

The Walton Centre 
NHS Foundation Trust

Excellence in Neuroscience



The Walton Centre NHS Foundation Trust

Annual Report and Accounts 2015/16

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1. Foreword from the Chair and Chief Executive

Welcome to The Walton Centre NHS Foundation Trust's Annual Report for the period 1st April 2015 to 31st March 2016.

Our vision is: Excellence in neuroscience.

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.

2015 saw the Trust refresh its wider strategy to reflect its ambitions for the future and move forward with several innovations that will help achieve them and also help the organisation to continue to deliver excellence in neuroscience now, and in the years to come.

Recognising that the NHS is facing a period of profound change, The Walton Centre's strategy continues to put patients at the heart of delivering care and focuses on six key areas: sustaining and developing our services; developing our hospital; improving quality; research and innovation for patient care; our workforce and our financial health.

Intraoperative Magnetic Resonance Imaging (iMRI)

After many years of planning, the Trust has embarked on a £8.1m project to create two new theatres and an intra-operative Magnetic Resonance Imaging scanner to benefit patients and give the organisation more capacity to meet growing demand. Ground work for the iMRI project has started with an expected completion date of March 2017.

Royal Opening of Sid Watkins Building

Since the building was opened in January 2015, The Sid Watkins Building – a result of the Trust's on-going strategic investment programme - has gone on to win a number of awards. The year culminated in its official opening by HRH The Princess Royal. The day was attended by representatives from throughout the Trust, those involved in the build and more, as well as the family of Sid Watkins. On the day, HRH The Princess Royal unveiled a bronze bust of Professor Sid Watkins, honouring the man who made motor sport safer for Formula 1 drivers and pioneered several developments in neuroscience.

The Walton Centre Charity Rebranded

In the past year, the charity has built on the success and momentum created by our Home from Home Appeal, to develop a fundraising function capable of generating sustainable, long-term charitable income for the Trust. A new name was adopted in April 2015 – The Walton Centre Charity – and a dedicated logo was created to give the charity its own identity. In conjunction with the official opening of the new building in December, ‘The Sid Watkins Fund’ was launched to support innovation at the Trust and the Fund forms an integral part of the long-term strategic plan for the charity to support major projects at The Walton Centre in the future.

Vanguard Status Awarded

The Walton Centre was chosen to develop two new care models for the benefit of all NHS patients nationally through NHS England’s vanguard project. The Neuro Network – Acute Care Collaborative Vanguard was given the go-ahead in September 2015 and will see the Trust work with other partners to improve care for those with back pain as well as those with neurological conditions. Work is in the early stages but promises to deliver a more responsive, integrated cost effective service for this cohort of patients as well as standardising the care that is given and ensuring equal access to services, closer to patients’ homes.

Improving Quality

Much work has been undertaken on improving the quality of services patients receive on a day to day basis. This has resulted in the Trust having no incidence of a grade 3 or 4 (the most serious) pressure ulcer over the past 12 months, a new multi-disciplinary falls prevention steering group being developed to reduce patient falls even further and new technology employed such as a trial with a technology company on bathroom sensors. The trust’s investment in a UV light machine is another innovation which has added to our already existing robust infection control processes and improved turnaround times for bed availability. New ideas are also being deployed to get all staff involved in making quality improvements, and contribute to our Quality and Patient Safety Strategy facilitated through new Berwick Sessions.

Health and Wellbeing

The Walton Centre was chosen to help improve the health and wellbeing of the entire NHS workforce after establishing its own health and wellbeing programme five years ago. NHS Chief Executive Simon Stevens identified The Walton Centre and 11 others as exemplar

trusts that he wanted to see help drive improvements under a £5m scheme. As part of this work, free health checks are being offered to staff between the ages of 40 and 74, checking cholesterol, blood pressure and general wellbeing; staff are being asked to become 'champions' to champion health and wellbeing among colleagues and managers are being trained and given resource packs to help them be supportive leaders and help create a mentally healthy workplace. It is expected the results from the exemplar trusts will go on to shape a national plan.

Acknowledgement

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 Charity 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

26 May 2016



Ken Hoskisson, Chairman

26 May 2016

This report was approved and adopted by the Board of Directors on 26 May 2016. The Trust's 2015/16 accounts have been prepared under a direction issued by Monitor under the National Health Service Act 2006.

2i. Performance Report – overview of performance

Principal Purpose

The principal purpose of the Trust is the provision of goods and services for the health service in England.

The Walton Way

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.



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.



The Trust's strategy is to develop the services and the hospital to ensure the growing number 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 35.5% for inpatients and 25% 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 34 locations, and the developing spinal surgery network. This also includes supporting GPs and district general hospitals to manage patients with neurological conditions better locally, without referring to the specialist centre.

This role has been recognised through our designation by NHS England in September 2015 as an Acute Care Collaboration Vanguard known as the Neuro Network, in conjunction with local partners, as part of the national New Care Models Programme.

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 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 is part of an £8.1m capital investment to develop two additional operating theatres to treat the growing number of patients.

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 progressing towards a full electronic patient record.

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

Business, Activity and Performance

Throughout 2015/16, 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 2015/16 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
- Long Term Conditions
- Therapies
- Neurology ward
- Advanced Neurology Nurses
- Disease specific Specialist Nurses
- Neurophysiology
- Neuropsychiatry
- Neuropsychology
- Pharmacy Service level Agreement
- Medical Records

- Patient Access Centre
- Medical Secretariat
- Rehabilitation
- Outpatients
- Outpatient satellite services
- Neurology day cases
- Radiology
- Clinical Audit.

Division of Neurosurgery

The division continues to increase its workload and expand. Theatre expansion has occurred by the pain physicians partly moving their operative workload into the Radiology department. There are on-going transformation projects in theatre productivity, vascular, functional, and spinal pathways, and junior doctor working. The aim is to move to a more efficient theatre system, and to reduce length of stay to improve productivity, whilst increasing quality.

The division leads on patient reported outcomes, with Spine Tango embedded within the division and outcomes for skull base surgery, oncology, hydrocephalus, some pain procedures, and trauma being collected, with future expansion into vascular.

Educational activities over the year have included the expansion of the simulation centre in critical care, pain course, arteriovenous malformation study days, and an oncology training course.

The division has been heavily involved in the design and support for the intraoperative MRI, due to open in June 2017. Many members of the division have national roles in clinical reference groups, and national taskforces in neurosurgery, oncology, pain, and anaesthesia. The spinal part of the vanguard project continues to develop in line with a national programme to reduce unnecessary spinal procedures.

Research has developed with a new senior lecturer in neurosurgery, a number of on-going trials in neurosurgery and pain, and an increase in the cooperative workings of the research tissue bank. Multiple presentations and papers in all areas of care have been accepted, presented, and published at national and international conferences.

Neurosurgery

The department of Neurosurgery remains the busiest neurosurgical service in the UK with eighteen consultant neurosurgeons, supported by eighteen neurosurgeons in training (registrars and fellows). A recent appointment to support spinal deformity surgery has strengthened the department's contribution to spinal services across the region and will support the spinal vanguard project. The Trust, along with its partners in the Merseyside and Cheshire Major Trauma Centre Collaborative (MTCC) continues to deliver excellent outcomes for trauma patients.

Anaesthesia and Critical Care

The department has recently undergone a successful peer review, scoring over 95% against the national service specification for adult critical care departments.

Following the success of the new post of advanced nurse practitioner, the department has recruited a second and has just been funded for a further two posts. This is helping alleviate the pressures caused by national medical workforce issues.

Work will commence shortly on the development of an outside space where ventilated patients and their families can safely spend time away from the confines of the critical care department. A further enhancement to patient experience is the implementation of a sky cinema to support patients with cognitive impairment/confusion. Installed in the ceiling above the patients' bed space, it will help patients orientate themselves by displaying the sky from sunrise to sunset.

Pain Medicine

The department of Pain Medicine is one of the largest and busiest in England assessing and treating complex and intractable chronic pain, with eight pain medicine consultants, two pain fellows, and 30 whole time equivalent allied healthcare staff running the service.

The pain service offers a Pain Management Programme to promote self-management of chronic pain as well a range of pain relief interventions including spinal implants for chronic pain. The department prides itself in its close collaboration with spinal surgery, functional neurosurgery, psychology, neurology, urology, palliative medicine and gynaecology to assess and treat chronic pain patients as relevant to that discipline.

The division was involved in four National Institute for Health Research multi-centre trials during the year looking into pain related research as well as contribution to the National Cordotomy. Registry for cancer related pain (one of only two hospitals in the UK offering

regular cordotomy service) as well as pain related outcomes from various spinal interventions including implants. The department runs many successful pain related study days and courses every year with attendees from across the world.

The pain service is evolving in line with NHS England and Specialised Pain Clinical Reference Groups (CRG) ambition to integrate with other pain services including that in secondary care as well as in the community.

In September 2015, Dr Manohar Sharma, Clinical Director of Pain Medicine had his book "Practical Management of Complex Cancer Pain" awarded the BMA Medical Book of the Year 2015, having been selected from 630 books judged in 20 medical categories.

Pathology

The department is led by a full time consultant clinical scientist and laboratory director. The formal United Kingdom Accreditation Service (UKAS) certificate to support the recent positive UKAS inspection is expected shortly. An expansion and upgrade of the physical space in the department commenced in February. Once completed and as part of a planned marketing exercise of the laboratory services, the department will be renamed *The Neuroscience Laboratories*.

The new Cerebrospinal Fluid (CSF) Bio-bank will be available on site this year, this resource will be extremely important in the advancement and development of both neurobiochemistry and neuroimmunology assays, it also provides precious samples to enable research and potential collaborations with other Trusts and academic institutions.

The Walton Research Tissue Bank (WRTB) was successful in achieving research ethics committee approval until 2020. Twelve research projects were registered over the past year, including meningioma and metastases and a glioblastoma project. There are currently more than 2000 tissue tumorous samples and 3000 blood samples stored within the bank.

Division of Neurology

The Neurology Division continues to deliver a responsive specialist service to patients both in the centre and at partner Trusts and community settings via an outreach service. This model of care has been chosen as a NHS acute care collaboration Vanguard site. Accordingly, plans are in development to enhance our current service and over time, this neurology model may be the model adopted nationally. The Cumbria tertiary clinic established in 2015 continues to work well, providing a local service to patients who previously had limited access to specialist neurology services.

The division continues to manage the growth in referrals by looking at innovative ways to manage demand. The team has introduced a more streamlined telephone nurse appointment process and will be piloting telemedicine support in a number of the satellite sites.

Neurology

During 2015/16, there has been further expansion in the number of sessions clinicians undertake particularly in the areas of headache, multiple sclerosis and epilepsy services. In addition, one of our consultants has led the development and implementation of a Multiple Sclerosis App which will enable comprehensive data collection of outcome data.

The Neurology Division has also successfully recruited a further four consultant neurologists in the areas of epilepsy, multiple sclerosis and movement disorders.

A new functional neurology service commenced in 2016 providing support for patients with this diagnosis.

Therapy Services

The Dietetics and Speech therapy service transferred from Aintree University Hospital NHS Foundation Trust to The Walton Centre. All staff have settled well and have provided positive feedback about the change and feeling part of a fully integrated service.

The Neurology and Long Term Conditions (LTC) Therapy team was established by combining services of Multiple Sclerosis, Motor Neurone Disease, Neuro Myelitis Optica and the pioneering Neuro Muscular Multi-Disciplinary Team (MDT) service. The LTC team has potential for further development including plans for a general neurology outpatient service during 2016/17. This MDT approach enables patients to receive support from relevant professional teams at one visit.

The Spinal Physiotherapy inpatient team completed a six month weekend pilot service following the *Bright Ideas Award*. The service made a positive impact in providing an equitable service for patients undergoing surgery on Friday and Saturday and helped reduce length of stay. The *Bright Ideas Award* is awarded within the Trust for innovative ideas which improve patient care.

The first Walton Centre Injection Therapist was appointed to support demand for Botulinum Toxin injections and improved follow up care. The service has been well received so far and new Patient Group Directives have been submitted which will enable the physiotherapist to attain independent prescriber status. It is hoped that this service can be extended in the mid to longer term to further support demand.

Additional resource for the Orthoptist service has been agreed to support the service and workforce plans.

Research and Audit 2015/16

- A full time physiotherapist has been appointed to lead a clinical trial with MS patients
- A dietician is supporting the Ketogenic clinical trial
- A physiotherapist is supporting the Huntington's Disease study.

In 2015, Therapies launched a new initiative aimed at empowering all staff in service improvements, projects, audits and research. Therapy Research & Development leads facilitated two half day sessions using an 'Open Space' methodology to encourage staff to turn ideas into actions, audits or projects. This work continues during 2016 and will inform the 2016-2017 forward plans for research, innovation and audit across the therapy service. The Research, Innovation and Audit Committee meet every two months to monitor progress and provides support for project leads and budding researchers.

One of the Occupational Therapists is well underway with her trust funded Masters in Research and is developing the evidence base for cognitive impairment following traumatic head injury. This new assessment will support nursing staff in identifying cognitive changes and impact on patients.

A clinical specialist physiotherapist won the Improving Quality Award at the Trust's annual Staff Awards for her outstanding commitment to improving the patient experience.

Rehabilitation

The Walton Centre is the hub of the Cheshire and Merseyside Rehabilitation Network formed in January 2013 to integrate rehabilitation services from hospital to community in the region.

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

In 2015, after three years of operation, the Merseyside Clinical Commissioning Groups (CCGs) requested an independent evaluation of the Network. The evaluation demonstrated

that the Network is providing good outcomes for patients and good value for money. A recommendation has been made to the CCGs to develop a single commissioner/single provider model which is currently being explored collaboratively between Network commissioners and providers.

Gaps in provision for level two rehabilitation beds for Cheshire patients were identified and are now partly being addressed by Warrington CCG who commission level two beds in the Sid Watkins spoke unit on an individual needs basis. Work is on-going with other Cheshire CCGs to fully address this gap.

Vocational Rehabilitation has been evaluated for the Trust's inpatient services and has been recognised as a valuable contribution to patient's holistic rehabilitation. It has also been rolled out to the specialist community rehabilitation services

Workshops were held with teams across the pathway to support Network organisational development. Education and training requirements were identified and a collaborative partnership with educational establishments is being developed to deliver a comprehensive education programme, accessible for all disciplines and grades.

The success of the Rehabilitation Network was also recognised nationally with the team winning the Health Service Journal Award for Specialist Service Redesign in December 2015.

Neuropsychology

The department has recruited a new psychological therapist for patients diagnosed with a functional disorder. The MDT assessment part of this new service commenced in March 2016 and will be run jointly by Neurology, Neuropsychology and Neuropsychiatry. Their assessments will lead to a treatment pathway for this complex patient group.

The department continues to maintain a high level of research activity, bringing in external research funding in collaboration with colleagues and has contributed to professional publications in high impact journals

The Neuropsychology service manager has worked with nursing and occupational therapy staff to produce training materials for care and nursing staff to help them manage patients with challenging behaviours. Successful clinical collaborations are continuing with other services e.g. Neuro Myelitis Optica, Motor Neurone Disease and Neuro-oncology.

Neuroradiology

This year, there has been investment in Neuroradiology during 2015/16. A 3T Magnetic Resonance Imaging (MRI) scanner has been replaced with a wide bore 3T MRI scanner to meet the requirements of the Trust's clinicians. In addition, the Neuroradiology Interventional Service has been strengthened by the appointment of a third interventional consultant.

The Neuroradiology Directorate is also active in research and innovation and in 2015, there were 15 publications within peer-reviewed journals in collaboration with the department. The department has been innovative with development of low contrast dose and radiation dose computed tomography (CT) examinations which have resulted in three peer reviewed publications in 2015 and a better service quality for our patients.

A more formal process for offering second opinions from specialist Neuroradiologists to radiologists in other local trusts has been implemented.

Estates and Procurement

The Trust's recent refurbishment and extension programme in the main Walton Centre building won both Liverpool Sub Region and North West Region Project of the Year at the NW Construction Awards (the Sid Watkins Building was also shortlisted in both categories).

The Sid Watkins Building won Project of the year at the Healthcare Estates Awards 2015 and Best Sustainable Development at the Building Better Healthcare Awards 2015, with Interserve Construction Ltd.

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.

Going concern disclosure

After making enquiries, the directors have a reasonable expectation that the NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.



Chris Harrop, Chief Executive

26 May 2016

2ii Performance Report – performance analysis

The purpose of the performance report is to highlight the most important performance measures for the trust. The three most significant performance areas are: quality and patient safety, finance and activity including referral to treatment targets. These are considered in detail below.

Financial Summary for the Year Ended 31 March 2016

The Trust delivered a £310k deficit for the financial year ending 31 March 2016. This is the first reported deficit by the Trust since it was licenced as a Foundation Trust by Monitor in 2009. This reflects a challenging year for the Trust in the context of difficult circumstances facing the NHS and the wider health economy. The Trust faced specific challenges through several Carbapenemase-producing Enterobacteriaceae (CPE) cases in the year which caused issues for patient flow, reducing the amount of planned inpatient cases. The Trust also had significant challenges with regard to patient acuity which required one to one therapeutic specialising care (one nurse or one healthcare assistant to one patient). This put significant pressure on cases through nursing agency usage.

Table 1 below sets out the reconciliation of the annual accounts to the Trust's Normalised Trading Surplus for the year ended 31 March 2016.

Table 1

| | |
|--|-----------------------|
| Deficit for the year per statement of comprehensive income | £'000 (310) |
| Normalisation adjustment: | |
| Reversal of impairment on Sid Watkins Building | (687) |
| Normalised trading surplus | (997) |

Normalisation

The Monitor Compliance Framework measures Trusts performance 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.

Revaluation of Sid Watkins Building

Following the completion of the Sid Watkins Building in January 2015, the Trust followed good accounting practice and ensured a revaluation of the asset was undertaken by an independent external valuer. In the 2014/15 financial statements, the Trust recognised a

£2,031k downward valuation of the building compared to the accounting value. As expected, when the valuers re-valued the Trust's land and buildings in 2015/16 part of this impairment (£687k) was reversed as the value of the building appreciated in value over the last year after a reassessment by the Trust valuers. 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) in the financial statements.

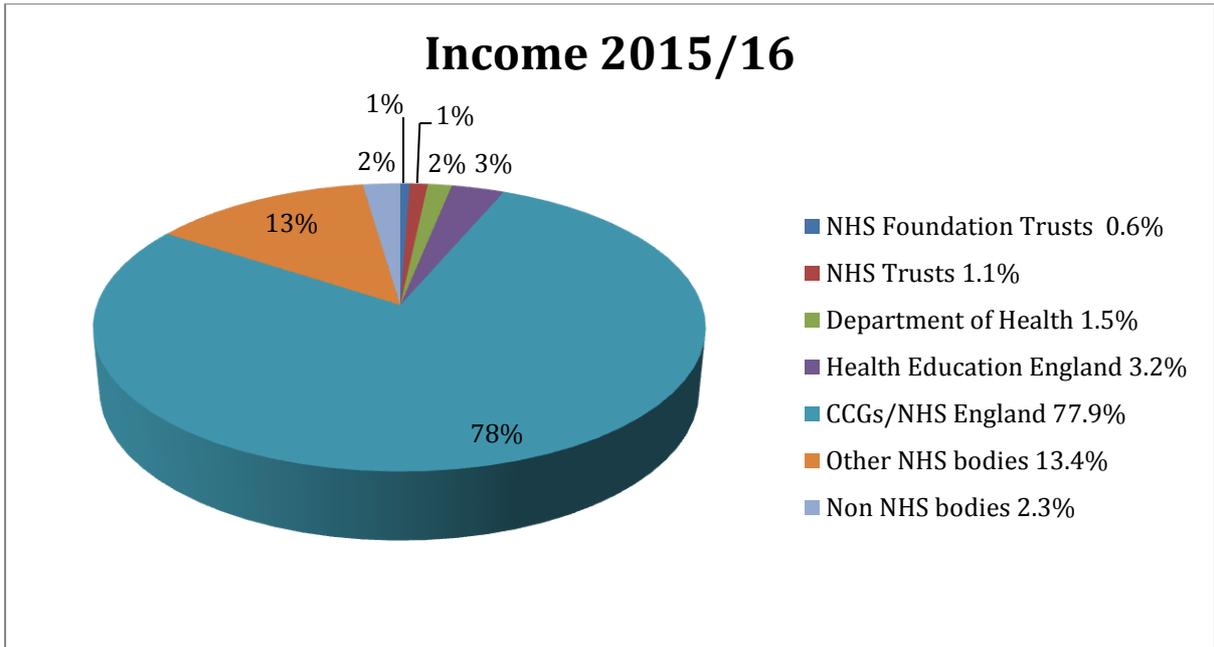
Income

The Trust has seen Income (turnover) growth of £9 million from the previous year (year ending 31 March 2015) which represents an 8.9% increase. 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 8 of this report. The Trust received £85.7 million from NHS England/CCGs in the year ending 31 March 2016, which is an increase of £8 million (10.4%) on the previous financial year. This reflects the additional activity undertaken by the Trust on behalf of NHS England / CCGs.

The Trust received £0.7 million non-recurrent income from the Department of Health following an agreement to reduce its capital spend in year. This formed part of a nationally agreed strategy to manage the Department of Health's overall financial position in year through a range of capital to revenue transfer agreements with NHS providers. The reduction in capital expenditure had no detrimental impact on safety, quality, operational delivery or patient experience.

In addition the Trust receives £14.8 million from other NHS bodies in Britain, including £14.7 million from Welsh Health Specialised Commissioning Committee (WHSCC) for provision of services to the population of (mainly) North Wales, both through outreach clinics held within hospitals within Wales and for Welsh patients attending The Walton Centre, either as an out-patient or in-patient. This reflects a 5% increase from the previous year.

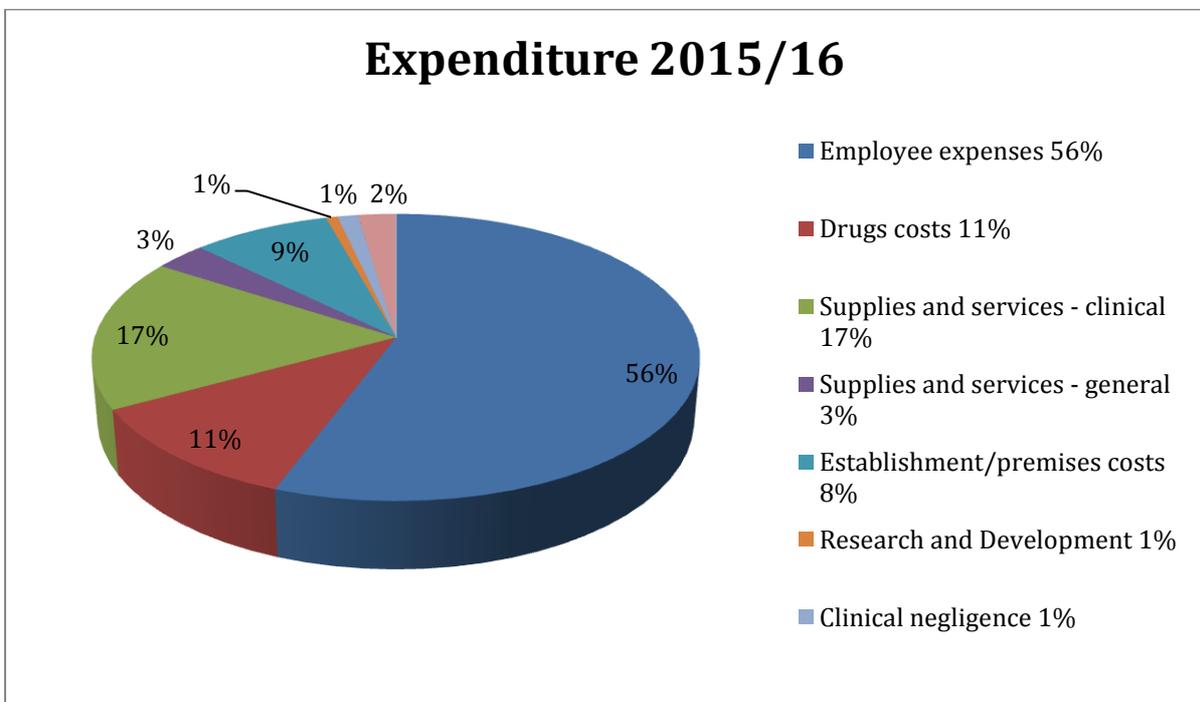
The Trust also receives other significant sums of income and the following pie chart sets out the main sources of income for the Trust.



Expenditure

In line with the growth in income (turnover), the Trust has seen an increase in Operating Expenses of £10.7 million (10.9%) 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 pre-employment of staff to deliver the whole range of services provided by the Trust. The Trust spent £60.6 million on staffing during 2015/16 which is an increase of £4.1 million on the previous year.

Much of this was due to the planned investments in staffing to deliver a growth in services. However, as noted above, some of this related to patient acuity and the necessity of delivering more one to one therapeutic specialising. The average number of whole time equivalent (WTE) staff has increased by 68 from the previous year.

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 £4.9 million of efficiency savings to help ensure the overall delivery of the financial plan. As at 31 March 2016 the Trust had achieved £4.8 million of savings, 98% of the planned level, which represents 4.4% 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 £4.3m of capital expenditure in 2015/16. The majority of this expenditure was in relation to a replacement MRI scanner in the radiology department. The Trust also continues to invest in longer term growth and sustainability with the Strategic Investment Programme and in particular the development of two new theatres and an interoperative scanner. £556k was spent on the scheme in 2015/16 and this will continue during 2016/17.

Table 2 below sets out the major components of the Trust's capital investment expenditure programme for the year ended 31 March 2016.

Table 2

| Division | 2015/16 £'000 |
|--------------------------------|--------------------------|
| Strategic investment programme | 556 |
| Estates | 842 |
| IM&T | 513 |
| Neurology (incl. Radiology) | 2,000 |
| Neurosurgery | 336 |
| Corporate | 10 |
| Total | 4,257 |

Going Concern

Following extensive enquiries, the directors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. They have identified no material uncertainties that cast significant doubt on the Trust's ability to continue as a going concern. For this reason, they continue to adopt the going concern basis in preparing the accounts.

The main factors in reaching this conclusion were:

- The Trust's five year plan projects a surplus position across the five year period using current assumption.
- Projected cash balances are sufficient to sustain the investment programme over the next five years and meet short term operating costs. The five year plan demonstrates that the Trust has sufficient cash headroom to support its plans.
- There is no expectation for short term loans or overdraft facilities. The plan assumes that the Trust will obtain a long term loan for the theatres expansion programme.
- Auditors' opinions have provided strong assurance as to the accuracy and reliability of the Trust's financial systems and the robustness of the internal controls.

Forward Look

The financial year 2016/17 will be another challenging year for the NHS as a whole. 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 2016/17 predicts a 2.2% surplus (c£2.6 million which includes £1.6 million of charitable donations for the interoperative scanner), 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 projected to be c£8.5 million.

The Trust has been successful in its application as an acute care Vanguard and will receive £1.75 million in funding from NHS England to deliver its neuro-network Vanguard during 2016/17.

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 the performance levels necessary to meet patient demand and continue to deliver access targets and financial plans.
- **Workforce:** recruitment retention and succession planning of the right workforce at the right time.
- **Healthcare acquired infections:** continued control of infections and management of newly emerging infections.
- **Commissioner decisions:** the funding available to commissioners and how/where commissioning decisions are taken.

Principal Risks

The principal risks facing the trust are; the risk of infection such as C-Difficile and Carbapenemase-producing Enterobacteriaceae, the impact of national and regional changes to junior doctor deployment, the failure to deliver targets and the financial plan and the inability to maintain nurse staffing levels.

2015/16: Activity

During 2015/16, the Trust's inpatient/day case activity has grown by 7.3% in comparison to 2014/15. The largest growth has been seen in Pain Management where activity is 15.2% higher than the same period last year. There has been an increase in day cases of 13.1% but decrease in non-elective activity of 2.8%, and 5.1% in elective inpatients when compared to 2014/15.

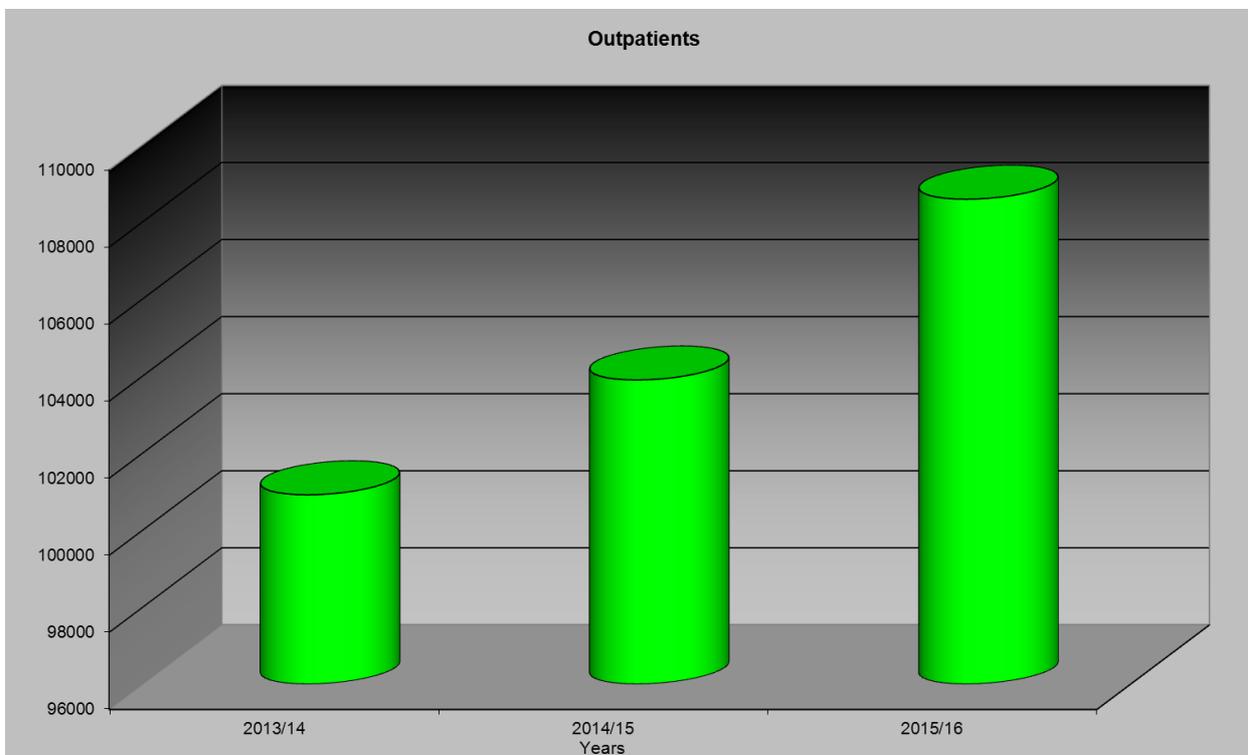
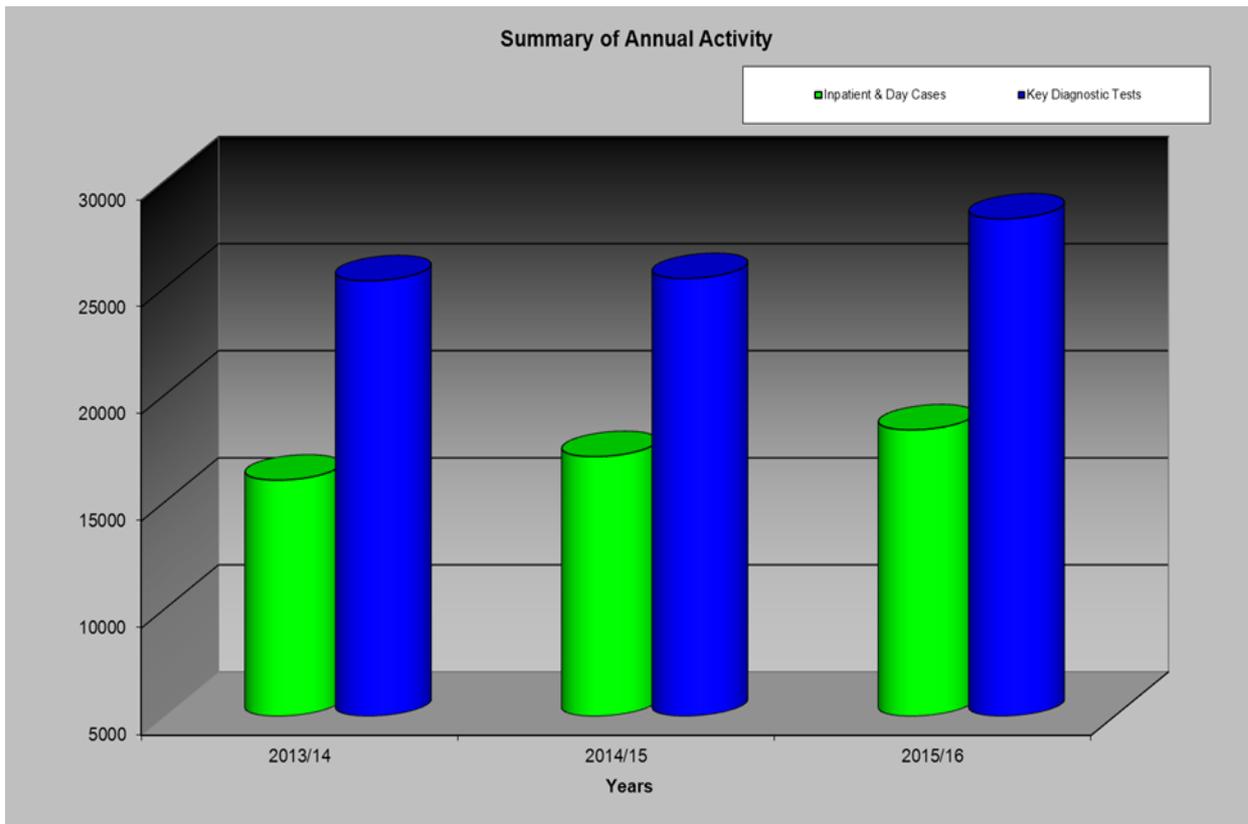
Summary of Activity

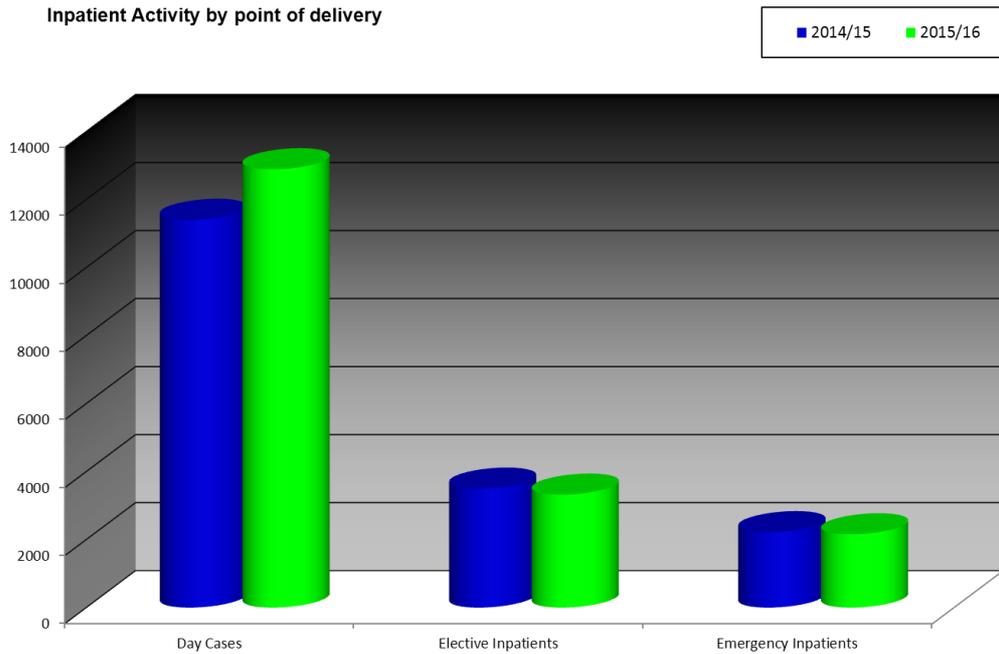
Table 3 below shows key activity for 2015/16 compared to previous years.

