



# ANNUAL REPORT AND QUALITY ACCOUNT 2014/15



**THE WALTON CENTRE NHS FOUNDATION TRUST**

**ANNUAL REPORT & ACCOUNTS 2014 / 15**

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

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## **1.0 STRATEGY, BUSINESS & PERFORMANCE REPORT**

### **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 2014 to 31st March 2015.

Our mission is: Excellence in neuroscience

Our vision is:

To provide 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.

## **INTRODUCTION**

### **About The Walton Centre**

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.

In the past year The Walton Centre has continued to deliver a strategic investment programme to provide first class facilities for patients. A major highlight was the completion of the Sid Watkins Building, named after a highly regarded, pioneering neurosurgeon from Liverpool, who was at the forefront of Formula 1 safety for more than 30 years.

The three-storey building houses an expanded Complex Rehabilitation Unit with 30 single, en-suite rooms and fabulous facilities including a large gym and a therapy courtyard.

The first floor houses Mersey Care NHS Foundation Trust's Brain Injuries Unit; along with The Walton Centre's Pain Management Programme and Neuropsychology Department. There is an additional Outpatients Department; and on the second floor, a large lecture theatre and training rooms. A Corporate area houses the IT, HR, Training & Development, Information, Risk, Governance, Procurement and Finance departments.

### **Successful appeal**

The Trust's first charitable appeal came to a successful conclusion, raising £500,000 to fund relatives' accommodation in the Sid Watkins Building, after a Home from Home Appeal championed by former LFC footballer David Fairclough. The hotel style accommodation is offered

for free through on-going fundraising, to families from outside the area who want to be near loved ones being treated for critical illnesses or injuries.

### **Excellent reviews for trauma and rehabilitation**

The Cheshire and Merseyside Rehabilitation Network received praise at the inaugural Liverpool Rehabilitation Conference, held at The Walton Centre in March. Figures were produced which showed that rehabilitation patients are achieving excellent results compared with other parts of the country. The hub of the network is based at The Walton Centre and provides 30 dedicated hyper-acute and acute rehabilitation beds, supported by two specialist spoke units at St Helens Hospital (20 beds) and Broadgreen Hospital (15 beds).

The Trust also hosts the Cheshire and Mersey Adult Critical Care & Major Trauma Operational Delivery Network (ODN); and is part of the Network's Major Trauma Centre Collaborative, along with Aintree University Hospital and the Royal Liverpool University Hospital. The Collaborative was the subject of a Peer Review in January, and the feedback recognised the excellent services being provided by The Walton Centre in relation to trauma and rehabilitation.

### **Increasing participation in research**

Research remains one of the key priorities for The Walton Centre and the last year has seen a significant increase in the number of patients taking part in clinical trials and research studies.

Two of our consultant neurosurgeons, Mr Michael Jenkinson and Mr Martin Wilby, have secured National Institute for Health Research (NIHR) grants of around £1 million each, to carry out studies into the treatment of brain tumours; and the treatment of sciatica respectively.

More than 1,000 participants have been recruited to a pioneering study about the quality of life for patients with two neurological conditions, Multiple Sclerosis and Motor Neurone Disease. Trajectories of Outcome in Neurological Conditions (TONiC) is led by Professor Carolyn Young and is one of the largest studies on quality of life in neurological conditions ever performed in the UK.

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 Trust has been involved in the Healthy Liverpool Programme established by Liverpool Clinical Commissioning Group (CCG) to develop a vision for health and care for the city, to address long standing and deep rooted health inequalities.

### **Top ratings from our regulators**

Throughout 2014/15 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 Trust remains in the lowest risk banding with the Care Quality Commission (CQC).

### **Acknowledgement**

Finally, the Trust Board would like to pay tribute to the hard work and dedication of staff and the invaluable assistance provided by many supporters, including volunteers, support groups, charitable groups, fundraisers, members, governors, current and ex-patients. The Board of Directors would also like to thank all those who have raised funds and donated money to The Walton Centre Neuroscience Fund and the Home from Home Appeal. We are very grateful for the continued support and hard work.

### **About this annual report**

The Board of Directors is responsible for ensuring the production of the Trust's annual report and accounts and considers this document, 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.

Chris Harrop, Chief Executive

Ken Hoskisson, Chairman

This report was approved and adopted by the Board of Directors on 22 May 2015. The Trust's 2014/15 accounts have been prepared under a direction issued by Monitor under the National Health Service Act 2006.

## 1.2 Strategic Objectives

### Strategic Objectives

The Trust has agreed six overarching strategic aims to support the delivery of its five year strategic plan 2014-19:

1. Improving quality by focusing on patient safety, patient experience and clinical effectiveness;
2. Sustaining and developing our services;
3. Research and innovation for patient care;
4. Developing our hospital;
5. Recruiting, retaining and developing our workforce;
6. Maintaining our financial health.

Guiding the work of the Trust are the Walton Way values and behaviours, developed with staff, which have become well embedded over recent years – caring, pride, openness, dignity and respect.



The Trust's strategy is to develop the services and the hospital to ensure the growing numbers of patients requiring specialist neuroscience services get the care they need, where and when they need it. Over the past five years, activity has grown significantly, by 29.19% for inpatients and 28.91% for outpatients.

Increasingly, we are working as the hub for a network of services provided in hospitals and community locations across Merseyside, Cheshire, North Wales and the wider North West – the Merseyside and Cheshire Major Trauma Centre Collaborative, Merseyside and Cheshire Rehabilitation Network, our neurology services provided in 33 locations, and the developing spinal surgery network. This role also includes supporting GPs and district general hospitals to manage patients with neurological conditions better locally, without referring to the specialist centre.

As the hub, the Trust needs to ensure it remains at the leading edge of neuroscience care. Support for research is therefore essential for underpinning high quality care into the future. The Trust is considering investing for the future by creating the first adult intraoperative MRI scanner suite in the North, to improve outcomes for patients with brain tumours and enable the introduction of innovative treatments. This will be part of an £8.6m capital investment to develop two additional operating theatres to treat the growing numbers of patients. This in turn follows a £40m investment programme over the past three years, completed in January 2015 with the opening of the Sid Watkins Building, which incorporates inpatient specialised rehabilitation, additional outpatient clinics, new facilities for pain management and neurophysiology, and the regional brain injuries rehabilitation unit provided by Mersey Care NHS Trust.

Hand-in-hand with this investment is a focus on working smarter – streamlining patient pathways and processes to improve safety, enhance patients' experience of care and enable the Trust to see more patients. This includes enhancing the opportunities of information management and technology, including completing a full electronic patient record.

Running throughout is the commitment to improving the quality of the care provided.

### **1.3 Business, Activity and Performance**

Throughout 2014/15 the Trust has remained in a strong position on quality, performance and finance. Through the Trust's two divisions - Neurosurgery and Neurology it continues to deliver excellent care to patients. In 2014/15 this has been supported by the opening of the Sid Watkins Building.

The Division of Neurosurgery is responsible for:

- Neurosurgery;
- Anaesthetics;
- Theatres;
- Surgical wards;
- Critical Care;
- Pain services;
- Pathology;
- Day Case Unit;
- Advanced Neurosurgery Nurses.

The Division of Neurology is responsible for:

- Neurology and Long Term Conditions;

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

### **Division of Neurosurgery**

The division continues to consolidate existing services and grow in those areas identified either by increases in referrals or as required by changes to service specifications related to our services. The Neurosurgical Division continues to successfully develop clinical outcome measures for key clinical services and is a major contributor to the National Neurosurgical Audit Programme which is sponsored by the Society of British Neurosurgeons (SBNS). Two major research projects for spinal and neuro-oncology trials are underway within the division. Since February 2012 Paul May has been the Chair of the Clinical Reference Group for Adult Neurosurgery and has responsibility for the development of appropriate standards of service delivery for neurosurgery across the 25 neurosurgical units in England for the NHS Commissioning Board.

The Walton Centre is now the leading spinal unit in the UK for Patient Reported Outcome Measures (PROM's) after the introduction of Spine Tango at the Trust in 2011. The results give the Trust plentiful opportunities to submit abstracts with papers accepted and presented at National and International meetings. On a local level it provides us with reliable data for analysis and the opportunity to benchmark ourselves against our peers.

### **Neurosurgery**

The department of Neurosurgery remains the busiest neurosurgical service in the UK with seventeen consultant neurosurgeons, supported by sixteen neurosurgeons in training (registrars and fellows). The Trust's consultants include international and national leaders in all subspecialty disciplines in neurosurgery and the division has recently expanded the vascular and skull base capability, with appointments to support spinal deformity surgery the next priority. The department

is working with NHS England and the Clinical Reference Group (CRG) for complex spine to implement a “hub and spoke” model for the treatment of these conditions and we will be one of three pilot sites to implement the model which commenced in April 2015. The Trust, along with its partners in the Merseyside & Cheshire Major Trauma Centre Collaborative (MTCC) has recently been re-accredited for the third year, with published outcomes for patients treated by the MTCC continuing to show a significant improvement in comparison with previous data.

### **Anaesthesia & Critical Care**

Recent developments in the department of Anaesthesia include the appointment of one critical care advanced nurse practitioner which will provide the department with a more flexible workforce reducing the uncertainties of national medical workforce issues, improve patient care, increase efficiency within critical care and improve collaborative working Trust wide.

Since joining the case mix programme of the Intensive Care National Audit and Research Centre (ICNARC) the division has recently reviewed activity and patient outcome data for the Intensive Therapy Unit (ITU) which compares favourably with data from similar national units.

The department has recently implemented a “simulation suite”, using charitable funds which will help provide advanced training to clinical staff within a realistic environment. This is proving to be an extremely successful venture and has led to external organisations accessing this innovative training

### **Pain Medicine**

The department is currently recruiting an additional full time consultant, bringing the total to eight. Audit and research features heavily for the department, with prospective data for cervical cordotomy for cancer patients being collected for the National Cordotomy Registry and an outcome dataset has been set up for trigeminal balloon compression, sacral nerve stimulation and spinal cord stimulation related patient reported outcome measures. 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 has been successfully completed and the results are awaited in next 12 months. A fast track sciatica service commenced during the year 2014/15, 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. This trial starts this year as a multicentre feasibility study with a view to progress to a definitive and much bigger trial involving many NHS spinal units. There are many other NIHR funded trials on-going from the Pain Service in collaboration with the Clinical trials unit at The

Walton Centre especially in the field of spinal pain, complex regional pain syndrome and neuropathic pain. The Trust's nationally recognised Pain Management Programme has designed and successfully run condition specific programmes for patients with, for example; pelvic pain, young adults, complex facial pain and complex regional pain syndrome (CRPS). Pain service organised an international course on the practical management of cancer pain on behalf of the European Pain federation in November 2014 and has been requested to run another in 2016.

## **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. 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. The Pathology department is now providing a diagnostic neuromuscular service to hospitals within the region. The Neuro-immunology service is expanding and this is supported by clinicians within the Trust who continue to participate in research programmes. The Neuro-biochemistry laboratory has developed assays for anti-epileptic drug analysis and is participating in regional research projects. The pathology department hosts The Walton Centre Research Tissue Bank which is collaboratively working with researchers nationwide. The department has recently been inspected by assessors from the Clinical Pathology Accreditation scheme and the United Kingdom Accreditation Service which received positive recommendations

## **Division of Neurology**

Following a number of service and capacity reviews the Division continues to grow. Particular focus has been on the Neuromuscular service with the implementation of a new strategy. This will allow patients to be seen in the correct multidisciplinary environment, allow services to be delivered closer to home with the implementation of home immunoglobulin services and further work will be undertaken to improve the experience of patients who are transitioning from children's services to adult services.

The Division has experienced a growth in referrals for the first time in 6 years; in order to accommodate this increase additional consultants are to be recruited along with a number of other initiatives involving streamlining of patient pathways such as Dementia.

In order to improve patient experience and enhance care even more the division has introduced new on-call arrangements with 7 day consultant rounds for inpatients; this will strengthen acute

neurology care at the centre, increase on-site consultant availability to 7 days per 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 16 local hospital satellite bases. In order to enhance cover within the satellite areas a pilot of telemedicine is to take place, commencing in North Wales.

During 2014/15 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.

A new pathway for the management of seizures has been introduced with our partner hospitals in the region. This will improve the access to specialist neurology clinic for these patients and offer enhanced support to acute medicine colleagues in district general hospitals.

A new headache management pathway has also been designed and is being adopted by Liverpool Clinical Commissioning Group (CCG). This will improve diagnosis and management of headaches in primary care and facilitate more effective referral to specialist services here. An acute headache pathway for acute medical services is also now completed and will be introduced into the Trust from April 2015.

Services are also being expanded further with the introduction of a tertiary neurology service in Cumbria. A new functional neurology service will start in 2015.

## **Therapies**

Service developments are taking place in Physiotherapy to expand into the specialist area of BoTox injections. This will provide additional much needed capacity with improved follow up care.

A decision has also been taken to transfer Speech and Language and Dietetics services from Aintree where they are currently provided via a Service Level Agreement, in house to provide a more streamlined service.

Following investment into areas such as Multiple Sclerosis and Neuromuscular services it has been possible to restructure areas to provide enhanced outpatient cover.

## **Outpatient Services**

New state of the art outpatient facilities have been provided in the newly opened Sid Watkins building. Services that were located at Oak House have been relocated. Initial feedback is very positive.

## **Rehabilitation**

The Walton Centre is the hub of the Cheshire and Merseyside Rehabilitation Network, which was formed in January 2013 to integrate acute rehabilitation services in the region.

The aim of the network is to work with other providers to deliver a high quality, fully co-ordinated and seamless pathway of care, with a multidisciplinary team of medical and nursing staff supported by other specialists in key areas such as physiotherapy, occupational therapy, speech and language therapy, clinical and neuro-psychology, neuro-psychiatry, social support and clerical / administrative / managerial staff.

An inaugural Liverpool Rehabilitation Conference held at The Walton Centre in March, heard from national leaders in the field who described the network as a UK exemplar.

Professor Lynne Turner-Stokes, Director of the UK Rehabilitation Outcomes Collaborative (UKROC) programme, told the conference that the network was 'a shining example' to other areas.

Professor Turner-Stokes compared the efficiency of London trusts with that of Cheshire and Merseyside and found that patients in this area had a shorter length of stay, better outcomes, improved quality of life, and that the service was more cost-efficient.

The Walton Centre is one of just three hospitals in the country to provide hyper-acute care, in the ten-bed Lipton Ward; with a further 20-bed Complex Rehabilitation Unit (CRU) in the new Sid Watkins Building. This service is supported by specialist spoke units in St Helens Hospital (20 beds) and Broadgreen Hospital (15 beds). Work is on-going with Warrington and Wirral CCGs to commission level 1 and 2 patients for a further 10 beds in the CRU which are not currently commissioned.

The Complex Rehabilitation Unit's bespoke new facilities in the Sid Watkins Building include 30 single, ensuite rooms, a large gym, therapy rooms, lounge and dining area and an inner courtyard designed for therapies. The first floor of the Sid Watkins Building also houses Mersey Care NHS Foundation Trust's Brain Injuries Unit, which allows closer working with the CRU.

Over the last twelve months the network has expanded to include a community specialist service operating from two locations - St Helens and Knowsley; and Liverpool and South Sefton. This service treats patients following discharge from the rehabilitation network and provides rehabilitation programmes in the community.

The Trust is also the host Trust for the Cheshire and Mersey Adult Critical Care & Major Trauma Operational Delivery Networks.

### **Home from Home Appeal**

The Trust's first charitable appeal came to a successful conclusion, raising £500,000 to date to fund relatives' accommodation. A 'Home from Home' was created in the Sid Watkins Building, with a high standard of décor throughout the living room, kitchen, laundry, quiet room and eight bedrooms. All eight bedrooms have been named after individuals or organisations who have donated more than £25,000.

The appeal's champion, Liverpool FC legend David Fairclough, has worked closely with the Fundraising Team to organise the annual Jan Fairclough Ball which raised £63,000; and to introduce corporate supporters. There has been support from numerous individuals, families, local companies and charitable trusts – and Trust staff – to achieve the target. Other events organised in the year included a 'JimJam Zip for Walton' and various challenges and events held by supporters. Two Trust consultants, Dr Nick Fletcher and Mr Andrew Brodbelt, took part in a six-day cycle challenge from Calais to Ventoux organised by Fletchers Solicitors, raising more than £30,000.

### **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 originally piloted within the epilepsy service will be rolled out across all services. This has significantly reduced 'did not attend' (DNA) rates for outpatients. This will be fully rolled out across pain, surgery and neurology by August 2015.

### **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 which has proved to be successful.

In addition the governance surrounding the prescribing and administration of Homecare drugs e.g. such as those used in the treatment of Multiple Sclerosis; is now undertaken by the Division. This was previously done by NHS England.

### **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 and an additional inpatient telemetry beds was commissioned in 2014. The introduction of a home telemetry service has proved to be very successful for certain patients that meet the criteria. This provides services in the patient's home.

The service is currently evaluating Transmagnetic stimulation (TMS) as a non-invasive method of providing data for mapping areas of eloquent brain function, this data has the potential to provide valuable information during Neurophysiology theatre monitoring.

### **Neuroradiology**

At the start of the year, the Trust installed a fourth MRI scanner and built a new fluoroscopy suite. Further work is underway to strengthen the neuroradiology intervention service with the appointment of a third consultant later this year. Functional MRI has been successfully introduced and Walton is a leading centre for this technique especially in the planning of safe neurosurgical procedures. The Walton Centre has continued to develop intra-arterial clot retrieval (Thrombectomy) for acute stroke- involving close collaboration of interventional radiology, anaesthetics and neurology and is now the leading UK centre for this treatment, allowing the potential for recovery of neurological symptoms within hours of a stroke.

Using funding kindly provided by the Roy Fergusson Compassionate Care Award Neuroradiology has established a successful MR claustrophobia clinic that has achieved 100% success with all patients to date. This is now part of our mainstream service.

The Walton Centre has become the first site in the UK to install an Artis Q biplane system. This will provide the hospital with the latest technology to support the diagnosis and treatment of neurological conditions and injuries.

A multifunction fluoroscopy unit has been installed to support the increasing demand for myelograms, lumbar punctures, root blocks, trauma and all spinal imaging.

## Neuropsychology

The department has moved into the 1<sup>st</sup> floor of the newly built Sid Watkins Building. Development of a new service for psychological treatment of patients diagnosed with a functional disorder has been approved by the Trust and implementation is expected approximately quarter 2 to 3 of 2015/2016. The department continues to maintain a high level of research activity, bringing in external research funding in collaboration with colleagues and have contributed to professional publications in high impact journals in the context of providing a high quality clinical service. Two members of the team devised and ran a very successful and high profile National Muscular Sclerosis training day in London, hosted by the British Psychological Society.

## Corporate

The Finance Department received a national award from the Healthcare Financial Management Association in relation to the innovative work it has carried out in training in increasing the knowledge and understanding of NHS Finance. The Havelock Training Award recognises a significant contribution to finance skills development, best practice in the training of finance staff or the raising of financial awareness among the non-finance workforce.

The Trust's Procurement Department received the 'Supplier Engagement Award' at the NHS North West Procurement Development Excellence in Supply Awards for its work with Ethicon Biosurgery.

## Financial Summary for the Year Ended 31 March 2015

The Trust has delivered a normalised surplus of £601k for the financial year ending 31<sup>st</sup> March 2015, which is the sixth year in a row of delivering surpluses following its licencing as a Foundation Trust by Monitor in 2009. This is an excellent result for the Trust given the difficult circumstances facing the NHS and the wider health economy.

The following table sets out the reconciliation of the annual accounts to the Trust's Normalised "Trading Surplus" for the Year ended 31 March 2015.

|  | £'000        |
|--|--------------|
| <b>Surplus / (Deficit) for the Year as per Statement of Comprehensive Income</b> | <b>(980)</b> |
| <b>Normalisation Adjustments</b>   |              |
| <b>Deduct : Donation from Charitable Funds (within Income)</b>                   | <b>(450)</b> |
| <b>Deduct : Impairments</b>  | <b>2,031</b> |
| <b>Normalised "Trading Surplus"</b>  | <b>601</b>   |

## **Normalisation**

The Monitor Compliance Framework monitors Trusts on the “underlying” or “normalised” trading position of the Trust after allowing for the adjustment of “exceptional” items that are one off in nature and not related to the core routine business of the Trust.

## **Home from Home Appeal**

The newly commissioned Sid Watkins Building includes the Home from Home facility where family and relatives of patients admitted to the Trust can stay overnight at a time when their family is being cared for. The Trusts charity ran a very successful fundraising programme that raised £450k to cover the full costs of the Home from Home facility and the donation is included within the income on the Statement of Comprehensive Income. This income is part of the delivery of the Trusts overall surplus that was used to help fund the capital investment in the Sid Watkins Building but is not part of the underlying “trading position” of the Trust, and for the purposes of the assessment against Monitors Compliance Framework this income is excluded.

## **Revaluation of Sid Watkins Building**

Following the completion of the Sid Watkins Building good accounting practise is that a revaluation of the asset value is undertaken by an independent external valuer. The Trust commissioned Gerald Eve to undertake both the revaluation of the Sid Watkins Building and the revaluation of the whole of the remainder of The Walton Centre estate and assets.

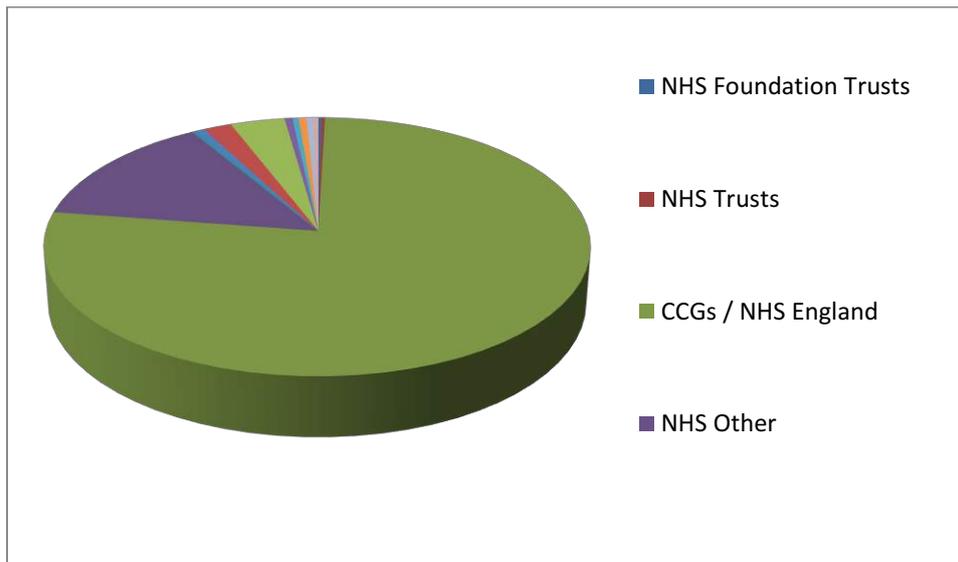
The impairment of the Sid Watkins Building represents a £2,031k downward valuation of the building compared to the accounting value. This is a technical accounting adjustment which has no impact on the Trust’s cash position (as it is a non-cash item) or its overall reported performance to Monitor (as the adjustment is normalised) and has no impact on the Trust’s Continuity of Service Risk Rating (COSRR).

## **Income**

The Trust has seen Income (turnover) growth of £3.6 million from the previous year (year ending 31<sup>st</sup> March 2014) which represents a 3.7% increase in turnover. The Trust receives the largest element of its Income from NHS England for the provision of Specialised Prescribed Services, the scope and coverage of which can be found in section 10 of this report. The Trust received £76.9 million from NHS England/CCGs in the year ending 31<sup>st</sup> March 2015, which is an increase of £1.3 million (1.7%) on the previous financial year. This reflects the additional activity undertaken by the Trust on behalf of NHS England / CCG’s.

In addition the Trust receives £14.1 million from other NHS bodies in Britain, including £13.9 million from WHSCC (Welsh Health Specialised Commissioning Committee) for provision of services to the population of (mainly) North Wales, both through outreach clinics held within hospitals within Wales or for Welsh patients attending The Walton Centre, either as an out-patient or in-patient. This is broadly in line with the previous year.

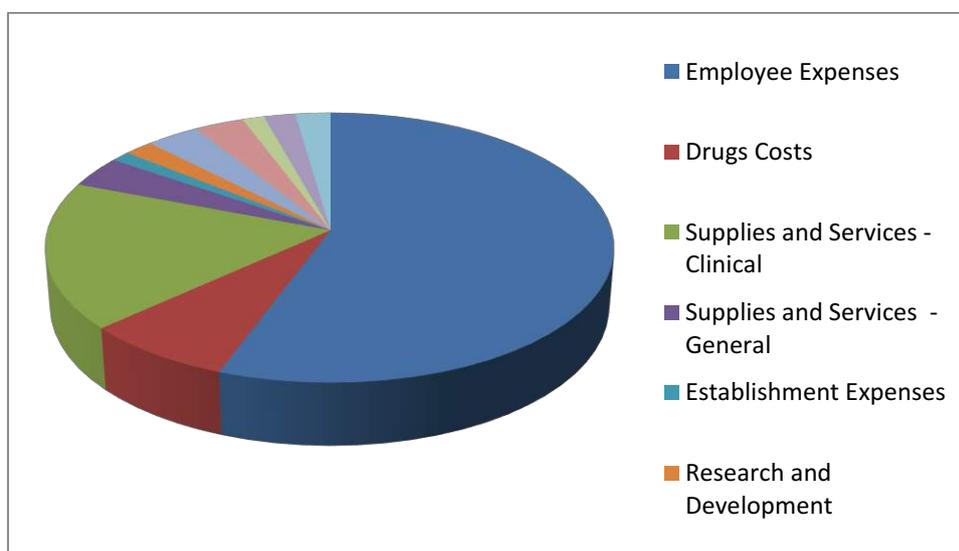
The Trust also receives other significant sums of income and the following pie chart sets out the main sources of income for the Trust.



## Expenditure

In line with the growth in income (turnover) the Trust has seen an increase in Operating Expenses of £3.2 million (3.3%) compared to the previous year.

The following pie chart sets out the main components of expenditure incurred by the Trust.



The biggest single item of expenditure incurred by the Trust relates to employment of staff to deliver the whole range of services provided by the Trust. The Trust spent £56.5 million on staffing during 2014/15 which is an increase of £2.4 million on the previous year. This is driven by the investments made by the Trust in staffing to deliver the services required by Commissioners. The average number of Whole Time Equivalent (WTE) staff has increased by 91 from the previous year.

In January 2015 the Trust commissioned the Sid Watkins Building following the completion of the Strategic Investment Programme. The expenditure of the Trust includes the running costs of the Sid Watkins Building for the last quarter of the Financial Year of 2014/15 of c£300k. The value of the completed asset has been transferred from Assets Under Construction on the Trusts Statement Financial of Position (Balance Sheet), into the various categories of fixed assets. Following the good housekeeping revaluation undertaken by the Trusts valuers the value of the Sid Watkins Building has reduced by £2.0 million resulting in an impairment charge to the Statement of Comprehensive Income, which is a normalising adjustment within the Monitor compliance regime and not part of the assessment of Trust performance under the Risk Assessment Framework (RAF).

### **Achievements of Targets**

The Trust like all Foundation Trusts is required to ensure that it complies with the terms of its Licence as a Foundation Trust and this means ensuring that Monitors compliance regime is adhered to. The primary financial target that Foundation Trusts have to achieve is the delivery of the Continuity of Service Risk Rating (COSRR). This is designed to assess a Foundation Trusts ability to “service” any debt (DEBT SERVICE COVER), as well as its ability to continue to pay its staff and suppliers the cash they are due (LIQUIDITY). The Trust achieved a COSRR of 4 which is in line with plan and reflects the lowest level of financial risk.

| <b>Continuity of Service Risk Rating as at 31 March 2015</b> |               |                    |
|--|---------------|--------------------|
| <b>Metric</b>  | <b>Weight</b> | <b>March 14/15</b> |
| Liquidity ratio (days)                                       | 50%           | 10.8               |
| Capital servicing capacity (times)                           | 50%           | 2.2                |
| <b>Rating</b>  |               |                    |
| Liquidity ratio (days)                                       |               | 4                  |
| Capital servicing capacity (times)                           |               | 3                  |
| <b>Weighted Average</b>                                      |               | 4                  |
| <b>Overall rating</b>  |               | 4                  |

## Delivery of Efficiency (Cost Improvement Programme)

The Trust, in line with all Trusts, is required to deliver efficiency savings each year as part of the delivery of the Trust's financial plan for the year. Within the financial plan set at the start of the financial year was the requirement to deliver £4.2 million of efficiency savings to help ensure the overall delivery of the financial plan. As at 31<sup>st</sup> March 2015 the Trust had achieved £4.2 million of savings in line with the planned level, which is 4.3% of Operating Expenses.

## Investments in Trust Infrastructure and Equipment

As a Foundation Trust The Walton Centre is able to plan its own capital programme and has the freedom to finance capital expenditure investments that enable major improvements in the care provided to the patients who attend and receive services from the Trust.

The Trust spent £22.0m of capital expenditure in 2014/15. The majority of this expenditure was in relation to the Strategic Investment Programme and in particular the Sid Watkins Building however there was also investment in infrastructure and medical equipment that will enhance the delivery of services to the patients of the Trust.

The following table sets out the major components of the Trusts capital investment expenditure programme for the year ended 31<sup>st</sup> March 2015.

| Division                       | 2014/15       |
|--------------------------------|---------------|
|                                | £'000's       |
|                                | Actual        |
| Strategic Investment Programme | 16,740        |
| Other Developments             | 40            |
| Estates                        | 1,763         |
| IM&T                           | 960           |
| Neurology                      | 1,668         |
| Neurosurgery                   | 557           |
| Corporate                      | 260           |
| <b>TOTAL</b>                   | <b>21,988</b> |

## Going Concern

The Directors of the Trust have made robust financial plans for the following year and are satisfied that the Trust will continue to operate for the foreseeable future and therefore the Annual Accounts within this report have been prepared on the Going Concern basis. The assessment of Going Concern was presented and approved at January 2015 Audit Committee.

The plans include estimates of the levels of income and expenditure that will be incurred by the Trust, with the plans setting out to deliver surpluses of circa. 1% (c£1.0 million). The plan contained within the Operational Plan identifies that the Trust is planning a Continuity of Service Risk rating of 4, which is an excellent position in these uncertain times.

In addition the plans forecast Trust cash balances of c£9 million as at 31 March 2016, which is a strong cash position. No further loans will be required to support capital expenditure.

On this basis the Annual Accounts for 2014/15 have been prepared on a Going Concern basis.

### **Forward Look**

The financial year 2015/16 will be another challenging year for the NHS as a whole, however, plans are in place to ensure that the Trust will continue to deliver against its terms of licence as a Foundation Trust by delivering excellent, safe, high quality care. The financial plan for 2015/16 shows a 1% surplus (c£1.0 million), driven by the continued increase in historic referral trends but delivered in an efficient and effective manner. The plan includes a cost improvement programme of £4.9 million, with year-end cash balances of c£9 million.

### **Risks and Uncertainties**

There continues to be a good deal of uncertainty within the NHS and the Trust is managing a number of risks and uncertainties. These can be broadly categorised into the following 4 main headings.

- Productivity – ensuring upper quartile performance to secure the correct capacity is available (beds, Theatres etc.) ensuring delivery of financial plans.
- Workforce – recruitment and retention of the right workforce at the right time.
- Healthcare Acquired Infections – continued reduction of infections.
- Commissioner Decisions – role of the specialist Trust and responsible commissioner.

### **2014/15: Activity**

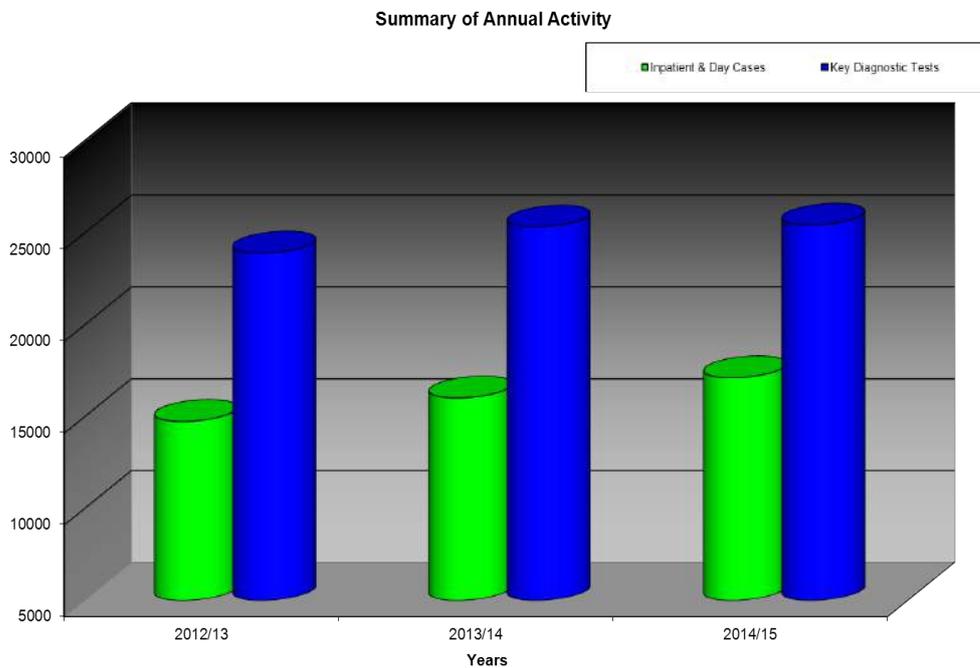
During 2014/15 the Trust's Inpatient/Day Case activity has grown by 6.8% in comparison to 2013/14. The largest growth has been seen in Pain Management where activity is 17.1% higher than the same period last year. There have been increases in elective inpatients of 1.2% and day cases of 11.2% but non-elective activity has decreased by 4.2% compared to 2013/14.

