31/07/13.
- Joanne Twist: Acting Director of Human Resources 01/08/13 – 20/09/13.
- Les Porter: Non-Executive Director 01/04/13 – 31/10/13.
- Denise Donaldson:
 - Director of Operations and Performance 01/04/13 – 31/12/13.
 - Acting CEO 01/01/14- 31/03/14.

Ms Donaldson left the Trust on secondment to the Royal Liverpool and Broadgreen University Hospitals NHS Trust in April 2014.

2.2 Independence of Non-Executive Directors

All of the Trust's Non-Executive Directors are considered to be independent and there are no relationships or circumstances that are likely to affect any director's judgment as evidenced by their declaration of interests.

2.3 Appointment and Termination of Non-Executive Directors

Non-Executive Directors are appointed by the Council of Governors for a term of three years, at the end of this period Non-Executive Directors are eligible for re-appointment for a further three years in compliance with the Monitor's NHS Foundation Trust Code of Governance. Removal of the Chairman or another Non-Executive Director is in accordance with the Trust's Constitution.

2.4 Balance, Completeness and Appropriateness

The Board of Directors is balanced and complete, having an appropriate mix of skills and experience in the areas of finance, operational management, governance, law, commerce, education, medicine, clinical research, diagnostics and nursing. There is a clear separation of the roles of the Chairman and Chief Executive, which have been set out in writing and are agreed by the Board of Directors on an annual basis, latterly in March 2014.

2.5 Board of Directors Performance Evaluation

During 2013 the Trust's Chairman undertook a performance evaluation of the Non-Executive Directors and reported this to the Council of Governors and the Chief Executive Officer evaluated the performance of all Executive Directors. The performance evaluation of the Trust's Chairman was undertaken by the Lead Governor and the Senior Independent Non-Executive Director and was reported to the Council of Governors. All directors are compliant with the fit and proper persons test described in the Monitor's provider licence. An evaluation of the Board of Directors and its committees has also been undertaken facilitated by Mersey Internal Audit Agency (MIAA), the Trust's internal auditors. This considered how the Board of Directors and board committees had performed in relation to their terms of reference.

Attendance at meetings of the Board of Directors 01 April 2013 – 31 March 2014:

Meeting Dates	04/13	05/13 (i)	05/13 (ii)	06/13	07/13	09/13	10/13	11/13	01/14	02/14	03/14
KH	√	√	√	√	√	√	√	√	√	√	√
JR	√	√	√	√	√	√	√	√	√	√	√
CLJ	√	x	√	x	√	x	√	√	√	√	√
LP	√	√	√	√	√	√	√				
AS	√	√	√	√	√	√	x	√	√	√	√
AM	√	x	√	√	√	√	√	√	√	√	√
DC	√	√	√	√	√	√	√	√	√	x	√
SC								√	√	√	√
LM	√	√	√	√	√	√	√	√			
TPE	√	x	√	x	x	√	√	√	√	x	√
DD	√	√	√	√	√	√	√	√	√	√	√
CH	√	√	√	√	√	√	√	√	√	√	√
LG	√	√	√	√	√	√	√	√	√	√	x
J Riley									√	√	√
SM	√	√	√	√	√	√	√	√	√	√	√
AO	√	x	√	√	√						
JT							√				
MG							√	√	√	√	√
GB	√	√	√	√	√	√	√	√	√	√	√
DP		√	√	√	√	√	√	√	√	√	√

KH = Ken Hoskisson; JR = Janet Rosser; CLJ = Christine Lee-Jones;
LP = Les Porter; AS = Alan Sharples; AM = Ann McCracken; DC = David Chadwick;
SC = Seth Crofts; LM = Liz Mear; TPE = Peter Enevoldson;
DD = Denise Donaldson; CH = Chris Harrop; LG = Lisa Grant; J Riley = J Riley;
SM = Stuart Moore; AO = Amanda Oates; JT = Jo Twist; MG = Mike Gibney;
GB = Gill Brown, DP = Dave Pilsbury

2.6 Directors' Register of Interests

A register is kept of Directors' interests. Access to the register can be gained by contacting the Director of Corporate and Research Governance:

- By email : gill.brown@thewaltoncentre.nhs.uk
- By telephone : 0151 529 8523
- By post:
Gill Brown
Director of Corporate and Research Governance
The Walton Centre NHS Foundation Trust
Lower Lane
Fazakerley
L9 7LJ

2.7 Directors Expenses

Directors Expenses

Expenses claimed by directors, in accordance with the Trust's constitution, are tabulated below to the nearest £100.

	2013/14	2012/13
Name	£'00	£'00
G Brown	4	1
D Donaldson	1	0
P Enevoldson	10	17
M Gibney (from 1 Oct 13)	0	NA
L Grant	4	5
C Harrop	2	1
E Mear (to 31 Dec 13)	29	17
S Moore	1	1
A Oates (to 31 Jul 13)	5	8
D Pilsbury (from 1 May 13)	7	NA
J Riley (from 1 Jan 14)	1	NA
J Twist (1 Aug to 30 Sep 13)	0	NA
D Alcock	N/A	0
D Chadwick	0	3
S Crofts (from 1 Nov 13)	0	N/A
K Hoskisson	27	32
C Lee-Jones	8	7
A McCracken	1	0
L Porter (to 31 Oct 13)	0	0
J Rosser	22	12
A Sharples	14	7

2.8 Disclosure to Auditors

So far as each director is aware, there is no relevant audit information of which the Trust's auditor is unaware and the Board of Directors has taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information, and to establish that the Trust's auditor is aware of that information.

2.9 Accounting Policies for Pensions and Other Retirement Benefits

Accounting policies for pensions and other retirement benefits are set out in note 5 to the accounts and the details of senior employees' remuneration can be found in Section 3 – Remuneration Report.

3.0 REMUNERATION REPORT

3.1 Remuneration Committee

The Trust has established a committee of Non-Executive Directors in order to ensure effective governance in respect of the appointment, remuneration, allowances and other terms / conditions of office of the Chief Executive, other Executive Directors, Corporate Directors and senior managers not covered under Agenda for Change terms and conditions. The Committee regularly review the structure, size and composition (including the skills, knowledge and experience) required of the Board of Directors and makes recommendations to the Board with regard to any changes. It also gives full consideration to, and makes plans for, succession planning for the Chief Executive and other Executive Directors taking into account challenges and opportunities facing the Trust and the skill and expertise needed. The Committee is responsible for identifying and nominating for appointment candidates to fill posts within its remit as and when they arise and for identifying and nominating a candidate, for approval by the Council of Governors, to fill the position of Chief Executive. Before an appointment is made the Committee evaluates the balance of skills, knowledge and experience on the Board of Directors, and in the light of this evaluation, prepares a description of the role and capabilities required for a particular appointment. The Committee also considers any matter relating to the continuation in office of any Executive Director at any time including the suspension or termination of services of an individual as an employee of the Trust. Current members of the Remuneration Committee are:

- Ken Hoskisson (Chair) [KH]
- Janet Rosser [JR]
- Alan Sharples [AS]
- Christine Lee-Jones [CLJ]
- Ann McCracken [AMc]
- David Chadwick [DC]
- Seth Crofts [SC]

The Remuneration Committee convened 4 times during the reporting period as detailed below:

Date	KH (Chair)	JR	AS	CLJ	AMc	DC	SC	LP
25/04/13	√	√	√	√	√	√	NA	√
27/06/13	√	√	√	x	√	√	NA	√
30/01/14	√	√	√	√	√	√	√	NA
21/03/14	√	√	√	x	x	√	√	NA

The Trust's Director of Workforce and the Trust's Chief Executive provide advice to the Remuneration Committee, as and when required. There is also a Governors' Nominations Committee which is responsible for considering nominations and remuneration for Non-Executive Directors.

Current members of the Nominations Committee are:

- Ken Hoskisson [KH] (Trust Chairman)
- Phil Cain [PC] (Nominations Committee Chair and Public Constituency Governor)
- Louise Ferguson [LF] (Public Constituency Governor)
- April Harper [AH] (Partnership Governor)

The Nominations Committee convened four times during the reporting period as detailed below:

Date	KH	PC	LF	AH
29/05/13	√	√	√	√
25/06/13	√	√	√	√
11/10/13	√	√	√	√
24/02/14	√	√	√	√

3.2 Directors Contracts, Terms and Conditions

Executive and Corporate Director's contracts are permanent on appointment and new Executive and Corporate Directors are subject to a period of six months notice and are entitled to NHS redundancy payments should their posts be made redundant.

3.3 Directors Remuneration

Executive and Corporate Director's terms and conditions of service and salaries are determined by the Trust's Remuneration Committee. When determining the terms and conditions of Executive and Corporate Directors the Remuneration Committee pay regard to a comparison with salaries in other foundation and specialist trusts across the local health economy.

Non-Executive Director's remuneration is determined by the Governor's Nominations Committee who make their recommendations to the Council of Governors.

3.4 The Trust's Policy on Pay

The Trust employs the majority of staff on national Agenda for Change or Consultant Contract Terms and Conditions. This is national policy and therefore a local trust policy is not applicable. How the national policy is applied locally is agreed through the Trust's Staff Partnership Committee and Local Negotiating Committee (for medical staff). Going forward, given the national agreed changes to Agenda for Change, the Trust will further develop its local arrangements for staff on Trust contracts. Director remuneration (for voting and non-voting Directors) is agreed through the Trust's Remuneration Committee as outlined in the Remuneration Committee's terms of reference.

The figures which are shown in the following tables are subject to audit. Accounting policies for pensions and other retirement benefits are set out in note 5 to the accounts and details of senior employee's remuneration are found in the following tables. The median remuneration of the employees paid by The Walton Centre is £28,728. The highest paid director is the Medical Director who receives 7.1 times the median remuneration.

Remuneration and Pension Entitlements of Senior Managers – This information is subject to audit

Senior Management Remuneration

Name	Position	1 April 2013 - 31 March 2014				1 April 2012 - 31 March 2013			
		Salaries and fees (bands of £5000)	Taxable benefits £00	Pension related benefits (bands of £2,500)	Total (bands of £5000)	Salaries and fees (bands of £5000)	Taxable benefits £00	Pension related benefits (bands of £2,500)	Total (bands of £5000)
Alcock D	Non-Executive Director (to 30/06/12)	N/A	N/A	N/A	N/A	0-5	0	N/A	0-5
Brown G	Director of Corporate and Research Governance (from 01/12/12)	80-85	0	67.5-70	145-150	20-25	0	12.5-15	35-40
S Crofts	Non-Executive Director (from 01/11/12)	5-10	0	N/A	5-10	N/A	N/A	N/A	N/A
Chadwick D	Non-Executive Director (from 01/07/12)	10-15	0	N/A	10-15	5-10	0	N/A	5-10
Donaldson D	Acting Chief Executive (from 01/01/14)	140-145	0	122.5-125	235-240	95-100	0	12.5-15	110-115
	Director of Operations and Performance (from 01/09/12 to 31/12/13)								
	Acting Director of Service Delivery (from 01/12/11 to 31/08/12)								
Enevoldson P	Medical Director	200-205	0	N/A	200-205	200-205	0	0	200-205
Gibney M	Director of Workforce (from 01/10/13)	35-40	0	75-77.5	110-115	N/A	N/A	N/A	N/A
Grant L	Director of Nursing and Modernisation	95-100	0	N/A	95-100	90-95	0	0	90-95

		1 April 2013 - 31 March 2014				1 April 2012 - 31 March 2013			
Name	Position	Salaries and fees (bands of £5000)	Taxable benefits £00	Pension related benefits (bands of £2,500)	Total (bands of £5000)	Salaries and fees (bands of £5000)	Taxable benefits £00	Pension related benefits (bands of £2,500)	Total (bands of £5000)
Harrop C	Director of Finance	100-105	29	7.5-10	110-115	100-105	0	(37.5-40)	60-65
Hoskisson K	Chair	40-45	10	N/A	40-45	35-40	10	N/A	35-40
Lee-Jones C	Non-Executive Director	10-15	0	N/A	10-15	10-15	0	N/A	10-15
McCracken A	Non-Executive Director	10-15	0	N/A	10-15	10-15	0	N/A	10-15
Mear E	Chief Executive (to 31/12/13)	110-115	0	27.5-30	140-145	135-140	0	62.5-65	200-205
Moore S	Director of Strategy and Planning (from 23/04/12)	95-100	0	(45-47.5)	50-55	85-90	0	157.5-160	245-250
Oates A	Director of HR (to 31/07/13)	25-30	0	17.5-20	45-50	80-85	0	25-27.5	110-115
Pilsbury D	Director of Governance and Risk (from 01/05/13)	70-75	0	37.5-40	105-110	N/A	N/A	N/A	N/A
Porter L	Non-Executive Director (to 30/10/13)	5-10	0	N/A	5-10	10-15	0	N/A	10-15
Riley J	Acting Director of Operations and Performance (from 01/01/14)	20-25	0	10-12.5	35-40	N/A	N/A	N/A	N/A
Rosser J	Non-Executive Director	15-20	12	N/A	15-20	10 - 15	12	N/A	10-15
Sharples A	Non-Executive Director	15-20	0	N/A	15-20	10 - 15	0	N/A	10-15
Twist J	Acting Director of HR (01/08/13 to 30/09/13)	10-15	0	0-2.5	10-15	N/A	N/A	N/A	N/A

No directors received annual performance-related bonuses or long-term performance-related bonuses in either period. No payments for loss of office were made for Directors in either period. No payments have been made to people who have previously been Directors in the Trust in either period. The salary for P Enevoldson includes remuneration for his clinical responsibilities. D Donaldson was on secondment to the Trust until 30 September 2012 and remuneration was paid to the Royal Liverpool and Broadgreen University Trust. She was appointed permanently from 1 October 2012.

C. Harrop

Chief Executive, 23 May 2014

Pension Benefits

	Real increase in pension at age 60	Real increase in pension lump sum at age 60	Total accrued pension at age 60 31 March 2014	Lump sum at age 60 related to accrued pension at 31 March 2014	Cash Equivalent Transfer Value at 31 March 2014	Cash Equivalent Transfer Value at 31 March 2013	Real Increase in Cash Equivalent Transfer Value	Employer's contribution to stakeholder pension
	bands of £2,500	bands of £2,500	bands of £5,000	bands of £5,000	£000	£000	£000	
G Brown	2.5-5	10-12.5	30-35	100-105	659	561	86	0
D Donaldson	5-7.5	17.5-20	25-30	85-90	673	509	153	0
M Gibney	2.5-5	0	25-30	0	354	290	57	0
C Harrop	0-2.5	2.5-5	30-35	90-95	512	472	30	0
E Mear	0-2.5	5-7.5	45-50	145-150	807	735	56	0
S Moore	(0-2.5)	(2.5-5)	30-35	95-100	557	552	(8)	0
A Oates	0-2.5	0-2.5	10-15	40-45	218	172	42	0
D Pilsbury	0-2.5	5-7.5	15-20	45-50	260	213	39	0
J Riley	0-2.5	0-2.5	30-35	95-100	624	549	16	0
J Twist	0-2.5	0-2.5	15-20	45-50	246	174	11	0

L Grant and P Enevoldson are not members of the NHS pension scheme.

The total accrued pension, lump sum and cash equivalent transfer values represent the total value for each director. The real increases have been adjusted for directors not in post throughout the period to reflect only the increase attributable to their role as director.

4.0 NHS FT CODE OF GOVERNANCE DISCLOSURES

4.1 Statement of Compliance with the Code

The Director of Corporate and Research Governance reviewed the Trust's compliance with the NHS Foundation Trust Code of Governance (the Code) and prepared a report for the Trust's Audit Committee who considered this report at its meeting on 16 April 2013 and agreed that Trust complies with the main and supporting principles and statutory requirements of the Code. The Trust's disclosures in respect of those Code provisions which the Trust is mandated to provide in this annual report are detailed below:

PROVISION	SUPPORTING EXPLANATION	CHAPTER
A1.1	Refer to : Board of Directors	2.0
	Refer to: NHS FT Code of Governance Disclosures	4.0
A1.2	Refer to: Board of Directors, NHS FT Code of Governance Disclosures and Remuneration Report	2.0, 4.0, 3.0
A5.3	Refer to: NHS FT Code of Governance Disclosures	4.0
B1.1	Refer to: Board of Directors	2.0
B1.4	Refer to: Board of Directors	2.0
B2.10	Refer to: Remuneration Report	3.0
B3.1	Refer to: Board of Directors	2.0
B5.6	Refer to: NHS FT Code of Governance Disclosures	4.0
B6.1	Refer to: Board of Directors	2.0
B6.2	Refer to: Board of Directors	2.0
C1.1	Refer to: Foreward from the Chairman and Chief Executive, Annual Governance Statement and Independent Auditor's Report and	1.0, 9.0, 11.0
C2.1	Refer to: Annual Governance Statement	9.0
C2.2	Refer to: Annual Governance Statement	9.0

C3.5	N/A	-
C3.9	Refer to: NHS FT Code of Governance Disclosures	4.0
D1.3	N/A	-
E1.5	Refer to: NHS FT Code of Governance Disclosures	4.0
E1.6	Refer to: NHS FT Code of Governance Disclosures	4.0
E1.4	Refer to: NHS FT Code of Governance Disclosures	4.0

The Trust is also compliant with the following provisions:

- A 1.4, A1.5, A1.6, A1.7, A1.8, A1.9, A1.10, A3.1, A4.1, A4.2, A4.3, A5.1, A5.2, A5.4, A5.5, A5.6, A5.7, A5.8, A5.9
- B1.2, B 1.3, B2.1, B2.2, B2.3, B2.4, B2.5, B2.6, B2.7, B2.8, B2.9, B3.3, B5.1, B5.2, B5.3, B5.4, B6.3, B6.4, B6.5, B6.6, B8.1
- C1.2, C1.3, C3.1, C3.3, C3.6, C3.7, C3.8.
- D1.1, D1.2, D1.4, D2.2, D2.3
- E1.2, E1.3, E2.1, E2.2

Copies of the NHS FT Code of Governance can be downloaded from Monitor's website at :

<http://www.monitor.gov.uk/FTcode>

4.2 The Council of Governors

As detailed in the Trust's Constitution, the Council of Governors consists of 17 elected Governors, 4 staff Governors and 12 appointed Partnership Governors. All governors are compliant with the fit and proper persons test described in Monitor's provider licence. The Council of Governors meet in public four times a year and provide the opportunity for Governors to express their views and raise any issues so that the Board of Directors can respond. The Board of Directors and the Council of Governors enjoy a strong and developing working relationship. Mr Ken Hoskisson chairs both and acts as a link between the two. Each is kept advised of the other's progress through a number of systems, including informal updates via the Chairman and Director of Corporate and Research Governance, ad hoc briefings, exchange of meeting agendas / minutes, email and postal correspondence, attendance of Directors at the Council of Governors meetings and attendance by Governors at the Board of Directors meetings. A subgroup of the Council of Governors also meets with the Trust's Non-Executive Directors on a quarterly basis. This facilitates the opportunity for

detailed discussion regarding the role of the Non-Executive Directors and their individual and collective responsibilities as Directors of the Walton Centre.

The Council of Governors is responsible for:

- Appointing and, if appropriate, removing the Chair and other Non-Executive Directors.
- Deciding the remuneration and allowances, and the other terms and conditions of office, of the Chair and the other Non-Executive Directors.
- Approving the appointment of the Chief Executive.
- Appointing and, if appropriate, removing the Trust's external auditor, and
- Receiving the Trust's annual accounts, any report of the auditor on them and the annual report.

The Board of Directors consults the Council of Governors when preparing the Trust's forward plans. Governors also hold the Non-Executive Directors individually and collectively to account for the performance of the Board of Directors; represent the interests of the members of the Trust as a whole and of the public; approve significant transactions; approve applications by the Trust to enter into a merger, acquisition, separation or dissolution; decide whether the Trust's private patient work would significantly interfere with the Trust's principal purpose and must approve any proposed increases in private patient income of 5% or more in any financial year. In addition, amendments to the Trust's Constitution must be approved by the Council of Governors.

The Trust's Constitution (available at <http://www.monitor-nhsft.gov.uk>) details how disagreements between the Council of Governors and the Board of Directors will be resolved. Meetings of the Council of Governors are held in public.

The Council of Governors is composed of the following:

- Four Public Governors from the administrative county of Cheshire;
- Eight Public Governors from the administrative county of Merseyside;
- Three Public Governors from the administrative counties of North Wales;
- Two Public Governors for the rest of England and Wales;
- Twelve Stakeholder Governors, and
- Four Staff Governors.

The period of office for an elected Governor is three years after which a Governor is eligible for re-election. An elected Governor may not hold office for more than nine consecutive years. The period of office for a Partnership Governor is three years after which a Governor is eligible for re-

appointment. A Partnership Governor may not hold office for more than nine consecutive years. The Trust's Lead Governor is Mr Alan Clark.

The following table gives details of each seat on the Council of Governors and its occupant(s) during the period 1 April 2013 – 31 March 2014:

Seat	Name of Governor		Constituency	Date of Appointment	End of Tenure
1C	Cheesman	Colin	Cheshire	2012	2015
2C	O'Connell	William	Cheshire	2011	2015
3C	Ferguson	Louise	Cheshire	2009	2015
4C	O'Rourke	Tim	Cheshire	2012	2015
1EW	Howard	John	E+W	2009	Resigned 2013
2EW	Lewis	Lee	E+W	2012	Resigned 2013
2EW	McDermott	Bernard	E+W	2013	2014
1M	Cain	Phil	Merseyside	2011	2014
2M	Christian	Sheila	Merseyside	2013	2013
2M	Cahill	Tony	Merseyside	2013	2016
3M	Holder	Gareth	Merseyside	2012	2015
4M	Clark	Alan	Merseyside	2009	2015
5M	Carolan	Kevin	Merseyside	2012	2015
6M	Grainger	Richard	Merseyside	2009	2014
7M	Paton	Joe	Merseyside	2012	2015
8M	Hart	Diane	Merseyside	2012	2015
1W	Owen	Robert	North Wales	2011	2014
2W	Jones	Cheryl	North Wales	2009	Resigned 2014
3W	Evans	Geraint	Noth Wales	2012	Resigned 2014
1S	Marson	Tony	Staff	2010	2016
2S	Rackham	Michelle	Staff	2012	2015
3S	Gerrans	Emily	Staff	2009	2015
4S	Morris	Mike	Staff	2012	Resigned 2013
4S	Moreno	Isabel	Staff	2013	2016
1P	Congdon	Graham	Partnership	2009	Resigned 2013
1P	Pereira	Ella	Partnership	2014	2017
2P	Timoney	Michelle	Partnership	2013	2016
3P	Hanratty	Dave	Partnership	2010	2016
4P	Holland	Suzy	Partnership	2009	2015
5P	Harper	April	Partnership	2012	2015
6P	Tyrell	Gerry	Partnership	2010	2016
7P	Singh	Gurpreet	Partnership	2010	2016
8P	McWilliam	Julie	Partnership	2009	2015
9P	Stockdale	David	Partnership	2009	Resigned 2013
9P	Woods	Tony	Partnership	2013	2016
10P	Thomas	Kevin	Partnership	2009	2015
11P	Ross	Ian	Partnership	2013	2016
12P	Critchley	Robina	Partnership	2011	2014

The Trust's current Governors are:

Constituency	Name of Governor
Public – Merseyside	Alan Clark
Public – Merseyside	Tony Cahill
Public – Merseyside	Joe Paton
Public – Merseyside	Kevin Carolan
Public – Merseyside	Diane Hart
Public – Merseyside	Rick Grainger
Public – Merseyside	Gareth Holder
Public – Merseyside	Phil Cain
Public – Cheshire	Colin Cheesman
Public – Cheshire	Louise Ferguson
Public – Cheshire	William O'Connell
Public – Cheshire	Tim O'Rourke
Public – North Wales	<i>Vacant</i>
Public – North Wales	<i>Vacant</i>
Public – North Wales	Robert Owen
Public – Rest of England and Wales	Bernard McDermott
Public – Rest of England and Wales	<i>Vacant</i>
Staff – Nursing	Michelle Rackham
Staff – Medical	Tony Marson
Staff – Clinical	Emily Gerrans
Staff – Non Clinical	Isabel Moreno
Local Authority Governor (Sefton Metropolitan Council)	Tina Wilkins
Local Authority Governor (Liverpool City Council)	Dave Hanratty
Partnership Governor (Edge Hill University)	Ella Pereira
Partnership Governor (Cheshire and Merseyside Neurological Alliance)	Julie McWilliam
Partnership Governor (Liverpool University)	Gurpreet Singh
Partnership Governor (MS Society, Isle of Man)	Suzy Holland
Partnership Governor (Neurosupport)	Gerry Tyrrell
Partnership Governor (North Wales CHC Joint Committee)	April Harper
Partnership Governor (Merseyside and Cheshire Clinical Network)	Michelle Timoney
Partnership Governor (Healthwatch)	Ian Ross
Partnership Governor (Wales Neurological Alliance)	Kevin Thomas
Partnership Governor (Liverpool CCG)	Tony Woods

Should any Member of the Trust wish to contact a Governor and / or a Director they may do so by contacting the Trust's Director of Corporate and Research Governance:

- By email : gill.brown@thewaltoncentre.nhs.uk
- By telephone : 0151 529 8523
- By post:
Gill Brown
Director of Corporate and Research Governance
The Walton Centre NHS Foundation Trust
Lower Lane
Fazakerley
L9 7LJ

4.3 Governors Appointments and Elections

All Public and Staff Governors are appointed by an election process which is administered by Electoral Reform Services (ERS) on behalf of the Trust. Members are invited to self-nominate and the election process is held in accordance with the Trust's Constitution. Public Governors are elected for a period of three years beginning and ending at an Annual Members meeting. Stakeholder Governors are nominated by their respective organisations. Their term of office is also three years. In June 2013 elections to the Council of Governors were held according to the Trust's Constitution. Results were as reported below:

Seat	Turnout	Governor Elected
Administrative County of Merseyside	10.9%	Tony Cahill
Staff (Medical)	27.8%	Tony Marson
Staff (Non-Clinical)	Uncontested	Isabel Moreno

Governors Register of Interests

A register is kept of governors' interests. Access to the register can be gained by contacting the Director of Corporate and Research Governance (see above for contact details)

4.4 Council of Governors meetings: Chair & Governors attendance 01/04/13 – 31/03/14

DATE	06/2013	09/2013	12/2013	03/2014	Extraordinary Meeting 01/2014 for Approval of the Appointment of the Chief Executive
H Hoskisson	√	√	√	√	√
A Clark	√	√	√	X	√
L Ferguson	√	√	√	√	√
W O'Connell	X	√	√	X	√
C Cheesman	√	X	√	√	√
T O'Rourke	√	√	√	X	√
R Grainger	X	√	√	√	X
P Cain	√	X	X	√	X
K Carolan	X	√	X	X	√
G Holder	√	√	X	X	√
S Christian	X				
T Cahill		√	√	X	√
J Paton	√	√	√	√	√
D Hart	√	√	√	√	√
B McDermott			√	√	X
L Lewis	X	X			
J Howard	X	X	X		
G Evans	√	X	X	X	X
C Jones	√	X	X		X
R Owen	√	√	√	√	X
M Rackham	√	X	X	X	√
T Marson	√	√	√	X	X
I Moreno		X	√	√	√
E Gerrans	X	√	X	√	X
M Timoney	√	√	√	√	X
R Critchley	X	X	X	X	√
D Hanratty	X	X	X	X	√
G Congdon	X				
J McWilliam	√	X	X	X	X
G Singh	X	X	X	X	√
S Holland	X	√	X	√	X
G Tyrrel	X	√	X	X	X
A Harper	√	X	X	√	√
T Woods	√	√	√	X	√
I Ross	√	√	√	√	√
K Thomas	√	X	√	X	X
E Pereira				√	

Between 01 April 2013 – 31 March 2014 38 individuals acted as Governors with the Trust.

4.5 Governors Expenses

In accordance with the Trust's constitution, Governors may claim expenses for attendance at Council of Governor meetings and whilst representing members or the Trust at other events and meetings. In 2013/14 the total amount claimed was £6,920.12.

Governor	Expenses Claimed (To the nearest £100)		Governor	Expenses Claimed (To the nearest £100)	
	2012/13	2013/14		2012/13	2013/14
A Clark	200	200	M Rackham	0	0
T Cahil	NA	0	T. Marson	0	0
J Paton	0	0	E Gerrans	0	0
K Carolan	100	0	I Moreno	NA	0
D Hart	0	0	T Woods	NA	0
R Grainger	0	0	R Critchley	0	0
G Holder	0	0	D Hanratty	0	0
P Cain	0	0	E Pereira	NA	0
C Cheesman	0	0	J McWilliam	0	0
L Ferguson	400	800	G Singh	0	0
W O'Connell	0	100	S Holland	500	500
T O'Rourke	100	100	G Tyrrel	0	0
G Evans	200	400	A Harper	1000	3900
C Jones	1000	500	G Congdon	0	0
R Owen	0	0	M Timoney	NA	0
B McDermott	100	200	I Ross	0	0
L Lewis	0	0	K Thomas	400	300
J Howard	100	0	D Stockdale	0	0
M Morris	0	0	S Christian	0	0

4.6 Council of Governors meetings: Non-Executive Directors attendance

1st April 2013- 31st March 2014

DATE	06/2013	09/2013	12/2013	03/2014
K Hoskisson	√	√	√	√
J Rosser	√	√	x	√
A McCracken	√	√	x	√
L Porter	x	√		
S Crofts			x	√
D Chadwick	x	√	√	x
A Sharples	√	√	√	√
C Lee-Jones	x	x	x	x

4.7 Developing an Understanding: Board of Directors and Council of Governors

The Board of Directors has taken steps to ensure the Board's Directors, and in particular Non-Executive Directors, develop an understanding of the views of Governors and Members about the Trust. Mr Ken Hoskisson chairs both the Board of Directors and the Council of Governors and with the support of Gill Brown, the Director of Corporate and Research Governance, is the link between

the two. The full Council of Governors meets four times a year and these meetings are attended by Non-Executive Directors, the Senior Independent Director, the Chief Executive and when required Executive and Corporate Directors. Governors meetings provide the opportunity for the governors to perform their statutory duties, express their views, and raise any issues so the Board of Directors can respond. Governors also attend meetings of the Board of Directors (Open Sessions).

