



Cheshire and Wirral Partnership
NHS Foundation Trust



Annual Report and Accounts 2013-14

Care • Well-being • Partnership

Cheshire and Wirral Partnership NHS Foundation Trust

Annual Report and Accounts 2013-14

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

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Introduction

Foreword from the chairman and chief executive



Welcome to this year's annual report, within which we will be detailing our 2013/14 performance and achievements.

It has been a very interesting and eventful year for both CWP and the NHS overall. Our vision is "*Leading in partnership to improve health and well-being by providing high quality care*" and this report demonstrates how we achieve that vision and strive to continually improve whilst maintaining an emphasis on quality and sound financial capability.

This year saw the launch of our new Trust values – the 6Cs. With a focus on 'care' being at the heart of the organisation, the 6Cs of Care, Compassion, Competence, Courage, Communication and Commitment were adopted as our values as they are all equally relevant to everyone working in the Trust. It is these values that have shaped our performance this year and will continue to do so for the long-term future.

We are very proud of our staff and their continuous commitment to the Trust. There are many examples of our staff achievements, some of which were demonstrated at this year's Annual Members' Meeting where we also hosted our 'Going the Extra Mile' awards and our 'I'm into the 6Cs' awards. Both of these awards gave us the opportunity to say thank you to our staff.

The Trust performed well against its many targets including those around quality of service, patient experience and staff satisfaction. In the national 2013 Care Quality Commission Community Mental Health Survey, the Trust received particularly positive feedback on the good organisation of care as well as providing help when it is needed. Equally, the 2013 NHS Staff Opinion Survey revealed some very positive results that were above the national average, with noticeable highlights including the number of staff who would be happy for a friend or family member to be treated at the Trust, staff having equalities training and a low number of staff witnessing harmful errors.

This year we also hosted our first CWP Good Practice showcase event which resulted in the publication of our first Big Book of Best Practice. Both the event and the book aimed to demonstrate examples of leading clinical practice and to facilitate the sharing of innovative ideas. We were extremely proud to welcome NHS England's director for mental health, Dr Geraldine Strathdee, to the event.

The year however has not been without challenges. CWP continued to work on a number of cost improvement programmes to contribute to the £20 billion efficiency savings the NHS is required to make by 2014/15. Specifically for CWP, this has meant a challenge to both redesign services to further improve outcomes and promote recovery, whilst saving over £10 million over the next two years. As shown in the pages that follow, we have successfully managed the efficiencies required for 2013/14 on both a recurrent and non-recurrent basis without impacting on the quality of care we provide.

We have continued to upgrade our existing facilities, investing in CWP to create environments that enhance and improve patient experience. This includes a £5.4m investment in a newly developed Alderly Unit at Soss Moss in East Cheshire. This new low secure state of the art mental health unit

will include 15 single bedrooms with en-suites, and therapeutic and recreational facilities such as, gym, landscaped gardens and art facilities.

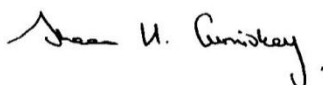
We have also actively participated in the four main integrated care programmes across Wirral, West Cheshire, Vale Royal, South Cheshire and East Cheshire with our local partners in the NHS and local authorities. This is in response to NHS England's 'Call to Action' which asks health and social care providers to work in a more integrated way within their local areas, to provide more joined up and efficient care. These four programmes are still in their early stages but we expect them to develop significantly over the next year.

Our ultimate aim is for the Trust to continue its dedication to improving the health and well-being of our local community, whilst providing innovative new recovery focussed services, including specialist services and new ways of working both within CWP and along with our partner organisations.

We would like to say thank you to everyone who has supported the Trust during the last year and we look forward to continuing to improve services to provide excellent care whilst working in partnership with people who use our services, carers, staff and other key stakeholders for an even more successful future.



David Eva, chairman



Sheena Cumiskey, chief executive

Foreword from the lead governor



It has been another busy year for CWP during 2013/14 with many achievements and challenges along the way. The Trust has strived to perform at a high level and many of our achievements can be demonstrated on pages 10 to 13.