### **Summary of Activity**

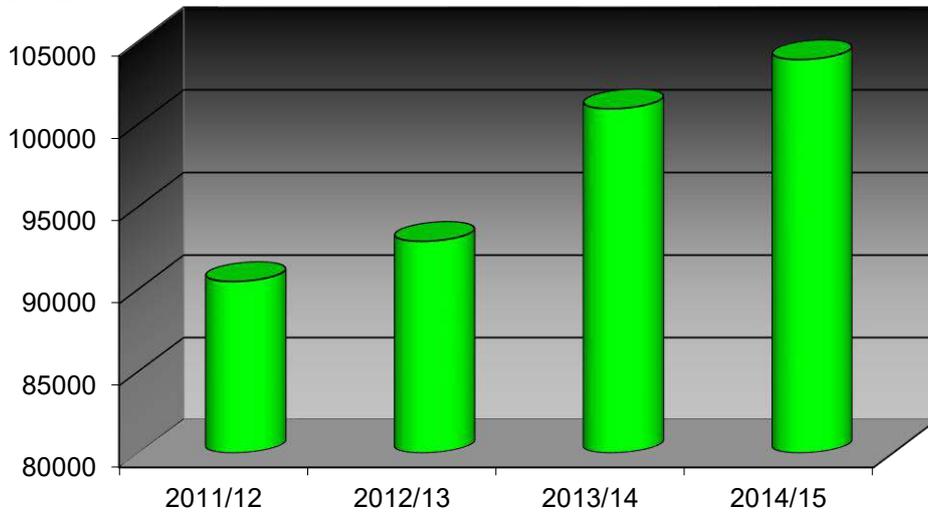
The table below shows key activity for the period April 2014 to March 2015 compared to previous years.

|                      | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 |
|----------------------|---------|---------|---------|---------|---------|
| Day Cases            | 8,507   | 8,881   | 9,500   | 10,254  | 11,405  |
| Inpatients           | 5,050   | 5,322   | 5,254   | 5,773   | 5,719   |
| Outpatients          | 86,890  | 90,458  | 92,888  | 100,911 | 103,891 |
| Key Diagnostic Tests | 22,683  | 23,757  | 23,913  | 25,336  | 25,442  |

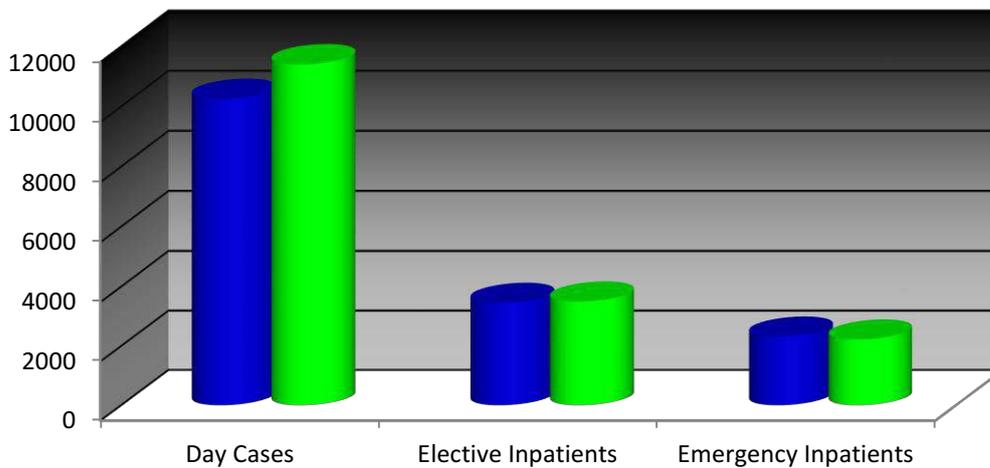
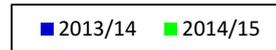
**Summary of Annual Activity:**



### Outpatients



### Inpatient Activity by point of delivery



### Bed Occupancy Rates

Bed occupancy is measured in line with the relevant national 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 2014/15 the average bed occupancy for the Trust's main wards [i.e. excluding Critical Care and the Neuro-Rehabilitation Unit (NRU)] was 84.9%, a marginal decrease of 0.7% on 2013/14.

The table below gives the breakdown of occupancy rates for 2014/15.

**Main Wards:**

|                | Q1    | Q2    | Q3    | Q4    | Overall |
|----------------|-------|-------|-------|-------|---------|
| <b>2013/14</b> | 87.6% | 83.6% | 84.5% | 86.8% | 85.6%   |
| <b>2014/15</b> | 83.9% | 86.0% | 84.1% | 85.8% | 84.9%   |

**Critical Care:**

|                | Q1    | Q2     | Q3    | Q4    | Overall |
|----------------|-------|--------|-------|-------|---------|
| <b>2013/14</b> | 89.3% | 86.3%  | 88.2% | 83.1% | 86.7%   |
| <b>2014/15</b> | 83.7% | 80.82% | 83.9% | 85.4% | 83.4%   |

**NRU:**

|                | Q1    | Q2    | Q3    | Q4    | Overall |
|----------------|-------|-------|-------|-------|---------|
| <b>2013/14</b> | 86.1% | 84.9% | 88.2% | 82.9% | 85.5%   |
| <b>2014/15</b> | 79.5% | 88.4% | 81.8% | 90.6% | 85.1%   |

**2014/15: Referral to Treatment Targets (RTT)**

During 2014/15 the Trust has maintained good performance against all RTT targets. The Trust has technical breaches of the 52 week target relating to a backlog of extremely long waiting patients transferred to The Walton Centre from a neighbouring hospital as part of a support initiative for commissioners. 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.

**2014/15: Monitor Performance and CQC 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.

**2014/15 Performance:**

|                                     | Annual Plan<br>2014/15 | Q1<br>2014/15 | Q2<br>2014/15 | Q3<br>2014/15 | Q4<br>2014/15 |
|-------------------------------------|------------------------|---------------|---------------|---------------|---------------|
| <b>Continuity of Service Rating</b> | 4                      | 4             | 4             | 4             | 4             |
| <b>Governance Rating</b>            | Green                  | Green         | Green         | Green         | Green         |

**2013/14 Performance:**

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

The Care Quality Commission intelligent monitoring report is the new model for monitoring a range of key indicators about NHS acute and specialist hospitals. These indicators relate to the five key questions we will ask of all services – are they safe, effective, caring responsive and well-led? The indicators are used to raise questions about the quality of care. The information is used to band Trusts; The Walton Centre has remained in the most positive, least risk band, band 6, throughout the year.

**2014/15: Overview of Trust performance against national priorities from the Department of Health’s Operating Framework:**

| Performance Indicator  | 2013/14     | 2014/15 | 2014/15     |
|--|-------------|---------|-------------|
|  | Performance | Target  | Performance |
| Incidence of MRSA  | 0           | 0       | 0           |
| Screening all in-patients for MRSA   | 100%        | 100%    | 100%        |
| Incidence of Clostridium difficile   | 12*         | <=9**   | 11*         |
| All Cancers : Maximum wait time of 31 days for second or subsequent treatment: surgery                                   | 98.63%      | 94%     | 100.00%     |
| All Cancers : 62 days wait for 1 <sup>st</sup> treatment from urgent GP referral to treatment                            | 100%        | 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 <13 cases and deemed achieved<br>** Threshold set by Public Health England |             |         |             |

**1.4 Our People Matter – Walton Centre Staff**

2014/15 saw a substantial project being undertaken by the Trust’s Human Resources (HR) Team. Following the mutually agreed termination of the Trust’s outsourced HR/Payroll contract, the team were tasked with setting up a full in-house recruitment service in a timescale of only nine weeks.

Alongside this the team also had to manage moving its payroll service from Capita to an alternative NHS provider in an even more challenging timescale of just over four weeks. As the payroll service had to be re-allocated in such a short time period, sufficient time was not available to follow a full procurement process and therefore an interim arrangement was put in place via a Service Level Agreement (SLA). In quarter 3 of 2014/15 a full tendering exercise commenced for the provision of payroll services for The Walton Centre via a contract for a period of 3 – 5 years. By the end of quarter 4 the results of the tender process will be known with the successful provider taking over the new contract in September 2015.

The Trust's recruitment function is working very well. Having a dedicated HR Assistant for each division has proved a major improvement for line managers and new recruits. The function will continue to develop, and the start of 2015/16 will see a suite of key performance indicators (KPI's) being developed to measure and monitor effectiveness.

In order to articulate the Trusts vision with regards to how it recruits its workforce, a Recruitment Strategy has been developed and will be consulted upon in early 2015/16.

A number of strategies are currently being developed in the areas of Recruitment, Organisational Development and Coaching. In order to provide an informal mechanism for effective consultation on these and future HR & OD strategies/work streams, the Director of Workforce has decided to introduce a Workforce Forum with the inaugural meeting being in March 2015.

In May 2014 the Trust was successfully awarded the Investors in People (IIP) Gold Standard. This is the highest IIP accreditation available to employers and makes The Walton Centre just one of only 7% of IIP accredited organisations in the UK to attain this level. This prestigious award is an acknowledgement that, as a Trust, we are exhibiting many of the characteristics of world class people management, covering areas such as leadership, learning and development and staff engagement. In addition, the Trust also successfully maintained the Health and Wellbeing IIP Award which recognises our commitment to supporting the welfare of staff.

In addition, key Human Resources (HR) policies were developed including Career Break, Injury Allowance, Overpayments and Transgender. Several policies were also refreshed and/or revised to ensure compliance with employment law and current best practice.

#### **1.4.1 Education and Organisational Development**

As part of the Trust's strategic plan the organisation has committed to "promote excellence in education and training to ensure it delivers the highest calibre of health care staff for future NHS

patients". The Education team, comprising of Medical Education and Training and Development, supports the organisation to provide education, training and development opportunities to develop its current workforce and support the talent of the future. Recently investing in state of the art education facilities in the new Sid Watkins building, staff have access to new education equipment and facilities to support excellence in education.

Education and organisational development initiatives from the last 12 months include:

- The Trust achieved the Investors in People Gold award in 2014, demonstrating a commitment to organisational development and staff development. This is a rare achievement for a hospital and was based upon a rigorous assessment process that included over 70 face to face interviews. In addition, the Trust achieved the separate IIP award in workplace health and wellbeing.
- Eight cohorts of the PRIDE (Personal Responsibility in Delivering Excellence) programme have been delivered to date, supporting developing leaders to gain a 'sense of self' and have more effective relationships with others.
- The Trust has enabled a number of leaders to access leadership development opportunities via the NHS Leadership Academy and the North West Leadership Academy.
- Led by the Director of Nursing, the team have developed 2 bespoke in-house leadership development programmes; Lead Nurse and Matron Team Collective Leadership Development Programme and Ward Manager Team Collective Leadership Programme. Based upon the ethos of collective leadership, the Programmes aim to support the most senior nursing teams in their role as clinical leaders.
- The Trust continues to show a strong commitment to the importance of enabling staff to have an annual appraisal, offering support to reviewers and reviewed to have more meaningful conversations as part of the appraisal process.
- The Trust maintains good attendance at mandatory training, reviewing organisational requirements and offering new provision when required, including bespoke violence and aggression training to support specific staff groups.
- The Trust offers a range of education and development opportunities to support service priorities, new job roles and individual development. In the last 12 months a range of development opportunities have been provided, including: in-house splint training, bespoke

training to help staff handle difficult telephone conversations, training to develop effective relationships, a bespoke preceptorship programme for new staff nurses, a neurosciences university module, mentorship qualifications, funding towards professional qualifications, attendance at conferences, equality and diversity training, prevent training and safeguarding.

- The Trust continues to support a high number of undergraduate medical students, providing an excellent educational experience in neurosciences. Working with the Liverpool School of Medicine, the team supported the implementation of a revised programme for undergraduate medical education from September 2014.
- 
- As part of a commitment to Corporate Social Responsibility the team provides a work experience programme and coordinates the provision of elective placements.
- 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 in the delivery phase of the project life span, implementing the solutions identified to make a real difference to the way we do things in the Trust and positively impact on patient care and experience.

#### 1.4.2 Staff Profile

On 31 March 2015 the Trust employed **1158.91** whole time equivalents made up of the following groups:

| Staff Group                      | FTE             | Headcount    |
|----------------------------------|-----------------|--------------|
| Prof Scientific and Technic      | 52.01           | 54           |
| Clinical Services                | 205.59          | 232          |
| Administrative and Clerical      | 310.17          | 337          |
| Allied Health Professionals      | 90.84           | 104          |
| Estates and Ancillary            | 6.76            | 11           |
| Healthcare Scientists            | 12.13           | 13           |
| Medical and Dental               | 102.54          | 106          |
| Nursing and Midwifery Registered | 380.69          | 410          |
| <b>Total</b>                     | <b>1,161.02</b> | <b>1,267</b> |

- Female staff **1004**
- Male staff **263**

### 1.4.3 Staff Engagement

Regular staff and patient 'Listening Weeks' have continued, with teams of staff carrying out surveys and holding discussions with individuals and teams throughout the Trust to strengthen existing surveys and feedback methods. Governors also participate in these events. 2014/15 also saw the introduction of a quarterly Friends and Family Test survey. This is facilitated via email and is sent out to a random sample of staff each time.

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. 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.

### 1.4.4 Staff Health and Wellbeing

A Trust Health and Well Being Group has been established during 2014 with membership from across the Trust including a Non-Executive Director.

A range of after work exercise classes continues to prove popular, with zumba, pilates, circuit training and a running club. The opening of the Sid Watkins building has meant that all fitness classes can be accommodated on site. A number of Health and Wellbeing days were again held, and as a result of feedback the Trust has been able to introduce subsidised massage therapy for staff.

## 1.5 Human Rights, Equality and Diversity

During 2014/15 the Trust has reviewed its Equality and Diversity objectives and has continued to utilise the Equality Delivery System (EDS). The system has recently been revised and updated by NHS England. The updated Equality and Diversity objectives for 2014 – 2016 are:

- a) Improve data collection and equality profiles recorded for both inpatients and outpatients
  - Develop patient systems to enable the accurate recording of data
  - Review appropriate patient forms to ensure this information is captured
  - Ensure staff understand how to record monitoring data and the importance of completing
  - Establish the Trust's patient demographics to enable meaningful analysis

- b) Improve data collection and equality profiles for all staff members
  - Carry out complete Electronic Staff Record data cleanse for all staff members following the transfer from Capita
  - Ensure new staff are fully trained on how to record monitoring data and the importance of completing this
  
- c) Ensure all staff members are paid equally for equal work
  - Carry out equal pay audits to analyse staff pay by the protected characteristics
  - Review the process for Staff Variance Levels completion and audit this for consistency
  - Review the process for job matching/evaluation to ensure fair and consistent
  
- d) Continue to use Equality Impact Assessments to monitor policies and procedures and introduce this for all service developments and organisational change episodes
  - Review Equality Impact Assessment documentation
  - Ensure all staff involved in service or organisational redesign are trained in carrying out Equality Impact Assessments
  
- e) Increase involvement with the local community and in local support groups for both patients and staff
  - Identify and attend local community groups within each Healthwatch area
  - Identify and attend other local support groups to reach each of the protected characteristics
  - Continue to be a part of local staff support groups and explore the option of further groups e.g. disability

By utilising the system, this will enable the Trust to be able to meet the requirements of the Equality Act and Public Sector Equality Duty which also supports registration requirements of the Care Quality Commission (CQC). The Trust will continue to be assessed on its progress on an annual basis by its local Healthwatch and main stakeholders

Departmental equality impact assessments were carried out last year and further work is on-going to review the equality analysis process and documentation for policies, procedures, service redesign and CIP's.

The Trust now has a Transgender Staff Support Policy to support any employees who are considering undergoing, are currently undergoing or have undergone gender reassignment. In addition, information is now included in all Trust adverts to advise Trans applicants around

Disclosure and Barring Service requirements and the options available to them to prevent unnecessary disclosures regarding any previous names.

A contract has been agreed with Action on Hearing Loss to provide BSL translation services and to ensure all staff are aware of the translation processes and the different organisations available to use a Standard Operating Procedure is currently being written which will be communicated to all staff and placed in all clinical areas to ensure staff are able to access this.

The following tables represent the diversity of the Trusts workforce as of 31 March 2015.

On 31 March 2015 the Board of Directors comprised of:

- 4 male and 3 female Non-Executive Directors.
- 2 female and 5 male Executive Directors.

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.

The following tables represent the diversity of the Trust's workforce as of 31 March 2015.

#### Gender Split

| Gender             | Headcount   | Percentage     |
|--------------------|-------------|----------------|
| Female             | 1004        | 79.2%          |
| Male               | 263         | 20.8%          |
| <b>Grand Total</b> | <b>1267</b> | <b>100.00%</b> |

#### Age

| Age Range          | 16-20     | 21-25     | 26-30      | 31-35      | 36-40      | 41-45      | 46-50      | 51-55      | 56-60      | 61+       | Grand Total |
|--------------------|-----------|-----------|------------|------------|------------|------------|------------|------------|------------|-----------|-------------|
| Female             | 7         | 65        | 140        | 123        | 127        | 126        | 126        | 150        | 95         | 45        | 1004        |
| Male               | 5         | 12        | 29         | 35         | 25         | 54         | 36         | 35         | 19         | 13        | 263         |
| <b>Grand Total</b> | <b>12</b> | <b>77</b> | <b>169</b> | <b>158</b> | <b>152</b> | <b>180</b> | <b>162</b> | <b>185</b> | <b>114</b> | <b>58</b> | <b>1267</b> |

#### Ethnicity

| Ethnicity                            | Headcount | Percentage |
|--------------------------------------|-----------|------------|
| A White - British                    | 1102      | 87.0%      |
| B White - Irish                      | 22        | 1.7%       |
| C White - Any other White background | 23        | 1.8%       |
| CFWhite Greek                        | 1         | 0.1%       |

|   |             |             |
|---|-------------|-------------|
| CY White Other European                               | 2           | 0.2%        |
| D Mixed - White & Black Caribbean                     | 1           | 0.1%        |
| E Mixed - White & Black African                       | 3           | 0.2%        |
| F Mixed - White & Asian                               | 2           | 0.2%        |
| G Mixed - Any other mixed background                  | 4           | 0.3%        |
| H Asian or Asian British - Indian                     | 50          | 3.9%        |
| J Asian or Asian British - Pakistani                  | 4           | 0.3%        |
| L Asian or Asian British - Any other Asian background | 7           | 0.6%        |
| LH Asian British                                      | 1           | 0.1%        |
| LK Asian Unspecified                                  | 1           | 0.1%        |
| M Black or Black British - Caribbean                  | 1           | 0.1%        |
| N Black or Black British - African                    | 8           | 0.6%        |
| P Black or Black British - Any other Black background | 1           | 0.1%        |
| PC Black Nigerian                                     | 1           | 0.1%        |
| R Chinese   | 1           | 0.1%        |
| S Any Other Ethnic Group                              | 11          | 0.9%        |
| Z Not Stated  | 21          | 1.7%        |
| <b>Grand Total</b>                                    | <b>1267</b> | <b>100%</b> |

### Religion

| Religion           | Headcount   | Percentage    |
|--------------------|-------------|---------------|
| Atheism            | 106         | 8.4%          |
| Buddhism           | 2           | 0.2%          |
| Christianity       | 728         | 57.5%         |
| Hinduism           | 17          | 1.3%          |
| Not disclosed      | 146         | 11.5%         |
| Islam              | 14          | 1.1%          |
| Judaism            | 1           | 0.1%          |
| Other              | 89          | 7.0%          |
| Sikhism            | 1           | 0.1%          |
| Unknown            | 163         | 12.9%         |
| <b>Grand Total</b> | <b>1267</b> | <b>100.0%</b> |

## Disability

| Disability         | Headcount   | Percentage    |
|--------------------|-------------|---------------|
| Not Disabled       | 704         | 55.6%         |
| Not Declared       | 82          | 6.5%          |
| Unknown            | 435         | 34.3%         |
| Disabled           | 46          | 3.6%          |
| <b>Grand Total</b> | <b>1267</b> | <b>100.0%</b> |

## Sexuality

| Sexual Orientation | Headcount   | Percentage    |
|--------------------|-------------|---------------|
| Bisexual           | 8           | 0.6%          |
| Gay                | 7           | 0.6%          |
| Heterosexual       | 935         | 73.8%         |
| Not Disclosed      | 129         | 10.2%         |
| Lesbian            | 6           | 0.5%          |
| Unknown            | 182         | 14.4%         |
| <b>Grand Total</b> | <b>1267</b> | <b>100.0%</b> |

## Marriage & Civil Partnership

| Marital Status     | Headcount   | Percentage    |
|--------------------|-------------|---------------|
| Civil Partnership  | 7           | 0.6%          |
| Divorced           | 74          | 5.8%          |
| Legally Separated  | 16          | 1.3%          |
| Married            | 563         | 44.4%         |
| Single             | 508         | 40.1%         |
| Unknown            | 91          | 7.2%          |
| Widowed            | 8           | 0.6%          |
| <b>Grand Total</b> | <b>1267</b> | <b>100.0%</b> |

## Staff Groups

| Staff Group                              | Headcount   | Percentage    |
|--|-------------|---------------|
| Staff - Registered Medical Practitioners | 106         | 8.4%          |
| Staff- Non Clinical                      | 348         | 27.5%         |
| Staff - Registered Nurses                | 410         | 32.4%         |
| Staff - Other Staff                      | 403         | 31.8%         |
| <b>Grand Total</b>                       | <b>1267</b> | <b>100.0%</b> |

## **1.6 Equality and Human Rights Training for Staff**

As well as continuing to deliver a rolling programme of equality and diversity and disability awareness training sessions, the Trust has introduced Transgender Training. This half day session is predominantly aimed at clinical staff, however delegates from every area of the Trust are encouraged to attend. The education, training and development team continue to endeavour to improve access for all members of staff and to ensure fair and equal access to training and career development opportunities.

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 continues to tap into a number of staff networks.

## **1.7 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 Quality Committee. The Learning Disability Group meets bi-monthly and has developed good links with the community teams in the local areas.

## **1.8 Community and Social Responsibilities**

The Walton Centre is committed to working in partnership with our local communities. We have engaged in a number of ventures which we believe has assisted our local population including opportunities for interns during the school summer holidays and a cadet programme. This involves young people working at The Walton Centre on a twelve month programme supported by a day release in college. The Trust also holds an annual open day, participates in career fairs, career talks to local schools and colleges 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 and participated in a dechoc campaign during March 2015 where a bar of chocolate was exchanged for a piece of fruit, all chocolate donated was given to local food banks for Easter.

## **1.9 The Environment**

The Trust has continually undertaken and monitored a number of measures during the year to reduce its impact on the environment. Changes to the waste disposal practices at ward and departmental level are continuing to see improvements; the level of recycling is running at approximately 75%. Use of special recyclable sharps containers has increased reducing of CO2

(Carbon Dioxide) emissions. In addition a 'bag to bed' waste system has been introduced which enhances waste segregation at source as the Clinical Departments can clearly identify whether their waste is clinical, offensive or domestic.

The Sid Watkins building is now complete and a 'Very Good' BREEAM (Building Research Establishment Environmental Research Assessment Measure) rating is expected to be confirmed early 2015/16.

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. A preferred bidder has been appointed for a CHP led district heating scheme for the Aintree/Walton Centre campus projected to reduce the Trust's carbon dioxide emissions by 36 per cent from 2016-17.

## **1.10 Reputation & Fundraising**

### **Reputation**

Communications work continued to raise the Trust's profile through media coverage and through increased use of digital channels.

A key area of focus for enhancing the Trust's reputation was the successful transformation of acute rehabilitation services, together with the opening of the Sid Watkins Building. One highlight of media coverage was a three-hour live broadcast from the Complex Rehabilitation Unit by BBC 5 Live in February, discussing coma and rehabilitation. This was in addition to coverage on local TV, radio and press.

There was a 28% increase in visits to the website compared with the previous year, helped by a steady flow of new content.

The number of followers on Twitter grew by 1,100 to more than 3,600; and the Facebook page has 814 fans, with a star rating of 4.7 out of 5.

A survey of 75 external respondents (of whom 70% were patients) showed that the website and the quarterly members' magazine Neuromatters were the most highly rated methods of communication.

### **Fundraising**

Fundraising activities during the year under review has focussed on the successful completion of the Home from Home appeal. A number of high profile corporate events and community initiatives contributed to reaching the £500,000 target in December 2014 and the relatives accommodation opened for use by families in February 2015. A two year fundraising strategy to develop the

charity; raise brand awareness; and implement a targeted major donor campaign to support a strategic Trust development was subsequently developed by the Head of Fundraising and approved by the Board committee.

### **1.11 Enhanced Quality Governance.**

Enhanced Quality Governance patient care and Stakeholder relations reporting are discussed in detail in the Quality of Care Report section No 5 of this report and the Quality Accounts section No 12.

This section of the Trust's annual report constitutes the Strategic Report and was approved by the Board of Directors on 22 May 2015.

Signed by:

Chris Harrop, CEO

22 May 2015

## **2.0 BOARD OF DIRECTOR'S REPORT**

### **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 one non-voting Corporate Director. 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 Deputy Director of Governance:

- By email: [ann.highton@thewaltoncentre.nhs.uk](mailto:ann.highton@thewaltoncentre.nhs.uk)
- By telephone: 0151 529 8523

- By post:  
Ann Highton  
Deputy Director of 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 NWS]. 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. However, the Council of Governors agreed at its meeting held in December 2014, the recommendation to extend the Chairman's tenure beyond July 2015 subject to satisfactory annual appraisal.

**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. However, the Council of Governors agreed at its meeting held in March 2015 to extend the term for a further year to November 2016.

**Wendy Williams, Non-Executive Director**

Leaving her career as HR Director across both private and public sector organizations, Wendy established her own business twenty years ago to work on large change projects in both private and public sectors. She has worked in UK central government departments as well as internationally in France, Germany and the USA. As a post-graduate qualified executive coach who has coached many directors through change, she also undertakes strategic reviews with clients, and those who wish to develop high performing Boards with the focus on good governance. Having a long association with the NHS she has held 2 Non-Executive Director

positions previously, regularly facilitates NHS board development, coaches doctors and NHS executives and is currently an ACCEA assessor and NHS mentor. She also writes regular articles for doctors.net. Wendy has lived in the North West all her life and has served as a school governor as well as a Board member of a regional NSPCC Business Board. Mrs. Williams current term of office is to September 2017.

#### **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, local 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 was 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 2018

#### **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 will not seek reappointment following the current term of office to June

2015. A recruitment process is currently underway to replace the post from July 2015. The Trust has appointed an external consultant to facilitate this process.

### **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.

#### **Jayne Wood, Director of Operations and Performance**

Mrs. Wood joined The Walton Centre as Director of Operations and Performance in July 2014 from University Hospital South Manchester NHS Foundation Trust (UHSM) where she held the position of Divisional Director of Operations for Clinical Support Services. Having gained a First Class honours degree in Pharmacy and subsequently a MPhil, Mrs. Wood commenced her NHS career in 1985 as a clinical pharmacist. Later she undertook a number of clinical and managerial roles culminating in being appointed Chief Pharmacist at North Manchester General Hospital before moving into General Management at Pennine Acute Trust in 2002. Mrs. Wood was appointed as a Fellow of the Institute of Healthcare Management in 2009.

#### **Dr. T. Peter Enevoldson, Medical Director**

Dr Enevoldson has been the Medical Director at The Walton Centre since April 2006. 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.

#### **Stephen Kennedy, Director of Finance**

Mr. Kennedy joined the Trust in July 2014 as Director of Finance, from Salford Royal NHS Foundation Trust where he was Deputy Director of Finance from April 2003. Mr. Kennedy was Finance Lead for the Salford Royal Foundation Trust application as well as being the Finance Lead on the redevelopment of the Salford Royal site through a Private Finance Initiative (PFI). Mr. Kennedy is a qualified Public Finance Accountant with over 20 years post qualification experience.

#### **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 Acting Chief Nurse at East Lancashire Hospital Trust and 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 Director:**

##### **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 2014/15:

- Julie Riley, Acting Director of Operations and Performance 01/01/14-30/06/14
- Mike Burns, Acting Director of Finance 01/04/14-30/06/14
- Denise Donaldson:
  - Director of Operations and Performance 01/04/13 – 07/07/14
  - 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 2014/15 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 as required by 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 2014 – 31 March 2015:

| Meeting Dates | 04/14 | 05/14<br>(i) | 05/14<br>(ii) | 06/14 | 07/14 | 09/14 | 10/14 | 11/14 | 01/15 | 02/15 | 03/15 |
|---------------|-------|--------------|---------------|-------|-------|-------|-------|-------|-------|-------|-------|
| KH            | ✓     | ✓            | ✓             | ✓     | ✓     | ✓     | ✓     | ✓     | ✓     | ✓     | ✓     |
| JR            | ✓     | ✓            | ✓             | ✓     | ✓     | A     | ✓     | ✓     | ✓     | ✓     | ✓     |
| CLJ           | ✓     | ✓            | A             | ✓     | ✓     |       |       |       |       |       |       |
| AS            | ✓     | ✓            | ✓             | ✓     | ✓     | ✓     | ✓     | ✓     | ✓     | ✓     | ✓     |
| AM            | ✓     | ✓            | ✓             | A     | ✓     | ✓     | ✓     | ✓     | ✓     | ✓     | ✓     |
| DC            | ✓     | A            | A             | ✓     | ✓     | ✓     | ✓     | ✓     | ✓     | ✓     | A     |
| SC            | ✓     | ✓            | ✓             | ✓     | ✓     | ✓     | A     | ✓     | ✓     | ✓     | ✓     |
| WW            |       |              |               |       |       | ✓     | ✓     | ✓     | ✓     | ✓     | ✓     |
| CH            | ✓     | ✓            | ✓             | ✓     | ✓     | ✓     | ✓     | ✓     | ✓     | ✓     | ✓     |
| TPE           | ✓     | ✓            | ✓             | ✓     | ✓     | ✓     | ✓     | ✓     | ✓     | ✓     | ✓     |
| DD            | Sec   | Sec          | Sec           | Sec   |       |       |       |       |       |       |       |
| HC            | ✓     | ✓            | ✓             | ✓     | A     | ✓     | A     | ✓     | ✓     | ✓     | ✓     |
| SM            | ✓     | ✓            | ✓             | ✓     | ✓     | ✓     | ✓     | ✓     | ✓     | ✓     | ✓     |
| MG            | ✓     | ✓            | ✓             | ✓     | ✓     | ✓     | ✓     | ✓     | A     | ✓     | ✓     |
| GB            | ✓     | ✓            | ✓             | ✓     | ✓     | ✓     | ✓     |       |       |       |       |
| DP            | ✓     | ✓            | ✓             | ✓     | ✓     | ✓     | ✓     |       |       |       |       |
| SK            |       |              |               |       | ✓     | ✓     | ✓     | A     | ✓     | ✓     | ✓     |
| JW            |       |              |               |       | ✓     | ✓     | ✓     | ✓     | ✓     | ✓     | ✓     |
| J Riley       | ✓     | ✓            | ✓             | ✓     |       |       |       |       |       |       |       |
| M Burns       | ✓     | ✓            | ✓             | ✓     |       |       |       |       |       |       |       |

**KEY:** ✓ = Attended A = Apologies Sec = Secondment

KH = Ken Hoskisson

JR = Janet Rosser

CLJ = Christine Lee-Jones

AS = Alan Sharples

SC = Seth Crofts

TPE = Peter Enevoldson

SM = Stuart Moore

DP = Dave Pilsbury

J Riley = Julie Riley

AM = Ann McCracken

WW = Wendy Williams

DD = Denise Donaldson

MG = Mike Gibney

SK = Stephen Kennedy

M Burns = Mike Burns

DC = David Chadwick

CH = Chris Harrop

HC = Hayley Citrine

GB = Gill Brown

JW = Jayne Wood

## 2.6 Director's Register of Interests

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

- By email : [stephen.kennedy@thewaltoncentre.nhs.uk](mailto:stephen.kennedy@thewaltoncentre.nhs.uk)
- By telephone : 0151 529 5523
- By post:

Stephen Kennedy

Director of Finance and Corporate Development

The Walton Centre NHS Foundation Trust

Lower Lane

Fazakerley

L9 7LJ

## 2.7 Director's Expenses

### Directors Expenses

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

|                                   | 2014/15 | 2013/14 |
|-----------------------------------|---------|---------|
| Name                              | £'00    | £'00    |
| <b>G Brown</b>                    | 4       | 4       |
| <b>D Donaldson</b>                | 1       | 1       |
| <b>P Enevoldson</b>               | 0       | 10      |
| <b>M Gibney</b> (from 1 Oct 13)   | N/A     | 0       |
| <b>L Grant</b>                    | N/A     | 4       |
| <b>C Harrop</b>                   | 2       | 2       |
| <b>E Mear</b> (to 31 Dec 13)      | 1       | 29      |
| <b>S Moore</b>                    | N/A     | 1       |
| <b>A Oates</b> (to 31 Jul 13)     | 2       | 5       |
| <b>D Pilsbury</b> (from 1 May 13) | N/A     | 7       |

|                                     |     |     |
|-------------------------------------|-----|-----|
| <b>J Riley</b> (from 1 Jan 14)      | 2   | 1   |
| <b>J Twist</b> (1 Aug to 30 Sep 13) | 2   | 0   |
| <b>D Alcock</b>                     | N/A | N/A |
| <b>D Chadwick</b>                   | 0   | 0   |
| <b>S Crofts</b> (from 1 Nov 13)     | 0   | 0   |
| <b>K Hoskisson</b>                  | 19  | 27  |
| <b>C Lee-Jones</b>                  | 4   | 8   |
| <b>A McCracken</b>                  | 5   | 1   |
| <b>L Porter</b> (to 31 Oct 13)      | N/A | 0   |
| <b>J Rosser</b>                     | 10  | 22  |
| <b>A Sharples</b>                   | 10  | 14  |
| <b>W Williams</b>                   | 1   | N/A |

## 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 4 to the accounts and the details of senior employees' remuneration can be found in Section 3.3 of the Annual report on Remuneration.

## 2.10 Disclosures required under schedule 7

Disclosures required under schedule 7 of the large and medium sized companies and groups (accounts and reports) regulations 2008 are included in the Annual Report on Remuneration.

## 3.0 REMUNERATION REPORT

### 3.1 Annual Statement on Remuneration

There were no major decisions on senior manager remuneration and no substantial changes were made to senior manager remuneration during the financial year from 1 April 2014 to 31 March 2015.

## 3.2 Senior Managers Remuneration policy

### 3.2.1 Future Policy table

The table is contained in the report within section 3 and does not have any particular arrangements which are specific to any individual senior manager.

### 3.2.2 Director's Contracts, Terms and Conditions

Executive and Corporate Directors' 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.

### 3.3.3 Policy on Payment for Loss of Office

The Trust has standard NHS contracts of employment.

### 3.3.4 Statement of consideration of employment conditions elsewhere in the foundation trust

Although there has not been any substantial increase to senior manager's pay during 2014/15, two Executive directors were at the top of their pay scale and received a 1% pay increase; the first from April 2014 and the second from July 2014, as agreed by the Trust's Remuneration Committee in January 2015.

When the pay and conditions were set during the previous financial year, these were based upon an analysis of Senior Manager pay across the Foundation trust Network and all future pay adjustments will be based upon this process. As a principal, the Trust will seek to benchmark at the top point of the lower quartile for similar trusts."

### **Senior Managers\* breakdown by Male and Female as at 31<sup>st</sup> March 2015**

|              |           |
|--------------|-----------|
| MALE         | 6         |
| FEMALE       | 25        |
| <b>TOTAL</b> | <b>31</b> |

\*Band 8b and above (excluding medical staff and senior clinical staff with no departmental management responsibility)

### 3.3 Annual Report on Remuneration

#### 3.3.1 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]
- Wendy Williams [WW]
- Ann McCracken [AMc]
- David Chadwick [DC]
- Seth Crofts [SC]

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

| Date     | KH<br>(Chair) | JR | AS | WW | AMc | DC | SC |
|----------|---------------|----|----|----|-----|----|----|
| 07/01/15 | ✓             | ✓  | ✓  | ✓  | ✓   | ✓  | A  |
| 17/03/15 | ✓             | ✓  | ✓  | ✓  | ✓   | A  | ✓  |
| 26/03/15 | ✓             | ✓  | ✓  | ✓  | ✓   | A  | ✓  |

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 (Trust Chairman)
- Louise Ferguson (Nominations Committee Chair and Public Constituency Governor)
- Colin Cheesman (Public Constituency Governor)
- Ella Pereira (Stakeholder Governor)

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

| Date     | K Hoskisson | L Ferguson | C Cheesman | E Pereira | P Cane | A Harper |
|----------|-------------|------------|------------|-----------|--------|----------|
| 19/05/14 | ✓           | ✓          |            |           | ✓      | ✓        |
| 18/09/14 | ✓           | ✓          | ✓          | ✓         |        |          |
| 09/02/15 | ✓           | ✓          | ✓          | ✓         |        |          |

### 3.3.2 Directors Remuneration

Executive and Corporate Directors' 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 Directors' remuneration is determined by the Governor 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.