The Trust recognises the importance of Governors being accessible to Members. Council of Governors meetings are public meetings and agendas and minutes from the meetings, together with details of how Members can contact Governors, are publicised on the Trust's website. Annual Members Meetings are held which are open to the public.

Photographs of the Trust's Governors are displayed in a prominent place in the Trust's Main Entrance Reception area together with a notice which informs that Members can contact Governors via the Trust's Director of Corporate and Research Governance:

- Email : gill.brown@thewaltoncentre.nhs.uk
- Telephone : 0151 529 8523
- By post:
Gill Brown
Director of Corporate and Research Governance
The Walton Centre NHS Foundation Trust
Lower Lane
Fazakerley
L9 7LJ

Information regarding the Trust's Governors is also displayed on the Trust's website: <http://www.thewaltoncentre.nhs.uk>

Governors participate in the Trust's annual Open Afternoon and Listening Weeks where they meet, and receive feedback from patients, staff, Trust members and members of the public which have enabled them to represent the interests of these stakeholders. Governors communicate feedback from members at the Council of Governor meetings and meetings held with Non-Executives.

4.8 Committees of the Board of Directors

The Trust Board of Directors has a number of committees and their proceedings are reported to the full Trust Board.

4.9 Meetings of the Audit Committee and Attendance:

The current members of the Audit Committee are:

- Alan Sharples (AS) [Chair]
- Janet Rosser (JR)
- Ann McCracken (AMcC)

Meetings of the Trust's Audit Committee and attendance have been as follows during the reporting period 01 April 2013 – 31 March 2014:

	04/13	05/13	07/13	10/13	01/14
AS	√(Chair)	√(Chair)	√(Chair)	√(Chair)	√(Chair)
JR	√	√	x	√	√
AM	√	x	√	√	√

4.10 Duties of the Audit Committee:

Governance, Risk Management and Internal Control

The Committee reviews the establishment and maintenance of an effective system of integrated governance, risk management and internal control across the whole of the Trust's activities, both clinical and non-clinical, that supports the achievement of the Trust's objectives.

In addition, the Committee monitors the integrity of the financial statements of the Trust, and any formal announcements relating to the Trust's financial performance, reviewing significant financial reports and the judgments contained in them.

In particular, the Committee reviews the adequacy of:

- All risk and control related disclosure statements, in particular the Annual Governance Statement and declarations of compliance with the CQC outcomes, together with any accompanying Director of Internal Audit statement, external audit opinion or other appropriate independent assurances, prior to endorsement by the Board of Directors.
- Underlying assurance processes that indicate the degree of the achievement of corporate objectives, the effectiveness of the management of principal risks and the appropriateness of the above disclosure statements.
- Policies for ensuring compliance with relevant regulatory, legal and code of conduct requirements.

- Policies and procedures for all work related to fraud and corruption.

In carrying out this work the Committee primarily utilises the work of Internal Audit, External Audit and other assurance functions and also makes requests of, and receives reports and assurances from, directors and managers as appropriate and by using an effective Assurance Framework / Trust-wide risk register to guide its work and that of the audit and assurance functions that report to it.

Internal Audit

The Committee ensures that there is an effective internal audit function established by management that meets mandatory NHS Internal Audit Standards and provides appropriate independent assurance to the Audit Committee, Chief Executive and Board of Directors. Mersey Internal Audit Agency (MIAA) is the Trust's Internal Auditor.

External Audit

The Committee reviews the independence, objectivity and work of the External Auditor and considers the implications and management's responses to their work. Grant Thornton LLP is the Trust's External Auditor.

Other Assurance Functions

The Audit Committee reviews the findings of other significant assurance functions, both internal and external to the Trust, and considers the implications to the governance of the Trust. It also approves the appointment of the Local Counter Fraud Specialist and receives assurance that Counter Fraud policies and procedures are being developed within the Trust.

Financial Reporting

The Audit Committee review the Trust's Annual Report and Annual Financial Statements before submission to the Board of Directors and also ensures that the systems for financial reporting to the Board, including those of budgetary control, are subject to review as to completeness and accuracy of the information.

Whistleblowing

The Audit Committee reviews arrangements that allow staff of the Trust and other individuals where relevant, to raise, in confidence, concerns about possible improprieties in matters of financial reporting and control, clinical quality, patient safety or other matters.

4.11 Effectiveness of the Trust's External Auditors

Grant Thornton UK LLP was appointed as the Trust's External Auditor in September 2012 for a period of three years with the option to extend to 2016/17. This appointment followed a tender process which was led by a sub-group of the Council of Governors. Grant Thornton undertook the Trust's financial audit for 2012/13 and the audit of the Trust's 2012/13 Quality Account. The Audit Committee assess the effectiveness of the external process on an on-going basis at each meeting of the Committee. The Trust is currently satisfied with the quality and timeliness of reports, information provided and the service delivered by the external audit team who attend, and report to the Audit Committee at each meeting of the Committee. They also provide information and report wider issues that could affect the Trust such as changes in tax and pensions, plus consideration of the impact of national policy documents and consultations. A more formal review of their service and performance against plan is scheduled to take place in July 2014 following completion of the 2013/14 financial audit and audit of the 2013/14 Trust's Quality Account. This will be led by the Trust's Audit Committee and will involve representatives from the Council of Governors and the Executive team. Fees for external audit services in 2013/14 were £46,000 which is in line with the agreed contract.

4.12 Membership

At the end of March 2014 the Trust's membership stood at 7956. The Trust's membership is available to both employees of the Trust and also patients, carers, volunteers and members of the public, aged 16 years and over, who live in the public constituencies of Cheshire, Merseyside, North Wales or the Rest of England & Wales. Below is a breakdown of the Trust's Membership by constituency:

Numbers by Constituency and Catchments	
Public Cheshire	993
Public Merseyside	2815
Public North Wales	1655
Public Rest of England & Wales	1305
Staff – Registered Medical Practitioners	109
Staff - Non-Clinical	312
Staff – Registered Nurses	388
Staff - Other Staff	379
Public Total	6768
Staff Total	1188
TOTAL MEMBERSHIP	7956

The Trust's Membership Strategy can be found at: <http://www.thewaltoncentre.nhs.uk/173/being-a-member.html> . The Walton Centre NHS Foundation Trust is a public benefit organisation and our objective, with respect to membership, is to recruit, retain and develop a sizeable, representative and active membership which is engaged with the objectives of the Trust. Information for prospective members is posted on the Trust's website.

The Trust is committed to building a membership representative of both the population we care for and the staff who work for the Trust. Membership is therefore open to any individual who is eligible to be a member of the Public or Staff constituencies. To ensure effective member engagement the Trust produces a regular newsletter 'Neuromatters'. This is published four times a year and copies are prominently displayed around the Trust to encourage membership. A communications survey conducted in late 2013 indicated that patients, Trust members and members of the public found this a useful and informative publication. The Trust also provides information for members and the general public via local radio and other media and the Trust has been the subject of a second series of the successful documentary series 'Brain Hospital – Saving Lives' broadcast by Channel 5 TV. This was specifically concerned with the specialist treatments and services offered by the Trust. During 2013/14 the Trust has also been focusing on increasing its use of social media to communicate with our patients, members and members of the public.

5.0 QUALITY OF CARE

Please refer to the Trust's Quality Account (enclosed at the end of this report) for a detailed analysis of the following:

5.1 Care Quality Commission Registration

The Trust is required to register with the Care Quality Commission (CQC). Its current registration status is 'Registered without Conditions'. An unannounced visit by CQC assessors was undertaken at the Trust in November 2013 that focused on the following standards:

- Care and welfare of people who use services
- Meeting nutritional needs
- Cleanliness and infection control
- Staffing
- Complaints

The Trust was found fully compliant with regards to all of the outcomes inspected.

5.2 Quality Governance

The Trust produced a Quality Governance Strategy in September 2011 that was revisited and refreshed by the Board of Directors in 2013. The Board is satisfied that, to the best of its knowledge and using its own processes and having had regard to Monitor's Quality Governance Framework, that the Trust has, and will keep in place, effective arrangements for the purpose of monitoring and continually improving the quality of healthcare provided to our patients.

Quality Governance information is monitored at departmental, divisional and at board level. It includes patient safety, effectiveness and experience information and is considered by the Governance, Risk and Quality Committee and the Board of Directors at their meetings.

To ensure compliance with the Care Quality Commission registration outcomes, each outcome has an identified Executive Director and operational lead responsible for updating and monitoring the Provider Compliance Assessment (PCA). This, alongside the CQC Intelligent Monitoring Tool, is used to monitor compliance.

This year the Trust has continued to develop the Board Assurance Framework (BAF) and the committee structures reporting to the Board of Directors. In addition, to enhance its management of risk, the Trust introduced a third corporate director – the Director of Governance and Risk. The Governance department has also continued to enhance its staffing structures with key

appointments and further strengthening of health and safety and business continuity plans within the Trust which have also had external scrutiny. The Trust recognises the importance of the quality agenda and ensures that key performance metrics for safety and quality are included in the corporate performance report which is reported to the Board of Directors on a monthly basis. The Trust had a number of quality initiative successes within the last year including the extension and refurbishment of Jefferson Ward and improving the environment and location of hyper acute rehabilitation patients by relocating them to a dedicated unit (Lipton Ward) which also has a fully accessible gym.

Other successes include the on-going delivery of the Nursing Strategy, a reduction in pressure ulcers, implementation of the Friends and Family Test, Care and Compassion Checks, Electronic Risk Assessments and an enhanced Discharge Information Pack.

The Trust has also been active in reviewing the patient experience. A self-check system has been introduced in our busy Outpatients Department and the Trust has reviewed the patient pathway from admission to theatre, and back to the ward, to reduce any unnecessary delays.

The Board of Directors consulted with patients, governors, commissioners, Healthwatch and other external agencies to ascertain and agree the Trust's improvement priorities for 2013/14. The Trust continues to monitor services across the three domains of Quality: Safety, Effectiveness and Experience, reporting progress on the improvement priorities to the Governance, Risk and Quality Committee and to the Board of Directors on a regular basis.

Quality priorities are monitored, and performance managed, by the Board of Directors and by the Governance, Risk and Quality Committee. Operational groups within the Trust are made aware of their responsibilities in relation to quality priorities and report to Board committees. The Trust's Internal Auditors MIAA are fully involved in the process to provide regular review and assurance via the Audit Committee. In addition, quarterly meetings to review quality assurance reports take place with the Trust's commissioners, ensuring external scrutiny and performance management.

Further details with regards to the Trust's statement in relation to quality governance can be found in the Annual Governance Statement included later in this report. Further information can also be found within the Quality Accounts section of this document.

5.3 Patient Experience

To demonstrate our commitment to continually improving the patient experience we produced a Patient Experience strategy to focus on ensuring our patients remain at the centre of everything we do. This strategy ensures that patients are involved and receive an experience that not only meets, but also exceeds, their physical and emotional needs and expectations.

Five campaigns were identified to support this agenda and are listed below:

- **Campaign one:** Communication and first impressions.
- **Campaign two:** Information on your stay and what to expect when you go home.
- **Campaign three:** Dignity in care.
- **Campaign four:** End of life care.
- **Campaign five:** Happy, healthy and well-motivated staff translating positively into the patient experience.

Year two of this original strategy, has now been achieved, by continually involving our patients and public in the decision making processes about the services and care that we deliver. The Trust is currently completing the review and updating the strategy which will allow plans for 2014-16 to be commenced. Further information on the progress in relation to patient experience can be found within the Quality Account section of this document.

The Patient Experience Strategy is available at: <http://www.thewaltoncentre.nhs.uk/169/trust-publications.html>

5.4 Patient Care

Over the last 12 months the nursing workforce has been developed to ensure the Walton Centre continues to provide a high standard of patient care which is responsive to changes in patient acuity and need. Meetings with ward managers have confirmed that staffing establishments remain appropriate for the numbers and acuity of patients. The nursing establishment and vacancies are reviewed regularly by the Executive team and are reported to the Board of Directors to ensure that staffing meets the needs of our patients.

The senior nursing team provide leadership across clinical areas and ensure that there is a continued clear focus on nursing standards, the environment, patient safety and experience. Additional nursing roles created, such as the advanced nurse practitioner and clinical co-ordinator, have expanded nursing skills which focus on enhancing timely patient care, at the patient's bedside.

The Trust has had one case of MRSA bacteraemia in-year against a zero trajectory. The annual trajectory of Clostridium difficile was 5 cases with the Trust reporting 12 cases. Clostridium difficile remains a challenge for the Trust going forward. In 2013/14 the Trust expanded its bed base by opening an additional 29 bedded ward and also expanded its case mix of patients. 10 hyper-acute level one rehabilitation beds were opened in line with the Trust leading the Cheshire and Merseyside rehabilitation pathway. The Trust's CDT trajectory did not reflect this increase in bed

base and inpatient complexity with both of these issues being raised with NHS England and Monitor.

The Trust has taken a proactive approach in focusing on reducing *Clostridium difficile*. This work has included providing a hyper-acute rehabilitation unit that is separate from the other acute wards. This unit has been managed as a high dependency unit with limited access, the changing of staff uniform in and out of the unit, strict antibiotic management and frequent in-depth cleaning programmes. This cleaning programme has also been rolled out across the Trust and builds upon the previous deep clean programme with the purchasing of a hypochlorite fogging machine. Hand wash basins have also been placed outside each inpatient ward and are monitored alongside hand hygiene audits. Further patient information has been produced and the Trust has included commissioners, patient representatives and Public Health England in its discussions to minimise further risks to acquiring *Clostridium difficile*.

In addition to this the Trust took the opportunity to request an external review of infection control during 2013/14 to gain assurance that all appropriate measures were in place. Public Health England were part of this external review team. Infection control practice at the Trust was commended with recommendations from the review being adopted and embedded.

The Trust monitors improvements on quality indicators through the Governance, Risk and Quality Committee which is chaired by a Non-Executive Director.

5.5 Commissioning for Quality and Innovation Payment Framework (CQUIN)

A proportion of the Trust's income in 2013/14 was conditional upon achieving quality improvement and innovation goals. The total payment received against the CQUINS in 2013/14 equalled £1,610,866. The Trust had the following CQUIN goals in 2013/14, which were agreed to reflect national priorities and Department of Health initiatives, whilst also reflecting local need and the views of the Trust's patients and commissioners:

- The Family and Friends test.
- Reduce avoidable death, disability and chronic ill health from venous thromboembolism (VTE).
- Wellbeing in the Workplace - the ability to demonstrate a commitment to promoting staff wellbeing.
- Dementia – appropriate assessment and referral.
- NHS Safety Thermometer - participation through data submission.
- Communication - the implementation of electronic discharge summaries.
- Neurosurgical shunt surgery - to ensure patients receive optimal outcomes.
- Highly specialised services clinical outcome collaborative audit workshop - to participate.

- Specialised services clinical dashboards - to embed and demonstrate routine use of dashboards.
- Digital First - reduce inappropriate face-to-face contact.
- Innovation, Health and Wealth - set a trajectory for increasing planned use of telehealth / telecare technologies

5.6 Patient Experience and Complaints Handling

The Trust's Patient Experience Team works directly with, and for patients including their families, friends and carers. The team pride themselves on providing help, advice, support and information to patients, resolving problems quickly on patients' behalf and providing information about NHS Services prior to, during and after their visit to the Trust. The benefit of this approach is that the team can quickly address issues and patients' concerns when they are first raised. Where concerns cannot be dealt with straightway or if a patient wishes to make a complaint the Patient Experience Team work with the patient and their families to record and manage the process. The team takes a complainant centred approach and ensures that complaints are responded to in a timely fashion, and that the response answers all the concerns raised and the team keeps the complainant informed during this process.

5.7 Trend Analysis and Lessons Learnt

Issues raised in complaints are always the subject of thorough scrutiny and investigation and each complainant receives a detailed response from the Chief Executive. We are keen to provide responses to complaints which are as open, honest and as helpful as possible to the patients or their representatives. Where it is appropriate to do so, a local resolution meeting is held and this can often provide a satisfactory solution to the concerns raised. This is evidenced by the fact that only two complaints were referred to the English Parliamentary Ombudsman this year, neither of which were upheld. The Trust is committed to learning lessons from complaints and other patient feedback. The committee structure provides an opportunity to discuss trend analysis and lessons learnt from compliments, complaints and feedback through the Patient Experience group. Lessons learned are produced in quarterly newsletters to staff and stakeholders.

5.8 Complaints Feedback

As a Trust we use feedback from our service users as an important means of improving the quality of our service. This is also true of the complaints process. When we respond to a complaint, we enclose a simple questionnaire to help assess the rating of complainants to our complaints service and to the outcomes achieved as a result of the complaint investigation. The questionnaire is designed to help us determine how we can improve this service.

Complaints received 01 April 2013 – 31 March 2014:

	Quarter 1 April – June 13	Quarter 2 July – Sep 13	Quarter 3 Oct - Dec 13	Quarter 4 Jan - Mar 14
Number of complaints received	56	47	36	41

In 2014/15 we will continue to implement the findings of our review of the process of managing complaints that was undertaken in line with the reorganisation of the Trust's divisions in 2012/13, and will also take into account the wider national reforms in relation to complaints. Measures to further strengthen the learning of lessons will be implemented and used to inform wider organisational development. This will work in partnership with the Patient Experience Strategy to ensure that we are always listening to our patients and their feedback to continually improve the patient experience.

5.9 National Inpatient Survey

Improvements in the quality of services delivered by the Trust can be made, if we understand what patients think about their care and the treatment they receive. The CQC conducts a national survey on patients accessing inpatient services between June and August each year. Patient Perspective, a national audit and survey company, was commissioned by the Trust to support the 2013 survey. The Trust achieved a 62.9% response rate in the 2013 survey, a significant increase on the Trust's 2012 response rate of 51%. The national average response rate for the 2013 survey was 49%.

The CQC use the data to compare trusts, highlighting best performing responses in green, organisations scoring about the same as other providers in amber and worst performing trusts in red. Overall the Trust has improved its percentage scores from the 2012 survey in 26 questions and remained static in 16 questions. The Trust internal monthly inpatient questionnaires that contain a number of similar questions has also seen an increase in performance within year. The survey results will be presented to the Patient Experience Group and Trust Board, and an action plan will be developed to support areas that require improvement. Further information on patient experience and satisfaction survey responses can be found in the Trust's Quality Account section of this report. The 2013 results were published on the CQC website on 8th April 2014.

5.10 Patient and Public Engagement

The Trust has been working with the Council of Governors over the last twelve months to ensure that they are included in the plans and developments of the Walton Centre. This has been facilitated through Council of Governor meetings where strategy, operational performance and quality are discussed. Governors have also been invited to attend internal groups and are represented on the Infection Control Committee and the Patient Experience Group. Governors were also asked to select three stretch targets for the Trust to improve quality. Information on the stretch targets can be found within the Quality Accounts section of this report. Information about the Trust's plans and developments are also included in the Trust's newsletter – Neuromatters, and on the Trust's website.

5.11 Volunteers

The Trust has a dedicated team of volunteers, mostly former patients, who work tirelessly in partnership with the Trust to offer additional services and facilities for the benefit of patients and their families.

5.12 Research and Innovation

The Trust continues to recognise the importance of Research and Innovation and during 2013/14 the Research, Development and Innovation (R,D&I) support staff team have undertaken a transformation programme. The Team were set ambitious and stretching targets which they met and surpassed to produce a Research, Development and Innovation support function which:

- Works collaboratively to facilitate high quality clinical and healthcare research.
- Supports the development and adoption of innovation.
- Has reduced the timeline for study approval.
- Is fit for purpose and compliant with statutory regulations, and
- Aligned to Walton Way values and behaviours.

The R,D & I team are now working with clinicians to embed the Trust's Research, Development & Innovation strategy so that research and innovation are integral to the Trust's day to day-to-day activities, making research and innovation everyone's business and creating a 'Culture of Curiosity'.

On 4th July 2014 the Neuroscience Research Centre will celebrate its 20 year anniversary and during 2013/2014 the Neuroscience Research Centre team exceeded our annual recruitment target of 880, set by the Comprehensive Local Research Network (CLRN), recruiting over 2000 patients. In total there are currently 104 clinical studies on-going at the Walton Centre and

participation in clinical research demonstrates the Trust's commitment to improving the quality of care.

In November 2013 the Trust received a Certificate of Recognition from Dr Jonathan Sheffield OBE, Chief Executive Officer of the National Institute for Health Research (NIHR) Clinical Research Network to acknowledge the Trust's work in maximising the impact of research activity undertaken in the Trust.

In collaboration with the University of Liverpool the Trust continues to attract some notable, prestigious National Institute for Health Research (NIHR) grants for Neurosurgery/Pain, Neuro-Oncology and Brain Infection, with further applications pending. In addition, the Trust was successful in its application for two Regional Innovation Fund (RIF) awards to use Functional Electronic Stimulation (FES) to improve mobility in patients with Multiple Sclerosis and to develop a Neuro Early Warning System (NEWS) to collate bedside observations, alert staff of any deterioration in a patient's condition thereby helping to improve patient outcomes.

During 2013/14 the Trust has worked collaboratively and in partnership with the following networks and organisations to attract NIHR funding, deliver clinical research and disseminate research outputs and innovation to inform service transformation and improvement:

- Cheshire and Merseyside Comprehensive Local Research Network (CLRN).
- North West Stroke Research Network.
- North West Dementias and Neurodegenerative Diseases Research Network (DeNDRoN).
- Liverpool Health Partners (LHP).
- North West Coast Academic Health Science Network (NWC AHSN).
- North West Coast Collaboration for Leadership in Applied Health Research and Care (NWC CLAHRC).
- Local Universities.
- Other NHS trusts and NHS organisations.

5.13 Clinical Audit

During 2013/2014 six national clinical audits and three national confidential inquiries covered the services provided by the Trust:

National Audits:

- Adult Critical Care (ICNARC / case mix programme)
* Data will be submitted quarterly from April 2014 onwards
- Trauma Audit Research Network (TARN)
- National Emergency Laparotomy Audit (NELA)
- Falls and Fragility Fractures Audit Programme (FFFAP)
- Sentinel Stroke National Audit Programme (SSNAP)
*No data was submitted for this period
- National Comparative Audit of Blood Transfusion Programme

National Confidential Enquiries (NCEPOD):

- Tracheostomy Care Study
- Lower Limb Amputation Study
- Sepsis Study

During 2013/14 the Trust also participated in 118 local clinical audits. All local clinical audit projects are discussed by the Clinical Audit Group and selected against agreed criteria under the quality domains of safety, effectiveness and patient experience. The Trust also ensures that audit is undertaken to measure implementation of national guidance and standards. The Clinical Audit Department produce a monthly clinical audit activity status report which includes recommended actions from all completed projects for each division and the progress made towards implementation. These reports and action plans are monitored monthly at Clinical Audit Group and Divisional Governance & Risk meetings. The above governance arrangements are monitored and overseen by the Governance, Risk and Quality Committee.

An annual clinical audit event is also held at the Trust for staff to share their work and learning from audits undertaken for the purpose of service improvement and improving clinical knowledge.

5.14 Never Events

During 2013/14 the Trust reported a nasogastric tube incident to its commissioners as required. The commissioners have recorded this as a Never Event. The Trust has debated this classification

with its commissioners since this occurred despite the insertion procedure for the tube following national guidance completely, as has been acknowledged. However the commissioners have maintained their stance.

6.0 STAFF SURVEY

6.1 Staff Survey Report

The 2013 staff survey was distributed between September and November 2013. The staff survey is an important strand in the organisations overall approach to staff engagement. Other elements include:

- Established staff communications and engagement methods including a weekly email bulletin to all staff 'Walton Weekly' plus a monthly presentation to heads of departments – 'Team Brief' led by the Chief Executive.
- Quarterly clinical senates draw together clinicians to discuss clinical issues and are well attended from all specialties.
- Regular staff and patient 'Listening Weeks' have been launched.
- The 'Tell Chris' initiative by which staff can email the chief executive directly with any questions or concerns have proved a success with many suggestions leading to actions to resolve issues.
- Investors in People accreditation.

6.2 Summary of Performance

308 staff out of a random sample of 681 staff at the Walton Centre took part in this survey. This is a response rate of 45% which is below average for acute specialist trusts in England. This is also lower than last year's response rate of 54%. The national response rate was 49%, a decrease from 50% in 2012. It is important to note that the decrease in the response rate has occurred for a second consecutive year. In addition, the random sample size has increased from 600 staff last year to 681 in this year's survey. The actual number of staff completing the survey has only decreased from 318 to 308.

Overall, the results are variable but it is important to recognise that they are mainly positive in nature. Some of the particularly encouraging results are in business critical categories such as staff motivation, good opportunities for career progression, communication between senior management and staff and effective team working.

However it is inevitable that any action plan needs to focus upon the less positive findings which particularly concern key relationships between staff and their interface with patients and carers (e.g. discrimination and violence). In addition, work needs to continue on appraisal completion rates. The following table details the top and bottom indicators showing this year's performance against the previous year's survey percentage.

TOP 5 RANKING SCORES	2012		2013		Trust Improvement/ Deterioration
	Trust	Specialist Acute Average	Trust	Specialist Acute Average	
Percentage of staff receiving health and safety training in last 12 months	93%	76%	93%	77%	Same
Percentage of staff experiencing harassment, bullying or abuse from last in last 12 months	21%	23%	20%	22%	Improvement
Percentage of staff believing the trust provides equal opportunities for career progression or promotion	89%	88%	92%	91%	Improvement
Effective team working	3.75	3.77	3.82	3.81	Improvement
Support from Immediate managers	3.60	3.69	3.74	3.74	Improvement
LEAST FAVOURABLE RANKING SCORES	2012		2013		Trust Improvement/ Deterioration
	Trust	Specialist Acute Average	Trust	Specialist Acute Average	
Percentage of staff experiencing physical violence from patients, relatives or the public in last 12 months	21%	6%	21%	7%	Improvement
Percentage of staff experiencing physical violence from staff in last 12 months	3%	2%	4%	1%	Deterioration
Percentage of staff working extra hours	74%	72%	75%	71%	Deterioration
Fairness and effectiveness of incident reporting procedures	3.45	3.60	3.53	3.62	Improvement
Percentage of staff receiving job-relevant training, learning or development in last 12 months	77%	81%	80%	81%	Improvement

6.3 Future Priorities and Actions

The key priority areas to address inevitably need to be those identified in the bottom five ranking scores. These can be explicitly profiled in our existing staff engagement techniques and this will allow us to be more prescriptive in engagement exercises such as Staff Listening Weeks and the Chief Executive's schedule of walkabouts. However, the Trust will consider the results in their entirety and identify any areas that can be improved upon. The results can also be interpreted by staff group or department which will enable the organisation to take specific action where required.

Over the past few years the Trust's HR team has visited each ward/department to gather additional feedback regarding staff survey results. This information was analysed, where possible acted upon and then fed into staff communications entitled 'You said...We did'. However, intelligence gathered over the last year has informed that this campaign has lost some of its impact and momentum and that a fresh approach to feeding back staff survey messages is required. The Trust recognises that staff need to know that their views have been considered and action taken where necessary. The issue of how best to feedback has been raised through the Trusts' Staff Partnership Committee and the HR team are currently considering the best way to communicate this year's results. Once a decision has been taken on the most effective approach a process for identifying actions and monitoring progress will be implemented.

The Walton Centre committed to undertake a challenging accreditation schedule to update its Investors in People (IiP) status during late April/early May 2014. This included sixty 1-2-1 interviews with staff, focus groups and showcases over a period of 9 -11 days. The staff survey indicators that are weak and/or below average formed the key input into this process. In effect, our bottom five ranking scores formed part of every aspect of the IiP assessment process. This ensured that the assessors could deep dive further into the issues and highlight as part of their findings, any specific actions required from the Trust. The actions arising from the IiP process, will supplement the other staff engagement mechanisms as specified above.

7.0 OTHER DISCLOSURES IN THE PUBLIC INTEREST

7.1 Actions Taken by the Walton Centre NHS Foundation Trust to Maintain or Develop the Provision of Information to, and Consult with, Employees

The Trust has continued to engage with staff during the last twelve months, communicating key themes such as the strategic investment plan, the challenging economic climate, Trust finances, performance, the Trust's Five Year Strategy and the changing healthcare market and how this impacts the Trust now and in the future. As well as the usual internal communication mechanisms such as Team Brief and the Trust Intranet site numerous staff summits, clinical senates and Listening Weeks have been held with all staff groups. In these forums senior management and the Executive Team meet with staff to inform, engage their views and to gather ideas and suggestions on how the Trust can develop strategy, performance, services and policy.

7.2 Health and Safety Performance, Occupational Health and Staff Sickness Absence

Health and Safety:

There have been no prosecutions or Health and Safety Executive (HSE) enforcement notices issued to the Trust during the reporting period. In addition, the Trust has not had any HSE advisory visits during the period. The total number of RIDDOR (Reporting of Injuries Diseases and Dangerous Occurrences Regulations) reportable accidents sent to the HSE during 2013/14 was 11 compared to 5 in 2012/13.

Occupational Health:

The Trust is fully committed to health and well-being and recognises that good staff health and well-being is vital for ensuring that the NHS and the Trust can meet the productivity challenge. Experience and research demonstrates that organisations which adopt a positive approach to improving health and well-being across the organisation may achieve substantially reduced costs associated with:

- Absenteeism.
- Staff turnover.
- Risk management.
- Increased staff morale, job enrichment, quality of work life.
- Continuous improvement of achievement.
- Improved productivity and overall organisational performance.
- Improvement in quality of services and patient satisfaction.