During this exciting year I am pleased that our governors, people who use our services, and carers with lived experience have become involved along the way at a variety of events, meetings and other engagement opportunities. Our stakeholders' involvement in the Trust's progress and performance has ensured that CWP continues to improve the quality of services and care for patients, whilst giving everyone a voice and an opportunity to have their say regarding the direction that the Trust takes.

I would particularly like to express my thanks to governor colleagues who have been continually involved in a wide range of Trust activities throughout the year.

There have been a number of events run by CWP during the year that I was very happy to attend and I was particularly pleased to present at the Annual Members' Meeting at the Floral Pavilion in New Brighton. It was a fantastic event and it was great to see over 100 local people coming along to see the progress of the Trust and it demonstrates how engaged our local people are.

The continued commitment and dedication of our volunteers, involvement representatives and staff is testament to their hard work in supporting those we serve and they are all day to day examples of the Trust's 6Cs in action with 'care' being the obvious stand out 'C' for everyone who goes the extra mile on a day to day basis.

Following a governor by-election in May 2013 we welcomed Deborah Bennett, new service user and carer governor. Then during the annual election held in September 2013 both Deborah Bennett and Phil Jarrold, also as a service user and carer governor, were re-elected for another full term.

In addition we elected the following new governors: Ferguson McQuarrie and Caroline Thomas, service user and carer governors; and Jill Doble and Steven Buckley, therapy staff governors. The Trust then held a further by-election in December 2013 where Brian Crouch, service user and carer governor, was elected. I would like to take this opportunity to welcome the above people to the Trust's Council of Governors.

We also bid a fond farewell to: Jean Campbell, service user and carer; Tim Coad, public governor for Cheshire West and Chester; Kathleen Cooper, public governor for Wirral; Peter Irving, nursing staff governor; Sarah Welton, therapy staff governor; and Caroline Thomas, service user and carer governor. To conclude I would like to say a big thank you to all the Trust's members, people who use our services, carers, staff and the public who have supported the Trust over the past year and we look forward to an even more exciting 2014/15.

A handwritten signature in cursive script that reads "Anna M. Usherwood".

Anna Usherwood, lead governor

Strategic Report

About CWP

Cheshire and Wirral Partnership has been an NHS Foundation Trust since July 2007. Prior to that, it had been an NHS Trust since 2002. Over the last year CWP has:

- over 15,000 Foundation Trust members;
- more than 3,400 staff working over 65 sites;
- served a population of over a million people;
- 2,471 clinical staff who have delivered care to 150,156 service users across 226 clinical services.

The Trust provides a range of both mental health and physical health services. These include community based physical health care services in western Cheshire, inpatient and community Mental Health services for adults and children, Learning Disability and Drug and Alcohol services within Cheshire, Wirral and neighbouring areas. The Trust also provides a range of specialist services within Liverpool, Bolton, Warrington, Halton and Trafford.

Over 94% of the Trust's income comes from contracts with the following bodies:

- NHS Eastern Cheshire CCG
- NHS West Cheshire CCG
- NHS Wirral CCG
- NHS South Cheshire CCG
- NHS Vale Royal CCG
- NHS England
- Cheshire East Unitary Authority
- Cheshire West and Chester Unitary Authority
- Wirral Metropolitan Borough Council
- Trafford Metropolitan Borough Council

Therefore, the Foundation Trust can confirm it has met the requirement as set out within the Health and Social Care Act 2012 in that income for the provision of health services in England is greater than income for any other purpose.

Trust Business Model and Strategy

CWP vision and strategic objectives

As part of the Trust's annual planning process the Board of Directors reaffirmed its vision and strategic objectives that mark the Trust's continued direction. The vision and strategic objectives are a key element of the planning process in setting out our organisational intentions and aspirations for the future.

Our vision

'Leading in partnership to improve health and well-being by providing high quality care.'