### 3.5 Reporting high paid off-payroll arrangements

The Trust does not routinely utilise any off payroll staff for the delivery of main stream services. However, where there are skills shortages, time limited arrangements are entered into by the Trust, with regular review undertaken by the relevant Director. Where the engagement lasts for more than 6 months the Trusts seeks assurance that the appropriate HMRC regulations are being followed.

The Trust has not had any off-payroll engagements with board members or any other senior officials with significant financial responsibility during the period. Other off-payroll arrangements are reflected in the tables below:

| <b>All off-payroll engagements as at 31 March 2015 (where the worker is paid more than £220 per day and has been in post for more than six months)</b> |    |
|--|----|
| Number of existing arrangements as at 31 March 2015  | 10 |
| Of which:  |    |
| Number that have existed for less than one year at the time of reporting   | 4  |
| Number that have existed for between one and two years at the time of reporting  | 3  |
| Number that have existed for between two and three years at the time of reporting  | 3  |
| Number that have existed for between three and four years at the time of reporting   | 0  |
| Number that have existed for four or more years at the time of reporting   | 0  |

The Trust has undertaken a risk assessment of the off-payroll engagements outlined above and off-payroll arrangements are reviewed through the relevant committee. Where necessary, assurance has been sought that the individual is paying the correct amount of income tax and National Insurance.

| <b>All new off-payroll engagements, or those that reached six months in duration, between 1 April 2014 and 31 March 2015 (where the worker is paid more than £220 per day and has been in post for more than six months)</b> |    |
|--|----|
| Number of new engagements, or those that reached six months in duration, between 1 April 2014 and 31 March 2015  | 13 |
| Number of the above which include contractual clauses giving the Trust the right to request assurance in relation to income tax and National Insurance obligations   | 11 |
| Number for whom assurance has been requested   | 11 |
| Of which:  |    |
| Number for whom assurance has been received  | 7  |
| Number for whom assurance has not been received  | 4  |
| Number that have been terminated as a result of assurance not being received   | 0  |

The two engagements where we did not have the contractual right to seek assurance have now been ended. In respect of the four engagements for which assurance has not yet been received, two contracts have been ended, assurance is still being sought from one contractor, and the fourth is being investigated.

### **3.6 Fair Pay Multiple** (subject to audit)

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director and the median remuneration of the Trust's workforce.

The median remuneration of the employees paid by The Walton Centre is £28,440 (2013/14: £28,728). The highest paid director is the Medical Director who received £204,334 remuneration (2013/14: £203,508). This is 7.2 times the median remuneration (2013/14: 7.1 times).

In 2014/15 no employees received remuneration in excess of the highest paid director (2013/14: none). Remuneration ranged from £14,294 (2013/14: £14,294) to £204,334 (2013/14: £203,508).

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

### 3.7 Remuneration and Pension Entitlements of Senior Managers

#### Senior Management Remuneration (subject to audit)

| Name         | Position   | 1 April 2014 - 31 March 2015          |                         |   |                           | 1 April 2013 - 31 March 2014          |                         |   |                           |
|--------------|--|---------------------------------------|-------------------------|---|---------------------------|---------------------------------------|-------------------------|---|---------------------------|
|              |  | Salaries and fees<br>(bands of £5000) | Taxable benefits<br>£00 | Pension related benefits<br>(bands of £2,500) | Total<br>(bands of £5000) | Salaries and fees<br>(bands of £5000) | Taxable benefits<br>£00 | Pension related benefits<br>(bands of £2,500) | Total<br>(bands of £5000) |
| Brown G      | Director of Corporate and Research Governance (to 31/10/14)  | 45-50                                 | 0                       | 2.5-5   | 50-55                     | 80-85                                 | 0                       | 67.5-70                                       | 145-150                   |
| Burns M      | Acting Director of Finance (from 01/04/14 to 30/06/14)   | 20-25                                 | 4                       | 5-7.5   | 25-30                     | N/A                                   | N/A                     | N/A   | N/A                       |
| Citrine H    | Director of Nursing and Modernisation (from 21/04/14)  | 85-90                                 | 0                       | 40-42.5                                       | 130-135                   | N/A                                   | N/A                     | N/A   | N/A                       |
| Crofts S     | Non executive Director   | 10-15                                 | 0                       | N/A   | 10-15                     | 5-10                                  | 0                       | N/A   | 5-10                      |
| Chadwick D   | Non executive Director   | 10-15                                 | 0                       |   | 10-15                     | 10-15                                 | 0                       | N/A   | 10-15                     |
| Donaldson D  | Acting Chief Executive (from 01/01/14 to 31/03/14)<br>Director of Operations and Performance (to 31/12/13) | N/A                                   | N/A                     | N/A   | N/A                       | 140-145                               | 0                       | 122.5-125                                     | 235-240                   |
| Enevoldson P | Medical Director   | 200-205                               | 0                       | N/A   | 200-205                   | 200-205                               | 0                       | N/A   | 200-205                   |
| Gibney M     | Director of Workforce (from 01/10/13)  | 75-80                                 | 0                       | 77.5-80                                       | 155-160                   | 35-40                                 | 0                       | 75-77.5                                       | 110-115                   |
| Grant L      | Director of Nursing and Modernisation (to 31/03/14)  | N/A                                   | N/A                     | N/A   | N/A                       | 95-100                                | 0                       | N/A   | 95-100                    |
| Harrop C     | Director of Finance (to 31/03/14)<br>Chief Executive (from 01/04/14)                                       | 135-140                               | 29                      | 257.5-260                                     | 397.5-400                 | 100-105                               | 29                      | 7.5-10  | 5-10                      |

| Name        | Position  | 1 April 2014 - 31 March 2015          |                         |   |                           | 1 April 2013 - 31 March 2014          |                         |   |                           |
|-------------|---|---------------------------------------|-------------------------|---|---------------------------|---------------------------------------|-------------------------|---|---------------------------|
|             |   | Salaries and fees<br>(bands of £5000) | Taxable benefits<br>£00 | Pension related benefits<br>(bands of £2,500) | Total<br>(bands of £5000) | Salaries and fees<br>(bands of £5000) | Taxable benefits<br>£00 | Pension related benefits<br>(bands of £2,500) | Total<br>(bands of £5000) |
| Hoskisson K | Chair   | 40-45                                 | 12                      | N/A   | 40-45                     | 40-45                                 | 10                      | N/A   | 40-45                     |
| Kennedy S   | Director of Finance (from 01/07/14)   | 80-85                                 | 44                      | 150-152.5                                     | 235-240                   | N/A                                   | N/A                     | N/A   | N/A                       |
| Lee-Jones C | Non Executive Director (to 31/08/14)  | 5-10                                  | 4                       | N/A   | 5-10                      | 10-15                                 | 0                       | N/A   | 10-15                     |
| McCracken A | Non Executive Director  | 10-15                                 | 2                       | N/A   | 10-15                     | 10-15                                 | 0                       | N/A   | 10-15                     |
| Mear E      | Chief Executive (to 31/12/13)   | N/A                                   | N/A                     | N/A   | N/A                       | 110-115                               | 0                       | 27.5-30                                       | 140-145                   |
| Moore S     | Director of Strategy and Planning   | 95-100                                | 0                       | (5-7.5)                                       | 90-95                     | 95-100                                | 0                       | (45-47.5)                                     | 50-55                     |
| Oates A     | Director of HR (to 31/07/13)  | N/A                                   | N/A                     | N/A   | N/A                       | 25-30                                 | 0                       | 17.5-20                                       | 45-50                     |
| Pilsbury D  | Director of Governance and Risk<br>(from 01/05/13 to 31/10/14)  | 45-50                                 | 0                       | 7.5-10  | 50-55                     | 70-75                                 | 0                       | 37.5-40                                       | 105-110                   |
| Porter L    | Non Executive Director (to 30/10/13)<br>Acting Director of Operations and<br>Performance (from 01/01/14 to<br>30/06/14) | N/A                                   | N/A                     | N/A   | N/A                       | 5-10                                  | 0                       | N/A   | 5-10                      |
| Riley J     | Non Executive Director  | 20-25                                 | 0                       | 7.5-10  | 55-60                     | 20-25                                 | 0                       | 10-12.5                                       | 35-40                     |
| Rosser J    | Non Executive Director  | 15-20                                 | 9                       | N/A   | 15-20                     | 15-20                                 | 12                      | N/A   | 15-20                     |
| Sharples A  | Non Executive Director  | 15-20                                 | 7                       | N/A   | 15-20                     | 15-20                                 | 0                       | N/A   | 15-20                     |
| Twist J     | Acting Director of HR (01/08/13 to<br>30/09/13)   | N/A                                   | N/A                     | N/A   | N/A                       | 10-15                                 | 0                       | 0-2.5   | 10-15                     |
| Williams W  | Non Executive Director (from<br>01/08/14)   | 5-10                                  | 1                       | N/A   | 5-10                      | N/A                                   | N/A                     | N/A   | N/A                       |
| Wood MJ     | Director of Operations and<br>Performance (from 01/07/14)   | 70-75                                 | 0                       | 12.5-15                                       | 85-90                     | 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.

Taxable benefits include payments for home to work mileage for non-executive directors, salary sacrifice childcare vouchers and provision of lease cars.

**Pension Benefits** (subject to audit)

|             | Real increase in pension at age 60<br>bands of £2,500 | Real increase in pension lump sum at age 60<br>bands of £2,500 | Total accrued pension at age 60<br>31 March 2015<br>bands of £5,000 | Lump sum at age 60 related to accrued pension at 31 March 2015<br>bands of £5,000 | Cash Equivalent Transfer Value at 31 March 2015<br>£000 | Cash Equivalent Transfer Value at 31 March 2014<br>£000 | Real Increase in Cash Equivalent Transfer Value<br>£000 | Employer's contribution to stakeholder pension |
|-------------|---|--|---|---|---|---|---|--|
| G Brown     | 0-2.5   | 0-2.5  | 35-40   | 105-110   | 0   | 659   | N/A   | 0  |
| M Burns*    | 0-2.5   | 0-2.5  | 5-10  | 0-5   | 84  | 63  | 20  | 0  |
| H Citrine   | 0-2.5   | 5-7.5  | 30-35   | 95-100  | 533   | 469   | 52  | 0  |
| D Donaldson | N/A   | N/A  | N/A   | N/A   | N/A   | 673   | N/A   | 0  |
| M Gibney    | 2.5-5   | 0-2.5  | 30-35   | 0-5   | 428   | 354   | 65  | 0  |
| C Harrop    | 10-12.5   | 35-37.5  | 40-45   | 130-135   | 747   | 512   | 221   | 0  |
| S Kennedy   | 5-7.5   | 20-22.5  | 45-50   | 135-140   | 857   | 684   | 154   | 0  |
| E Mear      | N/A   | N/A  | N/A   | N/A   | N/A   | 807   | N/A   | 0  |
| S Moore     | 0-2.5   | (0-2.5)  | 30-35   | 100-105   | 595   | 557   | 23  | 0  |
| A Oates     | N/A   | N/A  | N/A   | N/A   | N/A   | 218   | N/A   | 0  |
| D Pilsbury  | 0-2.5   | 0-2.5  | 15-20   | 50-55   | 284   | 260   | 18  | 0  |
| J Riley*    | 0-2.5   | 0-2.5  | 35-40   | 105-110   | 704   | 624   | 63  | 0  |
| J Twist     | N/A   | N/A  | N/A   | N/A   | N/A   | 246   | N/A   | 0  |
| MJ Wood     | 0-2.5   | 2.5-5  | 35-40   | 110-115   | 722   | 663   | 41  | 0  |

P Enevoldson is not a member 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 a Director.

Chief Executive, 22 May 2015

## 4.0 NHS FT CODE OF GOVERNANCE DISCLOSURES

### 4.1 Statement of Compliance with the Code

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

The Chair, Deputy Director of Governance and Assistant Trust Board Secretary 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 27 April 2015 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<br>Refer to: NHS FT Code of Governance Disclosures  | 2.0<br>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: Forward 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   | N/A            |
| C3.9      | Refer to: NHS FT Code of Governance Disclosures   | 4.0            |
| D1.3      | N/A   | 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, C1.4, 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. The Council of Governors meet in public four times a year; this provides the opportunity for Governors to express their views and raise any issues so that the Board of Directors can respond accordingly. 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 Deputy Director of, 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.

A virtual board room has recently been established for the Governors which can be used as a forum and a central point for receiving information and publications.

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 2014 – 31 March 2015:

| Seat | Name of Governor |          | Constituency | Date of Appointment | End of Tenure |
|------|------------------|----------|--------------|---------------------|---------------|
| 1C   | Cheesman         | Colin    | Cheshire     | 2012                | 2015          |
| 2C   | Ferguson         | Louise   | Cheshire     | 2009                | 2015          |
| 3C   | O'Connell        | William  | Cheshire     | 2011                | 2015          |
| 4C   | O'Rourke         | Tim      | Cheshire     | 2012                | 2015          |
| 1EW  | Duckers          | Stephen  | E & W        | 2014                | 2017          |
| 1EW  | McDermott        | Bernard  | E & W        | 2014                | 2014          |
| 2EW  | Clarke-Day       | Katie    | E & W        | 2014                | 2017          |
| 2EW  | Toone            | Harold   | E & W        | 2014                | Resigned 2014 |
| 1M   | Cahill           | Tony     | Merseyside   | 2013                | 2016          |
| 2M   | Cain             | Phil     | Merseyside   | 2011                | 2014          |
| 2M   | Strong           | Barbara  | Merseyside   | 2014                | 2017          |
| 3M   | Carolan          | Kevin    | Merseyside   | 2012                | 2015          |
| 4M   | Clark            | Alan     | Merseyside   | 2009                | 2015          |
| 5M   | Grainger         | Rick     | Merseyside   | 2014                | 2017          |
| 6M   | Hart             | Diane    | Merseyside   | 2012                | 2015          |
| 7M   | Holder           | Gareth   | Merseyside   | 2012                | 2015          |
| 8M   | Paton            | Joe      | Merseyside   | 2012                | 2015          |
| 1W   | Felda            | Urtha    | North Wales  | 2014                | 2017          |
| 2W   | Harper           | April    | North Wales  | 2014                | 2017          |
| 3W   | Owen             | Robert   | North Wales  | 2014                | 2017          |
| 1S   | Gerrans          | Emily    | Staff        | 2009                | 2015          |
| 2S   | McLeod           | Michelle | Staff        | 2012                | 2015          |
| 3S   | Marson           | Tony     | Staff        | 2010                | 2016          |
| 4S   | Moreno           | Isabel   | Staff        | 2013                | 2016          |
| 1P   | Burgen           | Andy     | Partnership  | 2014                | 2016          |
| 2P   | Hanratty         | Dave     | Partnership  | 2010                | 2016          |
| 3P   | Holland          | Suzy     | Partnership  | 2009                | 2015          |
| 4P   | McWilliam        | Julie    | Partnership  | 2009                | Resigned 2015 |
| 4P   | Sutton           | Paula    | Partnership  | 2015                | 2016          |
| 5P   | Mellor           | Nanette  | Partnership  | 2014                | 2016          |
| 5P   | Tyrell           | Gerry    | Partnership  | 2010                | Resigned 2014 |
| 6P   | Ross             | Ian      | Partnership  | 2013                | Resigned 2015 |
| 7P   | Pereira          | Ella     | Partnership  | 2014                | 2017          |
| 8P   | Singh            | Gurpreet | Partnership  | 2010                | Resigned 2014 |
| 9P   | Thomas           | Kevin    | Partnership  | 2009                | 2015          |
| 10P  | Timoney          | Michelle | Partnership  | 2013                | Resigned 2014 |
| 10P  | Vaughan          | Jan      | Partnership  | 2014                | 2015          |
| 11P  | Wilkins          | Tina     | Partnership  | 2014                | 2016          |
| 12P  | Woods            | Tony     | Partnership  | 2013                | 2016          |

The Trust's current Governors are:

| Constituency      | Name of Governor  |
|-------------------|-------------------|
| Public - Cheshire | Louise Ferguson   |
| Public – Cheshire | Colin Cheesman    |
| Public – Cheshire | William O'Connell |
| Public – Cheshire | Tim O'Rourke      |

| <b>Constituency</b>  | <b>Name of Governor</b> |
|--|-------------------------|
| Public – Merseyside  | Tony Cahill             |
| Public – Merseyside  | Kevin Carolan           |
| Public – Merseyside  | Alan Clark              |
| Public – Merseyside  | Rick Grainger           |
| Public – Merseyside  | Diane Hart              |
| Public – Merseyside  | Gareth Holder           |
| Public – Merseyside  | Joe Paton               |
| Public – Merseyside  | Barbara Strong          |
| Public – North Wales   | Robert Owen             |
| Public – North Wales   | Urtha Felda             |
| Public – North Wales   | April Harper            |
| Public – Rest of England and Wales                                 | Stephen Duckers         |
| Public – Rest of England and Wales                                 | Katie Clarke-Day        |
| Staff – Nursing  | Michelle McLeod         |
| 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 (Cheshire & Merseyside Neurological Alliance) | Paula Sutton            |
| Partnership Governor (Liverpool University )                       | <i>Vacant</i>           |
| Partnership Governor (MS Society, Isle of Man)                     | Suzy Holland            |
| Partnership Governor (Neurosupport)                                | Nanette Mellor          |
| Partnership Governor (North Wales CHC Joint Committee)             | Andy Burgen             |
| Partnership Governor (Merseyside & Cheshire Clinical Network)      | Jan Vaughan             |
| Partnership Governor (Healthwatch)                                 | <i>Vacant</i>           |
| Partnership Governor (Wales Neurological Alliance)                 | Kevin Thomas            |
| Partnership Governor (Liverpool CCG)                               | Tony Woods              |
| Partnership Governor (Edge Hill University)                        | Ella Pereira            |

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

- By email : [ann.highton@thewaltoncentre.nhs.uk](mailto:ann.highton@thewaltoncentre.nhs.uk)
- By telephone : 0151 529 8523
- By post:
 

Ann Highton  
Deputy Director of 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                           |
|--------------------------|---------|--|
| Public : Merseyside      | 11.7%   | Barbara Strong<br>Rick Grainger            |
| Public : North Wales     | 17.2%   | Urtha Felda<br>Robert Owen<br>April Harper |
| Public : Rest of England | 9.9%    | Katie Clarke-Day<br>Harold Toone           |

#### Governors Register of Interests

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

#### 4.4 Council of Governors meetings

Chair & Governors attendance 01/04/14 – 31/03/15

| Name of Governor | 06/2014 | 09/2014 | 12/2014 | 03/2015 |
|------------------|---------|---------|---------|---------|
| A Burgen         |         |         | ✓       | ✓       |
| T Cahill         | ✓       | ✓       | ✓       | ✓       |
| P Cain           | x       |         |         |         |
| K Carolan        | x       | x       | x       | x       |
| C Cheesman       | x       | ✓       | ✓       | ✓       |
| A Clark          | ✓       | ✓       | ✓       | ✓       |
| K Clarke-Day     |         | ✓       | ✓       | ✓       |
| S Duckers        |         |         | ✓       | ✓       |
| U Felda          |         | ✓       | x       | x       |
| L Ferguson       | ✓       | ✓       | ✓       | ✓       |
| E Gerrans        | ✓       | ✓       | ✓       | x       |
| R Grainger       | ✓       | ✓       | x       | ✓       |
| D Hanratty       | x       | x       | x       | x       |
| A Harper         | ✓       | x       | x       | x       |
| D Hart           | ✓       | ✓       | ✓       | x       |
| G Holder         | ✓       | ✓       | x       | ✓       |
| S Holland        | x       | ✓       | x       | x       |
| T Marson         | x       | x       | x       | x       |
| M McLeod         | x       | x       | x       | x       |
| B McDermott      | ✓       |         |         |         |
| J McWilliam      | ✓       | ✓       | x       |         |

| Name of Governor | 06/2014 | 09/2014 | 12/2014 | 03/2015 |
|------------------|---------|---------|---------|---------|
| N Mellor         |         | ✓       | ✓       | ✓       |
| I Moreno         | ✓       | ✓       | ✓       | ✓       |
| W O'Connell      | ✓       | ✓       | ✓       | ✓       |
| T O'Rourke       | ✓       | ✓       | ✓       | ✓       |
| R Owen           | x       | x       | ✓       | ✓       |
| J Paton          | ✓       | ✓       | ✓       | ✓       |
| E Pereira        | ✓       | ✓       | ✓       | ✓       |
| I Ross           | ✓       | ✓       | x       |         |
| B Strong         |         | ✓       | ✓       | ✓       |
| P Sutton         |         |         |         | x       |
| K Thomas         | ✓       | ✓       | x       | x       |
| M Timoney        | ✓       | ✓       |         |         |
| J Vaughan        |         |         | ✓       | x       |
| T Wilkins        | ✓       | ✓       | ✓       | ✓       |
| T Woods          | ✓       | ✓       | x       | x       |

Between 01 April 2014 – 31 March 2015, 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 2014/15 the total amount claimed was £3,988.93

| Governor     | Expenses Claimed<br>(to the nearest £100) |         | Governor   | Expenses Claimed<br>(to the nearest £100) |         |
|--------------|---|---------|------------|---|---------|
|              | 2013/14                                   | 2014/15 |            | 2013/14                                   | 2014/15 |
| K Carolan    | 0   | 0       | M McLeod   | 0   | 0       |
| A Clark      | 200                                       | 300     | T Marson   | 0   | 0       |
| R Grainger   | 0   | 0       | E Gerrans  | 0   | 0       |
| D Hart       | 0   | 0       | I Moreno   | 0   | 100     |
| G Holder     | 0   | 0       | T Wilkins  | n/a                                       | 0       |
| J Paton      | 0   | 0       | D Hanratty | 0   | 0       |
| B Strong     | n/a                                       | 0       | P Sutton   | n/a                                       | 0       |
| L Ferguson   | 800                                       | 600     | G Tyrell   | 0   | 0       |
| C Cheesman   | 0   | 0       | S Holland  | 500                                       | 200     |
| W O'Connell  | 100                                       | 0       | N Mellor   | n/a                                       | 0       |
| T O'Rourke   | 100                                       | 200     | A Burgen   | n/a                                       | 200     |
| R Owen       | 0   | 0       | J Vaughan  | n/a                                       | 0       |
| U Felda      | 0   | 0       | M Timoney  | 0   | 0       |
| A Harper     | 3,900                                     | 1,400   | K Thomas   | 300                                       | 300     |
| S Duckers    | n/a                                       | 100     | T Woods    | 0   | 0       |
| K Clarke-Day | n/a                                       | 600     | E Pereira  | 0   | 0       |

#### 4.6 Council of Governors meetings: Non-Executive Directors attendance

1<sup>st</sup> April 2014- 31<sup>st</sup> March 2015

|             | 06/2014 | 09/2014 | 12/2014 | 03/2015 |
|-------------|---------|---------|---------|---------|
| K Hoskisson | ✓       | ✓       | ✓       | ✓       |
| J Rosser    | x       | x       | ✓       | ✓       |
| A McCracken | ✓       | ✓       | ✓       | ✓       |
| S Crofts    | ✓       | ✓       | ✓       | ✓       |
| D Chadwick  | x       | x       | x       | x       |
| A Sharples  | ✓       | ✓       | ✓       | ✓       |
| C Lee-Jones | x       |         |         |         |
| W Williams  |         | ✓       | ✓       | ✓       |

#### 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 Ann Highton, the Deputy Director of Governance and Alison Whitfield the Assistant Corporate secretary, 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 Deputy Director of Governance:

- Email : [ann.highton@thewaltoncentre.nhs.uk](mailto:ann.highton@thewaltoncentre.nhs.uk)
- Telephone : 0151 529 8523
- By post:
  - Ann Highton
  - Deputy Director of 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     |
|-----------|----------|-----------|-----------|-----------|-----------|
| <b>AS</b> | √(Chair) | √ (Chair) | √ (Chair) | √ (Chair) | √ (Chair) |
| <b>JR</b> | √        | √         | x         | √         | √         |
| <b>AM</b> | √        | x         | √         | √         | √         |

#### 4.10 Duties of the Audit Committee:

##### **Governance, Risk Management and Internal Control**

The Board of Directors approved that with effect from March 2015 the Audit Committee would have 6 formal meetings a year, with the additional 2 meetings per year being devoted

to looking at the assurance agenda across the Trust, with a range of topics agreed to be reviewed in each of the 2 meetings, outside the scope of the Internal and External audit plans. The first meeting was held in March 2015 and focused on the following topics:

- Clinical Audit Process
- Learning from Complaints and Incidents
- Overseas Visitors policy and procedures
- Data Quality Assurance
- Berwick Report Actions
- CQC Preparation

### **Review of the Work of the Auditors**

The Audit Committee undertook a review of the work of both Internal and External Auditors during the year, with the Audit Committee receiving a report at its July 2014 meeting, which was approved by the Committee.

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. During the year 2014/15 the Trusts' Whistleblowing Policy has been reviewed and updated follow the Francis Report findings and recommendations. The policy will be further reviewed in 2015/16 to incorporate recommendations from various sources including the 'Freedom to speak up' review.

#### 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. In February 2015 the sub-group convened to consider whether to extend the Grant Thornton contract. They considered comparative audit fees of other Trusts and the quality and timeliness of the service. Following their recommendation, the contract has now been extended. The Audit Committee assess the effectiveness of the external process on an on-going basis at each meeting of the Committee and formally each year in July. 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. Fees for external audit services in 2014/15 were £46,000 which is in line with the agreed contract.

#### 4.12 Membership

At the end of March 2015 the Trust's membership stood at 7,870 compared to 7,956 in March 2014. 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:

| <b>Numbers by Constituency and Catchments</b> |             |
|---|-------------|
| Public Cheshire                               | 966         |
| Public Merseyside                             | 2764        |
| Public North Wales                            | 1615        |
| Public Rest of England & Wales                | 1273        |
| <b>Public Total</b>                           | <b>6619</b> |
| Staff – Registered Medical Practitioners      | 114         |
| Staff - Non-Clinical                          | 339         |
| Staff – Registered Nurses                     | 385         |
| Staff - Other Staff                           | 432         |
| <b>Staff Total</b>                            | <b>1270</b> |

| Numbers by Constituency and Catchments |      |
|--|------|
| TOTAL MEMBERSHIP                       | 7888 |

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 2014/15 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 has a Quality Governance Strategy in place 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 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 review and refine the committee structures reporting to the Board of Directors. The Governance department has also continued to review and 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 quality and safety and ensures that key performance metrics for quality are reported. The Trust introduced a newly developed quality report in October 2014, which is reported to the Quality Committee, Professional Nurses Forum and the Board of Directors on a monthly basis. The Quality Report informs and tracks progress against a suite of quality indicators and highlights patient safety developments and areas of focus for the Trust Board. The Quality Report is part of The Walton Centre's approach to embedding a system and culture of continuous learning and improvement in patient experience, clinical effectiveness and patient safety.

The Trust had a number of quality initiative successes within the last year including the opening of the Sid Watkins building, a facility which now houses the Complex Rehabilitation

Unit, Outpatient Clinics and Pain management services, alongside back office and training and development services.

Other successes include a 32% reduction in pressure ulcers, a 17% reduction in falls, over 98% of patients said they were extremely likely to recommend the Trust to their friends and family, early implementation of the Friends and Family Test in OPD and daycase services, implementation of a Nursing Assessment and Accreditation Scheme and roll out of an Electronic Prescribing System (EPMA).

The Trust has also been active in reviewing the patient experience. A three year patient experience action plan has been developed to take forward feedback from national and local survey results and patient listening weeks. The Patient Experience Group has reviewed terms of reference and established a patient experience forum to support the group's work plan.

The Board of Directors consulted with patients, governors, commissioners, Healthwatch and other external agencies to ascertain and agree the Trust's improvement priorities for 2014/15. The Trust continues to monitor services across the three domains of Quality: Patient Safety, Clinical Effectiveness and Patient Experience, reporting progress on the improvement priorities to the 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 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 Auditor MIAA are fully involved in the process to provide regular review and assurance via the Audit Committee. During 2014/5 audits were undertaken on areas such as safe staffing, hard truths, compliance, safeguarding and CQC process, which all gained significant assurance.

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.

The Trust is currently reviewing and updating the strategy which will allow plans for 2015-17 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.

Nurse staffing reviews were undertaken in May and November 2014 across the inpatient wards to ensure staffing establishments were appropriate for the numbers and acuity of patients. At the first review analysis of the patient acuity, using established acuity tools, cross referencing with nurse sensitive indicators and professional judgement, the Trust identified an investment in extra front line ward staff was required and this was supported by the Board of Directors. The nursing establishment and vacancies are reviewed by the Executive team, before monthly submission of data to NHS England and reports are submitted monthly to the Board of Directors to provide assurance that staffing levels meets the needs of our patients with staff now in post. The unify return is cross referenced with friends and family data, trained nurse to patient ratio, nurse sensitive indicators and occupancy rate.

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, have expanded

nursing skills which focus on enhancing timely patient care, at the patient's bedside. A Practice Education Facilitator role has also been developed on each ward, which has enabled the Trust to recruit newly qualified staff to the wards, and provide extra supervision and support as part of a preceptorship programme.

The Trust has had zero MRSA bacteraemia in-year against a zero trajectory. The annual trajectory of Clostridium Difficile was 11 cases with the Trust reporting 11 cases. Clostridium difficile continues to remain a challenge for the Trust going forward.

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, strict antibiotic management and frequent in-depth cleaning programmes, including the use of a hypochlorite fogging machine.

The Trust has a 'Stop think Sink' campaign in place that promotes hand hygiene and is actively publicising good infection control practice. Hand wash basins are located outside each inpatient ward and use is monitored along with regular hand hygiene audits being undertaken. Further patient information and advertising has been produced and the Trust has included staff across the organisation and several executives leading the campaign.

The Trust has taken the opportunity to facilitate a second external review of infection control during 2014/15 to gain further assurance that all appropriate measures are in place. Good systems and processes were noted with no undue concerns. Recommendations were accepted and form an action plan to adopt and embed practice.

The Trust monitors improvements on quality indicators through the 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 2014/15 was conditional upon achieving quality improvement and innovation goals. The total payment received against the CQUINS in 2014/15 equalled £1,528,995. The Trust had the following CQUIN goals in 2014/15, 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.
- Dementia – appropriate assessment and referral.
- NHS Safety Thermometer - participation through data submission.
- Quality Dashboards

- Highly specialised services - Clinical outcome collaborative audit workshop and Provider report.
- Adult Critical Care - Increase Effectiveness of Rehabilitation after Critical Illness
- Trauma – Medicines Management
- Trauma – Patient Flow Improvement through Clinical Utilisation Review
- Nursing Quality Assessment – Nursing Assessment and Accreditation Scheme
- Nursing Quality Assessment – Balanced Scorecard
- Increase of Patients Enrolled in Clinical Trials

## 5.6 Patient Experience and Complaints Handling

The Patient Experience team provides help, advice and support to patients and their families, as well as helping to resolve concerns quickly on a patient's behalf. This can be prior to, during or after their visit to the Trust. The Patient Experience Team can be contacted by telephone or can visit a patient on a ward or at one of our Outpatient clinics. Where concerns cannot be easily resolved or is of a more serious nature, the Patient Experience Team are responsible for dealing with complaints on behalf of patients and their families. We pride ourselves in working with patients and staff throughout the Trust to resolve complaints in a timely way and to explain our actions and to evidence how services will be improved as a result of a complaint.

## 5.7 Trend Analysis and Lessons Learnt

Every complaint is investigated and each complainant receives a detailed response from the Chief Executive. We ensure those responses are open and transparent, and provide assurance that where mistakes have been made, those are rectified and we learn the lessons. Outcomes from complaints are reported monthly to committees within the Trust, and to the Executive Team. Longer term trends reported to the Patient Experience Group, the Board and Council of Governors. This year we have ensured that greater assurance is also reported to demonstrate actions have been taken. In 2014-15 we also undertook a more detailed analysis of a sample of complaints in order that we could understand the issues giving rise to complaints over and above the main issues. This information has been fed into the Organisational Development Strategy to develop appropriate training and development.

## 5.8 Complaints Feedback

We use feedback from people who have used the complaints process to help us improve our responsiveness and service. When we respond to a complaint, we enclose a questionnaire to help us assess this. This year we also invited people who had made a complaint to the Trust to meet with us to tell us how we can further improve the complaints process.

Recommendations from this group included:

- More frequent contact during the complaint process
- More information on how to make a complaint
- Greater emphasis in responses on how we will improve services as a result of a complaint

### Complaints received 01 April 2014 – 31 March 2015:

|  | Number of complaints received<br><b>2013/14</b> | Number of complaints received<br><b>2014/15</b> |
|--|---|---|
| <b>Quarter 1</b><br>April – June       | 28  | 28  |
| <b>Quarter 2</b><br>July – September   | 50  | 50  |
| <b>Quarter 3</b><br>October – December | 37  | 37  |
| <b>Quarter 4</b><br>January – March    | 13  | 39  |

In 2015-16 the Trust will implement the improvements highlighted from focus group and intend to hold a further two meetings during the year. The Trust will also revisit the satellite clinics to ensure those patients have the opportunity to raise any concerns. The work of the Patient Experience Team will continue to complement the wider patient experience work within the Trust.

### 5.9 Patient Experience Strategy and Patient & Public Engagement

The Trust has refreshed and updated its Patient Experience Strategy. The purpose of this Strategy is to:

- Raise standards and expectations of patient, family and carer experience at The Walton Centre
- Define the action required by staff throughout The Walton Centre to improve patient experience
- Provide a framework of action for priorities and to clarify responsibility for action
- Ensure the current national drivers and standards for patient experience, together with The Walton Way underpin our ambition
- Ensure the Patient Experience Strategy contributes effectively to the Quality Strategy and ultimately to the strategic objectives of the Trust.

In 2015-16 the Trust will launch its Patient and Public Engagement Strategy, which will complement and underpin other strategic drivers, ensuring patients are engaged in the development and improvement of services.

### 5.10 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.

The Picker Institute, a national audit and survey company, was commissioned by the Trust to support the 2014 survey. The Trust achieved a 46% response rate in the 2014 survey, a significant increase on the Trust's 2013 response rate of 45%. The national average response rate for the 2014 survey was 43%.

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 2013 survey in 2 questions and remained static in the remaining 26 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.

### **5.11 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 also attend the Trust Board, the Audit Committee and other internal groups such as 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.