The Trust's Health and Wellbeing Occupational Health Service continues to be provided by a service level agreement with Aintree University Hospital NHS Foundation Trust with key

performance indicators monitored via quarterly review meetings. This year again the Trust was in the top quartile for staff uptake of the flu vaccine due to a very successful flu campaign, which was a collaboration between the Trust and Occupational Health Service. The Trust's onsite counselling service is provided by Cheshire and Wirral Partnership NHS Foundation Trust. Staff can access the service themselves or via their manager and feedback from this service is extremely positive and in a number of cases supports staff being able to remain in the workplace. This year has seen the continued implementation of 'Work Well - The Walton Way' and a comprehensive health and wellbeing action plan to extend good practice. The Trust continues to provide a number of successful health and wellbeing activities being on site which have been very popular with staff and are contributing to the Trust's health and wellbeing objectives of increasing physical activity and tackling obesity.

Sickness Absence:

Staff Sickness Absence	2013/14	2012/13
Days Lost (Long Term)	5,874	4,733
Days Lost (Short Term)	4,881	5,471
Total Days Lost	10,755	10,204
Total Average Staff Years	1,193	933
Average Working Days Lost	9.15	9.04
Total Staff Employed In Period (Headcount)	1,192	1131
Total Staff Employed In Period with No Absence (Headcount)	559	704
Percentage Staff With No Sick Leave	46.9%	56.5%

7.3 Number and Average Additional Pension Liabilities for Individuals Who Retired Early on Ill-health Grounds during the Period of Reporting

During the period 1 April 2013 to 31 March 2014 there was 1 early retirement from the NHS Trust agreed on the grounds of ill-health. The estimated additional pension liabilities of this ill-health retirement will be £57,955. In the prior period there were two at a cost of £11,550. The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

7.4 Policies and Procedures with Respect to Countering Fraud and Corruption

The Trust has an Anti-Fraud, Bribery and Corruption policy in place and does not tolerate fraud, bribery and corruption. The aim is to eliminate all NHS fraud, bribery and corruption as far as possible. The Trust is committed to taking all necessary steps to counter fraud, bribery and corruption. To meet its objectives, it has adopted the seven-stage approach developed by the NHS Protect:

- The creation of an anti-fraud culture.
- Maximum deterrence of fraud.
- Successful prevention of fraud which cannot be deterred.
- Prompt detection of fraud which cannot be prevented.
- Professional investigation of detected fraud.
- Effective sanctions, including appropriate legal action against people committing fraud, bribery and corruption.
- Effective methods of seeking redress in respect of money defrauded.

The Trust has a Standards of Business and Personal Conduct policy and a Hospitality, Gifts and Sponsorship policy. The Director of Corporate and Research Governance raises awareness of the Trust's policies and procedures with all new members of staff at their Trust Induction session. A counter fraud work plan is agreed with the Director of Finance and approved by the Audit Committee and the local counter fraud specialist is a regular attendee at Audit Committee meetings to provide an update on the on-going programme of proactive work to prevent any potential fraud and investigatory work into reported and suspected incidents of fraud.

7.5 Compliance with the Cost Allocation and Charging Requirements set out in HM Treasury and Office of Public Sector Information Guidance

The Walton Centre 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 is now working to ensure compliance with Monitor's recently published Approved Costing Guidance. The Trust's Finance Department works with all departments within the Trust to use the activity information available within the Trust and an established NHS costing package to appropriately allocate expenditure to services and patients. Progress on developing patient level costing is reported to the Hospital Management Board.

7.6 Consultations

During the past year the Trust has continued to consult staff and governors on its strategic investment programme and forward plans. This was done using a variety of forums including staff summits, team brief and Council of Governor meetings. In addition building plans for each department were developed with, and signed off by a user group consisting of a cross section of staff from the department with plans publicised at the Trust's open day in September 2013 and on the Trust's website. A Public Areas Group involving public and staff Governors was consulted on the external design and the design of external and internal public areas. The Trust also consulted on its revised Communications Strategy with relevant stakeholders - staff, Governors, members and patients using a variety of mechanisms including a mixture of online, Survey Monkey and written feedback.

Governors were also consulted on the Trust's annual plans and Quality Account priorities for 2014/15. To facilitate Governors being able to canvass the opinion of the Trust's members and the public information regarding the Trust's forward plans were displayed on the Trust's website, in the Trust's magazine for members – Neuromatters, at the Trust's Open Afternoon and at the Annual Members Meeting.

7.7 Contracts

The Trust has many contracts for goods and services with numerous suppliers in the private and public sectors. Whilst all are important the following are regarded as essential to the daily operation of the business and would be difficult to change at short notice:

- The close proximity of Aintree University Hospital NHS Foundation Trust means that the Trust can benefit from economies of scale by using their infrastructure to provide some of its support services. There is a service level agreement in place to cover these services which include Pharmacy Services as well as many estates functions including the provision of utilities and emergency maintenance.
- During 2013/14 Capita provided a Payroll and Transactional HR (Human Resources) service which also includes ensuring that the Trust complies with the requirements of the NHS Pension Scheme.
- Informatics Merseyside provide the first line support to the Trust's IT infrastructure.
- The Trust's Patient Information System is provided by iSoft.
- The radiology PACS (Picture Archive and Communication System) and information system has been awarded as part of a consortium of local NHS bodies on a five year contract

ending in June 2018. The information element has been awarded to HSS and the PACS element to Carestream.

- ISS Mediclean provides hotel services including cleaning, portering and patient meals. This service underwent a full tender exercise in 2010 and a 3 year contract was awarded for the period 2011-2014.

7.8 Provision of Goods and Services for the Purposes of the Health Service

The Trust has met the requirement as detailed in Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) ie that the Trust's 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 purposes.

The Trust receives income for the provision of health services to Wales through the Welsh Assembly Government. There is a small proportion of private patient income (0.4% of total income) and research and medical income which are utilised to enhance the provision of the Trust's clinical services and the patient experience.

7.9 Better Payment Practice Code

The Better Payment Practice Code requires the Trust to aim to pay all undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later. The table below summarises our performance for 2013/14:

Better Payment Practice Code - Measure of Compliance	2013/14	
	Number	£000s
Non-NHS Creditors		
Total non-NHS trade invoices paid in the year	15,800	42,086
Total non-NHS trade invoices paid within target	14,193	39,685
Percentage of non-NHS invoices paid within target	90%	94%
NHS Creditors		
Total NHS invoices paid in the year	1,308	20,592
Total NHS invoices paid within target	1,204	19,503
Percentage of NHS invoices paid within target	92%	95%

7.10 Policies applied to:

- **Give full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities.**
- **Facilitate the continuing employment of, and arranging training for, employees who became disabled during the period.**
- **Facilitate the training, career development and promotion of disabled employees.**

The Trust's Equality and Human Rights policy was revised during the financial year to incorporate the previous Equal Opportunities policy. Alongside the Recruitment and Selection policy this outlines how all applications for employment, including those by individuals who have a disability, will be given full and fair consideration, having regard for particular aptitudes and abilities. The Equality and Human Rights policy also supports the continuing employment of, and arranging training for, employees who develop a disability during their employment in addition to the training, career development and promotion of disabled employees.

8. STATEMENT OF THE ACCOUNTING OFFICER'S RESPONSIBILITIES

Statement of the Chief Executive's responsibilities as the Accounting Officer of The Walton Centre 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 Monitor.

Under the NHS Act 2006, Monitor has directed The Walton Centre NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of The Walton Centre NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the NHS Foundation Trust Annual Reporting Manual and in particular to:

- Observe the Accounts Direction issued by Monitor, 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 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; and
- Prepare the financial statements on a going concern basis.

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

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

Signed

A handwritten signature in black ink, appearing to read "C. Harrop". The signature is written in a cursive, slightly slanted style.

Chris Harrop, Chief Executive

23 May 2014

9. ANNUAL GOVERNANCE STATEMENT

1st April 2013 to 31st March 2014.

9.1 Scope of Responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of The Walton Centre 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 Walton Centre 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 NHS Foundation Trust Accounting Officer Memorandum.

9.2 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 The Walton Centre NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Walton Centre NHS Foundation Trust for the year ended 31 March 2014 and up to the date of approval of the annual report and accounts.

9.3 Capacity to Handle Risk

The Board of Directors collectively take a proactive role in providing leadership to the risk management process. Specific duties and responsibilities are given to the Director of Governance and Risk to ensure the processes and arrangements are effective and provide assurances to the Board of Directors that risks which threaten the Trust's strategic objectives are identified and where possible, eliminated, reduced and controlled.

Committees of the Board of Directors have delegated powers for the responsibility of monitoring high-level risks within their terms of reference. Key risks identified are reviewed by the Governance, Risk and Quality Committee on a quarterly basis and changes are documented through the Board Assurance Framework (BAF). This process is supported by the divisional and corporate risk registers by senior trained named managers who input information into a live dynamic risk management system. Risk management formal reports and registers are monitored

locally at divisional meetings and reviewed with local departmental managers. Any new risks identified by the divisions, which have the potential to impact on the strategic intent of the Trust, are reported to the Executive Team.

The BAF is monitored by the Audit Committee, this is the process by which the Board of Directors satisfies itself that processes and arrangements are being followed and managed appropriately and within policy. During 2013/14 Mersey Internal Audit Agency have reviewed the arrangements in place for the BAF, incident management and risk maturity and reported significant assurances on the effectiveness of these processes.

Risk management training is provided to all staff regarding risk and incident reporting at mandatory and induction training and specific staff have been trained on the management of risk based on their role and accountability level within the organisation. This training focuses not only on internal process and online reporting arrangements but also the wider understanding of quality and the duty of candour. Guidance is available within the online risk system to help and prompt staff using the system and this is also supported by super users across the organisation based on wards and a specialist system lead who is based centrally with the Risk Team.

The Trust's Risk team is a component of a wider Governance department who integrate all components of risk together for effective control and greater efficiencies. All staff, including contractors, can report an incident online. Their line manager quality checks the data before the information is approved and moved onwards and upwards to the appropriate person in the organisation, based on the risk rating of the issue reported. The Trust continually strives to improve its risk management performance by capturing and learning lessons from a wealth of sources including complaints and incidents and produces 'Lessons Learnt' newsletters to staff. Recommendations following reviews are monitored via committees to ensure actions and programs of work are implemented and risk reduced. The Trust acknowledges its duty of candour which supports one of its core values of openness. Therefore, any shortcoming identified by the Trust when providing care once investigated following a complaint or an incident is automatically discussed and shared openly with the patient and their family.

9.4 Risk Management and the Risk and Control Framework

Risk Management

The Trust has continued to review its strategy and policies relating to risk management during the year. All Trust policies including risk management related policies have had an equality impact assessment completed as required by the Trust's document control arrangements. Any proposed cost improvement plans undergo a quality impact assessment to ensure that any changes in

funding to services or schemes do not increase risk or negatively impact on patient safety, patient experience or clinical effectiveness of the service.

The approach to risk in the Trust follows the seven steps to patient safety:

1. Building a Safety Culture.
2. Leading and Supporting Staff.
3. Integration of Risk.
4. Promote Reporting.
5. Involve and Communicate with Patients.
6. Learn and Share Safety Lessons.
7. Implement Solutions to Prevent Harm.

The Board of Directors recognises the value of taking a strategic, proactive and comprehensive approach to the assessment and control of risk. The Trust appreciates the variety of significant benefits which can be achieved, from improving patient care and the safety of the working environment for our staff, to reducing levels of financial risk and loss for the organisation as a whole.

With regard to information security risks, the Trust has a nominated Senior Information Risk Officer (SIRO) at executive level. The Trust has maintained a minimum level 2 score across all of the 45 standards within the Information Governance toolkit and has scored 90% (Green) compared with 81% (Green) in the previous year. Information Governance training is provided as part of induction for all new staff and refresher training forms part of the Trust's mandatory study programme. The Trust has maintained its ISO27001 standard in relation to Information and IT security. The Trust once again received 'Significant Assurance' from Internal Audit following review of its IG toolkit evidence. During the period of reporting there have been no serious incidents involving data loss or confidentiality breaches.

The Risk and Control Framework

Executive Team members provide quarterly updates regarding assurance of individual risk issues and highlight any changes in status. The Board Assurance Framework (BAF), although a live document, is formally reviewed quarterly by the Board of Directors following its presentation at board committees. Additional risks identified through the divisional risk registers are presented for consideration by the Board of Directors for inclusion on the BAF when they have a risk score in excess of 15 (assessed against the risk matrix), indicating high levels of impact / likelihood.

The Trust's strategic objectives are:

- Quality of Care.
- Developing our Centre.
- Neurology Services.
- Neurosurgery, Anaesthesia and Pain Services.
- Rehabilitation.
- Research and Innovation.
- Reputation and Relationships.
- Our Workforce.
- Financial Strength.

The Trust's four strategic goals are:

- Be World Class.
- Always Caring.
- Forward Thinking.
- Working Together.

The BAF references the Care Quality Commission (CQC) outcomes related to the identified risk. In addition, CQC standards are assessed and evaluated throughout the year and reported to various groups and committees of the Board of Directors for challenge and scrutiny.

The BAF currently identifies ten risks with a risk rating of 15+. These risks are both current and forecast. All risks have controls and treatment plans to mitigate the risk as far as reasonably practicable and therefore the level of risk will decrease once treatment plans are completed.

Summary of current risks:

- Two relate to the management of the Trust's payroll and recruitment functions.
- Two relate to the management and control of the incidence of hospital acquired infections, specifically Clostridium difficile (CDT) and MRSA Bacteraemia.
- One relates to the changes in the commissioning environment and the ability of a commissioner to pay for the services we provide for patients.
- One relates to the possible interruption of the Trusts electricity power supply following two incidents during summer 2013.
- One relates to IT and information capacity to support the Trust delivering its strategic objectives.
- One relates to delivery of current and future years cost improvement plan targets.
- Two relate to pre-planned maintenance arrangements.

In respect of the principal risks to compliance with the NHS FT condition 4 (FT Governance) the Walton Centre has a Board of Directors and has established a committee structure with associated reporting lines, performance and risk management systems. Each committee is chaired by a Non-Executive Director and has an associated Executive Team member as its Executive Lead.

Committees of the Board of Directors are:

- Governance, Risk and Quality Committee.
- Business Performance Committee.
- Audit Committee.
- Remuneration Committee.
- Research, Development and Innovation Committee.
- Walton Neuroscience Fund Committee.
- Project Committee.

Each committee has a Terms of Reference which detail the role, responsibilities and reporting lines of each committee and are reviewed on an annual basis by each committee and the Board.

The Board of Directors and Board Committees receive timely and accurate information to assess risks to compliance with the Trust's provider licence and have the requisite degree and rigour of oversight over the Trust's performance. To assure itself of the validity of its annual governance statement required under NHS FT Condition 4 (8) b the Board of Directors receives an annual assurance statement and associated evidence. In addition, the Board of Directors has received quarterly reports which it has submitted to the sector regulator - Monitor regarding its principal risks to compliance with its Governance and Continuity of Service ratings and has also submitted to Monitor a two year operational plan and a five year strategic plan which also articulate the Trust's principal risks and their mitigations. A review of the effectiveness of the Board of Directors and Board Committee has also been undertaken in 2014.

All of the above systems and processes are designed to ensure that the Trust controls, manages and mitigates its major risks to its strategic objectives, and thereby, continuing to provide excellence in neuroscience.

9.5 Care Quality Commission Registration

The Trust is fully compliant with the registration requirements of the Care Quality Commission.

9.6 NHS Pension Scheme Control Measures

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.

9.7 Equality, Diversity and Human Rights Control Measures

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

9.8 Carbon Reduction Delivery Plans

The Trust has undertaken risk assessments and Carbon Reduction Delivery Plans are in place in accordance with emergency preparedness and civil contingency requirements, as based on UKCIP 2009 weather projects, to ensure that this organisation's obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

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

The Trust has a very well established mechanism for setting financial plans and ensuring that these are met. The Trust has also undertaken a detailed review of its income and expenditure budgets prior to setting its annual plans for 2014/15. The financial position is reviewed in detail at the Trust's Business Performance Committee meetings and at the Board of Directors meeting. A full description of all key activity, income and expenditure variances is covered in this report along with a full analysis of capital expenditure against plan, cash flow and the Trust's Continuity of Service risk rating. The Trust's Hospital Management Board is updated quarterly in respect of the Trust's Service Line and Patient level costing information, and the Board of Directors receives an analysis of the Reference Cost Index position annually.

The Board of Directors has been proactive in identifying and agreeing financial risks and mitigations and this process is on-going. The Trust has a well-established system for identifying and managing financial risk. Internal audit has played a key role in providing assurance that financial systems are operating adequately and the Trust is continually striving to improve the effectiveness of its financial controls.

9.10 Annual Quality Report

The Board of 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. 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.

In order to assure the Board of Directors that the Quality Report presents a balanced view there are clear roles and responsibilities across the Trust with regards to quality. The Director of Nursing and Modernisation is the Executive Lead with the responsibility as Trust lead for Quality and works alongside other members of the multi-disciplinary team and with other internal and external stakeholders to ensure the voice of service users drive the direction of travel with regards to quality. To support this there are a number of policies and plans which include the Quality Governance Strategy, Quality Accounts, the Trust's 5 Year Strategy, the Nursing Strategy and the Workforce Plan that have quality as the driver for success. To support these policies and plans there are clear systems and processes in place to monitor quality starting at ward level utilising quality metrics that fed up into an overall Trust balanced scorecard. This is used in conjunction with other divisional metrics to monitor performance and the quality of service provided to our patients.

The Governance, Risk and Quality Committee reports directly to the Board of Directors on issues of quality governance and risks that may affect the patient experience, patient's outcomes or patient safety. This committee also has responsibility for development of the Trust's Quality Accounts.

A comprehensive review and planning event involving patients, staff, governors and Healthwatch identified the areas of focus in respect of quality for the forthcoming year. Key performance indicators and priorities relating to quality were identified and their performance is monitored by the Board of Directors on a monthly basis. The development of the Trust's Quality Account and reporting have also been agreed by the Board of Directors and the Trust's Council of Governors has been fully involved in the development of the Trust's quality priorities. External overview has been provided by the Trust's lead commissioner and opinion on the draft report has been sought from Healthwatch. The draft Quality Account will be reported to the Overview and Scrutiny Committee and Council of Governors prior to final submission.

The Trust has had a challenging year in relation to preventing hospital acquired infection. At year end the Trust has 1 case of MRSA bacteraemia and 12 cases of Clostridium difficile against a trajectory of zero and five cases respectively. The Trust has implemented a number of strategies within the year to ensure infection control remains a key focus within wards and departments; these are outlined within the Quality Accounts document.

This year the Trust changed the supplier of its benchmarking software to Dr Foster. This gives the Trust access to a number of analytical tools, to a wider range of trusts to benchmark our performance against and has also enhanced the Trust's ability to focus on improving our performance on key efficiency and performance indicators. Customised dashboards provide visual alerts when indicators, including patient safety indicators, fall outside expected values. The Trust consistently remains below the expected index for Hospital Standardised Mortality Ratio (HSMR) and also the relative risk factor for readmissions, both of which are monitored within the Corporate Performance Report received by the Board of Directors on a monthly basis.

The Trust is required to register with the Care Quality Commission (CQC). Its current registration status is 'Registered without Conditions'. The Trust has adopted an approach to satisfy itself with the requirements for registration with the CQC and at the year-end the Trust declared full compliance on all core standards relating to the CQC's core Standards for Better Health (SBH). This declaration was based on a rigorous self-assessment and evidence gathering exercise and in accordance with the Trust's internal scheme of governance for SBH. The Trust's annual inspection was undertaken by the CQC in November 2013. The visit was undertaken by a panel including a patient representative and an infection control specialist. The CQC passed the Trust as fully compliant in all of the outcomes examined.

The Trust has a robust approach to managing compliance against the CQC outcomes and regulated activities. In addition to the intelligence gathered internally the Trust uses the Intelligent Monitoring report, published by the CQC, to strengthen areas of potential weaknesses and militate against these alongside internal inspections of clinical areas.

CQUINs, agreed with Commissioners, have been monitored throughout the year and have been deemed to meet the set criteria and performance levels.

9.11 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 Walton Centre 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 report attached to this Annual Report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal

control by the Board, the Audit Committee the Business Performance Committee and the Governance, Risk and Quality Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place. The Trust's internal auditors are Mersey Internal Audit Agency.

The Director of Internal Audit's opinion and annual report that states 'Significant assurance can be given that there is a generally sound system of internal control designed to meet the organisation's objectives, and that controls are generally being applied consistently. However, some weaknesses in the design or inconsistent application of controls put the achievement for a particular objective at risk'. The Director of Internal Audit has further concluded that 'An Assurance Framework has been established which is designed and operating to meet the requirements of the Annual Governance Statement and provide reasonable assurance that there is an effective system of internal control to manage the principal risks identified by the organisation'.

During 2013/14 the Board of Directors has maintained and reviewed the effectiveness of its system of internal control. Throughout 2013/14 the Board of Directors has received comprehensive reports from committee chairs which have detailed the meeting's proceedings and have also highlighted any issues regarding risk and internal control. In addition, the Board of Directors has received the Board Assurance Framework (BAF) on a quarterly basis which details the Trust's major risks and controls in place to mitigate such risks. The Audit Committee has also monitored the BAF and provided the Board of Directors with assurance that processes and arrangements are being followed and managed appropriately and within policy. In addition, during 2013/14 Mersey Internal Audit Agency (MIAA) have reviewed the arrangements in place for the BAF, incident management and risk maturity and reported significant assurances on the effectiveness of these processes. The Trust's clinical audit activities, both national audits and those locally agreed, undertaken during 2013/14 have also informed regarding the effectiveness of the internal control system and the Trust's internal auditors MIAA completed an agreed internal audit schedule plus additional projects of work which have also provided the Trust with assurance regarding the effectiveness of internal control. All of the above have indicated that the Trust does not have any significant internal control issues or gaps in controls. In addition, the Trust has been subject to a number of external assessments during 2013/14 which have also provided evidence of the effectiveness of the system of internal control. These include:

- Human Tissue Authority Inspection.
- Care Quality Commission Inspection.
- Cheshire and Mersey Major Trauma Network Peer Review.
- Cheshire and Merseyside Rehabilitation Network Re-accreditation.

9.12 Conclusion

The Board of Directors is satisfied that the process for identifying and managing risks is robust and dynamic as evidenced above. The process is subject to continuous review and improvement and the Board of Directors has again this year placed significant emphasis on improving the mechanisms for proving assurance that the risks are effectively managed and has appointed a Director of Governance and Risk. The Audit Committee has reviewed the Director of Internal Audit's opinion in detail and is assured that the key audit recommendations are being addressed as part of the on-going plan. The Board of Directors is aware of the key risks facing the organisation as we move into an era of uncertainty for the NHS regarding the commissioning of specialist services, however the Board of Directors is confident that the long term strategy and underpinning financial plans are robust, realistic and achievable in the current climate.

In summary, the Trust has a sound system of internal control in place which is designed to ensure delivery of the Trust's strategic objectives and to minimise exposure to risks. I am pleased to report that there are no significant internal control issues identified during 2013/14.

Signed:



Chris Harrop, Chief Executive

23 May 2014

10. ANNUAL ACCOUNTS 2013/14

The Walton Centre NHS Foundation Trust

Accounts for the period ending 31 March 2014

The following presents the accounts for the Walton Centre NHS Foundation Trust for the period ending 31st March 2014.

The accounts have been prepared in accordance with the requirements as set out in paragraphs 24 and 25 of Schedule 7 to the National Health Service Act 2006 (the 2006 Act) in the form which Monitor, the Independent Regulator of NHS Foundation Trusts has, with the approval of the Treasury, directed.

Signed

A handwritten signature in black ink, appearing to read "C. Tang".

Chief Executive
23 May 2014

Statement of Comprehensive Income

2012/13			2013/14		
Foundation Trust £000	Group (restated) £000		Note	Foundation Trust £000	Group £000
102,515	102,748	Operating Income from continuing operations	3	97,411	97,785
(87,567)	(87,793)	Operating Expenses of continuing operations	4	(94,998)	(95,286)
14,948	14,955	OPERATING SURPLUS / (DEFICIT)		2,413	2,499
		FINANCE COSTS			
81	109	Finance income	8	59	87
(50)	(50)	Finance expense - financial liabilities	8	(243)	(243)
(4)	(4)	Finance expense - unwinding of discount on provisions	19	(4)	(4)
(1,054)	(1,054)	PDC Dividends payable	25	(997)	(997)
(1,027)	(999)	NET FINANCE COSTS		(1,185)	(1,157)
13,921	13,956	SURPLUS/(DEFICIT) FOR THE YEAR		1,228	1,342
		Other comprehensive income			
(8,099)	(8,099)	Revaluations		156	156
(30)	35	Other recognised gains and losses	12	0	50
5,792	5,892	TOTAL COMPREHENSIVE INCOME / (EXPENSE) FOR THE PERIOD		1,384	1,548

The Notes on pages 103 - 137 form part of these accounts.

Statement of Changes in Taxpayers Equity

	Group					Foundation Trust Only			
	Total Group equity	Charitable funds reserves	Public Dividend Capital	Revaluation Reserve	Income and Expenditure Reserve	Total Taxpayers equity	Public Dividend Capital	Revaluation Reserve	Income and Expenditure Reserve
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Taxpayers' and Others' Equity at 1 April 2013	52,827	1,212	25,914	2,498	23,203	51,615	25,914	2,498	23,203
Surplus/(deficit) for the year	1,342	183	0	0	1,159	1,228	0	0	1,228
Transfer between reserves	0	0	0	(24)	24	0	0	(24)	24
Revaluations	156	0	0	156	0	156	0	156	0
Other recognised gains and losses	50	50	0	0	0	0	0	0	0
Public Dividend Capital received	380	0	380	0	0	380	380	0	0
Other reserve movements	0	(69)	0	0	69	0	0	0	0
Taxpayers' and Others' Equity at 31 March 2014	54,755	1,376	26,294	2,630	24,455	53,379	26,294	2,630	24,455
Taxpayers' and Others' Equity at 1 April 2012 (restated)	46,935	1,112	25,914	10,645	9,264	45,823	25,914	10,645	9,264
Surplus/(deficit) for the year	13,956	69	0	0	13,887	13,921	0	0	13,921
Transfer between reserves	0	0	0	(48)	48	0	0	(48)	48
Revaluations	(8,099)	0	0	(8,099)	0	(8,099)	0	(8,099)	0
Other recognised gains and losses	35	65	0	0	(30)	(30)	0	0	(30)
Public Dividend Capital received	0	0	0	0	0	0	0	0	0
Other reserve movements	0	(34)	0	0	34	0	0	0	0
Taxpayers' and Others' Equity at 31 March 2013	52,827	1,212	25,914	2,498	23,203	51,615	25,914	2,498	23,203

Statement of Cash Flows

2012/13			2013/14	
Foundation Trust	Group (restated)		Foundation Trust	Group
£000	£000		£000	£000
		Cash flows from operating activities		
14,948	14,955	Operating surplus/(deficit)	2,413	2,499
		Non-cash income and expense:		
3,039	3,039	Depreciation and amortisation	2,658	2,658
13	13	(Gain)/Loss on disposal	(36)	(36)
(56)	(56)	Dividends accrued and not paid or received	0	0
(323)	(309)	(Increase)/Decrease in Trade and Other Receivables	(1,033)	(1,035)
0	0	(Increase)/Decrease in Other Assets	0	0
(355)	(355)	(Increase)/Decrease in Inventories	141	141
1,511	1,509	Increase/(Decrease) in Trade and Other Payables	(1,100)	(1,090)
(678)	(678)	Increase/(Decrease) in Other Liabilities	46	46
510	510	Increase/(Decrease) in Provisions	148	148
0	28	NHS charitable fund adjustments for non-cashflows	0	(10)
(9)	(9)	Other movements in operating cash flows	0	0
18,600	18,647	NET CASH GENERATED FROM/(USED IN) OPERATIONS	3,237	3,321
		Cash flows from investing activities		
81	81	Interest received	59	59
(32)	(32)	Purchase of intangible assets	0	0
(12,448)	(12,448)	Purchase of Property, Plant and Equipment	(17,381)	(17,381)
0	0	Sales of Property, Plant and Equipment	50	50
0	28	NHS charitable funds net cashflows from investing activities	0	28
(12,399)	(12,371)	Net cash generated from/(used in) investing activities	(17,272)	(17,244)
		Cash flows from financing activities		
0	0	Public dividend capital received	380	380
5,800	5,800	Loans received from the Foundation Trust Financing Facility	11,700	11,700
0	0	Loans repaid to the Foundation Trust Financing Facility	(237)	(237)
(2)	(2)	Capital element of finance lease rental payments	(19)	(19)
(17)	(17)	Interest paid	(235)	(235)
0	0	Interest element of finance lease	(8)	(8)
(1,099)	(1,099)	PDC Dividend paid	(993)	(993)
4,682	4,682	Net cash generated from/(used in) financing activities	10,588	10,588
10,883	10,958	Increase/(decrease) in cash and cash equivalents	(3,447)	(3,335)
13,229	13,483	Cash and Cash equivalents at 1 April	24,112	24,441
24,112	24,441	Cash and Cash equivalents at 31 March and 31 March	20,665	21,106

Notes to the Accounts

Accounting Policies

1. Monitor has directed that the financial statements of NHS foundation trusts shall meet the accounting requirements of the NHS Foundation Trust Financial Reporting Manual which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the revised 2013/14 NHS Foundation Trust Annual Reporting Manual issued by Monitor. The accounting policies contained in that manual follow International Financial Reporting Standards (IFRS) and HM Treasury's Financial Reporting Manual to the extent that they are meaningful and appropriate to NHS foundation trusts. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

1.1 Accounting Convention

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

1.2 Consolidation

The Walton Centre Neuroscience Fund

The Trust is the corporate trustee to the Walton Centre Neuroscience Fund (the Fund). The Trust has assessed its relationship with the Fund and determined it to be a subsidiary because the Trust has the power to govern the financial and operating policies of the Fund so as to obtain benefits from its activities for itself, its patients or its staff.