Table 3

| | 2011/12 | 2012/13 | 2013/14 | 2014/15 | 2015/16 |
|----------------------|---------|---------|---------|---------|---------|
| Day cases | 8,881 | 9,500 | 10,254 | 11,405 | 12,893 |
| Inpatients | 5,322 | 5,254 | 5,773 | 5,719 | 5,479 |
| Outpatients | 90,458 | 92,888 | 100,911 | 103,891 | 108,582 |
| Key diagnostic tests | 23,757 | 23,913 | 25,336 | 25,442 | 28,229 |

Summary of Annual Activity:





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 2015/16 (quarters 1-3), the average bed occupancy for the Trust's main wards (i.e. excluding Critical Care and the Complex Rehabilitation Unit) was 86.01%, an increase of 1.07% on 2014/15.

Table 4 below gives the breakdown of occupancy rates for 2015/16.

Table 4

Main Wards

| | Q1 | Q2 | Q3 | Q4 | Overall |
|----------------|-------|-------|-------|-------|---------|
| 2014/15 | 83.9% | 86.0% | 84.1% | 85.8% | 84.9% |
| 2015/16 | 82.6% | 88.0% | 87.5% | 86.3% | 86.1% |

Critical Care

| | Q1 | Q2 | Q3 | Q4 | Overall |
|----------------|-------|-------|-------|-------|---------|
| 2014/15 | 83.7% | 80.8% | 83.9% | 85.4% | 83.4% |
| 2015/16 | 82.9% | 87.4% | 87.2% | 89.5% | 86.8% |

Complex Rehabilitation Unit

| | Q1 | Q2 | Q3 | Q4 | Overall |
|----------------|-------|-------|-------|-------|---------|
| 2014/15 | 79.5% | 88.4% | 81.8% | 90.6% | 85.1% |
| 2015/16 | 91.0% | 87.6% | 93.4% | 93.4% | 91.4% |

2015/16: Referral to Treatment Targets (RTT)

Throughout 2015/16, the Trust has maintained good performance against all RTT targets. During quarter 2, NHS England, under the guidance of Sir Bruce Keogh reviewed the RTT targets and this resulted in the Admitted and Non Admitted pathway measure being suspended as national targets from the 1st October 2015. The remaining national target is for Open Pathways only.

RTT 92% Target

The Walton Centre has consistently achieved its access standards during 2015/16, with the most recent figures for Q4 showing a performance of over 96% against the 92% open pathways target. Performance in Q3 and Q4 has reduced slightly and maintenance of performance has been challenging owing to internal bed capacity pressures, an outbreak of CPE colonisation and the whole system bed pressures (which peaked in Q3 at an average of 22.1% of the Trust's beds unavailability through delayed transfers/discharges and CPE).

In December 2014, the Trust was asked by NHSE to take on treatment for 94 Warrington patients, a number of whom had already breached 52 weeks or were close to doing so. The Trust treated 91 of the 94 patients (three refused treatment) and the final 52 week pathway was closed before the end of September 2015. The Trust reported seventeen 52 week breaches to Monitor.

We also had a single 52 week breach (actual waiting time 71.29 weeks as at 31 March 2016) at the Walton Centre during March 2016. A full investigation has taken place and the resultant outcome was that this was the result of human error.

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 latest report published in May 2015 assigned The Walton Centre a priority banding of 6 which is the most positive, least risk band.

Table 5 represents an overview of Trust performance against national priorities from Risk Assessment Framework published by Monitor

Table 5

| Performance Indicator | 2014/15 | 2015/16 | 2015/16 |
|---|-------------|---------|-------------|
| | Performance | Target | Performance |
| Referral to treatment time, 18 weeks in aggregate, incomplete pathways | 97.79% | >=92% | 96.28% |
| All Cancers: 62 days wait for 1st treatment from urgent GP referral to treatment | 100% | >=85% | 85.71%* |
| All Cancers: Maximum wait time of 31 days for second or subsequent treatment: surgery | 100% | >=94% | 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% |
| Incidence of Clostridium difficile | 11** | <=10*** | 9 |
| Compliance with requirements regarding access to healthcare for people with a learning disability | | n/a | Achieved |
| <p>*The under performance is due to a single breach. Under Monitor definitions they will not consider there to be a breach where a Trust fails an individual cancer threshold but reports only a single breach in the quarter.</p> <p>**This is within Monitor's de-minimus limit of <13 cases and deemed achieved</p> <p>*** Threshold set by Public Health England</p> | | | |

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 in 2015/16 reducing 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 received a confirmed 'Very Good' Building Research Establishment Environmental Research Assessment Measure (BREEAM) rating in 2015/16.

The Trust signed a contract for 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. Engie Ltd have now started on site developing a combined heat and power led district heating scheme for the Aintree University Hospital/The Walton Centre campus and together with other energy saving measures, this is projected to reduce the Trust's carbon dioxide emissions by 36% from late 2016.

The Trust does not undertake any overseas operations.

3i Accountability Report – directors’ report

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 the Deputy Director of Governance:

- By email: 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 North West Regional Ambulance Service). Mr Hoskisson is also Chairman of Woodlands Hospice and Chairman of the Mersey Committee of SaBRE (Supporting Britain's Reservists and Employers).

The Council of Governors met on 1 March 2016 and agreed to extend the Chairman's current tenure until March 2017.

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 was 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.

Alan Sharples, Non-Executive Director

Mr Sharples was appointed as Non-Executive Director at 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 were 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

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.

Sheila Samuels, Non-Executive Director

Following early retirement in 2011 after over 30 years' experience in the public sector, Mrs Samuels studied full time and gained an MSc in Humanitarian Studies. She has subsequently been involved in some human resource, organisational development and governance consultancy projects within the NHS and voluntary sector. Mrs Samuels was previously the Human Resources Director at St Helens Council, North West Ambulance Service and latterly Warrington and Halton NHS FT where her role was Executive Director of Organisational Development and Governance. Mrs Samuels was appointed as Non-Executive Director in September 2015 and the end of her term is 31 August 2018.

Dr Peter Humphrey, Non-Executive Director

Dr Humphrey qualified in Medicine from Oxford University in 1972. He trained in Oxford, Southampton and London and was appointed Consultant Neurologist at The Walton Centre in 1983. Dr Humphrey has had a major interest in cerebrovascular disease and set up the first One Stop TIA Clinic in the UK in 1983. He remained at The Walton Centre as a Consultant Neurologist until 2006 when he retired from full time practice having been Medical Director; he continues to practice part time. Dr Humphrey has served as the Secretary of the Association of British Neurologists, President of the North of England Neurological Association and President of the British Association of Stroke Physicians. Dr

Humphrey was appointed as a Non-Executive Director in August 2015 and the end of his term is 31 August 2018.

Executive Directors

Chris Harrop, Chief Executive

Mr Harrop qualified as a Public Chartered Accountant (Chartered Institute of Public Financial Accountants) at Liverpool John Moores University in 1994 and joined The Walton Centre as Director of Finance in 2004. With over 25 years NHS experience covering community, acute and specialised services Mr Harrop was appointed as the Trust's Chief Executive from 1 April 2014. Mr Harrop is also a qualified Executive and Business coach.

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. 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.

Mike Burns, Interim Director of Finance/Director of Finance

Mr Burns joined the Walton Centre in September 2012 as Deputy Director of Finance. From November 2015, he held the post as Interim Director of Finance prior to being appointed as Director of Finance in March 2016. He was born and educated in Liverpool, culminating in a BSc (Hons) in Economics and qualifying as a Chartered Management Accountant (Chartered Institute of Management Accountants [CIMA]) in 2001. Mr Burns previously

worked in the NHS at regional level and has previous experience in management consulting, banking, retail and financial services.

Hayley Citrine, Director of Nursing and Quality

Ms Citrine joined The Walton Centre in April 2014 as Director of Nursing and Quality. 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 and 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 Neuro-Linguistic Programming.

Stuart Moore, Director of Strategy and Planning / Deputy Chief Executive

Mr Moore joined The Walton Centre as Director of Strategy and 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 and Performance, Deputy Chief Executive 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 2015/16:

- Mike Burns, Interim Director of Finance 01/11/2015 – current as Director.
- Stephen Kennedy, Director of Finance – left the trust in October 2015.
- David Chadwick OBE, Non-Executive Director – left the Trust in June 2015
- Wendy Williams, Non-Executive Director– left the Trust in June 2015

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.

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.

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 agreed by the Board of Directors.

Board of Directors Performance Evaluation

During 2015/16, the Trust's Chairman undertook a performance evaluation of the Non-Executive Directors and reported this to the Council of Governors at the meeting in December 2015. 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 at the meeting in December 2015. All directors are compliant with the Fit and Proper Persons Test as required by Monitor's provider licence.

Table 6 represents the attendance at meetings of the Board of Directors 01 April 2015 – 31 March 2016:

Table no. 6

| | 04/15 | 05/15 Extra- ordinar y meetin g | 05/15 | 06/15 | 07/15 | 09/15 | 10/15 | 11/15 | 12/15 Extra- ordinar y meetin g | 01/16 | 02/16 | 03/16 |
|--------------|-------|---|-------|-------|-------|-------|-------|-------|---|-------|-------|-------|
| K Hoskisson | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| J Rosser | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | A | ✓ | ✓ | ✓ |
| A Sharples | A | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| A McCracken | A | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| D Chadwick | ✓ | ✓ | A | ✓ | | | | | ✓ | | | |
| S Crofts | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | A | ✓ |
| W Williams | ✓ | A | ✓ | ✓ | ✓ | | | | ✓ | | | |
| S Samuels | | | | | | ✓ | ✓ | ✓ | ✓ | A | A | ✓ |
| P Humphrey | | | | | | ✓ | A | ✓ | ✓ | ✓ | A | A |
| C Harrop | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| P Enevoldson | ✓ | A | ✓ | A | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| H Citrine | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | A | ✓ | ✓ | ✓ | ✓ | ✓ |
| S Moore | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| M Gibney | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | A | ✓ | A | ✓ | ✓ |
| S Kennedy | A | A | A | ✓ | ✓ | ✓ | | | | | | |
| J Wood | ✓ | A | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| M Burns | | | | | | | I | I | I | I | I | ✓ |

KEY: ✓ = Attended A = Apologies I = Interim

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 telephone : 0151 529 5516 (Secretary)
- By post:
Director of Finance
The Walton Centre NHS Foundation Trust
Lower Lane, Fazakerley
L9 7LJ

The directors or governors do not hold any other significant interests or company directorships which may conflict with their management responsibilities

Directors' Expenses

Expenses claimed by directors, in accordance with the Trust's constitution, are tabulated in table 7 below to the nearest £100.

Table 7

| Name | 2015/16 £'00 | 2014/15 £'00 |
|--|-----------------|-----------------|
| G Brown (to 31 Oct 14) | N/A | 4 |
| M Burns (1 Apr to 30 Jun 14 and from 1 Nov 15) | 0 | 1 |
| H Citrine (from 21 Apr 14) | 0 | 0 |
| P Enevoldson | 8 | 18 |
| M Gibney | 3 | 0 |
| C Harrop | 2 | 2 |
| S Kennedy (1 Jul 14 to 31 Oct 15) | 0 | 1 |
| S Moore | 1 | 2 |
| D Pilsbury (to 31 Oct 14) | N/A | 2 |
| J Riley (1 Jan to 30 Jun 14) | N/A | 2 |
| D Chadwick (to 30 Jun 15) | 0 | 0 |
| S Crofts | 0 | 0 |
| K Hoskisson | 6 | 19 |
| P Humphrey (from 1 Sep 15) | 3 | N/A |
| C Lee-Jones (to 31 Aug 14) | 0 | 4 |
| A McCracken | 7 | 5 |
| J Rosser | 0 | 10 |
| S Samuels (from 1 Sep 15) | 0 | N/A |
| A Sharples | 2 | 10 |
| W Williams (from 1 Aug 14 to 13 Jul 15) | 0 | 1 |
| J Wood (from 1 Jul 14) | 1 | 0 |

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.

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, see page 40.

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.

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. Table 8 below summarises our performance in 2015/16:

Table 8

| Better Payment Practice Code - Measure of Compliance | 2015/16 | |
|---|----------------|--------------|
| | Number | £'000 |
| Non-NHS Creditors | | |
| Total non-NHS trade invoices paid in the year | 18,171 | 36,984 |
| Total non-NHS trade invoices paid within target | 17,094 | 34,657 |
| Percentage of non-NHS invoices paid within target | 94.1% | 93.7% |
| NHS Creditors | | |
| Total NHS invoices paid in the year | 1,532 | 19,203 |
| Total NHS invoices paid within target | 1,354 | 18,285 |
| Percentage of NHS invoices paid within target | 88.4% | 95.2% |

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 in section 3ii.

The Trust has not received any political donations during the year 2015/16.

Enhanced Quality Governance Reporting

Quality governance and quality are discussed in more detail in sections 3vii and 4 of this document.

There are no material inconsistencies between the Annual Governance Statement, the board statements required by the Risk Assessment Framework and any Care Quality Commission reviews.

For each director at the time that this report is approved:

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

'Relevant audit information' means information needed by the NHS foundation trust's auditor in connection with preparing their report.

Each director is regarded as having taken all the steps that they ought to have taken as a director in order to do the things mentioned above, and:

- Made such enquiries of his/her fellow directors and of the company's auditors for that purpose; and
- Taken such other steps (if any) for that purpose, as are required by his/her duty as a director of the company to exercise reasonable care, skill and diligence.



Chris Harrop, Chief Executive

26 May 2016

3ii Accountability Report – remuneration report

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 2015 to 31 March 2016.

Senior Managers' Remuneration policy

Future Policy table

The table is contained in the report within section 3 page 44, and does not have any particular arrangements which are specific to any individual senior manager.

Directors' 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.

Policy on Payment for Loss of Office

The Trust has standard NHS contracts of employment.

The Trust's Remuneration Committee in March 2015 introduced a four point scale for each of the executive director posts and agreed that all increment dates would be harmonised over the year with directors moving to the next point of their pay scale on their existing increment date, then all increment dates changing to 1 April with effect from 1 April 2016. Consequently, all executive directors received a pay increase in 2015/16; three from April 2015, two from July 2015 and one from October 2015, as agreed by the Remuneration Committee. It was also agreed that a performance management framework will be developed to trigger pay progression. It was proposed that this will reflect a combination of achieving agreed Trust performance objectives, demonstrating behaviour in line with the Walton Way value set and whether the organisational conditions are appropriate (including financial health).

Table 9 below represents the Senior Manager * breakdown by male and female as at 31 March 2016

Table 9

| | |
|--------------|-----------|
| MALE | 4 |
| FEMALE | 14 |
| TOTAL | 18 |

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

Annual Report on Remuneration

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. Members of the Remuneration Committee for 2015/16 were:

- Ken Hoskisson (Chair) [KH]
- Janet Rosser [JR]
- Alan Sharples [AS]
- Wendy Williams [WW]

- Ann McCracken [AMc]
- David Chadwick [DC]
- Seth Crofts [SC]
- Dr Peter Humphrey [PH] (replacing David Chadwick)
- Sheila Samuels [SS] (replacing Wendy Williams)

The Remuneration Committee convened three times during the reporting period as detailed in table 10 below:

Table 10

| Date | KH (Chair) | JR | AS | WW | AMc | DC | SC | PH | SS |
|----------|---------------|----|----|----|-----|----|----|----|----|
| 25/06/15 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 29/10/15 | ✓ | ✓ | ✓ | | ✓ | | ✓ | A | ✓ |
| 31/03/16 | ✓ | ✓ | ✓ | | ✓ | | ✓ | A | ✓ |

KEY: ✓ = Present A = Apologies

The Director of Workforce and the 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, Chairman)
- Louise Ferguson, Nominations Committee Chair and Public Constituency Governor
- Colin Cheesman, Public Constituency Governor
- Ella Pereira, Stakeholder Governor

The following governors attended the Nominations Committee in the absence of the above members:

- Tony Cahill, Public Constituency Governor
- Nanette Mellor, Stakeholder Governor

The Nominations Committee convened three times during the reporting period as detailed in table 11 below:

Table 11

| Date | Ken Hoskisson | Louise Ferguson | Colin Cheesman | Ella Pereira | Tony Cahill | Alan Clark | Nanette Mellor |
|----------|---------------|-----------------|----------------|--------------|-------------|------------|----------------|
| 11/05/15 | ✓ | A | ✓ | ✓ | | | |
| 26/05/15 | ✓ | I | ✓ | ✓ | ✓ | ✓ | ✓ |
| 01/03/16 | ✓ | ✓ | ✓ | A | | | |

KEY: ✓ = Attended A = Apologies I = Interim

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.

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.

Where senior managers were paid in excess of £142,500 the Trust has reviewed the remuneration in relation to the duties performed and remuneration paid in similar organisations for similar roles and has concluded that the remuneration is fair and reasonable.

REMUNERATION REPORT

Fair Pay Multiple (subject to audit)

The Trust is required to disclose the relationship between the remuneration of the highest paid director and the median remuneration of the Trust's workforce.

The median remuneration of the employees paid by The Walton Centre is £28,900 (2014/15: £28,440). The highest paid director is the Medical Director who received £214,661 remuneration (2014/15: £204,334). This is 7.4 times the median remuneration (2014/15: 7.2 times).

In 2015/16, no employees received remuneration in excess of the highest paid director (2014/15: none). Remuneration ranged from £11,260 (2014/15: £14,294) to £214,661 (2014/15: £204,334). The lowest paid employee in 2015/16 was a trainee cadet. There were no cadets in post during 2014/15.

Total remuneration (found in tables 12 and 13 below) 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.

Table 12

Remuneration and Pension Entitlements of Senior Managers (subject to audit)

| Name | Position | 1 April 2015 - 31 March 2016 | | | | 1 April 2014 - 31 March 2015 | | | |
|--------------|---|---------------------------------------|-------------------------|---|---------------------------|---------------------------------------|-------------------------|---|---------------------------|
| | | Salaries and fees (bands of £5000) | Taxable benefits £00 | Pension related benefits (bands of £2,500) | Total (bands of £5000) | Salaries and fees (bands of £5000) | Taxable benefits £00 | Pension related benefits (bands of £2,500) | Total (bands of £5000) |
| Brown G | Director of Corporate and Research Governance (to 31/10/14) | N/A | N/A | N/A | N/A | 45-50 | 0 | 2.5-5 | 50-55 |
| Burns M | Acting Director of Finance (01/04/14 to 30/06/14 and from 01/11/15) | 30-35 | 1 | 27.5-30 | 60-65 | 20-25 | 4 | 5-7.5 | 25-30 |
| Citrine H | Director of Nursing and Modernisation (from 21/04/14) | 95-100 | 0 | 67.5-70 | 165-170 | 85-90 | 0 | 40-42.5 | 130-135 |
| Crofts S | Non executive Director | 10-15 | 0 | N/A | 10-15 | 10-15 | 0 | N/A | 10-15 |
| Chadwick D | Non executive Director (to 30/06/15) | 0-5 | 0 | N/A | 0-5 | 10-15 | 0 | N/A | 10-15 |
| Enevoldson P | Medical Director | 210-215 | 0 | N/A | 210-215 | 200-205 | 0 | N/A | 200-205 |
| Gibney M | Director of Workforce | 80-85 | 0 | 47.5-50 | 130-135 | 75-80 | 0 | 77.5-80 | 155-160 |
| Harrop C | Chief Executive | 145-150 | 29 | 55-57.5 | 205-210 | 135-140 | 29 | 257.5-260 | 395-400 |
| Hoskisson K | Chair | 40-45 | 26 | N/A | 45-50 | 40-45 | 12 | N/A | 40-45 |
| Humphrey P | Non Executive Director (from 01/09/15) | 5-10 | 0 | N/A | 5-10 | N/A | N/A | N/A | N/A |
| Kennedy S | Director of Finance (from 01/07/14 to 31/10/15) | 65-70 | 33 | 77.5-80 | 145-150 | 80-85 | 44 | 150-152.5 | 235-240 |
| Lee-Jones C | Non Executive Director (to 31/08/14) | N/A | N/A | N/A | N/A | 5-10 | 4 | N/A | 5-10 |
| McCracken A | Non Executive Director | 10-15 | 5 | N/A | 10-15 | 10-15 | 2 | N/A | 10-15 |
| Moore S | Director of Strategy and Planning | 105-110 | 0 | 65-67.5 | 170-175 | 95-100 | 0 | (5-7.5) | 90-95 |
| Pilsbury D | Director of Governance and Risk (to 31/10/14) | N/A | N/A | N/A | N/A | 45-50 | 0 | 7.5-10 | 50-55 |
| Riley J | Acting Director of Operations and Performance (to 30/06/14) | N/A | N/A | N/A | N/A | 20-25 | 0 | 7.5-10 | 30-35 |
| Rosser J | Non Executive Director | 15-20 | 14 | N/A | 15-20 | 15-20 | 9 | N/A | 15-20 |
| Samuels S | Non Executive Director (from 01/09/15) | 5-10 | 2 | N/A | 5-10 | N/A | N/A | N/A | N/A |

| Name | Position | 1 April 2015 - 31 March 2016 | | | | 1 April 2014 - 31 March 2015 | | | |
|------------|--|---------------------------------------|-------------------------|---|---------------------------|---------------------------------------|-------------------------|---|---------------------------|
| | | Salaries and fees (bands of £5000) | Taxable benefits £00 | Pension related benefits (bands of £2,500) | Total (bands of £5000) | Salaries and fees (bands of £5000) | Taxable benefits £00 | Pension related benefits (bands of £2,500) | Total (bands of £5000) |
| Sharples A | Non Executive Director | 15-20 | 16 | N/A | 15-20 | 15-20 | 7 | N/A | 15-20 |
| Williams W | Non Executive Director (from 01/08/14 to 31/07/15) | 0-5 | 17 | N/A | 5-10 | 5-10 | 1 | N/A | 5-10 |
| Wood J | Director of Operations and Performance (from 01/07/14) | 100-105 | 0 | 30-32.5 | 135-140 | 70-75 | 0 | 12.5-15 | 85-90 |

The salary for P Enevoldson includes remuneration for his clinical responsibilities. Contractual payments of £66,000 for loss of office were made for one Director, Stephen Kennedy, who left the Trust on 31 October 2015.

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

No directors received annual performance-related bonuses or long-term performance-related bonuses in either period. No payments have been made to people who have previously been Directors in the Trust in either period.

Table 13

Pension Benefits (subject to audit)

| | Real increase in pension at age 60 bands of £2,500 | Real increase in pension lump sum at age 60 bands of £2,500 | Total accrued pension at age 60 31 March 2016 bands of £5,000 | Lump sum at age 60 related to accrued pension at 31 March 2016 bands of £5,000 | Cash Equivalent Transfer Value at 31 March 2016 £000 | Cash Equivalent Transfer Value at 31 March 2015 £000 | Real Increase in Cash Equivalent Transfer Value £000 | Employer's contribution to stakeholder pension |
|-------------|---|--|---|---|---|---|---|--|
| G Brown** | N/A | N/A | N/A | N/A | N/A | 0 | N/A | N/A |
| M Burns* | 0-2.5 | 0-2.5 | 10-15 | 0-5 | 121 | 84 | 36 | 0 |
| H Citrine | 2.5-5 | 5-7.5 | 35-40 | 100-105 | 597 | 533 | 57 | 0 |
| M Gibney | 2.5-5 | 0-2.5 | 35-40 | 0-5 | 479 | 428 | 46 | 0 |
| C Harrop | 2.5-5 | 2.5-5 | 45-50 | 135-140 | 806 | 747 | 50 | 0 |
| S Kennedy** | 2.5-5 | 10-12.5 | 45-50 | 145-150 | 0 | 857 | 0 | 0 |
| S Moore | 2.5-5 | 5-7.5 | 35-40 | 105-110 | 659 | 595 | 57 | 0 |
| D Pilsbury | N/A | N/A | N/A | N/A | N/A | 284 | N/A | 0 |
| J Riley | N/A | N/A | N/A | N/A | N/A | 704 | N/A | 0 |
| J Wood | 0-2.5 | 5-7.5 | 35-40 | 115-120 | 778 | 722 | 48 | 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 (marked*). Where a Director was in receipt of their pension entitlement at year end there is no cash equivalent transfer value (marked**).

C. Hamp

Chief Executive

Date: 26 May 2016

3iii Accountability Report – staff report

Education and Organisational Development

Our People Matter – Walton Centre Staff

Key workforce strategies were developed – Recruitment Strategy, Organisational Development Strategy and the Coaching Strategy – and various policies were refreshed and/or revised to ensure compliance with employment law, external drivers and current best practice.

Education and Organisational Development

Supporting the Trust's strategic plan the organisation continues to be highly committed to promote excellence in education and training to ensure it delivers the highest calibre of health care staff for future NHS patients. With state of the art education facilities in the new Sid Watkins Building, staff have access to new education equipment and facilities that support excellence in education.

The role of the Education team is to support the organisation to provide education, training and development opportunities to develop current workforce and to support the talent of the future. Education and organisational development initiatives from the last 12 months include:

- The PRIDE leadership programme has been revised and updated to support the Trust commitment to embed a culture of collective leadership. A core aspect of the revised programme continues to focus on developing leaders to utilise a coaching style in the communications with staff and others, further supporting the aspirations of the coaching strategy. The course also includes resilience, mindfulness, developing effective relationships, handling conflict, and performance and motivation. Two cohorts have started the revised programme, with both groups providing excellent feedback
- Two members of staff have been trained as qualified executive coaches to offer coaching support to managers across the organisation. Staff have also been supported to access external coaching when appropriate to support them with specific development.
- The Trust has continued to utilise available leadership development programmes provided by the North West Leadership Academy. Staff members have successfully completed programmes, including the Nye Bevan Programme and the Mary Seacole Programme, with excellent feedback on the impact the development has given them in their current role and support for future career development.

- Feedback continues to be very positive and the sessions really well-received from our senior nursing team regarding both the Lead Nurse and Matron Team Collective Leadership Programme and the Ward Manager Team Collective Leadership Programme. The bespoke in-house leadership development programmes have evaluated very positively with plans to continue the programme in future months with further relevant content and support, further reinforcing the ethos of collective leadership. Action learning sets have commenced for both programmes, with a commitment to utilise this as additional learning for attendees.
- A new Board Development Programme was launched in September. The initial programme is shaped around collective leadership, comprising of four sessions: understanding the organisation and environment; managing change; collective leadership and; self and team – how we work together”.
- A range of organisational development support continues to be provided to support team development and objective and priority setting, with excellent feedback from attendees and managers involved.
- The Forward to Excellence (F2E) Programme continued to support the service transformation agenda in the Trust, with the Care of the Emergency Patient Project and List Planning Project continuing to implement agreed solutions, with a range of tangible improvements having been made.
- The Walton Centre continues to provide quality undergraduate medical student placements in partnership with Liverpool School of Medicine. Following the implementation of the revised curriculum, the Trust now facilitates a highly evaluated programme for every third year medical student within the university and, during the transitional process, has supported a higher number of student weeks than ever experienced before.
- Support has continued for the development of doctors in training in the field of neuroscience, with the neurology and neurosurgery training programmes in particular receiving consistent positive feedback from specialty trainees. The trainees were fully involved and continue to engage in the changes implemented as a result of the workforce transformation project to ensure the organisation continues to provide a high quality educational experience for doctors in training.
- The Trust continues to show a strong commitment to the importance of enabling staff to have an annual appraisal, offering support to reviewers and to ensure colleagues have more meaningful conversations as part of the appraisal process.
- Good attendance at mandatory training has been maintained, with some of the highest attendance recorded in recent years. A deep dive review of mandatory training

provision, including frequency and topics has been carried out in 2015/16 to ensure statutory/mandatory training requirements are supported and that the Trust continues to deliver safe and effective care to its patients. This review will inform future changes and updates to this training agenda.

- A range of education and development opportunities to support service priorities are offered, new job roles and individual development. This includes professional qualifications, conferences and seminars, post registration accredited opportunities, apprenticeships, skills development e.g. IT training, customer service training, clinical skills training – including catheterisation, cannulation and venepuncture.
- As part of a commitment to corporate and social responsibility, the Trust provides a quality work experience programme and co-ordinates the provision of elective placements.

Staff Survey

The 2015 survey was distributed between September and November 2015.

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 team brief meeting for all heads of department which is led by the Chief Executive.
- Quarterly clinical senates draw together clinicians to discuss clinical issues and are well attended from all specialties.
- Regular staff and patient listening weeks.
- Mock CQC assessments in relation to the workforce outcome

The Walton Centre NHS Foundation Trust took part in this survey with a response rate of 48%. This is the best completion rate for the past three years.

Table 14 below represents the Staff Feedback data from the 2015 staff survey which identifies the key findings and informs future actions.

Table14

Positives

- **Overall staff engagement score**

| | |
|--------------------------------|---------------|
| 2015 Score | 4.02 |
| 2014 Score | 3.98 |
| 2015 National Average | 4.01 |
| Comparison to 2013 | Better |
| Comparison to National Average | Better |

- **Staff recommendation of the Trust as a place to work or receive treatment**

| | |
|--------------------------------|---------------|
| 2015 Score | 4.26 |
| 2015 National Average | 4.17 |
| Comparison to National Average | Better |

- **Quality of non-mandatory training, learning or development**

| | |
|--------------------------------|---------------|
| 2015 Score | 4.16 |
| 2015 National Average | 4.05 |
| Comparison to National Average | Better |

- **Percentage of staff reporting good communication between senior management and staff**

| | |
|--------------------------------|---------------|
| 2015 Score | 45% |
| 2015 National Average | 38% |
| Comparison to National Average | Better |

- **Percentage of staff suffering work-related stress in the last 12 months**

| | |
|--------------------------------|---------------|
| 2015 Score | 29% |
| 2014 Score | 31% |
| 2015 National Average | 35% |
| Comparison to 2013 | Better |
| Comparison to National Average | Better |

- **Organisation and management interest in and action on health and wellbeing**

| | |
|--------------------------------|---------------|
| 2015 Score | 4.08 |
| 2015 National Average | 3.72 |
| Comparison to National Average | Better |

- **Percentage of staff satisfied with the opportunities for flexible working patterns**

| | |
|--------------------------------|---------------|
| 2015 Score | 62% |
| 2015 National Average | 53% |
| Comparison to National Average | Better |

- **Effective team working**

| | |
|--------------------------------|---------------|
| 2015 Score | 3.89 |
| 2015 National Average | 3.84 |
| Comparison to National Average | Better |

- **Percentage of staff/colleagues reporting most recent experience of harassment, bullying or abuse**

| | |
|--------------------------------|---------------|
| 2015 Score | 45% |
| 2014 Score | 41% |
| 2015 National Average | 37% |
| Comparison to 2014 | Better |
| Comparison to National Average | Better |

Negatives

- **Percentage of staff experiencing physical violence from patients, relatives or the public in last 12 months**

| | |
|--------------------------------|--------------|
| 2015 Score | 23% |
| 2015 National Average | 6% |
| Comparison to National Average | Worse |

- **Percentage of staff appraised in the last 12 months**

| | |
|--------------------------------|--------------|
| 2015 Score | 81% |
| 2015 National Average | 88% |
| Comparison to National Average | Worse |

- **Percentage of staff reporting errors, near misses or incidents witnessed in the last month**

| | |
|--------------------------------|--------------|
| 2015 Score | 89% |
| 2015 National Average | 97% |
| Comparison to National Average | Worse |

- **Percentage of staff feeling pressure in the last 3 months to attend work when feeling unwell**

| | |
|--------------------------------|--------------|
| 2015 Score | 61% |
| 2014 Score | 62% |
| 2015 National Average | 59% |
| Comparison to National Average | Worse |

Areas of improvement from the previous year are as follows:

- Overall health and wellbeing scores
- Managers involving staff in important decisions
- Staff feeling trusted to do their job
- 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 recommending the Trust as a place to work and a place for treatment increased.

An action plan has been developed to address the issues which arose from the previous year relating to the following areas;

- Percentage of staff experiencing harassment, bullying or abuse from patients, relatives or the public in the last 12 months
- Percentage of staff experiencing physical violence from patients, relatives or the public in the last 12 months
- Percentage of staff feeling secure around raising concerns

The 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.

Summary of plans to address concerns

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. A significant amount of work has been undertaken during the year to address this issue. For example, the trust has introduced therapeutic specialising, Schawartz rounds, focussed debrief sessions with staff, we have continuously provided support and advice from the executive and governance teams. 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.

6.2 Future Priorities and Actions

The key priority areas to address inevitably need to be those identified in the bottom ranking scores. These can be explicitly profiled in existing staff engagement techniques and this will allow more prescriptive 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'.

Staff Profile

On 31 March 2016 the Trust employed 1212.98 whole time equivalents made up of the following groups in table 15 below:

Table 15

| Staff Group | FTE | Headcount |
|-----------------------------|---------------|------------------|
| Prof scientific and technic | 44.40 | 47 |
| Clinical services | 219.55 | 247 |
| Administrative and clerical | 321.07 | 349 |
| Allied health professionals | 113.82 | 130 |
| Estates and ancillary | 5.87 | 9 |
| Healthcare scientists | 12.13 | 13 |
| Medical and dental | 111.51 | 115 |

| Staff Group | FTE | Headcount |
|----------------------------------|----------------|------------------|
| Nursing and midwifery registered | 384.62 | 411 |
| Total | 1212.98 | 1321 |

- Female staff = **1047**
- Male staff = **274**

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. In 2015/16, the Friends and Family Test continued, facilitated via email and sent to a random sample of staff each quarter. All Trust staff are given the opportunity to participate in the survey over the year.

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.

Staff Health and Wellbeing

The established programme of health and wellbeing activities continues to be available to staff. The programme has been expanded throughout the year to include additional activities in direct response to staff feedback/requests. In particular, there is a strong focus on mental health wellbeing.

The Trust's Health and Well Being Group, established during 2014, has continued to meet on a regular basis and has maintained 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, football, netball and a running club. Yoga was introduced during 2015. Two health and wellbeing days were held during 2015 and staff were able to take advantage of general health checks and flu vaccinations.