### **5.12 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. In 2014/15 a decision was taken to bring the recruitment of our volunteers in-house rather than rely on a neighbouring Trust for this service, and this began in February 2015. Work has been undertaken to identify where our volunteers can add most value and

we are developing a range of roles covering such areas as hand-washing, surveying patients, befriending and supporting PALS. Staff across the Trust have really got behind these initiatives and it is being supported by HR and Training & Development for the recruitment and training, and managers in all departments to identify roles and providing opportunities for volunteers to add value to our patient experience. In 2014-15 our Patient Ambassador, a volunteer won the Outstanding Individual Achievement Award Winner at our staff award ceremony

### 5.13 Research and Innovation

The Trust continues to recognise the importance of Research and Innovation during 2014/15. The Research, Development and Innovation (RD&I) 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 are
- 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'.

The Neuroscience Research Centre Team exceeded our annual recruitment target of 1,200, set by the Clinical Research Network; North West Coast (CRN), recruiting over 2,000 patients. In total there are currently 100 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 2014 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, and secured two Health Technology Assessment (HTA) grants worth over 2 million pounds.

In addition, the Trust was successful in its application for Regional Innovation Fund (RIF) awards to develop an Innovation tool kit in partnership with local Trusts and the North West Coast Academic Health Science Network.

The Trust was a partner in a successful application to establish a Genome Medicine Centre in Liverpool, this is part of the Government's flagship 100,000 Genome project.

During 2014/15 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:

- Clinical Research Network; North West Coast (CRN).
- 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.
- Pharmaceutical companies (industry)

#### **5.14 Clinical Audit**

During 2014/15, 5 national audits and 2 confidential enquiries covered NHS services provided by the Trust:

National Audits:

- Adult Critical Care (ICNARC / Case Mix programme)  
The case mix programme is an audit of patient outcomes from adult critical care units. Data is collected on all patients admitted to Horsley Intensive Care Unit and submitted securely. The data we send is compared with outcomes from similar patients and analysed. We receive quarterly data analysis reports which identify trends over time and shows how we compare to other units, these reports are discussed at the ITU Operational Group meeting.

- **Trauma Audit and Research Network**  
TARN is an audit of patients submitted to the trust with head injury. Data is collected on all patients admitted with head injury and submitted securely. Reports are discussed at the bi-monthly trauma internal services meeting and also at the monthly Aintree / Walton Major Trauma Clinical Assurance meeting, it is also discussed at MTCC board (Major Trauma Centre Collaborative board)
- **National Comparative of Blood Transfusion Programme**  
In 2014/2015 the programme undertook an audit of patient information and consent for blood labelling. The number of transfusion given to ward based patients is very low and during this study time frame we only had 2 participants receiving a blood transfusion. Following the audit recommendations were made and monitored by the Blood Transfusion Group
- **National Emergency Laparotomy Audit**  
The audit aims to enable improvement of the quality of care for patients undergoing emergency laparotomy. The Trust does not perform many of this procedure but we continue to submit the cases we do have and when published, the reports will be discussed with the Neurosurgical division to determine appropriate action.
- **Adherence to BSCN and ANS Standards for Ulnar Neurophysiology at Elbow testing**  
The Trust did not participate in this audit project

National Confidential Enquiries (NCEPOD):

- **Tracheostomy Care Study**  
The aim of this study is to identify the remedial factors in the quality of care provided to patients who undergo a tracheostomy.  
The study has been completed, questionnaires have been submitted. The report has been published; the Trust is currently compliant with most of the 25 recommendations. The Tracheostomy group have discussed the recommendations at the ICU Operational Group meeting and will report on any non-compliance and produce the appropriate action plan.
- **Sepsis Study**  
The aim of this study is to identify and explore avoidable and remediable factors in the process of care for patients with known or suspected sepsis. The deadline for submission of the questionnaires has been extended and we will submit the

remaining two as soon as possible. The report is due to be published in Autumn 2015

During 2014/15 the Trust also participated in 73 local clinical audits. All action plans received are discussed, monitored and signed off by the Clinical Audit Group. The Clinical Audit Team 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 actions are monitored monthly at the Divisional Governance & Risk meetings.

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.

### **5.15 Never Events**

During 2014/15 the Trust has reported one Never Event to the commissioners. Following acknowledgement of the Never Even a full investigation was completed and mitigating actions were identified and implemented. Lessons learnt from the incident were shared throughout the organisation to prevent reoccurrence.

## **6.0 STAFF SURVEY**

### **6.1 Staff Survey Report**

The 2014 survey was distributed between September and November 2014.

The staff survey is an important strand in the organisation's 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 led by the Chief Executive, Team Brief.
- Quarterly Clinical Senates draw together clinicians to discuss clinical issues and are well attended from all specialties.
- Regular staff and patient 'Listening Weeks'.
- Mock CQC assessments in relation to the workforce outcome

311 staff out of a random sample of staff at The Walton Centre NHS Foundation Trust took part in this survey giving a response rate of 46%. This figure is slightly above average for

acute specialist trusts in England. This is also similar to last year's response rate of 45%. The national response rate was 43%, a decrease from 49% in 2013.

Areas of improvement from the previous year are as follows;

- Overall Staff engagement score
- Percentage of staff recommending the Trust as a place to work or receive treatment
- Support from immediate managers
- Percentage of staff reporting good communication between senior management and staff
- Percentage of staff experiencing work related stress in the previous 12 months
- Staff job satisfaction
- Staff motivation at work
- Effective team working
- Percentage of staff agreeing that feedback from patients is used to make informed decisions in their directorate/department

Areas for development from the previous year are as follows;

- Percentage of staff experiencing harassment, bullying or abuse from patients, relatives or the public in the last 12 months
- Percentage of staff having equality and diversity training in the last 12 months
- Percentage of staff believing the Trust provides equal opportunities for career progression or promotion

Results of the staff survey 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, 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).

The negative score concerned with patient/carer behaviour can be explicitly profiled in our existing sweep of staff engagement techniques and is a trend that has been raised at Board

level. Working with the Director of Operations and Director of Nursing, we will seek to further understand the detail behind this result with a view to developing a targeted response.

The two negative scores associated with the equality and diversity agenda do require an urgent response from the Trust. One relates to career progression and the other relates to training and development opportunities; both are inter related and should be addressed together. Therefore the Trust will establish a task and finish group to draw out the details behind these issues and produce an action plan. This process will be driven via our Staff Partnership Committee with full trade union participation and support.

The Trust will also be utilising MIAA's Disconnect Survey which is designed to understand the level of alignment and connection between the Trust's executive and front line staff. It is based upon the findings of the Francis Report and will provide a further insight into the workplace culture of The Walton Centre NHS Foundation Trust.

This survey will be made available across the whole of the organisation and will be open to all employees in an electronic format March/April 2015. Results should be collated during May 2015 with a view to reporting back to Trust Board in June 2015.

## **6.2 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 past twelve months, communicating key themes and how they impact 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 clinical senates and staff conversations have been held with groups of staff. Regular staff ‘Listening Weeks’ have continued during the year, with “listeners” including senior management and the executive team carrying out surveys and holding discussions with individuals and teams throughout the Trust to strengthen existing surveys and feedback methods. The Trust have also participated in the staff friends and family test survey.”

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

#### **Health and Safety:**

The total number of RIDDOR (Reporting of Injuries Diseases and Dangerous Occurrences Regulations) reportable accidents sent to the HSE during 2014/15 was 8 compared to 11 in 2012/13.

#### **Occupational Health/Health & Wellbeing:**

The Trust continues to support a programme of health and wellbeing initiatives for staff and is continually looking to develop and expand these. The opening of the Sid Watkins building has enabled excellent patient gym facilities to be available for staff exercise classes out of

hours. A multi-disciplinary health and wellbeing group has been set up during 2014/15 with meetings being held on a quarterly basis. This group will be responsible for devising an annual programme of events focusing on a different health and wellbeing topic each month. So far the Trust has held a weekly weight management programme and participated in a de-chox initiative aimed at encouraging staff to swap their chocolate supplies for a fruit alternative.

Two staff health and wellbeing days have taken place in October and March of 2014/15 and as a result of feedback the Trust now offers subsidised massage therapy for staff every Wednesday evening. The introduction of a yoga class is also currently being explored.

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 the Trust has had 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 positive and in a number of cases supports staff being able to remain in the workplace.

### Sickness Absence

| <b>Staff Sickness Absence</b>                              | <b>2013/14</b> | <b>2014/15</b> |
|--|----------------|----------------|
| Days Lost (Long Term)                                      | 5,874          | 14,005         |
| Days Lost (Short Term)                                     | 4,881          | 4,852          |
| Total Days Lost  | 10,775         | 18,857         |
| Total Average Staff Years                                  | 1,193          | 1,212          |
| Average Working Days Lost                                  | 9.15           | 15.56          |
| Total Staff Employed in Period (Headcount)                 | 1,192          | 1,267          |
| Total Staff Employed in Period with No Absence (Headcount) | 559            | 535            |
| Percentage Staff with No Sick Leave                        | 46.9%          | 42.2%          |

### 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 2014 to 31 March 2015 there were no early retirements from the NHS Trust on the grounds of ill-health. In the prior period there was one at a cost of £57,955.

#### **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 four-stage approach developed by the NHS Protect:

##### **Strategic Governance**

This section sets out the standard in relation to the organisations strategic governance arrangements. The aim is to ensure that anti-crime measures are embedded at all levels across the organisation.

##### **Inform and Involve**

This section is set out the requirement in relation to raising awareness of crime risks against the NHS and working with NHS staff, stakeholders and the public to highlight the risks and consequences of crime against the NHS.

##### **Prevent and Deter**

This section sets out the requirements in relation to discouraging individuals who may be tempted to commit crimes against the NHS and ensure that opportunities for crime are minimised.

##### **Hold to Account**

This section sets out the requirement in relation to detecting crime and investigating crime. Prosecuting those who have committed crime and seeking redress.

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. 15-16 remains the same.

- During 2013/14 Capita provided a Payroll and Transactional HR (Human Resources) service which also included ensuring that the Trust complies with the requirements of the NHS Pension Scheme. St Helens & Knowsley now provide the Trust with Payroll services; this is covered under contract until September 2018. HR services are now delivered in house.
- Informatics Merseyside provide the first line support to the Trust's IT infrastructure. The IT Service Desk was brought back in-house from 01 April 2015
- The Trust's Patient Information System was provided by iSoft. The system is now provided by Silver link which is under contract until April 2019.
- 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 Care stream.
- ISS Mediclean provides hotel services including cleaning, portering and patient meals. This service underwent a full tender exercise in 2010 and a 3 plus 2 year contract was awarded for the period 2011-2016

## **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) i.e. 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 Practice Payment 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 in 2014/15:

| Better Payment Practice Code - Measure of Compliance | 2014/15 |        |
|--|---------|--------|
|  | Number  | £000s  |
| <b>Non-NHS Creditors</b>                             |         |        |
| Total non-NHS trade invoices paid in the year        | 16,860  | 50,898 |
| Total non-NHS trade invoices paid within target      | 15,501  | 47,264 |
| Percentage of non-NHS invoices paid within target    | 94%     | 93%    |
| <b>NHS Creditors</b>                                 |         |        |
| Total NHS invoices paid in the year                  | 1,670   | 20,587 |
| Total NHS invoices paid within target                | 1,334   | 18,582 |
| Percentage of NHS invoices paid within target        | 80%     | 90%    |

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 remains a two tick employer meaning any applicant who wishes to declare their disability on their application form will be given a guaranteed interview providing they meet the minimum criteria for the vacancy. All candidates are asked in their invite to interview if they require any reasonable adjustments to be made for their interview and these are always accommodated wherever possible. Once appointed, and throughout an employee's employment, where necessary the Trust's occupational health department will be consulted to advise on any reasonable adjustments which need to be made. Although NHS Jobs2 is a web-based system application forms are also available in other formats upon request. During 2014/15 the Trust has held further Disability Awareness Sessions open to all staff.

## 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

Chris Harrop, Chief Executive

22 May 2014

## **9. ANNUAL GOVERNANCE STATEMENT**

1 April 2014 to 31 March 2015.

### **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 NHS foundation trusts 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 2015 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. The Trust has a Risk Management Strategy that sets out the roles and responsibilities of the Chief Executive, Executive Directors and managerial roles key to the co-ordination of risk management throughout the Trust. The strategy clearly states that all staff have a responsibility for risk management. The key elements of the strategy include a description of individual and collective responsibilities of the Board of Directors, its committees and other groups within the Trust that are concerned with risk management.

From April 2014 until October 2014 responsibility for the leadership and management of risk was placed with the Director of Governance and Risk. From 1<sup>st</sup> November 2014 the

resignation of the Director of Governance and Risk resulted in board level responsibility for risk management being placed with the Director of Strategy and Planning with delegated responsibility to the Deputy Director of Governance. The Director of Finance is designated as the accountable officer for managing financial risk in the Trust and is also the Senior Information Risk Officer (SIRO).

The Trust has a governance structure in place that supports the process of risk escalation and management. The following committees of the Board of Directors have delegated powers for the responsibility of monitoring high-level risks within their terms of reference – Patient Safety, Quality, Business and Performance and Audit.

The role of the Quality Committee, known prior to a restructure in September 2014 as the Governance, Risk and Quality Committee, is to act as a scrutiny committee providing assurance to the Trust Board that adequate and appropriate governance structures, processes and controls are in place throughout the organisation. The Quality Committee is chaired by a Non-Executive Director. It is supported by the Patient Safety Group whose role it is to scrutinise and oversee the clinical aspects of the operational elements of risk and governance throughout the organisation. Key risks identified are reviewed on a quarterly basis and changes are documented through the Board Assurance Framework (BAF).

The Audit Committee has oversight of the system of risk management and assurance, including the Board Assurance Framework, and has a cycle of business that requires attendance by members of the senior management team to provide assurance in relation to the development of local systems of control. The Audit Committee is chaired by a Non-Executive Director and attended by Governors.

The Business Performance Committee exists to allow appropriate scrutiny and review to a level of depth and detail not possible in Trust Board meetings. The committee makes recommendations to the Trust Board on the basis of reviewing areas such as; finance, performance, Human Resources, strategies and policies etc.

The Patient Safety Group is responsible for the scrutiny of the operational risk registers, serious untoward incidents and related action plans.

Established Divisional governance arrangements maintain effective operational risk management arrangements across all divisions, including the appropriate identification and escalation of risk, and maintenance of the divisional risk registers.

Risks are identified, assessed and recorded by senior managers who input information from risk assessments onto an electronic web based risk management solution called Datix. Formal risk management reports and registers are managed at divisional meetings and reviewed with local departmental managers. All 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 for consideration for inclusion in the Board Assurance Framework.

The Board Assurance Framework is monitored by the Trust Board, Audit Committee and the Quality 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 2014/15 Mersey Internal Audit Agency reviewed the arrangements in place for the Board Assurance Framework, incident management and risk maturity and reported significant assurances on the effectiveness of these processes.

To ensure that the Trust's approach to managing risk is successfully implemented and maintained, staff at all levels are provided with appropriate risk management and incident reporting training dependent on their role and responsibility within the organisation. Training includes but is not limited to; Incident Reporting, Health and Safety, Risk Management, Fire Safety, Infection Control and Prevention, Information Governance, Root Cause Analysis, Complaints Management, Equality and Diversity, Safeguarding Children and Vulnerable Adults, Conflict Resolution and Basic Life Support. Other risk management training is provided on a formal and ad hoc basis as part of the corporate learning and development programme.

A training needs analysis has been developed which is monitored through the performance management process and identifies the mandatory training requirements for all employees. All new starters attend a mandatory induction programme which covers all areas of risk management

Training on the use of Datix is available within the online risk system to help and prompt staff 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 is an accredited centre for the Institution of Occupational Safety and Health "Managing Safely" course for senior staff; this is an internationally recognised certificate of competence. The Board of Directors received mandatory training which included risk management in June 2014.

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 good practice and lessons learned from a wealth of sources including complaints, litigation and incidents and produces 'Lessons Learnt' newsletters to staff. Recommendations following reviews are monitored via committees to ensure actions and programmes of work are implemented and risk reduced. The Trust fully acknowledges its duty of candour which supports one of its core values of openness. Therefore, all shortcomings 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.

The Trust has a robust document management process in place to ensure that documents are fit for purpose. This is monitored through the Patient Safety Group and issues raised through the process are highlighted in the chairs report and the divisional governance arrangements.

The Trust's Risk Management team is a component of a wider Governance department who integrate all components of risk together for effective control and greater efficiencies.

## 9.4 The Risk and Control Framework

### **Risk Management**

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 its staff, to reducing levels of financial risk and loss for the organisation as a whole. The Board considers the nature and extent of the risks facing the organisation, the amount and type of risk identified, the likelihood the risk will materialise and the ability to control the impact of the risk.

Strategies and policies relating to risk management are kept under review throughout the year. The risk management process is informed both proactively and reactively by the identification of risk from incidents, complaints, audit findings, internal and external regulatory requirements.

The approach to risk management 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

To ensure consistency in process all risk assessments are completed using the ISO 3100 Risk Management standard and evaluated using a 5x5 risk grading matrix which is described in the Trust Risk Management Strategy. All risk assessments, including information on evaluation and control, are recorded on Datix and supported by action plans which are rigorously monitored by the governance department, the divisional governance meetings, and the Patient Safety Group. Lessons learnt from risk assessments are shared via the divisional and quarterly governance reports the lessons learnt bulletin, team brief the Walton Weekly and through the email bulletin to all staff.

All risk management related policies have 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.

With regard to information security risks, the Trust has a nominated Senior Information Risk Officer (SIRO) at executive level who has nominated responsibility for information risk. The Trust has maintained a minimum level 2 score across all of the 45 standards within the Information Governance toolkit and has scored 86% (Green) compared with 90% (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 two serious incidents involving data loss or confidentiality breaches. Both incidents were subject to a full investigation with lessons learnt shared throughout the organisation.

The Board Assurance Framework assures the Board of Directors and Council of Governors that the Trust is effectively managing the risks to the strategic objectives. Executive Team members scrutinise the document to ensure the risk is being managed appropriately. The Board Assurance Framework although a live document, is formally reviewed on a quarterly basis by the Board of Directors following its presentation at board committees. It is presented at the Audit Committee at each meeting to ensure the systems of internal control are robust. Additional risks identified from the divisional risk registers are presented for consideration at the Patient safety Group and if appropriate the Board of Directors for inclusion on the Board Assurance Framework 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:

- Strategic Objective1. Improving quality by focusing on patient safety, patient experience and clinical effectiveness
- Strategic Objective2. Sustaining and developing our services
- Strategic Objective3. Research and innovation for patient care
- Strategic Objective4. Developing our hospital
- Strategic Objective5. Recruiting, retaining and developing our workforce
- Strategic Objective6. Maintaining our financial health

The Board Assurance Framework 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.

### Major Risks

The major risks both in year and future are listed below. Each risk assessment is supported by the Board Assurance Framework.

1. The risk of breaching H&S law due to the lack of assurances on medical device equipment
2. Provision of specialist treatment regimes which is best practice for the patients increasing the risk of Clostridium Difficile
3. The risk of an interruption to the power supply adversely affecting patient care .
4. The risk of building failure due to poor quality maintenance.
5. National changes regarding the reduction of junior doctor development impacting on Trusts capacity levels.
6. Inability to deliver CIP targets.
7. Risk of contract penalties due to a change in commissioner environment

Vigorous scrutiny and management of these risk assessments has ensured successful management of the risks during the year 2014/15.

Major risks for 2015/16 include numbers 2 and 5 above along with the inability to maintain nurse staffing levels to ward establishment.

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.

In September 2014 the Board of Directors approved a proposal to reconfigure the board committee structure changing the Governance, Risk and Quality Committee to the Quality Committee retaining the Business Performance Committee, Audit Committee, Remuneration Committee, Research, Development and Innovation Committee and the Walton Neuroscience Fund Committee

A Project Committee was disbanded following project completion in January 2015. A new Project Committee has been established to oversee the theatres/intra-operative Magnetic Resonance Imaging capitol scheme by resolution of the Trust Board in March 2015.

Each committee has 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 approves quarterly reports for submission to the sector regulator Monitor, regarding its principal risks to compliance with its Governance and Continuity of Service ratings complied with Monitors requests for two year Operational Plan and a five year Strategic Plan receiving green ratings for each.

In September 2014 Mersey Internal Audit assisted the Board in undertaking a Board effectiveness self-assessment and in January 2015 the Trust went through the Well-Led Governance Review. The outcome of the review will be concluded early 2015/16.

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 required to register with the CQC and its current registration status is "Registered without Conditions". The foundation trust is fully compliant with the registration requirements of the Care Quality Commission.

On-going compliance with the CQC standards of quality and safety is monitored each month by the Compliance Group. The Trust has a robust approach to managing compliance against

the CQC outcomes and regulated activities, and gained Significant Assurance from MIAA, when audited in January 2015. This assurance was based on a rigorous self-assessment and evidence gathering exercises and in accordance with the Trust's internal scheme of governance for CQC.

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 mitigate against these alongside internal inspections of clinical areas.

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. Each risk to compliance to the standard is allocated to a responsible director as risk owner and is mapped to the relevant Care Quality Commission (CQC) outcome

## **9.6 Employer Obligations**

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**

The Trust utilises the Equality Delivery System (EDS) to ensure that its obligations under equality, diversity and human rights legislation are complied with. The latest version of this system (EDS2) will become mandatory in the NHS standard contract from April 2015

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

Review and planning events 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, Specialist Commissioners and Healthwatch.

The Trust has had a challenging year in relation to preventing hospital acquired infection. At year end the Trust has 11 cases of Clostridium Difficile against a trajectory of nine cases. 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.

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 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 and the former 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 2014/15 the Board of Directors has maintained and reviewed the effectiveness of its system of internal control. Throughout 2014/15 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 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 Board Assurance Framework and provided the Board of Directors with assurance that processes and arrangements are being followed and managed appropriately and within policy. In addition, during 2014/15 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 2014/15 have also underpinned the effectiveness of the internal control system, 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 2014/15 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. 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 2014/15.

Signed:

Chris Harrop, Chief Executive

22 May 2015

## 10. ANNUAL ACCOUNTS 2015

The Walton Centre NHS Foundation Trust

Accounts for the period ending 31 March 2015

The following presents the accounts for the Walton Centre NHS Foundation Trust for the period ending 31<sup>st</sup> March 2015.

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

Chief Executive 22 May 2015

## Statement of Comprehensive Income

### Statement of Financial Position

2013/14

2014/15

| Foundation Trust<br>£000 |                | Group<br>£000 |  | Note | Foundation Trust<br>£000 |                | Group<br>£000 |
|--------------------------|----------------|---------------|--|------|--------------------------|----------------|---------------|
| 97,411                   | 97,785         |               | Operating Income from continuing operations                  | 2    | 101,052                  | 101,064        |               |
| (94,998)                 | (95,286)       |               | Operating Expenses of continuing operations                  | 3    | (98,173)                 | (98,426)       |               |
| 0                        | 0              |               | Impairments  | 8    | (2,031)                  | (2,031)        |               |
| <b>2,413</b>             | <b>2,499</b>   |               | <b>OPERATING SURPLUS / (DEFICIT)</b>                         |      | <b>848</b>               | <b>607</b>     |               |
|                          |                |               | FINANCE COSTS  |      |                          |                |               |
| 59                       | 87             |               | Finance income   | 7    | 48                       | 84             |               |
| (243)                    | (243)          |               | Finance expense - financial liabilities                      | 7    | (633)                    | (633)          |               |
| (4)                      | (4)            |               | Finance expense - unwinding of discount on provisions        | 17   | (5)                      | (5)            |               |
| (997)                    | (997)          |               | PDC Dividends payable  | 24   | (1,238)                  | (1,238)        |               |
| <b>(1,185)</b>           | <b>(1,157)</b> |               | <b>NET FINANCE COSTS</b>                                     |      | <b>(1,828)</b>           | <b>(1,792)</b> |               |
| 0                        | 0              |               | Corporation tax expense                                      |      | 0                        | 0              |               |
| 1,228                    | 1,342          |               | Surplus/(deficit) from continuing operations                 |      | (980)                    | (1,185)        |               |
| 0                        | 0              |               | Surplus/(deficit) of discontinued operations                 |      | 0                        | 0              |               |
| <b>1,228</b>             | <b>1,342</b>   |               | <b>SURPLUS/(DEFICIT) FOR THE YEAR</b>                        |      | <b>(980)</b>             | <b>(1,185)</b> |               |
|                          |                |               | Other comprehensive income                                   |      |                          |                |               |
| 0                        | 0              |               | Impairments  |      | 0                        | 0              |               |
| 156                      | 156            |               | Revaluations   | 20   | 663                      | 663            |               |
| 0                        | 0              |               | Asset disposals  |      | 0                        | 0              |               |
| 0                        | 50             |               | Other recognised gains and losses                            | 11   | 0                        | 24             |               |
| 0                        | 0              |               | Other reserve movements                                      |      | 0                        | 0              |               |
| 1,384                    | 1,548          |               | <b>TOTAL COMPREHENSIVE INCOME / (EXPENSE) FOR THE PERIOD</b> |      | <b>(317)</b>             | <b>(498)</b>   |               |
| 0                        | 0              |               | Prior period adjustments                                     |      | 0                        | 0              |               |
| <b>1,384</b>             | <b>1,548</b>   |               | <b>TOTAL COMPREHENSIVE INCOME / (EXPENSE) FOR THE PERIOD</b> |      | <b>(317)</b>             | <b>(498)</b>   |               |

Reconciliation from the Statement of Comprehensive Income to the Trust trading position

| Foundation Trust |   | Foundation Trust |
|------------------|---|------------------|
| 28               | Surplus/(deficit) from continuing operations      | (980)            |
|                  | Normalising adjustments:                          |                  |
| 0                | Capital donation from the Charitable Fund         | (450)            |
| 0                | Impairment of land and buildings brought into use | 2,031            |
| <b>1,228</b>     | <b>Trading surplus for the period</b>             | <b>601</b>       |

The Notes on pages 6 to 37 form part of these accounts.

## Statement of Financial Position

| 31-Mar-14                   |                 |  | 31-Mar-15 |                             |                 |
|-----------------------------|-----------------|--|-----------|-----------------------------|-----------------|
| Foundation<br>Trust<br>£000 | Group<br>£000   |  | note      | Foundation<br>Trust<br>£000 | Group<br>£000   |
|                             |                 | <b>Non-current assets</b>                    |           |                             |                 |
| 93                          | 93              | Intangible assets                            | 9         | 190                         | 190             |
| 58,732                      | 58,732          | Property, plant and equipment                | 10        | 75,987                      | 75,987          |
| 0                           | 977             | Other Investments                            | 11        | 0                           | 791             |
| <b>58,825</b>               | <b>59,802</b>   | <b>Total non-current assets</b>              |           | <b>76,177</b>               | <b>76,968</b>   |
|                             |                 | <b>Current assets</b>                        |           |                             |                 |
| 854                         | 854             | Inventories                                  | 12        | 647                         | 647             |
| 4,112                       | 4,082           | Trade and other receivables                  | 13        | 4,007                       | 3,999           |
| 0                           | 10              | Other financial assets                       |           | 0                           | 0               |
| 20,665                      | 21,106          | Cash and cash equivalents                    | 14        | 11,609                      | 12,047          |
| <b>25,631</b>               | <b>26,052</b>   | <b>Total current assets</b>                  |           | <b>16,263</b>               | <b>16,693</b>   |
| <b>84,456</b>               | <b>85,854</b>   | <b>Total Assets</b>                          |           | <b>92,440</b>               | <b>93,661</b>   |
|                             |                 | <b>Current liabilities</b>                   |           |                             |                 |
| (12,553)                    | (12,575)        | Trade and other payables                     | 15        | (10,552)                    | (10,578)        |
| (508)                       | (508)           | Borrowings                                   | 16        | (1,160)                     | (1,160)         |
| (557)                       | (557)           | Provisions                                   | 17        | (559)                       | (559)           |
| (302)                       | (302)           | Other liabilities                            | 18        | (482)                       | (482)           |
| <b>(13,920)</b>             | <b>(13,942)</b> | <b>Total current liabilities</b>             |           | <b>(12,753)</b>             | <b>(12,779)</b> |
| <b>70,536</b>               | <b>71,912</b>   | <b>Total assets less current liabilities</b> |           | <b>79,687</b>               | <b>80,882</b>   |
|                             |                 | <b>Non-current liabilities</b>               |           |                             |                 |
| (16,888)                    | (16,888)        | Borrowings                                   | 16        | (25,325)                    | (25,325)        |
| (269)                       | (269)           | Provisions                                   | 17        | (275)                       | (275)           |
| <b>(17,157)</b>             | <b>(17,157)</b> | <b>Total non-current liabilities</b>         |           | <b>(25,600)</b>             | <b>(25,600)</b> |
| <b>53,379</b>               | <b>54,755</b>   | <b>Total assets employed</b>                 |           | <b>54,087</b>               | <b>55,282</b>   |
|                             |                 | <b>Financed by Taxpayers equity</b>          |           |                             |                 |
| 26,294                      | 26,294          | Public Dividend Capital                      |           | 27,319                      | 27,319          |
| 2,630                       | 2,630           | Revaluation reserve                          | 20        | 3,269                       | 3,269           |
| 24,455                      | 24,455          | Income and expenditure reserve               |           | 23,499                      | 23,499          |
| 0                           | 1,376           | Charitable fund reserves                     |           | 0                           | 1,195           |
| <b>53,379</b>               | <b>54,755</b>   | <b>Total taxpayers' and others' equity</b>   |           | <b>54,087</b>               | <b>55,282</b>   |

The financial statements and notes on pages 1 to 37 were approved by the Board on and signed on its behalf by:

Chief Executive

22 May 2015

## Statement of Changes in T4axpayers Equity

| Statement of Changes in Taxpayers Equity                      | Group              |                           |                         |                     |                                | Foundation Trust       |                         |                     |                                |
|---|--------------------|---------------------------|-------------------------|---------------------|--------------------------------|------------------------|-------------------------|---------------------|--------------------------------|
|   | 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                           |
| <b>Taxpayers' and Others' Equity at 1 April 2014</b>          | <b>54,755</b>      | <b>1,376</b>              | <b>26,294</b>           | <b>2,630</b>        | <b>24,455</b>                  | <b>53,379</b>          | <b>26,294</b>           | <b>2,630</b>        | <b>24,455</b>                  |
| Surplus/(deficit) for the year                                | (1,185)            | 336                       | 0                       | 0                   | (1,521)                        | (980)                  | 0                       | 0                   | (980)                          |
| Transfer between reserves                                     | 0                  | 0                         | 0                       | (24)                | 24                             | 0                      | 0                       | (24)                | 24                             |
| Revaluations  | 663                | 0                         | 0                       | 663                 | 0                              | 663                    | 0                       | 663                 | 0                              |
| Fair value gains and losses on available for sale investments | 24                 | 24                        | 0                       | 0                   | 0                              | 0                      | 0                       | 0                   | 0                              |
| Public Dividend Capital received                              | 1,025              | 0                         | 1,025                   | 0                   | 0                              | 1,025                  | 1,025                   | 0                   | 0                              |
| Other reserve movements                                       | 0                  | (541)                     | 0                       | 0                   | 541                            | 0                      | 0                       | 0                   | 0                              |
| <b>Taxpayers' and Others' Equity at 31 March 2015</b>         | <b>55,282</b>      | <b>1,195</b>              | <b>27,319</b>           | <b>3,269</b>        | <b>23,499</b>                  | <b>54,087</b>          | <b>27,319</b>           | <b>3,269</b>        | <b>23,499</b>                  |
| <b>Taxpayers' and Others' Equity at 1 April 2013</b>          | <b>52,827</b>      | <b>1,212</b>              | <b>25,914</b>           | <b>2,498</b>        | <b>23,203</b>                  | <b>51,615</b>          | <b>25,914</b>           | <b>2,498</b>        | <b>23,203</b>                  |
| 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                              |
| Fair value gains and losses on available for sale investments | 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                              |
| <b>Taxpayers' and Others' Equity at 31 March 2014</b>         | <b>54,755</b>      | <b>1,376</b>              | <b>26,294</b>           | <b>2,630</b>        | <b>24,455</b>                  | <b>53,379</b>          | <b>26,294</b>           | <b>2,630</b>        | <b>24,455</b>                  |

## Statement of Cash Flows

| 2013/14                  |                 | 2014/15                  |                 |
|--------------------------|-----------------|--------------------------|-----------------|
| Foundation Trust<br>£000 | Group<br>£000   | Foundation Trust<br>£000 | Group<br>£000   |
| <b>2,413</b>             | <b>2,499</b>    |                          |                 |
| 2,658                    | 2,658           | 848                      | 607             |
| 0                        | 0               | 3,263                    | 3,263           |
| (36)                     | (36)            | 2,031                    | 2,031           |
| (1,033)                  | (1,035)         | 5                        | 5               |
| 141                      | 141             | 104                      | 98              |
| (1,100)                  | (1,090)         | 207                      | 207             |
| 46                       | 46              | 177                      | 177             |
| 148                      | 148             | 180                      | 180             |
| 0                        | (10)            | 3                        | 3               |
| 0                        | 0               | 0                        | 0               |
|                          |                 | 0                        | 208             |
| <b>3,237</b>             | <b>3,321</b>    | <b>6,818</b>             | <b>6,779</b>    |
|                          |                 |                          |                 |
| 59                       | 59              | 48                       | 48              |
| 0                        | 0               | (159)                    | (159)           |
| (17,381)                 | (17,381)        | (24,115)                 | (24,115)        |
| 50                       | 50              | 0                        | 0               |
| 0                        | 28              | 0                        | 36              |
| <b>(17,272)</b>          | <b>(17,244)</b> | <b>(24,226)</b>          | <b>(24,190)</b> |
| 380                      | 380             | 1,025                    | 1,025           |
| 11,700                   | 11,700          | 9,800                    | 9,800           |
| (237)                    | (237)           | (684)                    | (684)           |
| (19)                     | (19)            | (27)                     | (27)            |
| (235)                    | (235)           | (516)                    | (516)           |
| (8)                      | (8)             | (9)                      | (9)             |
| (993)                    | (993)           | (1,237)                  | (1,237)         |
| <b>10,588</b>            | <b>10,588</b>   | <b>8,352</b>             | <b>8,352</b>    |
| (3,447)                  | (3,335)         | (9,056)                  | (9,059)         |
| 24,112                   | 24,441          | 20,665                   | 21,106          |
| <b>20,665</b>            | <b>21,106</b>   | <b>11,609</b>            | <b>12,047</b>   |

## 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 2014/15 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 and its staff.

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 statements 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 and Mersey Sub Regional 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). 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 benefits 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 2015 by external valuers, Richard Ayres MRICS RICS and Charles Wachter MRICS RICS 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 (updated December 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, e.g. an operating system is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, e.g. application software is capitalised as an intangible asset.

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 (i.e. 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 have 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 the 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 17 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 19 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in Note 19, 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 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 requiring NHS Foundation Trusts to pay 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 25 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 27 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 10. The land and buildings were revalued by Gerald Eve LLP as at 31 March 2015.