Prior to 2013/14 the FT ARM permitted the Trust not to consolidate the Fund. From 2013/14 the Trust has consolidated the Fund and has applied this as a change in accounting policy.

The Fund's statutory accounts are prepared to 31 March in accordance with the UK Charities Statement of Recommended Practice (SORP) which is based on UK Generally Accepted Accounting Policies (UK GAAP). On consolidation, necessary adjustments are made to the Fund's assets, liabilities and transactions to:

- Recognise and measure them in accordance with the Trust's accounting policies; and
- Eliminate intra-group transactions, balances, gains and losses.

Associates

Associates are entities over which the Trust has the power to exercise a significant influence. Associate entities are recognised in the Trust's financial statement using the equity method. The investment is initially measured at cost but would increase or decrease as appropriate to reflect the Trust's share of the entity's profit or loss or other gains or losses.

1.3 Income

The main source of revenue for the Trust is from NHS England via the Cheshire, Warrington and Wirral Local Area Team and from the Welsh Assembly for patients from Wales, which are government funded commissioners of NHS health and patient care.

Income in respect of services provided is recognised when, and to the extent that, performance occurs and is measured at the fair value of the consideration receivable.

However, the Trust does not account for the income due from partially completed spells at the end of each accounting period (month end or year end). This income is recognised in the accounts of the Trust once the patient has been discharged. The impact of not accruing for partially completed spells is not material. Activity in relation to critical care or rehabilitation cases is being charged on a per day basis and this income is recognised in the financial period in which it occurs.

Where income is received for a specific activity which is to be delivered in the following financial year, that income is deferred.

Interest revenue is accrued on a time basis, by reference to the principal outstanding and interest rate applicable.

1.4 Expenditure on Employee Benefits

Short term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that the employees are permitted to carry forward leave into the following period where it is deemed to be material.

Pension costs

Past and present employees are covered by the provisions of the NHS Pensions 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 if it were a defined contribution scheme.

Employers pension cost contributions are charged to the Statement of Comprehensive Income 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 the Statement of Comprehensive Income at the time the Trust commits itself to the retirement, regardless of the method of payment.

1.5 Expenditure on Other Goods and Services

Expenditure on goods and services is recognised when, and to the extent that, they have been received. It is measured at the fair value of those goods and services. 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.

1.6 Property, Plant and Equipment

Capitalisation

Property, plant and equipment is capitalised where:

- It is held for use in delivering services or for administrative purposes;
- It is probable that future economic benefit will flow to, or service potential be provided to, the Trust;
- It is expected to be used for more than one financial year; and
- The cost of the item can be measured reliably.

The asset must:

- Individually have a cost of at least £5,000; or
- Collectively have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, have broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- 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 subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is added to the asset's carrying value. Where subsequent expenditure is simply restoring the asset to the specification assumed by its economic useful life then the expenditure is charged to the Statement of Comprehensive Income.

Valuation

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

Land and buildings used for the Trust's services or for administrative purposes are measured subsequently at fair value. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the Statement of Financial Position date. Fair values are based on market value for existing use.

The freehold property comprising The Walton Centre NHS Foundation Trust estate was valued as at 31 March 2014 by external valuers, Rupert Collis BSc MRICS and Charles Wachter BSc MRICS of Gerald Eve LLP, a regulated firm of Chartered Surveyors. The valuations were prepared in accordance with the requirements of the RICS Valuation – Professional Standards: January 2014, the International Valuation Standards and International Financial Reporting Standards. The valuation of this property was on the basis of Fair Value, equated to Market Value subject to the prospect and viability of the continued occupation and use. It was principally derived using the Depreciated Replacement Cost method, on a modern equivalent asset basis.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

Depreciation

Items of property, plant and equipment are depreciated over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Land and assets under construction are not depreciated. The estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over their estimated useful lives or, where shorter, the lease term.

Revaluation gains and losses

Revaluation gains are taken to the revaluation reserve except where, and to the extent that, it reverses a revaluation decrease for the same asset previously recognised in the Statement of Comprehensive Income, in which case it is credited to the Statement of Comprehensive Income. A revaluation loss is charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, is charged to the Statement of Comprehensive Income.

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

Impairments

At each Statement of Financial Position date, the Trust reviews its tangible and intangible non-current assets to determine whether there is any indication that any have suffered an impairment due to a loss of economic benefits or service potential. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount.

Where there is an impairment loss due to a loss of economic benefits or service potential, the asset is written down to its recoverable amount and the loss is charged to the Statement of Comprehensive Income. A compensating transfer is made from the revaluation reserve to the extent that there is a balance on the reserve for the asset.

Where an impairment loss due to a loss of economic benefits or service potential subsequently reverses, the carrying amount of the asset is increased to the revised estimate of the recoverable amount but capped at the amount that would have been determined had there been no initial impairment loss. The reversal of the impairment loss is credited to the Statement of Comprehensive Income to the extent of the decrease previously charged there and thereafter to the revaluation reserve.

Other impairments are treated as revaluation losses. Reversals of “other impairments” are treated as revaluation gains.

Donated, government grant and other grant funded assets

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

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

1.7 Intangible Assets

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

Expenditure on research activities is recognised as an expense in the period in which it is incurred and is not capitalised. Intangible assets are capitalised when they have a cost of at least £5,000.

Expenditure on development is capitalised only where 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 sell or use it;
- the ability to sell or use the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the intangible asset and sell or use it;
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

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

Intangible assets are recognised initially at fair value by reference to an active market, or, where no active market exists, at amortised replacement cost (modern equivalent assets basis), indexed for relevant price increases, as a proxy for fair value. Internally-developed software is held at historic cost to reflect the opposite effects of development costs and technological advances.

Intangible assets not yet available for use are tested for impairment annually. Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits.

1.8 Revenue Government and Other Grants

Government grants are grants from Government bodies other than income from commissioners or NHS Trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure.

1.9 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.

1.10 Financial Instruments and Financial Liabilities

Recognition and derecognition

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

Financial assets are derecognised when the contractual rights to receive cash flows from the assets have expired or the Trust has transferred substantially all of the risks and rewards of ownership. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired.

Classification and measurement

Financial assets are classified into the following categories:

- 'at fair value through income and expenditure';
- 'available for sale' financial assets;
- 'loans and receivables'; or
- 'held to maturity' investments.

'Loans and receivables' is the only category relevant to the Trust.

Financial liabilities are classified as:

- at fair value through income and expenditure'; or
- as 'other financial liabilities'.

All of the Trust's financial liabilities are categorised as other financial liabilities.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. They are included in current assets.

The Trust's loans and receivables comprise:

- current investments;
- cash and cash equivalents;
- NHS receivables;
- accrued income; and
- other receivables.

Loans and receivables are recognised initially at fair value, net of transaction costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the net carrying amount of the financial asset.

Other financial liabilities

Other financial liabilities are recognised on the Statement of Financial Position 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 initially recognised at fair value, net of transaction costs incurred, and measured subsequently 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 net carrying amount of the financial liability. Interest is recognised using the effective interest method.

Impairment of financial assets

At the Statement of Financial Position date, the Trust assesses whether any financial assets, other than those held at 'fair value through income and expenditure' are impaired. Financial assets are impaired and impairment losses recognised if there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

1.11 Leases

Finance leases

Where substantially all the risks and rewards of ownership of the leased asset are borne by the Trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease. The asset and liability are recognised at the commencement of the lease.

The annual rental is split between finance charges and reduction of the lease obligation so as to achieve a constant rate on interest over the life of the lease. The annual finance cost is charged to Finance Costs in the Statement of Comprehensive Income. The lease liability is de-recognised when the liability is discharged, cancelled or expires.

Operating leases

Operating lease payments are recognised as an expense on a straight-line basis over the life of the asset. Other leases are regarded as operating leases and the rentals charged to Statement of Comprehensive Income on a straight line basis over the term of the lease. Operating lease incentives received are offset against the lease rentals and charged to Statement of Comprehensive Income over the life of the lease.

1.12 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 in the Statement of Financial Position is the best estimate of the expenditure required to settle the obligation at the Statement of Financial Position date, taking into account the risks and uncertainties. Where the effect of the time value of money is significant, the estimated risks-adjusted cash flows are discounted using the discount rates published and mandated by HM Treasury.

Clinical negligence costs

The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the NHS Foundation Trust pays an annual contribution to the NHSLA which in return settles all clinical negligence claims. The contribution is charged to the Statement of Comprehensive Income. Although the NHSLA is administratively responsible for all clinical negligence cases the legal liability remains with the Trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the Trust is disclosed at Note 19 but is not recognised in the Trust's accounts.

Non-clinical risk pooling

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to the NHS Litigation Authority 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 Statement of Comprehensive Income when the liability arises.

1.13 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in Note 20 where an inflow of economic benefits is probable.

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

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

1.14 Public Dividend Capital

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

A charge, reflecting the forecast cost of capital utilised by the NHS Foundation Trust, is paid over as public dividend capital dividend. The charge is calculated at the real rate set by HM Treasury (currently 3.5%) on the forecast average carrying amount of all assets less liabilities, except for donated assets and cash with the Government Banking Service. The average carrying amount of assets is calculated as a simple average of opening and closing relevant net assets.

1.15 Value Added Tax

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

1.16 Corporation Tax

HM Treasury has decided to defer the planned implementation of legislation bringing NHS Foundation Trusts in to charge to corporation tax on profits generated on their commercial activities. As a result NHS Foundation Trusts will not become taxable on their profits. This may change with future Government legislation.

1.17 Foreign Currencies

The Trust operates and accounts for its transactions in sterling. Transactions denominated in a foreign currency are translated into sterling at the spot exchange rate on the date of the transaction. Resulting exchange gains and losses are taken to the Statement of Comprehensive Income. At the Statement of Financial Position date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the Statement of Financial Position date.

1.18 Third Party Assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the Trust has no beneficial interest in them. Details of third party assets are given in Note 26 to the accounts.

1.19 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 each individual case is handled.

Losses and special payments are charged to the relevant functional headings in the Statement of Comprehensive Income on an accruals basis, including losses which would have been made good through insurance cover had NHS Trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

Note 28 on losses and special payments is compiled directly from the losses and compensations register which is prepared on a cash basis.

1.20 Critical Accounting Judgements and Key Sources of Estimation

In the application of the Trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. The estimates and underlying assumptions are 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.

Critical judgements 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 has had a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the Statement of Financial Position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

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 11. The land and buildings were revalued by Gerald Eve LLP as at 31 March 2014. The Trust does not believe there are currently any indicators of impairment.

1.21 Operating Segments

The Trust is the UK's only specialist neurological centre and only sees patients with neurological conditions referred from all over the country. Contracts for services are negotiated with specialist commissioners and monitored on the basis of point of delivery, inpatients, outpatients etc. The services provided by the Trust are interdependent and therefore the Board considers that the Trust operates as a single segment.

2 Prior Period Adjustment

As described in Note 1.2, the Trust has identified the Walton Centre Neuroscience Fund as a subsidiary. In 2013/14 the Trust has prepared group financial statements consolidating the financial accounts of the charity and restating the 2012/13 accounts.

The charity accounts are prepared under Charities Act 2011 and applicable UK accounting standards. A review of the accounting policies of the charity did not identify any material variances from the accounting policies of the Trust under IFRS.

The charities reserves are included in the group financial statement as a single value. The split of these reserves between restricted and unrestricted funds is shown below with a summary of financial activity of the charity prior to consolidation and the elimination of transactions between the Trust and the charity.

Summary statement of financial activities	2013/14	2012/13	
	£'000	£'000	
Incoming resources	471	295	
Resources expended	<u>(357)</u>	<u>(260)</u>	
Net incoming resources	114	35	
Gains/(losses) on revaluation of investment assets	50	65	
Net movement in funds	164	100	

Summary balance sheet	31	31	1
	March	March	April
	2014	2013	2012
	£'000	£'000	£'000
Fixed asset investments	977	937	881
Current assets	452	339	266
Creditors falling due within one year	<u>(53)</u>	<u>(64)</u>	<u>(35)</u>
Total net assets	1,376	1,212	1,112
Restricted funds	0	0	0
Unrestricted funds	<u>1,376</u>	<u>1,212</u>	<u>1,112</u>
Total funds	1,376	1,212	1,112

The restated consolidated group and the Foundation Trust statement of financial position as at 1 April 2012 are shown below.

	01-Apr-12	
	Foundation Trust	Group (restated)
	£000	£000
Intangible Assets	181	181
Property, plant and equipment	40,196	40,196
Other investments	0	881
Total non current assets	40,377	41,258
Inventories	640	640
Trade and other receivables	2,715	2,700
Cash and cash equivalents	13,229	13,483
Total current assets	16,584	16,823
Trade and other payables	(10,035)	(10,043)
Borrowings	(2)	(2)
Provisions	(49)	(49)
Other liabilities	(934)	(934)
Total current liabilities	(11,020)	(11,028)
Borrowings	(3)	(3)
Provisions	(115)	(115)
Total non-current liabilities	(118)	(118)
Total assets employed	45,823	46,935
Public dividend capital	25,914	25,914
Revaluation reserve	10,645	10,645
Income and expenditure reserve	9,264	9,264
Charitable fund reserves	0	1,112
Total taxpayers' and others' equity	45,823	46,935

Note 3.1 Operating Income by Type

2012/13			2013/14	
Foundation Trust	Group (restated)		Foundation Trust	Group
£000	£000		£000	£000
		Income from activities		
326	326	NHS Foundation Trusts	242	242
200	200	NHS Trusts	295	295
636	636	Strategic Health Authorities	0	0
67,798	67,798	Primary Care Trusts / CCGs / NHS England	75,623	75,623
13,202	13,202	NHS Other	14,092	14,092
201	201	Non NHS: Private patients	313	313
0	0	Non-NHS: Overseas patients (non-reciprocal)	106	106
251	251	NHS injury scheme (was RTA)	228	228
23	23	Non NHS: Other	26	26
82,637	82,637	Total income from activities	90,925	90,925
1,827	1,827	Research and development	1,538	1,538
2,878	2,878	Education and training	3,267	3,267
22	0	Charitable and other contributions to expenditure	69	0
0	0	Non-patient care services to other bodies	0	0
14,221	14,209	Other	992	992
156	156	Rental revenue from operating leases	166	166
774	774	Income in respect of staff costs where accounted on gross basis	454	454
0	267	Charitable incoming resources (excluding investment income)	0	443
19,878	20,111	Total other operating income	6,486	6,860
102,515	102,748	TOTAL OPERATING INCOME	97,411	97,785

All income from activities and the income in respect of education and training arise from the provision of mandatory services set out in the Monitor terms of authorisation.

The other operating income with the exception of education and training relate to the provision of non-protected services.

Note 3.2 Income from Activities by Class

2012/13	Foundation Trust and Group	2013/14
£000		£000
21,230	Elective income	22,447
11,868	Non-elective income	13,079
20,605	Outpatient income	22,731
28,733	Other NHS clinical income	32,249
201	Private patient income	313
0	Other clinical income	106
82,637	Total income from activities	90,925

The Trust has met the requirement of Section 43 (2a) of the National Health Service Act 2006 (as amended by the Health and Social Care Act 2012) that requires that the income in respect of NHS services in England exceed all other sources of income.

Note 3.3 Analysis of Other Operating Income: Other

2012/13			2013/14	
Foundation Trust	Group (restated)		Foundation Trust	Group
£000	£000		£000	£000
79	79	Car parking	78	78
326	326	IT recharges	127	127
237	237	Clinical excellence awards	177	177
35	35	Catering	33	33
218	218	Non clinical services provided	217	217
101	101	Clinical science centre income	0	0
		Other monies from PCTs/CCGs/FTs/NHS		
13,210	13,210	England	147	147
15	3	Other	213	213
14,221	14,209	Total	992	992

In 2012/13 the Trust received £12m from NHS Merseyside in relation to its rehabilitation investment

Note 3.4 Operating Lease Income

2012/13	Foundation Trust and Group	2013/14
£000		£000
	Operating Lease Income	
156	Rents recognised as income in the period	166
156	TOTAL	166
	Future minimum lease payments due	
156	- not later than one year;	166
574	- later than one year and not later than five years;	562
12,614	- later than five years.	13,570
13,344	TOTAL	14,298

The operating lease income relates to the lease of land to the Clatterbridge Centre for Oncology NHS FT to build a radiotherapy and stereotactic surgery centre and the lease of the coffee shop to ISS.

Note 4.1 Operating Expenses (by type)

2012/13			2013/14		
Foundation Trust	Group (restated)		Foundation Trust	Group	
£000	£000		£000	£000	
833	833	Employee Expenses - Executive directors	998	998	
113	113	Employee Expenses - Non-executive directors	132	132	
46,492	46,519	Employee Expenses - Staff	52,587	52,662	
6,612	6,612	Drug costs	7,261	7,261	
14,822	14,822	Supplies and services - clinical (excluding drug costs)	17,214	17,214	
3,366	3,366	Supplies and services - general	3,845	3,845	
1,152	1,152	Establishment	1,324	1,324	
1,653	1,653	Research and development	902	902	
4,684	4,684	Premises	3,646	3,646	
326	326	Rentals under operating leases	344	344	
53	53	Increase/decrease in provision for impairment of receivables	15	15	
0	0	Increase in other provisions	18	18	
0	0	Inventories consumed	8	8	
2,978	2,978	Depreciation on property, plant and equipment	2,599	2,599	
61	61	Amortisation on intangible assets	59	59	
		Audit fees:			
54	54	- audit services - statutory audit	55	55	
0	1	- independent examination of charitable fund accounts	0	1	
1,542	1,542	Clinical negligence	1,360	1,360	
13	13	Loss on disposal of other property, plant and equipment	(36)	(36)	
30	30	Legal fees	65	65	
335	335	Consultancy costs	335	335	
264	264	Training, courses and conferences	354	354	
228	228	Patient travel	179	179	
108	108	Car parking & Security	194	194	
81	81	Early retirements	0	0	
24	24	Hospitality	18	18	
41	41	Insurance	44	44	
1,002	1,002	Other services, eg external payroll	1,048	1,048	
302	302	Losses, ex gratia & special payments	20	20	
0	198	NHS charitable funds other resources expended	0	212	
398	398	Other	410	410	
87,567	87,793	TOTAL	94,998	95,286	

The external auditors' liability is limited to £2,000,000.

Note 4.2 Employee expenses

	Group Total		Foundation Trust Only		
	Total £000	Charity £000	Total £000	Permanent £000	Other £000
2013/14					
Salaries and wages	43,320	61	43,259	42,604	655
Social security costs	3,363	6	3,357	3,295	62
Employers contributions to NHS Pensions	4,508	8	4,500	4,418	82
Termination benefits	110	0	110	110	0
Agency/contract staff	2,893	0	2,893	0	2,893
TOTAL	54,194	75	54,119	50,427	3,692
2012/13					
Salaries and wages	38,449	22	38,427	37,855	572
Social security costs	2,966	2	2,964	2,914	50
Employers contributions to NHS Pensions	3,814	3	3,811	3,747	64
Termination benefits	360	0	360	360	0
Agency/contract staff	2,815	0	2,815	0	2,815
TOTAL	48,404	27	48,377	44,876	3,501

Note 4.3 Employee expenses (analysed into operating expenses)

	Group Total		Foundation Trust Only		
	Total £000	Charity £000	Total £000	Permanent £000	Other £000
2013/14					
Employee Expenses - Staff	52,662	75	52,587	48,895	3,692
Employee Expenses - Exec. directors	998	0	998	998	0
Research & development	534	0	534	534	0
Early retirements	0	0	0	0	0
Total Employee benefits	54,194	75	54,119	50,427	3,692
2012/13					
Employee Expenses - Staff	46,798	27	46,771	43,270	3,501
Employee Expenses - Exec. directors	833	0	833	833	0
Research & development	692	0	692	692	0
Early retirements	81	0	81	81	0
Total Employee benefits	48,404	27	48,377	44,876	3,501

Note 4.4 Average number of employees (whole time equivalent)

	Group Total	Charity	Foundation Trust Only		
	2013/14	2013/14	2013/14	2013/14	2013/14
	Total	Permanent	Total	Permanent	Other
2013/14	Number	Number	Number	Number	Number
Medical and dental	142	0	142	142	0
Administration and estates	251	0	251	251	0
Healthcare assistants and other support staff	162	0	162	162	0
Nursing, midwifery and health visiting staff	373	0	373	373	0
Scientific, therapeutic and technical staff	159	0	159	159	0
Agency and contract staff	70	0	70	0	70
Other	2	2	0	0	0
TOTAL	1,159	2	1,157	1,087	70
2012/13					
Medical and dental	129	0	129	129	0
Administration and estates	224	0	224	224	0
Healthcare assistants and other support staff	138	0	138	138	0
Nursing, midwifery and health visiting staff	330	0	330	330	0
Scientific, therapeutic and technical staff	134	0	134	134	0
Agency and contract staff	75	0	75	0	75
Other	1	1	0	0	0
TOTAL	1,031	1	1,030	955	75

Note 4.5 Staff exit packages

During the financial year 2013/14 two staff left the Trust through a MARS arrangement. Although a MARS scheme was not open across the Trust during this financial year, these two individuals had applied when the scheme was available in 2012/13 but were not able to exit the organisation at that time and therefore their applications were deferred to 2013/14.

There was one exit package agreed during this period for which Treasury/Monitor approval was obtained.

Foundation Trust and Group

	2013/14 Number of Compulsory Redundancies	2013/14 Number of Other departures agreed	2013/14 Total Number Exit Packages per band	2012/13 Number of Compulsory Redundancies	2012/13 Number of Other departures agreed	2012/13 Total Number Exit Packages per band
Exit Package Cost Band £000						
Under 10	0	0	0	0	2	2
10 - 25	0	2	2	0	8	8
25 - 50	0	0	0	0	2	2
50 - 75	0	1	1	0	2	2
Total Number of exit Packages	0	3	3	0	14	14
Total Cost £000	0	110	110	0	360	360

Note 4.6 Directors' remuneration

*1 April to 31 August 2012 Denise Donaldson remained seconded into the post of Director of Operations and Performance in an acting capacity (1 December 2011 to 31 August 2012) and the Royal Liverpool and Broadgreen University Hospitals NHS Trust was paid for her services. She was appointed to the role permanently from 1 September 2012 and paid on the Walton Centre payroll from that date. From 1 January 2014 she became acting Chief Executive.

**Peter Enevoldson also received remuneration of £177,000 (2012/13 £175,000) in respect of his role as Consultant Neurologist.

Ten executive directors are members of the NHS pension scheme which is a defined benefit pension scheme. Details of the scheme are shown in Note 5. No other pension payments have been made.

The Trust has not entered into any guarantees on behalf of any of the directors or made any advances on their behalf.

Foundation Trust and Group		2013/2014			2012/2013		
		Remuneration	Employer Contribution to Pension	Other Benefits	Remuneration	Employer Contribution to Pension	Other Benefits
Name	Position						
Liz Mear	Chief Executive (to 31 Dec 2013)	113	16	0	137	19	0
Denise Donaldson	Acting Chief Executive (1 Jan to 31 Mar 2014)	38	5	0	0	0	0
Denise Donaldson	Acting Director of Operations and Performance*	0	0	0	41	6	0
Denise Donaldson	Director of Operations and Performance*	76	11	0	57	8	0
Peter Enevoldson	Medical Director **	27	0	0	27	0	0
Lisa Grant	Director of Nursing and Modernisation (to 31 Mar 2014)	98	0	0	93	0	0
Chris Harrop	Director of Finance (to 31 Mar 2014)	101	14	3	102	14	0
Stuart Moore	Director of Strategy and Planning (from 23 Apr 2012)	98	14	0	87	12	0
Julie Riley	Acting Director of Operations and Performance (1 Jan - 31 Mar 2014)	23	3	0	0	0	0
Gill Brown	Director of Corporate and Research Governance (from 1 Dec 2012)	79	11	0	24	3	0
Mike Gibney	Director of Workforce (from 1 Oct 2013)	39	5	0	0	0	0
Amanda Oates	Director of Human Resources (to 31 Jul 13)	28	4	0	84	12	0
David Pilsbury	Director of Governance and Risk (from 1 May 2013)	71	10	0	0	0	0
Jo Twist	Acting Director of Human Resources (from 1 Aug to 31 Sep 2013)	13	2	0	0	0	0
Ken Hoskisson	Chair	43	0	1	37	0	1
David Alcock	Non Executive Director (left 30 Jun 2012)	0	0	0	3	0	0
David Chadwick	Non Executive Director (from Jun 2012)	11	0	0	6	0	0
Seth Crofts	Non Executive Director (from 1 Nov 2013)	5	0	0	0	0	0
Christine Lee Jones	Non Executive Director	13	0	0	11	0	0
Ann McCracken	Non Executive Director	13	0	0	11	0	0
Les Porter	Non Executive Director (left 30 Oct 2013)	7	0	0	11	0	0
Janet Rosser	Non Executive Director	15	0	1	12	0	1
Alan Sharples	Non Executive Director	15	0	0	12	0	0

Note 5 Retirement Benefits

Foundation Trust and Group

Past and present employees are covered by the provisions of the NHS Pensions Scheme. Details of the benefits payable under these provisions can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions.

The scheme is an unfunded, defined benefit scheme that covers NHS employers, GP 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 if it were a defined contribution scheme: the cost to the NHS Body of participating in the scheme is taken as equal to the contributions payable to the 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 the scheme liability is carried out annually by the scheme actuary 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 are accepted as providing suitably robust figures for financial reporting purposes.

The valuation of the scheme liability as at 31 March 2014, is based on valuation data as 31 March 2013, updated to 31 March 2014 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 scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Pension Accounts, published annually. These accounts can be viewed on the NHS Pensions website. 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 scheme (taking into account its recent demographic experience), and to recommend the contribution rates

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2004. Consequently, a formal actuarial valuation would have been due for the year ending 31 March 2008. However, formal actuarial valuations for unfunded public service schemes were suspended by HM Treasury on value for money grounds while consideration is given to recent changes to public service pensions, and while future scheme terms are developed as part of the reforms to public service pension provision due in 2015.

The Scheme Regulations were changed to allow contribution rates to be set by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.

The next formal valuation to be used for funding purposes will be carried out at as at March 2012 and will be used to inform the contribution rates to be used from 1 April 2015.

c) Scheme provisions

The NHS Pension Scheme provided defined benefits, which are summarised below. This list is an illustrative guide only, and is not intended to detail all the benefits provided by the Scheme or the specific conditions that must be met before these benefits can be obtained:

The Scheme is a “final salary” scheme. Annual pensions are normally based on 1/80th for the 1995 section and of the best of the last three years pensionable pay for each year of service, and 1/60th for the 2008 section of reckonable pay per year of membership. Members who are practitioners as defined by the Scheme Regulations have their annual pensions based upon total pensionable earnings over the relevant pensionable service.

With effect from 1 April 2008 members can choose to give up some of their annual pension for an additional tax free lump sum, up to a maximum amount permitted under HMRC rules. This new provision is known as “pension commutation”.

Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and are based on changes in retail prices in the twelve months ending 30 September in the previous calendar year. From 2011-12 the Consumer Price Index (CPI) has been used and replaced the Retail Prices Index (RPI).

Early payment of a pension, with enhancement, is available to members of the scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity. A death gratuity of twice final year's pensionable pay for death in service, and five times their annual pension for death after retirement is payable.

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 the employer.

Members can purchase additional service in the NHS Scheme and contribute to money purchase AVC's run by the Scheme's approved providers or by other Free Standing Additional Voluntary Contributions (FSAVC) providers.

Note 6 Retirements due to ill health

Foundation Trust and Group

During the period 1 April 2013 to 31 March 2014 there were one early retirement from the NHS Trust agreed on the grounds of ill-health. The estimated additional pension liabilities of this ill-health retirements will be £57,955. In the prior period there were two at a cost of £11,550. The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

Note 7.1 Operating leases

2012/13	Foundation Trust and Group	2013/14
£000		£000
326	Minimum lease payments	344
326	TOTAL	344

Note 7.2 Arrangements containing an operating lease

2012/13	Foundation Trust and Group	2013/14
£000		£000
	Future minimum lease payments due:	
344	- not later than one year;	259
71	- later than one year and not later than five years;	3
0	- later than five years.	0
415	TOTAL	262

The Trust is leasing temporary accommodation to house staff displaced by the new ward and theatre until the completion of the new build associated with the strategic investment plan.

Note 8.1 Finance income

Foundation Trust	Group (restated)		Foundation Trust	Group
2012/13	2012/13		2013/14	2013/14
£000	£000		£000	£000
0	28	Interest on held-to-maturity financial assets	0	28
81	81	Bank interest	59	59
81	109	TOTAL	59	87

Note 8.2 Finance expenditure

Foundation Trust	Group (restated)		Foundation Trust	Group
2012/13	2012/13		2013/14	2013/14
£000	£000		£000	£000
50	50	Interest on Loans from the Independent Trust Financing Facility	235	235
0	0	Interest on Finance leases	8	8
50	50	TOTAL	243	243

In 2013/14 the Trust drew down £11.7m of a £21.5m Independent Trust Financing Facility to fund the second stage of the strategic investment plan. The balance of the facility will be drawn down during 2014/15. In 2012/13 the first stage of the plan was funded through a £5.8m loan from the same provider.

Note 9 Impairment of assets

During 2013/14 following a review of the Trust's assets, including a revaluation of land and buildings by the Trust's valuers, no impairment has been identified (2012/13:nil).