During the summer of 2015, NHS England announced a major initiative to improve health and wellbeing for NHS staff. The Trust is one of only twelve organisations (the only Trust across the North West.) cited as an exemplar to lead the implementation of this health and wellbeing offer.

Human Rights, Equality and Diversity

During 2015/16, the Trust has continued to work towards its current equality and diversity objectives, which are:

- Improve data collection and equality profiles for both inpatients and outpatients
- Improve data collection and equality profiles for all staff members
- Ensure all staff members are paid equally for equal work
- Continue to use Equality Impact Assessments to monitor policies and procedures and introduce this for all service developments and organisational change episodes
- Increase involvement with the local community and in local support groups for both patients and staff

Good improvements have been made in terms of the data collection and equality profiles for staff, as detailed in the Annual Workforce Report published at the end of January. Unfortunately, improvements have been slower for data collection and equality profiles for patients with further work needed this year. Work is also still needed in terms of carrying out equal pay audits although work to ensure consistency of Standard Variation List (SVL) completion is well underway, as is improvements to the Agenda for Change job matching and evaluation records. Positive steps have also been taken in relation to Equality Impact Assessments with a new electronic form being introduced, a separate section being embedded into the CIP process and specific training taking place. Finally, relationships have continued to be built with all local Healthwatch groups, with regular attendance at meetings. In addition, following implementation of the Workforce Race Equality Standard (WRES) a Black and Minority Ethnic (BME) staff group has been launched.

The Trust has also continued to utilise the Equality Delivery System (EDS2) which helps support the Trust in ensuring all requirements of the Equality Act and Public Sector Equality Duty are met. It also supports registration requirements of the Care Quality Commission (CQC). The Trust will continue to be assessed on its progress on an annual basis; in 2015 the Trust was rated as developing in all patient outcomes (goals 1 and 2) and developing or

achieving in all workforce outcomes (goals 3 and 4). The next review and assessment is due to take place at the end of 2015/16.

The Trust also published its baseline data for the Workforce Race Equality Standard (WRES) in June 2015, following its introduction into the NHS Standard Contract for 15/16. Initial analysis highlighted a few areas of concern including; Board representation and the proportion of BME staff at senior management level, the relative likelihood of BME staff accessing non-mandatory training and CPD (however, this is skewed as medical data was not captured), the relative likelihood of BME staff being appointed from shortlisting and the percentage of BME staff who have experienced discrimination at work from their manager/team leader or other colleague according to staff survey results. Each of these elements are being investigated further and an action plan established to try to improve these scores.

In May 2015, the Trust was successfully awarded the Navajo Charter Mark following a rigorous assessment process. This is an equality mark sponsored by In-Trust Merseyside and Sefton Embrace and supported by the LGBTI (lesbian, gay, bisexual, transgender, intersex) community networks across Merseyside. It is a signifier of good practice, commitment and knowledge of the specific needs, issues and barriers facing LGBTI people in Merseyside. Navajo looks at employment practices and how services are inclusive for LGBTI people. The assessment looked at the following five areas:

- Practices and policies
- Training
- Staff recruitment and engagement
- Monitoring
- Service users and LGBTIQ engagement

In April 2015, the Trust hosted a lecture by international speaker and founder of the Mary Seacole Centre for Nursing Practice, Professor Elizabeth Anionwu. The talk explored the life of the legendary Crimean War nursing heroine Mary Seacole, and the importance of diversity within the nursing profession and wider NHS.

The following tables represent the diversity of the Trust's workforce as of 31 March 2016.

On 31 March 2016 the Board of Directors comprised of:

- Four male and three female non-executive directors.
- Two female and five male executive directors.

Table 16 below represent the diversity of the Trust's workforce as a whole as of 31 March 2016.

Tables 16
Sex

| Gender | Headcount | Percentage |
|--------------------|------------------|-------------------|
| Female | 1047 | 79.26% |
| Male | 274 | 20.74% |
| Grand total | 1321 | 100% |

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 | 2 | 62 | 154 | 123 | 144 | 129 | 123 | 154 | 106 | 50 | 1047 |
| Male | 1 | 15 | 27 | 39 | 29 | 56 | 34 | 39 | 21 | 13 | 274 |
| Grand total | 3 | 77 | 181 | 162 | 173 | 185 | 157 | 193 | 127 | 63 | 1321 |

Ethnicity

| Ethnicity | Headcount | Percentage |
|---|------------------|-------------------|
| A White - British | 1143 | 86.53% |
| B White - Irish | 23 | 1.74% |
| C White - Any other White background | 24 | 1.78% |
| CF White Greek | 0 | 0% |
| CY White Other European | 5 | 0.38% |
| D Mixed - White & Black Caribbean | 1 | 0.08% |
| E Mixed - White & Black African | 3 | 0.23% |
| F Mixed - White & Asian | 1 | 0.08% |
| G Mixed - Any other mixed background | 5 | 0.38% |
| H Asian or Asian British - Indian | 55 | 4.16% |
| J Asian or Asian British - Pakistani | 4 | 0.30% |
| L Asian or Asian British - Any other Asian background | 10 | 0.76% |
| LH Asian British | 1 | 0.08% |
| LK Asian Unspecified | 1 | 0.08% |
| M Black or Black British - Caribbean | 1 | 0.08% |
| N Black or Black British - African | 10 | 0.76% |
| P Black or Black British - Any other Black background | 1 | 0.08% |

Ethnicity

| Ethnicity | Headcount | Percentage |
|--------------------------|-------------|-------------|
| PC Black Nigerian | 1 | 0.08% |
| R Chinese | 2 | 0.15% |
| S Any Other Ethnic Group | 10 | 0.76% |
| Z Not Stated | 20 | 1.51% |
| Grand total | 1321 | 100% |

Religion

| Religion | Headcount | Percentage |
|--------------------|-------------|-------------|
| Atheism | 106 | 8.02% |
| Buddhism | 5 | 0.38% |
| Christianity | 806 | 61.02% |
| Hinduism | 27 | 2.04% |
| Not disclosed | 133 | 10.07% |
| Islam | 14 | 1.06% |
| Judaism | 1 | 0.08% |
| Other | 92 | 6.96% |
| Sikhism | 0 | 0% |
| Unknown | 137 | 10.37% |
| Grand total | 1321 | 100% |

Disability

| Disability | Headcount | Percentage |
|--------------------|-------------|-------------|
| Not disabled | 818 | 61.92% |
| Not declared | 66 | 5.00% |
| Unknown | 392 | 29.67% |
| Disabled | 45 | 3.41% |
| Grand total | 1321 | 100% |

Sexuality

| Sexual Orientation | Headcount | Percentage |
|--------------------|-------------|-------------|
| Bisexual | 7 | 0.53% |
| Gay | 11 | 0.83% |
| Heterosexual | 1015 | 76.84% |
| Not disclosed | 122 | 9.24% |
| Lesbian | 8 | 0.61% |
| Unknown | 158 | 11.96% |
| Grand total | 1321 | 100% |

Marriage & Civil Partnership

| Marital Status | Headcount | Percentage |
|--------------------|-------------|-------------|
| Civil partnership | 9 | 0.68% |
| Divorced | 81 | 6.13% |
| Legally separated | 13 | 0.98% |
| Married | 594 | 44.97% |
| Single | 539 | 40.80% |
| Unknown | 76 | 5.75% |
| Widowed | 9 | 0.68% |
| Grand total | 1321 | 100% |

Staff Groups

| Staff Group | Headcount | Percentage |
|--|-------------|-------------|
| Staff - registered medical practitioners | 115 | 8.71% |
| Staff- non clinical | 358 | 27.10% |
| Staff - registered nurses | 411 | 31.11% |
| Staff - other staff | 437 | 33.08% |
| Grand total | 1321 | 100% |

Equality and Human Rights Training for Staff

As well as continuing to deliver a rolling programme of equality and diversity training sessions, the Trust has also run specific transgender awareness training, unconscious bias training and equality impact assessment training over the past year to support staff and improve understanding. Further to this, two members of staff are currently completing an Equality Champions Programme with the intention that they will then help the Trust with its Equality agenda.

The Walton Centre recognises and values the fact its 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 regional staff networks, in addition to the establishment of a BME staff group.

Learning Disability Group

The Trust has a Learning Disability Steering Group that feeds into the Trust's Safeguarding Group which in turn reports to the Board of Directors via the Patient Safety Group. The Learning Disability Steering Group meets quarterly and has developed good links with the community learning disability teams in the local areas. Members of the Trust's Learning Disability Steering Group also attend the Trust's Safeguarding Group meetings

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 have assisted our local population including opportunities for interns during the school summer holidays and participation in the career ready mentoring programme with a local school. The Trust also holds an annual open day, participates in career fairs, career talks to local schools and colleges and organises health and wellbeing activities.

The Trust participates in the national dechoc campaign held each year during the month of March. All donated chocolate is given to local food banks.

Reputation and Fundraising

Reputation

Communications work continued to raise the Trust's profile through media coverage and regular use of the website and social media channels.

Highlights included the team arranging a tweet chat at BBC Radio Merseyside which put the spotlight on our work as an innovative trust, increasing our profile in the field of research and innovation; the BBC filming examples of the Health and Wellbeing Programme which appeared on national news and national and local media (print, broadcast and radio) covering HRH The Princess Royal's official opening of the Sid Watkins Building. This was in addition to regular coverage throughout the year on local TV, radio and press.

Statistics show both the number of users visiting the website and the number of times they visited increased. There was an 18% increase in visits to the website compared with the previous year (number of users), helped by a steady flow of new content. There was also an 11% increase in the number of 'sessions' ie the number of times those users are going on the website*.

The number of followers on Twitter grew by 3,600 to more than 4,500; and the Trust's Facebook page has gone from 814 to 1,507 fans, with a star rating of 4.8 out of 5.

A survey of 109 external respondents (of whom over half were patients) showed that the website and the quarterly members' magazine Neuromatters were the most highly rated methods of communication.

*Figures are taken from 1 April 2015 to 31 January 2016.

Fundraising

Following the successful completion of the Home from Home Appeal, focus shifted from the targeted approach necessary to achieve the £0.5m for that project, towards developing a fundraising function capable of generating sustainable, long-term charitable income for the Trust.

During the year, a new, more user friendly name was adopted – The Walton Centre Charity – and a dedicated logo was created to give the charity its own identity. New promotional materials were developed and produced using the new branding, and these are now helping to raise awareness in the community, about the charity's work. A number of events took place during the year, including the Jan Fairclough Ball and the Charity Golf Day, where funds were raised to support the relatives' accommodation, to ensure the facility continues to be offered free of charge to families. Work was also undertaken to explore opportunities to support the iMRI scanning service, part of the Trust's strategic theatre development.

Consultancy

During the year, the Trust made use of external, objective advice and assistance to support the development of strategy, structure and management of the Trust's purposes and objectives. Total consultancy expenditure was £318,000 which included development of the Trust's transformation project, costing programme, Vanguard set up and valuation services.

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 six 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 tables 17 and 18 below:

Table 17

| All off-payroll engagements as at 31 March 2016 (where the worker is paid more than £220 per day and has been in post for more than six months) | |
|--|---|
| Number of existing arrangements as at 31 March 2016 | 3 |
| Of which: | |
| Number that have existed for less than one year at the time of reporting | 1 |
| Number that have existed for between one and two years at the time of reporting | 1 |
| Number that have existed for between two and three years at the time of reporting | 0 |
| Number that have existed for between three and four years at the time of reporting | 1 |
| 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.

Table 18

| All new off-payroll engagements, or those that reached six months in duration, between 1 April 2015 and 31 March 2016 (where the worker is paid more than £220 per day and has been in post for more than six months) | |
|--|---|
| Number of new engagements, or those that reached six months in duration, between 1 April 2015 and 31 March 2016 | 3 |
| 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 | 3 |
| Number for whom assurance has been requested | 3 |
| Of which: | |
| Number for whom assurance has been received | 3 |
| Number for whom assurance has not been received | 0 |
| Number that have been terminated as a result of assurance not being received | 0 |

There have been no off-payroll engagements of Board members, or senior officials with significant financial responsibility, between 1 April 2015 and 31 March 2016.

Enhanced Quality Governance

Enhanced quality governance patient care and stakeholder relations reporting are discussed in detail in the Quality of Care Report section No 4 and the annual governance statement section 3vii of this report.

Signed by:  C Harrop, Chief Executive. Date: 26 May 2016

3iv Accountability Report – the disclosures set out in the NHS Foundation Trust Code of Governance

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 Corporate Secretary reviewed the Trust's compliance with the NHS Foundation Trust Code of Governance (the Code) and prepared a report for the Trust's Board meeting who considered this report at its meeting on 28 April 2016 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 at table 19 below:

Table 19

| PROVISION | SUPPORTING EXPLANATION | CHAPTER |
|-----------|---|----------------|
| A1.1 | Refer to : Board of Directors Refer to: NHS FT Code of Governance Disclosures | 2.0 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, B6.6, 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

The Trust was partially compliant with provision B6.5 and has action planned to ensure full compliance by December 2016.

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

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

The Council of Governors

As detailed in the Trust's Constitution, the Council of Governors consists of 17 elected governors, four 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 including ad hoc briefings, exchange of meeting agendas / minutes, email and postal correspondence, attendance of directors at the Council of Governors meetings and attendance by governors at the Board of Directors meetings. A subgroup of the Council of Governors also meets with the Trust's non-executive directors on a quarterly basis. This facilitates the opportunity for detailed discussion regarding the role of the non-executive directors and their individual and collective responsibilities as directors of The Walton Centre.

The governors continue to access the virtual boardroom portal which is used as a central point for receiving meeting papers, 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 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. Mr Alan Clark held the position as Lead Governor until December 2015; Ms Katie Clarke-Day assumed the role from January 2016.

Table 20 gives details of each seat on the Council of Governors and its occupant(s) during the period 1 April 2015 – 31 March 2016:

Table 20

| Seat | Name of Governor | | Constituency | Date Appointed | End of Tenure |
|------|------------------|----------|--------------|----------------|---------------|
| 1C | Austin | Jonathan | Cheshire | 2015 | 2018 |
| 2C | Cheesman | Colin | Cheshire | 2015 | 2018 |
| 3C | Ferguson | Louise | Cheshire | 2015 | 2018 |
| 4C | Hubbard | Melissa | Cheshire | 2015 | 2018 |
| 1EW | Clarke-Day | Katie | E & W | 2014 | 2017 |
| 2EW | Duckers | Stephen | E & W | 2014 | 2017 |
| 1M | Alshurkri | Saad | Merseyside | 2015 | 2018 |
| 2M | Brown | Doreen | Merseyside | 2015 | 2018 |
| 3M | Cahill | Tony | Merseyside | 2013 | 2016 |
| 4M | Clark | Alan | Merseyside | 2015 | 2018 |
| 5M | Grainger | Rick | Merseyside | 2014 | 2017 |
| 6M | Owens | Bobby | Merseyside | 2015 | 2018 |
| 7M | Paton | Joe | Merseyside | 2015 | 2018 |
| 8M | Strong | Barbara | Merseyside | 2014 | 2017 |
| 1W | Felda | Urtha | North Wales | 2014 | 2017 |
| 2W | Harper | April | North Wales | 2014 | 2017 |
| 3W | Kitchen | John | North Wales | 2015 | 2018 |
| 3W | Owen | Robert | North Wales | 2014 | Resigned 2015 |
| 1S | Gerrans | Emily | Staff | 2015 | 2018 |
| 2S | Lowe | Amanda | Staff | 2015 | 2018 |
| 3S | Marson | Tony | Staff | 2013 | 2016 |
| 4S | Moreno | Isabel | Staff | 2013 | 2016 |
| 1P | Burgen | Andy | Partnership | 2014 | Resigned 2015 |
| 1P | Austen-Vincent | Ruth | Partnership | 2015 | 2018 |
| 2P | Fisher | Denise | Partnership | 2015 | 2018 |
| 2P | Guha | Arpan | Partnership | 2015 | 2018 |
| 3P | Hanratty | Dave | Partnership | 2010 | Resigned 2015 |
| 3P | Heron | Susan | Partnership | 2015 | 2018 |
| 4P | Holland | Suzy | Partnership | 2009 | Resigned 2015 |
| 4P | Mellor | Nanette | Partnership | 2014 | 2016 |
| 5P | Pereira | Ella | Partnership | 2014 | 2017 |
| 6P | Quayle | Shirley | Partnership | 2015 | 2018 |
| 7P | Sutton | Paula | Partnership | 2015 | Resigned 2015 |
| 8P | Thomas | Kevin | Partnership | 2009 | 2018 |
| 9P | Vaughan | Jan | Partnership | 2014 | 2015 |
| 10P | Wilkins | Tina | Partnership | 2014 | 2016 |
| 11P | Woods | Tony | Partnership | 2013 | 2016 |
| 12P | Vacant | | Partnership | | |

The Trust's current Governors are:

| Constituency | Name of Governor |
|--|-------------------------|
| Public - Cheshire | Louise Ferguson |
| Public – Cheshire | Colin Cheesman |
| Public – Cheshire | Jonathan Austin |
| Public – Cheshire | Melissa Hubbard |
| Public – Merseyside | Tony Cahill |
| Public – Merseyside | Doreen Brown |
| Public – Merseyside | Alan Clark |
| Public – Merseyside | Rick Grainger |
| Public – Merseyside | Saad Alshurkri |
| Public – Merseyside | Joe Paton |
| Public – Merseyside | Barbara Strong |
| Public – Merseyside | Robert Owen |
| Public – North Wales | Urtha Felda |
| Public – North Wales | April Harper |
| Public – North Wales | John Kitchen |
| Public – Rest of England and Wales | Stephen Duckers |
| Public – Rest of England and Wales | Katie Clarke-Day |
| Staff – Nursing | Amanda Lowe |
| 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) | Susan Heron |
| Partnership Governor (Cheshire & Merseyside Neurological Alliance) | Ruth Austen-Vincent |
| Partnership Governor (Liverpool University) | Arpan Guha |
| Partnership Governor (MS Society, Isle of Man) | Shirley Quayle |
| Partnership Governor (Neurosupport) | Nanette Mellor |
| Partnership Governor (North Wales CHC Joint Committee) | Denise Fisher |
| 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
- By telephone : 0151 529 8523
- By post:

Ann Highton
 Deputy Director of Governance
 The Walton Centre NHS Foundation Trust
 Lower Lane
 Fazakerley
 L9 7LJ

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 the summer of 2015, elections to the Council of Governors were held according to the Trust's Constitution. Results were as reported in table 21 below:

Table 21

| Seat | Turnout | Governor Elected |
|---------------------|----------------|--|
| Public : Merseyside | 12.47% | Saad Alshurkri Doreen Brown Alan Clark Bobby Owens Joe Paton |
| Public : Cheshire | 13.37% | Jonathan Austin Colin Cheesman Louise Ferguson Melissa Hubbard |
| Staff | 4.57% | Amanda Lowe |

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)

Council of Governors meetings

Table 22 represents the Chair & Governors attendance 01/04/15 – 31/03/16

Table 22

| Name of Governor | 03/06/15 | 17/09/15 | 08/12/15 | 01/03/16 |
|---------------------|----------|----------|----------|----------|
| Saad Alshurkri | | ✓ | ✓ | ✓ |
| Ruth Austen-Vincent | | | ✓ | ✓ |
| Jonathan Austin | | ✓ | ✓ | ✓ |
| Doreen Brown | | | ✓ | ✓ |
| Andy Burgen | ✓ | ✓ | x | x |
| Colin Cheesman | x | x | ✓ | ✓ |
| Tony Cahill | ✓ | ✓ | ✓ | ✓ |
| Alan Clark | ✓ | ✓ | ✓ | ✓ |
| Katie Clarke-Day | ✓ | ✓ | ✓ | ✓ |
| Stephen Duckers | ✓ | x | ✓ | x |
| Louise Ferguson | x | ✓ | ✓ | ✓ |
| Urtha Felda | x | ✓ | ✓ | ✓ |
| Denise Fisher | | | | x |
| Emily Gerrans | ✓ | ✓ | ✓ | x |
| Rick Grainger | x | x | ✓ | ✓ |
| Arpan Guha | | | | ✓ |
| Dave Hanratty | | | | |
| April Harper | x | x | x | x |
| Gareth Holder | | | | |
| Melissa Hubbard | x | x | x | ✓ |
| John Kitchen | | ✓ | ✓ | ✓ |
| Amanda Lowe | x | x | ✓ | ✓ |
| Tony Marson | x | x | x | x |
| Michelle McLeod | | | | |
| Nanette Mellor | x | x | ✓ | x |
| Isabel Moreno | ✓ | ✓ | ✓ | x |
| William Owen | | ✓ | | |
| Bill O'Connell | | | | |
| Tim O'Rourke | ✓ | | | |
| Bobby Owens | | | ✓ | ✓ |
| Joe Paton | ✓ | ✓ | ✓ | x |
| Ella Pereira | ✓ | ✓ | ✓ | ✓ |
| Shirley Quayle | | | | x |
| Barbara Strong | ✓ | x | ✓ | ✓ |
| Kevin Thomas | x | ✓ | ✓ | x |
| Jan Vaughan | ✓ | x | | ✓ |
| Tina Wilkins | ✓ | x | ✓ | x |
| Tony Woods | x | x | x | x |

38 individuals acted as governors between 01 April 2015 and 31 March 2016.

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 2015/16 the total amount claimed was £3,719 as seen in table 23 below.

Table 23

| Name of Governor | Expenses Claimed (£) 2015/16 | Name of Governor | Expenses Claimed (£) 2015/16 |
|---------------------|------------------------------|------------------|------------------------------|
| Saad Alshurkri | 51 | Melissa Hubbard | 0 |
| Ruth Austen-Vincent | 0 | John Kitchen | 0 |
| Jonathan Austin | 0 | Amanda Lowe | 0 |
| Doreen Brown | 0 | Tony Marson | 0 |
| Andy Burgen | 314 | Michelle McLeod | 0 |
| Colin Cheesman | 54 | Nanette Mellor | 0 |
| Tony Cahill | 0 | Isabel Moreno | 4 |
| Alan Clark | 236 | William Owen | 0 |
| Katie Clarke-Day | 1140 | Bill O'Connell | 41 |
| Stephen Duckers | 154 | Tim O'Rourke | 25 |
| Louise Ferguson | 1027 | Bobby Owens | 172 |
| Urtha Felda | 0 | Joe Paton | 0 |
| Denise Fisher | 43 | Ella Pereira | 0 |
| Emily Gerrans | 0 | Shirley Quayle | 113 |
| Rick Grainger | 0 | Barbara Strong | 90 |
| Arpan Guha | 0 | Kevin Thomas | 259 |
| Dave Hanratty | 0 | Jan Vaughan | 0 |
| April Harper | 0 | Tina Wilkins | 0 |
| Gareth Holder | 0 | Tony Woods | 0 |

Council of Governors meetings: table 24 represents Non-Executive Directors attendance.

Table 24 - 1st April 2015 to 31st March 2016

| Name of NED | 03/06/15 | 17/09/15 | 08/12/15 | 01/03/16 |
|-------------------|----------|----------|----------|----------|
| Janet Rosser | ✓ | ✓ | ✓ | ✓ |
| Alan Sharples | x | x | ✓ | ✓ |
| Seth Crofts | x | x | x | ✓ |
| Ann McCracken | ✓ | x | ✓ | ✓ |
| Sheila Samuels | | | ✓ | ✓ |
| Dr Peter Humphrey | | ✓ | x | ✓ |
| Wendy Williams | ✓ | ✓ | | |
| David Chadwick | | | | |

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 reception of the Trust's main building 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
- 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: 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-executive directors.

Committees of the Board of Directors

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

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 represented in table 25 as follows during the reporting period 01 April 2015 – 31 March 2016:

Table 25

| | 04/15 | 05/15 | 07/15 | 09/15 | 11/15 | 01/16 | 03/16 |
|-----------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| AS | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| JR | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| AM | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | A |

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 six formal meetings a year, with the additional two 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 two meetings, outside the scope of the Internal and External audit plans. The assurance meetings have continued into 2016. Topics focused on have included:

- Clinical audit process
- Learning from complaints and incidents
- Overseas visitors policy and procedures
- Data quality assurance
- Berwick Report actions
- CQC preparation
- Going concern
- Safeguarding of assets
- Review of whistleblowing (raising concerns) arrangements
- High reliability organisation
- Assurance mapping

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 2015 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 Public Sector 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 (Raising Concerns)

The Audit Committee received an update in March 2016 regarding arrangements within the Trust that allows staff 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 i.e. raising concerns previously referred to as Whistleblowing.

The Trust has a robust policy and procedure in place which ensures that staff are aware how to raise a concern, how their concern will be handled and how they will be protected and supported.

Effectiveness of the Trust's External Auditors

Grant Thornton UK LLP has been appointed as the Trust's External Auditor to 31 March 2017. This appointment followed a tender process which was led by a sub-group of the Council of Governors. 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 2015/16 were £46,000 which is in line with the agreed contract.

Membership

At the end of February 2016, the Trust's membership stood at 7,850 compared to 7,888 in March 2015. 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. Table 26 provides a breakdown of the Trust's membership by constituency:

Table 26

| Numbers by Constituency and Catchments | |
|---|--------------|
| Public Cheshire | 950 |
| Public Merseyside | 2,735 |
| Public North Wales | 1,573 |
| Public Rest of England and Wales | 1,253 |
| Public Out of Trust Area | 3 |
| Public Totals | 6,514 |
| Staff - Registered Nurse | 375 |
| Staff Registered Medical Practitioners | 116 |
| Staff Other Clinical Professional | 496 |
| Staff - Non-Clinical | 349 |
| Staff Total | 1,336 |
| TOTAL MEMBERSHIP | 7,850 |

The Trust's Membership Strategy can be found at: www.thewaltoncentre.nhs.uk/173/being-a-member. The Walton Centre NHS Foundation Trust is a public benefit organisation and its 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 it cares 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 quarterly newsletter called Neuromatters. Copies are posted/emailed to public members and are prominently displayed around the Trust to encourage membership. The newsletter is also available on the intranet, website and via social media. During 2015/16, the Trust has also been focusing on increasing its use of social media to communicate with our patients, members and members of the public.

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 Intranet 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 has also participated in the staff friends and family test survey.

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 Health and Safety Executive (HSE) during 2015/16 was 12 compared to eight in 2014/15.

Occupational Health/Health and Wellbeing:

The Trust continues to support a programme of health and wellbeing initiatives for staff and is continually looking to develop and expand these. A multi-disciplinary health and wellbeing group set up during 2014 has continued to meet on a quarterly basis.

Two staff health and wellbeing days take place each year and the Trust regularly takes on board staff feedback and reviews its offers to staff. A yoga class was introduced during 2015.

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. Feedback from this service is positive and in a number of cases supports staff being able to remain in the workplace.

Sickness Absence (Table 27)

| Staff sickness absence | 2014/15 | 2015/16 |
|--|----------------|----------------|
| Days Lost (Long Term) | 14,005 | 11,855 |
| Days Lost (Short Term) | 4,852 | 9,543 |
| Total Days Lost | 18,857 | 21,398 |
| Average Staff Service Years | 7.02 | 6.96 |
| Average Working Days Lost | 15.56 | 16.20 |
| Total Staff Employed in Period (Headcount) | 1,267 | 1,321 |
| Total Staff Employed in Period with No Absence (Headcount) | 535 | 500 |
| Percentage Staff with No Sick Leave | 42.2% | 37.85% |

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 2015 to 31 March 2016 there were two early retirements from the NHS Trust on the grounds of ill-health.

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:

1. Strategic Governance

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

2. Inform and Involve

This section sets 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.

3. 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.

4. 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. 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.

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 complies with the Approved Costing Guidance issued by Monitor in February 2016. 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.

Consultations

During the past year the Trust has continued to consult staff and governors on its strategic investments and forward plans. This was done using a variety of forums including team brief and Council of Governor meetings, the Trust consulted with staff on the forward plans at the clinical senate meeting, during staff listening weeks and through the use of the new strategy leaflet.

In addition, building plans for the theatres/iMRI development were developed with, and signed off by a user group consisting of a cross section of staff from the departments affected. The Trust conducted its annual communications survey which asks staff, governors, members and patients what they think about the way the Trust communicates with them. The survey used a variety of mechanisms including a social media, an online survey, face to face meetings and written feedback.

Governors were also consulted on the Trust's annual plans and Quality Account priorities for 2015/16. To facilitate governors being able to canvass the opinion of the Trust's members and the public, information about the Trust's forward plans were published on the Trust's website, in the Trust's magazine for members – Neuromatters – and made available at the Trust's Open Afternoon and at the Annual Members Meeting.

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.
- St Helens & Knowsley NHS Trust provide the Trust with Payroll services; this is covered under contract until September 2018.
- The Trust's Patient Information System is provided by Silver Link and is under contract until April 2019.
- The Radiology Picture Archive and Communication System (PACS) 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, security and patient meals. This service underwent a full tender exercise in 2016 and a four year contract was awarded until March 2020.

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. To ensure improved monitoring, during 2015/16 the HR Department established a central log to record where staff have been supported with reasonable adjustments.

3v Accountability Report – regulatory ratings

2015/16: 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. Monitor assesses trusts under the Risk Assessment Framework (RAF) 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.

Throughout 2014/15 and in Q1 of 2015/16, these were assessed with two ratings:

- The Continuity of Services Rating (CoSR); and
- Governance Rating.

In August 2015, Monitor published a revised RAF. This replaced the CoSR with the Financial Sustainability Risk Rating (FSRR) and amended the Governance Rating to include an assessment of value for money.

Financial Sustainability Rating

This combines the previous criteria for the CoSR with an assessment of financial efficiency to give an overall assessment of a trust's financial health. There are four rating categories ranging from one, which represents the highest financial risk to four which represents the lowest risk.

Governance Rating

Monitor use a combination of methods to assess governance issues at NHS foundation trusts and to gain assurance of their standards of governance. Trusts are rated green where there are no concerns, red where they are under formal regulatory investigation or 'under review' where concerns have been identified by the trust or its regulators which require further investigation. Table 28 reflect trust performance during the year.

Table 28

2015/16 Performance

| | Annual Plan 2015/16 | Q1 2015/16 | Q2 2015/16 | Q3 2015/16 | Q4 2015/16 |
|---------------------------------|---------------------|------------|------------|------------|------------|
| Financial sustainability rating | | | 2 | 2 | 2 |
| Continuity of service rating | 4 | 3 | | | |
| Governance rating | Green | Green | Green | Green | Green |

2014/15 Performance

| | Annual Plan 2014/15 | Q1 2014/15 | Q2 2014/15 | Q3 2014/15 | Q4 2014/15 |
|------------------------------|---------------------|------------|------------|------------|------------|
| Continuity of service rating | 4 | 4 | 4 | 4 | 4 |
| Governance rating | Green | Green | Green | Green | Green |

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 asked 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 was previously used to band Trusts; The Walton Centre remained in the most positive, least risk band, band six, during this process.

Overview of Trust performance against national priorities from the Department of Health's Operating Framework

Table 29

| Performance indicator | 2014/15 | 2015/16 | 2015/16 |
|---|-------------|---------|-------------|
| | Performance | Target | Performance |
| Incidence of MRSA | 0 | 0 | 1 |
| Screening all in-patients for MRSA | 100% | 100% | 100% |
| Incidence of Clostridium difficile | 11* | <=10 | 9 |
| All Cancers: Maximum wait time of 31 days for second or subsequent treatment: surgery | 100% | >=94% | 100% |

| Performance indicator | 2014/15 | 2015/16 | 2015/16 |
|--|-------------|---------|-------------|
| | Performance | Target | Performance |
| All Cancers: 62 days wait for 1 st treatment from urgent GP referral to treatment | 100% | >=85% | 85.71% |
| 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 ** Threshold set by Public Health England | | | |

3vi Accountability Report – statement of the accounting officer’s responsibilities

Statement of the Chief Executive's responsibilities as the Accounting Officer of The Walton Centre NHS Foundation Trust

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

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

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

- Observe the Accounts Direction issued by Monitor, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgements and estimates on a reasonable basis;
- State whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual have been followed, and disclose and explain any material departures in the financial statements;
- Ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance; and
- Prepare the financial statements on a going concern basis.

The accounting officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS Foundation Trust and to enable him/her to ensure that the accounts comply with requirements outlined in the above mentioned Act. The Accounting Officer is also responsible for safeguarding the assets of the NHS Foundation Trust

and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Signed

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

Chris Harrop, Chief Executive

26 May 2016

3vii Accountability Report – annual governance statement

Scope of Responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the NHS Foundation Trust's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I am also responsible for ensuring that The 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.

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 2016 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Board of Directors collectively takes a proactive role in providing leadership to the organisational risk management process. The Trust has a Risk Management Policy which sets out the roles and responsibilities of the chief executive, executive directors, executive director with responsibility for risk, and the managerial roles key to the co-ordination of risk management throughout the organisation. The policy clearly states that all Trust employees have a responsibility for the management of risk; it also describes the systems of governance process for the management of risk.

The following committees of the Board of Directors have delegated powers for the responsibility of monitoring high-level risks within their terms of reference: Quality Committee, Business Performance Committee, Audit Committee and the Patient Safety

Group. The Patient Safety Group also has included in its Terms of Reference the role of scrutiny of the divisional risk registers.

The Quality Committee is chaired by a non-executive director and part of its constitution includes attendance by two other non-executive directors. The Terms of Reference of the committee require it to act as a scrutiny committee, providing assurance to the Trust Board that adequate and appropriate checks and balances are in place, and that controls which arise from risk assessment and mitigation processes are robust. The committee is responsible for the review of the Trust Risk Register and the risks specific to the Board Assurance Framework which falls within its Terms of Reference.

The Quality Committee is underpinned by the Patient Safety Group.

The Business Performance Committee is chaired by a non-executive director; part of its constitution includes attendance by two other non-executive directors. The committee's responsibilities relating to risk management require the scrutiny of those risks on the Board Assurance Framework for which it has designated responsibility. The committee provides assurance to the Trust Board that the systems and processes are robust and, if required, has the capacity to escalate issues to the board. During the year 2015/16, the Business Performance Committee has requested detailed reports on specific risks included on the Board Assurance Framework; this has enabled the committee to provide high assurance to the Trust Board that adequate checks and balances were in place.

The Audit Committee is chaired by a non-executive director, and its membership is constituted of two other independent non-executive director members. Governors of the Trust are invited to observe the committee and act as a link between the committee and the governors, thus ensuring engagement and transparency. The Audit Committee has oversight of the system of risk management and assurance, including the Board Assurance Framework. It has a cycle of business that requires attendance by members of the senior management team to provide assurance in relation to the effective design and operation of systems of control that fall within their respective portfolios.

The Patient Safety Group reports into the Quality Committee. The Terms of Reference of the Patient Safety Group reflect the scrutiny and oversight function of the operational elements of risk and governance throughout the organisation. Divisional risk registers are presented to, and scrutinised by, the group on a rotational basis; at meetings where divisions are not scheduled to fully review their registers, an exception report informs the group of activity. This process ensures cross divisional challenge and a Trust-wide consistency in the grading of risks, which in turn, provides a standardised organisational risk

profile. The Patient Safety Group is also responsible for the scrutiny of serious untoward incidents, root cause analyses, safety alerts and related action plans.