## 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.

### Note 2.1 Operating Income by Type

| 2013/14          |               |   | 2014/15          |                |
|------------------|---------------|---|------------------|----------------|
| Foundation Trust | Group         |   | Foundation Trust | Group          |
| £000             | £000          |   | £000             | £000           |
|                  |               | Income from activities  |                  |                |
| 242              | 242           | NHS Foundation Trusts   | 214              | 214            |
| 295              | 295           | NHS Trusts  | 227              | 227            |
| 75,623           | 75,623        | CCGs / NHS England  | 76,924           | 76,924         |
| 14,092           | 14,092        | NHS Other   | 14,187           | 14,187         |
| 313              | 313           | Non NHS: Private patients                                       | 321              | 321            |
| 106              | 106           | Non-NHS: Overseas patients (non-reciprocal)                     | 0                | 0              |
| 228              | 228           | NHS injury scheme (was RTA)                                     | 541              | 541            |
| 26               | 26            | Non NHS: Other  | 844              | 844            |
| <b>90,925</b>    | <b>90,925</b> | <b>Total income from activities</b>                             | <b>93,258</b>    | <b>93,258</b>  |
| 1,538            | 1,538         | Research and development  | 1,896            | 1,896          |
| 3,267            | 3,267         | Education and training  | 3,636            | 3,636          |
| 69               | 0             | Charitable and other contributions to expenditure               | 527              | 26             |
| 328              | 328           | Non-patient care services to other bodies                       | 410              | 410            |
| 664              | 664           | Other   | 537              | 497            |
| 166              | 166           | Rental revenue from operating leases                            | 445              | 445            |
| 454              | 454           | Income in respect of staff costs where accounted on gross basis | 343              | 343            |
| 0                | 443           | Charitable incoming resources (excluding investment income)     | 0                | 553            |
| <b>6,486</b>     | <b>6,860</b>  | <b>Total other operating income</b>                             | <b>7,794</b>     | <b>7,806</b>   |
| <b>97,411</b>    | <b>97,785</b> | <b>TOTAL OPERATING INCOME</b>                                   | <b>101,052</b>   | <b>101,064</b> |

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.

NHS Other includes income for patients from Wales, Scotland and Northern Ireland.

## Note 2.2 Income from Activities by Class

| 2013/14<br>£000 | Foundation Trust and Group          | 2014/15<br>£000 |
|-----------------|-------------------------------------|-----------------|
| 22,447          | Elective income                     | 23,524          |
| 13,079          | Non-elective income                 | 12,128          |
| 22,731          | Outpatient income                   | 22,473          |
| 32,249          | Other NHS clinical income           | 34,781          |
| 313             | Private patient income              | 321             |
| 106             | Other clinical income               | 31              |
| <b>90,925</b>   | <b>Total income from activities</b> | <b>93,258</b>   |

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 2.3 Operating Lease Income

| 2013/14<br>£000 | Foundation Trust and Group                           | 2014/15<br>£000 |
|-----------------|--|-----------------|
|                 | <b>Operating Lease Income</b>                        |                 |
| 166             | Rents recognised as income in the period             | 445             |
| 166             | <b>TOTAL</b>   | 445             |
|                 | <b>Future minimum lease payments due</b>             |                 |
| 166             | - not later than one year;                           | 382             |
| 562             | - later than one year and not later than five years; | 1,440           |
| 13,570          | - later than five years.                             | 18,262          |
| <b>14,298</b>   | <b>TOTAL</b>   | <b>20,084</b>   |

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, the lease of the coffee shops to ISS, the lease of the shop to WRVS and the lease of part of the Sid Watkins building to Mersey Care NHS Foundation Trust for their brain injury rehabilitation unit.

## Note 3.1 Operating Expenses (by type)

| 2013/14       |               |  | 2014/15        |                |
|---------------|---------------|--|----------------|----------------|
| Foundation    |               |  | Foundation     |                |
| Trust         | Group         |  | Trust          | Group          |
| £000          | £000          |  | £000           | £000           |
| 998           | 998           | Employee Expenses - Executive directors                        | 938            | 938            |
| 132           | 132           | Employee Expenses - Non-executive directors                    | 133            | 133            |
| 52,587        | 52,662        | Employee Expenses - Staff                                      | 54,657         | 54,777         |
| 7,261         | 7,261         | Drug costs   | 7,631          | 7,631          |
| 17,214        | 17,214        | Supplies and services - clinical (excluding drug costs)        | 17,674         | 17,674         |
| 3,845         | 3,845         | Supplies and services - general                                | 3,744          | 3,744          |
| 1,324         | 1,324         | Establishment  | 1,247          | 1,247          |
| 902           | 902           | Research and development                                       | 1,869          | 1,869          |
| 3,646         | 3,646         | Premises   | 3,431          | 3,431          |
| 344           | 344           | Rentals under operating leases                                 | 310            | 310            |
| 15            | 15            | Increase/decrease in provision for impairment of receivables   | (26)           | (26)           |
| 18            | 18            | Increase in other provisions                                   | 0              | 0              |
| 8             | 8             | Inventories consumed   | 47             | 47             |
| 2,599         | 2,599         | Depreciation on property, plant and equipment                  | 3,201          | 3,201          |
| 59            | 59            | Amortisation on intangible assets                              | 62             | 62             |
|               |               | Audit fees:  |                |                |
| 55            | 55            | - audit services - statutory audit                             | 54             | 54             |
| 0             | 1             | - independent examination of charitable fund accounts          | 0              | 1              |
| 1,360         | 1,360         | Clinical negligence  | 1,393          | 1,393          |
| (36)          | (36)          | Loss/(gain) on disposal of other property, plant and equipment | 5              | 5              |
| 65            | 65            | Legal fees   | 29             | 29             |
| 335           | 335           | Consultancy costs  | 128            | 128            |
| 354           | 354           | Training, courses and conferences                              | 292            | 292            |
| 179           | 179           | Patient travel   | 185            | 185            |
| 194           | 194           | Car parking & Security   | 217            | 217            |
| 18            | 18            | Hospitality  | 17             | 17             |
| 44            | 44            | Insurance  | 46             | 46             |
| 1,048         | 1,048         | Other services, e.g. external payroll                          | 798            | 798            |
| 20            | 20            | Losses, ex gratia & special payments                           | 35             | 35             |
| 0             | 212           | NHS charitable funds other resources expended                  | 0              | 132            |
| 410           | 410           | Other  | 56             | 56             |
| <b>94,998</b> | <b>95,286</b> | <b>SUBTOTAL</b>  | <b>98,173</b>  | <b>98,426</b>  |
| 0             | 0             | Impairments of property, plant and equipment                   | 2,031          | 2,031          |
| <b>94,998</b> | <b>95,286</b> | <b>TOTAL OPERATING EXPENSES</b>                                | <b>100,204</b> | <b>100,457</b> |

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

## Note 3.2 Employee expenses

|   | Group Total   |                 | Foundation Trust Only |                   |               |
|---|---------------|-----------------|-----------------------|-------------------|---------------|
|   | Total<br>£000 | Charity<br>£000 | Total<br>£000         | Permanent<br>£000 | Other<br>£000 |
| <b>2014/15</b>                          |               |                 |                       |                   |               |
| Salaries and wages                      | 45,642        | 102             | 45,540                | 44,292            | 1,248         |
| Social security costs                   | 3,357         | 7               | 3,350                 | 3,350             | 0             |
| Employers contributions to NHS Pensions | 4,762         | 11              | 4,751                 | 4,751             | 0             |
| Pension Cost - other contributions      | 0             | 0               | 0                     | 0                 | 0             |
| Termination benefits                    | 0             | 0               | 0                     | 0                 | 0             |
| Agency/contract staff                   | 2,890         | 0               | 2,890                 | 0                 | 2,890         |
| <b>TOTAL</b>                            | <b>56,651</b> | <b>120</b>      | <b>56,531</b>         | <b>52,393</b>     | <b>4,138</b>  |
| <b>2013/14</b>                          | <b>£000</b>   | <b>£000</b>     | <b>£000</b>           | <b>£000</b>       | <b>£000</b>   |
| 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            |
| Pension Cost - other contributions      | 0             | 0               | 0                     | 0                 | 0             |
| Termination benefits                    | 110           | 0               | 110                   | 110               | 0             |
| Agency/contract staff                   | 2,893         | 0               | 2,893                 | 0                 | 2,893         |
| <b>TOTAL</b>                            | <b>54,194</b> | <b>75</b>       | <b>54,119</b>         | <b>50,427</b>     | <b>3,692</b>  |

## Note 3.3 Employee expenses (analysed into operating expenses)

|                                     | Group Total   |                 | Foundation Trust Only |                   |               |
|-------------------------------------|---------------|-----------------|-----------------------|-------------------|---------------|
|                                     | Total<br>£000 | Charity<br>£000 | Total<br>£000         | Permanent<br>£000 | Other<br>£000 |
| <b>2014/15</b>                      |               |                 |                       |                   |               |
| Employee Expenses - Staff           | 54,777        | 120             | 54,657                | 50,519            | 4,138         |
| Employee Expenses - Exec. directors | 938           | 0               | 938                   | 938               | 0             |
| Research & development              | 936           | 0               | 936                   | 936               | 0             |
| <b>Total Employee benefits</b>      | <b>56,651</b> | <b>120</b>      | <b>56,531</b>         | <b>52,393</b>     | <b>4,138</b>  |
| <b>2013/14</b>                      | <b>£000</b>   | <b>£000</b>     | <b>£000</b>           | <b>£000</b>       | <b>£000</b>   |
| 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             |
| <b>Total Employee benefits</b>      | <b>54,194</b> | <b>75</b>       | <b>54,119</b>         | <b>50,427</b>     | <b>3,692</b>  |

### Note 3.4 Average number of employees (whole time equivalent)

|   | Group Total     |                                | Foundation Trust Only |                     |                 |
|---|-----------------|--------------------------------|-----------------------|---------------------|-----------------|
|   | Total<br>Number | Charity<br>Permanent<br>Number | Total<br>Number       | Permanent<br>Number | Other<br>Number |
| <b>2014/15</b>                                |                 |                                |                       |                     |                 |
| Medical and dental                            | 145             | 0                              | 145                   | 145                 | 0               |
| Administration and estates                    | 292             | 0                              | 292                   | 292                 | 0               |
| Healthcare assistants and other support staff | 183             | 0                              | 183                   | 183                 | 0               |
| Nursing, midwifery and health visiting staff  | 383             | 0                              | 383                   | 383                 | 0               |
| Scientific, therapeutic and technical staff   | 168             | 0                              | 168                   | 168                 | 0               |
| Agency and contract staff                     | 77              | 0                              | 77                    | 0                   | 77              |
| Other   | 3               | 3                              | 0                     | 0                   | 0               |
| <b>TOTAL</b>                                  | <b>1,251</b>    | <b>3</b>                       | <b>1,248</b>          | <b>1,171</b>        | <b>77</b>       |
| <b>2013/14</b>                                |                 |                                |                       |                     |                 |
| 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               |
| <b>TOTAL</b>                                  | <b>1,159</b>    | <b>2</b>                       | <b>1,157</b>          | <b>1,087</b>        | <b>70</b>       |

### Note 3.5 Staff exit packages

#### Foundation Trust and Group

|  | 2014/15                                 |  |  | 2013/14                                 |  |  |
|--|---|--|--|---|--|--|
|  | Number of<br>Compulsory<br>Redundancies | Number of<br>Other<br>departures<br>agreed | Total Number<br>Exit<br>Packages per<br>band | Number of<br>Compulsory<br>Redundancies | Number of<br>Other<br>departures<br>agreed | Total Number<br>Exit<br>Packages per<br>band |
| <b>Exit Package Cost Band £000</b>       |   |  |  |   |  |  |
| Under 10                                 | 0                                       | 3  | 3  | 0                                       | 0  | 0  |
| 10 - 25                                  | 0                                       | 2  | 2  | 0                                       | 2  | 2  |
| 25 - 50                                  | 0                                       | 1  | 1  | 0                                       | 0  | 0  |
| 50 - 100                                 | 0                                       | 1  | 1  | 0                                       | 1  | 1  |
| <b>Total Number of exit<br/>Packages</b> | <b>0</b>                                | <b>7</b>                                   | <b>7</b>                                     | <b>0</b>                                | <b>3</b>                                   | <b>3</b>                                     |
| <b>Total Cost £000</b>                   | <b>0</b>                                | <b>160</b>                                 | <b>160</b>                                   | <b>0</b>                                | <b>110</b>                                 | <b>110</b>                                   |

During the financial year 2014/15 seven staff left the Trust through a MARS arrangement (2013/14: two).

There were no exit packages agreed during this period for which Treasury/Monitor approval was required.

## Note 3.6 Directors' remuneration

| Foundation Trust and Group     |   | 2014/2015    |                                  |                | 2013/2014    |                                  |                |
|--------------------------------|---|--------------|----------------------------------|----------------|--------------|----------------------------------|----------------|
| Name                           | Position  | Remuneration | Employer Contribution to Pension | Other Benefits | Remuneration | Employer Contribution to Pension | Other Benefits |
| <b>Executive Directors</b>     |   |              |                                  |                |              |                                  |                |
| Gill Brown                     | Director of Corporate and Research Governance (to 31 Oct 2014)      | 48           | 7                                | 0              | 79           | 11                               | 0              |
| Mike Burns                     | Acting Director of Finance (from 1 Apr 2014 to 30 Jun 2014)         | 23           | 3                                | 0              | N/A          | N/A                              | N/A            |
| Hayley Citrine                 | Director of Nursing and Modernisation (from 21 Apr 2014)            | 89           | 12                               | 0              | N/A          | N/A                              | N/A            |
| Denise Donaldson               | Acting Chief Executive (1 Jan to 31 Mar 2014)                       | N/A          | N/A                              | N/A            | 38           | 5                                | 0              |
| Denise Donaldson               | Director of Operations and Performance (to 31 Dec 2013)             | N/A          | N/A                              | N/A            | 76           | 11                               | 0              |
| Peter Enevoldson               | Medical Director *  | 27           | 0                                | 0              | 27           | 0                                | 0              |
| Mike Gibney                    | Director of Workforce (from 1 Oct 2013)                             | 79           | 11                               | 0              | 39           | 5                                | 0              |
| Lisa Grant                     | Director of Nursing and Modernisation (to 31 Mar 2014)              | N/A          | N/A                              | N/A            | 98           | 0                                | 0              |
| Chris Harrop                   | Director of Finance (to 31 Mar 2014)                                | N/A          | N/A                              | N/A            | 101          | 14                               | 3              |
| Chris Harrop                   | Chief Executive (from 1 Apr 2014)                                   | 137          | 19                               | 3              | N/A          | N/A                              | N/A            |
| Stephen Kennedy                | Director of Finance (from 1 Jul 2015)                               | 83           | 12                               | 4              | N/A          | N/A                              | N/A            |
| Liz Mear                       | Chief Executive (to 31 Dec 2013)                                    | N/A          | N/A                              | N/A            | 113          | 16                               | 0              |
| Stuart Moore                   | Director of Strategy and Planning (from 23 Apr 2012)                | 98           | 14                               | 0              | 98           | 14                               | 0              |
| Amanda Oates                   | Director of Human Resources (to 31 Jul 13)                          | N/A          | N/A                              | N/A            | 28           | 4                                | 0              |
| David Pilsbury                 | Director of Governance and Risk (from 1 May 2013 to 31 Oct 2014)    | 47           | 7                                | 0              | 71           | 10                               | 0              |
| Julie Riley                    | Acting Director of Operations and Performance (1 Jan - 30 Jun 2014) | 24           | 3                                | 0              | 23           | 3                                | 0              |
| Jo Twist                       | Acting Director of Human Resources (from 1 Aug to 31 Sep 2013)      | N/A          | N/A                              | N/A            | 13           | 2                                | 0              |
| Mary Jayne Woods               | Director of Operations and Performance (from 1 Jul 2014)            | 72           | 10                               | 0              | N/A          | N/A                              | N/A            |
| <b>Non-Executive Directors</b> |   |              |                                  |                |              |                                  |                |
| David Chadwick                 | Non Executive Director  | 11           | 0                                | 0              | 11           | 0                                | 0              |
| Seth Crofts                    | Non Executive Director (from 1 Nov 2013)                            | 13           | 0                                | 0              | 5            | 0                                | 0              |
| Ken Hoskisson                  | Chair   | 43           | 0                                | 1              | 43           | 0                                | 1              |
| Christine Lee Jones            | Non Executive Director (to 31 Aug 2014)                             | 5            | 0                                | 0              | 13           | 0                                | 0              |
| Ann McCracken                  | Non Executive Director  | 13           | 0                                | 0              | 13           | 0                                | 0              |
| Les Porter                     | Non Executive Director (to 30 Oct 2013)                             | N/A          | N/A                              | N/A            | 7            | 0                                | 0              |
| Janet Rosser                   | Non Executive Director  | 15           | 0                                | 1              | 15           | 0                                | 1              |
| Alan Sharples                  | Non Executive Director  | 15           | 0                                | 1              | 15           | 0                                | 0              |
| Wendy Williams                 | Non Executive Director (from 1 August 2014)                         | 7            | 0                                | 0              | N/A          | N/A                              | N/A            |

\*Peter Enevoldson also received remuneration of £177,000 (2013/14: £177,000) in respect of his role as Consultant Neurologist.

Nine employees serving as executive directors in 2014/15 are members of the NHS pension scheme which is a defined benefit pension scheme. Details of the scheme are shown in Note 4. 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.

## **Note 4 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](http://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 2015, is based on valuation data as 31 March 2014, updated to 31 March 2015 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 2012. The Scheme Regulations 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.

### **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 5 Retirements due to ill health**

### **Foundation Trust and Group**

During the period 1 April 2014 to 31 March 2015 there were no early retirements from the NHS Trust agreed on the grounds of ill-health (2013/14: one).

## Note 6.1 Operating leases

| 2013/14    | Foundation Trust and Group | 2014/15    |
|------------|----------------------------|------------|
| £000       |                            | £000       |
| 344        | Minimum lease payments     | 310        |
| <b>344</b> | <b>TOTAL</b>               | <b>310</b> |

## Note 6.2 Arrangements containing an operating lease

| 2013/14    | Foundation Trust and Group                           | 2014/15  |
|------------|--|----------|
| £000       |  | £000     |
|            | Future minimum lease payments due:                   |          |
| 259        | - not later than one year;                           | 3        |
| 3          | - later than one year and not later than five years; | 0        |
| 0          | - later than five years.                             | 0        |
| <b>262</b> | <b>TOTAL</b>   | <b>3</b> |

Until 31 January 2015 the Trust leased temporary accommodation to house staff displaced by the new ward and theatre. This is no longer required following the completion of a new building on the site (the Sid Watkins Building).

## Note 7.1 Finance income

| Foundation Trust | Group     |   | Foundation Trust | Group     |
|------------------|-----------|---|------------------|-----------|
| 2013/14          | 2013/14   |   | 2014/15          | 2014/15   |
| £000             | £000      |   | £000             | £000      |
| 0                | 28        | Interest on held-to-maturity financial assets | 0                | 36        |
| 59               | 59        | Bank interest                                 | 48               | 48        |
| <b>59</b>        | <b>87</b> | <b>TOTAL</b>                                  | <b>48</b>        | <b>84</b> |

## Note 7.2 Finance expenditure

| Foundation Trust | Group      |   | Foundation Trust | Group      |
|------------------|------------|---|------------------|------------|
| 2013/14          | 2013/14    |   | 2014/15          | 2014/15    |
| £000             | £000       |   | £000             | £000       |
| 235              | 235        | Interest on Loans from the Independent Trust Financing Facility | 624              | 624        |
| 8                | 8          | Interest on Finance leases                                      | 9                | 9          |
| <b>243</b>       | <b>243</b> | <b>TOTAL</b>  | <b>633</b>       | <b>633</b> |

In 2014/15 the Trust drew down the final £9.8m of a £21.5m Independent Trust Financing Facility to fund the second stage of the strategic investment plan (£11.7m was drawn down during 2013/14).

## Note 8 Impairment of assets

During 2014/15 following a review of the Trust's assets, including a revaluation of land and buildings by the Trust's valuers, an impairment of £1,950,915 was made to the buildings and an £80,000 impairment of land following completion of the Sid Watkins Building (2013/14: nil). Further details of the valuation are included in Note 1

## Note 9 Intangible assets

| <b>Foundation Trust and Group</b> | <b>Software licences<br/>(purchased)</b> |                |
|-----------------------------------|--|----------------|
|                                   | <b>2014/15</b>                           | <b>2013/14</b> |
|                                   | <b>£000</b>                              | <b>£000</b>    |
| Valuation/Gross cost at 1 April   | <b>487</b>                               | <b>487</b>     |
| Additions - purchased             | 159                                      | 0              |
| Disposals                         | <b>(75)</b>                              | 0              |
| <b>Gross cost at 31 March</b>     | <b>571</b>                               | <b>487</b>     |
| Amortisation at 1 April           | <b>394</b>                               | <b>335</b>     |
| Provided during the year          | 62                                       | 59             |
| Disposals                         | <b>(75)</b>                              | 0              |
| <b>Amortisation at 31 March</b>   | <b>381</b>                               | <b>394</b>     |
| <b>Net Book Value at 31 March</b> | <b>190</b>                               | <b>93</b>      |

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 10.1 Property Plant and Equipment – 2014/15

| Foundation Trust and Group                       | Total<br>£000 | Land<br>£000 | Buildings<br>excluding<br>dwellings<br>£000 | Assets Under<br>Construction<br>and | Plant &<br>Equipment<br>£000 | Information<br>Technology<br>£000 | Furniture &<br>fittings<br>£000 |
|--|---------------|--------------|---|-------------------------------------|------------------------------|-----------------------------------|---------------------------------|
|  |               |              |   | Payments on<br>Account<br>£000      |                              |                                   |                                 |
| <b>Valuation/Gross cost at 1 April 2014</b>      | <b>70,708</b> | <b>1,820</b> | <b>32,472</b>                               | <b>12,122</b>                       | <b>21,699</b>                | <b>2,280</b>                      | <b>315</b>                      |
| Additions - purchased                            | 21,829        | 0            | 1,901                                       | 16,102                              | 2,840                        | 592                               | 394                             |
| Impairments                                      | (2,031)       | (80)         | (1,951)                                     | 0                                   | 0                            | 0                                 | 0                               |
| Reclassifications                                | 19            | 900          | 26,963                                      | (27,999)                            | (553)                        | 708                               | 0                               |
| Revaluations                                     | (246)         | (150)        | (96)  | 0                                   | 0                            | 0                                 | 0                               |
| Disposals  | (1,335)       | 0            | 0   | 0                                   | (1,040)                      | (295)                             | 0                               |
| <b>Valuation/Gross cost at 31 March 2015</b>     | <b>88,944</b> | <b>2,490</b> | <b>59,289</b>                               | <b>225</b>                          | <b>22,946</b>                | <b>3,285</b>                      | <b>709</b>                      |
| <b>Accumulated depreciation at 1 April 2014</b>  | <b>11,976</b> | <b>0</b>     | <b>0</b>                                    | <b>0</b>                            | <b>11,330</b>                | <b>495</b>                        | <b>151</b>                      |
| Provided during the year                         | 3,201         | 0            | 909   | 0                                   | 1,846                        | 421                               | 25                              |
| Reclassifications                                | 19            | 0            | 0   | 0                                   | (468)                        | 474                               | 13                              |
| Revaluation surpluses                            | (909)         | 0            | (909)                                       | 0                                   | 0                            | 0                                 | 0                               |
| Disposals  | (1,330)       | 0            | 0   | 0                                   | (1,035)                      | (295)                             | 0                               |
| <b>Accumulated depreciation at 31 March 2015</b> | <b>12,957</b> | <b>0</b>     | <b>0</b>                                    | <b>0</b>                            | <b>11,673</b>                | <b>1,095</b>                      | <b>189</b>                      |

## Note 10.2 Property Plant and Equipment – 2013/14

| Foundation Trust and Group                       | Total<br>£000 | Land<br>£000 | Buildings<br>excluding<br>dwellings<br>£000 | Assets<br>Under<br>Construction<br>and<br>Payments<br>on Account<br>£000 | Plant &<br>Equipment<br>£000 | Information<br>Technology<br>£000 | Furniture<br>& fittings<br>£000 |
|--|---------------|--------------|---|--|------------------------------|-----------------------------------|---------------------------------|
| <b>Valuation/Gross cost at 1 April 2013</b>      | <b>55,023</b> | <b>1,820</b> | <b>29,634</b>                               | <b>3,759</b>   | <b>18,625</b>                | <b>879</b>                        | <b>306</b>                      |
| 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                               |
| <b>Valuation/Gross cost at 31 March 2014</b>     | <b>70,708</b> | <b>1,820</b> | <b>32,472</b>                               | <b>12,122</b>  | <b>21,699</b>                | <b>2,280</b>                      | <b>315</b>                      |
| <b>Accumulated depreciation at 1 April 2013</b>  | <b>13,560</b> | <b>0</b>     | <b>2,848</b>                                | <b>0</b>   | <b>10,213</b>                | <b>358</b>                        | <b>141</b>                      |
| 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                               |
| <b>Accumulated depreciation at 31 March 2014</b> | <b>11,976</b> | <b>0</b>     | <b>0</b>                                    | <b>0</b>   | <b>11,330</b>                | <b>495</b>                        | <b>151</b>                      |

## Note 10.3 Property Plant and Equipment Financing

| <b>Foundation Trust and Group</b>            | <b>Total</b>  | <b>Land</b>  | <b>Buildings<br/>excluding<br/>dwellings</b> | <b>Assets under<br/>construction<br/>and<br/>payments on<br/>account</b> | <b>Plant &amp;<br/>Equipment</b> | <b>Information<br/>Technology</b> | <b>Furniture<br/>&amp; Fittings</b> |
|--|---------------|--------------|--|--|----------------------------------|-----------------------------------|-------------------------------------|
|  | £000          | £000         | £000   | £000   | £000                             | £000                              | £000                                |
| <b>Net book value 31 March 2015</b>          |               |              |  |  |                                  |                                   |                                     |
| Owned  | <b>75,835</b> | <b>2,490</b> | <b>59,289</b>                                | <b>225</b>   | <b>11,245</b>                    | <b>2,101</b>                      | <b>485</b>                          |
| Finance lease                                | <b>89</b>     | <b>0</b>     | <b>0</b>                                     | <b>0</b>   | <b>0</b>                         | <b>89</b>                         | <b>0</b>                            |
| Donated                                      | <b>63</b>     | <b>0</b>     | <b>0</b>                                     | <b>0</b>   | <b>28</b>                        | <b>0</b>                          | <b>35</b>                           |
| <b>Total net book value at 31 March 2015</b> | <b>75,987</b> | <b>2,490</b> | <b>59,289</b>                                | <b>225</b>   | <b>11,273</b>                    | <b>2,190</b>                      | <b>520</b>                          |
| <br><b>Net book value 31 March 2014</b>      |               |              |  |  |                                  |                                   |                                     |
| Owned  | <b>58,567</b> | <b>1,820</b> | <b>32,472</b>                                | <b>12,122</b>  | <b>10,369</b>                    | <b>1,659</b>                      | <b>125</b>                          |
| Finance lease                                | <b>126</b>    | <b>0</b>     | <b>0</b>                                     | <b>0</b>   |                                  | <b>126</b>                        | <b>0</b>                            |
| Donated                                      | <b>39</b>     | <b>0</b>     | <b>0</b>                                     | <b>0</b>   |                                  | <b>0</b>                          | <b>39</b>                           |
| <b>Total net book value at 31 March 2014</b> | <b>58,732</b> | <b>1,820</b> | <b>32,472</b>                                | <b>12,122</b>  | <b>10,369</b>                    | <b>1,785</b>                      | <b>164</b>                          |

The Trusts land and buildings comprise the hospital site on Lower Lane, Fazakerley, Liverpool. The main hospital building was built in 1998 and the Sid Watkins Building was completed in December 2014. The site was revalued as at 31 March 2015 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 10.5 Economic Life of Property Plant and Equipment

| Foundation Trust and Group      | Min<br>Life<br>Years | Max<br>Life<br>Years |
|---------------------------------|----------------------|----------------------|
| Buildings excluding dwellings   | 12                   | 55                   |
| Assets under Construction & POA | 0                    | 0                    |
| Plant & Equipment               | 0                    | 15                   |
| Information Technology          | 0                    | 10                   |
| Furniture & Fittings            | 0                    | 25                   |

## Note 11 Investments

| Group<br>31-Mar-14<br>£000 | NHS Charitable Funds other Investments   | Group<br>31-Mar-15<br>£000 |
|----------------------------|--|----------------------------|
| 937                        | Carrying value of investments at 1 April   | 977                        |
| 354                        | Acquisitions in the year   | 247                        |
| 50                         | Movement in fair value of available for sale financial assets recognised in other income | 24                         |
| (364)                      | Disposals  | (457)                      |
| <b>977</b>                 | <b>Carrying value of investments at 31 March</b>   | <b>791</b>                 |

## Note 12.1 Inventories

| 31-Mar-14<br>£000 | Foundation Trust and Group | 31-Mar-15<br>£000 |
|-------------------|----------------------------|-------------------|
| 854               | Consumables                | 647               |
| <b>854</b>        | <b>TOTAL Inventories</b>   | <b>647</b>        |

## Note 12.2 Inventories Recognised in Expenses

| 31-Mar-14<br>£000 | Foundation Trust and Group                         | 31-Mar-15<br>£000 |
|-------------------|--|-------------------|
| 3,799             | Inventories recognised in expenses                 | 4,352             |
| 8                 | Write-down of inventories recognised as an expense | 47                |
| <b>3,807</b>      | <b>TOTAL Inventories recognised in expenses</b>    | <b>4,399</b>      |

## Note 13.1 Trade Receivables and Other Receivables

| 31-Mar-14    |              |  | 31-Mar-15    |              |  |
|--------------|--------------|--|--------------|--------------|--|
| Foundation   |              |  | Foundation   |              |  |
| Trust        | Group        |  | Trust        | Group        |  |
| £000         | £000         |  | £000         | £000         |  |
| 1,986        | 1,987        | NHS Receivables                                  | 1,998        | 2,015        |  |
| 25           | 0            | Receivables due from NHS charities               | 16           | 0            |  |
|              |              | Other receivables with related                   |              |              |  |
| 124          | 124          | parties  | 0            | 0            |  |
| (335)        | (335)        | Provision for impaired receivables               | (279)        | (279)        |  |
| 262          | 262          | Prepayments                                      | 541          | 541          |  |
| 1,309        | 1,303        | Accrued income                                   | 1,063        | 1,063        |  |
| 52           | 52           | PDC receivable                                   | 51           | 51           |  |
| 92           | 92           | VAT receivable                                   | 0            | 0            |  |
| 597          | 597          | Other receivables                                | 741          | 608          |  |
| <b>4,112</b> | <b>4,082</b> | <b>TOTAL CURRENT TRADE AND OTHER RECEIVABLES</b> | <b>4,131</b> | <b>3,999</b> |  |

## Note 13.2 Provision for Impairment of Receivables

| 31-Mar-14  |                         | Foundation Trust and Group | 31-Mar-15  |  |
|------------|-------------------------|----------------------------|------------|--|
| £000       |                         |                            | £000       |  |
| 343        | At 1 April              |                            | 335        |  |
| 248        | Increase in provision   |                            | 204        |  |
| (23)       | Amounts utilised        |                            | (1)        |  |
| (233)      | Unused amounts reversed |                            | (259)      |  |
| <b>335</b> | <b>At 31 March</b>      |                            | <b>279</b> |  |

## Note 13.3 Analysis of Impaired Receivables

| Foundation Trust and Group                                    | 31-Mar-15                    |                              | 31-Mar-14                    |                              |
|---|------------------------------|------------------------------|------------------------------|------------------------------|
|   | £000<br>Trade<br>Receivables | £000<br>Other<br>Receivables | £000<br>Trade<br>Receivables | £000<br>Other<br>Receivables |
| <b>Ageing of impaired receivables</b>                         |                              |                              |                              |                              |
| 0 - 30 days   | 59                           | 0                            | 3                            | 0                            |
| 30-60 Days  | 0                            | 0                            | 11                           | 0                            |
| 60-90 days  | 0                            | 0                            | 0                            | 0                            |
| 90- 180 days  | 7                            | 0                            | 111                          | 0                            |
| over 180 days   | 190                          | 23                           | 190                          | 20                           |
| <b>Total</b>  | <b>256</b>                   | <b>23</b>                    | <b>315</b>                   | <b>20</b>                    |
| <b>Ageing of non-impaired receivables past their due date</b> |                              |                              |                              |                              |
| 0 - 30 days   | 1,711                        | 0                            | 1,898                        | 0                            |
| 30-60 Days  | 157                          | 0                            | 31                           | 0                            |
| 60-90 days  | 7                            | 0                            | 81                           | 0                            |
| 90- 180 days  | 210                          | 0                            | 150                          | 0                            |
| over 180 days   | 0                            | 0                            | 0                            | 0                            |
| <b>Total</b>  | <b>2,085</b>                 | <b>0</b>                     | <b>2,160</b>                 | <b>0</b>                     |

## Note 14 Cash and Cash Equivalents

| 31-Mar-14                   |               |   | 31-Mar-15                   |               |
|-----------------------------|---------------|---|-----------------------------|---------------|
| Foundation<br>Trust<br>£000 | Group<br>£000 |   | Foundation<br>Trust<br>£000 | Group<br>£000 |
| 24,112                      | 24,441        | <b>At 1 April</b>                           | 20,665                      | 21,106        |
| (3,447)                     | (3,335)       | Net change in year                          | (9,056)                     | (9,059)       |
| <b>20,665</b>               | <b>21,106</b> | <b>At 31 March</b>                          | <b>11,609</b>               | <b>12,047</b> |
|                             |               | Broken down into:                           |                             |               |
| 109                         | 109           | Cash at commercial banks and in hand        | 47                          | 485           |
| 20,556                      | 20,997        | Cash with the Government Banking Service    | 11,562                      | 11,562        |
| <b>20,665</b>               | <b>21,106</b> | <b>Cash and cash equivalents as in SoCF</b> | <b>11,609</b>               | <b>12,047</b> |

## Note 15 Trade and Other Payables

| 31-Mar-14        |               |  | 31-Mar-15        |               |
|------------------|---------------|--|------------------|---------------|
| Foundation Trust | Group         |  | Foundation Trust | Group         |
| £000             | £000          |  | £000             | £000          |
|                  |               | <b>Current</b>                                 |                  |               |
| 902              | 902           | NHS payables - revenue                         | 922              | 922           |
| 48               | 48            | Amounts due to other related parties - revenue | 0                | 0             |
| 3,284            | 3,284         | Other trade payables - capital                 | 998              | 998           |
| 2,012            | 2,034         | Other trade payables - revenue                 | 2,189            | 2,215         |
| 488              | 488           | Social Security costs                          | 519              | 519           |
| 0                | 0             | VAT payable                                    | 281              | 281           |
| 564              | 564           | Other taxes payable                            | 604              | 604           |
| 1,166            | 1,166         | Other payables                                 | 1,145            | 1,145         |
| 4,089            | 4,089         | Accruals                                       | 3,894            | 3,894         |
| <b>12,553</b>    | <b>12,575</b> | <b>TOTAL CURRENT TRADE AND OTHER PAYABLES</b>  | <b>10,552</b>    | <b>10,578</b> |

## Note 16 Borrowings

| 31-Mar-14     | Foundation Trust and Group                      | 31-Mar-15     |
|---------------|---|---------------|
| £000          |   | £000          |
|               | <b>Current</b>                                  |               |
| 480           | Loans from Independent Trust Financing Facility | 1,131         |
| 28            | Obligations under finance leases                | 29            |
| <b>508</b>    | <b>TOTAL CURRENT BORROWINGS</b>                 | <b>1,160</b>  |
|               | <b>Non-current</b>                              |               |
| 16,783        | Loans from Independent Trust Financing Facility | 25,249        |
| 105           | Obligations under finance leases                | 76            |
| <b>16,888</b> | <b>TOTAL OTHER NON CURRENT LIABILITIES</b>      | <b>25,325</b> |

In 2014/15 the Trust drew down the final £9.8m of a £21.5m Independent Trust Financing Facility to fund the second stage of the strategic investment plan (£11.7m was drawn down during 2013/14).