Note 10 Intangible assets

Foundation Trust and Group	Software licences (purchased)	
	2013/14	2012/13
	£000	£000
Valuation/Gross cost at 1 April	487	455
Additions - purchased	0	32
Gross cost at 31 March	487	487
Amortisation at 1 April	335	274
Provided during the year	59	61
Amortisation at 31 March	394	335
Net Book Value at 31 March	93	152

Software assets are carried at historic cost and amortised on a straight line basis over a period of five years. Software assets in use at the Trust have economic lives of between one and five years.

Note 11.1 Property Plant and Equipment – 2013/14

Foundation Trust and Group	Total £000	Land £000	Buildings excluding dwellings £000	Assets Under Construction and Payments on Account £000	Plant & Equipment £000	Information Technology £000	Furniture & fittings £000
Valuation/Gross cost at 1 April 2013	55,023	1,820	29,634	3,759	18,625	879	306
Additions - purchased	19,726	0	5,002	10,528	3,500	687	9
Additions - leased	0	0	0	0	0	0	0
Reclassifications	0	0	1,451	(2,165)	0	714	0
Revaluations	(3,615)	0	(3,615)	0	0	0	0
Disposals	(426)	0	0	0	(426)	0	0
Valuation/Gross cost at 31 March 2014	70,708	1,820	32,472	12,122	21,699	2,280	315
Accumulated depreciation at 1 April 2013	13,560	0	2,848	0	10,213	358	141
Provided during the year	2,599	0	923	0	1,529	137	10
Reclassifications	0	0	0	0	0	0	0
Revaluation surpluses	(3,771)	0	(3,771)	0	0	0	0
Disposals	(412)	0	0	0	(412)	0	0
Accumulated depreciation at 31 March 2014	11,976	0	0	0	11,330	495	151

Note 11.2 Property Plant and Equipment – 2012/13

Foundation Trust and Group	Total £000	Land £000	Buildings excluding dwellings £000	Assets Under Construction and Payments on Account £000	Plant & Equipment £000	Information Technology £000	Furniture & fittings £000
Valuation/Gross cost at 1 April 2012	52,209	2,425	29,034	1,064	17,341	2,098	247
Additions - purchased	12,209	0	6,623	4,166	1,348	13	59
Additions - leased	148	0	0	0	0	148	0
Reclassifications	0	0	1,471	(1,471)	0	0	0
Revaluations	(8,099)	(605)	(7,494)	0	0	0	0
Transferred to disposal group as asset held for sale	0	0	0	0	0	0	0
Disposals	(1,444)	0	0	0	(64)	(1,380)	0
Valuation/Gross cost at 31 March 2013	55,023	1,820	29,634	3,759	18,625	879	306
Accumulated depreciation at 1 April 2012	12,013	0	1,992	0	8,493	1,400	128
Provided during the year	2,978	0	856	0	1,771	338	13
Reclassifications	0	0	0	0	0	0	0
Disposals	(1,431)	0	0	0	(51)	(1,380)	0
Accumulated depreciation at 31 March 2013	13,560	0	2,848	0	10,213	358	141

Note 11.3 Property Plant and Equipment Financing

Foundation Trust and Group	Total	Land	Buildings excluding dwellings	Assets under Construction	Plant & Equipment	Information Technology	Furniture & Fittings
	£000	£000	£000	£000	£000	£000	£000
Net book value 31 March 2014							
Owned	58,567	1,820	32,472	12,122	10,369	1,659	125
Finance lease	126	0	0	0	0	126	0
Donated	39	0	0	0	0	0	39
Total net book value at 31 March 2014	58,732	1,820	32,472	12,122	10,369	1,785	164
Net book value 31 March 2013							
Owned	41,265	1,820	26,786	3,759	8,214	521	165
Finance lease	149	0	0	0	149	0	0
Donated	49	0	0	0	49	0	0
Total net book value at 31 March 2013	41,463	1,820	26,786	3,759	8,412	521	165

Note 11.4 Analysis of Property Plant and Equipment

Foundation Trust and Group	Total	Land	Buildings excluding dwellings	Assets under Construction	Plant & Equipment	Information Technology	Furniture & Fittings
	£000	£000	£000	£000	£000	£000	£000
Net book value 31 March 2014							
Protected assets	34,292	1,820	32,472	0	0	0	0
Unprotected assets	24,440	0	0	12,122	10,369	1,785	164
Total net book value at 31 March 2014	58,732	1,820	32,472	12,122	10,369	1,785	164
Net book value 31 March 2013							
Protected assets	28,606	1,820	26,786	0	0	0	0
Unprotected assets	12,857	0	0	3,759	8,412	521	165
Total net book value at 31 March 2013	41,463	1,820	26,786	3,759	8,412	521	165

The Trusts land and buildings comprise hospital site on Lower Lane, Fazakerley, Liverpool. The hospital was built in 1998 and was revalued as at 31 March 2014 by Gerald Eve LLP as disclosed in note 1.

Equipment

Until 31 March 2008, fixtures and equipment were carried at replacement cost, as assessed by indexation and depreciation of historic cost. Indexation figures were provided by the Department of Health. From 1 April 2008 indexation has ceased. The carrying value of existing assets at that date will be written off over their remaining useful lives and fixtures and equipment purchased since that date are carried at depreciated historic cost as this is not considered to be materially different from fair value. Assets transferred from the Walton Centre for Neurology and Neurosurgery NHS Trust were transferred at the carrying value on the 1 August 2009. Equipment purchased by the Foundation Trust is carried at depreciated historic cost as this is not considered to be materially different from fair value.

Note 11.5 Economic Life of Property Plant and Equipment

Foundation Trust and Group	Min Life Years	Max Life Years
Buildings excluding dwellings	12	55
Dwellings	0	0
Assets under Construction & POA	0	15
Plant & Equipment	0	11
Transport Equipment	0	0
Information Technology	0	5
Furniture & Fittings	0	11

Note 12 Investments

Group (restated)		Group
2012/13	NHS Charitable Funds other Investments	2013/14
£000		£000
881	Carrying value of investments at 1 April	937
241	Acquisitions in the year	354
65	Movement in fair value of available for sale financial assets recognised in other income	50
<u>(250)</u>	Disposals	<u>(364)</u>
937	Carrying value of investments at 31 March	977

Note 13.1 Inventories

31-Mar-13	Foundation Trust and Group	31-Mar-14
£000		£000
995	Consumables	854
995	TOTAL Inventories	854

Note 13.2 Inventories Recognised in Expenses

31-Mar-13	Foundation Trust and Group	31-Mar-14
£000		£000
3,163	Inventories recognised in expenses	3,799
0	Write-down of inventories recognised as an expense	8
3,163	TOTAL Inventories recognised in expenses	3,807

Note 14.1 Trade Receivables and Other Receivables

31-Mar-13			31-Mar-14		
Foundation Trust	Group (restated)		Foundation Trust	Group	
£000	£000		£000	£000	
1,003	1,003	NHS Receivables	1,986	1,987	
12	12	Receivables due from NHS charities	25	0	
284	251	Other receivables with related parties	124	124	
(343)	(343)	Provision for impaired receivables	(335)	(335)	
334	334	Prepayments	262	262	
1,146	1,146	Accrued income	1,309	1,303	
56	56	PDC receivable	52	52	
0	0	VAT receivable	92	92	
591	591	Other receivables	597	597	
3,083	3,050	TOTAL CURRENT TRADE AND OTHER RECEIVABLES	4,112	4,082	

Note 14.2 Provision for Impairment of Receivables

Foundation Trust and Group		
2012/13		2013/14
£000		£000
303	At 1 April	343
221	Increase in provision	248
(13)	Amounts utilised	(23)
(168)	Unused amounts reversed	(233)
343	At 31 March	335

Note 14.3 Analysis of Impaired Receivables

Foundation Trust and Group	2013/14		2012/13	
	£000 Trade Receivables	£000 Other Receivables	£000 Trade Receivables	£000 Other Receivables
Ageing of impaired receivables				
0 - 30 days	3	0	0	0
30-60 Days	11	0	0	0
60-90 days	0	0	0	0
90- 180 days	111	0	0	0
over 180 days	190	20	327	16
Total	315	20	327	16
Ageing of non-impaired receivables past their due date				
0 - 30 days	1,898	0	916	0
30-60 Days	31	0	249	0
60-90 days	81	0	122	0
90- 180 days	150	0	171	0
over 180 days	0	0	3	0
Total	2,160	0	1,461	0

Note 15 Cash and Cash Equivalents

31-Mar-13			31-Mar-14	
Foundation Trust £000	Group (restated) £000		Foundation Trust £000	Group £000
13,229	13,483	At 1 April	24,112	24,441
10,883	10,958	Net change in year	(3,447)	(3,335)
24,112	24,112	At 31 March	20,665	21,106
		Broken down into:		
34	34	Cash at commercial banks and in hand	109	109
24,078	24,407	Cash with the Government Banking Service	20,556	20,997
24,112	24,441	Cash and cash equivalents as in SoFP and SoCF	20,665	21,106

Note 16 Trade and Other Payables

31-Mar-13			31-Mar-14	
Foundation Trust	Group (restated)		Foundation Trust	Group
£000	£000		£000	£000
		Current		
1,890	1,890	NHS payables - revenue	902	902
20	10	Amounts due to other related parties - revenue	48	48
939	939	Other trade payables - capital	3,284	3,284
1,657	1,688	Other trade payables - revenue	2,012	2,034
485	485	Social Security costs	488	488
11	11	VAT payable	0	0
573	573	Other taxes payable	564	564
1,166	1,166	Other payables	1,166	1,166
4,567	4,567	Accruals	4,089	4,089
11,308	11,329	TOTAL CURRENT TRADE AND OTHER PAYABLES	12,553	12,575

Note 17 Borrowings

31-Mar-13	Foundation Trust and Group	31-Mar-14
£000		£000
	Current	
237	Loans from Independent Trust Financing Facility	480
21	Obligations under finance leases	28
258	TOTAL CURRENT BORROWINGS	508
	Non-current	
5,563	Loans from Independent Trust Financing Facility	16,783
131	Obligations under finance leases	105
5,694	TOTAL OTHER NON CURRENT LIABILITIES	16,888

In 2013/14 the Trust borrowed a further £11.7m from the Independent Trust Financing Facility to fund the second stage of the strategic investment plan.

Note 18 Other Liabilities

31-Mar-13	Foundation Trust and Group	31-Mar-14
£000		£000
256	Other Deferred income	302
256	TOTAL OTHER CURRENT LIABILITIES	302

Note 19.1 Provisions for Liabilities and Charges

Foundation Trust and Group	Current		Non-current	
	2013/14	2012/13	2013/14	2012/13
	£000	£000	£000	£000
Pensions relating to former directors	0	0	0	0
Pensions relating to other staff	26	98	269	131
Other legal claims	18	40	0	0
Other	513	405	0	0
Total	557	543	269	131

Note 19.2 Analysis of Provisions for Liabilities and Charges

Foundation Trust and Group	Total	Pensions - other staff	Other legal claims	Other
	£000	£000	£000	£000
At 1 April 2013	674	229	40	405
Change in the discount rate	18	18	0	0
Arising during the year	270	149	13	108
Utilised during the year	(134)	(105)	(30)	0
Reversed unused	(5)	0	(5)	0
Unwinding of discount	4	4	0	0
At 31 March 2014	826	295	18	513
Expected timing of cashflows:				
- not later than one year;	557	26	18	513
- later than one year and not later than five years;	131	131	0	0
- later than five years.	138	138	0	0
TOTAL	826	295	18	513

The pension provision relates to the anticipated costs relating to the enhanced element of ill health pensions for former employees. These entitlements are explained in Note 6.

The provision for legal charges are in respect of legal claims accounted for as described in the accounting policies in Note 1. The figures are provided by the NHS Litigation Authority.

£8,943,696 (2012/13 £6,028,695) is included in the provisions of the NHS Litigation Authority at 31 March 2014 in respect of clinical negligence liabilities of the Trust.

The other provision is in respect of claims for underpayments in respect of salaries to doctors on call where the incorrect rate has been paid in the past.

Note 20 Contingencies

The Trust has no contingent liabilities or assets as at the 31 March 2014 (2012/13 nil).

Note 21 Revaluation Reserve

Foundation Trust and Group	Total revaluation reserve £000	Property, plant and equipment £000
Revaluation Reserve at 1 April 2013	2,498	2,498
Revaluations	156	156
Transfers to other reserves	(24)	(24)
Revaluation reserve at 31 March 2014	2,630	2,630
Revaluation Reserve at 1 April 2012	10,645	10,645
Revaluations	(8,099)	(8,099)
Transfers to other reserves	(48)	(48)
Revaluation reserve at 31 March 2013	2,498	2,498

The transfer to other reserves movement relates to the adjustment between the I&E Reserve and the Revaluation Reserve for the difference in depreciation relating to assets which have been indexed in the past.

The revaluation relates to the impact of the building valuation carried out by Gerald Eve LLP as at 31 March.

Note 22 Capital Commitments

At 31 March the Trust had capital commitments of £14,980,301 (2012/13 £2,098,000) in relation to orders for capital items. This includes £14,847,372 remaining maximum spend with the contractor for the new building. This contract guarantees a gross maximum price but if there are savings these will be shared between the contractor and the Trust.

Note 23.1 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 its commissioners and the way those commissioners are financed, the Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply.

The Trust has considered its exposure to the following financial risks:

- **Currency Risk** – the Trust has no overseas operations and the majority of transactions are sterling based. Foreign currency transactions arise from purchases of equipment and supplies from overseas providers and a small proportion of charitable investments. However, these are not significant in value or number of transactions and the Trust therefore has low exposure to currency rate fluctuations;
- **Interest Rate Risk** – the Trust has loans for its capital expansion programme. However, these are at fixed rates with the Independent Trust Financing Facility. The Trust therefore has low exposure to interest rate fluctuations;

- **Credit Risk** – the majority of the Trust’s revenue is from contracts with other public sector bodies. The Trust holds significant cash balances but these are also held through the Government banking service. Therefore the Trust has low exposure to credit risk. The charity uses a commercial bank but its cash balances are not material to the Group. The charity’s investments are managed through investment managers and 80% of investments are held in UK fixed interest bonds and a wide portfolio of UK investments. The maximum exposure on receivables at 31 March 2014 is disclosed in Note 14 Trade Receivables and Other Receivables; and
- **Liquidity Risk** – the Trust’s operating costs are incurred principally under contracts with commissioners. Capital expenditure is funded principally for the provision of public sector services. The Trust is not exposed to significant liquidity risk.

Note 23.2 Fair Value of Non-Current Financial Assets

The charity held investments at 31 March 2014 with a fair value of £977,000 (2012/13 £937,000). The book value of these assets is £787,000 (2012/13 £761,000)

Note 23.3 Financial Assets by Category

	Foundation Trust		Group	
	Total	Loans and receivables	Total	Loans and receivables
	£000	£000	£000	£000
Assets per Statement of Financial Position at 31 March 2014				
Trade and other receivables	3,484	3,484	3,485	3,485
Other Investments	0	0	977	977
Cash and cash equivalents at bank and in hand	20,665	20,665	21,106	21,106
Total as at 31 March 2014	24,149	24,149	25,568	25,568
Assets as per Statement of Financial Position at 31 March 2013				
NHS Trade and other receivables	1,004	1,004	1,004	1,004
Non-NHS Trade and other receivables	1,611	1,611	1,611	1,611
Other Investments	0	0	937	937
Cash and cash equivalents at bank and in hand	24,112	24,112	24,112	24,112
Total as at 31 March 2013	26,727	26,727	27,664	27,664

Note 23.4 Financial Liabilities by Category

	Foundation Trust		Group	
	Total	Other financial liabilities	Total	Other financial liabilities
	£000	£000	£000	£000
Liabilities per Statement of Financial Position at 31 March 2014				
Borrowings excluding Finance lease and PFI liabilities	17,263	17,263	17,263	17,263
Obligations under finance leases	133	133	133	133
Trade and other payables	10,335	10,335	10,357	10,357
Total at 31 March 2014	27,731	27,731	27,753	27,753
Liabilities per Statement of Financial Position at 31 March 2013				
Borrowings excluding Finance lease and PFI liabilities	5,800	5,800	5,800	5,800
Obligations under finance leases	152	152	152	152
NHS Trade and other payables	1,890	1,890	1,890	1,890
Non-NHS Trade and other payables	7,161	7,161	7,161	7,161
Total at 31 March 2013	15,003	15,003	15,003	15,003

Note 24 Events After the Statement of Financial Position Date

The Directors are not aware of any event after the Statement of Financial Position date and up to the date that the financial statements were approved which will affect the accounts.

Note 25 Dividends

NHS Trusts are required to pay a dividend of 3.5% of their average net relevant assets to the Department of Health. This is calculated on a full year financial year. The dividend is payable in two instalments in September and March.

Note 26 Third Party Balances

At 31 March 2014 the Trust held £100 on behalf of patients (31 March 2013 £100).

Note 27 Related Party Transactions

The Walton Centre NHS Foundation Trust is a public interest body authorised by Monitor, the Independent Regulator for NHS Foundation Trusts. During the period none of the Board members or members of the key management staff, or parties related to them, has undertaken any material transactions with The Walton Centre NHS Foundation Trust except for one contract.

The Trust has a contract with Kenyon Fraser Ltd, awarded by competitive tender. in which one member of the key management staff has a pecuniary interest. Although the contract is not material to the Trust, it is material to the company. In 2013/14 the company received £51,089 from the Trust and £12,415 from the charitable fund. There were £9,785 outstanding payables at 31 March 2014 for the Trust (charitable fund: nil)

The Department of Health is a related party as the parent department of the Trust. During the period The Walton Centre NHS Foundation Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department. These entities are listed below:

Organisation	Income	Expenditure	Receivables Outstanding	Payables Outstanding
	£000	£000	£000	£000
Aintree NHS Foundation Trust	442	4,267	67	647
NHS England (Cheshire, Warrington and Wirral Area Team)	73,973	33	1,911	70
Wirral Clinical Commissioning Group	1,143	0	43	0
NHS Litigation Authority	0	1,423	0	0

In addition the Trust has had material transactions with the following central government body.

Organisation	Income	Expenditure	Receivables Outstanding	Payables Outstanding
	£000	£000	£000	£000
Welsh Assembly Government including all Welsh Health bodies	13,965	0	299	46

In 2012/13, Liverpool Health Partners Ltd, a company limited by guarantee, was set up between the University of Liverpool, Aintree University Hospital NHS FT, Alder Hey Children's NHS FT, The Clatterbridge Cancer Centre NHS FT, Royal Liverpool and Broadgreen University Hospitals NHS Trust, Liverpool Women's NHS FT, The Walton Centre NHS FT, Liverpool Heart and Chest NHS FT and Liverpool School of Tropical Medicine. The objects of the company are to advance education, health, learning and research by facilitating world class research among the partners. Each organisation has a single share in the company and the Chief Executives are ex-officio directors of the company. A grant of £80,000 (2012/13 £40,000) was made to the company to enable it to carry out its objectives.

In 2013/14 the Trust has included the Walton Centre Neuroscience Fund as a subsidiary because the Trust has the power to govern the financial and operating policies of the Fund so as to obtain benefits from its activities for itself, its patients or its staff. Transactions between the Trust and the charity are not material and are eliminated on consolidation. Assets held by the charity are to be used for charitable purposes only.

Note 28 Losses and Special Payments

During the period the Trust made 9 (2012/13: 12) special payments with a total value of £35,938 (2012/13 £22,147). Of these £34,125 (2012/13 £14,453) related to payments in respect of 5 (2012/13: 3) claims by third parties which are handled by the NHS Litigation Authority. The Trust also wrote off 12 (2012/13: 9) debts with a total value of £35,522 (2012/13 £20,167)

11. INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS & BOARD OF DIRECTORS OF THE WALTON CENTRE NHS FOUNDATION TRUST

We have audited the financial statements of The Walton Centre NHS Foundation Trust ('the Trust') for the year ended 31 March 2014 which comprise the group and Trust statement of comprehensive income, the group and Trust statement of financial position, the group and Trust statement of cash flow, the statement of changes in taxpayers' equity and the related notes. The financial reporting framework that has been applied in their preparation is the NHS Foundation Trust Annual Reporting Manual issued by Monitor, the Independent Regulator of NHS Foundation Trusts.

We have also audited the information in the Remuneration Report that is subject to audit, being:

- the table of salaries and allowances of senior managers and related narrative notes
- the table of pension benefits of senior managers and related narrative notes
- the table of pay multiples and related narrative notes.

This report is made solely to the Council of Governors and Board of Directors of The Walton Centre NHS Foundation Trust, as a body, in accordance with paragraph 24(5) of Schedule 7 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Trust's Governors and Directors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust, the Trust's Governors as a body and the Trust's Board of Directors as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of accounting officer and auditor

As explained more fully in the Chief Executive's Statement, the Chief Executive as Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

The Accounting Officer is responsible for the maintenance and integrity of the corporate and financial information on the Trust's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law, the Audit Code for NHS Foundation Trusts issued by Monitor, and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trust; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently 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.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the financial position of the group and The Walton Centre NHS Foundation Trust as at 31 March 2014 and of the group and Trust income and expenditure for the year then ended; and
- have been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual and the directions under paragraph 25(2) of Schedule 7 of the National Health Service Act 2006.

Opinion on other matters prescribed by the Audit Code for NHS Foundation Trusts

In our opinion:

- the part of the Remuneration Report subject to audit has been properly prepared in accordance with paragraph 25 of Schedule 7 of the National Health Service Act 2006 and the NHS Foundation Trust Annual Reporting Manual 2013-14 issued by Monitor
- the information given in the annual report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Audit Code for NHS Foundation Trusts requires us to report to you if, in our opinion:

- the Annual Governance Statement does not meet the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual or is misleading or inconsistent with information of which we are aware from our audit
- we have not been able to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources

Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate until we have completed the work necessary to provide external assurance over the Trust's annual quality report. We are satisfied that this work does not have a material effect on the financial statements.

Karen Murray
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
4 Hardman Square
Spinningfields
MANCHESTER
M3 3EB

23 May 2014

Issue of audit opinion on the financial statements

In our audit report for the year ended 31 March 2014 issued on 23 May 2014 we reported that, in our opinion, the financial statements:

- gave a true and fair view of the financial position of The Walton Centre NHS Foundation Trust as at 31 March 2014 and of its expenditure and income for the year then ended; and
- had been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual and the directions under paragraph 25(2) of Schedule 7 of the National Health Service Act 2006 Act .

Certificate

In our report dated 23 May 2014, we explained that we could not formally conclude the audit on that date until we had completed the work to provide assurance on the Trust's annual quality report. We have now completed this work. No matters have come to our attention since that date that would have a material impact on the financial statements on which we gave an unqualified opinion.

We certify that we have completed the audit of the financial statements of The Walton Centre NHS Foundation Trust in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Audit Code for NHS Foundation Trusts issued by Monitor.

Karen Murray
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP

4 Hardman Square
Spinningfields
MANCHESTER
M3 3EB

29 May 2014

**12. QUALITY ACCOUNT & INDEPENDENT AUDITORS REPORT
(QUALITY REPORT)**



Quality Account

2013 – 2014



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Part 1 Statement of Quality from the Chief Executive

The Walton Centre Foundation Trust welcomes the opportunity of demonstrating through the Quality Account (QA) that we have a continual focus on improving the quality of our services.

This is the Trust's fifth Quality Account and demonstrates progress on the Trust's quality improvement priorities, which were established in 2013. All the priorities have been identified in partnership with stakeholders that include; the Council of Governors, patient representatives and members of Healthwatch. In addition the Quality Account includes targets set for the coming year and a range of prescribed mandatory information including; compliance with national audits, progress against CQUIN targets and information relating to research governance and data quality.

The three domains of quality are:

- Patient Safety
- Clinical Effectiveness
- Patient Experience

During 2013/14, the Trust continued to monitor services across these three domains of quality and reported progress on the improvement priorities to the Quality, Risk and Governance Committee and then to the Board of Directors.

The Trust has a robust performance management framework, developed with Commissioners and with the Welsh Health Specialised Services Committee. Cheshire, Warrington and Wirral Area Team undertake the lead in performance managing the Trust against its statutory and NHS plan targets as part of the local health economy review process. Regular contract performance meetings have taken place throughout 2013/14 and most of these have been attended by colleagues from Liverpool CCG.

At the Walton Centre quality is the "golden thread" that runs through all our work. The Trust measures and monitors key performance indicators for safety and quality, which are included in corporate performance reports, reported monthly through committees and to the Board of Directors. The Trust has also agreed with the Governors three 'stretch' quality targets for the coming year.

The Audit Committee, the Governance, Risk and Quality Committee and Business Performance Committee provide robust challenge and reporting on quality issues. Three new groups were also established to report into the Governance, Risk and Quality Committee. These are the Patient Safety, Clinical Effectiveness and Patient Experience Groups. They have improved the internal

management and assurance processes and can evidence a renewed focus on learning lessons from incidents, complaints and audit findings.

The delivery of our quality improvement priorities are currently monitored through the Governance, Risk and Quality Committee. The progress of each indicator is discussed quarterly and rated as Red, Amber or Green against expected performance levels. The Trust can report significant improvements across these improvement priorities during 2013/14 including:-

- Increased focus on screening patients resulting in 100% of admissions being screened for MRSA colonisation.
- Continued participation in the “National Safety Thermometer” to measure the prevalence/incidence of harm on a monthly basis. The data shows that the proportion of patients ‘harm free’ from pressure ulcers, falls, catheter associated urinary infections and VTE is 95.6%.
- Full Care Quality Commission (CQC) compliance.
- The continued use of a validated international tool for assessing outcomes of spinal surgery called ‘Spine Tango’. This system is now completely functional at the Trust.

A key feature of the Trust’s 5-year strategy is to develop rehabilitation services across Cheshire and Merseyside. After 18-months of planning, the Trust launched the rehabilitation network in January 2013. This service works on a ‘hub and spoke’ model, with the Walton Centre ‘hub’ providing services to patients with acute rehabilitation needs and overseeing all the beds in the network and the ‘spoke’ hospitals in Liverpool and St Helens providing rehabilitation care for those with less acute needs.

The Trust has been learning from the second Francis report (which was published in 2013), running awareness sessions for all clinical staff, clinical leaders and the Board to gain their views on how services can be improved in light of the issues highlighted at Mid-Staffordshire Hospital.

As we move into 2014/15 the Trust strives to continually improve all our services, working in partnership with our patients and their relatives to understand and respond to their needs and wishes.



Chris Harrop

Chief Executive

Part 2 Improvement Priorities and Statement of Assurance from Board

At the end of each financial year the Trust identifies, (working collaboratively with stakeholders), areas of focus for improvement for the forthcoming year. At this time it also allows the Trust to reflect on the year's previous performance against the identified quality improvement priorities.

The delivery of the quality improvement priorities are monitored through meetings of the Governance, Risk and Quality Committee, chaired by a Non-Executive Director. Three sub-groups were established in 2012 that feed into the Governance, Risk and Quality Committee. These sub groups focus on the 3 domains of quality: patient safety, clinical effectiveness and the patient experience. The progress of each priority is discussed and RAG rated each quarter against performance. The Director of Nursing and Modernisation is the Executive Lead responsible for delivering the plan and designates duties to operational leads for each of the priorities.

All of the priorities were identified following a review by the Board on the domains of quality reported in 2012/13. Consultation with patients, governors, commissioners, Healthwatch and other external agencies also informed the Board when focusing our priorities for 2013/14.

The Trust is committed to embracing improvement across a wide range of issues to achieve excellence in all areas of care. The following section includes a report on progress against the three improvement priorities for 2013/14.

2.1 Improvement Priorities for 2013 – 2014

In February 2013, the Board of Directors undertook a full review of quality indicators used by the Trust for the previous financial year and acknowledged the work implemented to ensure each indicator was successfully implemented and monitored. At this review quality priorities were identified and agreed for 2013/14. The improvement priorities all contained specific clinical indicators which have been monitored over the last twelve months to provide evidence of sustainable improvement.

Performance has been managed through committees to Trust Board. Operational groups within the Trust being responsible for implementation of the quality priorities and reporting to committees as required. Merseyside Internal Audit Agency (MIAA) has been fully involved providing regular reviews and assurance via the Audit Committee. Bi-monthly quality meetings to review quality assurance reports have taken place with the commissioners, ensuring external scrutiny and performance management.

The Trusts improvement priorities for 2013/14 were:

2.1.1 Patient Safety

- A reduction in falls with harm
- A reduction of hospital acquired pressure ulcers
- Nutritional assessment and support

2.1.1.1 Priority 1: Reduction in Falls with Harm

The Trust has focused on inpatient falls as an improvement priority in recent years and had made significant progress in reducing falls with harm.

The Board of Directors has committed to reducing falls by introducing new equipment and through the work of the Falls Steering Group (FSG) and is assured that this work has been successful.

In 2013/14 the Trust has seen an increase in the total number of falls reported by 27%, this relates to 2012/13 having 275 falls reported, 17 of which caused harm, compared to 2013/14 having 349 falls reported of which 47 caused harm.

The Trust identifies that it is disappointing to have seen an increase in falls with harm, rather than a reduction, but feels the increased capacity and activity in the Trust in 2013/14, increased acuity of the patients and the introduction of a hyper acute rehabilitation service alongside an acute neurology ward in the Trust accounts for the increase. See section 3.1 of the Quality Account for further details of action to be taken.

2.1.1.2 Priority 2: Reduction in Pressure Ulcers

The Trust recognised this indicator as an important patient safety indicator that impacts upon patient treatment and recovery and aimed to further reduce unnecessary acquisitions of hospital acquired pressure ulcers in 2013/14.

The Trust has implemented an electronic referral system to the Tissue Viability Team from inpatient wards that encourages a rapid assessment or intervention of any patient deemed “at risk” of acquiring a pressure ulcer.