Our strategic objectives

1. Deliver high quality, integrated and innovative services that improve outcomes.
2. Ensure meaningful involvement of service users, carers, staff and the wider community.
3. Be a model employer and have a caring, competent and motivated workforce.
4. Maintain and develop robust partnerships with existing and potential new stakeholders.
5. Improve quality of information to improve service delivery, evaluation and planning.
6. Sustain financial viability and deliver value for money.
7. Be recognised as an open, progressive organisation that is about care, well-being and partnership.

These seven strategic objectives reflect the core direction of our activities across the Trust while maintaining an emphasis on quality, continuous improvement and sound financial capability.

The Trust continues to build on its excellent track record of providing high quality services and care to its population and for developing and delivering innovative and effective services across the area. The Trust has a clear commitment to delivering recovery orientated services that value the expertise available from service users and carers themselves, which means focusing on enabling people to be the best that they can be.

Overall, the strategic context in which the Trust operates is complex. This results from the significant financial and demographic challenges faced in all localities, the Trust's large geographical footprint and the complex commissioning framework in place. Despite this, there is agreement amongst all stakeholders of the scale of the challenges. The Trust continues to maintain its good relationships with local commissioners and other providers and is playing an integral role in the local drive towards integrated working and developing collaborative partnerships to deliver services.

In response to this landscape, the local transformation agenda and the internal changes to the locality structure of the clinical services rolled out in 2013/14, the Trust has developed locality and specialised clinical strategies. These three year strategies also reflect and drive the Trust's on-going strategic vision of *'Leading in partnership to improve health and well-being by providing high quality care.'*

Trust wide, CWP has a number of challenges, primarily around maintaining the balance between ensuring quality and access to services, while ensuring services are provided within the cost envelope, delivering higher quality care and service improvements. With the emphasis and drive towards large scale transformation, the development of effective long term joint plans, including cost improvement programmes (CIP) is crucial. Particularly important to the Trust is maintaining its position as a preferred provider of services, and ensuring that there is capacity and scope within the Trust to continue to deliver high quality services, to develop innovative services, and to identify new opportunities to enhance sustainability.

In response to the complex operating environment and the local transformation agenda, the Trust has developed locality strategies which recognise the key drivers for change on a national, local and internal basis. These three year strategies which commenced in 2013/14 provide momentum for the service redesign and transformation required to meet the needs of our population and our commissioner's strategic intentions.

In line with our focus on integration, CWP has played a key role as one of the main providers of care in the attainment of Integrated Pioneer Status across Cheshire. The Trust continues to undertake a central role in this integrated care pioneer programme, reflecting our involvement in shared commitments within the footprint. An example of this is within the West Cheshire locality and the whole place community budget national pilot work (Altogether Better programme) that led to the full case for integration.

Underpinning the pioneer programme across Cheshire are three large scale transformational programmes - 'the West Cheshire way', 'Connecting Care' in Central Cheshire and 'Caring Together' in East Cheshire. In Wirral, a transformation programme entitled the Vision 2018 programme is driving forward strategies in response to the local challenges in which the Trust is playing a key role in progressing.

The locality clinical strategies also reflect the Trustwide focus on quality, and reiterate the importance of patient safety, patient outcomes and patient experience. Each strategy has been discussed locally with stakeholders, including commissioners and Governors and has been approved by the Trust Board.

The success of our locality clinical strategies is reliant on an effective infrastructure and enablers to underpin the delivery of safe, effective and patient centred care. The three main areas of focus are better use of technology, enhancing and improving the flexibility of the workforce and ensuring our care environments are fit for purpose.

The financial strategy and business model of the Trust is to ensure that it remains a viable Foundation Trust as a going concern so that sustainable and effective services can continue to be delivered. The strategy supports and underpins the clinical service strategies and the efficiency requirements that are

needed as a result of the NHS income the Trust receives, and to provide for investment in innovation and quality where required. It also seeks to cover risks where they are known.

The Trust intends to continue to maintain its strong position as a provider of high quality, sustainable value for money services against a continued backdrop of financial, legislative and commissioning changes. The Trust ended 2013/14 with a surplus of circa £1.8m and a Continuity of Services Risk Rating of 4.