## Note 17.1 Provisions for Liabilities and Charges

| Foundation Trust and Group       | Current    |            | Non-current |            |
|----------------------------------|------------|------------|-------------|------------|
|                                  | 31-Mar-15  | 31-Mar-14  | 31-Mar-15   | 31-Mar-14  |
|                                  | £000       | £000       | £000        | £000       |
| Pensions relating to other staff | 27         | 26         | 275         | 269        |
| Other legal claims               | 19         | 18         | 0           | 0          |
| Other                            | 513        | 513        | 0           | 0          |
| <b>Total</b>                     | <b>559</b> | <b>557</b> | <b>275</b>  | <b>269</b> |

## Note 17.2 Analysis of Provisions for Liabilities and Charges

| Foundation Trust and Group                              | Total<br>£000 | Pensions -<br>other staff<br>£000 | Other legal<br>claims<br>£000 | Other<br>£000 |
|---|---------------|-----------------------------------|-------------------------------|---------------|
| At 1 April 2014   | 826           | 295                               | 18                            | 513           |
| Change in the discount rate                             | 29            | 29                                | 0                             | 0             |
| Arising during the year                                 | 31            | 0                                 | 31                            | 0             |
| Utilised during the year                                | (57)          | (27)                              | (30)                          | 0             |
| Unwinding of discount                                   | 5             | 5                                 | 0                             | 0             |
| <b>At 31 March 2015</b>                                 | <b>834</b>    | <b>302</b>                        | <b>19</b>                     | <b>513</b>    |
| Expected timing of cashflows:                           |               |                                   |                               |               |
| - not later than one year;                              | 559           | 27                                | 19                            | 513           |
| - later than one year and not later than five<br>years; | 135           | 135                               | 0                             | 0             |
| - later than five years.                                | 140           | 140                               | 0                             | 0             |
| <b>TOTAL</b>  | <b>834</b>    | <b>302</b>                        | <b>19</b>                     | <b>513</b>    |

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 5.

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.

£11,067,721 (2013/14: £8,943,696) is included in the provisions of the NHS Litigation Authority at 31 March 2015 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 18 Other Liabilities

| 31-Mar-14<br>£000 | Foundation Trust and Group             | 31-Mar-15<br>£000 |
|-------------------|--|-------------------|
| 302               | Other Deferred income                  | 482               |
| <b>302</b>        | <b>TOTAL OTHER CURRENT LIABILITIES</b> | <b>482</b>        |

## Note 19 Contingencies

The Trust has no contingent liabilities or assets as at 31 March 2015 (2013/14: nil).

## Note 20 Revaluation Reserve

| Foundation Trust and Group                  | Total revaluation reserve<br>£000 | Property, plant and equipment<br>£000 |
|---|-----------------------------------|---------------------------------------|
| Revaluation Reserve at 1 April 2014         | 2,630                             | 2,630                                 |
| Revaluations                                | 663                               | 663                                   |
| Transfers to other reserves                 | (24)                              | (24)                                  |
| <b>Revaluation reserve at 31 March 2015</b> | <b>3,269</b>                      | <b>3,269</b>                          |

| Foundation Trust and Group                  | Total revaluation reserve<br>£000 | Property, plant and equipment<br>£000 |
|---|-----------------------------------|---------------------------------------|
| Revaluation Reserve at 1 April 2013         | 2,498                             | 2,498                                 |
| Revaluations                                | 156                               | 156                                   |
| Transfers to other reserves                 | (24)                              | (24)                                  |
| <b>Revaluation reserve at 31 March 2014</b> | <b>2,630</b>                      | <b>2,630</b>                          |

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 land and building valuation on the Walton Centre carried out by Gerald Eve LLP as at 31 March.

## Note 21 Capital Commitments

At 31 March the Trust had capital commitments of £458,717 (31 March 2014: £14,980,301) in relation to orders for capital items. The capital commitments as at 31 March 2014 included the construction contract for the Sid Watkins Building (completed in January 2015).

## Note 22.1 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 2015 is disclosed in Note 13 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 22.2 Fair Value of Non-Current Financial Assets

The charity held investments at 31 March 2015 with a fair value of £791,000 (31 March 2014: £977,000). The book value of these assets is £664,000 (31 March 2014: £787,000).

## Note 22.3 Financial Assets by Category

|  | Foundation Trust |                       | Group         |                       |
|--|------------------|-----------------------|---------------|-----------------------|
|  | Total            | Loans and receivables | Total         | Loans and receivables |
|  | £000             | £000                  | £000          | £000                  |
| <b>Assets per Statement of Financial Position at 31 March 2015</b> |                  |                       |               |                       |
| Trade and other receivables  | 3,178            | 3,178                 | 3,120         | 3,120                 |
| Other Investments  | 0                | 0                     | 791           | 791                   |
| Cash and cash equivalents at bank and in hand                      | 11,609           | 11,609                | 12,047        | 12,047                |
| <b>Total as at 31 March 2015</b>                                   | <b>14,787</b>    | <b>14,787</b>         | <b>15,958</b> | <b>15,958</b>         |
| <b>Assets per Statement of Financial Position at 31 March 2014</b> |                  |                       |               |                       |
| Embedded derivatives   |                  |                       |               |                       |
| 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                |
| <b>Total as at 31 March 2014</b>                                   | <b>24,149</b>    | <b>24,149</b>         | <b>25,568</b> | <b>25,568</b>         |

## Note 22.4 Financial Liabilities by Category

|   | Foundation Trust |                             | Group         |                             |
|---|------------------|-----------------------------|---------------|-----------------------------|
|   | Total            | Other financial liabilities | Total         | Other financial liabilities |
|   | £000             | £000                        | £000          | £000                        |
| <b>Liabilities per Statement of Financial Position at 31 March 2015</b> |                  |                             |               |                             |
| Borrowings excluding Finance lease and PFI liabilities                  | 26,380           | 26,380                      | 26,380        | 26,380                      |
| Obligations under finance leases  | 105              | 105                         | 105           | 105                         |
| Trade and other payables  | 8,032            | 8,032                       | 8,058         | 8,058                       |
| <b>Total at 31 March 2015</b>   | <b>34,517</b>    | <b>34,517</b>               | <b>34,543</b> | <b>34,543</b>               |
| <b>Liabilities per Statement of Financial Position at 31 March 2014</b> |                  |                             |               |                             |
| 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                      |
| <b>Total at 31 March 2014</b>   | <b>27,731</b>    | <b>27,731</b>               | <b>27,753</b> | <b>27,753</b>               |

## Note 23 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 24 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 25 Third Party Balances

At 31 March 2015 the Trust held £266 on behalf of patients (31 March 2014: £100).

## Note 26 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 2014/15 the company received £57,074 from the Trust (2013/14: £51,089) and £246 from the charitable fund (2013/14: £12,415). There were £11,635 outstanding payables at 31 March 2015 for the Trust (2013/14: £9,785) and nil for the charitable fund (2013/14: 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:

| <b>Organisation</b>                                     | <b>Income</b> | <b>Expenditure</b> | <b>Receivables<br/>Outstanding</b> | <b>Payables<br/>Outstanding</b> |
|---|---------------|--------------------|------------------------------------|---------------------------------|
|   | <b>£000</b>   | <b>£000</b>        | <b>£000</b>                        | <b>£000</b>                     |
| Aintree NHS Foundation Trust                            | 133           | 4,277              | 87                                 | 866                             |
| NHS England (Cheshire, Warrington and Wirral Area Team) | 76,516        | 0                  | 726                                | 0                               |
| Health Education England                                | 3,762         | 0                  | 0                                  | 52                              |
| NHS Litigation Authority                                | 0             | 1,394              | 0                                  | 1                               |

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

| <b>Organisation</b>   | <b>Income</b> | <b>Expenditure</b> | <b>Receivables<br/>Outstanding</b> | <b>Payables<br/>Outstanding</b> |
|---|---------------|--------------------|------------------------------------|---------------------------------|
|   | <b>£000</b>   | <b>£000</b>        | <b>£000</b>                        | <b>£000</b>                     |
| Welsh Assembly Government including all Welsh Health bodies | 13,969        | 0                  | 355                                | 126                             |

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 contribution of £80,000 (2013/14: £80,000) was made to the company to enable it to carry out its objectives.

Since 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.

The financial activity of the Charity during 2014/15 and its balance sheet at 31 March 2015 are summarised as:

| <b>Summary statement of financial activities</b>   | <b>2014/15</b>   | <b>2013/14</b>   |
|--|------------------|------------------|
|  | <b>£'000</b>     | <b>£'000</b>     |
| Incoming resources                                 | 589              | 471              |
| Resources expended                                 | (794)            | (357)            |
| Net incoming resources                             | (205)            | 114              |
| Gains/(losses) on revaluation of investment assets | 24               | 50               |
| Net movement in funds                              | <b>(181)</b>     | <b>164</b>       |
| <br>   |                  |                  |
| <b>Summary balance sheet</b>                       | <b>31-Mar-15</b> | <b>31-Mar-14</b> |
|  | <b>£'000</b>     | <b>£'000</b>     |
| Fixed asset investments                            | 791              | 977              |
| Current assets                                     | 455              | 452              |
| Creditors falling due within one year              | (51)             | (53)             |
| Total net assets                                   | <b>1,195</b>     | <b>1,376</b>     |
| <br>   |                  |                  |
| Restricted funds                                   | 0                | 0                |
| Unrestricted funds                                 | 1,195            | 1,376            |
| Total funds  | <b>1,195</b>     | <b>1,376</b>     |

## **Note 27 Losses and Special Payments**

During the period the Trust made 9 (2013/14: 9) special payments with a total value of £31,099 (2013/14: £35,938). Of these £29,650 (2013/14: £34,125) related to payments in respect of 5 (2013/14: 5) claims by third parties which are handled by the NHS Litigation Authority. The Trust also wrote off 21 (2013/14: 12) debts with a total value of £922 (2013/14: £35,522) and £52,138 (2013/14: nil) of stock items due to loss or expiry.

## 11. Independent Auditor's Report (Financial Statements)



### **Independent auditor's report to the Council of Governors of The Walton Centre NHS Foundation Trust**

#### **Our opinion on the financial statements is unmodified**

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 2015 and of the Group and Trust's 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.

#### **Who are we reporting to:**

This report is made solely to the Council of Governors 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 Council of Governors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Trust's Council of Governors as a body, for our audit work, for this report, or for the opinions we have formed.

#### **What we have audited**

We have audited the financial statements of The Walton Centre NHS Foundation Trust ('the Trust') for the year ended 31 March 2015 which comprise the Group and Trust statement of comprehensive income, the Group and Trust statement of financial position, the Group and Trust statements of changes in taxpayers' equity, the Group and Trust statement of cash flows and the related notes.

The Group financial statements include the financial transactions of The Walton Centre NHS Foundation Trust and The Walton Centre Neuroscience Fund for the year ended 31 March 2015.

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.

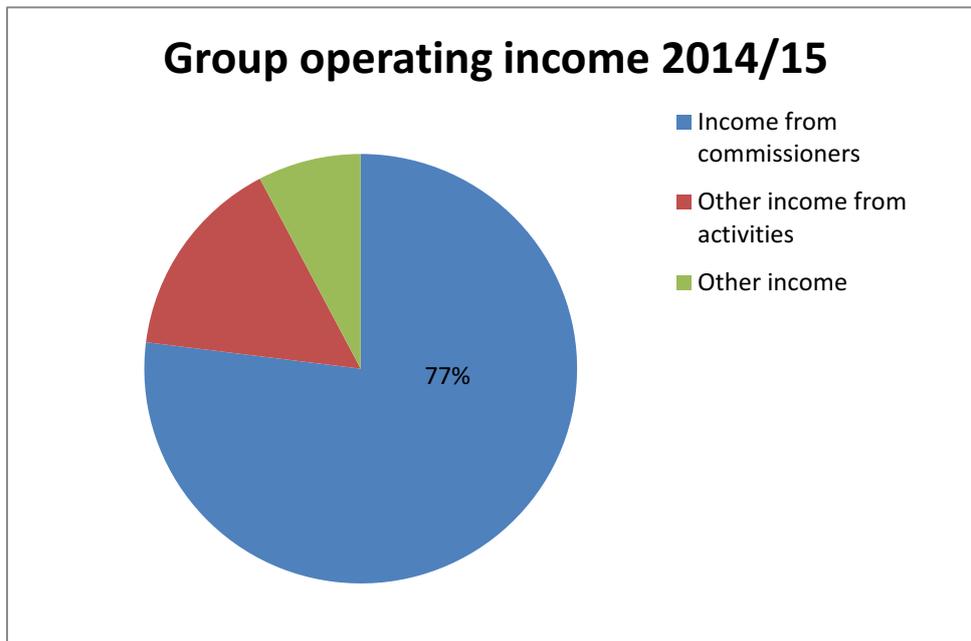
#### **Our assessment of risk**

In arriving at our opinions set out in this report, we highlight the following risks that are, in our judgement, likely to be most important to users' understanding of our audit.

#### **Valuation of contract income from commissioning bodies and associated receivables**

The risk: The Group receives a large proportion of its income from commissioners of healthcare services. It invoices its commissioners throughout the year for services provided, and at the year-end estimates and accrues for activity not yet invoiced. Invoices for the final quarter of the year are not finalised and agreed until after the year-end and after the deadline for the production of the financial statements. There is therefore a risk that the income from commissioners (and associated receivables) recognised in the

financial statements may be misstated. We identified the accounting for the contract arrangements with commissioning bodies (in particular the consistency of the income with contract terms) as one of the risks that had the greatest impact on our audit strategy.



Our response: Our audit work included, but was not restricted to, assessing the Group's accounting policy for revenue recognition, understanding management's processes to recognise this income in accordance with the stated accounting policy, performing walk-throughs of management's key controls over income recognition (for example controls over contract billing, pricing and agreement of contract variations) to assess whether they were designed effectively and substantively testing the income and associated receivables.

Our substantive testing included:

- testing the reconciliation of the income figures in the financial statements for material contracts with commissioning bodies to signed contracts; and
- testing a sample of the contract variations to ensure they were accounted for appropriately and are not in dispute.

The Group's accounting policy on revenue recognition is shown in note 1.3 to the financial statements and its analysis of its total operating income is included in notes 2.1 and 2.2.

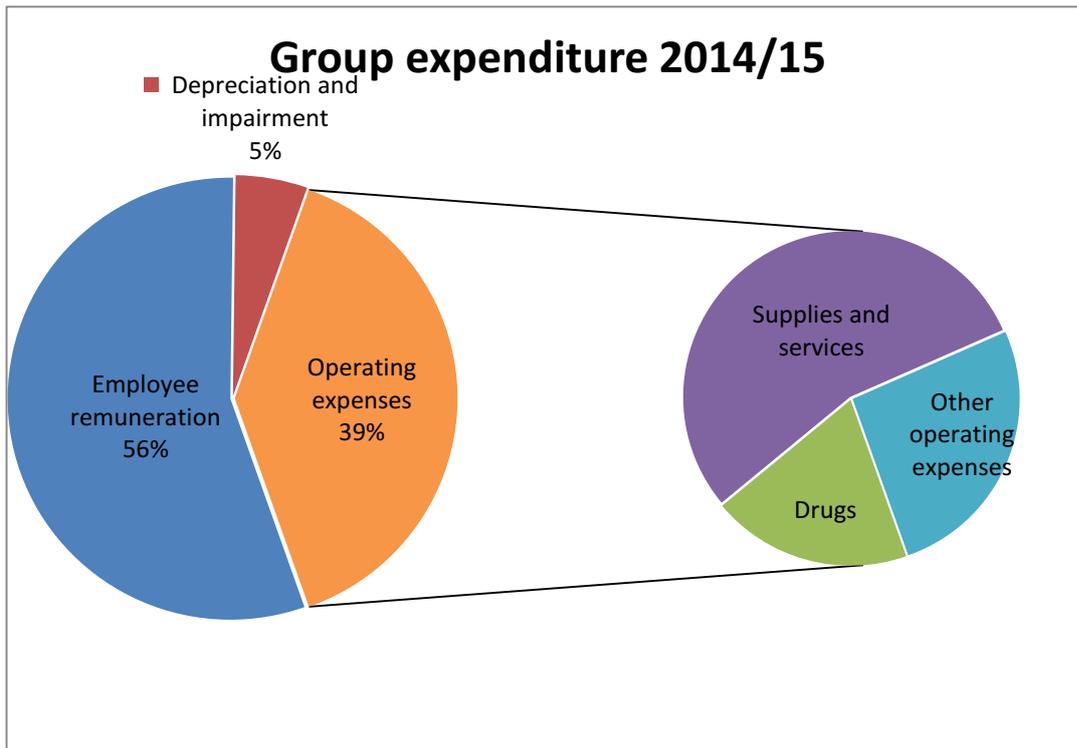
Our findings:

We did not note any exceptions from our work on this income.

**Completeness of employee remuneration and operating expenses and associated payables**

The risk: The majority of the Group's expenditure relates to employee remuneration and operating expenses. Together they account for 95% of the Group's gross expenditure. The Group pays the majority of

this expenditure through its payroll and accounts payable systems and at the year-end estimates and accrues for un-invoiced expenses. Invoices for the final weeks of the year are not received and processed until after the year-end and in many cases after the deadline for the production of the financial statements. There is therefore a risk that the expenses (and associated payables) recognised in the financial statements may be misstated. We identified the completeness of employee remuneration and operating expenses (in particular the understatement of accruals) as risks that had the greatest impact on our audit strategy.



Our response: Our audit work included, but was not restricted to, understanding management's processes to recognise payroll and accounts payable expenditure and year-end accruals for unprocessed invoices and expenditure incurred and not yet invoiced (GRNI), walking through management's key controls over recognition of expenditure (for example reconciliation of the accounts payable control account, processing of adjustments and authorisation of payments) to assess whether they were designed effectively and substantively testing expenditure and associated payables.

Our substantive testing included:

- testing the reconciliation of employee remuneration expenditure in the financial statements to the general ledger and payroll subsystems;
- performing a trend analysis of payroll costs to identify any unusual cost variations for follow up;
- sample testing payroll expenditure to source documents;
- assessing whether the Group's processes for accruing for GRNIs were sufficiently robust to ensure that uninvoiced expenditure had been accrued for appropriately; and

- reviewing post year-end payments to confirm the completeness of accruals.

The Group's accounting policy for recognition of expenditure is shown in notes 1.4 and 1.5, its analysis of employee remuneration costs is included in notes 3.2 and 3.3 and its analysis of operating costs is included in note 3.1 to the financial statements.

Our findings:

We did not note any exceptions from our work on this expenditure.

### **Our application of materiality and an overview of the scope of our audit**

#### **Materiality**

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the judgement of a reasonably knowledgeable person would be changed or influenced.

We determined materiality for the audit of the Group financial statements as a whole to be £1,900,000, which is 2% of the Group's gross operating costs. This benchmark is considered the most appropriate because users of the financial statements are particularly interested in how healthcare funding has been spent. We use a different level of materiality, performance materiality, to drive the extent of our testing and this was set at 75% of financial statement materiality for the audit of the Group financial statements. We also determine a lower level of specific materiality for certain areas such as senior officer remuneration.

We determined the threshold at which we will communicate misstatements to the Trust's Audit Committee to be £95,000. In addition we communicate misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

#### **Overview of the scope of our audit**

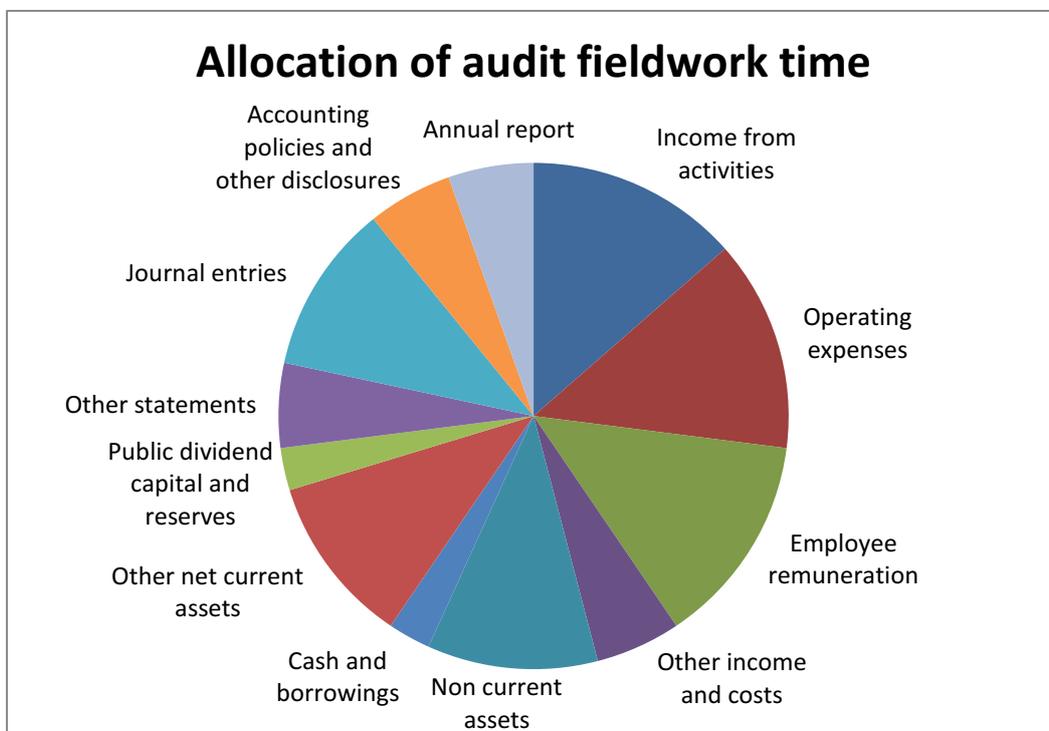
We conducted our audit in accordance with International Standards on Auditing (ISAs) (UK and Ireland) having regard to the Financial Reporting Council's Practice Note 10 'Audit of Financial Statements of Public Bodies in the UK (Revised)'. Our responsibilities under the Code and the ISAs (UK and Ireland) are further described in the 'Responsibilities for the financial statements and the audit' section of our report. We believe that the audit evidence we have obtained from our audit is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Group in accordance with the Auditing Practices Board's Ethical Standards for Auditors, and we have fulfilled our other ethical responsibilities in accordance with those Ethical Standards.

Our audit approach was based on a thorough understanding of the Group's business and is risk based. The Trust's payroll provision is supplied by a third party. Accordingly, our audit work was focused on obtaining an understanding of, and evaluating, relevant internal controls at the Group and its third party service provider.

In order to gain appropriate audit coverage of the risks described above and of the Trust's charity, we have performed testing of the significant balances and transactions of the charity as part of our audit work on the Group financial statements.

We undertook substantive testing on significant transactions, balances and disclosures in the Group financial statements, the extent of which was based on various factors such as our overall assessment of the Group's control environment, the design effectiveness of controls over significant financial systems and the management of risks.



### Other reporting required by regulations

**Our opinion on other matters prescribed by the Audit Code for NHS Foundation Trusts is unmodified**

In our opinion:

- the part of the Directors' Remuneration Report subject to audit has been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2014-15 issued by Monitor; and
- the information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the Group financial statements.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following:

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

- the Annual Governance Statement does not meet the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual or is misleading or inconsistent with the 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; or

- the Trust's Quality Report has not been prepared in line with the requirements set out in Monitor's published guidance or is inconsistent with other sources of evidence.

Under the ISAs (UK and Ireland), we are also required to report to you if, in our opinion, information in the annual report is:

- materially inconsistent with the information in the audited financial statements; or
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Group acquired in the course of performing our audit; or
- otherwise misleading.

In particular, we are required to report to you if:

- we have identified any inconsistencies between our knowledge acquired during the audit and the directors' statement that they consider the annual report is fair, balanced and understandable; or
- the annual report does not appropriately disclose those matters that were communicated to the Audit Committee which we consider should have been disclosed.

### **Responsibilities for the financial statements and the audit**

#### **What an audit of financial statements involves:**

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 Group's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; 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.

#### **What the Chief Executive is responsible for as accounting officer:**

As explained more fully in the Chief Executive's Responsibilities Statement, the Chief Executive as Accounting Officer is responsible for the preparation of the financial statements in the form and on the basis set out in the Accounts Direction issued by Monitor and for being satisfied that they give a true and fair view.

#### **What are we responsible for:**

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 ISAs (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Certificate**

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

Director  
for and on behalf of Grant Thornton UK LLP

4 Hardman Square  
Spinningfields  
Manchester  
M3 3EB  
26 May 2015



## QUALITY ACCOUNT 2014/15



## **Part 1 Introducing our Quality Account**

### **Statement of Quality from the Chief Executive**

## **Part 2 Our Commitment to Quality**

### **Improvement Priorities**

#### **2.1 How well have we done in 2014-15?**

- 2.1.1 Patient Safety
- 2.1.2 Patient Effectiveness
- 2.1.3 Patient Experience
- 2.1.4 Additional Stretch Targets

#### **2.2 What are our priorities for 2015-16?**

- 2.2.1 Patient Safety
- 2.2.2 Patient Effectiveness
- 2.2.3 Patient Experience

#### **2.3 Statements of Assurance from the Board**

- 2.3.1 Data Quality
- 2.3.2 Participation in Clinical Audit and National Confidential Enquiries
- 2.3.3 National Audits
- 2.3.4 National Confidential Enquiries
- 2.3.5 Participation in Local Clinical Audits
- 2.3.6 Participation in Clinical Research and Development
- 2.3.7 CQUIN Framework
- 2.3.8 CQUIN Quarter 4 2013/14 Report
- 2.3.9 Care Quality Commission (CQC) Registration
- 2.3.10 Trust Data Quality

## **Part 3 Overview of Quality 2014/15**

- 3.1 Complaints
- 3.2 Local Engagement – Quality Account
- 3.3 Clinical Governance Strategy
- 3.4 Nursing Assessment and Accreditation Scheme

- 3.5 Sid Watkins Building
- 3.6 Sign Up to Safety
- 3.7 Safer Staffing Reviews
- 3.8 Collective Leadership Programme
- 3.9 Always Events
- 3.10 Trauma Services Peer Review
- 3.11 Claustrophobia Clinic
- 3.12 Cheshire and Merseyside Rehabilitation Network
- 3.13 PLACE Assessment
- 3.14 Overview of Performance in 2013/14 against National Priorities from the Department of Health's Operating Framework
- 3.15 Overview of Performance in 2013/14 against NHS Outcomes Framework
- 3.16 Indicators

#### 4.0 Conclusion

### **Annex 1 - Statement of Directors' responsibilities in respect of the quality report**

### **Annex 2– Statements from Healthwatch / Specialist Commissioners / OSC/Auditors**

## 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 sixth Quality Account and demonstrates progress on the Trust's quality improvement priorities, which were established in 2014. 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 2014/15, the Trust continued to monitor services across these three domains of quality and reported progress on the improvement priorities to the Quality 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. NHS England (Cheshire & Merseyside) as specialist commissioner undertakes 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 quality performance meetings have taken place throughout 2014/15 and most of these have been attended by colleagues from Liverpool and Sefton 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 Audit Committee, the Quality Committee and Business Performance Committee provide robust challenge and reporting on quality issues. Four sub groups report into the Quality Committee. These are the Patient Safety Group, Clinical Effectiveness Group, Infection Control Committee and Patient Experience Group. 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 Quality Report which is presented to the Quality Committee and Trust Board. The progress of each indicator is discussed and rated as Red, Amber or Green against expected performance levels. The Trust can report significant improvements across these improvement priorities during 2014/15 including:-

- Zero tolerance to MRSA with no cases in 2014/15
- Reduction in falls with patient harm
- Reduction in pressure ulcers
- Meeting all CQUIN objectives

One of the Trusts strategic objectives is improving quality, and a number of initiatives and programmes have been implemented in 2014/15 to specifically address the objective. These include participating in the national 'Signup to Safety' Campaign and making our Trust pledges to improving safety, developing and consulting on a new Patient Experience Strategy and developing a new Quality Report which includes quality metrics.

The opening of a new building in January 2015, the Sid Watkins Building, has seen the Trust move Complex Rehabilitation Services into a bespoke environment, which provides the facilities required to provide our patients with safe, high quality care.

As we move into 2015/16 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. In detailing our achievements and forthcoming priorities, I confirm that the information provided in this account is accurate to the best of my knowledge.

I would like to take the opportunity to thank the staff across the Trust for their hard work and on-going commitment to delivering the highest standards of patient care.

**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 Quality Committee, chaired by a Non-Executive Director. Four sub-groups were established that feed into the Quality Committee. These sub groups focus on the 3 domains of quality: patient safety, clinical effectiveness and the patient experience. 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 2013/14. Consultation with patients, governors, commissioners, Healthwatch and other external agencies also informed the Board when focusing our priorities for 2014/15.

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 area for 2014/15.

## **2.1 Improvement Priorities for 2014 – 2015 - 'How well have we done?'**

In February 2014, 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 2014/15. The improvement priorities all contained specific 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 have been responsible for the implementation of the quality priorities and reporting to committees as required. Merseyside Internal Audit Agency (MIAA) has been fully involved in the Trust during 2014/15, 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.

### **2.1.1 Patient Safety**

#### **Priority 1: Reduction in falls with harm**

The Trust has focused on inpatient falls as an improvement priority in recent years and has made significant progress in reducing falls with minor and moderate harm. The Trust recognised the success it has had in reducing falls with harm, however wished to continue to focus on this important safety priority and make further improvements during 2014/15.

Over the last 12 months the Trust has focussed its efforts on increasing falls prevention training for staff, undertaking risk assessments of patients on admission using an electronic system and continuing to investigate all falls when patients sustain an injury.

The Trust has continued to drive the inpatient falls prevention work stream by encompassing the following actions:

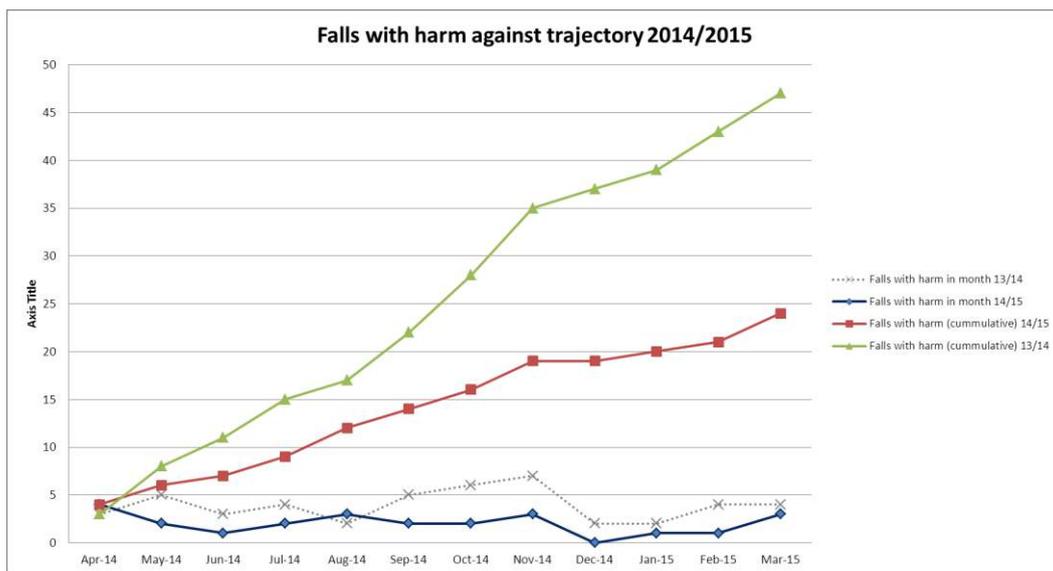
- Establishing a Falls Prevention Steering Group
- Reviewing Falls Prevention Training.

- Alert systems for patients at risk.
- Electronic risk assessment and care planning.
- Reviewing and procuring falls prevention equipment.
- Participation in Audit.
- Increased staffing across the wards as appropriate.

**Outcome:**

In 2014/15 the Trust has seen a 51 % reduction in falls with harm, exceeding the 5% reduction target for the year. The Trust has also identified a reduction in falls with harm measured by per 1000 bed days, with the rate being 0.43 per 1000 bed days in 2014/15, compared to 0.72 per 1000 bed days in 2013/14. The Trust had 22 falls with minor harm, 2 moderate harm and no deaths occurring due to falls in 2014/5

The table below identifies the falls with harm in episodes, comparing 2013/14 with 2014/15 in month and as a cumulative.



**Priority 2: Reduction in hospital acquired pressure ulcers**

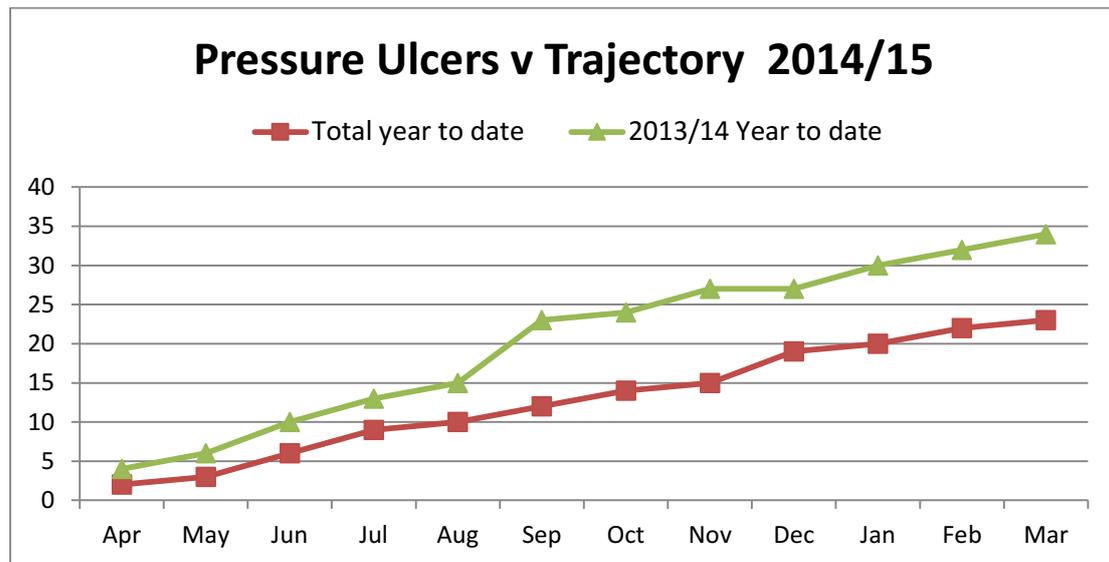
The Trust recognises pressure ulcers as an important patient safety indicator that impacts upon patient treatment and recovery, and having seen improvements in the previous 12 months, the Trust wished to continue to reduce unnecessary patient discomfort from hospital acquired pressure ulcers during 2014/15.