A reduction of 14.8% in the total number of hospital acquired pressure ulcers per 1000 inpatient bed days has been achieved.

2.1.1.3 Priority 3: Nutritional Assessment and Support

The Trust recognises that adequate nutrition and hydration is paramount in ensuring patients make a full recovery and prevent further patient deterioration and the development of pressure ulcers. It is also a fundamental aspect of basic nursing care.

93.6% of patients have been appropriately risk assessed using the MUST tool on admission and 100% of patients who required dietetic input were referred in a timely manner.

2.1.2 Patient Effectiveness

- Spine Tango Implementation (Patient Reported Outcome Measures, PROMS)
- Implementation of electronic risk assessments
- Implementation of sub specialty wards

2.1.2.1 Priority 1: Spine Tango/PROMS

Following the Trust’s work in 2012/13 in relation to Spine Tango, the Trust has continued to monitor the success of the audit tool it implemented and has started to collate the available data to allow benchmarking against comparable organisations whilst monitoring patient outcomes.

The aim for 2013/14 was to collate enough data to allow benchmarking to begin with similar organisations. This has been achieved with 10,000 patient reported outcomes for spinal surgery being identified, which will ultimately allow for the comparison of Trust outcomes with other spinal surgery units in Europe and enable trends to be identified.

2.1.2.2 Priority 2: Implementation of electronic risk assessments

The Trust introduced an electronic system in October 2012 to reduce nursing documentation, increase timely referral to other disciplines and to ensure all relevant documentation is completed within a timely manner.

The electronic nursing system is now fully functional and has the ability to refer patients to appropriate members of the Multi-Disciplinary Team (MDT) in a timely manner, record risks and flag outstanding assessments.

Since the introduction of the system, 95% of patients have had all of the appropriate risk assessments completed on admission and have been referred to the appropriate member of the MDT within a timely manner if the risk assessment deemed this necessary.

2.2.2.3 Priority 3: Implementation of sub specialty wards

The Trust has moved to the provision of care in sub specialty wards over the last 12 months to improve the patient journey and experience.

The aim of having all sub specialty wards operational and functioning appropriately with the right staffing and appropriate staff education in place has been achieved. The success of the change is evidenced by positive patient and staff experience surveys which have been achieved in 2013.

2.1.3 Patient Experience

In addition to the three priorities identified by the Trust, the governors also identified three 'stretch' targets that were monitored alongside the improvement priorities.

2.1.3.1 Stretch Targets 2013/14

Stretch Target 1: The patient experience of cancelled operations

The Trust acknowledged that patients admitted for surgery may have their operation cancelled due to theatre overruns, which means a case in theatre takes longer than anticipated and can result in a patient's case being cancelled.

A work stream dedicated to reducing cancelled operations and in streamlining the patient pathway from admission to theatre and back to the ward was established to look at improving unnecessary delays and in ensuring patients are hydrated in line with guidance prior to going to theatre.

Patient stories have been captured regarding the theatre pathway to enable improvements to the service and ensure an appropriate pathway is in place for all patients undergoing an operation.

There has been a 9.4% reduction in the number of cancelled operations of elective admissions from 2012/13 rates.

Stretch Target 2: Implementation of the discharge information pack

The Trust identified the need to have in place a discharge information pack that was suitable for all patients and that had the relevant points of contact following discharge to external charities and support agencies. A fit for purpose discharge pack has been developed and is now in place to support all inpatients.

Patient discharge surveys have been conducted over the year and included questions on the support the discharge pack has provided and asked for any recommendations from patients to further strengthen the document.

Stretch Target 3: The reduction of hospital acquired pressure ulcers

The Trust recognises this indicator as an important patient safety indicator that impacts upon patient treatment and recovery and wished to further reduce unnecessary acquisitions of hospital acquired pressure ulcers.

The Trust aim was to reduce the number of grade 2 and 3 pressure ulcers compared to 2012/13 rates and has achieved a 14.8% reduction in patients, per 1000 bed days, who acquired a pressure ulcer within our care.

2.1.3.2 Priority 1: Implementation of the Friends and Family Test

On the 25th May 2012 the Prime Minister announced the introduction of the Friends and Family Test (FFT) to improve patient care and identify the best performing hospitals in England. The Friends and Family Test asks patients who consent to be contacted following discharge if they would recommend the hospital to their friends and family. This improvement priority is also a national CQUIN for the Trust.

In April 2013 the FFT initiative was introduced nationally and the Trust was aiming for a 15% response rate of all discharged patients, so that it could benchmark itself against other providers. The Trust achieved a mean score for 2013/14 of a 23% response rate.

The Trust has achieved a mean result over the year that over 95% of discharged patients are likely or extremely likely to recommend the hospital to their friends and family. The Trust is also in the top 20% of all Trusts in the comparison table published in March 2014.

2.1.3.3 Priority 2: Implementation of the Trusts Care and Communication Checks

To ensure that we are meeting all of our patient needs and all of our patients feel safe and cared for during their stay in hospital, we have implemented a nurse led care and communication check that is conducted every 2 hours with every patient, on all inpatient wards.

The check is documented and patients are asked if they are comfortable, pain free and can reach their call bell if necessary. Patients are also offered any other assistance they require during this check.

2.1.3.4 Priority 3: Review of the Advanced Neurology Nurse model

The Trust identified this priority to review the effectiveness of the Advanced Neurology Nurse initiative that commenced in 2007 and expanded in 2010/11 to 6 nursing staff. The Trust has reviewed the role and collated information from patients including patient stories to understand the roles effectiveness in supporting patients when in a community setting.

This has provided greater insight for patients and staff on the success of the role and how it can then be transformed further going forward.

2.2 Improvement Priorities for 2014 - 2015

The Board of Directors have evaluated the quality indicators identified for 2013/14 and acknowledged the work undertaken across the organisation to ensure each indicator was successfully implemented and monitored. Following the evaluation the potential quality priorities for 2014/2015 were identified. Achievement of sustainable improvement will be monitored over the next twelve months and the improvement priorities all contain specific clinical indicators which can be evidenced.

All of the proposed priorities have been discussed and agreed by working in partnership with commissioners and during forward planning events with the Council of Governors. Wider consultation involvement has been sought from Healthwatch and local Overview and Scrutiny Committees (OSC).

The improvement priorities for 2014/15 were agreed following proposal and discussion at the Governance, Risk and Quality Committee in the first instance, followed by formal approval at Board of Directors. The Governance, Risk and Quality Committee membership includes: Executive Directors, Non-Executive Directors, Clinicians and Senior Managers.

The quality priorities 2014/15 will be monitored and performance managed through committees to the Board of Directors. Operational groups within the Trust will be responsible for implementation of the quality priorities and will report to committees as required. Bi-monthly quality meetings to review quality assurance reports will take place with the commissioners, ensuring external scrutiny and performance management. Merseyside Internal Audit Agency (MIAA) will also be invited to provide regular review and assurance via the Audit Committee.

The Trust's five year strategy outlines how the Trust will continually improve and develop our services at the Walton site and also extend our network of specialist services closer to home for the benefit of patients.

2.2.1 Patient Safety

2.2.1.1 Priority 1: Reduction in falls with harm

Reason for prioritising: In 2010/11 the Trust established an improvement priority of a two year reduction in falls and was successful. In 2013/14 there has been an increase in the number of falls with harm that the Trust would like to improve going forward. Patients' acuity and complexity has changed across the Trust in the last year and further activity needs to take place to reduce the incidence of falls in the changed cohort of patients.

Goal: To reduce the number of falls that cause harm to patients compared to 2013/14

Timeframe: March 2015

Outcome: A reduction of 5% in patient falls with harm

2.2.1.2 Priority 2: Reduction in hospital acquired pressure ulcers

Reason for prioritising: The Trust recognises this indicator as an important patient safety indicator that impacts upon patient treatment and recovery, having seen improvements in the last 12 months the Trust wishes to continue to reduce unnecessary acquisitions of hospital acquired pressure ulcers.

Goal: To reduce the total number of hospital acquired pressure ulcers that will be measured against 1000 inpatient bed days.

Timeframe: March 2015

Outcome: A reduction of 5% in the total number of hospital acquired pressure ulcers

2.2.1.3 Priority 3: Improving Medication Safety

Reason for prioritising: Medication errors include mistakes or inaccuracies when choosing and ordering treatments, such as wrong doses or illegible prescriptions. Staff giving medication, via the wrong route or to a different patient. These errors can have an adverse effect on patients causing harm and sometimes even death. The Trust wants to reduce the risk to patients from this source.

Electronic prescribing (e-prescribing) systems are computer applications designed for use by clinicians to generate paper or electronic medication prescriptions. They offer the clinician and the patient the promise of safer prescribing and aim to reduce delay in accessing medication or treatment, reduce errors related to handwriting or transcription, allow orders to be made at the point of care and simplify inventory processes.

Goal: To have Electronic prescribing (e-prescribing) systems implemented effectively in the Trust and Implement the National Medication Safety Thermometer.

Timeframe: March 2015

Outcome: Establish a baseline of medication errors in quarter one, and then apply improvement targets in key areas using data collected from the National Medication Safety Thermometer.

2.2.2 Patient Effectiveness

2.2.2.1 Priority 1: Utilisation of Jefferson Ward for overnight stay

Reason for prioritising: With increased demand for interventions and surgery within the Trust utilising Jefferson Ward for overnight stay will increase the capacity of the Trust. Patients, who require routine interventions and surgery, will be able to be admitted and kept in overnight to recover before discharge.

Goal: To have the facility on Jefferson Ward for patients to be admitted for interventions and surgery, stay overnight and be discharged safely home.

Timeframe: March 2015

Outcome: Patients admitted to Jefferson Ward for interventions and surgery

2.2.2.2 Priority 2: Review of Nursing Documentation and Care Planning

Reason for prioritising: The nursing care pathways in the Trust have developed and changed over a number of years, and it has been acknowledged that nursing documentation needs to be reviewed, to reflect this. The Trust is also looking to move to a fully electronic provision of nursing

documentation in the next two years, so this review will form part of the development and streamlining required.

Goal: To have streamlined documentation that allows staff to provide safe and effective care for patients in consistent, easily accessed format.

Timeframe: March 2015

Outcome: Nursing documentation and care planning reviewed and new documentation implemented across the Trust.

2.2.2.3 Priority 3: Implementation of Same Day Surgery

Reason for prioritising: Patients are currently admitted to the Trust the day before their surgery often having to wait for patients to be discharged for a bed to be allocated to them. The implementation of this priority will improve patient flow and decrease the amount of time patients are in the Trust waiting for surgery.

Goal: To admit patients on day of surgery, safely prepared and ready for theatre.

Timeframe: March 2015

Outcome: To improve the flow of patients through the Trust and give patients a better patient experience by reducing waiting time in the Trust preoperatively.

2.2.3 Patient Experience

To demonstrate our commitment to continually improving the patient experience we produce a Patient Experience strategy to focus on ensuring our patients remain at the centre of everything we do. This strategy ensures that patients are involved and receive an experience that not only meets, but also exceeds, their physical and emotional needs and expectations.

Year two of the original strategy, has now been achieved, by continually involving our patients and public in the decision making processes about the services and care that we deliver. The Trust is currently completing the review and update of the strategy which will allow plans for 2014-16 to be commenced.

Making it happen

The Director of Nursing and Modernisation is the Executive lead for patient experience and committed to driving this important priority forward. To progress our work in this area we identified 3 key areas of work as improvement priorities for 2014/15.

2.2.3.1 Priority 1: Increase the percentage returns of Friends and Family Test

Reason for prioritising: The Trust has successfully implemented the FFT across the inpatient wards in the Trust, achieving the priority for 2014/5. The Trust now wishes to further increase the response rates to allow a better understanding of the patients' experience of care at the Trust. Introducing the FFT in outpatients and day case areas

Goal: To increase the response rates of FFT to 25% by the end of year

Timeframe: March 2015

Outcome: An increase in the response rates of FFT

2.2.3.2 Priority 2: The introduction of a patient focus group

Reason for prioritising: The Trust identifies the need to increase the feedback and involvement of patients and the public in developments in the Trust.

Goal: To establish a patient focus group in the Trust that meets bi monthly and is able to present the patients voice.

Timeframe: March 2015

Outcome: A focus group is in place and meets bi monthly

2.2.3.3 Priority 3: The capturing of patient feedback at satellite clinics

Reason for prioritising: The Trust acknowledges the activity to collect and respond to patient feedback on the Walton site and identifies that this needs to be replicated across the satellite sites the Trust delivers services on, in order to ensure the patients care and experience is to the same standard.

Goal: Implement a system to collect usable feedback across satellite sites.

Timeframe: March 2015

Outcome: Patient feedback is available and used from all sites the Trust delivers services from.

2.2.3.4 Stretch Targets 2014/15

Once again the governors have identified three stretch targets this year that we will monitor alongside the improvement priorities.

Stretch Target 1: Improving discharge arrangements – Implement 'Ticket Home'

Goal: To implement a 'Ticket Home' programme across the wards to inform patients and relatives at a glance of discharge planning arrangements.

Timeframe: March 2015

Outcome: 'Ticket Home' in place

Stretch Target 2: Provision of accessible patient information

Goal: To have written information available to patients in the Trust that is eye catching, in a user friendly format, plain English and Welsh, and meets equality access requirements.

Timeframe: March 2015

Outcome: Patient Information is accessible

Stretch Target 3: Increase patient support to improve the patient experience

Goal: To increase the use of Neuro Support and increase the number of Trust volunteers to support patients in the Trust and improve their experience.

Timeframe: March 2015

Outcome: Patient experience is improved and demonstrated by increased scores in patient experience local survey.

2.3 Statements of Assurance from the Board

The Walton Centre provides services in the following specialist areas:

- Neurology
- Neurosurgery
- Pain Management and Pain Relief
- Specialist Spinal Services
- Neuropsychology
- Rehabilitation and
- Specialist Diagnostic Services

The Board of Directors has reviewed all the data available to it on the quality of care in all of these NHS services.

NB We have interpreted this as services covered by our Governance, Risk and Quality Committee that are monitored by internal and external indicators and not necessarily a formal review.

2.3.1 Data Quality

The data reviewed covers three dimensions of quality – patient safety, clinical effectiveness and patient experience.

The Trust continues to develop internal data collection systems to provide assurance to Governance, Risk and Quality Committee in relation to the accuracy of data quality.

The Trust continuously reviews its internal processes in relation to the measurement and reporting of the quality indicators reported both to the Board and reported externally. This includes reviewing the quality indicators outlined within the Quality Accounts ensuring that there are standard operating procedures and data quality checks within each quality indicator process.

Ward to Board nursing quality indicator data has been collated over the last three years that includes data collection of not only information to support progress against the Quality Accounts but additional nursing metrics to provide internal assurance and allow a clear focus for improving the patient experience and delivery of care. This information supports the Trust in building year on year metrics to show progress against important aspects of the patient journey. Improving assurance around the process for data quality process will further strengthen the reporting of information.

The Trust also reports key performance indicators to Business and Performance Committee and Trust Board which bring together efficiency, clinical effectiveness, CQUINS and patient experience.

2.3.2 Participation in Clinical Audit and National Confidential Enquiries

During 2013/2014, 6 national clinical audits and 3 national confidential enquiries covered NHS services provided by the WCFT.

During that period the WCFT participated in 67% national clinical audits and 100% national confidential enquiries of the national clinical audits and national confidential enquiries which it was eligible to participate in.

The national clinical audits and national confidential enquiries that the WCFT was eligible to participate in during 2013/2014 are as follows:

National Audits

- Adult Critical Care (ICNARC / case mix programme) * Data will be submitted quarterly from April 2014
- Trauma Audit Research Network (TARN)
- National emergency laparotomy audit (NELA)
- Falls and Fragility Fractures Audit Programme (FFFAP)
- Sentinel Stroke National Audit Programme (SSNAP)
- National Comparative Audit of Blood Transfusion programme

National Confidential Enquiries

- Tracheostomy Care Study
- Lower Limb Amputation Study
- Sepsis Study

The national clinical audits and national confidential enquiries that the WCFT participated in, and for which data collection was completed during 2013/2014, are listed in the table below alongside the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of the audit or enquiry.

National Audit	Participation	% Cases submitted
Acute care		
Adult Critical Care (ICNARC / Case Mix Programme) <i>Pilot scheme was undertaken - Data collected from 1st January 2014 – 31st March 2014. Following the pilot full data submission will commence and data will be submitted quarterly from April 2014 onwards.</i>	No	N/A
Severe Trauma (Trauma Audit & Research Network)	Yes	100%
National emergency laparotomy audit (NELA) <i>*Still in data collection period</i>	Yes	TBC
Older people		
Falls and Fragility Fractures Audit Programme (FFFAP) <i>*Organisational questionnaire was completed and submitted, no other involvement was required by the Trust in this study</i>	Yes	N/A
Sentinel Stroke National Audit Programme (SSNAP) <i>*No data was submitted to SSNAP for this time period</i>	No	N/A
Blood and Transplant		
National Comparative Audit of Blood Transfusion programme	Yes	100%
National Confidential Enquiry into Patient Outcome and Death		
Tracheostomy Care Study	Yes	47%
Lower Limb Amputation Study – <i>*Organisational questionnaire was completed and submitted, no other involvement was required by the Trust in this study</i>	Yes	N/A
Subarachnoid Haemorrhage Study	Yes	93%

The reports of 2 national clinical audits were reviewed in the reporting period 1st April 2013 to 31st March 2014 and the WCFT intends to take the following actions to improve the quality of healthcare provided:-

National Audit	Actions
Severe Trauma (Trauma Audit & Research Network)	The Trust will continue to review TARN data and review individual cases as appropriate
National Comparative Audit of Blood Transfusion programme	Blood forms to be changed to include space for staff to print their name and more adequate space for patient details Staff training with focus on importance of checking patient details against wrist band and complete at patient bed side

Participation in Local Clinical Audits

The reports of 58 local clinical audits were reviewed by the Trust in 2013/2014 and Walton Centre NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided:-

Audit	Actions
Audit of Multidisciplinary Fatigue Clinic in Multiple Sclerosis	Referral Criteria for the Fatigue clinic has been made available on the Trust intranet. New systems have been introduced to enable patients to complete the NFI-MS and WHOQOL-Bref assessment scales prior to clinic and the HADs scale at the clinic appointment
Follow up and 5 years recurrence rate of meningioma's (grade 1)	The trust is reviewing follow up schedules for MRI patients post-op MRI scans after resection of meningioma
Audit of MR Volume Scanning for neurosurgical intervention for tertiary referrals 2013	Educate Clinical Staff of the MR Allegro scan protocol

Audit of shunt series requests +/- CT 2013	Extra justification for CT is required for cases of pain and swelling over shunt site
Neuroradiology Intervention Dose Audit	The trust will continue to assess variation in dose and contrast usage by continued audit over the next 2-3 years to monitor any trends in average
Upper Extremity Deep Vein Thrombosis (UECVT) Following PICC Line / Midlines – Avoidable or Unavoidable?	Careful patient selection, ensuring appropriate indication for PICC / Midlines Avoiding insertion in the side with paresis Correct vein to catheter ratio
Neuro-Radiology department adherence to radiologic specific requirements of the NPSA/2011/PSA002 Confirmation of Safe NG Tube Placement	Education to staff on the importance of accurate documentation with time in medical notes, prior to safe usage of NG tube Avoid out of hours NG tube placement if sufficient experienced staff are not available to confirm accurate placement, unless clinically urgent Ensure a middle grade staff is always available on site within the Trust Relevant staff to achieve competencies in NG tube related radiograph interpretation or Integrated training into foundation doctors induction by completing on-line modules such as: http://www.trainingngt.co.uk/site/home.aspx
Consent to Treatment	Increase awareness of importance of Documenting consent to procedures Introduce Consent forms to new medical staff on Induction Implement the usage and availability of information leaflets for patients Conduct quarterly audits to highlight areas of non-compliance
Audit of Major Trauma Rehabilitation Prescription	Raise awareness of the importance of Rehabilitation Prescription through presentation and dissemination of audit findings Conduct MDT workshops within the Trust on Rehabilitation Prescription

	Feedback to WCFT Trauma operational meeting
Audit of Back Marking for Lumbar Spine	<p>Improve / standardize the back marking technique in order to minimize the issues highlighted in the Audit</p> <p>Improve communication between surgical team and radiology team regarding level to be marked</p> <p>Avoid delay between back marking and surgery</p> <p>Better documentation by surgeons of reason for intraoperative fluoroscopy in the operation notes</p> <p>In emergency cases: Anaphylactic reaction can complicate the situation, hence, fluoroscopy to be considered as a better option to avoid delay of surgery</p>
Documentation Audit 2013 – 2014	<p>Revision of the Trust Record keeping Policy</p> <p>Review of all forms used for documentation within the patient case note</p> <p>Implementation of new nursing documentation forms</p> <p>Daily IPAD checks for documentation within the case notes for in-patients</p> <p>Medical Records Manager to introduce forms and documentation policy to new medical staff on Induction</p>
Audit of ad hoc referrals to Doppler clinic for suspected TIA and stroke at WCFT	<p>Advice given to consultants regarding the correct referral practice for TIA to ensure Doppler scan is undertaken within set time under NICE Guidelines</p> <p>Doppler to be performed in all cases of suspected TIA</p> <p>A new TIA referral form has been designed and implemented</p>
Pre-operative fasting duration in neurosurgical patients	<p>Review of Preoperative Fasting Guidelines</p> <p>Changes to practice have been implemented</p> <p>Nil by mouth for solids including milk 6 hours and clear fluids-2 hours before surgery</p> <p>All patients to be given plain water up to 6am then on instruction from the anaesthetist</p>
Enteral feeding and nutritional deficits on Neuro ITU	<p>Enhance nutritional provision within critical care, assess if improving this in the acute phase of admission will improve rates of infections/ventilator pneumonia and quicken the discharge process</p>

Six-Item Cognitive Impairment Test (6CIT) for detection of dementia and cognitive impairment	6CIT to be considered as a routine cognitive screening instrument in CFC
Pharmacological Neuropathic Pain Management in Multiple Sclerosis Clinic – NICE Guidance	Ensure all staff follow guidance to achieve 100% compliance Document all patients pain assessment in the case note and ask every patient about pain related issues Strict controls for doses of medication for pain Document the reason higher doses are not reached
Survey of physical and cognitive impact of traumatic brain injury	Improve awareness of impact of severe traumatic brain injury among colleagues – Education sessions
Re-audit of patent blue dye back marking in Radiology	Radiology Manager to discuss with consultants Increase staff awareness to complete Datix and inform radiology of incident Audit report to be available to all radiology staff
Audit of botulinum toxin treatment process and results	Increase clinic capacity – introducing extra clinics run by Specialist Nurses Education to relevant staff
The Frequency of Functional Neurological Disorders	Development of a business case is in progress for the introduction of an MDT clinic and treatment service
Prescribing of venous thromboembolism prophylaxis in medical patients	Training and education for nursing and medical staff regarding the WCFT VTE policy, to be included in induction programme and mandatory training updates. Electronic report of patients with no VTE prescribed sent daily to allocated matron, once electronic prescribing is implemented Liaison with IT to determine if the completed VTE risk assessment form could be viewed allowing access to information and risk score once completed so information can be utilised A total review of the trust VTE policy, considering practical issues encountered in this audit

NB. If implementation is not deemed appropriate then outstanding actions are placed on the divisional risk registers.

Recommended actions resulting from clinical audit projects are reviewed and monitored by the relevant Divisional Governance Group monthly meetings. The clinical audit department produce a quarterly clinical audit activity status report which includes recommended actions from all completed projects for each division and the progress made towards implementation, these reports are discussed at Governance, Risk and Quality Committee.

2.3.3 Participation in Clinical Research and Development

The number of patients receiving NHS services provided or sub-contracted by the Trust in 2013/14 that were recruited during that period to participate in NIHR portfolio research approved by a research ethics committee was over 2000. The Trust has exceeded our annual recruited target set at 880 by the Comprehensive Local Research Network.

Participation in clinical research demonstrates the Trust's commitment to improving the quality of care we offer and to making our contribution to wider health improvement. Our clinical staff stay abreast of the latest possible treatments and the Trust recognises active participation in research leads to successful patient outcomes.

The Trust approved 26 new clinical research studies during 2013/14 in Neurology, Neurosurgery and Pain. Over twenty clinical staff act as Chief or Principal Investigator on NIHR portfolio studies, with many more involved as part of research teams. A total of 104 studies are on-going.

During 2013/14, the Trust applied for NIHR Grants totalling approximately £6.5 million. These grants include Neurosurgery, Pain, Brain Infection, Neuro-oncology and Epilepsy.

Our engagement with clinical research also demonstrates the Trust's commitment to testing and offering the latest medical treatments and techniques and successfully securing £65,000 from the Regional Innovation Fund. Applications have been made to the Nursing Technology Fund totalling £60 k.

This year the Neuroscience Research Centre celebrates its 20th anniversary with events to promote the Trust's research activities that include the launch of the Clinical Trials Animation which has received national recognition. The animation supports the Clinical Trials iPad initiative which provides every patient with the opportunity to participate in research.

2.3.4 CQUIN Framework.

A proportion of The Walton Centre NHS Foundation Trust income in 2013/14 was conditional upon achieving quality improvement and innovation goals agreed between the Trust and any person or body they entered into a contract, agreement or arrangement with for the provision of NHS services, through the Commissioning for Quality and Innovation (CQUIN) payment framework. Further details of the agreed goals for 2013/14 and for the following 12 month period are available on request from enquiries@thewaltoncentre.nhs.uk.

Full achievement of the quality improvement goals amounted to £1,610,866. The Trust received full payment against all of the CQUINS. The Trust had the following CQUIN goals in 2013/14 which reflected both national priorities and DOH initiatives and also reflecting local needs and the views of the patients and commissioners.

- Family and Friends Test.
- Reduce avoidable death, disability and chronic ill health from Venous-Thromboembolism (VTE).
- Wellbeing in the Workplace – the ability to demonstrate a commitment to promoting staff wellbeing.
- Dementia – appropriate assessment and referral.
- NHS Safety Thermometer – participation through data submission.
- Communication – the implementation of electronic discharge summaries.
- Neurosurgical shunt surgery- to ensure patients receive optimal outcomes.
- Highly specialised services clinical outcome collaborative audit workshop - to participate.
- Specialised services clinical dashboards- to embed and demonstrate routine use of dashboards.
- Digital First - reduce inappropriate face-to-face contact.
- Innovation, Health and Wealth set a trajectory for increasing planned use of telehealth/telecare technologies.

2.3.4.1 CQUIN Quarter 4 (2013/14)

The table below provides a full break down of the Commissioning for quality, innovation contract (CQUIN) for 2013/14. Within the table both year-end position is provided.

CQUIN Title	Compliance Year End
Friends and Family Test	Full payment received
To reduce avoidable death, disability and chronic ill health from (VTE) Venous-thromboembolism	Full payment received
NHS Safety Thermometer	Full payment received
Dementia	Full payment received
Communication	Full payment received
VTE Root Cause Analyses	Full payment received
Demonstrate that clear plans are in place to exploit the value of commercial intellectual property – either standalone or in collaboration with Academic Health Science Network	Full payment received
To ensure patients receive optimal outcomes from Neurosurgical shunt surgery	Full payment received
Highly specialised services clinical outcome collaborative audit workshop	Full payment received
To embed and demonstrate routine use of the use of specialised services clinical dashboards	Full payment received
Digital First	Full payment received
Innovation, Health and Wealth (Pre-qualification criteria) -Set a trajectory for 2013-14 for increasing planned use of telehealth/telecare technologies	Full payment received

2.3.5 Care Quality Commission (CQC) Registration

The Trust is required to register with the Care Quality Commission and its current registration status is registered without conditions. The CQC has not taken enforcement action against the Trust during 2013/14. The Trust has not participated in any special reviews or investigations by the CQC during the reporting period.

The Trusts annual inspection was undertaken by the CQC in November 2013, over two days. The visit was undertaken by a panel including a patient representative and an infection control specialist. The inspection team the Trust feedback on a great number of positive findings. The CQC passed the Trust as fully compliant in all of the outcomes examined.

2.3.6 Trust Data Quality

The Trust submitted records during 2013/14 to the Secondary Uses Service for inclusion in the Hospital Episode Statistics (HES) which are included in the latest published data. The percentage of records in the published data which included the patient's valid NHS Number was: 98.8% for admitted patient care and 99.9% for outpatient care. The percentage of records in the published data which included the patient's valid General Practitioner Registration Code was: 100% for outpatient care and 99.7% for admitted patient care.*

Note: These results are in relation to the latest available information at the time of publication and relate to the period April 13 to February 2014. (SUS data quality dashboard)

The Trust's Information Governance Toolkit interim score at 31st March 2014 for 2013/14 was 90% and was graded green in accordance with the IGT Grading Scheme.

Once again the Trust has made significant progress for 2013/2014, with the Trust achieving level 2 for 13 requirements and level 3 for the remaining 32 requirements. The Trust has implemented additional action plans to make further improvements on this year's score and to further evidence the Trusts commitment to the IG agenda. A review of the evidence and self-assessment scores undertaken by internal audit as part of the mandated 2013-14 IG audit requirements has provided the Trust with a level of significant assurance for the fourth year in succession.

The latest figures from the NHS IC Indicator portal are for 2011/12 and the national readmission rate was 11.45%. The website link is <https://indicators.ic.nhs.uk/webview/>

The Walton Centre was subject to the Payment by Results clinical coding audit during the reporting period. The following table reflects the results of an audit carried out by an accredited internal

coder and the error rates reported for this period for diagnoses and treatment coding (clinical coding) were as follows:

The Walton Centre Internal Clinical Coding Audit 2013/14

CODING FIELD	PERCENTAGE
Primary diagnosis	10%
Secondary diagnosis	10.34%
Primary procedure	3.75.%
Secondary procedure	1.85%

The above results should not be extrapolated further than the actual sample audited and the sample covered 200 sets of clinical records which were randomly selected from across the whole range of activity. The above percentages meet the level two standards as defined in the Information Governance Toolkit.