Monthly multidisciplinary divisional governance and risk meetings are held in each of the divisions, all of which have core agenda items. These include risk register review, complaints, incidents and health and safety issues. The Chair's reports from these groups are reported into the Quality Committee.

A Harm Free Care Board which is comprised of lead nurses and members of the governance department meet each week to continually review risk registers, monitor progress of root cause analysis investigations and complaints.

The Trust holds quarterly Council of Governors Steering Group meetings which act as a forum for discussion and engagement with the governors. The steering group also agrees the agenda for the quarterly Council of Governors meetings; the Council of Governors meetings enable governor consultation and provides an oversight and scrutiny function.

Risks are identified, assessed and recorded by senior managers who input information from risk assessments onto Datix, an electronic web based risk management solution. Formal risk management reports and registers are managed at divisional governance meetings and reviewed with local departmental managers. 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 formally monitored by the Trust Board, Audit Committee, Quality Committee and the Business Performance Committee. This scrutiny allows the Board of Directors to satisfy itself that risks which threaten the achievement of strategic objectives are under prudent control and fall within the Board's risk appetite. When risks pose such threats that their mitigation requires the Board's specific intervention, for instance to allocate additional resources, the Board Assurance Framework highlights and escalates such actions that are required.

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 appropriate to 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 which identifies the initial and on-going mandatory training requirements for all employees. All new starters attend a mandatory induction programme which covers all areas of risk management.

The Trust is an accredited centre for the Institution of Occupational Safety and Health (IOSH) Managing Safely course for senior staff. This is an internationally recognised certificate of competence.

Training in the use of Datix is provided to all staff. There is also an accessible, specialist system lead based centrally with the Risk Management Team.

All staff can access the Datix system to report an incident online. His/her line manager quality checks the data before the information is validated and referred to the appropriate person in the organisation. Escalation is based on the risk rating score 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, incidents, audits and reviews. To facilitate the learning of lessons from incidents, the Trust uses the following processes: a regular Lessons Learned newsletter, inclusion in monthly assurance reports to the specific wards and departments, inclusion in the quarterly governance and risk report and inclusion in the monthly Team Brief and weekly email bulletin to staff, Walton Weekly.

Action plans are monitored through the Root Cause Analysis Tracker, which is reviewed each week at the Harm Free Care Board and the monthly divisional governance and risk meetings.

The Trust fully acknowledges its duty of candour which supports one of its core values of openness. The internal systems ensure compliance with the regulation and Care Quality Commission guidance.

The Trust has robust policy development and management processes in place which ensures that documents which support patient care are fit for purpose and are approved and ratified by a nominated group/committee. Strategies and policies relating to risk management are kept under review throughout the year. All risk and control 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 unexpectedly or negatively impact on patient safety, patient experience or clinical effectiveness of the service.

The Trust's Risk Management team is a component of a wider Governance Department which integrates all components of risk for effective control and greater efficiencies.

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 the 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, which assist in 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 that the risk might materialise and the ability to control the impact of the risk. At the beginning of each year, the Board scores the risk of failure to achieve its strategic objectives and identifies a target score for that risk. The target score may be at the same level (where the Board has an appetite for that risk) or lower (where the risk score is intolerable and must be mitigated to a lower level).

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 Policy. All risk assessments, including information on evaluation and control, are recorded on Datix and supported by action plans which are rigorously monitored at the weekly Harm Free Care Group, monthly Divisional Governance Groups, and the Patient Safety Group. Lessons learned from risk assessments and serious untoward incidents are shared via the monthly ward and department assurance reports, the monthly divisional governance reports, the quarterly Governance and Risk Report, the Lessons Learned bulletin, Team Brief, Walton Weekly and through email bulletins to all staff.

The Trust's Strategic Objectives for 2015/16 are:

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

As at 31 March 2016, the Board Assurance Framework identified ten risks to the strategic objectives. All risks have robust controls and treatment plans to mitigate the risk as far as reasonably practicable. Therefore, the level of risk will decrease once risk treatment is effective.

Compliance to the Code of Governance is explained in section 3iv of this document.

Major Risks

The major risks both in year and future are listed below.

| Potential risk | Strategic Objective | Mitigating Actions |
|--|---------------------|--|
| 1. Risk of CPE to Patient Safety and risks to business continuity during outbreaks of CPE | 1 | Design side rooms into future developments. |
| 2. Risk of C-Difficile to patient safety/experience and risk to Trust reputation if PHE (10) and Monitor (12) thresholds are breached. | 1 | Continual monitoring. Antibiotic ward rounds in place, education provided to clinicians, Standard Operating Procedure (SOP) isolation procedures in place. |
| 3. National and regional changes to junior doctor deployment having a significant reduction to junior doctor numbers requiring a comprehensive workforce transformation. | 5 | Well established project management infrastructure in place. Developed a role redesign process to enable the transformation process. Advanced nurse practitioners role established. Implementation of new process forward round to make the process more efficient. Developed new team structures for Neurosurgery, Pharmacy and a new SMART team to |

| Potential risk | Strategic Objective | Mitigating Actions |
|--|---------------------|--|
| | | improve sustainability. |
| 4. Risk of breaching H&S law due to the lack of assurances received on maintained medical device equipment as per manufacturer's instructions. | 1 | Cataloguing and condition survey of all medical device products in the Trust are now complete. Medical device lead continues on-line database Pro and reactive maintenance service in place. Process on disposal or loss of medical devices in place. |
| 5. Failure to deliver activity associated targets and financial plan due to a) capacity pressures associated with workforce, theatres and ward beds b) reduction in performance associated with change programme c) failure of change programme to deliver required productivity improvements d) infection impact. | 2 | Transformation programme and projects developed. Weekly activity meetings are being held to review current performance. Project team commenced work on theatre capacity, elective and non-elective pathway programme, and coding and data warehouse projects. Review of outpatient services complete and report received agreed with action plan. |
| 6. Risk of building failure or engineering failure. | 4 | SLA in place to manage the whole process. |
| 7. Unable to maintain planned nurse staffing levels to ward establishment and actual staffing levels fall below safer staffing levels with a potential to compromise patient care given national shortages of trained nurses. | 5&1 | Daily escalation process and SOP in place to support senior nurse undertaking escalation. Recruitment and ward establishments monitored weekly. Weekly review of ward off duty. On-going recruitment campaign to recruit to vacancies. Use of agency staff overtime to support permanent staffing numbers. Partnership working with universities to recruit newly qualified staff. |
| 8. Risk of being unable to deliver the current and in particular future years Cost Improvement Plan (CIP) targets, therefore putting the Trust's overall strategic plans at risk. | 6 | Head of Financial Management and Transformation in place to co-ordinate and manage CIP delivery. Robust system of assessing and managing the non-financial impact of |

| Potential risk | Strategic Objective | Mitigating Actions |
|--|---------------------|---|
| | | savings is in place. Reporting process in place to monitor activity. |
| 9. Commissioner intentions released for 16/17 latest guidance a tariff increase in 16/17. | 6 | Contract signed with main commissioners. Good relationship with both English and Welsh Commissioners. Monthly contract meetings and contract monitoring procedures – including aged debt analysis being held; Engagement with Neuroscience network. |
| 10. Risk of changes to the scope of outpatient tariffs, elective surgery and unbundling diagnostic tariffs from April 2017 and beyond. | 6 | Regular communication with Monitor and NHS England / Liverpool Clinical Commissioning Group (CCG) contract leads. Trust is active in discussing changes with commissioners and also replies to all consultations regarding Tariff. |

The major risks identified as being in place for 2016/17 include numbers 1, 2 & 3 above.

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.

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 receive an annual assurance statement and associated evidence. The Board of Directors approve quarterly reports for submission to the sector regulator Monitor, regarding its principal risks to compliance with its Governance and Continuity of Service ratings. The Trust complied with Monitor's requests for two year Operational Plan and a five year Strategic Plan receiving green ratings for each.

Mersey Internal Audit completed twelve reviews of the systems of internal control during the year, two achieved high assurance, nine achieved significant assurance and one achieved limited assurance. The review which received limited assurance has been supported by a robust action plan which has been put in place to address the recommendations and is being monitored by the theatre user group and audit committee.

In May 2015 the Trust received the findings of the Well-Led Governance Review; the outcome of this review is as follows:

Our overall view is that the Trust is well-led, well governed and has an open and caring culture.

An action plan was developed in response to the recommendations of the Well Led Review which is being monitored on a quarterly basis by the Trust Board.

Review of Economy, Efficiency and Effectiveness of the Use of Resources: look at last year

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 2015/16. 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.

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

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

The Foundation 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 the obligations for the Trust under the Climate Change Act and the Adaptation Reporting requirements are complied with.

Information Governance

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 83% (green) compared with 86% (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 training programme. The Trust has been accredited with the transition to ISO27001 (2013) standard in relation to Information and IT security. The Trust once again received 'Significant Assurance' from Mersey Internal Audit following a review of its Information Governance (IG) toolkit evidence for the sixth year in succession. During the period of reporting, there has been one serious incident involving a confidentiality breach which was scored at Level 2 using the Information Governance Reporting tool and was duly reported to the Information Commissioner Office (ICO). The ICO found that no action was required due to the safe systems in place and the immediate remedial action taken by the Trust.

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.

A number of steps have been put in place to assure the Board that the quality report gives a balanced view, and that there are appropriate controls in place to ensure data quality such as:

- The Trust Board has a good balance of skills and knowledge to provide appropriate challenge to data.

- The Trust supports a collective leadership approach which ensures a balance in the decision making process.
- Policies ensure that the quality of care provided is consistent and adheres to the Walton Way Values.
- There is a clear governance structure which facilitates the movement of information from ward to board.

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 risk/clinical governance/quality committee, if appropriate) and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Trust has a governance structure which ensures that the effectiveness of the system of internal control is fit for purpose.

The Board of Directors has a clear idea of its responsibilities and the Directors have a suitable balance of knowledge, skills and experience which enables robust challenge of the systems of internal control.

The Audit Committee acts independently from the executive ensuring that stakeholders are properly protected in relation to financial reporting and internal control. During the year 2015/16, the Audit Committee further developed the role of the Assurance Committees which has enhanced the degree of assurance to the Trust Board.

The Quality Committee has improved the process of internal control through the introduction of two initiatives. One of these is “what quality means to you” which requires divisional representatives to present to the committee on issues within their areas. The other is the introduction of presentations relating to the Darzi Principles. Both of these initiatives provide a more detailed perspective on the internal control processes to inform the committee.

The clinical audit function continues to develop since being devolved in to the divisions and provides robust assurance on outcomes through its governance links.

The Trust's internal auditors play a major part in challenging and providing assurance against the systems of internal control.

Conclusion

No significant internal control issues have been identified during the reporting year.

Signed

A handwritten signature in black ink, appearing to read "C. Hamp", followed by a period.

Chief Executive
Date: 26 May 2016

4 Quality Report

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

Care Quality Commission Registration

The Trust is required to register with the Care Quality Commission (CQC). Its current registration status is 'Registered without Conditions'.

Quality Governance

4.1 Quality Governance

The Trust developed and implemented a Quality and Patient Safety Strategy in 2015, replacing the previous Quality Governance Strategy. The Quality and Patient Safety Strategy is a three year strategy, with an overarching aim to ensure Excellence in Neurosciences. It builds on previous progress through the Quality Governance Strategy and other patient safety initiatives and action plans taking the next steps for The Walton Centre a highly specialist tertiary centre going 'from good to great'.

The Strategy sets out the way forward for the next three years using the five foundations which we have agreed following consultation with The Walton Centre's staff. These are based in particular from the learning from the Berwick Review and also the King's Fund's work in relation to collective leadership and culture in the NHS.

The five foundations are:

Foundation 1 - Leadership at all levels

Foundation 2 - Culture of continuous learning

Foundation 3 - Patient engagement

Foundation 4 - Build capacity and skills

Foundation 5 - Measurement to predict

It is a key enabling strategy of the overall Trust Strategy with several of its objectives, underpinning the quality elements, development of the Trust's services and The Walton

Centre's workforce. In turn, the Quality and Patient Safety Strategy has its own supporting strategies in particular the Patient Experience Strategy and forthcoming Patient and Public Engagement Strategy. Furthermore it is closely linked with the Organisational Development Strategy.

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

To ensure compliance with the Care Quality Commission registration regulations, each regulation is part of a planned schedule of reviews which work alongside internal quality inspections, such as the Nursing Assessment and Accreditation System, and regulation inspections and is used to monitor compliance. The results of the reviews are monitored by the CQC Quality Group.

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 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 had external scrutiny.

The Trust recognises the importance of quality and safety and ensures that key performance metrics for quality are reported. The Trust Quality Report 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: over 98% of patients said they were extremely likely to recommend the Trust to their friends and family, there has been implementation of Ticket Home, Nursing Always Events, Therapeutic

Specialising, Electronic Patient Observations and the roll out of Electronic Patient Records has commenced.

The Trust has also been active in reviewing the patient experience. The three year patient experience action plan takes forward feedback from national and local survey results and patient listening weeks. Results in the National Inpatient Survey showed continued improvement, and the Trust was identified in the top 10 in the Nursing Times Care Awards. The Patient Experience Group has reviewed terms of reference and engaged with external stakeholders to identify areas of focus 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 Quality Account improvement priorities for 2015/16. 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, Mersey Internal Audit Agency (MIAA), are fully involved in the process to provide regular review and assurance via the Audit Committee. During 2015/16, audits were undertaken on areas such as complaints, World Health Organisation (WHO) checklist, patient property, safe staffing and relatives accommodation.

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.

4.2 Patient Experience

To demonstrate our commitment to continually improving the patient experience, we reviewed and produced a new Patient Experience Strategy in 2015 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.

The five campaigns in the first Patient Experience Strategy served the Trust well in concentrating on improvements, based on patient feedback. Based on more recent feedback from patients and staff, the Trust believes that it should underpin its future strategic aims around the Walton Way values, encompassing excellent patient experience and design actions to help the Trust achieve its strategic objectives.

“We treat our patients and colleagues with
caring, respect, dignity, openness and pride.
This is The Walton Way”

This will encompass the areas of improvement that patients have told the Trust about as well as based on what does excellent patient experience look like.

Over the next three years, the focus will be to get all services and all staff to:

- Develop a culture that puts good patient experience at the heart of everything the Trust does
- Treat all patients with dignity and respect, care and compassion
- Improve patients experience by listening to, and acting upon what patients tell the Trust
- Ensure staff have the necessary skills and experience to meet the needs of patients
- Engage with stakeholders, including statutory and voluntary organisations

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>

4.3 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 2015 across the inpatient wards to ensure staffing establishments were appropriate for the numbers and acuity of patients. Analysis of patient acuity, using established acuity tools, cross referencing with nurse sensitive indicators and professional judgement was undertaken in the review. The review identified that the investment in extra front line ward staff in 2014/5 has had a positive effect.

A wider investment in health care assistants to support therapeutic specialising was agreed and this was supported by the Board of Directors. The nursing establishment planned versus actual results are reviewed by the Director of Nursing, 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 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 provides leadership across clinical areas and ensures 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. The practice education facilitator role developed on each ward in 2014/15, 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 one MRSA bacteraemia in-year against a zero trajectory. The annual trajectory of Clostridium Difficile was 10 cases for Public Health England (PHE), and 12 cases for Monitor with the Trust reporting 9 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, strict antibiotic management and frequent in-depth cleaning programmes, including the use of a hypochlorite fogging machine and procurement of an Infra-red decontamination unit.

This year, the Trust has also managed Carbapenemase-producing Enterobacteriaceae (CPE). Six patients were colonised with CPE, and specific infection control actions were implemented to reduce the risk of spread. Contact patients were cohorted until screens were undertaken and proved negative, increased personal protection was used and a number of wards were closed, cleaned and painted before reopening to patients.

The Trust screens all high risk patients on admission and undertakes regular screening in the areas containing high risk patients in the Trust.

The Trust has a 'Stop think Sink' campaign, promotes MDT compliance with 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 an external review of infection control during 2015/16 to gain further assurance that all appropriate measures are in place. Good systems and processes were in place. 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.

4.4 Commissioning for Quality and Innovation Payment Framework (CQUIN)

The Trust did not participate in delivering CQUIN in 2015/16. This is due to the Trust choosing the Default Tariff Rollover (DTR) rather than the Enhanced Tariff Offer (ETO). This option was chosen as it provided more financial stability to the Trust rather than moving to a tariff that included marginal rates on specialist activity. Under DTR CQUIN, funding was not available to the Trust and therefore the Trust could not participate.

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 reviewing 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 had nine cases of Clostridium Difficile against a trajectory of ten 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.

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.

Trend Analysis and Lessons Learned

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 are 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. Further developments within the year have included the introduction of ward and department specific assurance reports, a lessons learnt section in the Governance and Risk Quarterly report and the monthly divisional governance and risk group meetings.

The governance department also inform staff of issues through the Team Brief and Walton Weekly

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 2015 – 31 March 2016

| | Quarter 1 April–June 15 | Quarter 2 July–Sept 15 | Quarter 3 Oct– Dec 15 | Quarter 4 Jan–Mar 16 |
|-------------------------------|-----------------------------------|----------------------------------|---------------------------------|--------------------------------|
| Number of complaints received | 28 | 50 | 37 | 35 |

In 2015/16, we implemented the improvements highlighted from our focus groups held in 2014/15 and also held a further two meetings during the year. The work of the Patient Experience Team will continue to complement the wider patient experience work within the Trust.

Patient Experience Strategy and Patient and 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 launched its Patient and Public Engagement Strategy, which complements and underpins other strategic drivers, ensuring patients are engaged in the development and improvement of services.

Volunteers

The Trust has a dedicated team of volunteers who have helped us to enhance services offered to patients. In 2014/15, we brought our volunteer recruitment in-house and in 2015/16, we embarked on an ambitious plan to increase the number of volunteers and extend the areas of the Trust where they provide support.

In 2015/16, we have increased the number of volunteers who meet and greet visitors to the Trust and who are available to help our patients and their families to find the location of their appointment. Volunteers with the Patient Experience Team are now on hand to provide a listening ear to patients and to escalate any concerns to appropriate staff members. The volunteers have also helped us to continue to drive home messages in improvements in areas such as hand washing outside our wards.

In 2016/17, we intend to further develop the volunteer service, particularly in the area of befriending so that our inpatients, many of whom are far from home, can have the opportunity for a friendly chat or to speak to someone who has direct experience of their condition. We will also be working with ward staff to increase the opportunities for volunteers to provide activities with patients, particularly those who are in hospital for an extended period of time.

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 2015 results will not be available from the Care Quality Commission until 6th June 2016, so are not able to be presented in this account.

The Picker Institute, a national audit and survey company, was commissioned by the Trust to support the 2015 survey. The Trust achieved a 53% response rate in the 2015 survey, a significant increase on the Trust's 2014 response rate of 46%, and a much better response rate than the other 80 Picker supported Trusts, whose average was 45%.

Initial indicators from the data collected by the Picker Institute and comparing against other Picker supported Trusts suggest the Trust is better than average on 43 questions, worse than average on four questions, and average on 18 questions. Full comparison against national standings cannot be made however until the CQC results are published.

The Trust internal monthly inpatient questionnaires that contain a number of similar questions has also seen an increase in performance within year. The 2015 survey results will be presented to the Patient Experience Group and Trust Board, once received, 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.

Research and Innovation

The Trust continued to recognise the importance of Research and Innovation during 2015/16. The Neuroscience Research Centre (NRC) was 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
- Is aligned to Walton Way values and behaviours.

The NRC continues to work with clinicians to embed the Trust's Research, Development and Innovation Strategy so that research and innovation are integral to the Trust's day-to-day activities, making research and innovation everyone's business.

The NRC exceeded the annual recruitment target of 1,200, set by the Clinical Research Network; North West Coast (CRN), recruiting over 867 to November 2015 and we anticipate this will exceed 1,350 patients by the end of 2015/16. In total there are currently 115 clinical studies on-going at The Walton Centre and participation in clinical research demonstrates the Trust's commitment to improving the quality of care.

The Trust has attracted a notable, prestigious National Institute for Health Research (NIHR) Research for Patient Benefit Award (RfPB) for Pain worth £275k, with further applications in submission.

In addition, the Trust was successful in its application for North West Coast Academic Health Science Centre (NWC: AHSN) Innovation with Impact funding worth £25k to reduce falls through the installation of sensors.

The Trust continues to recruit patients and relatives to the Genome Medicine Centre in Liverpool, this is part of the Government's flagship 100,000 Genome project.

During 2015/16, 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)
(now known as the Innovation Agency)
- 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)

Clinical Audit

During 2015/16, five national audits and three 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 sent is compared with outcomes from similar patients and analysed. The Trust receives quarterly data analysis reports which identify trends over time and shows how it compares to other units. These reports are discussed at the ITU Operational Group Meeting and Critical Care Group Meetings and aim to assist with decision-making, resource allocation and local quality improvement.

Trauma Audit and Research Network (TARN)

TARN audits the pathway and outcomes of patients admitted to the Trust as a result of a traumatic injury. Data collected for patients admitted is submitted securely and clinical reports are published by the network quarterly to review this data. These reports along with monthly activity data reports are discussed at the bi-monthly trauma internal services meeting and the monthly Aintree / Walton Major Trauma Clinical Assurance meeting. They are also discussed at the Major Trauma Centre Collaborative Board (MTCC). The provision of this accurate and relevant information is vital to help doctors, nurses and managers improve their services.

Falls and Fragility Fractures Audit Programme – National Audit of Inpatient Falls 2015

This audit is funded through the Healthcare Quality Improvement Partnership (HQIP) and is carried out by the Clinical Effectiveness and Evaluation Unit (CEEU) of the Royal College of Physicians. The audit criteria will be based on National Institute of Clinical Excellence (NICE) guidance on falls assessment and prevention (2013) and delirium (2010) and National Patient Safety Agency (NPSA) guidance on the prevention and management of inpatient falls. Participation in this audit and results will be communicated to HQIP and will also be shared with other statutory bodies, including the Department of Health. It is recommended by NICE that interventions for falls prevention should be individualised to the patient following assessment for modifiable fall risk factors. For the purposes of the audit, we have tried to focus on a small number of assessments and associated interventions.

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 these procedures but it continues to submit the cases it does have and when published, the reports will be discussed by the Neurosurgical Division to determine appropriate action.

Specialist Rehabilitation for Patients with Complex Needs Following Major Injury

Specialist rehabilitation services support patients with complex rehabilitation needs to maximise their opportunity for physical, psychological and social function. They also play a vital role in the care pathway, relieving pressure on beds in acute services, and in keeping patients out of hospital. This national audit proposal will extend the UK-ROC programme to encompass specialist rehabilitation for patients with complex needs following major trauma, including neurological, vascular, musculoskeletal and other injuries. It will include process indicators and patient outcomes in both hospital and community services, and will collate

data in a form which supports longitudinal tracking of individual patients through the pathway as they move from service to service.

National Confidential Enquiries (NCEPOD)

The purpose of NCEPOD (National Confidential Enquiry into Perioperative Deaths) is to assist in maintaining and improving standards of medical and surgical care for the benefit of the public by reviewing the management of patients. This involves undertaking confidential surveys and research and by publishing and generally making available the results of such activities, in order to maintain and improve quality of patient outcomes. There were three studies The Walton Centre was eligible to participate in during 2015/16.

Mental Health

The aim of this study is to explore the overall quality of mental health and physical health care provided to patients with a significant mental disorder who were admitted to a general hospital during the study timeframe. Data collection for this study is currently on-going therefore recommendations have yet to be published.

Sepsis Study

This study aimed to review the process of care for patients aged 16 years or older with Sepsis. The Walton Centre submitted 100% of eligible cases to the study and reviewed practice against the report published in November 2015.

Gastrointestinal Haemorrhage

The purpose of the study was to look at the process of care for patients aged 16 years or older that were coded for a diagnosis of GI haemorrhage. The Walton Centre returned the completed organisational questionnaire however, it was identified that Walton Centre patient information was not required as treatment for this diagnosis is not provided at the Trust.

Local Audits

During 2015/16, 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 Teams for each Division 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 and 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.

Never Events

During 2015/16 the Trust has not reported any Never Events.

Quality Account

2015 – 2016



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 2015-16?

- 2.1.1 Patient Safety
- 2.1.2 Clinical Effectiveness
- 2.1.3 Patient Experience

2.2 What are our priorities for 2016-17?

- 2.2.1 Patient Safety
- 2.2.2 Clinical 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 Care Quality Commission (CQC) Registration
- 2.3.8 Trust Data Quality

Part 3 Overview of Quality 2015/16

- 3.1 Complaints
- 3.2 Local Engagement – Quality Account
- 3.3 Quality Governance Strategy
- 3.4 Sign up to Safety
- 3.5 TONIC Project
- 3.6 National Inpatient Survey Results
- 3.7 Rehabilitation Services

- 3.8 Electronic Patient Record
 - 3.9 Health and Wellbeing
 - 3.10 PLACE Assessment
 - 3.11 National Transplant Week
 - 3.12 Vanguard Status
 - 3.13 HSJ Award
 - 3.14 Spine Tango
 - 3.15 Overview of Performance in 2014/15 against National Priorities from the Department of Health's Operating Framework
 - 3.16 Overview of Performance in 2014/15 against NHS Outcomes Framework
 - 3.17 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 NHS 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 seventh Quality Account and demonstrates progress on the Trust's quality improvement priorities, which were established in 2015. All the priorities have been identified in partnership with stakeholders that include; the Council of Governors, patient representatives, specialist commissioning 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, complaints and information relating to research governance and data quality.

The three domains of quality are:-

- Patient Safety
- Clinical Effectiveness
- Patient Experience

During 2015/16, 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 and governors.

The Trust has a robust performance management framework, developed with Commissioners and with the Welsh Health Specialised Services Committee. NHS England (Cheshire and 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 2015/16 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 quality 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. The sub groups to the Quality Committee includes four sub groups which provide MDT challenge and include Patient Safety Group, Clinical Effectiveness and Service 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 assessed and rated as Red, Amber or Green against expected performance levels. The Trust can report significant improvements across these improvement priorities during 2015/16 including:-

- Reduction Clostridium Difficile cases
- Zero Grade 3 and Grade 4 pressure ulcers
- Development of a Carer Strategy
- Implementation of Therapeutic Specialising
- Increasing the reliability of early detection and treatment of the deteriorating patients

One of the Trust's strategic objectives is improving quality, and a number of initiatives and programmes have been progressed in 2015/16 to specifically address the objective. These include ongoing participation in the national 'Sign up to Safety' Campaign and making our Trust pledges to improving safety, by publishing a new Quality and Patient Safety Strategy and Patient Experience Strategy.

As we move into 2016/17, 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. All sub groups focus on differing elements of the 3 domains of quality: patient safety, clinical effectiveness and the patient experience. The Director of Nursing and Quality 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 2014/15. Consultation with patients, governors, commissioners, Healthwatch and other external agencies also informed the Board when focusing our priorities for 2015/16.

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 2015/16.

2.1 Improvement Priorities for 2015 – 2016 - ‘How well have we done?’

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. 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 subcommittees to Trust Board. Operational groups within the Trust have been responsible for the implementation of the quality priorities and reporting to committees as required. Mersey Internal Audit Agency (MIAA) has been fully involved in the Trust during 2015/16, 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: Reducing clinical nurse sensitive indicator avoidable harms.

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

The Trust has made significant 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:

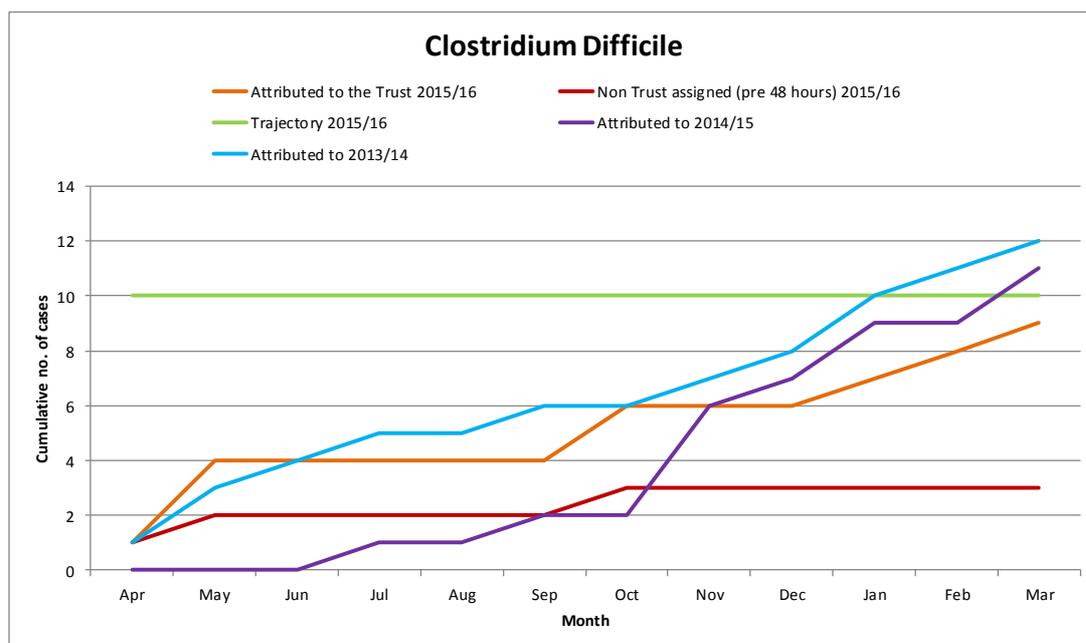
Compliance with best practice care and prevention of avoidable harm to patients has been successful in a number of areas identified in 2015/16, although some areas have proved a challenge and will continue to be an area of focus going forward.

a) Maintaining zero tolerance for grade 3 and 4 pressure ulcers

The Trust has successfully maintained a zero tolerance with grade 3 and 4 pressure ulcers, with none occurring during 2015/16.

b) Sustaining best practice for the prevention of Healthcare Associated Infection (HCAI)

The Trust has had one MRSA bacteraemia in-year against a zero trajectory. The annual trajectory of Clostridium Difficile was ten cases for PHE, and 12 cases for Monitor with the Trust reporting nine cases a significant reduction for the Trust and the least number of patients with clostridium difficile in a year for the last three years.



| CDiff | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar |
|---|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Attributed to the Trust 2015/16 | 1 | 4 | 4 | 4 | 4 | 4 | 6 | 6 | 6 | 7 | 8 | 9 |
| Non Trust assigned (pre 48 hours) 2015/16 | 1 | 2 | 2 | 2 | 2 | 2 | 3 | 3 | 3 | 3 | 3 | 3 |
| Trajectory 2015/16 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| Attributed to 2014/15 | 0 | 0 | 0 | 1 | 1 | 2 | 2 | 6 | 7 | 9 | 9 | 11 |
| Attributed to 2013/14 | 1 | 3 | 4 | 5 | 5 | 6 | 6 | 7 | 8 | 10 | 11 | 12 |

The Trust has taken a proactive approach in focusing on reducing Clostridium Difficile. This work has included, strict antibiotic management and frequent in-depth cleaning programmes, including the use of a hypochlorite fogging machine and procurement of an Infra-red decontamination unit.

This year, the Trust has also managed Carbapenemase-producing Enterobacteriaceae (CPE). Six patients were colonised with CPE, and specific infection control actions were implemented to reduce the risk of spread. Contact patients were cohorted until screens were undertaken and proved negative, increased personal protection was used and the ward the patients were on was closed and cleaned before reopening to patients.

The Trust screens all high risk patients for CPE on admission and undertakes regular screening in the areas containing high risk patients in the Trust.

The Trust has a 'Stop think Sink' campaign promoting 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 and senior clinicians leading the campaign.

The Trust has taken the opportunity to facilitate external reviews of infection control during 2015/16 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 ensure continuous improvement.

c) Preventing falls with moderate harm.

The Trust has had four patients during 2015/16 who suffered moderate harm due to a fall. Three patients were inpatients and one patient was attending a Pain Management Programme. Three patients were unavoidable falls where all appropriate assessment and care was in place with one patient fall where lessons have been learnt and improvement in specialising care put in place.

Full Root Cause Analysis and investigations have taken place following these incidents. It was identified that one of the falls was avoidable and lessons have been identified, which have been actioned. This included staff receiving further training and relaunching a Trust policy.

The Trust will continue to focus on preventing falls with moderate harm, continuing with current initiatives, and developing new.

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

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 patients length of stay on the intensive care unit and can result in deterioration in their condition or even death.

The Trust's EVD infection rate compared well with other neurosurgical units in the UK. However, given the devastating consequences of each infection, the Trust identified an audit of the incidence, contributing causes, treatment and impact of EVD infections that occurred

to assist in ensuring best practice was being delivered and infection rates were as low as possible.

Outcome:

The audit, undertaken with other neurosurgical centres as part of a research study, was proposed to inform best practice and help the Trust learn and improve infection rates and improve care in a high-risk area for patients having surgical drains. The study was a prospective, multi-centre audit of EVD management in the United Kingdom (UK) and Ireland. The audit aimed to include patients of all ages who have an EVD inserted in participating centres.

The Trust fully participated in the research study, undertaking audits of 22 patients and identifying that the Trust is below national rates with a 10% infection rate compared with a 13.2% national rate benchmark.

Although further analysis and publishing of the data is required, it can be identified from these initial results that the Trust has assurance that best practice is in place, there is a lower than average number of infections which would anticipate improved patient outcomes in the future.

Priority 3: Improving Medication Safety

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 allowed the Trust to benchmark practice and learn, improving our patients' safety further.

Outcome:

The Trust has been undertaking audits monthly to identify any issues in medication safety. This is inputted into the National Medication Safety Thermometer toll, to allow benchmarking with other organisations. The Trust is benchmarking well against national comparators.

A Safer Medicines Steering Group has been established, chaired by the Medical Director, which reviews medication errors and safety concerns, alongside results of the monthly audits developments. Electronic Prescribing (EPMA) is now fully embedded in the Trust, and this has seen an eradication of errors relating to handwriting and transcribing prescriptions.

The Trust recognises the continued importance of monitoring medication errors, identifying this in relation to cancelled surgery in the quality objectives for the coming year. It will continue to strive to have safer systems and processes in place for medication prescribing and administration, with a focus on being a continually learning organisation.

2.1.2 Clinical Effectiveness

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

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.

It was identified by reviewing a number of key areas of practice in the multi-disciplinary team; significant improvements in rates of harm could be achieved. The Trust objective was to improve practice and introduce best care bundles for the Trusts sickest patients e.g. embedding best practice in sepsis care and Acute Kidney Injury (AKI).