**Outcome:**

In 2014/15 the Trust has seen a 32.4% reduction in the number of hospital acquired pressure ulcers, exceeding the internal 5% reduction target.

The Trust objective for 2014/15 was identified as a reduction in the total number of hospital acquired pressure ulcers measured against 1000 inpatient bed days. The Trust has also achieved this reduction with the rate being 0.41 per 1000 bed days in 2014/15 compared to 0.6 per 1000 bed days in 2013/14.

The table below demonstrates the reduction in pressure ulcers in episodes.



**Priority 3: Improving Medication Safety**

Medication errors include mistakes or inaccuracies when choosing and ordering treatments, such as wrong doses or illegible prescriptions, or staff giving medication, via the wrong route. These errors can have an adverse effect on patients causing harm and sometimes even death.

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.

The Trust goal for 2014/15 was to have Electronic prescribing (e-prescribing/EPMA) systems implemented effectively in the Trust and Implement the National Medication Safety Thermometer by March 2015 to help reduce medication errors. Establishing 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.

**Outcome:**

The Trust has implemented the use of EPMA across the Trust as planned during 2014/15, receiving good feedback from clinical teams regarding the system and its functionality. It is identified that EPMA is now fully embedded in the Trust, providing a fully electronic administration and prescribing system.

The Trust has been collecting medication data since quarter one and this collection commenced monthly in November 2014. The data is collected across all acute inpatient wards, in line with the National Medication Safety Thermometer and is being used to monitor and improve practice. Good practice has been identified from the data collected in many areas in the Trust and Improvements have been seen in areas such as reducing the numbers of omitted doses.

The Trust has acknowledged the importance of continuing to focus on reduction in medication errors at this time and has identified this as an improvement priority for the next 12 months.

## **2.1.2 Patient Effectiveness**

### **Priority 1: Utilisation of Jefferson Ward for overnight stay**

With increased demand for interventions and surgery within the Trust it was thought that utilising Jefferson Ward for overnight stay would increase the capacity of the Trust. Patients, who require routine interventions and surgery, would be admitted and kept in overnight to recover before discharge. The goal was to have the facility on Jefferson Ward for patients to be admitted for interventions and surgery, stay overnight and be discharged safely home.

**Outcome:**

The Trust undertook a comprehensive scoping exercise during 2014/15 of surgical activity in the Trust; this included examining patient pathways, reviewing capacity

and demand for surgery, theatre utilisation and the staffing requirements needed for Jefferson to be able to accommodate patients overnight.

The Trust made a decision following this analysis not to admit patients overnight to Jefferson Ward for interventions and surgery. The ward has however been utilised to increase patient flow by supporting the admission of patients on same day of surgery. The ward has extended the hours of opening to increase the provision available for patients who may have theatre in the afternoon.

## **Priority 2: Review of Nursing Documentation and Care Planning**

The nursing care pathways in the Trust have developed and changed over a number of years, and it was acknowledged by the Trust that nursing documentation required review. The Trust is also looking to move to a fully electronic provision of nursing documentation in the next two years, so this review formed part of the development and streamlining required. The Trust goal was to have streamlined documentation that allows staff to provide safe and effective care for patients in consistent, easily accessible format.

### **Outcome:**

The Trust established a nursing documentation and care planning group during 2014/15 which has key stakeholders from across the Trust represented. The group has systematically reviewed the current documentation over the last year, collating a database of documents available, prioritising and developing new documents, piloting the documents and implementing these across the Trust.

Achievements include:

- a suite of care pathways developed for daycase services, that have standardised care in the unit, and are the first transfer to electronic documentation
- A nursing admission assessment document, that will be a standard document across the wards and intensive care
- A Trust template for Standard Operating Procedures
- Nursing care guidelines and care plan templates
- Discharge Checklist
- Streamlined and user friendly electronic risk assessments

The Trust has been active in reviewing the nursing documentation during 2014/15, and is committed to continuing this work to ensure all documentation is reviewed and made ready for electronic transfer.

### **Priority 3: Implementation of Same Day Surgery**

The Trust chose this priority as patients were 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 was identified to improve patient flow and decrease the amount of time patients are in the Trust waiting for surgery. The objective was that patients would be admitted to the Trust on the day of surgery, safely prepared and ready for theatre.

#### **Outcome:**

The Trust is admitting appropriate patients to the wards on the day of surgery, with the support of specialist nurses. Jefferson Ward has also been utilised to accommodate this process and changes have been made to pre-operative assessments to enable this to happen to a limited group of patients.

To improve the flow of patients through the Trust further and give patients a better patient experience by reducing waiting time in the Trust preoperatively, this will be progressed further extending to more patients.

### **2.1.3 Patient Experience**

#### **Priority 1: Increase the percentage returns of Friends and Family Test (FFT)**

The Trust successfully implemented the FFT across the inpatient wards, achieving the priority for 2013/14. The objective was to further increase the response rates to allow a better understanding of the patients' experience of care at the Trust. The goal was to increase the response rates of FFT to 25% by the end of year.

It was also identified that introducing the FFT in outpatients and day case areas, in advance of the national requirement in April 2015 would also demonstrate the commitment to gaining feedback in order to improve services.

**Outcome:**

The Trust has been successful in achieving over the target of 25% returns throughout 2014/15 and by quarter 2 had achieved over 30% returns consistently. Alongside the improved response rates the percentage of patients recommending the Trust to their friends and family has been consistently over 90%. The narrative feedback received from patients as part of the survey has also been extremely positive.

The Trust was also successful in implementing FFT in OPD and daycase services in October 2014, six months earlier than the national requirement, and once again feedback has been positive from these results.

Please note the breakdown of FFT results in the table below

| WCFT Inpatient FFT Results 2014/15                       |                    |        |        |        |        |               |        |        |        |        |        |        |
|--|--------------------|--------|--------|--------|--------|---------------|--------|--------|--------|--------|--------|--------|
|  | Net Promoter Score |        |        |        |        | % Recommended |        |        |        |        |        |        |
|  | Apr-14             | May-14 | Jun-14 | Jul-14 | Aug-14 | Sep-14        | Oct-14 | Nov-14 | Dec-14 | Jan-15 | Feb-15 | Mar-15 |
| WCFT % Recommended (was Net Promoter Score until Sep-14) | 92                 | 96     | 93     | 92     | 95     | 98            | 99     | 99     | 96     | 99     | 96     | 98     |
| WCFT Response Rate                                       | 25.90%             | 25.10% | 33.00% | 40.90% | 38.60% | 31.10%        | 44.90% | 44.30% | 35.90% | 38.10% | 35.40% | 33.50% |

**Priority 2: The introduction of a patient focus group**

The Trust identified the need to increase the feedback and involvement of patients and the public in developments in the Trust and set an objective to establish a patient focus group in the Trust that meets bi monthly and is able to present the patients voice.

**Outcome:**

Recruitment initiatives were undertaken during 2014/5 to establish a focus group in the Trust. Terms of reference and reporting structures were agreed and two focus group meetings have taken place during the year.

Meetings of the group are scheduled bi-monthly, and occur between meetings of the Trust Patient Experience Group. This enables the group to feedback into the Trust performance reporting structure and allows the focus group work programme to be developed based on current issues.

The Trust will focus on the support of this group and continue to recruit and publicise the opportunity to the patients and public using a variety of media over the next year.

### **Priority 3: The capturing of patient feedback at satellite clinics**

The Trust acknowledged the activity undertaken to collect and respond to patient feedback on the Walton Centre site and identified that this needed 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. The Trust committed to implement a system to collect usable feedback across satellite sites to ensure that patient feedback is available and used from all sites the Trust delivers services from.

#### **Outcome:**

The Trust has developed a number of measures during 2014/15 that are now in place to collate feedback from the satellite sites it provides services on. These include an electronic survey, which has been developed to be used by clinicians on sites and face to face feedback from patients gathered during site visits by staff members and Non- Executive Directors.

The results of the feedback received from the satellite sites is incorporated into the Trust Patient Experience Action Plan and reported at Patient Experience Group as part of regular feedback reporting, celebrating good feedback and focusing on areas of improvement.

#### **2.1.4 Stretch Targets 2014/15**

The governors identified three stretch targets in 2014/15 that were monitored alongside the improvement priorities.

##### **Stretch Target 1: Improving discharge arrangements – Implement ‘Ticket Home’**

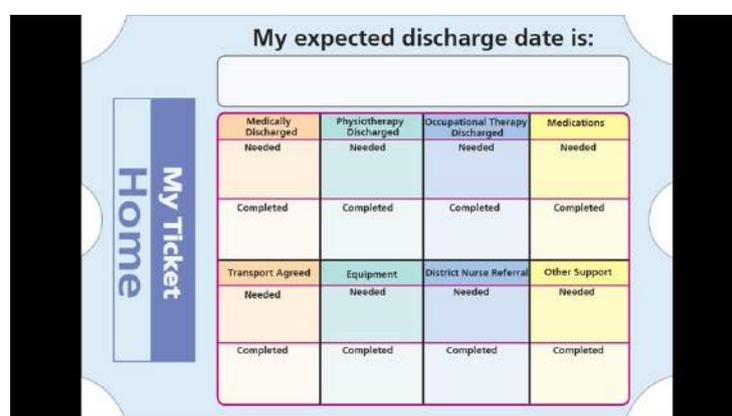
The Trust committed to implement a ‘Ticket Home’ programme across the wards to inform patients and relatives at a glance of discharge planning arrangements. The patient’s feedback from previous surveys identified that patients did not feel they were fully aware of discharge arrangements being made.

**Outcome:**

The 'Ticket Home' programme has been developed in the Trust during 2014/15. The concept has been explored with staff and patients to identify the appropriate format for the 'ticket' and where it should be displayed in the bed area.

The 'Ticket Home' was designed to reflect Walton colours, be eye catching and easy to understand, whilst detailing the patients expected discharge date prominently. The ticket also identifies the discharge arrangements that are required for the patient, with these interventions able to be 'ticked off' when completed.

The interventions include whether the patient is medically fit, requires physiotherapy



or occupational therapy sign off, whether medications for discharge are needed, as well as transport, equipment, district nurse referrals or any other considerations.

The final design was piloted in the neurosurgical division and evaluated before implementation on all of the acute inpatient wards.

Feedback from patients and staff has been positive about the clarity of information now available and the information being available at a glance. Patients report they felt more involved in their discharge plans and were able to articulate the arrangements made.

**Stretch Target 2: Provision of accessible patient information**

The Trust identified a commitment 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.

**Outcome:**

The Trust reviewed patient information provision during 2014/15, identifying areas that required improvement and reviewing the processes in place for the development and provision of the information provided.

Changes were made to move forward the objective, such as re establishing the Patient Information Panel, identifying the current and out of date literature, procuring accessible formatting support and increasing the number of lay readers to review information to ensure its content and terminology is appropriate.

It was identified during the review that the processes to develop and maintain information and the branding the organisation used on the information needed to be reviewed further. The focus therefore was on a review of high volume patient information used, such as the Patient Admission booklet and newly developed information by specialist nurses, to ensure it met the requirements.

In 2012 the Department of Health launched an information standard that it suggested all NHS organisations should comply with. The Information Standard is a certification scheme for health and social care information, that has been established by the Department of Health to help patients and the public make informed choices about their lifestyle, their condition and their options for treatment and care.

The Information Standard has been introduced to fulfill the need for a “quality filter” to help people decide which information is trustworthy. It provides a recognised “quality mark” which indicates that an organisation is a reliable source of health and social care information and supports the organisation to provide high quality information that meets the needs of patients and the public.

The Trust will continue to focus on improving the patient information it provides and aim to achieve the NHS Information Standard by 2017.

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

The Trust committed to increase the use of Neurosupport and increase the number of Trust volunteers to support patients in the Trust and improve their experience.

#### **Outcome:**

The Trust has been working closely with Neurosupport in the last year and supported the changes they have experienced as an organisation. Neurosupport has also been established in a prominent position in the main entrance to the centre in the last year and is a visible presence across the wards and departments.

The Trust has taken volunteers recruitment in house during 2014/15, thus taking full ownership of the volunteers who support our services. The first recruitment day identified 10 potential volunteers who could take up roles within the Trust. The Trust is also developing a strategy for recruitment and retention of volunteers, alongside comprehensive induction packages and risk assessments of roles.

This area will remain a focus of development in 2015/16 with the Trust committing to double the numbers of volunteers in the Trust, ensuring support processes are in place.

## **2.2 Improvement Priorities for 2015 – 2016 -- ‘What we want to achieve’**

In February 2015, 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 2015/16 with Governors, Healthwatch and Specialist Commissioners.

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

### **2.2.1 Patient Safety**

**Priority 1:** Reducing clinical nurse sensitive indicator avoidable harms.

- *maintaining zero tolerance for grade 3 & 4 pressure ulcers*
- *Sustaining best practice for the prevention of healthcare associated infection*
- *Preventing falls with moderate harm.*

#### **Reason for Prioritising:**

The Trust has made great progress in reducing harm over the last few years with the programmes it has implemented, the goal is to continue to build on this practice, sustaining good practice and preventing harm to patients. The Trust objective is to sustain best practice and have a zero tolerance culture to avoidable harm.

#### **Outcome:**

Compliance with best practice care and prevention of avoidable harm to patients

**Priority 2: Auditing of infection rates in external ventricular drains (EVD)**

#### **Reason for Prioritising:**

External ventricular drains are placed at operation by neurosurgeons into the fluid-filled cavities (ventricles) deep in the brain. Complications include; infection or the tube blocking. Should this occur it considerably increases length of stay on the intensive care unit and can result in death.

The Trust's EVD infection rate compares well with other neurosurgical units in the UK. However, given the devastating consequences of each infection, we wish to audit the incidence, contributing causes, treatment and impact of EVD infections. Informing best practice findings will help the Trust learn and improve infection rates and improve care in a high risk area for patients having surgical drains.

**Outcome:**

Assurance that best practice is in place within the Trust, a reduction in the number of infections and improved patient outcomes in the future.

**Priority 3: Improving Medication Safety**

**Reason for prioritising:**

Medication errors is one of NHS most reported incidents. This focus builds on the work understanding our errors, improving systems/processes through our electronic prescribing and medication safety thermometer undertaken during 2014/15. It will allow the Trust to benchmark practice and learn, improving our patients safety further.

**Outcome Required:**

The Trust will have safer systems and processes in place for medication prescribing and administration, with a focus on being a continually learning organisation.

**2.2.2 Patient Effectiveness**

**Priority 1: Increasing the reliability of early detection and treatment of the deteriorating patients (including sepsis bundle)**

**Reason for Prioritising:**

Research shows that failure to recognise and treat patients whose condition is deteriorating is an area of significant unintended harm in the healthcare environment. In 2013 5% of all incidents reported nationally related to the

deterioration of a patient, this rose to 8% within the acute sector. Deterioration in acutely unwell patients can happen quickly and have catastrophic effects.

By reviewing a number of key areas of practice in the multi-disciplinary team, significant improvements in rates of harm can be achieved. The Trust objective is to improve practice and introduce best care bundles for the Trusts sickest patient's. e.g. embedding best practice in sepsis care.

**Outcome:**

Introduction of best care bundles, measurement and improvement in compliance with best practice and improved quality of care.

**Priority 2: Introduction of E observations**

**Reason for prioritising:**

Critical care outreach and acute care teams have encouraged the use of early warning scoring systems to enable a more timely response to, and assessment of, acutely ill patients. The system optimises delivery of safe, equitable and quality care for all acutely unwell, critically ill and recovering patients. At the Walton Centre, this method of monitoring patients has been adapted to support neurological conditions and is used routinely, in all acute areas, with patients at every stage of their care pathway.

The focus of this priority builds on the pilot work already undertaken in the Trust and will see the development of a neuro centre specific electronic early warning system for patient's observations. The system will trigger a medical review improving timely response to changes in a patient's condition

**Outcome:**

The system will be fully piloted and an implementation plan will be developed and actioned.

**Priority 3: Introducing therapeutic specialling**

**Reason for prioritising:**

In many general hospital and care settings 'specialling' or special observation is a common practice activity, supporting patients who may have cognitive impairment or

who are at risk of harm. The Walton Centre, due to the nature of specialities and the patients has identified an increasing number of patients who require this are model of one to one monitoring.

Feedback from staff, patients and relatives identifies that this is an area for improvement, building on a strong track record of keeping patients safe. Introducing interventional therapy will improve the quality of the one to one specialising experience, aiming to improve patient's cognitive recall, finer dexterity and rehabilitation with interactive sessions.

**Outcome Required:**

An improvement in the patient's experience of specialising, increased staff engagement in the process and better patient outcome

**2.2.3 Patient Experience**

**Priority 1: Doubling the numbers of Volunteers**

**Reason for prioritising:**

Volunteers play a very important role in the NHS. Working in a range of settings and providing a variety of services alongside paid staff, volunteers are often a key part of patient services. Volunteering can help people to gain new skills and experience and, for some, can provide a stepping stone to paid employment.

There are already volunteers working in the Trust, involved in services ranging from infection control, befriending, pain management and the hospital trolley service. However, feedback from current volunteers and the public suggests that increasing volunteers is a key area to develop and improving our services to patients further.

**Outcome Required:**

To double the numbers of volunteers in the Trust, increasing roles, adding extra value to the services provided and ensuring good support to the volunteers.

**Priority 2: The development of a Carers Strategy**

**Reason for prioritising:**

A carer is anyone who cares, unpaid, for a friend or family member who due to illness, disability, a mental health problem or an addiction cannot cope without their support. Each carer's experience is unique to their own circumstances and carers often don't recognise themselves in the role and do not access the help and support available to them.

Feedback from patients and relatives with long term conditions in the Trust has indicated they would welcome increased support to long term carers and signposting to services.

**Outcome Required:**

To develop and implement a carers strategy that will assist carers to gain support and advice to enable them to carry out the role of a carer effectively.

**Priority 3: Improving the care and experience of patients at End of Life**

**Reason for prioritising:**

Improving the quality of end-of-life care in hospitals is a very high priority in the End of Life Care Strategy published by the Department of Health. Over a quarter of a million people die in hospitals in England each year. This is more than the combined total for deaths at home, in care homes and in hospices. Provision of good care at the end of life cannot be left to palliative care specialists, and is an important part of the role of clinicians and nurses in the Trust.

The Trust is prioritising this area in response to our patient feedback and to build on the 2014/15 improvements in End of Life Care further, ensuring the best of experiences for our patients and ensuring the delivery of patient centred care.

**Outcome Required:**

Implementation of the Trust End of Life Care Strategy and adoption of the 'Amber Care Bundle', ensuring patient centred care at end of life.

## 2.3 Statements of Assurance from the Board

During 2014/15 the Walton Centre provided and/or subcontracted four services in the following specialist areas:

- neurology
- neurosurgery
- pain management
- rehabilitation

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

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

The income generated by the relevant health services in 2014/15 represents 100% of the total income generated from the provision of the relevant services by WCFT for 2014/15.

### 2.3.1 Data Quality

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

The Walton Centre will be taking the following actions to improve data quality:

- The Trust continues to develop internal data collection systems to provide assurance to the 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 four 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 2014/2015, 5 national clinical audits and 1 national confidential enquiry covered NHS services provided by the WCFT.

During that period the WCFT participated in 80% 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 2014/2015 are as follows:

#### **2.3.3 National Audits**

- Adult Critical Care (ICNARC / case mix programme)
- Trauma Audit Research Network (TARN)
- National emergency laparotomy audit (NELA)
- National Comparative Audit of Blood Transfusion programme
- Adherence to BSCN and ANS Standards for Ulnar Neuropathology at Elbow testing

#### **2.3.4 National Confidential Enquiries**

- Sepsis Study
- Tracheostomy Care

The national clinical audits and national confidential enquiries that the WCFT participated in, and for which data collection was completed during 2014/2015, 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.

| <b>National Audit</b>   | <b>Participation</b> | <b>% Cases submitted</b> |
|---|----------------------|--------------------------|
| <b>Acute care</b>   |                      |                          |
| Adult Critical Care (ICNARC / Case Mix Programme)   | Yes                  | 100%                     |
| Severe Trauma (Trauma Audit & Research Network)   | Yes                  | 100%                     |
| National Emergency Laparotomy audit (NELA)  | Yes                  | 100%                     |
| <b>Blood and Transplant</b>   |                      |                          |
| National Comparative Audit of Blood Transfusion programme – Patient information and consent for blood transfusion | Yes                  | 100%                     |
| Adherence to BSCN and ANS Standards for Ulnar Neuropathology at Elbow testing                                     | No                   | 0%                       |
| <b>National Confidential Enquiry into Patient Outcome and Death</b>   |                      |                          |
| Sepsis study  | Yes                  | 33%                      |
| Tracheostomy Care   | Yes                  | 100%                     |

The reports of 3 national clinical audits were reviewed in the reporting period 1<sup>st</sup> April 2014 to 31<sup>st</sup> March 2015 and the WCFT intends to take the following actions to improve the quality of healthcare provided:-

| <b>National Audit</b>   | <b>Actions</b>  |
|---|---|
| National Comparative Audit of Blood Transfusion programme – Patient information and consent for blood transfusion | <ul style="list-style-type: none"> <li>• Devise a blood prescription form that includes a section on patient consent. This form is being devised in conjunction with UHA Transfusion Practitioner.</li> <li>• Ensure patient information leaflets regarding blood transfusion are accessible to patients.</li> <li>• Reinforce the issues of consent on mandatory training for Medical staff</li> </ul> |
| Severe Trauma (Trauma Audit & Research Network)   | <ul style="list-style-type: none"> <li>• The Trust will continue to review TARN data and review individual cases as appropriate</li> </ul>  |
| National Emergency  | <ul style="list-style-type: none"> <li>• N/A - no actions necessary following the</li> </ul>  |

| National Audit          | Actions   |
|-------------------------|---|
| Laparotomy audit (NELA) | publication of the organizational report. Patient data audit report due to be published July 2015 |

### 2.3.5 Participation in Local Clinical Audits

The reports of 73 local clinical audits were reviewed by the Trust in 2014/2015 and Walton Centre NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided:-

| Audit  | Actions   |
|--|---|
| Health Record Documentation audit  | <ul style="list-style-type: none"> <li>• Clinical Audit Team will continue to conduct quarterly audits to highlight any areas of non-compliance. This will enable issues to be addressed promptly and actions put into place to aim towards continued compliance throughout the year</li> <li>• Highlight issues at the Professional Nurse Forum Meeting</li> <li>• Disseminate findings of audit to all Consultants, Matrons and ward managers</li> <li>• Disseminate record keeping standards to all consultants, Matrons and ward managers emphasising the importance of adhering to standards set out in Trust policy</li> <li>• Review clinical audit tool against new policy and amend if necessary</li> </ul>  |
| Do national guidelines improve Tumour screening and immunosuppression in patients with suspected antibody associated encephalitis? | <ul style="list-style-type: none"> <li>• Results will be presented at audit meeting with key findings and recommendations summarised</li> <li>• Planned introduction of guidance on VGKC testing.</li> </ul>  |
| Rehabilitation After Critical Illness  | <ul style="list-style-type: none"> <li>• Ensure patients who are likely to be discharged at pm/weekends are identified at Friday weekly meeting and action plan of reassessment as close to predicted discharge date (PDD).</li> <li>• Reassess rehab needs prior to discharge from critical care particularly focussing on Friday pm and weekend discharges. With, as able, written handover.</li> <li>• Ensure written documentation is given to the patient; for example PT information booklet and verbal r/f to trust website for PT role on ITU.</li> <li>• Reiteration of NICE Guideline 83 and its components to the physiotherapy team. This is to ensure timely treatment planning and goal setting.</li> <li>• All action plans will be delivered to staff group as part of the PT weekly ITU meetings.</li> </ul> |

| Audit   | Actions   |
|---|---|
| Medical management of depression and agitation in brain injury patients within WCFT Rehabilitation Services   | <ul style="list-style-type: none"> <li>• Introduction of the OAS-MNR to screen aggressive patients – this will enhance patient care and improve medication prescription.</li> <li>• Clear documentation for acute patients will improve outcomes in terms of aggression and agitation.</li> <li>• All patients with indications of depression on screening are reported and further investigation using HADS, DISCS or the HPQ-9, depending on their cognitive abilities.</li> </ul>  |
| Introduction of clinical handover in accordance with Royal College of Physicians guidelines   | <ul style="list-style-type: none"> <li>• Encourage and emphasise the use of the current pro-forma to maintain adherence to RCP guidance.</li> <li>• Emphasise to ward staff that handovers should be bleep free unless there is a medical/surgical emergency developing.</li> <li>• Establish mechanism of communication from night SHO to Neurology SpR regarding unwell patients and new admissions</li> <li>• Establish formal afternoon handover from day to evening SHO cover</li> <li>• Introduction of weekend handover sheets for SHO – An electronic solution will need to be implemented long-term.</li> <li>• Pilot scheduled for electronic Neurology SpR Handover and Referral system.</li> <li>• Weekend plan stickers Inc. expected deterioration, escalate plans, DNACPR status.</li> </ul> |
| Evaluation of risk of impulse control in patients with MS treated with amantadine   | <ul style="list-style-type: none"> <li>• All patients should be warned against impulse control disorder as a side effect when prescribed Amantadine for fatigue in MS as this side effect is clearly seen in patients in disorders other than Parkinson's Disease</li> </ul>  |
| Compliance with locally agreed rehabilitation prescription and passport (P&P) standards for those patients admitted, moving through and discharged from Cheshire & Merseyside Rehab Network | <ul style="list-style-type: none"> <li>• Comprehensive training programme on the purpose and philosophy of the document to facilitate completion rates.</li> <li>• Review and revise processes for distribution of the document to other network services</li> </ul>  |
| To assess the impact of enteral feed on rates of Clostridium Difficile (CDT) infection  | <ul style="list-style-type: none"> <li>• MDT approach including microbiologist, infection and prevention control nurse, antibiotic pharmacist, dietician and possibly gastroenterologist.</li> <li>• First line use of fibre containing feeds in long stay enterally fed patients, unless clinically contraindicated.</li> <li>• Further research is required before initiating routine use of prebiotics and probiotics</li> </ul>   |
| Review on the use of a vascular closure device in the femoral artery at WCFT  | <ul style="list-style-type: none"> <li>• Continue its use and review any complications, and discuss at monthly meetings.</li> </ul>   |

| Audit  | Actions  |
|--|--|
| To assess the impact of enteral feed delivery on the provision of macronutrient and micronutrient intakes in comparison to UK standards    | <ul style="list-style-type: none"> <li>• Dieticians should consider the long term implications of micronutrient deficits and macronutrient excess when devising a enteral feed for the patient group</li> </ul>  |
| Lunchtime management of dysphagia  | <ul style="list-style-type: none"> <li>• MDT approach to safe management of dysphagia during mealtimes. SLT to liaise with ward managers re importance of supervision at meal times.</li> <li>• SLT to liaise with ward managers re importance of supervision at meal times (via email) to feedback results to nutrition steering group</li> </ul>   |
| Documentation of Insertion of Central Venous Access Devices (CVADs) and their Dwell Times  | <ul style="list-style-type: none"> <li>• Findings to be discussed at ITU operational group</li> <li>• Insertion/matching Michigan checklist to be converted to sticky label</li> </ul>   |
| Clinical Outcomes Audit for atypical meningioma  | <ul style="list-style-type: none"> <li>• Conduct a randomised controlled trial.</li> <li>• The Trust has been awarded a £1.36 million grant from the National Institute for Health research (NIHR) to perform an international randomised controlled trial: Radiation versus observation following surgical resection of Atypical Meningioma (The ROAM trail).</li> </ul>  |
| Clinical Audit of trauma patients (ISS>8) admitted to WCFT and adequacy of assessment in trauma unit.                                      | <ul style="list-style-type: none"> <li>• The tertiary survey should be completed for all patients admitted on the major trauma pathway, in all those patients admitted with trauma whose initial assessments were difficult due to poor cooperation or to a need for intense resuscitation or surgery and also in all those with two or more high energy injuries at distinct body sites. We recommend that it should not be mandatory in other patients.</li> <li>• Introduce a method to easily identify these patients - a sticker attached to their notes, or the inclusion of a box to be ticked on the notes pro-forma.</li> </ul> |
| Review of effect of high dose steroids on glycaemic control and how effectively this is managed using the Walton Centre monitoring pathway | <ul style="list-style-type: none"> <li>• Investigate and provide further education for staff. Plan to complete this September 2014. Re-audit greater time frame therefore greater representation</li> </ul>  |
| Sedation in ITU  | <ul style="list-style-type: none"> <li>• Improved dissemination of sedation guidelines.</li> <li>• After discussion at the department audit meeting we are going to investigate the use of midazolam in our unit.</li> <li>• Repeat this more general audit in 12 months</li> </ul>  |
| Content of patient diaries in critical care  | <ul style="list-style-type: none"> <li>• Inform all staff that diaries are to be read through by the follow up clinic nurse lead before the patient receives it.</li> <li>• Highlight when a patient has a diary in progress on patient white board at the back of the bed and on hand over.</li> </ul>  |

| Audit  | Actions  |
|--|--|
| MSCC Audit (Metastatic Spinal Cord Compression)  | <ul style="list-style-type: none"> <li>Establish a regional network mechanism for constant implementation of the guidelines and a mechanism for auditing of NICE MSCC quality standards.</li> </ul>  |
| Knowledge and compliance of Trust needle stick policy  | <ul style="list-style-type: none"> <li>Staff reminded of policy and requirements for reporting.</li> <li>All staff attendance at clinical health and safety and infection control checked reminder posters in all clinical areas with instructions to follow.</li> <li>All staff checked for mandatory training</li> <li>Presentation at staff audit meeting to raise awareness, email results to all, standardisation of recording of dose, clarification of which secondary MIP images should be sent for which exams</li> </ul> |
| Audit of time taken from exam date to report availability  | <ul style="list-style-type: none"> <li>Software has been purchased so that additional work can be undertaken by radiologists at home.</li> <li>Additional consultant staffing has been advertised for unfilled post.</li> </ul>  |
| Audit of Accuracy in Voice Recognition Software 2014   | <ul style="list-style-type: none"> <li>Remind radiologists to proof read reports prior to verification dictation should ensure clear enunciation. Feedback of erroneous reports to the reporter so that further conclusions may be drawn and the reports corrected</li> </ul>  |
| Audit of Shunt protocols   | <ul style="list-style-type: none"> <li>Communication to radiologists regarding the use of low dose CT for shunt malfunction.</li> </ul>  |
| Audit of Compliance with Trust Documentation Policy for Radiological Procedures part 2/2   | <ul style="list-style-type: none"> <li>Reminders to consultants and fellows, virtual reminders in rooms, staff to remind consultants to write in notes</li> </ul>  |
| Audit of Cauda Equina syndrome out of hours imaging in the Walton centre   | <ul style="list-style-type: none"> <li>Patients with CES may experience a range of symptoms with varying combinations and not all symptoms need to be present for a clinical diagnosis to be made. It is important that clinicians do not wait for all signs to be apparent before considering investigating for CES.</li> <li>MRI is the widely accepted standard for effective evaluation of suspected CES and should be obtained urgently when such patients present.</li> </ul>  |
| Follow on Audit of WCFT Radiology department adherence to the radiologic specific requirements of the NPSA/2011/PSA002 and new guidelines regarding confirmation of safe nasogastric feeding tube placement part 2 /2014 | <ul style="list-style-type: none"> <li>Reiteration of importance of accuracy documentation with time in notes prior to safe NG tube.</li> <li>To avoid OOH NG tube placement if sufficient experienced staff not available to confirm accurate placement unless clinically urgent</li> </ul>   |

**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 monthly by the Clinical Audit Group. The clinical audit team 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 are discussed by the relevant Divisional Governance Group monthly meetings.

### **2.3.6 Participation in Clinical Research and Development**

The number of patients receiving NHS services provided or sub-contracted by the Trust in 2014/15 that were recruited during that period to participate in National Institute for Health Research (NIHR) portfolio research approved by a research ethics committee was 2028. The Trust has exceeded our annual recruited target set at 1200 by the Clinical Research Network North West Coast (CRN NWC). The Trust has exceeded the local CQUIN target of 100 patients recruited to CRN NWC studies.

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 41 new clinical research studies during 2014/15 in Neurology, Neurosurgery and Pain. This year there has been an increase in the number of clinical staff acting as Chief or Principal Investigator on NIHR portfolio studies, with many more involved as part of research teams. A total of 97 studies are on-going.

During 2014/15, the Trust was awarded NIHR Grants totalling approximately £2.3 million, for Neurosurgery projects. The Trust has submitted NIHR grant applications in 2014/15 for Pain and Neurology. This year the Trust was awarded NIHR Collaboration for Leadership in Applied Health Research and Care North West Coast (CLAHRC) funding to undertake 2 projects in epilepsy.

The Trust was a partner in the successful application to establish a Genomic Medicine Centre in Liverpool providing genetic samples for the Governments 100,000 Genome Project.

Our engagement with clinical research also demonstrates the Trust's commitment to testing and offering the latest medical treatments and techniques. The Trust has

worked collaboratively with the Academic Health Science Network North West Coast (AHSN) and successfully secured £32,000 from the Regional Innovation Fund to develop a tool kit to embed innovation.

### **2.3.7 CQUIN Framework.**

A proportion of The Walton Centre NHS Foundation Trust income in 2014/15 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 2014/15 and for the following 12 month period are available on request from [enquiries@thewaltoncentre.nhs.uk](mailto:enquiries@thewaltoncentre.nhs.uk).

The Trust received full payment against all of the CQUINS which amounted to £1,528,955. The Trust had the following CQUIN goals in 2014/15 which reflected both national priorities and DOH initiatives and also reflecting local needs and the views of the patients and commissioners.

- Friends and Family Test
- Dementia – appropriate assessment and referral.
- NHS Safety Thermometer – participation through data submission.
- Highly specialised services clinical outcome collaborative audit workshop - to participate
- Specialised services clinical dashboards- to embed and demonstrate routine use of dashboards
- Adult Critical Care - Increase Effectiveness of Rehabilitation after Critical Illness
- Trauma – Medicines Management
- Develop and embed a Nursing Assessment and Accreditation System
- Review and redesign ward balanced scorecard
- Percentage Increase of Patients Enrolled in Clinical Trials

### 2.3.8 CQUIN Quarter 4 (2014/15)

The table below provides a full break down of the Commissioning for quality, innovation contract (CQUIN) for 2014/15. Within the table both year-end position is provided.

| CQUIN Title  | Compliance Year End               |
|--|-----------------------------------|
| Friends and Family Test  | CQUIN Met - Full payment received |
| NHS Safety Thermometer   | CQUIN Met - Full payment received |
| Dementia   | CQUIN Met - Full payment received |
| Highly specialised services clinical outcome collaborative audit workshop - to participate   | CQUIN Met - Full payment received |
| Specialised services clinical dashboards- to embed and demonstrate routine use of dashboards | CQUIN Met - Full payment received |
| Adult Critical Care - Increase Effectiveness of Rehabilitation after Critical Illness        | CQUIN Met - Full payment received |
| Trauma – Medicines Management  | CQUIN Met - Full payment received |
| Develop and embed a Nursing Assessment and Accreditation System                              | CQUIN Met - Full payment received |
| Review and redesign ward balanced scorecard  | CQUIN Met - Full payment received |
| Percentage Increase of Patients Enrolled in Clinical Trials                                  | CQUIN Met - Full payment received |

### 2.3.9 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 2014/15. The Trust has not participated in any special reviews or investigations by the CQC during the reporting period.