Part 3- Trust Overview of Quality 2013/14

3.1 Improvement Priorities

The following section includes a comprehensive review of nine improvement priorities against the three domains of quality namely safety, effectiveness and experience.

3.1.1 Patient Safety

- A reduction in falls with harm.
- A reduction of hospital acquired pressure ulcers.
- Nutritional assessment and support.

3.1.1.1 Priority 1: Reduction in Falls with Harm

The Trust has focused on inpatient falls as an improvement priority in recent years and has previously made significant progress in reducing falls with harm. The Board of Directors has committed to reducing falls by supporting the purchase of new equipment and through supporting the work of the Falls Steering Group (FSG) and has been assured that this work has been successful.

The Trust is committed to reducing harm to patients whilst in hospital and this includes reducing falls. As such we have continued to focus our efforts on increasing falls training for staff, undertaking risk assessments of patients on admission and investigating falls when patients sustain an injury. However, disappointingly in 2013/14 the Trust has seen an increase in the total number of falls reported by 27%, this relates to 2012/13 having 275 falls reported, 17 of which caused harm, compared to 2013/14 having 349 falls reported of which 47 caused harm.

The Trust has continued the inpatient falls workstream throughout the year and continues to promote the agenda with the following actions:

- Falls training.
- Providing alert systems for patients at risk.
- Risk assessment and care planning.
- Equipment.
- Audit.
- Increased staffing.
- Electronic risk assessments using E- Patient.

The Trust uses balanced score cards to monitor the percentage of staff trained in falls prevention and the number of completed falls risk assessments. The Trust can report that to date 99% of clinical staff have undertaken falls prevention training, and that 96% of patients have been risk assessed for falls on admission in 2013/14. Patients identified at risk from falling are continually assessed throughout their stay to ensure all preventative measures are being taken to reduce the incidence of falling.

The Trust has an information technology programme called E-Patient, to support staff at ward level to reduce the amount of time spent completing paperwork. E-Patient uses iPads to undertake patient risk assessments, including the falls assessment that can highlight any potential risks so that the nursing care can be prescribed accordingly for each patient. This has allowed greater assurance around data quality when reporting information on the balanced scorecards as it is clear who has and who has not had the appropriate risk assessments completed.

The Falls Steering Group (FSG) has continued to meet quarterly over the past year. The FSG was instrumental in identifying and purchasing new falls prevention equipment. The falls prevention equipment, which includes falls alarms and sensor mats, has been in use since May 2010 and continues to assist in reducing falls for high risk patients. A regular assessment of the use of falls equipment in year has supported further equipment being provided and rolled out across the Trust.

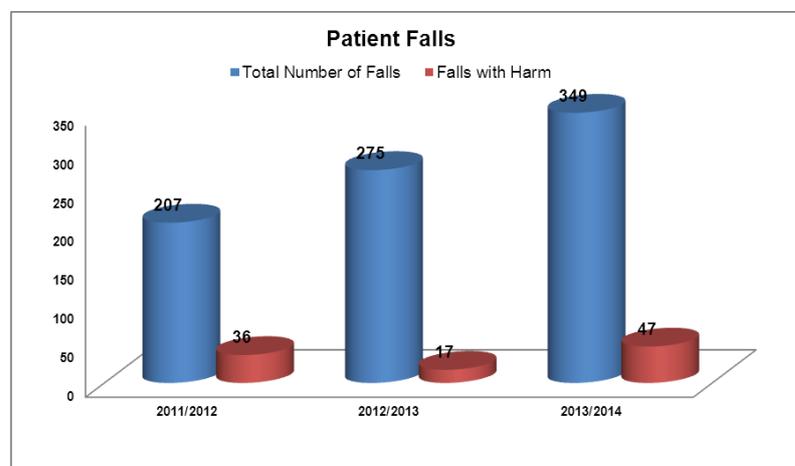
It is acknowledged that when reviewing all patient falls that there has been an increase in the total number reported during 2013/14 and also an increase with harm. The Trust defines the word "harm" in this context as any mark to the skin, bruise or pain reported following a fall which is categorised in the risk reporting system as minor, moderate or major in severity. In cases of no harm this is categorised as insignificant.

These increases are believed to be in line with the increased focus on falls that have encouraged incident reporting. The increased throughput of patients and the opening of Chavasse Ward, a 29 bedded ward that opened early 2013, has seen increasing numbers of Neurology patients some who may have cognitive problems which can increase the risk of patient falls.

Following the success achieved by the Trust in 2012/13 with a 57% reduction of falls with harm the Trust challenged itself to reduce falls with harm in 2013/14 by a further 5%. The Trust has not achieved its target in 2013/14 and can report that within year has seen an increase in falls with harm.

The Trust's balanced scorecard records both the total number of inpatient falls and any falls with harm and is reported to the Board of Directors on a monthly basis. Any increase in trend is

investigated and patient case notes are then reviewed to ensure patients had been seen appropriately risk assessed and the appropriate care plan and level of support was provided. Any review of this nature is then presented to the Patient Safety Group for analysis and discussion.



Reducing inpatient falls with harm was also a CQUIN for the Trust in 2013/14.

Going Forward in 2014/15

- Following the increase of falls with harm compared to a target of 5% set in 2013/14 we will be continuing the theme of patient falls as an improvement priority with target of a 5% reduction of falls with harm during 2014/15.
- Continue the review of patient falls per 1000 bed days as recommended by NPSA.
- Continue to review the numbers of falls on a monthly basis conducting investigation and ensuring lessons are learnt and shared across the Trust.

3.1.1.2 Priority 2: Reduction in Pressure Ulcers

Pressure ulcers occur when the skin and the tissue beneath it becomes damaged. In very serious cases, the muscle and bone can also be damaged.

Pressure ulcers are caused by pressure as the weight of the body presses down on the skin; when layers of the skin are forced to slide over one another, for example, when you slide down in a bed or a chair; or through friction. Rubbing the skin can increase the risk of pressure ulcers developing.

The Trust recognised this indicator as an important patient safety indicator that impacts upon patient treatment and recovery and wished to further reduce unnecessary acquisitions of hospital acquired pressure ulcers in 2013.

During the last 12 months, we have continued to work hard to prevent patients from acquiring avoidable pressure ulcers in our care. It is acknowledged that patients in the Trust have conditions that restrict movement and increase their risk of pressure sores; we have therefore developed smarter systems to provide frontline staff with the support and advice they need to care for our vulnerable patients.

Our doctors and nursing staff are being encouraged and empowered to make pressure ulcer prevention a key priority as part of the Trust's patient safety agenda, resulting in a real change in attitude in this area.

The Trust has made significant progress in the last year to ensure we have a common approach to dealing with pressure ulcers, particularly assessing skin and understanding how to differentiate pressure ulcers from other skin lesions. On-going training is provided at the bedside resulting in more effective prevention and treatment outcomes for the patient.

The Trust continues to proactively take part and lead in staff education and local public awareness campaigns to raise the profile of press ulcer prevention and treatment. Events included celebrating International Stop Pressure Ulcer Day in November 2013, where an education event for healthcare professionals was held for a week in the hospital. The event brought together staff from hospital wards and tissue viability services. The theme was achieving harm-free care in relation to pressure ulcers.

The Trust has implemented an electronic referral system to the Tissue Viability Team from inpatient wards that encourages a rapid assessment or intervention of any patient deemed "at risk" of acquiring a pressure ulcer.

A reduction of 14.8% in the total number of hospital acquired pressure ulcers per 1000 inpatient bed days has been achieved.

Going Forward in 2014/15

- Following on from the reduction achieved in 2013/14 the Trust would like to continue to reduce harm to patients by focussing on pressure ulcer reduction for a further year.

3.1.1.3 Priority 3: Nutritional Assessment and Support

The Trust recognises that adequate nutrition and hydration is paramount in ensuring patients make a full recovery and prevent further patient deterioration and the development of pressure ulcers. It is also a fundamental aspect of basic nursing care.

Adequate food and drink is vital for good health. Ensuring that our patients are properly fed and hydrated is not only the responsibility of our catering staff, but a key role of our nursing staff. Nurses are expected to ensure patients are comfortable and positioned appropriately in preparation for mealtimes, regularly checking patients while eating and drinking, and conducting on-going assessment to identify those who require assistance with their meals.

The Trust has introduced meal time coordinators on each ward, who assist with delivery of meals, identify patient's needing support and ensuring the patients are getting the food they have ordered and will eat.

The 'red tray' system identifies readily to staff which patients require assistance and this is flagged on the patient's details on the ward allocation board. Patients are also identified as being Nil by Mouth by this system, which readily allows staff to identify patients and ensure the status is adhered to but does not continue unnecessarily.

Our nursing staff also rely on the professional advice and support from our Nutrition and Dietetic service. Patients are risk assessed on admission using the MUST tool and any patients requiring dietician referral have been referred at the point of admission.

93.6% of patients have been appropriately risk assessed on admission and 100% of patients who required dietetic input were referred in a timely manner.

Going Forward in 2014/15

- The Trust identifies that this area of care remains a high priority and the initiatives implemented to support patients nutritional needs will continue. Monitoring and audits of risk assessment compliance, the effectiveness of meal time coordination and red tray usage will be reported to the nutritional steering group.

3.1.2 Patient Effectiveness

- Implementation of Spine Tango (Patient Reported Outcome Measures, PROMS).
- Implementation of electronic risk assessments.
- Implementation of sub specialty wards.

3.1.2.1 Priority 1: Spine Tango/PROMS

Following the Trust's work in 2012/13 in relation to Spine Tango the Trust has continued to monitor the success of the audit tool it implemented and has started to collate the available data to allow benchmarking against comparable organisations whilst monitoring patient outcomes.

The goal for 2013 was to collate enough data to allow benchmarking to begin with similar organisations. This has been achieved with 10,000 patient reported outcomes for spinal surgery being identified, which will ultimately allow for the comparison of Trust outcomes with other spinal surgery units in Europe and enable trends to be identified.

Since the implementation of the validated PROM 'Spine Tango' in March 2011 we have successfully recorded over 5000 spinal surgeries. This equates to over 95% of all spinal surgeries performed at the Trust.

Patients agree that this is a beneficial service and frequently express their gratitude at having the chance to give feedback about their experience. Examples of the feedback we have received are:

'Since the operation I have been completely symptom free for the first time. I have recently completed a half and a full marathon....Once again thank you. Thank you for giving me my life back'

'Miracles in other areas of my life have begun as a result of the humane way all staff provided care, patience, advice and encouragement that I've put a number of changes for the better in place so that my quality of life will be felt'

'Greatly appreciative and indebted to the staff at The Walton Centre for their professionalism, expertise and caring manner in which the surgery was conducted; not forgetting the nursing care which followed'

The Board of Directors have recognised the importance of the study and provided additional resources in order to improve and maintain the data collection. The information collected has enabled the Trust to submit abstracts to various neurosurgeon meetings during 2012/13.

In order for The Trust to continue to monitor the success of the audit tool, more challenging targets were set for 2013/14 - Stretch targets for pre and post-operative questionnaires were introduced. This increased targets from 80% to 85%.

Another patient outcome interval was also introduced for 2013/14, at 24 months post-operative. The completion rate for this target set at 80%.

The results of the Trust are below:

Form / Questionnaire	Target %	% 2013/14
Surgery forms	95	97
Surgery Follow-up forms	85	80
Pre-op COMI questionnaires	85	81
3 Month Follow-up COMI questionnaires	80	81
1 Year Follow-up COMI questionnaires	80	82
1 Year Follow-up COMI questionnaires	80	76

Going Forward in 2014/15

- The data collated will be used to benchmark against other specialist providers and ensure best practice is in place in the Trust with better than expected patients outcomes.

3.1.2.2 Priority 2: Implementation of electronic risk assessments

The Trust has introduced an electronic system to reduce nursing documentation, increase timely referral too other disciplines and to ensure all relevant documentation is completed within a timely manner.

The electronic nursing system is now fully functional and has the ability to refer patients to appropriate members of the Multi-Disciplinary Team (MDT), record risks and flag outstanding assessments.

Since the introduction of the system, 95% of patients have had all of the appropriate risk assessments completed on admission and have been referred to the appropriate member of the MDT within a timely manner if the risk assessment deemed this necessary.

The system is being reviewed by the nursing teams and has been expanded to support other assessments and capture information pertinent to safe patient care.

3.1.2.3 Priority 3: Implementation of sub specialty wards

The Trust has moved to the provision of care in sub specialty wards over the last 12 months to improve the patient journey and experience. The ward specialities are now identified as:

Ward/Area	Speciality
Cairns	Oncology & Hydrocephalus
Caton	Spinal
Chavasse	Neurology
Dott	Vascular
Lipton	Hyper Acute Rehabilitation
Sherrington	General Surgery
NRU	Rehabilitation
Jefferson	Day Case Services

The goal of having all sub specialty wards operational and functioning appropriately with the right staffing, staff education in place has been achieved.

The wards were reviewed in line with the speciality requirements and have had increases in nursing numbers and changes in skill mix. Wards have been allocated advanced nurse practitioners who are supporting the staff and providing training at a ward level.

The success of the change is evidence by positive patient and staff experience surveys which have been achieved in 2013.

3.1.3 Patient Experience

In addition to the three priorities identified by the Trust, the governors also identified three stretch targets that were monitored alongside the improvement priorities.

3.1.3.1 Stretch Targets 2013/14

Stretch Target 1: The patient experience of cancelled operations

The Trust acknowledged that patients admitted for surgery may have their operation cancelled due to theatre overruns, which means a case in theatre takes longer than anticipated and can result in a patient's case being cancelled. A work stream dedicated to reducing cancelled operations and in streamlining the patient pathway from admission to theatre and back to the ward was established to look at improving unnecessary delays and in ensuring patients are hydrated in line with guidance prior to going to theatre.

Actual patient stories have been captured to enable improvements to the service and ensure an appropriate pathway for all patients undergoing an operation.

There has been a 9.4% reduction in the number of cancelled operations of elective admissions from 2012/13 rates.

Stretch Target 2: Implementation of the discharge information pack

The Trust identified the need to have in place a discharge information pack that was suitable for all patients and that had the relevant points of contact following discharge to external charities and support agencies. A fit for purpose discharge pack has been developed and is now in place to support all inpatients.

Patient discharge surveys have been conducted over the year and included questions on the support the discharge pack has provided and asked for any recommendations from patients to further strengthen the document.

Outcome: Stretch Target 3: The reduction of hospital acquired pressure ulcers

The Trust recognises this indicator as an important patient safety indicator that impacts upon patient treatment and recovery and wished to further reduce unnecessary acquisitions of hospital acquired pressure ulcers.

The Trust goal was to reduce the number of grade 2 and 3 pressure ulcers compared to 2011/12 rates and has achieved an 14.8% reduction in the number of patients per 1000 bed days who acquired a grade 2 and 3 pressure ulcer within our care.

3.1.3.2 Priority 1: Implementation of the Friends and Family Test

The Family and Friends Test is a new NHS initiative to help gauge whether a ward or department is providing a good level of care. The test is being rolled out nationally from April, but our Trust was one of a number to introduce the test from January, in a pilot study using text messaging as a way of asking the question.

Patients are asked on admission whether they are willing to take part in the survey; and those who agree are sent a text 48 hours after discharge, asking them to choose one of six possible responses: Extremely likely; Likely; Neither likely nor unlikely; Unlikely; Extremely unlikely; and Don't know.

If patients have spent time in more than one ward or department, they are asked to think about their experience in the ward where they spent the most time.

The Trust has achieved a mean result over the year that over 95% of discharged patients are likely or extremely likely to recommend the hospital to their friends and family. Trust is also in the top 20% of all Trusts in the comparison table published in March 2014.

3.1.3.3 Priority 2: Implementation of the Trusts Care and Communication Checks

To ensure that we are meeting all of our patient needs and all of our patients feel safe and cared for during their stay in hospital, we have implemented a nurse led care and communication check that is conducted every 2 hours with every patient, on all inpatient wards.

The check is documented and patients are asked if they are comfortable, pain free and can reach their call bell if necessary. Patients are also offered any other assistance they require during this check.

Audits are being undertaken and identify this check is being utilised and improvements in patient's perceptions have also been demonstrated through patient survey responses gathered internally.

3.1.3.4 Priority 3: Review of the Advanced Neurology Nurse model

The Trust identified this priority to review the effectiveness of the Advanced Neurology Nurse initiative that commenced in 2007 and expanded in 2010/11 to 6 nursing staff. The Trust has reviewed the role and collated information from patients including patient stories to understand the roles effectiveness in supporting patients when in a community setting.

This has provided greater insight for patients and staff on the success of the role and how it can then be transformed further going forward.

3.2 Complaints

3.2.1 Patient Experience and Complaints Handling

The Trust's Patient Experience Team works directly with, and for, patients including their families, friends and carers. The Team pride themselves on providing help, advice, support and information to patients, resolving problems quickly on patients' behalf and providing information about NHS Services prior to, during and after their visit to the Trust. The benefit of this approach is that the team can quickly address issues and patients' concerns when they are first raised.

Where concerns cannot be dealt with straightway or if a patient wishes to make a complaint the Patient Experience Team work with the patient and their families to record and manage the process. The Team takes a complainant centred approach and ensure that complaints are responded to in a timely fashion, and that the response answers all the concerns raised; the Team also keep the complainant informed during this process.

3.2.2 Trend Analysis & Lessons Learnt

Issues raised in complaints are always the subject of detailed scrutiny and investigation and each complainant receives a detailed response from the Chief Executive of the Trust. We are keen to provide responses to complaints which are as open, honest and as helpful as possible to the patients or their representatives. Where it is appropriate to do so, a Local Resolution meeting is held and this can also provide a satisfactory solution to the concerns raised. This is evidenced by the fact that only two complaints were referred to the Parliamentary Ombudsman this year and both of those were not upheld.

The Trust is committed to learning lessons from complaints and other patient feedback. The committee structure provides an opportunity to discuss trend analysis and lessons learnt from compliments, complaints and feedback through the Patient Experience Group.

3.2.3 Complaints Feedback

As a Trust we use feedback from our service users as an important means of improving the quality of our service. This is also true of the complaints process.

When we respond to a complaint, we enclose a simple questionnaire to help assess the rating of complainants to our complaints service and to the outcomes achieved as a result of the complaint investigation. The questionnaire is designed to help us determine how we can improve this service.

	Quarter 1 (April – June 13)	Quarter 2 (July – Sept 13)	Quarter 3 (Oct – Dec 13)	Quarter 4 (Jan – Mar 14)
Number of complaints received	56	47	36	41

Going forward in 2014/15 we will continue to implement the findings of our review of the process of managing complaints that was undertaken in line with the reorganisation of the divisions and taking account of the wider national reforms in relation to complaints. Measures to further strengthen the learning of lessons will be implemented and used to inform wider Organisational Development. This will work in partnership with the Patient Experience Strategy to ensure that we are always listening to our patients and their feedback to continually improve the patient experience.

3.3 Local Engagement – Quality Account

The Quality Account has not been developed in isolation. It has evolved by the Trust actively engaging with stakeholders and then using the external feedback and opinion combined with internal thoughts and vision. Trust Executives have also participated in discussions with the local health economy and sought views on the services provided by the Trust. Meetings have also been conducted between the Director of Nursing and Modernisation and Healthwatch representative in year to ensure there are open lines of communication between parties. The Trust has actively engaged with governors through a forward planning event on all aspects of quality including choice of indicators for 2013/14.

3.4 Quality Governance Strategy

A Quality Governance framework was designed as a tool to encourage and support current good practice for quality governance in healthcare organisations. In September 2011 the Trust developed a Quality Governance Strategy to define the combination of structures and processes at and below Board level to lead on Trust-wide quality performance to ensure that required standards are achieved. This will be achieved by:

- Investigating and taking action on sub-standard performance.
- Planning and driving continuous improvement.
- Identifying, sharing and ensuring delivery of best practice.
- Identifying and managing risks to quality of care.

This strategy sets out key priorities and the principles that the Trust will continue to develop and apply to current and future planned services. A board development day focusing on reviewing and strengthening the strategy was undertaken in November 2013. Following this day and taking the feedback into account, the strategy was reviewed and strengthened in line with the future direction of the Trust and then ratified by the Board of Directors for a further 12 months.

3.5 Commitment to Dignity

During 2013/14 the Dignity Champions group has been recruiting new members and following the structural changes to the wards more champions have been interested in participating in the campaign, including representatives from critical care and theatres. A review of champion's areas has been undertaken and other disciplines and roles are being approached. The Dignity Champions arranged for the Trust to celebrate National Dignity Day in February 2014. The focus of the campaign was to re-iterate the Trusts passion for dignity for patients and once again we asked

for patients, their families and staff, to tell us what dignity meant to them. The Trust arranged for volunteers from local colleges to come in and give hand massages to patients and staff. A raffle was held and raffle tickets were given out to patients following their participation on identifying what the Walton Centre did well or could be improve in relation to dignity. The Dignity Champions have discussed through the year how important their role is in terms of championing and advocating for our patients dignity, and ways to promote and raise awareness of the successes and challenges are being identified.

In 2013/2014 as part of induction and preceptorship, the importance of dignity formed an integral part of welcoming new staff to the Trust. The Dignity Champions continually share their passion across the organisation and during 2013/2014 received equality and diversity training to further support their roles. The Champions have also been speaking to student nurses about the importance of dignity and what the Trust expects of all staff.

3.6 The Walton Centre Annual Nursing Awards

On May 7th 2013 the Trust held its nursing awards ceremony. The awards were held to celebrate international nurse's day and had 6 categories that included the awards for:

- Patient Experience.
- Patient Safety.
- Advanced/Specialist Nurse of the Year.
- Team of the Year.
- Director of Nursing.
- Inspirational Nurse Leader

The awards were presented by Lisa Grant, with winners receiving trophies and a certificate to mark the occasion. Angela Brown, Deputy Chief Nurse of North of England attended as key note speaking, updating staff of developments in nursing the vision for nursing moving forward.



Lisa Grant, Director of Nursing and Modernisation present the director of Nursing Award to Joan Sawtell, Health Care Support Worker.

The Annual Nursing Awards for 2014/15 were held in March 2014 to allow Lisa Grant, Director of Nursing and Modernisation to present the awards before leaving the Trust. The 2014/15 winners will be identified in next year's Quality Account.

3.7 The Walton Centre Nursing Strategy

In line with the Trusts 5 Year Strategy the Nursing Strategy was published in 2012 outlining key aims for the direction of nursing. Over the last year more nurses have been recruited to in line with both the expansion plans and from the introduction of sub specialty wards.

The strategy is based on the Chief Nursing Officer's 3 year vision *Compassion in Practice (2012)*. The strategy sets out 5 objectives that will improve patient care, integrate its workforce, training and research to improve the patient experience whilst strengthening nursing leadership. The supporting action plan is regularly reviewed and the Trust remains on target to achieve the objectives it has set itself.

The expansion plans and new work streams the Trust has embraced over the last year has seen the creation of nursing opportunities across the Trust that include the introduction of new roles that support junior doctor portfolios and opportunities for training and career progression.

3.8 E-Patient

In January 2012 the E-Patient module was introduced using iPads across all of the inpatient wards. The system has proved a great success and all of the nursing risk assessments undertaken on admission are completed on the iPad.

Risk assessments that include nutrition, falls, pressure area care and infection control are captured, with necessary referrals, for example to the dietician, automatically sent through the E-Patient system. This ensures that referrals are made within a timely manner and that patients are seen and treated without delay. The system also provides real time data on the length of time it has taken to complete the risk assessments so that continual improvements can be made. The system is much quicker to use than completing paper documentation and faxing referrals, which frees up nurses time to spend with their patients.

The Technology Department has produced an electronic system that is quick, easy and effective. More processes and procedures have been added to the system to allow the Trust to have effective data capture, increase patients surveys and allow on-going audits to be undertaken. The system also feeds the balance scoreboard performance monitoring tool that supports wards and the Trust.



Staff Nurses from Caton Ward with E-Patient

3.9 Rehabilitation at the Walton Centre

The Trust hosts the Rehabilitation Network, a service which provides both hyper acute and specialised rehabilitation via a hub and spoke model. The service a collaboration between providers and has a central unit providing 29 rehabilitation beds based at the Walton Centre plus two facilities which in total provide a further 35 rehabilitation beds located at St Helen's and Broadgreen Hospitals.

Nine of the beds based on-site at the Walton Centre are hyper-acute rehabilitation beds based on a neurosurgical ward which enables rehabilitation to start at a very early stage in the patient's management.

Each patient is encouraged to play an active part in setting goals to meet their needs, in partnership with the rehabilitation team. Three rehabilitation consultants provide clinical leadership and support to the network rehabilitation services. The service is supported by a comprehensive team of both clinical and non-clinical staff including nursing, therapy, clinical and neuro-psychology, neuro-psychiatry, and information/benefits advisors.

A rehabilitation key worker is allocated to each patient on admission to act as a link between patient, family and the rehabilitation team throughout their stay along the pathway; ensuring seamless interface across the patient journey to promote continuity. The single point of access ensures a smooth transfer of rehabilitation across teams/units to reduce the risk of unplanned care and unnecessary delays and waits.

Standardised admission and management criteria and protocols have been developed and a new on-site rehabilitation unit is in development and will be open in 2014. This development will see a new, three story building offering state of the art accommodation for an expanded specialised rehabilitation unit. This will include 30 beds, a gym, therapy rooms, lounge, a common room for patients and landscaped therapy gardens. In addition the new facility will provide relatives accommodation and purpose-designed accommodation for the Trust's pioneering Pain

Management Programme.

3.10 Merseyside and Cheshire Major Trauma Network

New national statistics rank the Merseyside and Cheshire Major Trauma Network as second best in the country for saving lives. It is now a year since our Trust became part of a new Major Trauma Centre Collaborative for the region. In that time, our Trust has admitted 330 trauma patients from around the region, an increase of around 50 on the previous year.

All patients with major multiple injuries are now admitted at one of just two emergency departments in the region, in Aintree University Hospital and the Royal Liverpool University Hospital, from where they are transferred to The Walton Centre if there is severe brain or spinal injuries.

Less severely injured patients and those with medical and surgical emergencies continue to be admitted to their local hospital's emergency department.

The Walton Centre's lead for trauma, consultant neurosurgeon Catherine McMahon, said: "The changes have created a much more efficient system and improved care for patients. Time is of the essence in treating someone with major injuries, for instance with gunshot wounds or after a car accident. "Research shows that severely injured patients are 15 to 20 per cent less likely to die if admitted to a Trauma Centre rather than another hospital so although it might mean bypassing a local hospital and travelling further in an ambulance, the outlook for patients is much improved."

The ranking of major trauma networks appears in the most recent TARN (Trauma Audit Research Network) report which shows that the Merseyside and Cheshire Major Trauma Network is the second highest performing network in the country in terms of saving lives.

Catherine added: "We are still in our infancy but an excellent team is developing with new appointments in the three hospitals in the Collaborative; a fabulous team of trauma therapists across the sites; an acute trauma rehabilitation service and an enviable rehabilitation network, possibly second to none in the UK."

3.11 Patient Communication

An eye-controlled communication system will give patients in intensive care at The Walton Centre who cannot speak a voice for the first time. The state-of-the-art device – which is calibrated to an individual patient's eyes – uses their gaze in the same way as a mouse on a conventional computer.

It will allow patients who have severe limb weakness and an inability to speak due to having an artificial airway, a way to communicate and gain access to all the regular functions on a computer.

Within minutes of using the ground-breaking system patients will be able to communicate with friends, family and clinicians, as well as browse social media like Twitter, Facebook, and send emails.

Helen Jones, Senior Sister and Service Improvement Leader in Intensive Care at The Walton Centre, said: "People will be able to speak by looking at words and letters and a voice will be generated. Before this system was in place patients relied upon letter boards which was frustrating and it took a very long time just to communicate a short sentence. "We have many patients who may have severe deficits and a tracheostomy which means they cannot speak. Recently, a former patient recounted her experience of being unable to communicate her needs within an internet blog; this inspired me to look into communication technology to solve the problem."

The system has been successfully used within the community but has never been tried in Intensive Care before anywhere in the UK.

"Staff are currently being trained on the system," added Helen. "You sit in front of it and calibrate with your eyes. It takes five minutes to train someone on it and after 30 minutes you would be really fast at using it."

3.12 Trauma Audit and Research Network

Trauma is already the commonest cause of loss of life under the age of 40 and the burden of trauma is set to increase in the next 20 years. Taking a global view of 'life years lost' through premature death and disability, injury will be in second place in 2020.

Research undertaken by the Trauma Audit Research Network (TARN) found that outcomes for patients with severe head injuries are significantly improved when they are cared for in a dedicated neurosciences unit, even if they do not require an operation. In 2010, the Trust completed both an expansion of its Critical Care Unit and the creation of a new acute ward to increase the capacity within the Trust.

Given the relatively low incidence of severe trauma in the UK, it has been identified that is unlikely that each individual hospital can deliver optimum care to this challenging group of patients. It is recommended that all agencies involved in trauma management, including emergency medical services, should be integrated into a regional trauma service. Regional planning for the effective delivery of trauma services is therefore essential.

The Walton Centre is an integral and central part of the Merseyside and Cheshire Major Trauma Centre Collaborative with the Royal Liverpool and Broadgreen University Hospitals NHS Trust and Aintree University Hospital NHS Foundation Trust (UHA).

Nationally the MTCC is recognised as being a beacon of success and partnership working with TARN data demonstrating improved patient care since its establishment. The North West Ambulance Service pathfinder identifies all patients with Glasgow Coma Scale less than 13 referred through to the Walton /UHA site. The smooth transfer of patients, personnel and equipment between the units has been facilitated by the link bridge which has been shown to be an essential development.