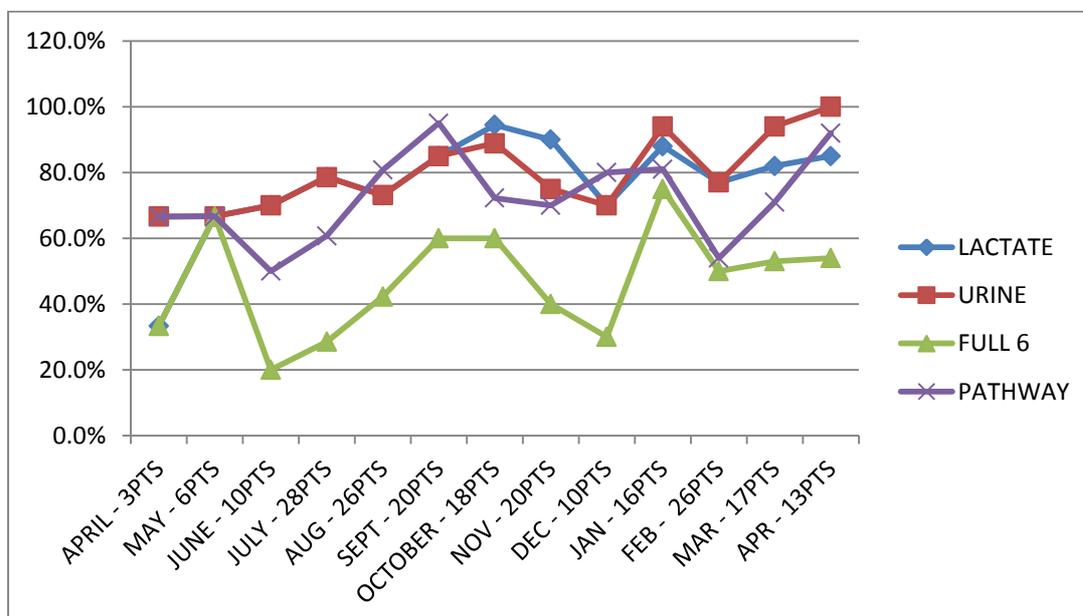
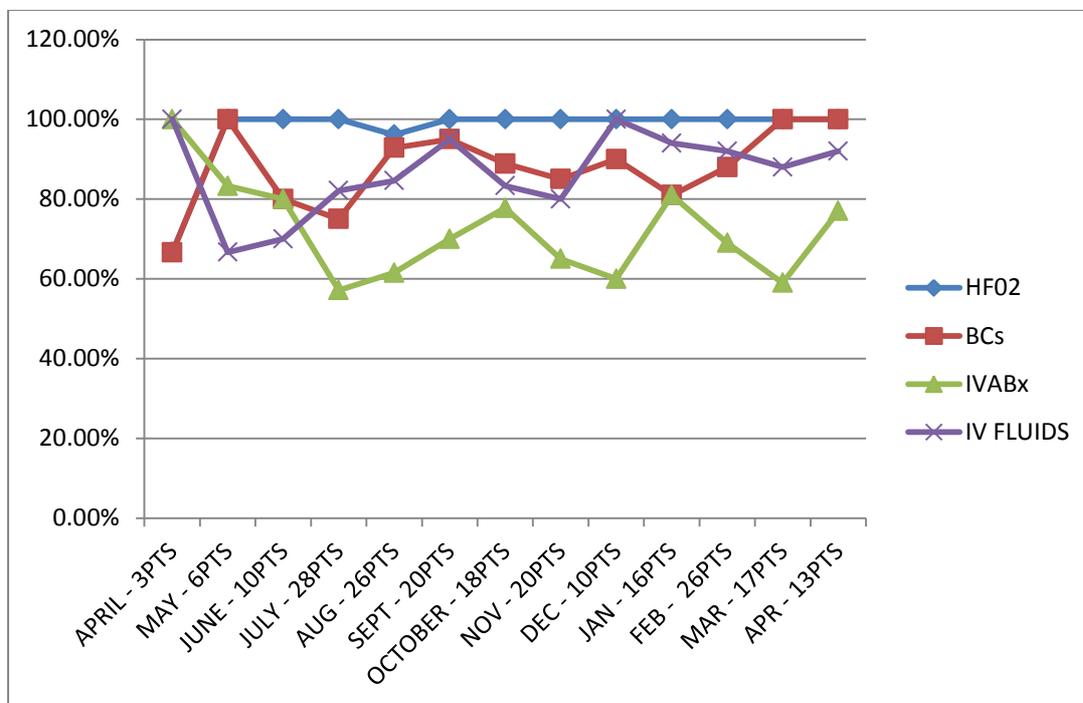
Outcome:

The Trust has introduced best care bundles to support sepsis and Acute Kidney Injury (AKI). The Trust is measuring performance and compliance with best practice in both areas. The results gained to date demonstrate improved quality of care, good utilisation of the processes developed, increased knowledge of staff and timely action to treat or refer patients.

The Trust has introduced a sepsis pathway to help staff recognise the signs of severe sepsis at an early stage and this has been rolled out training facilitated by the Trust SMART team. The pathway includes six specific nationally recommended interventions, Hi Flo Oxygen, 2 sets of blood cultures, IV antibiotics (as appropriate), IV fluids, lactate test and hourly urine monitoring.

The aim is to ensure rapid diagnosis of sepsis enabling delivery of antibiotics, alongside the other interventions, within an hour of sepsis identification to 100% of patients. The use of antibiotics is reviewed on each patient to ensure appropriateness and prescribing is based on microbiology input.

The graphs below illustrate our progress towards this goal over the last 12 months and this work stream will continue with the aim that all patients are captured and treated appropriately within the one hour timeframe.



Priority 2: Introduction of E observations

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 priority was the development of a neuro centre specific electronic early warning system for patient's observations.

Outcome:

The system has been fully piloted and an implementation plan developed and successfully actioned with the electronic observation system now being operational across all ward areas in the Trust. Evaluation of the system has been excellent, and the system now links into the Trust electronic patient record, which allows all patient data to be accessed via a terminal or iPad.

Development of a trigger system to alert medical staff to the early warning score is progressing and will be rolled out once piloted.

Priority 3: Introducing therapeutic specialling

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 one to one monitoring. This involves supporting patients who may have cognitive impairment or who are at risk of harm.

Feedback from staff, patients and relatives identified that this was an area for improvement, building on the strong track record of keeping patients safe in the Trust.

Outcome:

The Trust has introduced therapeutic specialling on the wards and recruited 12 Health Care Assistants to be dedicated to the role and other staff have also been trained in the techniques.

Introducing interventional therapy has improved the quality of the one to one specialling experience, improving patient's cognitive recall, finer dexterity and rehabilitation with interactive sessions. An improvement in the patient's experience of specialling, increased staff engagement in the process and better patient outcomes have been achieved based on the qualitative feedback received from staff and patients' relatives to date. An external

review of our specialising initiative , undertaken by an experienced Director of Nursing, noted we had excellent processes in places and no additional recommendations were made.

2.1.3 Patient Experience

Priority 1: Doubling the numbers of Volunteers

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.

Feedback from volunteers and the public suggested that increasing volunteers as a key area to develop and improve our services to patients further and the Trust committed to double the number already in place.

Outcome:

The Trust has doubled the numbers of volunteers, increasing roles, adding extra value to the services provided and review processes and management responsibility to ensure good support to the volunteers.

New roles have been developed in the Trust to support established roles, such as the refreshment trolley infection control and pain management. These new roles include befriending volunteers and patient experience volunteers. A new project to train volunteers to support End of Life Care services in the Trust has been proposed and the project has received the Roy Ferguson Award for 2016/17, which will aid its implementation.

Priority 2: The development of a Carers Strategy

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 do not 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 indicated they would welcome increased support to long-term carers and signposting to services. The Trust identified an objective to develop and implement a carer's strategy that would assist carers to gain support and advice to enable them to carry out the role of a carer effectively.

Outcome:

We believe that carers should be able to seek the support they need at the time that they need it and that they should be recognised as expert partners in care. With this in mind, we follow the national vision that eventually carers will be universally recognised and valued as being fundamental to strong families and stable communities.

The Trust has been working with carers, patients, staff, local groups, and other stakeholders, to identify the requirements of a carer's strategy. Incorporating national guidance and local requirements. The Trust Carers Strategy has been developed and is being implemented across the Trust and with local partners. This strategy sets out our commitment to carers up to March 2019 as well as highlighting important areas of development that we believe will be of most benefit to carers of people using our services

A steering group has been established in the Trust, which is chaired by the Head of Patient Experience and reports to the Patient Experience Group, with membership increasing to become more representative of carers and the patients they support. The Trust is joining local carers groups and advisory boards as a health representative to increase internal knowledge and communication of carer issues. We aim to work with local carers' centres and other local support services, and directly with carers, to develop effective partnerships and ensure that carers are well informed, supported and enabled to be a carer as long as they wish to be.

In the next 12 months, the Trust plans to develop a 'carer resource', where carers can access information and have a quiet place to speak to a member of staff or a volunteer from the Brain Charity, who have agreed to support the resource.

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

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:

The Trust has been successful in the review and implementation of the End of Life Care Strategy, launching the Strategy in a week of events which included stalls, drop ins and staff talks and training dedicated to End of Life Care.

The Strategy was developed in consultation with palliative care and neuroscience clinicians to reflect the unique set of patients the Trust supports at End of Life. A new referral algorithm has also been developed and implemented to give clear guidance on how to access general and specialist palliative care advice in the clinical areas.

The Trust seconded an 'Amber Care Facilitator' to support the adoption of the 'Amber Care Bundle', and this is now being rolled out across the wards, ensuring patient centred care is delivered when a patients' recovery is uncertain.

To support families at time of death and in bereavement, the Trust has developed a bereavement folder, sympathy card and linen bags for the patients' property, to provide information and support; and maintain privacy and dignity for the family when they are removing belongings.

2.2 Improvement Priorities for 2016/17 -- 'What we want to achieve'

In February 2016, 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 2016/17 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: Medicines Safety Thermometer – reducing cancelled operations due to inappropriate medications.

Reason for Prioritising:

Cancellation of operations in hospitals is a significant problem with far reaching consequences. Cancelled operations cause a negative patient experience and waste resources and time for the Trust. They bring the additional administrative burden of re-scheduling appointments or a blank theatre slot.

Cancellations also create untold financial, logistic, and psychological hardships for the patients and their relatives who plan their working and family lives around the date of operation. The patients and the relatives feel disappointed, frustrated, and anxious.

The Trust has identified that sometimes patients are cancelled due to them taking medication that that should have been omitted pre-operatively or not having been commenced on medication that is required for the surgery to commence. This can be as a result of patients not following instructions, poor communication between staff and patients, or due to a prescribing error.

Outcome:

A reduction in cancellations due to inappropriate medication administration/omission.

Priority 2: Investing in Improving Quality in Physiological Services (IQIPS) - a quality tool that measures patient experience for neurophysiology patients.

Reason for Prioritising:

The IQIPS programme has the aim of improving service quality, care and safety for patients undergoing physiological diagnostics and treatment. The process of self-assessment, improvement and accreditation offers the benefits of sharing best practice and the opportunity to enhance efficiency, and brings national recognition to the service with a badge of quality.

IQIPS involves self-assessment and external peer assessment against a set of 26 standards, including patient experience, to assess accurately the level of performance in relation to established standards and to implement ways to continuously improve.

Outcome:

Improved patient safety and experience- ensuring that service delivery is patient-focused and respectful of the individual and their specific requirements, assessed against national standards.

Priority 3: Timely Risk Assessments**Reason for Prioritising:**

The Trust has been working over the last few years to improve the timeliness of risk assessments undertaken on admission and subsequently during their stay. These assessments include infection control, risk of falls and nutrition.

An electronic assessment programme was introduced in 2013/14 to assist nurses in collating the assessment data and to increase risk assessments compliance. This compliance has increased to at least 95% of patient risk assessments being undertaken in 12 hours of admission.

The Trust wants to increase this further to achieve 90% of risk assessments undertaken in six hours.

Outcome:

Improved patient safety. Risk assessments will be undertaken on at least 90% of patients in less than six hours.

2.2.2 Clinical Effectiveness**Priority 1 - Embedded Schwartz Rounds - involving a Governor/NED in the practice****Reason for Prioritising:**

Doctors, nurses, health professionals and support workers all work extremely hard to deliver the best possible care to patients. However, patients do not always have a good experience of healthcare in the NHS – sometimes they do not understand what is happening, their preferences are not taken into account or they are not spoken to sensitively. Often, this is because staff feel challenged or stressed by the high pressure environment in which they work.

The Schwartz Rounds give staff an opportunity to discuss their working lives in a supportive and confidential environment. By regularly talking about their experiences, healthcare staff re-connect with the reasons they went into healthcare and develop a greater understanding of their colleagues. This fosters better teamwork and ultimately better care for patients.

The scheme allows staff to get together to reflect on the stresses and dilemmas that they have faced while caring for patients. Studies show that Schwartz Rounds lead to an increase in:

- staff confidence in handling sensitive issues
- beliefs in the importance of empathy
- actual empathy with patients as people
- confidence in handling non-clinical aspects of care
- openness to expressing thoughts, questions and feeling

Outcome Required:

Schwartz Rounds embedded into the organisation, with the regular attendance of a Governor/NED to support the process. The Trust anticipates the Schwartz Rounds will help strengthen the organisational culture and make a significant contribution to improving patient care.

Priority 2: Greater breadth & depth to nurse Preceptorship Programme - for newly qualified nurses

Reason for prioritising:

Preceptorship is a period of transition for the newly qualified registrant during which time he or she will be supported by a preceptor, to develop their confidence as an autonomous professional, refine skills, values and behaviours and to continue on their journey of life-long learning.

The transition period from student to registered practitioner where nurses are adjusting to their new role and consolidating their knowledge and skills can be stressful. It is a time when many newly qualified nurses are left feeling inadequately prepared. A variety of strategies to ease the transition process have been developed by the Trust, which aim to increase confidence, competence, sense of belonging of new graduates, improve recruitment and retention and reduce turnover costs. This will be enhanced further to

provide a greater breadth and depth to the programme in order to ensure newly qualified recruits are more fully supported.

Outcome Required:

Increase in period of preceptorship, to include bespoke staff health and wellbeing session for example on resilience and mindfulness to support the newly qualified staff's transition. Furthermore, action learning sets are to be set up, with a skilled facilitator, to provide a safe environment to discuss with colleagues challenges and stresses and learn and support each other through the transitional time and form support networks for staff in their roles.

Priority 3: Expand the Collective Leadership Programme

Reason for Prioritising:

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 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.

The Trust would now like to expand the programme to include band 6 Ward Sisters and staff from other disciplines to enhance the organisation's flexibility and resilience skills in order to lead effectively in challenging times.

Outcome:

The programme is expanded to Ward Sisters and other disciplines, expanding the collective leadership ability and ethos across the organisation.

2.2.3 Patient Experience

Priority 1: Increase in home IVIG service

Reason for prioritising:

Home infusion is a clinically appropriate treatment option for patients with a wide range of acute and chronic conditions. Home infusion affords patients independence and better quality of life because it is provided in the comfort of the patient's home at a time that best fits his or her needs. In addition, home infusion can provide improved safety, better outcomes, and cost-effectiveness.

The home has been shown to be a safe setting for patients to receive infusion therapy. Additionally, patients who have been discharged from the hospital are at reduced risk of hospital-acquired infections, which can be caused by more virulent pathogens than those that are community-acquired. This is particularly important for vulnerable patients such as those who are immunocompromised.

Home infusion therapy benefits patients, providers, and commissioners – providing patients with clinically appropriate treatment in the comfort and convenience of their own home, improving patient experience, quality of life and yielding significant cost savings for all involved. Home infusion can also play a role in improving medication adherence and reducing unplanned hospital readmissions.

Feedback from patients of the Trust who are regularly travelling to the centre, often from long distances, has prompted the Trust to prioritise this service introduction.

Outcome Required:

An increase in the number of Jefferson Ward patients receiving IVIG therapy at home. To support patients at home, the following will be put in place:

- Patient and home assessment
- Care coordination
- Individualised patient planning
- Patient education
- Ongoing support.

Home infusion therapy will benefit patients, providers, and commissioners – providing patients with clinically appropriate treatment in the comfort and convenience of their own home, improving patient experience, quality of life and yielding significant cost savings for all involved.

Priority 2: More patients being consented for surgery at pre op clinics – increasing the available thinking time for patients to consider and improving patient information.

Reason for prioritising:

Providing information is an important aspect of doctor-patient relationship. The need to provide relevant and comprehensible information to patients before invasive procedures is continuously increasing. Informed consent has replaced the notion of “the doctor knows best”, with a more mutual patient-physician relationship where patients expect to be informed of the risk of surgical interventions.

Pre-operative informed consent requires that the procedures be properly explained that the patient understands the procedures and their risks, and agrees to undergo them voluntarily. One reason for taking informed consent is that it provides assurance that patients and others are neither deceived nor coerced. Hence, the process of obtaining consent is as important as the contents.

Pre-operative assessment carried out prior to treatment, ensures that the patient is fully informed about the procedure and the post-operative recovery, is in optimum health and has made arrangements for admission, discharge and post-operative care at home. By improving the planned admission process, you also enhance the patient experience and the clinical process, as well as the efficiency and productivity of the Trust.

Outcome Required:

Pre-operative assessment and consent embraced as an essential part of the planned care pathway to enhance the quality of care. More patients attending pre-operative clinic and more patients being consented in the clinic year on year.

Priority 3: Development of a Carer Resource

Reason for Prioritising:

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

The Trust identified an objective to develop and implement a carer’s strategy that would assist carers to gain support and advice to enable them to carry out the role of a carer effectively and this has been implemented.

Moving forwards, it has been identified by carers and groups who support them, that a resource area with carer and support services information, and a place to discuss concerns about caring responsibilities would be a welcome addition to support available.

Outcome:

A resource area will be available for carers to access information and support.

2.3 Statements of Assurance from the Board

During 2015/16, the Walton Centre provided and/or subcontracted for 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 2015/16 represents 100% of the total income generated from the provision of the relevant services by WCFT for 2015/16.

2.3.1 Data Quality

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

The Walton Centre takes 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 five 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 Quality Committee and Trust Board which bring together efficiency, clinical effectiveness and patient experience.

2.3.2 Participation in Clinical Audit and National Confidential Enquiries

During 2015/2016, five national clinical audits and three national confidential enquiries covered NHS services received by patients at The Walton Centre Foundation Trust.

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

The national clinical audits and national confidential enquiries that the WCFT was eligible to participate in during 2015/2016 are as follows:

2.3.3 National Audits

- Adult Critical Care (ICNARC / case mix programme)
- Severe Trauma - Trauma Audit & Research Network (TARN)
- Falls and Fragility Fractures Audit programme – National Audit of Inpatient Falls 2015
- National Emergency Laparotomy audit (NELA)
- Specialist Rehabilitation for Patients with Complex Needs Following Major Injury

2.3.4 National Confidential Enquiries

- Mental Health
- Sepsis
- Gastrointestinal Haemorrhage

The national clinical audits and national confidential enquiries that the WCFT participated in, and for which data collection was completed during 2015/2016, are listed in the table below alongside the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of the audit or enquiry.

| National Audit | Participation | % Cases submitted |
|---|----------------------|--------------------------|
| Acute care | | |
| Adult Critical Care (ICNARC / Case Mix Programme) | Yes | 100% |
| Severe Trauma (Trauma Audit & Research Network) | Yes | 100% |
| National Emergency Laparotomy audit (NELA) | Yes | 100% |
| Older people | | |
| Falls and Fragility Fractures Audit programme – National Audit of Inpatient Falls 2015 | Yes | 100% |
| Rehabilitation | | |
| Specialist Rehabilitation for Patients with Complex Needs Following Major Injury | Yes | 100% |
| National Confidential Enquiry into Patient Outcome and Death | | |
| Mental Health | Yes | Audit on-going |
| Sepsis | Yes | 100% |
| Gastrointestinal Haemorrhage The organisational questionnaire was completed, however no Walton Centre patient information was identified to be provided. | Yes | N/A |

The reports of 4 national clinical audits were reviewed in the reporting period 1 April 2015 to 31 March 2016 and the WCFT intends to take the following actions to improve the quality of healthcare provided:-

| National Audit | Actions |
|--|---|
| Adult Critical Care (ICNARC / Case Mix Programme) | <ul style="list-style-type: none"> The Trust will continue participating in the ICNARC/Case Mix Programme by submitting data for all patients admitted to Critical Care. |
| Severe Trauma - Trauma Audit & Research Network (TARN) | <ul style="list-style-type: none"> The Trust will continue to submit data to TARN and will review individual cases as appropriate. |
| Falls and Fragility Fractures Audit programme – National Audit of Inpatient Falls 2015 | <ul style="list-style-type: none"> The recently published results have been discussed at the Trust Falls Steering Group and leads have been identified to produce an action plan which is to be implemented and monitored. |

| National Audit | Actions |
|--|--|
| National Emergency Laparotomy audit (NELA) | <ul style="list-style-type: none"> • Patient report recommendations currently under review. |
| Specialist Rehabilitation for Patients with Complex Needs Following Major Injury | <ul style="list-style-type: none"> • The programme includes 3 main elements – <ol style="list-style-type: none"> 1. An organizational audit 2. A prospective clinical audit 3. A feasibility study • Currently no recommendations published to be reviewed |

2.3.5 Participation in Local Clinical Audits

The reports of 72 completed local clinical audits were reviewed by the Trust in 2015/16 and Walton Centre NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided:-

2.3.6 Neurology Clinical Audits

| Audit title | Actions |
|--|---|
| Current practice in delivering botulin toxin and associated therapy against best practice national guidelines. | <ul style="list-style-type: none"> • Incomplete information available in notes when compared to recommended RCP guidelines. Difficulty identifying patients who had received intervention to enable more efficient identification audit of documentation in the future • Document pro-forma to be developed for MDT based on RCP guidelines. • Development of centralised list of patient names that will be updated by the treating consultant. • MDT training session to increase awareness and inform of action plan |
| Nutritional deficits on neuro ICU (re-audit) | <ul style="list-style-type: none"> • Patients miss a significant amount of their nutritional prescriptions during the first 7 days of admission secondary to a number of reasons. • Compliance with bowel care guidelines does not meet recommended standards of 90% • Plan to re-audit once new enteral feeding guidelines have been established |
| Audit of compliance with major trauma rehabilitation prescription | <ul style="list-style-type: none"> • All of the trauma patients within sample were started on the trauma prescription on admission to WCFT. Very few missed the time limits, all secondary to decreased trauma staffing on a weekend. However in general the dedicated trauma therapy team improved referral response and cohesive care of trauma patients • Set up feedback links with dieticians / speech therapists – weekly handover. Feedback audit trauma therapy team |
| Complex Rehabilitation Unit (CRU) Physiotherapy Outcome | <ul style="list-style-type: none"> • Not all patients had outcome measures used on admission, discharge and at intervals in between |

| Audit title | Actions |
|---|--|
| Measures | <ul style="list-style-type: none"> • Inform the CRU physiotherapy team of the findings in relation to the CSP quality assurance standards with regards to use of outcome measure on admission, discharge and at regular intervals • Action implemented – re-audit planned November 2015 |
| The Outcome of sleep deprived EEGs | <ul style="list-style-type: none"> • Out of 101 patients seen 83% of those fell asleep during their recording 59% achieved light sleep 24% achieved deeper stages of sleep. • To improve patients' level of sleep ear plugs will be offered to reduce back ground noise. • No areas for development were found |
| Audit of patient satisfaction in line with department of health requirement part 1 | <ul style="list-style-type: none"> - Funding requested for new flooring, seating and better lighting to improve waiting room |
| Audit of recording CT radiation doses and missing images 2015 | <ul style="list-style-type: none"> - Cascaded to CT trainers - Discussed at departmental meeting - Re-audit due 12 months |
| Audit of non-medical referrers in relation to IRMER in Radiology at the Walton Centre | <ul style="list-style-type: none"> - None required |
| Audit of accuracy of voice recognition software in Radiology Reports 2015 | <ul style="list-style-type: none"> - Radiologists to be more vigilant in proof reading reports - Discussion at Directorate meeting - Consultant radiologist lead for audit to advise consultant colleagues by email |
| Utilisation of low dose CT brain in the work-up of patients with shunts | <ul style="list-style-type: none"> - Practise has improved, and it is likely appropriate, given the very high use of LDCT for post-operative assessment where routine use of LDCT is expected. - No specific recommendations are made. |
| Audit of Peripheral Neuropathy | <ul style="list-style-type: none"> - Document brief history and examination in all reports - Temperature record Temperature probe available in each clinical room and record temperature in official report - If results- normal Examine one side of body with at least one sensory and one motor nerves - If results – Abnormal Examine all 4 limbs at least one sensory and motor nerves in each limb - Distribute BSCN guidelines and audit results to all consultants |
| Monitoring and safety in prescription of corticosteroids | <ul style="list-style-type: none"> - No clear guide for clinicians on what monitoring should occur when prescribing steroids - Agree checklist at audit presentation meeting which could then be made available on intranet. - Clinicians should take lead on provision of steroid card? - Discuss with pharmacy whether these are supplied in community or whether we should send these out only when prescribing steroids ourselves. |

| Audit title | Actions |
|---|--|
| | <ul style="list-style-type: none"> - Need a patient advice sheet for all Walton Centre patients. - Discuss with Dr Jacob adapting NMO patient information for general use. - Monitor response to these measures.- Re-audit in 1 year. |
| Audit of Documentation in Medical Note of radiology Procedures July 2015 part 3/4 | <ul style="list-style-type: none"> - Radiologists reminded to times are to be entered as 24hr clock |
| Audit of multiple examinations in Radiology in line with Royal College of Radiologists guidelines 2015 | <ul style="list-style-type: none"> - Consensus on reporting styles was agreed at Radiology department meeting |
| Re-Audit of IV immunoglobulin use | <ul style="list-style-type: none"> - Increase the number of patients with outcome measures assessed and annual reviews done. - Enhance identification by Ig advisory panel (IAP) of patients without IVIG request forms. - The number of days over which a treatment course is given, 2 to 5 days for a starting dose of 2 g/kg, should be steadily lowered to a target of 1 g/kg/day, though side effects such as migraine will limit this in a minority of patients. Implementation of Ideal Bodyweight. - Discussion with Pharmacy/IVIG group |
| Outcome of Mechanical Thrombectomy | <ul style="list-style-type: none"> - Education of neurologists via clinical meetings - Improvement in efficiency in referral to interventionalists by neurologists via education - 2 yearly audit |
| Lunchtime management of dysphagia | <ul style="list-style-type: none"> - MDT approach to safe management of dysphagia during mealtimes. - SLT to liaise with ward managers re importance of supervision at meal times. - SLT to liaise with ward managers re importance of supervision at meal times (via email) to feedback results to nutrition steering group - SLT to evaluate current yellow sign above bed to emphasise supervision level |
| Re-audit of anthropometric measurements in intensive care | <ul style="list-style-type: none"> - Re-development of ICU dietetic assessment form - Re-development of ICU dietetic backing form |
| An audit of the prescribing, monitoring and safe use of phenytoin for primary and secondary prevention of seizures in medical and surgical patients at the WCNN | <ul style="list-style-type: none"> - To investigate if a protocol for loading patients on IV phenytoin can be added to electronic prescribing thereby reducing the chance of errors. - Re-audit |
| Peripheral nerve block utilisation with headache disorders under follow up in the Walton Centre | <ul style="list-style-type: none"> - All patients who suffer from headache conditions should be offered possibility of having a nerve block in place of tablets used for prevention whenever prevention is considered as appropriate. This should be documented in the notes. - Re-audit |

| Audit title | Actions |
|---|---|
| Departmental audit of CTS (carpal tunnel syndrome) screening using the BSCN Guidelines (British Society of Clinical Neurophysiology) | <ul style="list-style-type: none"> - Review departmental protocol - Review referral form information received - Repeat audit 18 months times |
| To assess the impact of enteral feed on rates of Clostridium Difficile (CDT) infection | <ul style="list-style-type: none"> - MDT approach including microbiologist, infection and prevention control nurse, antibiotic pharmacist, dietician and possibly gastroenterologist. - First line use of fibre containing feeds in long stay enterally fed patients, unless clinically contraindicated. - Further research is required before initiating routine use of prebiotics and probiotics |
| Lunchtime Management of Dysphagia (Re-audit) | <ul style="list-style-type: none"> - SLT to provide training to ward staff re: dysphagia - SLT to provide training to ISS re: dysphagia |
| Audit of Double Reporting in Neuroradiology | <ul style="list-style-type: none"> - Authors to discuss discrepancies during double reporting process in consultants meeting - Each of the scans identified to have had a discrepancy will be fed back to primary reporter and form part of their appraisal - Any discrepancy identified in reporting will be reviewed and if appropriate will be reviewed by all consultants at the consultants meeting to see if any lessons can be learnt. |
| Rehabilitation After Critical Illness | <ul style="list-style-type: none"> - 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) - Re assess rehab needs prior to discharge from critical care particularly focussing on Friday pm and weekend discharges - 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 - Reiteration of NICE guidelines⁸³ and its components to the physio team. This is to ensure timely treatment planning. All action plans will be delivered to staff as part of PT weekly meetings |
| Screening for malignancy in patients with Lambert-Eaton Myasthenic Syndrome (LEMS) | <ul style="list-style-type: none"> - To increase awareness of recommendations of screening for malignancy in LEMS by presenting findings at an audit meeting and discussions among consultants and registrars / audit results to be presented at departmental meeting - Discussion with consultants (would a policy be useful) |
| 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"> - Comprehensive training programme on the purpose and philosophy of the document to facilitate completion rates. - Included a section in the Network Training Programme on the purpose of the document and why it needs to be completed in full, approximately 20 Network staff attended that module which will be repeated every year. |

| Audit title | Actions |
|---|--|
| | <ul style="list-style-type: none"> - Included it in local induction programme for new staff - Review and revise processes for distribution of the document to other network services - The introduction of EPR shortly the form will be sent electronically to other Network units, therefore unlikely to get lost in transit |
| Audit of vetting and protocol adherence of contrast enhanced MRI brain examinations 2015 | <ul style="list-style-type: none"> - Education of radiographers in when DWI sequences should be used and included in the protocols on all scanners |
| Audit of Neuro-radiological Case Review meetings in line with Royal College of Radiologists guidelines - 2015 | <ul style="list-style-type: none"> - Sagittal STIR sequences for Brain and C Spine for ?MS - If in doubt whether lesion is real or partial volume a Diffusion weighted sequence can help - FAT SAT sequences on all post op Int auditory canal scans - Radiographers have made the necessary adjustments |
| Evaluation of risk of impulse control in patients with MS treated with amantadine | <ul style="list-style-type: none"> - All patients who receive prescriptions should receive a leaflet and be warned against possible impulse disorder that might occur from this drug – this will be achieved through group training |
| Follow on Audit of WCFT Neuro 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 1 /2015. | <ul style="list-style-type: none"> - Upon review the Director of Radiology has advised the Trust all those who will be checking CXR for NG tube placement attend training and be provided with certification from the UHA NG course which is well established for several years. This must be part of the appointment process and must be completed before clinical staff undertake any CXR interpretation. |
| Quality standards in the care of people with migraine in general neurology clinics | <ul style="list-style-type: none"> - Raise awareness to Neurologists regarding the following: - Copy patients into clinical correspondence - Provide patients with further support information - Improve documentation (analgesia use, risk of medication overuse headache) |
| Dietetic Outcomes for Neurosciences | <ul style="list-style-type: none"> - Dietetic team to pilot use of Dietetic Outcome Measures (standardised tool) in acute care and re-evaluate its effectiveness. - Working group to be identified to develop a bowel care pathway for the wards |
| Flunarizine in the management of chronic migraine at the Walton Centre NHS Foundation Trust Report | <ul style="list-style-type: none"> - Presented in Neurosciences Lunchtime meeting on 4/1/16 to clinical staff from the Walton Centre. Several points were raised. - Firstly there have been differences in ability to prescribe the medication from spoke hospitals. Some have had to transfer care to the Walton Centre to prescribe it, whilst others have been able to prescribe it as long as they have a W number. This requires clarification. |

| Audit title | Actions |
|---|---|
| | <ul style="list-style-type: none"> - It was suggested that a written resource would be helpful for patients and clinicians and this has been placed on the Intranet and the Trust website. |
| <p>The Use of the Trauma prescription document and its follow up effectiveness for Therapy Services</p> | <ol style="list-style-type: none"> 1. To review the process of sending the rehabilitation prescription document to outside agencies in order to ensure it is sent and subsequently received.- Formulate process with ward clerks. <ul style="list-style-type: none"> • Feedback to trauma MDT that the trauma patient caseload be cohorted onto the same ward would help facilitate 2. To continue using the rehabilitation prescription document in its entirety. Including all the 4 sections reviewed in this audit. <ul style="list-style-type: none"> • Liaise with Walton Trauma services lead , MTC lead + therapy lead – Liaise with Cheshire + Merseyside Trauma Network re: Review of Rehab Prescription and ensure involvement in any working parties to r/v document 3. To continue to promote the use of the rehabilitation prescription by the allied health professions within the WCFT and encourage written entries to the RP and attendance at MDT |
| <p>The Use of ECG in patient presenting with transient loss of consciousness</p> | <ul style="list-style-type: none"> - Disseminate information more widely to neurologists – Email Consultants and SPR's in Neurology to highlight the importance of the issue - Re-audit in 2 years. |
| <p>Audit of Patient Satisfaction in line with department of Health requirements part 2 2015</p> | <ul style="list-style-type: none"> - New flooring, seating and better lighting for the waiting area - The above has been addressed |
| <p>Volume based feeding on Horsley ITU</p> | <ul style="list-style-type: none"> - Review of bowel care protocol by dieticians covering ITU - Introduce protein supplement to help meet protein requirements - Re-audit |
| <p>Trust Documentation Audit 2015/16</p> | <ul style="list-style-type: none"> - Disseminate Clinical audit findings to medical and nursing staff ensuring issues below are highlighted:- - Encourage to improve / sustain good compliance levels. - Areas to focus improving compliance include:- - Procedure for documenting alterations - Loose/unfiled sheets - Areas to encourage sustaining/improving include:- - Use of 24 hr clock - Printing name on first daily entry |
| <p>A retrospective audit into the use of the Wessex Head Injury Matrix (WHIM) against the guidance provided in National Clinical Guidelines on prolonged disorders of consciousness</p> | <ul style="list-style-type: none"> - Insufficient awareness of the tool outside of OT/physio staff to enable MDT administration and frequency of administration according to guidelines – action - Raise awareness of tool among other staff groups, especially nursing staff - Unable to contribute to a PDOC pathway from acute setting without a reliably administered assessment tool (such as the WHIM) – action – On-going |

| Audit title | Actions |
|--|--|
| Audit of double reporting in Neuroradiology in line with Royal College of Radiologists guidelines Oct 2015 | <p>discussion with staff in the Rehabilitation Network</p> <ul style="list-style-type: none"> - Discussed at Consultants meeting - Feedback provided - On-going process every three months |
| Adherence to effectiveness and practicality of guidelines for giving botulinum toxin injection to patients on anticlotting drugs | <ul style="list-style-type: none"> - Promote and implemented WCFT Movement Disorder Group (MDG) Bt/ACD guideline - Audit newsletter - Make checklist available in the botulinum toxin clinic - Explore possibility that non-doctors might be allowed to give some injections in selected ACD patients - Routinely monitor early and late 'bleed' complications in WCFT botulinum toxin in clinic - Develop consensus guidelines |
| Compliance with NICE Guideline 83: Rehabilitation after critical illness | <ul style="list-style-type: none"> - Discharge from critical care form to be completed when patient discharged from critical care when on-going rehabilitation needs present. With the introduction of EP2 in February encourage staff to complete electronic handover form or handover summary on discharge from critical care. - Explore use of 'my rehab folder' which are currently used within the rehabilitation network. - Liaise with Lipton therapy staff re rehabilitation folder and pilot with a small section of patients on critical care - Educate Physiotherapy staff on use of rehabilitation passports. - AHP meeting to discuss MDT utilisation of rehabilitation passport - Ensure contact details and suitable written information is provided prior to discharge home when appropriate and documented on the dietetic record |
| A retrospective audit of long term monitoring referrals | <ul style="list-style-type: none"> - More information required on referrals – Email all consultants, return forms without adequate info - Only half of ambulatory tests captured an event – Design new referral guidelines and reject any referrals without seizure frequency on it - Average test duration 2 days longer than time to first event, can we improve efficiency? – To reject referrals not meeting new guidelines for seizure frequency. To discuss following weeks admissions, plan any medication reductions early. Phone patients prior to test to check seizure frequency still same |