The general principles of the business model that the Trust continues to work to are as follows:

1. To achieve a Continuity of Services Risk Rating of a 3 or above on aggregate over the period.
2. To apply a long term efficiency programme that is tailored to the income profile of the Trust where all proposals are impact and risk assessed to ensure the outcome is true efficiency, delivered either by:
 - a) Delivering more for the same financial value.
 - b) Delivering the same service for less operating cost (the main material focus over the period of the plan).
 - c) Attracting additional income in niche markets where a contribution to efficiency can be sustained (marginal over the period of the plan).
3. To cover where possible risk that is pertinent to the Trust in terms of workforce change, contract risk or any other corporate risk.
4. To utilise resources such as CQUIN payments made to the Trust to enhance and reward quality improvements in relation to the services provided for our patients.
5. To utilise the Trust's cash position to maximise effective investment in the provision of fit for purpose facilities without compromising basic good practice regarding liquidity cover for normal operations.

The key actions required to support the delivery of this strategy are as follows:

- Trustwide delivery of the reduction in operating costs as set out in the plan.
- The adherence to approved business plans where there is a shortfall on income due to contract reduction or growth in a new niche market which is being underpinned non-recurrently.
- Establishment and embedding of the performance and redesign agenda to support robust planning and delivery.

CWP plans to deliver a 4% efficiency saving in 2014/15 and 4.5% in 2015/16. The financial strategy of the Trust will ensure that it remains a viable Foundation Trust as a going concern, so that sustainable and effective services will continue to be delivered. The strategy supports and underpins the clinical service strategies and the efficiency requirements that are needed as a result of the NHS income it receives and to provide for investment in innovation and quality where required. It also seeks to cover risks where they are known.

To effectively manage strategic and operational risk, the Trust has an integrated governance strategy in place, which incorporates the risk management process for the Trust. This strategy acts as guidance and as a framework for all staff to operate within by describing the appropriate management of risk appropriate to their authority and duties.

The Trust faces a number of principal risks which are mitigated by a range of actions and controls. These include

- Risk of harm to patients as a result of increased rate of stage 3/4 pressure ulcers being reported and evidence of recurring themes in RCA reports relating to pressure area care.
- Risk of harm to patients due to a lack of staff competency to manage changing physical conditions.
- Risk of harm to patients and staff due to staffing levels across inpatient services in the three localities.
- Risk of adverse clinical incident due to dual record keeping systems (electronic and paper).
- Risk of not being able to deliver planned continuity of services risk rating due to incomplete CIP plans, resulting in potential breach of terms of the Trust's Licence and reputational damage.

The Trust also faces a number of financial risks. These have been subject to 'scenario testing' which looks at a range of material risk variables that could impact on the overall financial performance of the

Trust. In the case of any of the scenario tests, the Trust could continue to meet all expenditure obligations and a number of further mitigations are in place which would be implemented in the event of any such scenario developing.

A full and detailed explanation of how the Trust identifies, mitigates and manages strategic and operational risks is included in this report on pages 140 to 145 (Annual Governance Statement).

The table below highlights the progress delivered against the Trust strategic objectives during 2013/14.