A dedicated Neurosurgical Trauma Consultant has been appointed and has continued to develop the close working relationships across the collaborative resulting in improved patient care. The established two tier system of Neurosurgical middle grade cover ensures appropriate and speedy referral lines for all major trauma cases. Neurosurgical presence at registrar and consultant level on a daily basis and as required, in the AED, Critical Care and the trauma ward on the UHA site has continued to improve service delivery.

An additional appointment to the Neuro-Critical Care Consultant Anaesthetic staff ensures the continuing commitment to and development of the close working relationship across the WCFT/UHA site in terms of patient transfer, care and advice in patients with severe trauma.

The establishment of an improved utilised daily emergency operating list with appropriate staffing has been of significant benefit to the trauma service. This has particular relevance to spinal injury and spinal fracture fixation. This has been supported by a sub speciality Neurosurgical Spinal take rota. The Spine Taskforce Document recognises WCFT as the busiest unit in England and Wales with respect to traumatic spinal injury fixation.

3.13 Overview of Performance in 2011/12 against National Priorities from the Department of Health's Operating Framework

The following table outlines the Trusts performance in 2011/12 and 2012/13 in relation to the performance indicators as set out in the Department of Health's Operating Framework.

Performance Indicator	2012/13 Performance	2013/14 Target	2013/14 Performance
Incidence of MRSA	0	0	1*
Screening all in-patients for MRSA	100%	100%	100%
Incidence of Clostridium difficile	7	<=5	12**
All Cancers : Maximum wait time of 31 days for second or subsequent treatment: surgery	100%	94%	98.63%
All Cancers : 62 days wait for 1 st treatment from urgent GP referral to treatment	85.7%	85%	100%
All Cancers : Maximum waiting time of 31 days from diagnosis to first treatment	100%	96%	100%
All Cancers : 2 week wait from referral date to date first seen	100%	93%	100%
Maximum time of 18 weeks from point of referral to treatment in aggregate – admitted	90.32%	90%	92.6%
Maximum time of 18 weeks from point of referral to treatment in aggregate – non-admitted	97.67%	95%	97.52%
Maximum time of 18 weeks from point of referral to treatment in aggregate – patients on an incomplete pathway	97.48%	92%	97.44%
Certification against compliance with requirements regarding access to health care for people with a learning disability	Fully Compliant	Fully Compliant	Fully Compliant

*This is within Monitor's de-minimus limit of 6 cases and deemed achieved

**This is within Monitor's de-minimus limit of 12 cases and deemed achieved

The Trust reported a Naso gastric tube insertion into lung incident to its Commissioners during 2013/14 as required. The Commissioners have recorded this as a Never Event. The Trust has debated this classification with its Commissioners since in its opinion the incident should not be classed as such. However the Commissioners have maintained their stance.

3.14 Overview of Performance in 2013/14 against NHS Outcomes Framework Domain

The Department of Health and Monitor have jointly written to all trusts to provide advance notice of likely changes to Quality Account reporting requirements for the 2012/13 round of Quality Accounts, following consideration by the National Quality Board about strengthening Quality Accounts by introducing mandatory reporting against a small, core set of quality indicators. These proposed changes would in the first instance affect the Trust as an NHS acute trust in addition to mental health and ambulance trusts.

The indicators are based on recommendations by the National Quality Board, are set out below. They align closely with the NHS Outcomes Framework and are all based on data that trusts already report on nationally. If the indicators are applicable to us the intention is that we will be required to report:

- Our performance against these indicators.
- The national average.
- A supporting commentary, which may explain variation from the national average and any steps taken or planned to improve quality.

The data within this report is local data that has not been validated nationally.

During 2013/14 the Walton Centre provided and/or sub-contracted seven relevant health services. These were neurology, neurosurgery, pain management, specialist spinal services, neuropsychology, rehabilitation and specialist diagnostic services.

The income generated by the relevant health services reviewed in 2013/14 represents 100% per cent of the total income generated from the provision of relevant health services by the Walton Centre for 2013/14.

3.15 Indicators

The indicators are listed below and a response is provided if they are deemed applicable to the Trust. If the indicators are deemed non applicable a rationale for this status is provided.

1. Summary Hospital-Level Mortality Indicator (SHMI): (Domain 1: Preventing people from dying prematurely) and 2. Enhancing quality of life for people with long term conditions
NOT APPLICABLE.

Rationale: This indicator is not deemed applicable to the Trust, the technical specification states that Specialist Trusts are excluded from this measurement and that this decision was made by the CQC in June 2011.

2. Percentage of patients on Care Programme Approach (Domain 1: Preventing people from dying prematurely and 2. Enhancing quality of life for people with long term conditions).
NOT APPLICABLE

Rationale: The Trust does not provide mental health services.

3. Category A ambulance response times: (Domain 1: Preventing people from dying prematurely).
NOT APPLICABLE

Rationale: The Trust is not an ambulance trust.

4. Ambulance trust clinical outcomes: that includes myocardial infarction and stroke (Domain 1: Preventing people from dying prematurely & Domain 3: Helping people to recover from episodes of ill health or following injury).
NOT APPLICABLE

Rationale: The Trust is not an ambulance trust.

5. Percentage of admissions to acute wards for which the Crisis Resolution Home Treatment Team acted as gatekeeper during the reporting period (Domain 2. Enhancing quality of life for people with long term conditions).
NOT APPLICABLE

Rationale: The Trust does not provide mental health services.

6. Patient reported outcome scores for (i) groin hernia surgery, (ii) varicose vein surgery, (iii) hip replacement surgery, and (iv) knee replacement surgery (Domain 3: Helping people to recover from episodes of ill health or following injury).

NOT APPLICABLE

Rationale: The Trust is a neurological trust and does not perform these procedures.

7. Emergency readmissions to hospital within 28 days of discharge:

(Domain 3: Helping people to recover from episodes of ill health or following injury).

APPLICABLE

	No. of readmissions	% of Inpatient discharges readmitted
2012/13	255	4.86%
2013/14	282	6.03%

Change	+27	+1.17%
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Calculation of readmission rates is based on the national standard as defined within the Compendium of Clinical and Health Indicators <https://indicators.ic.nhs.uk/webview/>

The rates are for patients 16 years and over.

Actions to be taken

The Walton Centre considers that this data is as described for the following reason: The Trust recognises that the main causes for readmissions are due to infection. The majority of these are for patients with an implant who are at high risk of acquiring an infection post operatively.

The Walton Centre has taken the following actions to improve this rate, and so the quality of its services, by

- Focusing on ensuring the use of new ultra-clean theatre for implant patients wherever possible.
- Measuring the percentages of those re-admitted following procedures in this theatre as opposed to regular theatres.
- Undertaking an on-going review of the use of intra-operative antibiotics.
- Consultant review of all readmissions.

8. Responsiveness to inpatients' personal needs based on five questions in the CQC national inpatient survey: (Domain 4: Ensuring that people have a positive experience of care).

APPLICABLE

Response:

In 2013 the Trust has made a considerable improvement in the National Inpatient Survey results. The Walton Centre considers that this data is as described for the following reasons: The Trust has improved in 39 questions in the national inpatient survey.

The Walton Centre has taken the following actions to improve this score, and so the quality of its services:

- The introduction of sub specialty wards.
- An increase in nursing staff.

The Trust has continued to capture monthly internal surveys that ask the same five questions and have noted improvement at the end of quarter 4. The Trust will continue to make patient experience a key priority going forward and will continue to capture patient feedback using a number of tools including the Friends and Family Test, internal questionnaires and external surveys.

Any priorities for improvement will be addressed and shared using the ward quality boards that are electronic boards at the entrance to each ward displaying patient information.

National Inpatient Survey Question	2011 Results	2012 Result	2013 Result
1. Were you involved as much as you wanted to be in decisions about your care?	78	75	79
2. Did you find a member of hospital staff to talk to about your worries or fears?	74	64	63
3. Were you given enough privacy when discussing your condition or treatment?	88	87	90
4. Did a member of staff tell you about the medication side effects to watch for? (following discharge)	53	52	51
5. Did hospital staff tell you who to contact if you were worried about your condition? (following discharge)	86	81	87

9. Percentage of staff who would recommend the provider to friends or family needing care. (Domain 4: Ensuring that people have a positive experience of care).

APPLICABLE

A total of 308 staff at the Trust participated in this survey. This is a response rate of 45% which is below the average for acute specialist's trusts in England, and is a decrease on last year's response rate of 54%. Within the survey the percentage of staff who would recommend the Trust as a place to work or receive treatment is 4.01 (average), this is an improvement on last year's score (3.92), and above the acute average of 3.71, but below the specialist trust average of 4.09.

The Walton Centre considers that this data is as described for the following reasons: There are some particularly encouraging results such as staff motivation, opportunities for career progression communication between senior management and staff and effective team working. However it is inevitable that the action plan needs to focus upon the less positive findings which particularly concern key relationships between staff and their interface with patients and carers (e.g. discrimination and violence). In addition, work needs to continue on appraisal completion rates.

The Walton Centre has taken the following actions to improve this score, and so the quality of its services, by: undertaking Investors in People assessments at the end of April 2014, using the themes from the staff survey as a baseline for the assessment. This assessment will include 70 staff interviews and focus groups and the feedback from the external assessors will assist in gaining a better understanding of issues within the Trust and outline an action plan for improvement.

Action to be taken

It is important to note that the decrease in the response rate has occurred for a second consecutive year. In addition, the random sample size has increased from 600 staff last year to 681 in this year's survey. The actual number of staff completing the survey has only decreased from 318 to 308. The Trust intends to continue to work with staff side and staff through various engagement sessions to increase the response rates and percentage scores for the following year.

10. Patient Experience of Community Mental Health Services. (Domain 2. Enhancing the quality of life for people with long term conditions and 4. Ensuring people have a positive experience of care).

NOT APPLICABLE

Rationale: The Trust does not provide mental health services.

11. Percentage of admitted patients risk-assessed for Venous Thromboembolism. (Domain 5: Treating and caring for people in a safe environment and protecting them from avoidable harm).

APPLICABLE

	Year	Q1	Q2	Q3	Q4
2011/12	Walton Centre	99%	99%	99%	99%
	National Average	81%	88%	91%	93%
2012/13	Walton Centre	99.1%	92.3%	92%	94.85%
	National Average	93.4	93.9%	94.2%	94.2%
2013/14	Walton Centre	96.1%	95.6%	96.2%	96.2%
	National Average	95.4%	95.7%	95.8%	TBC*

*National average data not available until June 2014

Action to be taken

The Trust notes that the Trust has achieved the CQUIN target of 95% .The Walton Centre considers that this data is as described for the following reasons; during 2012/13 the Trust moved away from a paper based risk assessment process to an electronic system which has taken time to embed across the Trust but is now ensuring that assessments are undertaken in a timely manner. The Walton Centre has taken the following actions to improve this score, and so the quality of its services, by the introduction of E patient, the electronic solution implemented in the Trust.

Rate of C. difficile per 100,000 bed days amongst patients aged two years and over: (Domain 5: Treating and caring for people in a safe environment and protecting them from avoidable harm).

APPLICABLE

Quality Accounts use the rate of cases of C. difficile infections rather than the incidence, because it provides a more helpful measure for the purpose of making comparisons between organisations and tracking improvements over time.

WCFT Clostridium difficile infections per 100,000 bed days:

2009-2010	2010-2011	2011-2012	2012-13	2013-14
32.2	21.2	20.4	15.6	21.0**

National average Clostridium difficile infections per 100,000 bed days:

2009-2010	2010-2011	2011-2012	2012-13	2013-14
35.3	29.7	22.2	17.3	TBC**

**This figure will be updated when the national annual figures are released on the 10th July 2014. Data sourced from Public Health England. www.hpa.org.uk as at 17th April 2014.

The Walton Centre considers that this data is as described for the following reasons:

- The introduction of hyper acute patients within the Trust.
- Increased patient acuity.
- Increase in capacity and activity.

The Walton Centre will take the following actions to improve this score, and so the quality of its services:

- Implementation of the Infection Control Strategy.
- Monthly environmental monitoring and infection control audits (hand hygiene and saving lives audits).
- Monitoring and reporting audits by the Governance, Risk and Quality Committee.
- The Infection Prevention and Control Team will undertake environmental checklists on a weekly basis.
- The cleanliness of isolation rooms which are used for the management of infected patients will be monitored three times a day by the nurse in charge.
- A record of terminal cleans and changing of curtains in infected areas will be held by ISS Mediclean.
- Reviewed cleaning schedules will be implemented to enhance the standards of cleanliness.
- Antibiotic usage will continue to be monitored via the antibiotic ward rounds.
- The annual update for medical staff will include both antibiotic usage and promoting antibiotic stewardship.

The Trust will continue to improve to improve the quality of its service and continue to reduce Clostridium difficile that includes supporting our vision to work towards achieving zero tolerance in relation to avoidable infections and to ensure that all of our service users within the Trust are not harmed by a preventable infection.

12. Rate of patient safety incidents and percentage resulting in severe harm or death.

(Domain 5: Treating and caring for people in a safe environment and protecting them from avoidable harm).

APPLICABLE

Response: In 2013/14 the Trust reports a rate of 4.87 patient safety incidents per 100 admissions compared to a rate of 4.17 in 2012/13. In 2013/14 the proportion of patient safety incidents that resulted in severe harm or death was two compared to zero cases that resulted in severe harm or death in 2012/13.

The Walton Centre considers that this data is as described for the following reasons:

- Increased patient acuity.
- Increase in capacity and activity.

The Walton Centre will take the following actions to improve this score, and so the quality of its services, by:

- Making improvements to report clinical incidents.
- Reviewing practices in order to reduce incidents that cause harm to patients.
- Discussing all root cause analysis at the Patient Safety Group.
- Lessons learnt being disseminated to appropriate staff.

4.0 Conclusion

The achievements outlined in this account demonstrate the importance which the Trust places on improving the quality of care delivered and the patient experience. The Trust has continued to perform well against contractual arrangements and received full payment against CQUIN standards and followed the quality schedule held by commissioners. The Trust has reflected on the improvement priorities for 2013/14 and engaged with stakeholders in agreeing the plan going forward for next year.

There is a clear quality improvement plan established for the year ahead and the success of this plan will be monitored through both contractual arrangements with commissioners and through the Governance, Risk and Quality Committee that reports directly to the Board of Directors. The Trust has a clear focus on the steps needed to continue to deliver high quality patient centred care that is safe, effective and personal and has a Quality Governance Strategy to enable this work to be embedded throughout the Trust. There are some areas that require the Trusts full focus for improvement over the coming year but overall it has been a successful year and one that will now

be built upon to ensure that The Walton Centre NHS Trust continues to deliver 'Excellence in Neuroscience'.

Statement of Directors' Responsibilities in Respect of the Quality Report

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 to prepare Quality Accounts for each financial year. Monitor has issued guidance to NHS foundation trust boards on the form and content of annual quality reports (which incorporate the above legal requirements) and on the arrangements that foundation trust boards should put in place to support the data quality for the preparation of the quality report.

In preparing the quality report, directors are required to take steps to satisfy themselves that:

- ❖ the content of the quality report meets the requirements set out in the NHS Foundation Trust Annual Reporting Manual 2013-14;
- ❖ the content of the Quality Report is consistent with internal and external sources of information including:
 - Board minutes and papers for the period April 2013 to April 2014
 - Papers relating to Quality reported to the Board over the period April 2013 to April 2014
 - Feedback from the Trust's commissioners dated 19th May 2014
 - Consultation with governors at events on 6th February 2014 and 11th March 2014
 - Feedback from the Overview and Scrutiny Committee (OSC) dated 6th May 2014
 - Feedback from Healthwatch Liverpool dated 29 May 2014
 - Feedback from Healthwatch Sefton dated 23 May 2014
 - The Trust's Complaints Report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 29 May 2014.
 - The National Inpatient Survey for 2013 presented to Trust Board on 24th April 2014
 - The National Staff Survey for 2013 presented to Trust Board on 27th March 2014
 - The Head of Internal Audit's annual opinion over the Trust's control environment dated March 2014
- ❖ CQC Intelligent Monitoring Reports are taken into account;
- ❖ the Quality Report presents a balanced picture of the NHS Foundation Trusts performance over the period covered;
- ❖ the performance information reported in the Quality Report is reliable and accurate;
- ❖ there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice;
- ❖ the data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review; and the Quality Report has been prepared in accordance with Monitor's annual reporting guidance (which incorporates the Quality

Accounts regulations) (published at [www.monitornhsft.gov.uk/annual reporting manual](http://www.monitornhsft.gov.uk/annual-reporting-manual)) as well as the standards to support data quality for the preparation of the Quality Report (available at [www.monitornhsft.Gov.uk/annual reporting manual](http://www.monitornhsft.Gov.uk/annual-reporting-manual)).

The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the Quality Report.

By order of the Board



Ken Hoskisson
Chairman

23rd May 2014



Chris Harrop
Chief Executive

23rd May 2014

ANNEX: STATEMENTS FROM COMMISSIONERS, HEALTHWATCH and OSC

Statements from Commissioners:

Cheshire, Warrington and Wirral Area Team

Commissioner Response to The Walton Centre Quality Accounts

19th May 2014

As the lead commissioner for The Walton Centre we welcome the opportunity to provide commentary on the past years Quality Account. The Account has been produced following wide stakeholder engagement and is of a high standard, setting out clearly the outcomes from 12/13 and the focused priorities with accompanying rationale for the coming year. We are pleased to see the Trust has set stretch targets which build upon the previous year's good work and firmly put patient experience at the centre of the Trusts strategy moving forwards.

It is good to see the notable improvement in hospital acquired pressure ulcers which are testament to the hard work of the team and also the innovative introduction of electronic risk assessments, allowing for real time improvements and intervention; this has also made the quality of data more accurate. We understand the trust are disappointed to present an increase in the number of patient falls and as commissioners we acknowledge that there has been a change in the number and acuity of patients seen by the Trust. The team work closely with commissioners and patient safety groups and have worked to identify the cause and put in place measures for improvement including investment in falls prevention equipment and the actions are well described in this Quality Account.

Participation in local and national audits and research are commendable and the Quality Account clearly shows the local audit and the changes and improvements made as a result of their findings. We are delighted to see the introduction of the Eye Controlled Communication System into the Intensive Care Unit; this will make a real difference to patients who have previously been unable to have a voice. We look forward to seeing the progress of this and the outcomes.

Commissioners are also keen to see the outcomes of the patient experience group and patient focus group and how this work is used to shape service developments and improve quality. We are looking forward to see how the stretch targets set will work to improve patient experience, information, communication and support for patients during their stay and post discharge.

The Quality Account describes the increase in C difficile cases in the last year and commissioners acknowledge the steps taken by the trust to prevent infection and pro-actively manage patients. All cases have been subject to a multidisciplinary Root Cause Analysis and external scrutiny, with

lessons learnt identified and shared and investments made in infection prevention. The Trust continues to work hard on this agenda and ensure it is a high priority.

Commissioners are pleased to see that the Trust CQUIN framework was met and congratulate the trust on recently being compliant for all areas during their CQC inspection.

The Quality Accounts give a good overview of the trusts governance and assurance processes and the introduction of 3 new groups reporting into the Governance, Risk and Quality Committee has demonstrated improvements in reporting and lessons shared across the organisation. We would like to have seen the reporting of serious incidents noted and lessons learnt within the document which would have further strengthened the trusts commitment to an open and honest culture.

Prepared by Sue McGorry – Quality and Safety Manager on behalf of Cheshire, Warrington and Wirral Area Team.



OVERVIEW AND SCRUTINY COMMITTEE (HEALTH AND SOCIAL CARE)

TUESDAY 6TH MAY 2014:

65. THE WALTON CENTRE NHS FOUNDATION TRUST

The Committee received a presentation from Angela Wood, Deputy Director of Nursing, The Walton Centre NHS Foundation Trust, on the Trust's draft Quality Account for 2013/14, and the work of the Trust in general.

The presentation outlined information on the following:-

What Quality Accounts are and what they must cover.

A model of the Domains of Quality, with patient, and carer, experience, clinical effectiveness and safety being at the centre of the model. Financial viability and sustainability has to underpin all quality elements.

2013/14: Patient Safety:-

- Patient Falls - 27% increase in reporting, increase in falls with harm;
- Pressure Ulcers - 14.8% reduction per 1000 bed days; and
- Nutritional Assessment and Support - 93.6% complete.

2013/14: Patient Effectiveness:-

- Electronic risk assessment – achieved;
- Proms – Spine Tango – achieved; and
- Implementation of sub speciality wards - achieved.

2013/14: Patient Experience:-

- Implementing Friends and Family Test (FFT) - achieved;
- Care and communication checks – achieved; and
- Review of advanced neurology nurse model – achieved.

2013/14: Stretch Targets:-

- Pressure ulcers, reduction in Grade 2/3 – achieved;
- The patient experience of cancelled operations – achieved;
- Implementation of the discharge pack – achieved.

Looking forward: 2014/15:-

Patient Safety:

- Reduction in falls with harm;
- Reduction of number of pressure ulcers; and
- Improving medication safety.

Patient Experience:-

- Increasing friends and family percentage returns;

- Introduction of a patient experience focus group; and
- Developing a programme to capture satellite clinic feedback.

Clinically Effective:-

- Review of nursing documentation and care planning;
- Introduction of same day surgery; and
- Utilisation of Jefferson Unit for overnight stay.

Key Performance Indicators (KPIs), on-going:-

- Commissioning for quality and innovation (CQUINS);
- National Priorities;
- Safety Thermometer;
- Healthcare Associated Infections (HCAI) Targets; and
- Transparency Project.

Governor Stretch Targets:-

Stretch Target 1: Improving discharge arrangements – Implementing ‘Ticket Home’;

Stretch Target 2: Provision of accessible patient information; and

Stretch Target 3: Increase patient support to improve the patient experience.

Supporting staff to make improvements, in the workplace - top down and bottom up:-

- Creating shared need;
- Shaping vision;
- Mobilising commitment;
- Monitoring progress;
- Changing systems and structures;
- Making change last;
- Empowered cross functional teams and individuals;
- Guiding;
- Leading;
- Communicating vision;
- Developing strategy;
- Group decision making;
- Rapid improvement/testing ; and
- Change initiation.

The role of Commissioners in the production of the Quality Account was set out within the presentation, as were the time scales for the production of the Quality Accounts.

The Committee had previously been supplied with the full version of the Trust’s draft Quality Account.

Members of the Committee asked questions as to whether the Trust was in touch with the Council for Voluntary Services (CVS) with regard to obtaining volunteers; whether any issues existed around the discharge of patients; and links with local Healthwatch organisations.

Ms. Wood confirmed that the Trust did have contact with CVS regarding the use of volunteers; that issues were more likely to arise regarding the transfer of patients as the Trust served a catchment area of 3.5 million people; and that representatives of local Healthwatch organisations were invited to attend the Trust’s patient experience committee, in addition to Trust representatives having links through local community events.

RESOLVED:

That the presentation and the draft Quality Account for 2013/14 from The Walton Centre NHS Foundation Trust be received.

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23rd May 2014

The Walton Centre NHS Foundation Trust 2013 - 2014 – Quality Account Commentary.

Healthwatch Sefton would like to thank the Trust for the opportunity to comment on the Quality Account. Healthwatch Sefton has a governor on the Trusts Board of Governors.

The systems the Trust has put in place are effective and our Governor frequently has the opportunity to observe them being tested and challenged by; Executives, Non-Executives and Governors.

The report demonstrates good evidence of learning from patient experience to improve services. Examples include; the introduction of sub specialty wards and a discharge pack. It is also impressive that the Trust has used patient outcome measures (PROMS) to measure the effectiveness of spinal surgery. The 'Friends and Family test' clearly show how well thought of the Trust is with a 95% recommendation outcome.

The improvement priorities for 2014/5 are set out so that it is clear to see why these have been selected and what success will look like. The 3 domains of quality are given a high priority and are monitored rigorously by the Board and Governors. Governors were given the opportunity to identify 3 stretch targets, although the Healthwatch Sefton Governor felt the process a little rushed. However it is good to see that there are plans to work more closely with Neurosupport (stretch target 3) to set up a patient focus group and to capture patient feedback from satellite clinics, this being of particular interest to Sefton residents seen at Southport & Formby District General hospital.

The Trust has made significant improvements regarding falls, pressure ulcers and safety. The introduction of mealtime coordinators to ensure patients get and can eat the right food is also impressive.

There is however concern that there is an on-going push to expand, grow and diversify services, for example, the new build, and the Merseyside and Cheshire Major Trauma Network but this is an issue Governors are aware of and challenge Non-Executive Directors on.

We note with Interest the review of the Advanced Neurology Nurse model and would be keen to know the learning from this which will help provide the best possible neurological support in the community.

There is a concern about senior staff turnover. Governor concerns have been raised regarding lack of continuity.

When we first appointed a Healthwatch Governor to the Board it was apparent that changes were needed. The Trust board was working too close to and controlling of the Board of Governors. Both the Governors and Trust have recognised this problem and the Board of Governors are much more robust and independent thanks to the work of the Chair of the Trust and supporting officers.

We have a positive working relationship with the Trust and attend meetings of their Patient Experience Committee and the quarterly meeting with local Healthwatch organisations. In partnership with Healthwatch colleagues across Merseyside we hold monthly promotional stands at the Trust to capture independent experiences. We look forward to working with the Trust over the coming 12 months.



29th May 2014

Healthwatch Liverpool welcomes the publication of the Quality Account of the Walton Centre as a means to inform the public about the quality of its services. However, unfortunately the Quality Account was not received in time by Healthwatch Liverpool to be able to provide any significant detail in this commentary at this moment in time.

QUALITY REPORT: INDEPENDENT AUDITORS' LIMITED ASSURANCE REPORT TO THE COUNCIL OF GOVERNORS OF THE WALTON CENTRE NHS FOUNDATION TRUST

Independent Auditors' Limited Assurance Report to the Council of Governors of The Walton Centre NHS Foundation Trust on the Quality Report

We have been engaged by the Council of Governors of The Walton Centre NHS Foundation Trust to perform an independent limited assurance engagement in respect of The Walton NHS Foundation Trust's Quality Report for the year ended 31 March 2014 (the "Quality Report") and certain performance indicators contained therein.

Scope and subject matter

The indicators for the year ended 31 March 2014 subject to limited assurance consist of those national priority indicators mandated by Monitor:

- maximum waiting time of 62 days from urgent GP referral to first treatment for all cancers; and
- emergency re-admissions within 28 days of discharge from hospital

We refer to these national priority indicators collectively as the "indicators".

Respective responsibilities of the Directors and Auditors

The Directors are responsible for the content and the preparation of the Quality Report in accordance with the criteria set out in the *NHS Foundation Trust Annual Reporting Manual* issued by Monitor.

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the *NHS Foundation Trust Annual Reporting Manual*;
- the Quality Report is not consistent in all material respects with the sources specified in Monitor's *2013/14 Detailed Guidance for External Assurance on Quality Reports*; and
- the indicators in the Quality Report identified as having been the subject of limited assurance in the Quality Report are not reasonably stated in all material respects in accordance with the *NHS Foundation Trust Annual Reporting Manual* and the six

dimensions of data quality set out in the *Detailed Guidance for External Assurance on Quality Reports*.

We read the Quality Report and consider whether it addresses the content requirements of the *NHS Foundation Trust Annual Reporting Manual*, and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the Quality Report and consider whether it is materially inconsistent with:

- Board minutes for the period April 2013 to 23 May 2014
- Papers relating to quality reported to the Board over the period April 2013 to 23 May 2014;
- Feedback from the Commissioners dated 19 May 2014;
- Feedback from local Healthwatch organisations dated 23 May 2014 and 29 May 2014;
- The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, for 2013/14;
- The 2013 national patient survey;
- The 2013 national staff survey;
- Care Quality Commission quality and risk profiles for 2013/14; and
- The Head of Internal Audit's annual opinion over the trust's control environment dated March 2014;

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with those documents (collectively, the "documents"). Our responsibilities do not extend to any other information.

We are in compliance with the applicable independence and competency requirements of the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics. Our team comprised assurance practitioners and relevant subject matter experts.

This report, including the conclusion, has been prepared solely for the Council of Governors of The Walton Centre NHS Foundation Trust as a body, to assist the Council of Governors in reporting The Walton Centre NHS Foundation Trust's quality agenda, performance and activities. We permit the disclosure of this report within the Trust's Annual Report for the year ended 31 March 2014, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the

indicators. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors as a body and The Walton Centre NHS Foundation Trust for our work or this report save where terms are expressly agreed and with our prior consent in writing.

Assurance work performed

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) – ‘Assurance Engagements other than Audits or Reviews of Historical Financial Information’ issued by the International Auditing and Assurance Standards Board (‘ISAE 3000’). Our limited assurance procedures included:

- Evaluating the design and implementation of the key processes and controls for managing and reporting the indicators
- Making enquiries of management
- Limited testing, on a selective basis, of the data used to calculate the indicators back to supporting documentation
- Comparing the content requirements of the *NHS Foundation Trust Annual Reporting Manual* to the categories reported in the Quality Report
- Reading the documents.

A limited assurance engagement is smaller in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable measurement techniques which can result in materially different measurements and can impact comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time. It is important to read the Quality Report in the context of the criteria set out in the *NHS Foundation Trust Annual Reporting Manual*.

The scope of our assurance work has not included governance over quality or non-mandated indicators which have been determined locally by The Walton Centre NHS Foundation Trust.

Conclusion

Based on the results of our procedures, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2014:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the *NHS Foundation Trust Annual Reporting Manual*;
- the Quality Report is not consistent in all material respects with the sources specified above, and
- the indicators in the Quality Report subject to limited assurance have not been reasonably stated in all material respects in accordance with the *NHS Foundation Trust Annual Reporting Manual*.

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