Neurosurgery Clinical Audits

| Audit title | Actions |
|---|--|
| Re-audit of peri-operative temperature control | <ul style="list-style-type: none"> No action required. 100% compliant with NICE guidance. |
| Re-audit of anaesthetic record keeping | <ul style="list-style-type: none"> Redesign anaesthetic chart to include pre-induction values. Advise trainees/fellows to document the name of the responsible consultant in the same way. Email sent to all trainees. Advise all anaesthetists to record post-operative instructions. Email sent to all anaesthetic clinicians advising this. |
| Acute Kidney Injury (AKI) assessment audit | <ul style="list-style-type: none"> Introduction of AKI pathway using Electronic Patient Record programme. This is mandatory for all admissions. Continuation of audit to establish the number of patients with AKI. Report findings to Clinical Effectiveness group. |
| Re-audit of pre-anaesthetic information and consent | <ul style="list-style-type: none"> Re-audit in September 2016. |
| Recording of confirmation of death within the case sheet | <ul style="list-style-type: none"> Introduce a proforma to guide the correct details of death to be observed and recorded. |
| Completeness of communication sheets in ICU | <ul style="list-style-type: none"> New prompt on the communication sheet to aid recording time and date. Advise all staff to use black ink and record GMC number on communication sheet. Communicate this via email and at anaesthetic audit meeting. |
| Antibiotic spot check on Horsley | <ul style="list-style-type: none"> Continue current daily micro ward round. Advise staff to record GMC number via departmental meeting. |
| Death certification checklist audit | <ul style="list-style-type: none"> Promote use of new checklist documentation with verbal feedback at the Professional Nurse Meeting. |
| HTA17: Research request forms R1 R2 R3 and R4 – Horizontal audit 2014 | <ul style="list-style-type: none"> The R1, R2 and R3 forms appear to be working to full compliance. Keep current format to monitor different stream of activity. |
| HIST 193: Cytology vertical audit 2015 | <ul style="list-style-type: none"> Policy to be updated on Q plus and Trust intranet. |
| HIST 160: Surgical vertical audit 2015 | <ul style="list-style-type: none"> Updated version of <i>Document DP17 Buxton Labs Acceptance Policy</i> is available to all staff. Audit of HIST 173: Specimen Request Forms performed which found that 40% of 50 randomly sampled forms had been completed correctly. Findings discussed at lab meeting and all staff reminded to complete relevant boxes on form. As the information on referrals differed between |

| Audit title | Actions |
|---|---|
| | <p>TDHC and paper copy in file, an audit of 20 cases were randomly sampled. In this instance, 100% of forms correlated with the paper file copy. For discussion at departmental meeting.</p> <ul style="list-style-type: none"> • A message is to be put on the intranet to inform users that the DP24 joint specimen policy for The Walton Centre and Aintree University Hospital is out of date. Trust is aware that the document needs to be updated. This is on-going. |
| Clinical KPI in case of the dying patient | <ul style="list-style-type: none"> • Introduce a field to record “spiritual needs assessment” on nursing documentation. • Advise all staff to ensure clear documentation is made of any conversations had and any decisions made. • Discuss audit with medical lead in relation the prescription of medication at end of life. |
| Consent to treatment 2014 - 2015 | <ul style="list-style-type: none"> • A tick box for consent has been added to the back of the anaesthetic form. <p>Raise awareness with the anaesthetists of the changes to the new anaesthetic form in regards to consent for anaesthesia.</p> <ul style="list-style-type: none"> • Inform staff of the importance of documenting that the patient received the information leaflet via departmental meetings. |
| HTA 21: Research consent form 2014 | <ul style="list-style-type: none"> • No action required. |
| Infection rate in patients with Gliadel implants | <ul style="list-style-type: none"> • No action required. Continue practice as per guidance and re-audit in future. |
| Immunofixation test requesting 2015 | <ul style="list-style-type: none"> • Inform neurologists that Serum Protein Electrophoresis (SEP) only to be requested and Immunofixation (IFX) will be reflexed on to the patient request if a possible paraprotein band is identified by SEP as per protocol. • Allow the neurologists to request IFX on those patients who are being investigated for possible paraproteinaemic demyelinating neuropathy. • Re-audit July 2016. |
| HTA 10: Coroners instructions for retention / disposal 2014 – Horizontal audit | <ul style="list-style-type: none"> • Continue monitoring Coroner’s instructions and ensure they are implemented as soon as received. • To chase Coroner regarding actions as and when required. |
| HTA 11: WCFT tissue donation consent forms information 2014 – Horizontal audit | <ul style="list-style-type: none"> • No action required. |
| HTA 12: Overall post mortem tissue disposed of in calendar year 2014 – Horizontal audit | <ul style="list-style-type: none"> • No action required. |

| Audit title | Actions |
|--|--|
| HTA 13: PM tissue retention and disposal 2014 – Horizontal audit | <ul style="list-style-type: none"> No action required. |
| HTA 14: Outstanding coroners instructions for retention and disposal 2014 – Horizontal audit | <ul style="list-style-type: none"> To monitor the information entered on the NA form and ensure it is correct. |
| HTA 15: Hospital PM consent form information 2014 – Horizontal audit | <ul style="list-style-type: none"> No action required. |
| HTA 16: Hospital PMs vs deaths in hospital by cause of death 2014 – Horizontal audit | <ul style="list-style-type: none"> Remind Clinicians of importance of completing BL1 forms correctly Include a note of importance of completing BL1 forms correctly in SHO induction leaflet. |
| HTA 18: LREC and RGC approvals 2014 – Horizontal audit | <ul style="list-style-type: none"> No action required. |
| HTA 20: Coroners PM vs death in hospital by cause of death 2014 – Horizontal audit | <ul style="list-style-type: none"> Audit HIST/231 in progress to assess the completion of BL1 form. This is to be registered with the clinical audit department and will be re-audited annually. |
| Retrospective service evaluation of Trigger Point Injection (TPI) based on OPA follow up – Aug to Nov 2014; Dr J Wiles | <ul style="list-style-type: none"> None required. Continue TPI and plan further service evaluation. |
| Management of severe traumatic brain injury | <ul style="list-style-type: none"> No action required. |
| % of patients referred to specialist palliative case team who were seen within 24 hours of referral | <ul style="list-style-type: none"> Discuss the issue of recording referral time effectively with medics and nursing staff. |

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 divisional clinical audit teams produce a monthly clinical audit activity progress report which includes registered audits, recommended actions from all completed projects for each division and the progress made towards implementation, these reports are discussed at the relevant Divisional Risk & Governance Group monthly meetings.

2.3.7 Participation in Clinical Research and Development

The number of patients receiving NHS services provided or sub-contracted by the Trust in 2015/16 that were recruited during that period to participate in National Institute for Health Research (NIHR) portfolio research approved by a research ethics committee was 1,335. The Trust exceeded its recruitment target of 1,200, set by the Clinical Research Network; North West Coast (CRN). In total there are currently 107 clinical studies on-going at The Walton Centre and 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 38 new clinical research studies during 2015/16 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. The Trust has attracted a notable, prestigious National Institute for Health Research (NIHR) Research for Patient Benefit Award (RfPB) award for Pain worth £275k, with further applications in submission.

In addition, the Trust was successful in its application for North West Coast Academic Health Science Centre (NWC: AHSN) Innovation with Impact funding worth £25k to reduce falls through the installation of sensors. The Trust continues to recruit patients and relatives to the Genome Medicine Centre in Liverpool, this is part of the Government's flagship 100,000 Genome project. During 2015/16, 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)

2.3.8 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 2015/16. The Trust has not participated in any special reviews or investigations by the CQC during the reporting period.

The Trust's 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.

The CQC will undertake their planned Inspection in April 2016. The self-assessment scores the Trust identifies they will achieve are below; The ratings are as follows: Inadequate (I), Requires Improvement (RI), Good (G) and Outstanding (O).

| | SAFE | EFFECTIVE | CARING | RESPONSIVE | WELL-LED |
|----------------|------|-----------|--------|------------|----------|
| Medical Care | G | O | O | G | G |
| Surgery | G | O | G | G | G |
| Critical Care | G | O | O | O | O |
| Outpatients | G | G | G | G | G |
| Rehabilitation | G | O | G | G | G |

2.3.9 Trust Data Quality

The Trust submitted records during 2015/16 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: 99.9% 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: 99.7% for outpatient care and 99.8% 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 2015 to March 2016. (SUS data quality dashboard)

The Trust's Information Governance (IG) Assessment report overall score at 31 March 2016 for 2015/16 was 86% and was graded green in accordance with the IGT Grading Scheme.

Once again the Trust has made significant progress for 2015/2016, with the Trust achieving level 2 for 18 requirements and level 3 for the remaining 27 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 2015-16 IG audit requirements has provided the Trust with a level of significant assurance for the sixth 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 2015/16

| CODING FIELD | PERCENTAGE |
|---------------------|-------------------|
| Primary diagnosis | 3.5% |
| Secondary diagnosis | 8.0% |
| Primary procedure | 4.0% |
| Secondary procedure | 4.75% |

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 2 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 are available to provide help, advice and support to patients and their families, and 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. The Team are also available to speak to in person in their ground floor office in the main building. Where patients or their families raise concerns that cannot be easily resolved or are 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 to continuously improve the Complaints process ensuring that complaints are resolved in a timely way, that we explain our actions, apologise and to show how services will be improved as a result of the complaint.

3.1.2 Trend Analysis and Lessons Learnt

Every complaint is investigated and we will either hold a meeting with the relevant staff to resolve the matter or we will provide a detailed response from the Chief Executive. We ensure those meetings and 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 Divisional committees within the Trust. Longer term trends are reported to the Patient Experience Group, Quality Committee, the Board and Council of Governors. This year we have introduced Assurance Reports for each ward and department, highlighting complaints and concerns, and seeking feedback that these have been shared with staff. In 2015/16, we saw a rise in the number of complaints regarding appointments and so we undertook a more detailed analysis of those complaints in order that we could understand the issues giving rise this increase. At the time of writing, this information is being collated and the results will be fed into the Executive Team and divisional governance structures.

3.1.3 Complaints Feedback

We use feedback from people who have used the complaints process to help us improve our responsiveness and service. Last year, we invited people who had made a complaint to the Trust to meet with us to tell us how we could further improve the complaints process. Recommendations from this group and our actions are set out below:

- **More frequent contact during the complaint process**

We contact the complainant at the beginning of the process and we agree how we will keep in touch and ensure more frequent contact by the preferred means. This contact is recorded on the Complaint Tracker and on the Datix record for the complaint.

- **More information on how to make a complaint**

We developed an additional leaflet setting out how to provide feedback as well as complaints to the Patient Experience Team. These are available in all patient areas and on the Website. The contact number for the Patient Experience Team are also available on the Listening Line posters.

- **Greater emphasis in responses on how we will improve services as a result of a complaint**

Where appropriate to do so, we include details of service improvements or proposals identified as a result of the complaint in the final letter of response or those will be discussed at the meeting between staff and the complainant.

Complaints received 01 April 2015 – 31 March 2016

| | Quarter 1 April – June 15 | Quarter 2 July – Sept 15 | Quarter 3 Oct – Dec 15 | Quarter 4 Jan – Mar 16 |
|-------------------------------|-------------------------------------|------------------------------------|----------------------------------|----------------------------------|
| Number of complaints received | 44 | 56 | 49 | 35 |

In 2016/17, the work of the Patient Experience Team will continue to complement the wider patient experience work within the Trust. Particular emphasis will be placed on the engagement of patients and their families and collating this feedback from existing and new sources of engagement and triangulating this with complaints and concerns.

3.1.4 Duty of Candour

The Trust prepared for the implementation for the Duty of Candour through a series of training and awareness raising events. This included a seminar held for all Consultants, Senior Nurses and other senior staff. In 2015/16, the Trust set up a Harm Free Care Board to monitor all incidents which were assessed as Moderate or above and required a Root Cause Analysis. The Duty of Candour for those incidents is also considered and assurance sought that the patient or relevant person has been notified. This is then followed up with

the letter of notification and an invitation to the patient and their families to receive feedback from the RCA or to attend a meeting to discuss the content in more detail. All letters are signed by the Chief Executive. The Audit trail relating to the Duty of Candour is held on the Datix record linked to the original incident.

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 2015/16.

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 set has been reviewed and now forms part of the Quality and Patient Safety strategy which sets out key priorities and the principles that the Trust will continue to develop and apply to current and future planned services

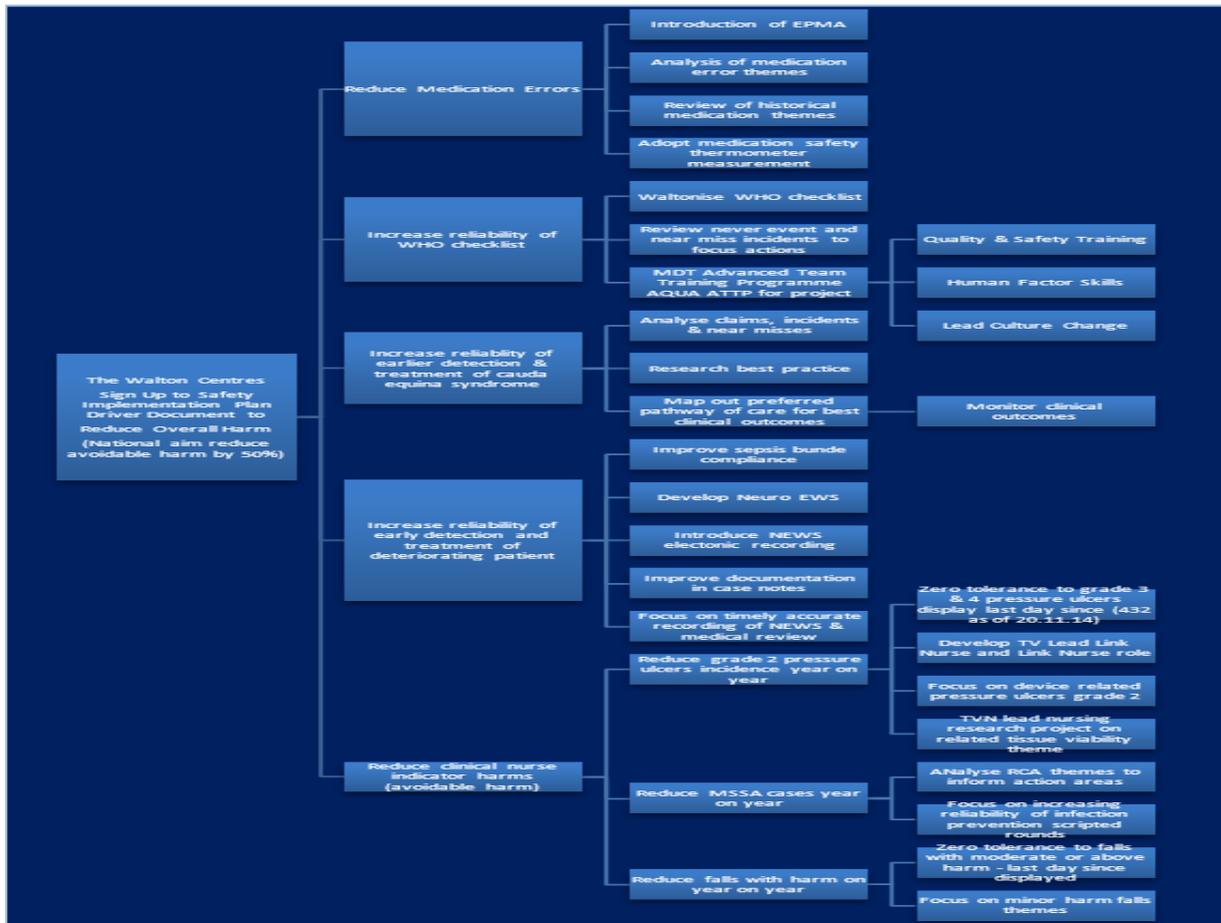
3.4 Sign Up to Safety Sign Up to Safety

As part of Sign up to Safety, a national campaign to reduce avoidable harm by 50% in the NHS, the Trust signed up and made pledges in a number of areas and an improvement plan to undertake over two years. Those remaining are either just commenced or at the early stages of establishing progress and are:

- We will work with primary and secondary care organisations in Merseyside to create links, allowing ready electronic access of all organisation to results of blood test and other investigations across the patch

- We will introduce an action learning set to support our newly qualified nurses in practice
- We will introduce a mentorship programme for new consultants
- We will develop an episode of care and harm campaign to share the learning from RCA from avoidable harm.

Sign up to Safety Improvement Plan



3.4.1 Sign up to Safety Improvement Plan Progress

Medication Driver – The Trust has made significant progress - introduced Electronic Prescribing and Medicines Administration (EPMA) and reducing risks associated with this, analysing medication errors at the newly formed Safer Medications Group and in the quarterly report to Quality Committee. Also a presentation and focus on one of the Berwick sessions was sharing the learning from medication incidents. We have also adopted the safer medication thermometer. In year 2, the data on our missed doses is being cleansed to clarify any area of focus for the Trust and one of our Quality Account priorities is reducing patients' operations being cancelled due to medication errors.

WHO checklist – again good progress made - an MDT group of theatre staff attended the AQUA ATTP training course that included human factors and culture change; who were then involved in reviewing the WHO checklist following scrutiny of the never event and current processes. The new checklist was discussed in various groups before becoming finalised and then launched. Regular audits within theatres demonstrated changes taking place and a recent MIAA audit demonstrated good changes in culture and embedding of the WHO checklist process, with further actions to focus on re governance processes to strengthen practice further.

Cauda equine syndrome – is a focus for year 2, following the anticipated national definition in April by the British Association of Spinal Surgeons. This work will map out the preferred pathway of care for best clinical outcomes, and design standing operating procedures.

- ▶ **Deteriorating patient** – again significant progress made with the sepsis six bundle being introduced and audits showing continuous improvement, Neuro EWS has been agreed and e obs is now in place across the Trust. Documentation and timely intervention has shown improvement following the Surgical and Medical Acute Response Team (SMART) and neurosurgical team approach.

Clinical nurse sensitive indicators – good progress with no grade 3 or 4 pressure ulcers and reduced device related pressure ulcers our area of focus. The focus on MSSA RCA themes has seen a significant year on year reduction. Finally, we have had 1 fall with avoidable harm year to date the falls prevention group are about to trial an innovative approach to falls prevention with a company called red ninja to try to reduce falls in toilets.

3.5 (TONiC) project

More than 1,300 participants have been recruited to a pioneering study about the quality of life for patients with two neurological conditions, led by specialists at The Walton Centre. Patients with Multiple Sclerosis (MS) and Motor Neurone Disease (MND) from around the UK are being asked detailed questions about their symptoms including fatigue, pain, depression and weakness, as part of the Trajectories of Outcome in Neurological Conditions (TONiC) project.

While still at an early stage, the study has already highlighted the importance of hope. The Project leader Professor Carolyn Young, Consultant Neurologist, said: “Our research shows us that hope is very important; if people give up hope, they may go down a different path than those who are at a similar stage of a disease. It may be that hope is something that makes a real difference to the progression of the illness.”

The first part of the project has involved one-off interviews and focus groups with patients at different stages of their illness. These highlighted the wide range of ways in which quality of life is affected. The current phase involves recruitment of people with MS and MND from 18 different centres in the UK, who are being asked to complete the questionnaire in confidence at home.

For most people, this will be a single opportunity to guide doctors and nurses in designing future services by increasing understanding of what matters for quality of life. This so-called longitudinal study gives eligible participants the chance to be followed from their diagnosis for up to five years, providing a unique opportunity to contribute to understanding of how the conditions unfold. Professor Young said: “Some will do well; and some will have much harder paths to tread. We will plot the rate of progress of the disease by contacting them every few months and looking at factors such as their mood, level of pain and tiredness, and the help they are receiving.

TONiC is one of the largest studies on quality of life in neurological conditions ever performed in the UK and it is hoped that it will have a significant and positive impact on the lives of all patients that suffer from neurological diseases such as Multiple Sclerosis and Motor Neurone Disease, regardless of symptoms, stage of illness, age or social status.

3.6 National Inpatient Survey Results

The Trust was one of the best performing trusts in the country for inpatients’ overall experience, according to a national survey in 2015/16.

The Care Quality Commission carries out the National Adult Inpatient Survey every year so it can build up a picture of the care patients are experiencing. Its latest results show our hospital is amongst the best performing trusts in England in six out of the nine relevant categories. In the sections ‘waiting lists and planned admissions’, ‘operations and procedures’ and ‘leaving hospital’ the Trust has performed the same. However, on the other

six categories, we performed better than most trusts. This means the hospital is among the best in England when it comes to waiting for a bed; patients' experience of the hospital and the ward; of doctors, of nurses, the care and treatment, and patients' overall views and experiences.

Deputy Director of Nursing Angela Wood said the latest results are the best yet. She said: "This survey is really important to us. We always value patient feedback and we like to make sure we are providing the best care. And the fact that we are rated better than most hospitals in six of the categories is fantastic."

The Picker Institute, a national audit and survey company, conducted the 2014 survey. The company returns the results to the CQC which standardises them and publishes them with organisations listed as being 'worse than most other Trusts', 'same as', or 'better than most other Trusts' for each individual category and question.

When comparing with results from the 2013 National Adult Inpatient Survey, the Trust improved in 37 questions. Notably, the Trust was not flagged up as being in the red category or 'worse than most other Trusts' on any part of the survey. Improvements have been made in: the length of time waiting to get a bed after arrival at hospital, nurse staffing levels, information (including how to complain), confidence and trust in the nurses, noise at night, and more.

3.7 Rehabilitation Services

Our hospital's collaborative approach to specialist rehabilitation care was praised as being an example to the rest of the country. Top expert Professor Lynne TurnerStokes, who is Director of the UK Rehabilitation Outcomes Collaborative, said the network model adopted by The Walton Centre and partner organisations means Cheshire and Merseyside is leading the rest of the country in this field of medicine. Prof Turner-Stokes was speaking at the Inaugural Liverpool Annual Rehabilitation Conference at The Walton Centre. She said that patients in Cheshire and Merseyside had a shorter length of stay, better outcomes and improved quality of life, and the service was also more cost-efficient.

The Trust is at the centre of a hub and spoke system providing a co-ordinated specialist rehabilitation pathway for people who have suffered serious trauma caused by illness or injury, managed by the Cheshire and Merseyside Rehabilitation Network. The Network was

launched two years ago, with the Trust providing hyper-acute and acute care and other 'spoke' and 'extended' units and community specialist rehabilitation services, providing a stepped-down level of care as the patient recovers.

Along their treatment journey, patients are treated by a range of different professionals, including doctors, nurses, occupational therapists, physiotherapists, speech and language therapists and dieticians, acting as a team with the patient at the heart of everything they do.

Dr Ganesh Bavikatte, consultant and clinical lead for rehabilitation medicine, said: "Our patients are benefitting from a seamless flow between units and they are making a good recovery in a shorter time. This makes it very person-centred as well as a cost efficient service. "We are exceeding all national targets for assessment waiting times and admission for specialist rehabilitation care. A very high proportion – 81 per cent – of patients admitted with critical illness are discharged home within 70 days."

3.8 Electronic Patient Records

Patient records at the Trust are in the stages of becoming paperless. The Trust introduced a new system in February 2016 that allows staff on wards, including intensive care and the Complex Rehabilitation Unit, to record information vital to patients' care electronically.

The new system makes it easier for nursing staff to access patient notes and search for information instantly, allowing multiple people involved in the patient's care to access them at the same time, regardless of location – streamlining the process.

Justin Griffiths, Head of IT, said: "Making the wards paperless is ensuring that the patient remains at the centre of our care by giving clinical staff the ability to see all clinical information at the touch of a button rather than using precious time hunting through reams of paper."

The move to go "paper-lite" is part of a wider NHS digital strategy and EPR (electronic patient record) program. The Trust has already introduced some paperless programmes. Nursing staff and therapists frequently complete risk assessments, referrals, and record patients' observations electronically. When records are fully accessible electronically, staff will be able to access and use a whole library of clinical forms.

3.9 Health and Wellbeing

The Trust's work to improve the health and wellbeing of staff was the focus of a news piece on BBC Breakfast. The BBC's health correspondent Dominic Hughes came in to talk about how the hospital's health and wellbeing programme, which includes exercise classes and more, has managed to dramatically reduce its staff sickness record over the past five years.

It formed part of a wider piece about the NHS generally having a higher rate of sickness than other organisations and industries. Physiotherapist Katy Walker who works in the Intensive Therapy Unit (ITU) was interviewed about the demands of caring for seriously ill patients, explaining how netball keeps her mentally and physically fit for the role. Netball is one of the activities supported by the Trust's health and wellbeing programme which was set up to help tackle sickness absence rates.

The sickness rate was running at an average of more than 7% a year around five years ago, it is now around the 4% mark – which is on a par with the rest of hospitals in England. The Trust's success has been reflected in a string of workplace awards. Mike Gibney, Director of Workforce, said: "We know our staff go the extra mile for our patients and we want to show them we recognise and appreciate that. Having a varied health and wellbeing programme helps with building that good culture; staff feeling valued so they can value patients."

3.10 PLACE Assessment

The Trust is the top rated NHS acute hospital in England for the quality of its patient environment.

The hospital had the highest ranking for its overall scores in the national PLACE assessments, an annual inspection involving patient representatives.

PLACE (patient-led assessments of the care environment) scores NHS trusts, hospices and other care organisations on cleanliness; food; privacy, dignity and wellbeing; condition, appearance and maintenance and how well their facilities meet the needs of patients with dementia.

The Trust scored 99.93% for cleanliness; 98.44% for the food it serves; 97.11% for privacy, dignity and wellbeing; 98.71% for condition, appearance and maintenance and 95.05% for dementia, an average of 97.85% - the highest for an acute NHS hospital.

Last year, The Walton Centre was the second best acute NHS hospital for environment according to the PLACE scores. Stuart Moore, Director of Strategy and Planning at The Walton Centre, said: "The Walton Centre has been rated as the highest NHS acute hospital overall in the annual PLACE assessment for patient environment. Last year, we were the second NHS acute hospital overall. "We are really delighted at this and believe it's a reflection of the high standards we strive for as an organisation, and the commitment of everyone who works here to providing an excellent service for patients."

Attention to detail and close working between hospital staff and contractor ISS (who provide cleaning, portering, security and catering services to The Walton Centre) were both contributory factors to the Trust's achievements.

3.11 National Transplant Week 2015

For National Transplant Week, the Trust unveiled a 12ft sculpture called The Walton Willow. The event saw families able to place a stainless-steel leaf bearing the name of their loved one on the unique tree which stands in the courtyard of our hospital as a permanent reminder of the gift of life they gave after death.

Liz Phillips, said she got great comfort from knowing that her husband Rick had gone on to save as many as four lives through donating organs. Rick was playing football for his work's team, YKK zip manufacturers in Runcorn, when he suddenly collapsed. He died on 23 August, 2000, after suffering an aneurysm.

Liz, said: "Two weeks previously he had come home with three trophies, man of the match, player of the season. "He went off like always on Sunday morning. I got a phone call about dinner time and the football manager was saying Rick had collapsed on the football pitch, could I go to The Walton Centre?" Sadly Rick didn't recover but in the days before his collapse Liz said they had discussed organ donation after seeing a TV appeal which meant she knew what his wishes were. She said: "I would always urge people to have that conversation. We have conversations about babies, getting married, there should be

conversations about what to do when we die. If you talk to somebody they will know what they want and know how to act.”

Liz also said in the years following Rick’s death, their daughter Jade, was diagnosed with a condition that causes liver failure and could need a donor in the future. She said: “Our daughter Jade got really sick after Rick died. She was 12 at the time. Her condition means her immune system attacks her body. She has been in near enough liver failure twice and there’s a big possibility she will need a transplant in the future. “If we had not gone ahead with Rick being a donor, then how would I have felt if all of a sudden Jade needs a liver transplant? I probably would have felt really guilty.”

Specialist Nurse for Organ Donation Nurse Laura Ellis Morgan, who was involved in planning The Walton Willow, says families being able to meet and celebrate their loved ones by placing a leaf on the tree will become a yearly event.

3.12 Vanguard Status

The Walton Centre is one of a select group of trusts leading national moves to increase collaboration between hospitals and improve care for patients across the country. Liverpool’s specialist brain and spinal hospital is one of 13 new NHS Vanguards, along with some of the country’s best known hospitals such as Moorfields, the Royal Marsden and the Christie.

The move will see The Walton Centre work closely with other hospitals, GPs and community services to improve quality and reduce variations in standards, ultimately benefiting patients with neuro and spinal conditions.

The Vanguard announcement was made by NHS England Chief Executive Simon Stevens in September 2015. Greater collaboration throughout the NHS is central to NHS England’s five year plan for the NHS, as general hospitals find it increasingly difficult to provide a full range of services on their own.

The Walton Centre already works with every hospital across Cheshire, Merseyside and North Wales, holding clinics and helping look after patients on the wards. Being named as a Vanguard site builds on this. The Walton Centre will now get national support to develop its collaborations on neurology and spinal services further.

Dr Peter Enevoldson, Medical Director, said: “Our consultants go out across the region so patients from Chester to Southport, Bangor to Warrington get local, rapid access to specialist care. With the national shortage of consultants, not just in neurology, this sort of collaboration is the way forward for the NHS.” The Walton Centre’s model of care is called The Neuro Network and aims to ensure there are high quality and cost effective neuro services across the region.

3.13 HSJ Award

The Trust’s work to help patients recover from serious injury and illness was recognised by a national health care award. Our rehabilitation service’s network approach led to us winning a prestigious Health Service Journal award. The Trust was also shortlisted for the Provider Trust of the Year Award but on the night won in the Specialised Services Redesign category. It represented a massive boost for the whole hospital.

Colleagues in our rehabilitation service have known for some time the network approach, which sees The Walton Centre work with hospitals, commissioners and other partners to provide one seamless pathway for patients, works. Experts from outside the organisation have assessed it, compared to the services provided elsewhere, and said that our collaborative approach means The Walton Centre is leading the field in this area of medicine.

Among its advocates are esteemed professor, Lynne Turner-Stokes, Director of the UK Rehabilitation Outcomes Collaborative (UKROC) programme, who said the network was a “shining example” for others to follow. She and her team at UKROC examined the efficiency of London trusts compared to Cheshire and Merseyside’s Hub and Spoke specialist rehabilitation services and found patients treated by the Cheshire and Merseyside Specialist Rehabilitation Network had a shorter length of stay, better outcomes and improved quality of life, and the service was also more cost-efficient.

Dr Ganesh Bavikatte, consultant and clinical lead in rehabilitation medicine, said: “We provide holistic rehabilitation right from the start to when the patient goes back in the community and we provide a full network of rehabilitation. “We know from all the outcome measures how we are doing and the feedback we get from patients is good, so we know we are providing a great service. The HSJ Award is further confirmation of that, it recognises our work and that we are providing one of the best services in the country.”

3.14 Spine Tango

Spine Tango is a European registry designed to collect data relating to spinal surgery performed at participating centres in Europe and Worldwide. The registry was initially implemented at the Trust in March 2011 and since then over 8000 spinal surgery cases have been recorded.

Spine Tango allows the Trust to collect data from a clinician and patient perspective. Spine Tango Surgery Forms, are completed at the time of the operation, and surgery form response rates are currently exceeding 95% each month. The Spine Tango surgery forms include information regarding admission, pathology, details of surgery including the goals of the procedure, length of procedure and the patients' hospital stay. A follow up form is also used, which clinicians complete with the patient when they attend their follow up appointment post operatively.

Patient reported data is collected with a COMI questionnaires (Core Outcome Measure Index). The Trust sends out COMI questionnaires at specific intervals before and after surgery. These intervals include Pre-Operatively, 3 months, 1-year and 2-year post-operative. The patient will complete each question on the form and the answers used to calculate a total score. This then allows capture of how particular areas of the patient's life are affected by their symptoms, and whether these are improved as a result of surgery.

Pre-operative COMI completion targets at the Trust are set at 85%, and post-op COMI targets are set at 80%, both of which are successfully attained each month.

As the Trust obtains data on a large scale, we have been able to submit abstracts to different conferences around England and Europe including Brit Spine and SBNS (Society of British Neurological Surgeons) using the data we capture on the registry. Abstracts which are written using Spine Tango information are presented to audiences nationally and internationally. Recent examples have included work looking into Spontaneous Epidural Infections and a paper looking into complications of Anterior Cervical Disc Fusion (ACDF)

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

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

| Performance Indicator | 2014/15 Performance | 2015/16 Target | 2015/16 Performance |
|--|---------------------|-----------------|---------------------|
| Incidence of MRSA | 0 | 0 | 1 |
| Screening all in-patients for MRSA | 100% | 100% | 100% |
| Incidence of Clostridium difficile | 11 | 10*/12** | 9 |
| All Cancers : Maximum wait time of 31 days for second or subsequent treatment: surgery | 100% | 94% | 100% |
| All Cancers : 62 days wait for 1 st treatment from urgent GP referral to treatment | 100% | 85% | 85.71%*** |
| 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% | 99.03% |
| Maximum time of 18 weeks from point of referral to treatment in aggregate – patients on an incomplete pathway | 97.84% | 92% | 97.29%**** |
| 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

***There was a single breach of the 62 day target in November 2015, but under Monitor definitions the target does not apply to Trusts with 5 cases or less in a quarter. The total number of cases treated at the Trust in 2015/16 was 7.

****Monthly average for the year.

3.16 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 2015/16, 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 2015/16 represents 100% per cent of the total income generated from the provision of relevant health services by the Walton Centre for 2014/15.

3.17 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 |
|----------------|---------------------|--------------------------------------|
| 2014/15 | 276 | 5.43% |
| 2015/16 | 298 | 5.51 |
| Change | 22 | 0.08 |

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 ultra-clean theatre for implant patients wherever possible.
- 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:

Due to changes in the publication date of the 2015 National Inpatient Survey by the Care Quality Commission to 6th June 2016, the results of the 2015 survey are not available to include in the 2015/16 Quality Account.

In 2014, the Trust 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
- Implementation of Local Inpatient Real-time Surveys based on CQC methodology
- Implementation of a 3 year Patient Experience Action Plan

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, listening weeks, complaints, compliments and external surveys.