The Trusts last 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 gave the Trust feedback on a great number of positive findings. The CQC passed the Trust as fully compliant in all of the outcomes examined.

### 2.3.10 Trust Data Quality

The Trust submitted records during 2014/15 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: 98.7% 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: 99.9% for outpatient care and 99.9% 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 14 to March 15. (SUS data quality dashboard)

The Trust's Information Governance Assessment report overall score at 31<sup>st</sup> March 2015 for 2014/15 was 85% and was graded green in accordance with the IGT Grading Scheme.

Once again the Trust has made significant progress for 2014/2015, 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 Trust's commitment to the IG agenda. A review of the evidence and self-assessment scores undertaken by internal audit as part of the mandated 2014-15 IG audit requirements has provided the Trust with a level of significant assurance for the fifth 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 2014/15

| CODING FIELD        | PERCENTAGE |
|---------------------|------------|
| Primary diagnosis   | 7%         |
| Secondary diagnosis | 10%        |
| Primary procedure   | 6%         |
| Secondary procedure | 6.5%       |

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 2014/15**

### **3.1 Complaints**

#### **3.1.1 Patient Experience and Complaints Handling**

The Patient Experience team provides help, advice and support to patients and their families, as well as helping to resolve concerns quickly on a patient's behalf. This can be prior to, during or after their visit to the Trust. The Patient Experience Team can be contacted by telephone or can visit a patient on a ward or at one of our Outpatient clinics. Where concerns cannot be easily resolved or is of a more serious nature, the Patient Experience Team are responsible for dealing with complaints on behalf of patients and their families. We pride ourselves in working with patients and staff throughout the Trust to resolve complaints in a timely way and to explain our actions and to evidence how services will be improved as a result of a complaint.

#### **3.1.2 Trend Analysis and Lessons Learnt**

Every complaint is investigated and each complainant receives a detailed response from the Chief Executive. We ensure those responses are open and transparent, and provide assurance that where mistakes have been made, those are rectified and we learn the lessons. Outcomes from complaints are reported monthly to committees within the Trust, and to the Executive Team. Longer term trends reported to the Patient Experience Group, the Board and Council of Governors. This year we have ensured that greater assurance is also reported to demonstrate actions have been taken. In 2014-15 we also undertook a more detailed analysis of a sample of complaints in order that we could understand the issues giving rise to complaints over and above the main issues. This information has been fed into the Organisational Development Strategy to develop appropriate training and development.

#### **3.1.3 Complaints Feedback**

We use feedback from people who have used the complaints process to help us improve our responsiveness and service. When we respond to a complaint, we enclose a questionnaire to help us assess this. This year we also invited people who had made a complaint to the Trust to meet with us to tell us how we can further improve the complaints process. Recommendations from this group included:

- More frequent contact during the complaint process
- More information on how to make a complaint
- Greater emphasis in responses on how we will improve services as a result of a complaint

Complaints received 01 April 2014 – 31 March 2015

|                               | <b>Quarter 1</b><br>April – June 14 | <b>Quarter 2</b><br>July – Sept 14 | <b>Quarter 3</b><br>Oct – Dec 14 | <b>Quarter 4</b><br>Jan – Mar 15 |
|-------------------------------|-------------------------------------|------------------------------------|----------------------------------|----------------------------------|
| Number of complaints received | 28                                  | 50                                 | 37                               | 37                               |

In 2015-16 we will implement the improvements highlighted from our focus group and we intend to hold a further two meetings during the year. We will also revisit our satellite clinics to ensure those patients have the opportunity to raise any concerns. The work of the Patient Experience Team will continue to complement the wider patient experience work within the Trust.

### **3.2 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 Deputy Director of Nursing and Healthwatch representatives 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 2014/15.

### **3.3 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. 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 strategy sets out key priorities and the principles that the Trust will continue to develop and apply to current and future planned services.

### **3.4 Nursing Assessment and Accreditation System**

The Trust has developed and implemented a Nursing Assessment and Accreditation System (NAAS) during 2014/15 to support quality care delivery on the wards and to benchmark practice.

The NAAS is a document designed to help nurses in practice by measuring the quality of nursing care delivered by ward teams. This performance assessment framework is based on the Walton Way Values approach to service delivery and combines Key Performance Indicators and Essence of Care standards. The framework is designed around 15 standards with each standard subdivided into three elements: leadership, care and environment.

The assessment consists of observations of care, asking staff relevant questions, observing meal delivery, checking documentation, reviewing the environment and receiving patient feed back. All inpatient wards have had the assessment undertaken over the last year and the results have been positive, with seven wards achieving a green score and one achieving an amber score.

Action plans are developed with team when areas of improvement are identified and reassessment will be undertaken dependent on the score achieved. When a ward achieves green three times, usually over two years, they will have the opportunity to present a case for Gold star status.



### **3.5 Sid Watkins Building**

A major new facility to complement our main hospital - The Sid Watkins Building, has opened in January 2015. The Walton Centre is proud to name the new building after Professor Sid Watkins, a neurosurgeon from Liverpool who was at the forefront of Formula 1 safety for more than 30 years.

The building has many cutting edge designs and facilities, one of these being a 'sky ceiling', which is a unique feature of the Pain Management Programme (PMP) department on the first floor. The service, the longest running of its kind in the UK, also has a gym and a number of clinic rooms to provide specialist programmes designed to help patients live with chronic pain.

The largest department in the building will be the Complex Rehabilitation Unit, part of the Cheshire and Merseyside Rehabilitation Network. The unit will provide 30 beds for patients in need of intensive rehabilitation while recovering from injury and illness, replacing our current 20 bed unit and providing extra capacity and facilities for patients. A large gym, therapy rooms and a specially designed courtyard in the centre of the building will offer therapeutic activities.



A medical education centre is situated on the top floor and will enable the Trust to provide first class training facilities for junior doctors and other staff, including a 100-seat lecture theatre, break-out rooms and clinical training rooms.

Extra Outpatients Department facilities, a new Neuropsychology Department and offices for our Finance, Human Resources, Patient Access Centre, IT, Governance and Procurement teams are also located in the building, along with a ground-floor coffee shop will give visitors the chance to relax before appointments.

Relatives' accommodation has also been included in the design, with eight en-suite double bedrooms, living rooms, kitchen and laundry, for the families of seriously ill patients in our main hospital. This important new addition to the Trust's services has been funded by our Home from Home Appeal.



### 3.6 Sign Up to Safety

The Walton Centre has a strong history of improving patient safety and enhancing the quality of its care. Over recent months and years the Trust has made significant improvements in these fields and in its ability to measure for improvement to capture that progression. This is one of the reasons for committing to the national Sign up to Safety Campaign

The Walton Centre are proud to play a part in the Sign up to Safety Campaign and are committed to the overall aim of reducing avoidable harm by 50% and saving 6000 lives across the NHS. We are keen to be part of the change process nationally, locally through our AHSN and at Trust level.

The Walton Centres Sign up to Safety work will be integral to our Trusts forthcoming Quality and Patient Safety Strategy. It will dovetail with our AQUA Advanced Board Programme actions which will also form part of our strategy. The strategy will be built on 5 foundations which stem from our previous work, our ambition to provide Excellence in Neuroscience, based on learning from for example the Berwick Review, and following consultation with staff.

We have committed our Walton Centres pledges to the 5 Sign up to Safety areas which are listed below for ease of reference and we have already made good progress in some of these already over the last few months. The pledge areas are;



- a) **Put safety first:** commit to reduce avoidable harm in the NHS by half and make public the goals and plans developed locally.
- b) **Continually learn:** Make organisations more resilient to risks, by acting on the feedback from patients and by constantly measuring and monitoring how safe their services are.
- c) **Honesty:** be transparent with people about their progress to tackle patient safety issues and support staff to be candid with patients and their families if something goes wrong.
- d) **Collaborate:** take a leading role in supporting local collaborative learning, so that improvements are made across all of the local services that patients use.

e) **Support:** help people understand why things go wrong and how to put them right. Give our staff the time and support to improve and celebrate the progress.

A safety improvement plan has been developed and outlines The Walton Centre approach to improve patient safety and quality of care and to build teams responsible for driving improvements across organisations.

### 3.7 Safer Staffing Reviews

The national focus on safe staffing on wards has been increasing since the publication of three important national reviews, Francis, Keogh and Berwick. All three reports shared a common purpose and that was to review patient safety either specifically at certain organisations or more generally in the NHS.

NHS England noted that as part of the commitment to safe nurse staffing all organisations would be expected to meet the requirements identified below:

- **Undertake a biannual safe staffing nursing review**

The Trust has undertaken two staffing reviews during the period 2014/15, these occurred during May and November 2014. Analysis was undertaken using accredited tools, triangulating data with nurse sensitive indicators and professional judgement. Reports were provided to the Board of Directors on the findings and both reviews have led to investment in the nursing workforce. Ward Managers were given supervisory status, a new Practice Education Facilitator role was introduced and staffing establishments were enhanced to allow at least a 1:6 ratio of trained nurse to patient provision across the wards.

- **Display actual against planned nurse staffing levels on wards**

Staffing Boards are now visible across all wards, displaying actual against planned nurse staffing levels on the ward on a shift by shift basis. The boards also identify the nurse in charge, meal times, theatre coordinator, visiting times and display staff uniforms to aid recognition of roles.



- **Discuss nurse staffing data monthly at Trust Board level**

A monthly report is presented to the Board of Directors as part of the Trust Quality Report. Trends and analysis of data provided is discussed. The report also cross references staffing with nurse sensitive indicators, such as complaints, HCAI, pressure ulcers, FFT results, NICE red flags and bed occupancy

- **Publish staffing data on NHS Choices**

Safe staffing data about the numbers of nurses caring for patients at all times is now published every month on the Trust's website and NHS Choices. It demonstrates the actual numbers of hours of nursing staff time available on day and night duty, in relation to the planned staffing levels, on each ward.

### **3.8 Collective Leadership Programme**

The Senior Nurses within the Trust have been participating in a development opportunity to enable the Trust to have a strong nursing leadership team fully equipped to drive improvements and lead the workforce. Lead Nurses, Matrons and Ward Managers have embarked on a bespoke programme.

Collective leadership represents a shift away from heroic leadership to an exclusive focus on individuals and highlights the importance of more collaborative approaches.

The programme enables the team to enhance their flexibility and resilience skills to lead in challenging times. The Programme builds on staff strengths and experiences, challenging their views and outlook. Understanding strengths and diverse leadership styles allows for self-development and building team rapport.

### **3.9 Always Events**

The Trust has signed up to a national programme launched by The Picker Institute and Institute for Healthcare Improvement (IHI) which asks hospitals to outline the things that should always happen.

Their list includes basic things such as staff always introducing themselves and calling patients by their preferred name; asking patients what is important to them every day and involving patients in their discharge or transfer to another hospital. It also pledges to give patients timely pain relief and to always make sure they know which nurse is in charge of their care.



The Walton Centre is backing the campaign which is supported by more than 400,000 doctors, nurses, therapists, receptionists, porters and other NHS staff, across more than 90 organisations.

Always events are the opposite of never events; they are things that should always happen. The events came about through the Trust Sign Up to Safety pledge. As part of that, we looked at feedback from our surveys about what patients really wanted and what was important to them , what did they always want to happen? From the feedback the Trust was able to draw up the pledges which are our commitment to them. The Always Events also tie in with the ‘Hello, My Name is Campaign’ which is all about putting patients at the centre of care.”

We pledge that our nurses will ALWAYS:

- Introduce themselves and call patients by their preferred name
- Give patients timely pain relief, ask about their comfort and ensure they know which nurse is in charge of their care
- Communicate with patients and carers, listening to patients and reviewing their care needs.
- Ask patients what is important to them each day.
- Involve patients and carers in their discharge/transfer process

### 3.10 Trauma Services Peer Review

The Walton Centre, Aintree University Hospital and the Royal Liverpool University Hospital formed a Major Trauma Centre collaborative two years ago, serving patients from around the region. Working together to ensure patients got the very best care in the most appropriate location.

Patients with serious multiple injuries are brought direct to either Aintree Hospital or Royal Liverpool Hospital, bypassing their local hospital emergency units so that they are given specialist trauma care immediately after admission. Those who have serious head injuries are brought to The Walton Centre for treatment. Other hospitals have been designated as Major Trauma Units, for the treatment of less seriously injured patients and for those who require stabilisation before onward transfer to the Major Trauma Centre.

A top level review has now welcomed the improvements in the way care is delivered to trauma patients through the Cheshire and Merseyside Major Trauma Network, when a multidisciplinary panel of health professionals visited the Major Trauma Centre to review data showing the number of patients admitted and the outcomes of their treatment – and to talk to key people leading the different services.

The Peer Review Panel reported that there was ‘good evidence of engagement’ between the different Trusts in the Major Trauma Network. Also commended was the 24/7 consultant-delivered care; and the good follow up for patients, with a regular major trauma clinic and a clinic for head injured patients. The panel also applauded the new specialised acute rehabilitation service which treats trauma patients within days of their admission to hospital, at The Walton Centre and at ‘spoke units’ in other hospital and community settings.

“People in our region who suffer severe traumatic Injuries are now receiving a much improved standard of care, thanks to the new trauma network and also thanks to the new, co-ordinated rehabilitation service.  
**Trauma Network Medical Director Mr Peter Burdett-Smith**

The latest figures show that outcomes for trauma patients in the Cheshire and Merseyside network are among the best in the country.

### **3.11 Claustrophobia Clinic**

Claustrophobic patients who are too afraid to undergo essential diagnostic scans at The Walton Centre are being offered special counselling to allay their fears, thanks to a new compassionate care award.

An MRI (magnetic resonance imaging) scanner is a large tube that contains a powerful magnet to produce the most detailed images of the inside of the body.

Patients are required to lie still inside the tube while the scans take place, for up to an hour.

About two per cent of patients, which equates to several hundred cases a year, are unable

to undergo MRI scans in the Trust's Radiology Department which can impact on a patient's diagnosis, lead to increased waiting lists and rescheduled appointments.



Superintendent Radiographer Kath Tyler won the inaugural Roy Ferguson Compassionate Care Award for her concept of a claustrophobia clinic, which explains the procedures to patients, allows the patients to try different scanner options in the department, explains what to expect and teaches ways of coping.

Kath said: "Claustrophobia, or the fear of confined spaces, is a serious problem, preventing many patients from having medically necessary MRI scans. Patients for whom there is no alternative diagnostic test may require an MRI scan under general anaesthetic, with the associated risks and expense."

"Patients who are claustrophobic need compassion, empathy and understanding. With help and preparation from the right person before their scan, most claustrophobic patients are able to successfully complete a very valuable diagnostic investigation."

The Roy Ferguson Compassionate Care Award provides an annual £5,000 grant in memory of the late husband of Trust Governor Louise Ferguson.

### **3.12 Cheshire and Merseyside Rehabilitation Network**

The Walton Centre plays a key role in the Cheshire and Merseyside network, providing hyper acute and complex rehabilitation care, in Lipton Ward and in the Complex Rehabilitation Unit. The new network of rehabilitation care has been given a glowing report after its first inspection during 2014/15.

Staff have been praised for their achievements in setting up the new, co-ordinated



system, through which patients receive specialist assessment and treatment in different units around the region, based on their needs and their stage of recovery.

The first annual Peer Review for the Cheshire and Merseyside Rehabilitation Network reported 100 per cent compliance rates against all standards.

### **3.13 PLACE Assessment**

Results of a patient-led assessment show high ratings for cleanliness, food and hydration, as well as the condition and appearance of the hospital. The Trust's annual Patient-Led Assessment of the Care Environment (PLACE) results were better than ever with regards to cleanliness which was rated at 99.84 per cent; food at 98.9 per cent; privacy and dignity at 93.89 per cent and an improved 97.88 per cent for the general condition and appearance of the site.



Trust Business Development Manager Paula Bamber said: “The PLACE assessment is very important as it gives us an indication that we are on track. Although we are delighted with our scores we will continue trying to improve them in the future. We have worked really hard to improve on last year’s results when we were named as one of the top performing hospitals in the country. This time we invited an external assessor from PLACE in addition to the regular panel to make it an even more stringent process which shows how seriously we take it.”

The assessment takes place every year and can take more than six hours to complete with inspectors visiting all patient and public areas

### 3.14 Overview of Performance in 2014/15 against National Priorities from the Department of Health's Operating Framework

The following table outlines the Trusts performance in relation to the performance indicators as set out in the Department of Health's Operating Framework.

| Performance Indicator  | 2013/14 Performance | 2014/15 Target  | 2014/15 Performance |
|--|---------------------|-----------------|---------------------|
| Incidence of MRSA  | 1                   | 0               | 0                   |
| Screening all in-patients for MRSA   | 100%                | 100%            | 100%                |
| Incidence of Clostridium difficile   | 12                  | 9*/12**         | 11                  |
| All Cancers : Maximum wait time of 31 days for second or subsequent treatment: surgery                                   | 98.63%              | 94%             | 100%                |
| All Cancers : 62 days wait for 1 <sup>st</sup> treatment from urgent GP referral to treatment                            | 100%                | 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                                     | 92.6%               | 90%             | 92.46%              |
| Maximum time of 18 weeks from point of referral to treatment in aggregate – non-admitted                                 | 97.52%              | 95%             | 97.75%              |
| Maximum time of 18 weeks from point of referral to treatment in aggregate – patients on an incomplete pathway            | 97.44%              | 92%             | 97.84%              |
| Certification against compliance with requirements regarding access to health care for people with a learning disability | Fully Compliant     | Fully Compliant | Fully Compliant     |

\*Public Health England threshold

\*\* Monitor threshold

The Trust reported a never event following a wrong site surgery incident to its Commissioners during 2014/15 as required. The Trust fully investigated the incident and has reviewed the processes in place, taking actions to prevent future incidents occurring. Staff involved have undergone education and support to enable implementation of the more robust processes.

### **3.15 Overview of Performance in 2014/15 against NHS Outcomes Framework Domain**

The Department of Health and Monitor identified changes to Quality Account reporting requirements for the 2012/13 and subsequent rounds of Quality Accounts, following consideration by the National Quality Board of introducing mandatory reporting against a small, core set of quality indicators.

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 2014/15 the Walton Centre provided and/or sub-contracted four relevant health services. These were neurology, neurosurgery, pain management and rehabilitation.

The income generated by the relevant health services reviewed in 2014/15 represents 100% per cent of the total income generated from the provision of relevant health services by the Walton Centre for 2014/15.

### 3.16 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 |
|---------|---------------------|--------------------------------------|
| 2013/14 | 282                 | 6.03%                                |
| 2014/15 | 276                 | 5.43%                                |

|               |    |       |
|---------------|----|-------|
| <b>Change</b> | -6 | -0.6% |
|---------------|----|-------|

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 2014 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 37 questions in the national inpatient survey, with the 2014 survey seeing the greatest improvements and scores the Trust has achieved to date.

The Walton Centre has taken the following actions to improve this score, and so the quality of its services:

- Increasing the nursing staff establishments
- Introduction of a Practice Education Facilitator on each ward
- Introduction of the Nursing Assessment and Accreditation Scheme
- Introduction of Matron Rounds

The Trust has continued to capture monthly internal surveys that ask the same 5 questions and have noted a sustained high score across the year. 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.

| <b>National Inpatient Survey Question</b>   | <b>2012<br/>Result</b> | <b>2013<br/>Result</b> | <b>2014<br/>Result</b> |
|---|------------------------|------------------------|------------------------|
| 1. Were you involved as much as you wanted to be in decisions about your care?                                | 7.5                    | 7.9                    | 8.3                    |
| 2. Did you find a member of hospital staff to talk to about your worries or fears?                            | 6.4                    | 6.3                    | 7.0                    |
| 3. Were you given enough privacy when discussing your condition or treatment?                                 | 8.7                    | 9.0                    | 8.9                    |
| 4. Did a member of staff tell you about the medication side effects to watch for? (following discharge)       | 5.2                    | 5.1                    | 5.8                    |
| 5. Did hospital staff tell you who to contact if you were worried about your condition? (following discharge) | 8.1                    | 8.7                    | 8.7                    |

To note: National Inpatient scores are out of a maximum score of ten

**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 311 staff out of a random sample took part in this survey. This is a response rate of 46% which is slightly above average for acute specialist trusts in England. This is also similar to last year's response rate of 45%. The national response rate was 43%, a decrease from 49% in 2013. Within the survey the "percentage of staff who would recommend the Trust as a place to work or receive treatment" is 4.14, this is an improvement on last year's score (4.00), and is above the acute Trust average of 3.67 and equal to the specialist acute Trust average.

The Walton Centre considers that this data is as described for the following reasons:

In addition to the annual staff survey, a staff Friends and Family Test has also taken place on a quarterly basis this year. The purpose of these is to assess how likely employees are to recommend the Walton Centre as a place to work and also as a place to receive treatment. The results have been extremely positive. In Quarter 1 the Friends and Family Test was issued to 400 staff using an online survey, 95 surveys were returned. The results showed that 96% of staff were extremely likely or

likely to recommend the Walton Centre to friends and family if they needed care or treatment and 80% of staff said they were extremely likely or likely to recommend the Walton Centre to friends and family as a place to work. In Quarter 2 the Friends and Family Test was issued to a further 400 staff with 104 being returned. The results showed that 99% of staff were extremely likely or likely to recommend the Walton Centre to friends and family if they needed care or treatment and 86% of staff said they were extremely likely or likely to recommend the Walton Centre to friends and family as a place to work.

**Action to be taken**

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. Feedback will also take place to advise staff what action the Trust has taken in response to their comments. Although it is important to recognise that the majority of the findings were predominately positive in nature, the Trust action plan will also focus on any area's where the findings were slightly less positive.

**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     |
|----------------|------------------|-------|-------|-------|--------|
| <b>2012/13</b> | Walton Centre    | 99.1% | 92.3% | 92%   | 94.85% |
|                | National Average | 93.4  | 93.9% | 94.2% | 94.2%  |
| <b>2013/14</b> | Walton Centre    | 96.1% | 95.6% | 96.2% | 96.2%  |

|                |                  |       |       |       |       |
|----------------|------------------|-------|-------|-------|-------|
|                | National Average | 95.4% | 95.7% | 95.8% | 96.0% |
| <b>2014/15</b> | Walton Centre    | 96.3% | 96.5% | 98.7% | TBC*  |
|                | National Average | 96.2% | 96.2% | 96.0% | TBC*  |

\*National average data not available until 1<sup>st</sup> May 2015

### Action to be taken

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 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 | 2014-15 |
|-----------|-----------|-----------|---------|---------|---------|
| 32.2      | 21.2      | 20.4      | 15.6    | 21.0    | 21.6    |

### National average Clostridium difficile infections per 100,000 bed days:

| 2009-2010 | 2010-2011 | 2011-2012 | 2012-13 | 2013-14 | 2014-15 |
|-----------|-----------|-----------|---------|---------|---------|
| 35.3      | 29.7      | 22.2      | 17.3    | 14.7    | TBC**   |

Note: relates to Trust apportioned cases only.

\*\* The latest national rates were unavailable at the time this report was produced.

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
- Specialist treatment and regimes required for neurological complications
- 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 to the 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
- 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 the quality of its service and aims to reduce *Clostridium difficile*, which 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 2014/15 the Trust reports a rate of 5.5 patient safety incidents per 100 admissions compared to a rate of 4.87 in 2013/14. In 2014/15 the proportion of

patient safety incidents that resulted in severe harm or death was 2 compared to two cases that resulted in severe harm or death in 2013/14.

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:

The Trust investigates all incidents reported, reviewing causes and putting systems in place, as appropriate, to ensure these incidents do not re-occur. Lessons learnt are disseminated to staff and monitoring of incidents occurs to assure the Trust that incidents that have occurred are not repeated.

Further actions this year will be to:

- Make improvements to reporting clinical incidents, improving the reporting system
- Reviewing practices in order to reduce incidents that cause harm to patients.
- Discussing all root cause analysis at cross divisional harm meetings before reporting to the Patient Safety Group
- Review how lessons learnt are being disseminated to staff, exploring new ways to share the information.

#### **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 2014/15 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 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 2014-15;
- ❖ the content of the Quality Report is consistent with internal and external sources of information including:
  - Board minutes and papers for the period April 2014 to April 2015
  - Papers relating to Quality reported to the Board over the period April 2014 to April 2015
  - Feedback from the commissioners dated 14<sup>th</sup> May 2015
  - Consultation with governors at events on 10<sup>th</sup> March 2015
  - Feedback from the Overview and Scrutiny Committee (OSC) dated 18<sup>th</sup> May 2015
  - Feedback from Healthwatch (Liverpool, Sefton, St Helens, Halton) dated 14<sup>th</sup> May 2015
  - The Trust's Complaints Report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 15<sup>th</sup> May 2015.
  - The National Inpatient Survey presented to Trust Board on 30<sup>th</sup> April 2015
  - The National Staff Survey for 2014 presented to Trust Board on 30<sup>th</sup> April 2015
  - The Head of Internal Audit's annual opinion over the Trust's control environment was presented to Audit Committee 27<sup>th</sup> April 2015
- ❖ 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

Chairman

22 May 2015

Chief Executive

22 May 2015



14<sup>th</sup> May 2015

## Walton Centre Quality Account 2014-15 Joint Healthwatch commentary

Healthwatch organizations' for Halton, Liverpool, Sefton and St. Helens have been provided with the Quality Account for the necessary period required in the guidance and were also provided with a presentation of the document's content on 28<sup>th</sup> April 2015 at Healthwatch St. Helens offices.

Healthwatch Knowsley agrees its commentary on Quality Account documents in a joint arrangement with its Overview & Scrutiny committee.

It was agreed that a joint commentary would be provided as a number of Healthwatch areas and regions of Wales were users of the Trust's services and may have common issues.

Reviewing performance from the last year's priorities:

### Safety

- We are pleased to see a reduction in falls where harm was caused (from 47 to 24) which is a 48% decrease, when the trust set itself a target of a 5% reduction
- Hospital acquired pressure ulcers
- Improvements in medication safety - although data has not yet been available to demonstrate this e.g. number of omitted doses has decreased since improvements have been made.

### Effectiveness

We acknowledge the Trust's conclusion that using Jefferson ward for overnight stays was not effective in reducing time spent in hospital for patients, but that the ward's use has been adapted for patients having 'same day' surgery (also priority 3)

The Trust states there has been a thorough review of documentation including a nursing admission assessment, which enables a risk assessment to be done as soon as possible. The Trust wishes to speed this up to happening within 12 - 6 hours of admission.

### Experience

We know that the Trust has successfully implemented:

- An increased return in Friends & Family Test feedback

- Introduced a patient group to feedback on services (which increased the potential for patients to feedback to the Trust alongside other patients to at least every month)

We are also pleased to acknowledge that patient feedback is being collected about the quality of services at the 30 or more satellite clinics/sites, as this has previously been a perception expressed in feedback to Healthwatch St. Helens. It's important that not only do people get equal access to services but it ensures that public perception backs this up.

#### **Stretch targets and other initiatives:**

We were advised about a number of other areas that Trust had developed, including the highlights of:

- A Nursing Assessment and Accreditation scheme (internal quality rounds, conducted by the Director of Nursing and the Head of Quality)
- Dignified bags for bereaved relatives to take away their loved one's possessions
- Specialising nurses enabling people with games and interactions to maximize their recovery

#### **Priorities for 2015-16**

As part of the ongoing contact The Trust has engaged with Healthwatch organisations throughout the year through quarterly Healthwatch meetings which have helped us to gain important updates from the Trust and to ask questions in an informal way. It has been at these meetings where we have been able to influence the potential quality priorities for the coming year and Governors have been similarly involved.

Those to be undertaken in 2015-16 are:

- Reducing clinical nurse avoidable harms e.g. pressure ulcers (Grades 3 and 4), falls with harm and healthcare acquired infections.
- Infection rates in external ventricular drains
- Reduced medication errors
- Increase early detection and treatment of deteriorating patients
- Electronic observations
- Therapeutic specialising
- Double the number of volunteers (and create suitable relevant roles)
- Create a Carers strategy
- Improve care & experience of patients and their end of life

Healthwatch organisations involved broadly agree with these priorities.

We congratulate the Trust in achieving full payment of its CQUIN measures and also note the involvement of patients in evaluating how the Trust could improve its complaints procedures.

Comments from Healthwatch members:

- Healthwatch Sefton during this period has held the post as a stakeholder Foundation Trust Governor. A presentation to governors on the role of Healthwatch was provided during the year, the role will now be offered to members of other local Healthwatch.
- Having membership to the Trust's Patient Experience Group provides an opportunity to input into areas of work and issues which the Trust are working on. On this group we are able to view information on complaints information and have the opportunity to get more involved.
- It would be helpful for updates on quality to be provided at the regular meetings so Healthwatch has the opportunity to review quality on an ongoing basis.
- The work to implement the nursing assessment and accreditation scheme used to support quality care delivery on wards is a positive way to benchmark practice and it will be useful for Healthwatch to gain updates on the outcomes of assessments and the associated action plans.
- The claustrophobia work for people needed to use MRI scanners is a great example of listening to patients and trying to improve their experience.
- Ticket home programme is a really good initiative and it is good to see that this has been implemented on all of the wards. It would be good to see the feedback on this from patients and the staff.
- After reviewing the quality account, Healthwatch included the need for a glossary, and an introductory paragraph which shares with the reader the specialism of the Trust and its uniqueness
- Some members have visited the fantastic new rehabilitation facility (Sid Watkins Unit)
- Healthwatch St. Helens would like to see how the Trust engages its patients in the public health agenda of the many boroughs that refer patients to use the Walton Centre. Whilst we appreciate there might be many variations in the numerous borough's Health & Wellbeing strategies, the patient's good care & experiences can be further enhanced by ensuring a healthy lifestyles approach is also addressed once the patient has returned to their home.

### **Local Healthwatch Organizations' Statement on Equality Delivery System 2 at The Walton Centre NHS Foundation Trust in 2014/15.**

This is a statement from local Healthwatch organisations regarding the (EDS 2) performance of The Walton Centre NHS Foundation Trust in 2014/15.

EDS2 sets out how NHS organisations inform the Department of Health, NHS England, the local Clinical Commissioning Group and other stakeholders such as Healthwatch, about how well that organisation believes it is performing regarding the equality performance of the service. To do this effectively, the Trust must engage with Healthwatch, to provide us with up to date information about their progress and to tell us if they judge themselves to be Underdeveloped, Developing, Achieving, or Excelling in the equality goals that are chosen to focus on.

Local Healthwatch Organisations make comments to let both patients, stakeholders and the Trust know how well, or not, we judge the Trust to be performing, based on what we have been told by the Trust and from an independent perspective.

The Trust has performed very well in its EDS 2 engagement with local Healthwatch Organisations and has provided both regular update meetings and written summaries of equality related activity. The Trust also engaged with us regarding the choosing of appropriate equality targets.

In the early months of 2015 Walton Centre staff shared their summaries of the progress made to that point, which indicated that the Trust is 'Developing' across the majority of equality objectives that it has set for itself and is 'Achieving' regarding its EDS 2 goals relating to staff.

Based on the evidence presented, we are of the opinion that the Walton Centre has made an accurate and open assessment of its progress to this date. We recognise and applaud the actions that have and are being taken in the Trust's Equality Action Plan and we look forward to observing further progress in the coming year towards the Trust rating 'Achieving' for a greater number of its equality goals.

*n.b : the data in this commentary is the data identified in the first Quality Account draft*

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Date: 18 May 2015  
Our Ref:  
Your Ref:

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Dear Mr.Harrop,

### **The Walton Centre NHS foundation Trust – Quality Account 2014/15**

As Chair of Sefton Council's Overview and Scrutiny Committee (Health and Social Care) I am writing to submit a commentary on your Quality Account for 2014/15.

Members of the Committee met informally on 13 May 2015 to consider your Quality Account, together with representatives from the local CCGs.

We welcomed the opportunity to comment on the Quality Account and comments are outlined below.

We recognised that the Trust faces many challenges and pressures. Attendees noted that the Trust has demonstrated improvements and was making progress against measures.

We accepted your Quality Account for 2014/15 and you will not be requested to attend a formal meeting of the Overview and Scrutiny Committee (Health and Social Care).

Yours sincerely,

Councillor Catie Page  
Chair, Overview and Scrutiny Committee (Health and Social Care)

## The Walton Centre – Quality Account 2014/15

As the lead commissioner for The Walton Centre we welcome the opportunity to provide commentary on the 2014 Quality Account. The account has been produced following meaningful stakeholder engagement and sets out clearly the outcomes and achievements for 2014. It also details priorities for the coming year, with a robust supporting rationale. The priority areas build upon previous work and there remains strong commitment to continual improvement year on year.

There is evidence of patient engagement throughout the Quality Account with the introduction of patient focus groups, learning from complaints and engaging with complainants to improve care delivery. A key priority is strengthening the volunteer programme and increasing the numbers of volunteers. We look forward to seeing patient involvement further developed during 2015 with patients contributing to the quality agenda and helping to shape future service improvements. We note that the Trust successfully implemented the Friends and Family Test (FFT) in outpatients and daycase services 6 months ahead of the National requirement. There is also evidence of staff engagement in the priority areas such as input into the review and development of nursing documentation and improvements in discharge arrangements which have resulted in patients feeling more involved in their discharge. The Trust should be commended for the improvements made in the inpatient survey, with improvements seen in 37 questions demonstrating that the hard work and time invested in quality initiatives have made a real difference.

We are pleased to note a 34% reduction in pressure ulcers; this reduction exceeds the target set for the year. The Trust has also built on previous work to reduce the numbers of falls with harm yielding an impressive reduction of 51% during 2014. The Trust is also commended for their work to achieve a zero tolerance for MRSA bloodstream infections with no cases in 2014/ 15. The number of cases of Clostridium Difficile in the last year was 11, commissioners can confirm that each case has been subject to a full multidisciplinary Root Cause Analysis which has been shared with NHS England quality team with actions taken to prevent infection and pro-actively manage patients. The Trust continues to put the safety of patients at the forefront of their work and ensure infection prevention remains a high priority. It is clear that steps have been taken to reduce medication errors and also to improve the patient journey with those being admitted for surgery, now where possible admitted on the day thus avoiding patients having to come into hospital the day before their operation.

The Trust has a proven track record of participation in local and national audits and research, giving more people the opportunity to take part in research and exceeding the recruitment targets for the year. The Trust is committed to a robust programme of audit and the Quality Account gives a clear description of improvements made and actions taken as a result of this. This approach is also reflected in the achievement of their CQUIN framework.

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. The accounts clearly show the Trusts commitment to the National Sign up to Safety campaign which forms part of the forthcoming Patient Safety Strategy. We look forward to seeing progress on this during 2015. We also acknowledge that the new Sid Watkins building provides excellent purpose built facilities for patients and relatives.

The Quality Account gives a good overview of the Trusts governance and assurance processes.

Prepared by Sue McGorry – Head of Quality, North West Specialised Commissioning Hub.



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