Any priorities for improvement will be addressed and shared using the ward quality boards that are electronic boards at the entrance to each ward displaying patient information.

| National Inpatient Survey Question | 2012 Result | 2013 Result | 2014 Result | Predicted 2015 results* |
|---|-------------|-------------|-------------|-------------------------|
| 1. Were you involved as much as you wanted to be in decisions about your care? | 7.5 | 7.9 | 8.3 | 8.4 |
| 2. Did you find a member of hospital staff to talk to about your worries or fears? | 6.4 | 6.3 | 7.0 | 7.1 |
| 3. Were you given enough privacy when discussing your condition or treatment? | 8.7 | 9.0 | 8.9 | 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 | 6.1 |
| 5. Did hospital staff tell you who to contact if you were worried about your condition? (following discharge) | 8.1 | 8.7 | 8.7 | 8.9 |

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

* Predicted results are calculated using raw data provided by the Picker Institute and using CQC methodology

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

The Trust had a response rate of 48% for the 2015 national staff survey, which is slightly above the average for acute specialist trusts in England. This is also similar to last year's response rate of 46%. The national response rate was 42%, a 1% increase from 2014. Within the survey, the percentage of staff who would recommend the Trust as a place to work increased to 79% from 77% in 2014, the percentage of staff who would recommend the Trust as a place to receive treatment" increased to 91% from 88% in 2014.

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, 94 surveys were returned. The results showed that 95% of staff were extremely likely or likely to recommend the Walton Centre to friends and family if they needed care or treatment and 87% 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 96 being returned. The results showed that 98% of staff were extremely likely or likely to recommend the Walton Centre to friends and family if they needed care or treatment and 87.5% of staff

said they were extremely likely or likely to recommend the Walton Centre to friends and family as a place to work.

The Trust also receives feedback about other areas in the survey and identified actions with regards to:

KF19 : Organisation and management interest in and action on health and wellbeing;

The Trust score was 4.08 and the best score for acute specialist trusts was 4.08 so our score, with the average score for acute specialist trusts being 3.72.

This shows the Trust's commitment to health and wellbeing, this has also been recognised by NHS England as we are one of 12 Trusts working with them on an offer for NHS staff around a number of health and wellbeing initiatives.

KF27: Percentage of staff/colleagues reporting most recent experience of harassment, bullying or abuse

The Trust score was 45% and the best score for acute specialist trusts was 49% with the average score for acute specialist trusts being 37%. We improved on this score from 2014.

The Trust has encouraged staff over the past year through various staff engagement events to raise concerns and we work closely with staff side to address any issues raised.

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 areas 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 |
|---------|------------------|-------|-------|-------|--------|
| 2013/14 | Walton Centre | 96.1% | 95.6% | 96.2% | 96.2% |
| | National Average | 95.4% | 95.7% | 95.8% | 96.0% |
| 2014/15 | Walton Centre | 96.3% | 96.5% | 98.7% | 98.2% |
| | National Average | 96.2% | 96.2% | 96.0% | 96.0% |
| 2015/16 | Walton Centre | 97.6% | 99.2% | 98.5% | 98.65% |
| | National Average | 96.0% | 95.9% | 95.5% | TBC* |

*National average data not available until 1st May 2016

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:

| 2010-2011 | 2011-2012 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
|-----------|-----------|---------|---------|---------|---------|
| 21.2 | 20.4 | 15.6 | 21.0 | 21.6 | 15.7 |

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

| 2010-2011 | 2011-2012 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
|-----------|-----------|---------|---------|---------|---------|
| 29.7 | 22.2 | 17.3 | 14.7 | 15.1 | 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, 938 reported incidents occurred against 15001 admissions (excluding OPD as per NLRs figures) this equals 6.25 per 100 admissions, in 2015/16, there were 1128 reported incidents against 15391 admissions (this excludes OPD as per NLRs figures) this equals 7.32 per 100 admissions

This data was previously sourced from NLRs. Changes to their methodology render benchmarking against historic data unreliable. This indicator is now sourced from Trust recorded figures using the current NLRs definition.

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 the Harm Free Care Board and at cross divisional harm meetings before reporting to the Patient Safety Group
- Strengthen how lessons learnt is disseminated to staff, and explore 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 followed the quality schedule held by commissioners. The Trust has reflected on the improvement priorities for 2015/16 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 and Patient Safety Strategy to enable this work to be embedded throughout the Trust. There are some areas that will require the Trust's 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 2015-16 and supporting guidance;
- ❖ the content of the Quality Report is consistent with internal and external sources of information including:
 - Board minutes and papers for the period April 2015 to April 2016
 - Papers relating to Quality reported to the Board over the period April 2015 to April 2016
 - Feedback from the commissioners dated 16th May 2016
 - Consultation with governors at events on 2nd March 2016
 - Feedback from Healthwatch (Liverpool, Sefton, St Helens, Halton) dated 16th May 2016
 - The Trust's Complaints Report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, dated 26 May 2016.
 - The National Staff Survey for 2015 presented to Trust Board on March 2016
 - The Head of Internal Audit's annual opinion over the Trust's control environment was presented to Audit Committee April 2016
- ❖ 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.gov.uk/guidance/nhs-foundation-trusts-submitting-annual-reports-and-accounts) as well as the standards to support data quality for the preparation of the Quality Report (available at www.gov.uk/guidance/nhs-foundation-trusts-submitting-annual-reports-and-accounts).

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

A handwritten signature in black ink, appearing to read 'A. Alston', with a long horizontal flourish extending to the right.

Chairman

26 May 2016

A handwritten signature in black ink, appearing to read 'C. Hamp', with a long horizontal flourish extending to the right.

Chief Executive

26 May 2016

Walton Centre Quality Account 2015-16
Joint Healthwatch Commentary

Healthwatch organisations for Halton, Liverpool, Sefton and St. Helens have been invited to participate in the process of determining the Quality priorities for the coming year and has been given adequate time to review the document. 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.

We can see progress against the previous year's priorities and have been kept advised of this through Patient Experience Group (PEG) meetings, throughout the year. The PEG also provides an opportunity to scrutinize the Trust's performance and enables patient representatives to raise concerns, which are then discussed as agenda items. Examples of this include; car parking (a sub-group was arranged with patient/carer input), satellite clinic provision, discharge issues.

Concerns have been raised at the Patient Experience Group meeting by Healthwatch organisations that there is a high proportion of staff in attendance and few patients. Governors are in attendance and we have been informed that the Trust holds a separate patient forum to which we are invited to attend. The PEG meeting is a strategic forum looking at the development of strategy and also has specific remit and membership determined by Monitor and CQC.

Healthwatch organisations have been invited to choose this coming year's priorities and feel these are appropriate, and in future would like to see direct involvement of patients in the work completed for the priorities (e.g. as per 5 Boroughs Partnership service user involvement scheme) to ensure there is patient involvement in evaluating their effectiveness.

We are pleased to see external reviews of the work on infection control and 'specialling' and would encourage the Trust to promote the fact they have been externally reviewed more widely. The priorities are challenging and priority 3, therapeutic specialling is an example of the Trust addressing the issue of patients with cognitive impairment who need to be in a specialist environment because of their condition/illness. Patients may not understand what is happening to them, this being distressing for the patient and potentially disruptive to other patients. The recruitment of 12 healthcare specialists to support patients with cognitive impairment demonstrates that the Trust see this as an important area to improve.

We are aware of a number of initiatives the trust has put in place to improve patient experience for example tackling noise at night, easy-read Friends and Family Test postcards. In such a specialist environment family members can sometimes feel that they don't understand what is happening or they are not being consulted. The Trust have acknowledged this and have developed a Carers strategy and are developing a Carer resource supported by the Brain Charity. They are also investing in the recruitment and support of volunteers and are developing Schwartz rounds to help support staff. This is a result of listening to complaints about staff attitude which indicates that there is a learning culture within the organisation. A further example of this is the development of a strategy and resources to support people at the end of life, indicating that patients and staff are being listened to.

Cancelled appointments is an issue which has been raised and the Trust is looking at this in a systematic way, looking at the reasons why cancellations occur. This is an area of good practice to be commended.

However there are occasions where Healthwatch organisations have not been involved for example, in the consultation of the Patient & Public Engagement Strategy and other initiatives. Opportunities for further joint working between Healthwatch organisations and the Trust should be further explored.

One area we look forward to working more closely on is the Trust's Equality & Diversity action plan, as a standing agenda item at the PEG, assisting the Trust with its work towards attaining an achieving standard in EDS2 and hearing about progress on the Accessible Information standard that we are assured will be in place in the next few months.

The Walton Centre Quality Account 2015/16

NHS England wishes to thank The Walton Centre for the opportunity to comment on their Quality Account for 2015/16. NHS England as lead commissioner is committed to working in partnership with The Walton Centre to provide safe, high quality care and services. The Quality Account accurately reflects the performance for the organisation during 2015/16 and has been produced following a period of meaningful stakeholder engagement.

The account clearly sets out the outcomes and achievements for 2015/16 and details the priorities for the coming year with clear rationale. The priority areas have been agreed by stakeholders and demonstrate a real commitment to quality improvement.

There is strong evidence of participation in National and Local audit with improvements being made to patient care following the clinical audit.

The work the trust has implemented to prevent pressure ulcers and a zero tolerance against grade 3 & 4 pressure ulcers should be commended. The trust continues with the 'sign up to safety' campaign putting patient's safety at the forefront of care delivery. The trust continues to demonstrate their commitment to quality improvement

Infection prevention measures are robust and the trust is proactive in the management of infection prevention with initiatives such as fogging and hand washing facilities at the entrance to wards. Unfortunately there was one case of MRSA during the year and the trust worked with commissioners and PHE to address prevention measures. The organisation does ensure that infection prevention is owned by all staff and this is evident from the robust RCAs following cases of Clostridium Difficile.

The organisation have displayed openness and honesty in terms of incident reporting and investigation and ensure a robust RCA is undertaken for all incidents and that learning from incidents is shared across the trust.

It is commendable to see that the trust is one of the best performing in the country for the inpatient survey and we wish to congratulate the trust for its success in receiving a national health care award for its work in helping patients to recover from serious injury.

Commissioners look forward to seeing the impact of the Vanguard work throughout the year.

The trust has provided high levels of quality assurance throughout 2015/16 through regular quality and performance meetings with Specialised Commissioning and Clinical

Commissioning Groups. We look forward to working in partnership with The Walton Centre during 2016/17 to further improve quality and experience for patients.

Sue McGorry
Head of Quality, Specialised Commissioning Team, Northwest Hub
May 2016

5 The Auditor's Report including certificate



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 of the group and The Walton Centre NHS Foundation Trust (the 'Trust'):

- give a true and fair view of the state of the financial position of the group's and the Trust's affairs as at 31 March 2016 and of the group's and Trust's expenditure and income for the year then ended; and
- have been prepared properly in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union, as interpreted and adapted by the 2015/16 FReM as contained in 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 we are reporting to

This report is made solely to the Council of Governors of the 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 for the year ended 31 March 2016 which comprise the group and Trust statement of comprehensive income, the group and Trust statement of financial position, the group and Trust statement of changes in taxpayers' equity, the group and Trust statement of cash flows, and the related notes.

The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as adopted by the European Union, and as interpreted and adapted by the 2015/16 Government Financial Reporting Manual (the 2015/16 FReM) as contained in the NHS Foundation Trust Annual Reporting Manual (ARM) and the Directions under paragraph 25(2) of Schedule 7 of the National Health Service Act 2006 issued by Monitor, the Independent Regulator of NHS Foundation Trusts.



Overview of our audit approach

- Overall group materiality: £1,963,000, which represents 2% of the group's gross revenue expenditure;
- We performed a full scope audit of The Walton Centre NHS Foundation Trust and targeted audit procedures at The Walton Centre Charity;
- Key audit risks were identified as:
 - Occurrence of healthcare income and existence of the associated receivable balances
 - Completeness of operating expenditure on goods and services

Our assessment of risk

In arriving at our opinions set out in this report, we highlight the following risks that, in our judgement, had the greatest effect on our audit:

| Audit risk | How we responded to the risk |
|--|---|
| <p>Occurrence of healthcare income and the existence of associated receivable balances</p> <p>The Group receives 97% of its income from NHS commissioners of healthcare services. The Trust invoices its commissioners throughout the year for services provided, and at the year-end 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. This can involve further negotiation of contractual adjustments with</p> | <p>Our audit work included but was not restricted to:</p> <ul style="list-style-type: none"> • evaluating the group's accounting policy for recognition of healthcare income for appropriateness and consistency with the prior year; • gaining an understanding of the group's system for accounting for healthcare income and evaluating the design of the associated controls; • agreeing, on a sample basis, amounts recognised as healthcare income in the financial statements to signed contracts; • agreeing, on a sample basis, additional healthcare income to contract variations or supporting documentation; • using a summary of expenditure with the Trust accounted for by other NHS bodies, provided by the Department of Health, to identify any significant differences in income and any associated receivable balances with |

| Audit risk | How we responded to the risk |
|--|--|
| <p>commissioners.</p> <p>There is therefore a risk that the income from commissioners recognised in the financial statements and amounts due at year end, may be overstated. Given the scale of this income stream to the Trust we considered this to be an area of heightened risk of material misstatement in the financial statements. We therefore identified occurrence of healthcare income, and the existence of the associated receivable balances, as a significant risk requiring special audit consideration.</p> | <p>contracting bodies.</p> <p>The group's accounting policy for healthcare income, including its recognition is shown in note 1.3 to the financial statements and related disclosures are included in note 2.1, 2.2, 2.3 and 2.4. The group's accounting policy on healthcare receivables is shown in note 1.3 to the financial statements and related disclosures are included in note 13.</p> |
| <p>Completeness of operating expenditure on goods and services</p> <p>Expenditure on goods and services represents 40% of the group's total expenditure. Management uses judgement to estimate accruals of expenditure for amounts that have not been invoiced at the year end. We therefore identified completeness of operating expenditure on goods and services as a risk requiring particular audit attention.</p> | <p>Our audit work included, but was not restricted to:</p> <ul style="list-style-type: none"> • gaining an understanding of the systems used to recognise non-pay expenditure and year-end accruals, and evaluating the design of the associated controls; • testing, on a sample basis, payments made after the year end to confirm the completeness of year-end payables and accruals; • reviewing the year-end reconciliation of the subsidiary system interface and general ledger control accounts to ensure that all transactions from the subsidiary system are reflected in the financial statements; and • considering the completeness of reported accruals and provisions by review of Trust Board and Committee minutes and papers for events subsequent to the year end. <p>The group's accounting policy for expenditure on goods and services is shown in note 1.5 to the financial statements and related disclosure of operating expenditure is included in note 3.1.</p> |

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 economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality in determining the nature, timing and extent of our audit work and in evaluating the results of that work.

We determined materiality for the audit of the group's financial statements as a whole to be £1,963,000, which is 2% of the group's gross revenue expenditure. This benchmark is considered the most appropriate because we consider users of the group's financial statements to be most interested in how it has expended its revenue and other funding.

Materiality for the current year is at the same percentage level of gross revenue expenditure as we determined for the year ended 31 March 2015 to reflect our view that we had not identified any reason for users of the accounts to change their view of the appropriate level of materiality.

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 determined a lower level of specific materiality for certain areas such as directors' remuneration in the Remuneration Report, and cash.

We determined the threshold at which we would communicate misstatements to the Audit Committee to be £98,000. In addition we communicated misstatements below that threshold that, in our view, warranted reporting on qualitative grounds.

Overview of the scope of our audit

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 and Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of

significant accounting estimates made by the Chief Executive as Accounting Officer; 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 incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

We conducted our audit in accordance with 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 of Audit Practice published by the National Audit Office on behalf of the Comptroller and Auditor General (the Code) and those standards 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 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, and in particular included:

- evaluation by the group audit team of the identified component to assess the significance of that component and to determine the planned audit response based on a measure of materiality;
- an interim visit to evaluate the group's internal control environment including its IT systems and controls over key financial systems;
- we carried out targeted audit procedures on the financial statements of the component, The Walton Centre Charity focusing on the significant investment balance.

Overview of the scope of our review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criteria issued by the Comptroller and Auditor General in November 2015, as to whether the Trust had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The Comptroller and Auditor General

determined these criteria as those necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2016 and to report by exception where we are not satisfied.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether, in all significant respects, the Trust had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Other reporting required by regulations

Our opinion on other matters required by the Code is unmodified

In our opinion:

- the part of the Remuneration Report and Staff Report subject to audit have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2015/16 FReM as contained in the NHS Foundation Trust Annual Reporting Manual; and
- the other information published together with the audited financial statements in the annual report is consistent with the audited financial statements.

Matters on which we are required to report by exception

Under the ISAs (UK and Ireland), we are 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.

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

- the Annual Governance Statement does not meet the disclosure requirements set out in the NHS Foundation Trust ARM or is misleading or inconsistent with the information of which we are aware from our audit; or
- we are not satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

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

Responsibilities for the financial statements and the audit

What the Chief Executive, as Accounting Officer, is responsible for:

As explained more fully in the Statement of the Accounting Officer's responsibilities, 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. The Accounting Officer is also responsible for the arrangements to secure economy, efficiency and effectiveness in the use of the Trust's resources.

What we are responsible for:

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law, the Code of Audit Practice and ISAs (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

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 Code of Audit Practice.

Karen Murray
Director
for and on behalf of Grant Thornton UK LLP
Manchester

26 May 2016

6 Foreword to the Accounts

The Walton Centre NHS Foundation Trust

Accounts for the period ending 31 March 2016

The following presents the accounts for the Walton Centre NHS Foundation Trust for the period ending 31 March 2016.

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 26 May 2016

Statement of Comprehensive Income

| 2014/15 | | | 2015/16 | |
|------------------|----------------|--|------------------|--------------|
| Foundation Trust | Group | | Foundation Trust | Group |
| £000 | £000 | | £000 | £000 |
| 101,052 | 101,064 | Operating Income from continuing operations | 110,055 | 110,273 |
| (98,173) | (98,426) | Operating Expenses of continuing operations | (108,911) | (109,123) |
| (2,031) | (2,031) | Impairment adjustments | 687 | 687 |
| 848 | 607 | OPERATING SURPLUS / (DEFICIT) | 1,831 | 1,837 |
| | | FINANCE COSTS | | |
| 48 | 84 | Finance income | 26 | 55 |
| (633) | (633) | Finance expense - financial liabilities | (628) | (628) |
| (5) | (5) | Finance expense - unwinding of discount on provisions | (4) | (4) |
| (1,238) | (1,238) | PDC Dividends payable | (1,535) | (1,535) |
| (1,828) | (1,792) | NET FINANCE COSTS | (2,141) | (2,112) |
| (980) | (1,185) | Surplus/(deficit) from continuing operations | (310) | (275) |
| (980) | (1,185) | SURPLUS/(DEFICIT) FOR THE YEAR | (310) | (275) |
| | | Other comprehensive income | | |
| 663 | 663 | Revaluations | 1,207 | 1,207 |
| 0 | 24 | Other recognised gains and losses | 0 | (48) |
| (317) | (498) | TOTAL COMPREHENSIVE INCOME / (EXPENSE) FOR THE PERIOD | 897 | 884 |

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

Reconciliation from financial statements to the Trust trading position

| Foundation Trust | | Foundation Trust |
|------------------|---|------------------|
| (980) | Surplus/(deficit) from continuing operations | (310) |
| | Normalising adjustments: | |
| (450) | Capital donation from the Charitable Fund | 0 |
| 2,031 | Impairment/(reversal of impairment) of land and buildings | (687) |
| 601 | Trading (deficit)/surplus for the period | (997) |

The Notes on pages 194 to 230 form part of these accounts.

7 Primary Financial Statement

Statement of Financial Position

| 31-Mar-15 | | | 31-Mar-16 | | |
|--------------------------|-----------------|--|-----------|--------------------------|-----------------|
| Foundation Trust £000 | Group £000 | | note | Foundation Trust £000 | Group £000 |
| 190 | 190 | Non-current assets | | | |
| 75,987 | 75,987 | Intangible assets | 9 | 143 | 143 |
| 0 | 791 | Property, plant and equipment | 10 | 78,085 | 78,085 |
| 76,177 | 76,968 | Other Investments | 11 | 0 | 733 |
| | | Total non-current assets | | 78,228 | 78,961 |
| | | Current assets | | | |
| 647 | 647 | Inventories | 12 | 936 | 936 |
| 4,007 | 3,999 | Trade and other receivables | 13 | 5,417 | 5,351 |
| 11,609 | 12,047 | Cash and cash equivalents | 14 | 9,487 | 10,008 |
| 16,263 | 16,693 | Total current assets | | 15,840 | 16,295 |
| 92,440 | 93,661 | Total Assets | | 94,068 | 95,256 |
| | | Current liabilities | | | |
| (10,552) | (10,578) | Trade and other payables | 15 | (13,097) | (13,103) |
| (1,160) | (1,160) | Borrowings | 16 | (1,163) | (1,163) |
| (559) | (559) | Provisions | 17 | (559) | (559) |
| (482) | (482) | Other liabilities | 18 | (538) | (538) |
| (12,753) | (12,779) | Total current liabilities | | (15,357) | (15,363) |
| 79,687 | 80,882 | Total assets less current liabilities | | 78,711 | 79,893 |
| | | Non-current liabilities | | | |
| (25,325) | (25,325) | Borrowings | 16 | (24,162) | (24,162) |
| (275) | (275) | Provisions | 17 | (265) | (265) |
| (25,600) | (25,600) | Total non-current liabilities | | (24,427) | (24,427) |
| 54,087 | 55,282 | Total assets employed | | 54,284 | 55,466 |
| | | Financed by Taxpayers equity | | | |
| 27,319 | 27,319 | Public Dividend Capital | 24 | 26,619 | 26,619 |
| 3,269 | 3,269 | Revaluation reserve | 20 | 4,472 | 4,472 |
| 23,499 | 23,499 | Income and expenditure reserve | | 23,193 | 23,193 |
| 0 | 1,195 | Charitable fund reserves | 26 | 0 | 1,182 |
| 54,087 | 55,282 | Total taxpayers' and others' equity | | 54,284 | 55,466 |

The financial statements and notes on pages 191 to 230 were approved by the Board on 26 May 2016 and signed on its behalf by:



Chief Executive

26 May 2016

Statement of Changes in Taxpayers 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 |
| Taxpayers' and Others' Equity at 1 April 2015 | 55,282 | 1,195 | 27,319 | 3,269 | 23,499 | 54,087 | 27,319 | 3,269 | 23,499 |
| Surplus/(deficit) for the year | (275) | 216 | 0 | 0 | (491) | (310) | 0 | 0 | (310) |
| Transfer between reserves | 0 | 0 | 0 | (4) | 4 | 0 | 0 | (4) | 4 |
| Revaluations | 1,207 | 0 | 0 | 1,207 | 0 | 1,207 | 0 | 1,207 | 0 |
| Fair value gains and losses on available for sale investments | (48) | (48) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Public Dividend Capital repaid | (700) | 0 | (700) | 0 | 0 | (700) | (700) | 0 | 0 |
| Other reserve movements | 0 | (181) | 0 | 0 | 181 | 0 | 0 | 0 | 0 |
| Taxpayers' and Others' Equity at 31 March 2016 | 55,466 | 1,182 | 26,619 | 4,472 | 23,193 | 54,284 | 26,619 | 4,472 | 23,193 |
| Taxpayers' and Others' Equity at 1 April 2014 | 54,755 | 1,376 | 26,294 | 2,630 | 24,455 | 53,379 | 26,294 | 2,630 | 24,455 |
| 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 |
| Taxpayers' and Others' Equity at 31 March 2015 | 55,282 | 1,195 | 27,319 | 3,269 | 23,499 | 54,087 | 27,319 | 3,269 | 23,499 |

Statement of Cash Flows

| 2014/15 | | | 2015/16 | |
|--------------------------|-----------------|---|--------------------------|----------------|
| Foundation Trust £000 | Group £000 | | Foundation Trust £000 | Group £000 |
| | | Cash flows from operating activities | | |
| 848 | 607 | Operating surplus/(deficit) | 1,831 | 1,837 |
| | | Non-cash income and expense | | |
| 3,263 | 3,263 | Depreciation and amortisation | 4,068 | 4,068 |
| 2,031 | 2,031 | Impairments/(Reversal of Impairments) | (687) | (687) |
| 5 | 5 | (Gain)/Loss on disposal | (40) | (40) |
| 104 | 98 | (Increase)/Decrease in Trade and Other Receivables | (1,461) | (1,409) |
| 207 | 207 | (Increase)/Decrease in Inventories | (290) | (290) |
| 177 | 177 | Increase/(Decrease) in Trade and Other Payables | 2,833 | 2,833 |
| 180 | 180 | Increase/(Decrease) in Other Liabilities | 56 | 56 |
| 3 | 3 | Increase/(Decrease) in Provisions | (14) | (14) |
| 0 | 0 | NHS charitable fund adjustments for non-cashflows | 0 | (4) |
| 0 | 208 | Other movements in operating cash flows | 0 | 0 |
| 6,818 | 6,779 | NET CASH GENERATED FROM/(USED IN) OPERATIONS | 6,296 | 6,350 |
| | | Cash flows from investing activities | | |
| 48 | 84 | Interest received | 26 | 55 |
| (159) | (159) | Purchase of intangible assets | (11) | (11) |
| (24,115) | (24,115) | Purchase of Property, Plant and Equipment | (4,527) | (4,527) |
| 0 | 0 | Sales of Property, Plant and Equipment | 70 | 70 |
| (24,226) | (24,190) | Net cash generated from/(used in) investing activities | (4,442) | (4,413) |
| | | Cash flows from financing activities | | |
| 1,025 | 1,025 | Public dividend capital received/(repaid) | (700) | (700) |
| 9,800 | 9,800 | Loans received from the Foundation Trust Financing Facility | 0 | 0 |
| (684) | (684) | Loans repaid to the Foundation Trust Financing Facility | (1,131) | (1,131) |
| (27) | (27) | Capital element of finance lease rental payments | (29) | (29) |
| (516) | (516) | Interest paid | (640) | (640) |
| (9) | (9) | Interest element of finance lease | (7) | (7) |
| (1,237) | (1,237) | PDC Dividend paid | (1,469) | (1,469) |
| 8,352 | 8,352 | Net cash generated from/(used in) financing activities | (3,976) | (3,976) |
| (9,056) | (9,059) | Increase/(decrease) in cash and cash equivalents | (2,122) | (2,039) |
| 20,665 | 21,106 | Cash and Cash equivalents at 1 April | 11,609 | 12,047 |
| 11,609 | 12,047 | Cash and Cash equivalents at 31 March | 9,487 | 10,008 |

8 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 NHS Foundation Trust Annual Reporting Manual 2015/16 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 Charity

The Trust is the corporate trustee to the Walton Centre Charity (the Charity). The Charity's name changed from the Walton Centre Neuroscience Fund on 30 April 2015. The Trust has assessed its relationship with the Charity and determined it to be a subsidiary because the Trust has the power to govern the financial and operating policies of the Charity so as to obtain benefits from its activities for itself, its patients and its staff.

The Charity's statutory accounts are prepared to 31 March in accordance with the UK Charities Statement of Recommended Practice (SORP) FRS102 which is based on UK Generally Accepted Accounting Policies (UK GAAP). On consolidation, necessary adjustments are made to the Charity's assets, liabilities and transactions to:

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

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 North West Commissioning Hub: Cheshire and Mersey) for specialist treatment, Liverpool Clinical Commissioning Group for non-specialist services (as contract lead for the majority of non-specialist CCG activity) 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.

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 employees, 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 2016 by an external valuer, 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 (revised April 2014), the International Valuation Standards and International Financial Reporting Standards. The valuation of this specialised property was principally derived using the Depreciated Replacement Cost method, on a modern equivalent asset basis with other in-use property reported on an Existing Use Value 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. The Charity investments are 'available for sale'.

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.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets which are either designated in this category or not classified in any of the other categories. They are included in long-term assets unless the Trust intends to dispose of them within 12 months of the Statement of Financial Position date.

Available-for-sale financial assets are recognised initially at fair value, including transaction costs, and measured subsequently at fair value, with gains or losses recognised in reserves and reported in the Statement of Comprehensive Income as an item of “other comprehensive income”. When items classified as “available-for-sale” are sold or impaired, the accumulated fair value adjustments recognised are transferred from reserves and recognised in “finance costs” in the Statement of Comprehensive Income.

Other financial liabilities

Other financial liabilities are recognised in 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. The excess on these claims payable by the Trust is included in the accounts and disclosure in Note 17 as “other legal claims”.

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 2016.

1.21 Operating Segments

The Trust is the UK's only specialist neurological centre and sees patients with neurological associated conditions referred from all over the country. Contracts for services are negotiated with 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

| 2014/15 | | | 2015/16 | |
|------------------|----------------|---|------------------|----------------|
| Foundation Trust | Group | | Foundation Trust | Group |
| £000 | £000 | | £000 | £000 |
| | | Income from activities | | |
| 441 | 441 | NHS Trusts / NHS Foundation Trusts | 499 | 499 |
| 76,924 | 76,924 | CCGs / NHS England | 83,168 | 83,168 |
| 14,187 | 14,187 | NHS Other | 14,788 | 14,788 |
| 321 | 321 | Non NHS: Private patients | 264 | 264 |
| 0 | 0 | Non-NHS: Overseas patients (non-reciprocal) | 275 | 275 |
| 541 | 541 | NHS injury scheme (was RTA) | 422 | 422 |
| 0 | 0 | Additional income for delivery of healthcare services | 700 | 700 |
| 844 | 844 | Non NHS: Other | 1,325 | 1,325 |
| 93,258 | 93,258 | Total income from activities | 101,441 | 101,441 |
| 1,896 | 1,896 | Research and development | 2,175 | 2,175 |
| 3,636 | 3,636 | Education and training | 3,574 | 3,574 |
| 527 | 26 | Charitable and other contributions to expenditure | 88 | 0 |
| 410 | 410 | Non-patient care services to other bodies | 434 | 434 |
| 537 | 497 | Other | 1,395 | 1,302 |
| 445 | 445 | Rental revenue from operating leases | 730 | 730 |
| 343 | 343 | Income in respect of staff costs where accounted on gross basis | 218 | 218 |
| 0 | 553 | Charitable incoming resources (excluding investment income) | 0 | 399 |
| 7,794 | 7,806 | Total other operating income | 8,614 | 8,832 |
| 101,052 | 101,064 | SUBTOTAL | 110,055 | 110,273 |
| 0 | 0 | Reversal of impairment of property, plant and income | 687 | 687 |
| 101,052 | 101,064 | TOTAL OPERATING INCOME | 110,742 | 110,960 |

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, Northern Ireland and the Isle of Man.

Note 2.2 Income from Activities by Class

| 2014/15 | Foundation Trust and Group | 2015/16 |
|---------------|-------------------------------------|----------------|
| £000 | | £000 |
| 23,524 | Elective income | 24,432 |
| 12,128 | Non-elective income | 11,777 |
| 22,473 | Outpatient income | 23,411 |
| 34,781 | Other NHS clinical income | 40,826 |
| 321 | Private patient income | 264 |
| 31 | Other clinical income | 731 |
| 93,258 | Total income from activities | 101,441 |

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 income in respect of NHS services in England exceeds all other sources of income.

Note 2.3 Analysis of Other Income

| 2014/15 | | | 2015/16 | | |
|--------------------------|---------------|-----------------------------------|--------------------------|---------------|--|
| Foundation Trust £000 | Group £000 | | Foundation Trust £000 | Group £000 | |
| 96 | 96 | Car parking | 113 | 113 | |
| 267 | 267 | Clinical excellence awards | 223 | 223 | |
| 35 | 35 | Catering | 28 | 28 | |
| 3 | 3 | Workforce funding | 135 | 135 | |
| 0 | 0 | Vanguard funding from NHS England | 659 | 659 | |
| 136 | 96 | Other | 237 | 144 | |
| 537 | 497 | Total | 1,395 | 1,302 | |

Note 2.4 Operating Lease Income

| 2014/15 £000 | Foundation Trust and Group | 2015/16 £000 |
|-----------------|--|-----------------|
| | Operating Lease Income | |
| 445 | Rents recognised as income in the period | 730 |
| 445 | TOTAL | 730 |
| | Future minimum lease payments due | |
| 382 | - not later than one year; | 382 |
| 1,440 | - later than one year and not later than five years; | 1,412 |
| 18,262 | - later than five years. | 17,878 |
| 20,084 | TOTAL | 19,672 |

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 RVS and the lease of part of the Sid Watkins building to Mersey Care NHS Trust for their brain injury rehabilitation unit.

Note 3.1 Operating Expenses (by type)

| 2014/15 | | | 2015/16 | |
|------------------|----------------|--|------------------|----------------|
| Foundation Trust | Group | | Foundation Trust | Group |
| £000 | £000 | | £000 | £000 |
| 938 | 938 | Employee Expenses - Executive directors | 943 | 943 |
| 133 | 133 | Employee Expenses - Non-executive directors | 130 | 130 |
| 54,657 | 54,777 | Employee Expenses - Staff | 58,527 | 58,657 |
| 936 | 936 | Employee Expenses - Research and Development Staff | 1,166 | 1,166 |
| 7,631 | 7,631 | Drug costs | 12,347 | 12,347 |
| 17,674 | 17,674 | Supplies and services - clinical (excluding drug costs) | 18,650 | 18,650 |
| 3,744 | 3,744 | Supplies and services - general | 3,427 | 3,427 |
| 1,247 | 1,247 | Establishment | 1,262 | 1,262 |
| 933 | 933 | Research and development | 767 | 767 |
| 3,431 | 3,431 | Premises | 3,797 | 3,797 |
| 310 | 310 | Rentals under operating leases | 108 | 108 |
| (55) | (55) | Increase/(decrease) in provision for impairment of receivables | (2) | (2) |
| 29 | 29 | Increase in other provisions | 12 | 12 |
| 47 | 47 | Inventories consumed | 25 | 25 |
| 3,201 | 3,201 | Depreciation on property, plant and equipment | 4,010 | 4,010 |
| 62 | 62 | Amortisation on intangible assets | 58 | 58 |
| | | Audit fees: | | |
| 54 | 54 | - audit services - statutory audit | 54 | 54 |
| 0 | 1 | - independent examination of charitable fund accounts | 0 | 1 |
| 69 | 69 | Internal audit | 73 | 73 |
| 1,393 | 1,393 | Clinical negligence | 1,362 | 1,362 |
| 5 | 5 | Loss/(gain) on disposal of property, plant and equipment | (40) | (40) |
| 29 | 29 | Legal fees | 26 | 26 |
| 128 | 128 | Consultancy costs | 318 | 318 |
| 292 | 292 | Training, courses and conferences | 395 | 395 |
| 185 | 185 | Patient travel | 189 | 189 |
| 217 | 217 | Car parking & Security | 329 | 329 |
| 17 | 17 | Hospitality | 13 | 13 |
| 46 | 46 | Insurance | 52 | 52 |
| 729 | 729 | Other services, e.g. external payroll | 658 | 658 |
| 35 | 35 | Losses, ex gratia & special payments | 25 | 25 |
| 0 | 132 | NHS charitable funds other resources expended | 0 | 81 |
| 56 | 56 | Other | 230 | 230 |
| 98,173 | 98,426 | SUBTOTAL | 108,911 | 109,123 |
| 2,031 | 2,031 | Impairments of property, plant and equipment | 0 | 0 |
| 100,204 | 100,457 | TOTAL OPERATING EXPENSES | 108,911 | 109,123 |

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

Note 3.2 Employee expenses

| | Group Total | | Foundation Trust Only | | |
|---|---------------|-------------|-----------------------|---------------|--------------|
| | Total | Charity | Total | Permanent | Other |
| 2015/16 | £000 | £000 | £000 | £000 | £000 |
| Salaries and wages | 49,338 | 110 | 49,228 | 48,267 | 961 |
| Social security costs | 3,715 | 8 | 3,707 | 3,707 | 0 |
| Employers contributions to NHS Pensions | 5,264 | 12 | 5,252 | 5,252 | 0 |
| Termination benefits | 80 | 0 | 80 | 80 | 0 |
| Agency/contract staff | 2,369 | 0 | 2,369 | 0 | 2,369 |
| TOTAL | 60,766 | 130 | 60,636 | 57,306 | 3,330 |
| | £000 | £000 | £000 | £000 | £000 |
| 2014/15 | | | | | |
| Salaries and wages | 45,482 | 102 | 45,380 | 44,132 | 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 |
| Termination benefits | 160 | 0 | 160 | 160 | 0 |
| Agency/contract staff | 2,890 | 0 | 2,890 | 0 | 2,890 |
| TOTAL | 56,651 | 120 | 56,531 | 52,393 | 4,138 |

Note 3.3 Employee expenses (analysed into operating expenses)

| | Group Total | | Foundation Trust Only | | |
|-------------------------------------|---------------|-------------|-----------------------|---------------|--------------|
| | Total | Charity | Total | Permanent | Other |
| 2015/16 | £000 | £000 | £000 | £000 | £000 |
| Employee Expenses - Staff | 58,657 | 130 | 58,527 | 55,197 | 3,330 |
| Employee Expenses - Exec. directors | 943 | 0 | 943 | 943 | 0 |
| Research & development | 1,166 | 0 | 1,166 | 1,166 | 0 |
| Total Employee benefits | 60,766 | 130 | 60,636 | 57,306 | 3,330 |
| | £000 | £000 | £000 | £000 | £000 |
| 2014/15 | | | | | |
| 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 |
| Total Employee benefits | 56,651 | 120 | 56,531 | 52,393 | 4,138 |

Note 3.4 Average number of employees (whole time equivalent)

| | Group Total | Charity | Foundation Trust Only | | |
|---|-----------------|---------------------|-----------------------|---------------------|-----------------|
| | Total Number | Permanent Number | Total Number | Permanent Number | Other Number |
| 2015/16 | | | | | |
| Medical and dental | 156 | 0 | 156 | 156 | 0 |
| Administration and estates | 314 | 0 | 314 | 314 | 0 |
| Healthcare assistants and other support staff | 195 | 0 | 195 | 195 | 0 |
| Nursing, midwifery and health visiting staff | 398 | 0 | 398 | 398 | 0 |
| Scientific, therapeutic and technical staff | 189 | 0 | 189 | 189 | 0 |
| Agency and contract staff | 64 | 0 | 64 | 0 | 64 |
| Other | 3 | 3 | 0 | 0 | 0 |
| TOTAL | 1,319 | 3 | 1,316 | 1,252 | 64 |
| 2014/15 | | | | | |
| 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 |
| TOTAL | 1,251 | 3 | 1,248 | 1,171 | 77 |

Note 3.5 Staff exit packages

Foundation Trust and Group

| | 2015/16 | | | 2014/15 | | |
|--|---|---|---|---|---|---|
| | Number of Compulsory Redundancies | Number of Other departures agreed | Total Number Exit Packages per band | Number of Compulsory Redundancies | Number of Other departures agreed | Total Number Exit Packages per band |
| Exit Package Cost Band £000 | | | | | | |
| Under 10 | 0 | 2 | 2 | 0 | 3 | 3 |
| 10 - 25 | 0 | 0 | 0 | 0 | 2 | 2 |
| 25 - 50 | 0 | 0 | 0 | 0 | 1 | 1 |
| 50 - 100 | 0 | 1 | 1 | 0 | 1 | 1 |
| Total Number of exit Packages | 0 | 3 | 3 | 0 | 7 | 7 |
| Total Cost £000 | 0 | 80 | 80 | 0 | 160 | 160 |

During the financial year 2015/16 one member of staff left the Trust through a mutually agreed resignation scheme (MARS) arrangement (2014/15: 7).

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

| Name | Position | 2015/2016 | | | 2014/2015 | | |
|--------------------------------|--|--------------|----------------------------------|----------------|--------------|----------------------------------|----------------|
| | | Remuneration | Employer Contribution to Pension | Other Benefits | Remuneration | Employer Contribution to Pension | Other Benefits |
| | | £000 | £000 | £000 | £000 | £000 | £000 |
| Executive Directors | | | | | | | |
| Gill Brown | Director of Corporate and Research Governance (to 31 Oct 2014) | N/A | N/A | N/A | 48 | 7 | 0 |
| Mike Burns | Acting Director of Finance (1 Apr to 30 Jun 2014, 1 Nov 2015 to 31 Mar 2016) | 35 | 5 | 0 | 23 | 3 | 0 |
| Hayley Citrine | Director of Nursing and Modernisation (from 21 Apr 2014) | 98 | 14 | 0 | 89 | 12 | 0 |
| Peter Enevoldson | Medical Director * | 27 | 0 | 0 | 27 | 0 | 0 |
| Mike Gibney | Director of Workforce | 84 | 12 | 0 | 79 | 11 | 0 |
| Chris Harrop | Chief Executive | 145 | 20 | 3 | 137 | 19 | 3 |
| Stephen Kennedy | Director of Finance (1 Jul 2014 to 31 Oct 2015)** | 135 | 10 | 7 | 83 | 12 | 4 |
| Stuart Moore | Director of Strategy and Planning | 106 | 15 | 0 | 98 | 14 | 0 |
| David Pilsbury | Director of Governance and Risk (to 31 Oct 2014) | N/A | N/A | N/A | 47 | 7 | 0 |
| Julie Riley | Acting Director of Operations and Performance (to 30 Jun 2014) | N/A | N/A | N/A | 24 | 3 | 0 |
| Jayne Wood | Director of Operations and Performance (from 1 Jul 2014) | 104 | 15 | 0 | 72 | 10 | 0 |
| Non-Executive Directors | | | | | | | |
| David Chadwick | Non Executive Director (to 30 Jun 2015) | 3 | 0 | 0 | 11 | 0 | 0 |
| Seth Crofts | Non Executive Director | 13 | 0 | 0 | 13 | 0 | 0 |
| Ken Hoskisson | Chair | 43 | 0 | 3 | 43 | 0 | 1 |
| Peter Humphrey | Non Executive Director (from 1 Sep 2015) | 7 | 0 | 0 | N/A | N/A | N/A |
| Christine Lee Jones | Non Executive Director (to 31 Aug 2014) | N/A | N/A | N/A | 5 | 0 | 0 |
| Ann McCracken | Non Executive Director | 13 | 0 | 0 | 13 | 0 | 0 |
| Janet Rosser | Non Executive Director | 15 | 0 | 2 | 15 | 0 | 1 |
| Sheila Samuels | Non Executive Director (from 1 Sep 2015) | 7 | 0 | 0 | N/A | N/A | N/A |
| Alan Sharples | Non Executive Director | 15 | 0 | 2 | 15 | 0 | 1 |
| Wendy Williams | Non Executive Director (from 1 Aug 2014 to 31 Jul 2015) | 4 | 0 | 2 | 7 | 0 | 0 |

*Peter Enevoldson also received remuneration of £188,000 (2014/15: £177,000) in respect of his role as Consultant Neurologist.

**Included within Stephen Kennedy's remuneration of £134,800 are £66,100 of contractual payments for loss of office included in Note 3.5 above. His remuneration for the year comprised:

| | |
|--|----------------|
| | £ |
| Contractual pay 1 Apr – Oct 15 | 68,700 |
| Payment in lieu of notice (6 months' salary 1 Nov 15 to 30 Apr 16) | 57,500 |
| Payment in lieu of car lease (1 Nov 15 to 30 Apr 16) | 3,600 |
| Payment in lieu of pension contributions (1 Nov 15 to 30 Apr 16) | 3,500 |
| Payment in lieu of annual leave | 1,500 |
| Total payments for loss of office | <u>66,100</u> |
| Total remuneration | <u>134,800</u> |

Seven employees serving as executive directors during 2015/16 (2014/15: 10) 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 two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal

actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”. An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary’s Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes.

The valuation of scheme liability as at 31 March 2016 is based on valuation data as 31 March 2015, updated to 31 March 2016 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. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account their recent demographic experience), and to recommend contribution rates payable by employees and employers.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012.

The Scheme Regulations allow for the level of contribution rates to be changed 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.

Note 5 Retirements due to ill health

Foundation Trust and Group

During the period 1 April 2015 to 31 March 2016 there were two early retirements from the NHS Trust agreed on the grounds of ill-health valued at £68,254 (2014/15: none).

Note 6.1 Operating leases

| 2014/15 £000 | Foundation Trust and Group | 2015/16 £000 |
|-----------------|----------------------------|-----------------|
| 310 | Minimum lease payments | 108 |
| 310 | TOTAL | 108 |

Note 6.2 Arrangements containing an operating lease

| 2014/15 £000 | Foundation Trust and Group | 2015/16 £000 |
|-----------------|--|-----------------|
| | Future minimum lease payments due: | |
| 3 | - not later than one year; | 105 |
| 0 | - later than one year and not later than five years; | 308 |
| 0 | - later than five years. | 0 |
| 3 | TOTAL | 413 |

Note 7.1 Finance income

| Foundation Trust 2014/15 £000 | Group 2014/15 £000 | | Foundation Trust 2015/16 £000 | Group 2015/16 £000 |
|-------------------------------------|--------------------------|---|-------------------------------------|--------------------------|
| 0 | 36 | Interest on held-to-maturity financial assets | 0 | 29 |
| 48 | 48 | Bank interest | 26 | 26 |
| 48 | 84 | TOTAL | 26 | 55 |

Note 7.2 Finance expenditure

| Foundation Trust 2014/15 £000 | Group 2014/15 £000 | | Foundation Trust 2015/16 £000 | Group 2015/16 £000 |
|-------------------------------------|--------------------------|---|-------------------------------------|--------------------------|
| 624 | 624 | Interest on Loans from the Independent Trust Financing Facility | 621 | 621 |
| 9 | 9 | Interest on Finance leases | 7 | 7 |
| 633 | 633 | TOTAL | 628 | 628 |

Note 8 Impairment of assets

During 2015/16 following a review of the Trust's assets, including a revaluation of land and buildings by the Trust's valuers, no impairments were identified. In 2014/15 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. In 2015/16 £686,961 of this impairment was reversed following an upward revaluation of the new building. Further details of the valuation are included in Note 1. There have been no impairments identified on other assets in the Trust (2014/15: none).

Note 9 Intangible assets

| Foundation Trust and Group | Software licences (purchased) | |
|-----------------------------------|----------------------------------|-----------------|
| | 2015/16 £000 | 2014/15 £000 |
| Valuation/Gross cost at 1 April | 571 | 487 |
| Additions - purchased | 11 | 159 |
| Disposals | 0 | (75) |
| Gross cost at 31 March | 582 | 571 |
| Amortisation at 1 April | 381 | 394 |
| Provided during the year | 58 | 62 |
| Disposals | 0 | (75) |
| Amortisation at 31 March | 439 | 381 |
| Net Book Value at 31 March | 143 | 190 |

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 – 2015/16

| Foundation Trust and Group | Total £000 | Land £000 | Buildings excluding dwellings £000 | Assets Under Construction £000 | Plant & Equipment £000 | Information Technology £000 | Furniture & fittings £000 |
|--|---------------|--------------|---|---|------------------------------|-----------------------------------|---------------------------------|
| Valuation/Gross cost at 1 April 2015 | 88,944 | 2,490 | 59,289 | 225 | 22,946 | 3,285 | 709 |
| Additions - purchased | 4,244 | 0 | 405 | 993 | 2,378 | 438 | 30 |
| Impairments | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Reclassifications | 0 | 0 | 187 | (452) | 0 | 265 | 0 |
| Revaluations | 441 | 330 | 111 | 0 | 0 | 0 | 0 |
| Disposals | (2,439) | 0 | 0 | 0 | (2,286) | (153) | 0 |
| Valuation/Gross cost at 31 March 2016 | 91,190 | 2,820 | 59,992 | 766 | 23,038 | 3,835 | 739 |
| Accumulated depreciation at 1 April 2015 | 12,957 | 0 | 0 | 0 | 11,673 | 1,095 | 189 |
| Provided during the year | 4,010 | 0 | 1,453 | 0 | 1,917 | 592 | 48 |
| Impairments | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Reclassifications | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Revaluation surpluses | (1,453) | 0 | (1,453) | 0 | 0 | 0 | 0 |
| Disposals | (2,409) | 0 | 0 | 0 | (2,258) | (151) | 0 |
| Accumulated depreciation at 31 March 2016 | 13,105 | 0 | 0 | 0 | 11,332 | 1,536 | 237 |

Note 10.2 Property Plant and Equipment – 2014/15

| Foundation Trust and Group | Total | Land | Buildings excluding dwellings | Assets Under Construction | Plant & Equipment | Information Technology | Furniture & fittings |
|--|---------------|--------------|-------------------------------------|---------------------------------|----------------------|---------------------------|-------------------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Valuation/Gross cost at 1 April 2014 | 70,708 | 1,820 | 32,472 | 12,122 | 21,699 | 2,280 | 315 |
| 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 |
| Valuation/Gross cost at 31 March 2015 | 88,944 | 2,490 | 59,289 | 225 | 22,946 | 3,285 | 709 |
| Accumulated depreciation at 1 April 2014 | 11,976 | 0 | 0 | 0 | 11,330 | 495 | 151 |
| Provided during the year | 3,201 | 0 | 909 | 0 | 1,846 | 421 | 25 |
| Impairments | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 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 |
| Accumulated depreciation at 31 March 2015 | 12,957 | 0 | 0 | 0 | 11,673 | 1,095 | 189 |

Note 10.3 Property Plant and Equipment Financing

| Foundation Trust and Group | Total | Land | Buildings excluding dwellings | Assets under construction | Plant & Equipment | Information Technology | Furniture & Fittings |
|--|---------------|--------------|-------------------------------------|---------------------------------|----------------------|---------------------------|-------------------------|
| Net book value 31 March 2016 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Owned | 77,976 | 2,820 | 59,992 | 766 | 11,689 | 2,240 | 469 |
| Finance lease | 59 | 0 | 0 | 0 | 0 | 59 | 0 |
| Donated | 50 | 0 | 0 | 0 | 17 | 0 | 33 |
| Total net book value at 31 March 2016 | 78,085 | 2,820 | 59,992 | 766 | 11,706 | 2,299 | 502 |
| Net book value 31 March 2015 | | | | | | | |
| Owned | 75,835 | 2,490 | 59,289 | 225 | 11,245 | 2,101 | 485 |
| Finance lease | 89 | 0 | 0 | 0 | 0 | 89 | 0 |
| Donated | 63 | 0 | 0 | 0 | 28 | 0 | 35 |
| Total net book value at 31 March 2015 | 75,987 | 2,490 | 59,289 | 225 | 11,273 | 2,190 | 520 |

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 2016 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 Life Years | Max Life Years |
|---------------------------------|----------------------|----------------------|
| Buildings excluding dwellings | 12 | 55 |
| Assets under Construction & POA | 0 | 0 |
| Plant & Equipment | 5 | 15 |
| Information Technology | 3 | 10 |
| Furniture & Fittings | 5 | 25 |

Note 11 Investments

| Group | 31-Mar-16 |
|---|------------|
| 31-Mar-15 | 31-Mar-16 |
| £000 | £000 |
| 977 Carrying value of investments at 1 April | 791 |
| 247 Acquisitions in the year | 129 |
| 24 Movement in fair value of available for sale financial assets recognised in other income | (48) |
| (457) Disposals | (139) |
| 791 Carrying value of investments at 31 March | 733 |

Note 12.1 Inventories

| 31-Mar-15 | Foundation Trust and Group | 31-Mar-16 |
|------------|----------------------------|------------|
| £000 | | £000 |
| 647 | Consumables | 936 |
| 647 | TOTAL Inventories | 936 |

Note 12.2 Inventories Recognised in Expenses

| 31-Mar-15 | Foundation Trust and Group | 31-Mar-16 |
|--------------|--|--------------|
| £000 | | £000 |
| 4,352 | Inventories recognised in expenses | 3,932 |
| 47 | Write-down of inventories recognised as an expense | 25 |
| 4,399 | TOTAL Inventories recognised in expenses | 3,957 |

Note 13.1 Trade Receivables and Other Receivables

| 31-Mar-15 | | | 31-Mar-16 | | |
|--|--|--------------|--|--|--------------|
| Foundation Trust | | Group | Foundation Trust | | Group |
| £000 | | £000 | £000 | | £000 |
| 1,998 | | 2,015 | 1,599 | | 1,599 |
| 16 | | 0 | 77 | | 0 |
| (279) | | (279) | (262) | | (262) |
| 541 | | 541 | 723 | | 723 |
| 1,063 | | 1,063 | 2,416 | | 2,416 |
| 51 | | 51 | 0 | | 0 |
| 617 | | 608 | 864 | | 875 |
| TOTAL CURRENT TRADE AND OTHER RECEIVABLES | | | TOTAL CURRENT TRADE AND OTHER RECEIVABLES | | |
| 4,007 | | 3,999 | 5,417 | | 5,351 |

Note 13.2 Provision for Impairment of Receivables

| Foundation Trust and Group | | |
|----------------------------|-------------------------|------------|
| 31-Mar-15 | | 31-Mar-16 |
| £000 | | £000 |
| 335 | At 1 April | 279 |
| 204 | Increase in provision | 178 |
| (1) | Amounts utilised | (15) |
| (259) | Unused amounts reversed | (180) |
| 279 | At 31 March | 262 |

Note 13.3 Analysis of Impaired Receivables

Foundation Trust and Group

| | 31-Mar-16 | | 31-Mar-15 | |
|---|------------------------|------------------------|------------------------|------------------------|
| | £000 Trade Receivables | £000 Other Receivables | £000 Trade Receivables | £000 Other Receivables |
| Ageing of impaired receivables | | | | |
| 0 - 30 days | 0 | 0 | 59 | 0 |
| 30-60 Days | 0 | 0 | 0 | 0 |
| 60-90 days | 0 | 0 | 0 | 0 |
| 90- 180 days | 0 | 0 | 7 | 0 |
| over 180 days | 258 | 4 | 190 | 23 |
| Total | 258 | 4 | 256 | 23 |
| Ageing of non-impaired receivables past their due date | | | | |
| 0 - 30 days | 1,742 | 0 | 1,711 | 0 |
| 30-60 Days | 50 | 0 | 157 | 0 |
| 60-90 days | 135 | 0 | 7 | 0 |
| 90- 180 days | 61 | 0 | 210 | 0 |
| over 180 days | 0 | 0 | 0 | 0 |
| Total | 1,988 | 0 | 2,085 | 0 |

Note 14 Cash and Cash Equivalents

| 31-Mar-15 | | | 31-Mar-16 | |
|------------------|---------------|---|------------------|---------------|
| Foundation Trust | Group | | Foundation Trust | Group |
| £000 | £000 | | £000 | £000 |
| 20,665 | 21,106 | At 1 April | 11,609 | 12,047 |
| (9,056) | (9,059) | Net change in year | (2,122) | (2,039) |
| 11,609 | 12,047 | At 31 March | 9,487 | 10,008 |
| | | Comprising: | | |
| 47 | 485 | Cash at commercial banks and in hand | 14 | 14 |
| 11,562 | 11,562 | Cash with the Government Banking Service | 9,473 | 9,994 |
| 11,609 | 12,047 | Cash and cash equivalents as in SoCF | 9,487 | 10,008 |

Note 15 Trade and Other Payables

| 31-Mar-15 | | | 31-Mar-16 | |
|------------------|---------------|---|------------------|---------------|
| Foundation Trust | Group | | Foundation Trust | Group |
| £000 | £000 | | £000 | £000 |
| | | Current | | |
| 922 | 922 | NHS payables - revenue | 1,639 | 1,639 |
| 998 | 998 | Other trade payables - capital | 715 | 715 |
| 2,189 | 2,215 | Other trade payables - revenue | 3,206 | 3,212 |
| 519 | 519 | Social Security costs | 554 | 554 |
| 281 | 281 | VAT payable | 124 | 124 |
| 604 | 604 | Other taxes payable | 625 | 625 |
| 1,145 | 1,145 | Other payables | 1,230 | 1,230 |
| 3,894 | 3,894 | Accruals | 4,989 | 4,989 |
| 0 | 0 | PDC dividend payable | 15 | 15 |
| 10,552 | 10,578 | TOTAL CURRENT TRADE AND OTHER PAYABLES | 13,097 | 13,103 |

Note 16 Borrowings

| 31-Mar-15 | Foundation Trust and Group | 31-Mar-16 |
|---------------|---|---------------|
| £000 | | £000 |
| | Current | |
| 1,131 | Loans from Independent Trust Financing Facility | 1,131 |
| 29 | Obligations under finance leases | 32 |
| 1,160 | TOTAL CURRENT BORROWINGS | 1,163 |
| | Non-current | |
| 25,249 | Loans from Independent Trust Financing Facility | 24,117 |
| 76 | Obligations under finance leases | 45 |
| 25,325 | TOTAL OTHER NON CURRENT LIABILITIES | 24,162 |

Note 17.1 Provisions for Liabilities and Charges

| Foundation Trust and Group | Current | | Non-current | |
|----------------------------------|------------|------------|-------------|------------|
| | 31-Mar-16 | 31-Mar-15 | 31-Mar-16 | 31-Mar-15 |
| | £000 | £000 | £000 | £000 |
| Pensions relating to other staff | 26 | 27 | 265 | 275 |
| Other legal claims | 20 | 19 | 0 | 0 |
| Other | 513 | 513 | 0 | 0 |
| Total | 559 | 559 | 265 | 275 |

Note 17.2 Analysis of Provisions for Liabilities and Charges

| Foundation Trust and Group | Total | Pensions - other staff | Other legal claims | Other |
|--|------------|------------------------|--------------------|------------|
| | £000 | £000 | £000 | £000 |
| At 1 April 2015 | 834 | 302 | 19 | 513 |
| Change in the discount rate | 12 | 12 | 0 | 0 |
| Arising during the year | 27 | 0 | 27 | 0 |
| Utilised during the year | (53) | (27) | (26) | 0 |
| Unwinding of discount | 4 | 4 | 0 | 0 |
| At 31 March 2016 | 824 | 291 | 20 | 513 |
| Expected timing of cashflows: | | | | |
| - not later than one year; | 559 | 26 | 20 | 513 |
| - later than one year and not later than five years; | 137 | 137 | 0 | 0 |
| - later than five years. | 128 | 128 | 0 | 0 |
| TOTAL | 824 | 291 | 20 | 513 |

The pension provision relates to the anticipated costs relating to the enhanced element of ill health pensions for former employees. These entitlements are explained in Note 4.

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.

£7,287,369 (2014/15: £11,067,721) is included in the provisions of the NHS Litigation Authority at 31 March 2016 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-15 £000 | Foundation Trust and Group | 31-Mar-16 £000 |
|-------------------|--|-------------------|
| 482 | Other Deferred income | 538 |
| 482 | TOTAL OTHER CURRENT LIABILITIES | 538 |

Note 19 Contingencies

The Trust has £11,875 contingent liabilities relating to NHS Litigation Authority cases as at 31 March 2016 (2014/15: £14,250). There have been no contingent assets or other contingent liabilities recognised at 31 March 2016 (2014/15: nil)

Note 20 Revaluation Reserve

| Foundation Trust and Group | Total revaluation reserve £000 | Property, plant and equipment £000 |
|---|---|---|
| Revaluation Reserve at 1 April 2015 | 3,269 | 3,269 |
| Revaluations | 1,207 | 1,207 |
| Transfers to other reserves | (4) | (4) |
| Revaluation reserve at 31 March 2016 | 4,472 | 4,472 |

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

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 2016.

Note 21 Capital Commitments

At 31 March the Trust had capital commitments of £6,357,756 (31 March 2015: £458,717) in relation to orders for capital items.

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 2016 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 2016 with a fair value of £733,258 (31 March 2015: £791,000). The book value of these assets is £665,830 (31 March 2015: £664,000).

Note 22.3 Financial Assets by Category

| | Foundation Trust | | Group | | |
|--|------------------|-----------------------|---------------|-----------------------|--------------------|
| | Total | Loans and receivables | Total | Loans and receivables | Available for sale |
| | £000 | £000 | £000 | £000 | £000 |
| Assets per Statement of Financial Position at 31 March 2016 | | | | | |
| Trade and other receivables | 4,475 | 4,475 | 4,408 | 4,408 | 0 |
| Other Investments | 0 | 0 | 733 | 0 | 733 |
| Cash and cash equivalents at bank and in hand | 9,487 | 9,487 | 10,008 | 10,008 | 0 |
| Total as at 31 March 2016 | 13,962 | 13,962 | 15,149 | 14,416 | 733 |
| Assets per Statement of Financial Position at 31 March 2015 | | | | | |
| Trade and other receivables | 3,178 | 3,178 | 3,120 | 3,120 | 0 |
| Other Investments | 0 | 0 | 791 | 0 | 791 |
| Cash and cash equivalents at bank and in hand | 11,609 | 11,609 | 12,047 | 12,047 | 0 |
| Total as at 31 March 2015 | 14,787 | 14,787 | 15,958 | 15,167 | 791 |

Note 22.4 Financial Liabilities by Category

| | Foundation Trust | | Group | |
|---|------------------|-----------------------------|---------------|-----------------------------|
| | Total | Other financial liabilities | Total | Other financial liabilities |
| | £000 | £000 | £000 | £000 |
| Liabilities per Statement of Financial Position at 31 March 2016 | | | | |
| Borrowings excluding Finance lease and PFI liabilities | 25,248 | 25,248 | 25,248 | 25,248 |
| Obligations under finance leases | 77 | 77 | 77 | 77 |
| Trade and other payables | 10,691 | 10,691 | 10,697 | 10,697 |
| Total at 31 March 2016 | 36,016 | 36,016 | 36,022 | 36,022 |
| Liabilities per Statement of Financial Position at 31 March 2015 | | | | |
| 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 |
| Total at 31 March 2015 | 34,517 | 34,517 | 34,543 | 34,543 |

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 financial year. The dividend is payable in two instalments in September and March.

Note 25 Third Party Balances

At 31 March 2016 the Trust held £387 on behalf of patients (31 March 2015: £266).

Note 26 Related Party Transactions

The Walton Centre NHS Foundation Trust is a public interest body authorised by Monitor (NHS Improvement from 1 April 2016), 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.

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

| Organisation | Income | Expenditure | Receivables Outstanding | Payables Outstanding |
|------------------------------|---------------|--------------------|------------------------------------|---------------------------------|
| | £000 | £000 | £000 | £000 |
| Aintree NHS Foundation Trust | 94 | 3,756 | 84 | 907 |
| Liverpool CCG | 3,184 | 0 | 180 | 0 |
| South Sefton CCG | 1,154 | 0 | 141 | 0 |
| NHS England | 74,323 | 10 | 350 | 1,844 |
| Health Education England | 3,568 | 0 | 0 | 93 |
| NHS Litigation Authority | 0 | 1,362 | 0 | 0 |

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

| Organisation | Income | Expenditure | Receivables Outstanding | Payables Outstanding |
|---|---------------|--------------------|------------------------------------|---------------------------------|
| | £000 | £000 | £000 | £000 |
| Welsh Assembly Government including all Welsh Health bodies | 14,728 | 0 | 32 | 143 |

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 (2014/15: £80,000) was made to the company to enable it to carry out its objectives.

The Trust's Council of Governors comprise 17 elected Governors, 4 staff Governors and 12 appointed Partnership Governors. Governors are drawn from a range of stakeholders including patient groups, neurological charities, research and academic groups, CCGs, Local Authorities, NHS England and Wales. Therefore, many, by the nature of their appointment, have interests in organisations with whom the Trust contracts. A register of interests is maintained and declarations of interests are given at each Governor meeting.

Since 2013/14 the Trust has included the Walton Centre Charity 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 2015/16 and its balance sheet at 31 March 2016 are summarised as:

| Summary statement of financial activities | 2015/16 | 2014/15 |
|--|------------------|------------------|
| | £'000 | £'000 |
| Incoming resources | 428 | 589 |
| Resources expended | <u>(393)</u> | <u>(794)</u> |
| Net incoming resources | 35 | (205) |
| Gains/(losses) on revaluation of investment assets | <u>(48)</u> | <u>24</u> |
| Net movement in funds | (13) | (181) |
| | | |
| Summary balance sheet | 31-Mar-16 | 31-Mar-15 |
| | £'000 | £'000 |
| Fixed asset investments | 733 | 791 |
| Current assets | 532 | 455 |
| Creditors falling due within one year | <u>(83)</u> | <u>(51)</u> |
| Total net assets | <u>1,182</u> | <u>1,195</u> |
| | | |
| Restricted funds | 0 | 0 |
| Unrestricted funds | <u>1,182</u> | <u>1,195</u> |
| Total funds | 1,182 | 1,195 |

Note 27 Losses and Special Payments

During the period the Trust made 17 (2014/15: 9) special payments with a total value of £27,242 (2014/15: £31,099). Of these £24,700 (2014/15: £29,650) related to payments in respect of 4 (2014/15: 5) claims by third parties which are handled by the NHS Litigation Authority. The Trust also wrote off 5 (2014/15:21) debts with a total value of £15,452 (2014/15: £922) and £24,098 (2014/15: £52,138) of stock items due to loss or expiry.

9 Independent Assurance Report



Independent Practitioner's Limited Assurance Report to the Council of Governors of The Walton Centre NHS Foundation Trust on the Quality Report

We have been engaged by the Council of Governors of The Walton Centre NHS Foundation Trust to perform an independent limited assurance engagement in respect of The Walton Centre NHS Foundation Trust's Quality Report for the year ended 31 March 2016 (the "Quality Report") and certain performance indicators contained therein against the criteria set out in Annex 2 to Chapter 7 of the 'NHS Foundation Trust Annual Reporting Manual 2015/16' (the 'Criteria').

Scope and subject matter

The indicators for the year ended 31 March 2016 subject to the limited assurance engagement consist of those national priority indicators as mandated by Monitor:

- Percentage of incomplete pathways within 18 weeks for patients on incomplete pathways
- Maximum waiting time of 62 days from urgent GP referral to first treatment for all cancers

We refer to these national priority indicators collectively as the 'Indicators'.

Respective responsibilities of the Council of Governors and Practitioner

The Council of Governors are responsible for the content and the preparation of the Quality Report covering the relevant indicators and in accordance with the criteria set out in the 'NHS Foundation Trust Annual Reporting Manual 2015/16' issued by Monitor and 'Detailed guidance for external assurance on quality reports 2015/16'.

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that:

- the Quality Report is not prepared in all material respects in line with the Criteria
- the Quality Report is not consistent in all material respects with the sources specified in Monitor's 'Detailed guidance for external assurance on quality reports 2015/16'; and
- the indicators in the Quality Report identified as having been the subject of limited assurance in the Quality Report are not reasonably stated in all material respects in accordance with the 'NHS Foundation Trust Annual Reporting Manual 2015/16' and supporting guidance and

the six dimensions of data quality set out in the 'Detailed guidance for external assurance on quality reports 2015/16'.

We read the Quality Report and consider whether it addresses the content requirements of the NHS Foundation Trust Annual Reporting Manual 2015/16, and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the Quality Report and consider whether it is materially inconsistent with:

- Board minutes for the period 1 April 2015 to 24 May 2016;
- Papers relating to quality reported to the Board over the period 1 April 2015 to 24 May 2016;
- Feedback from Commissioners dated May 2016
- Feedback from Governors dated May 2016;
- Feedback from local Healthwatch organisations dated May 2016;
- Feedback from Overview and Scrutiny Committee dated May 2016;
- The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009,
- The national patient survey dated May 2015;
- The national staff survey dated May 2016;
- Care Quality Commission Intelligent Monitoring Report dated May 2015;
- The Head of Internal Audit's annual opinion over the Trust's control environment dated April 2016;

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with those documents (collectively, the "documents"). Our responsibilities do not extend to any other information.

The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on the fundamental principles of integrity, objectivity, professional competence and

due care, confidentiality and professional behaviour. Our team comprised assurance practitioners and relevant subject matter experts.

This report, including the conclusion, has been prepared solely for the Council of Governors of The Walton Centre NHS Foundation Trust as a body, to assist the Council of Governors in reporting The Walton Centre NHS Foundation Trust's quality agenda, performance and activities. We permit the disclosure of this report within the Annual Report for the year ended 31 March 2016, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicators. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors as a body, and The Walton Centre NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

Assurance work performed

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) – 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board ('ISAE 3000'). Our limited assurance procedures included:

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicators
- making enquiries of management
- analytical procedures
- limited testing, on a selective basis, of the data used to calculate the indicators back to supporting documentation
- comparing the content requirements of the 'NHS Foundation Trust Annual Reporting Manual 2015/16' to the categories reported in the Quality Report; and
- reading the documents.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable measurement techniques which can result in materially different measurements and can affect comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time. It is important to read the Quality Report in the context of the criteria set out in the 'NHS Foundation Trust Annual Reporting Manual 2015/16'.

The scope of our limited assurance work has not included governance over quality or non-mandated indicators which have been determined locally by The Walton Centre NHS Foundation Trust.

Our audit work on the financial statements of The Walton Centre NHS Foundation Trust. is carried out in accordance with our statutory obligations and is subject to separate terms and conditions. This engagement will not be treated as having any effect on our separate duties and responsibilities as The Walton Centre NHS Foundation Trust's external auditors. Our audit reports on the financial statements are made solely to The Walton Centre NHS Foundation Trust's members, as a body, in accordance with paragraph 24(5) of Schedule 7 of the National Health Service Act 2006. Our audit work is undertaken so that we might state to The Walton Centre NHS Foundation Trust's members those matters we are required to state to them in an auditor's report and for no other purpose. Our audits of NHS Foundation Trust's financial statements are not planned or conducted to address or reflect matters in which anyone other than such members as a body may be interested for such purpose. In these circumstances, to the fullest extent permitted by law, we do not accept or assume any responsibility to anyone other than The Walton Centre NHS Foundation Trust] and The Walton Centre NHS Foundation Trust's members as a body, for our audit work, for our audit reports, or for the opinions we have formed in respect of those audits.

Conclusion

Based on the work described in this report, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2016:

- the Quality Report is not prepared in all material respects in line with the Criteria;
- the Quality Report is not consistent in all material respects with the sources specified in Monitor's 'Detailed guidance for external assurance on quality reports 2015/16'; and
- the indicators in the Quality Report identified as having been the subject of limited assurance in the Quality Report are not reasonably stated in all material respects in accordance with the 'NHS Foundation Trust Annual Reporting Manual 2015/16' and supporting guidance and the six dimensions of data quality set out in the 'Detailed guidance for external assurance on quality reports 2015/16'.

Grant Thornton UK LLP
Chartered Accountants
4 Hardman Square
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Manchester
M3 3EB
26 May 2016

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