Deliver high quality, integrated and innovative services that improve outcomes	
Better outcomes and improved safety	The Trust vowed to tackle 'zero harm' in response to national reports such as the Francis, Keogh and Berwick reviews. CWP appointed Dr Ian Davidson, senior consultant psychiatrist, as the 'clinical expert champion' for 'Zero Harm'. CWP is the first NHS Trust in the field to make a specific appointment to tackle 'Zero Harm' head on - working to drive safety standards across the Trust and ensure that plans for excellence are implemented at every opportunity. The Trust was shortlisted as finalists in the 'patient safety in mental health' category at the national Patient Safety Awards.
Big Lottery Fund received to improve residents' well-being	CWP successfully secured £109,000 from the Big Lottery Fund through the North West Healthy Living Network to improve the well-being of West Cheshire residents. The Trust received the funding to deliver two unique projects: Zest Recovery College based in the Chester Healthy Living Centre in Blacon and the Community Food Programme which will run from the Blacon site and Ellesmere Port Healthy Living Centre.
Raising NICE standards	To bolster CWP's dedication as a partnership organisation to supporting the implementation of the Autism Strategy in England two new appointments were made. Consultant psychiatrist, Dr Ian Davidson, and specialist occupational therapist, Clair Jones, were chosen as joint National Institute for Health and Care Excellent (NICE) Champions for the adult autism diagnostic service. The move to introduce NICE Champions for the service builds on the success of the 'champion model' - another innovative approach being used by the Trust to keep services up to date with the best national and international medical evidence.
Early supported discharge pilot	In October, the Countess of Chester Hospital and CWP started jointly trialling the implementation of an Early Supported Discharge Team in the treatment of people experiencing stroke. The team was set up in partnership and is based at the Countess of Chester Hospital and Ellesmere Port Hospital. The team supports the discharge of stroke patients with early rehabilitation and therapy.
National Dementia Care Award	Two occupational therapists from CWP's Springview Hospital, Wirral, were presented with the first ever Ken Holt Memorial Award for Life Story Work at the national Dementia Care Awards. Both Rachael O'Sullivan and Susie Walsh work on CWP's Meadowbank Ward, a speciality ward for patients with dementia.
Summer cookery programme for children	CWP offered a free summer cookery programme for children aged 7-14 in western Cheshire. The programme was launched at CWP's Healthy Living Centres in Blacon, Chester and Ellesmere Port to show children what a healthy diet looked like and to teach them basic cooking skills.
Innovative care calendar	The Learning Disabilities team in East Cheshire led the introduction of the innovative Anticipatory Care Calendar (ACC) across the patch. The ACC aims to overcome some of the barriers that can prevent people with learning disabilities accessing services easily. Using a simple traffic light system the assessment tool is used to track patient health. Building on this success the Lady Verdin Trust is now rolling this out to a wider client base.

Controlled drinking pilot	Drug and Alcohol services joined forces with the Wirral YMCA to provide a 'controlled drinking room' to support people with alcohol related problems to drink in a safe and controlled environment. Over 1000 people have accessed the room since July 2013 and the project evaluation demonstrated many benefits, improving social functioning and quality of life for people with prolonged alcohol misuse. 100% of service users reported they had reduced their alcohol consumption and many are now engaged with CWP services as a result, with access to alcohol detoxifications programmes.
MySleep online resource	Children, young people and their families were given access to a new online resource to help them get a better night's sleep, thanks to innovative staff at CWP. MySleep is a series of practical online resources that have been developed by CWP's child and adolescent mental health service (CAMHS) sleep clinic in Wirral, to support families and professionals in encouraging good sleeping habits amongst children. To access the MySleep resources, log on to www.mymind.org.uk and click on the parents/carers section.

Ensure meaningful involvement of service users, carers, staff and the wider community

Support for carers and families	CWP's commitment to improving help and support for carers and families was recognised by the Carers Trust with England's first Triangle of Care Gold Star awarded to the Trust. CWP were one of the first members of the 'Triangle of Care' membership scheme which was set up to enable mental health trusts to demonstrate how they are including and supporting carers. Since joining the project, CWP has worked to ensure that the principles of good practice are adopted by all Trust employees when working with carers and families in the Cheshire and Wirral area.
Annual Members' Meeting 2013	Over 100 members of the public packed out the Floral Pavilion in New Brighton for the Annual Members' Meeting. The event took place on Monday 18 th November with a mixture of staff and Trust members joining the Trust's Board of Directors and Council of Governors for a morning of reflection and celebration of the last year, as well as an afternoon of awards. Following the formal Annual Members' Meeting there was an audience Q&A session with key staff, followed by an awards ceremony.
Recovery Colleges	The Trust's Recovery Colleges have continued to go from strength to strength with improvements in each patch including a co-produced winter term (January – April 2014) prospectus featuring an improved layout, design of cover and introduction of new caption 'Learn, Achieve, Thrive'. The East Cheshire locality have reported that approximately 50% more copies have been picked up this semester with 90% of courses at full occupancy rates. In addition 65% of the courses provided in East Cheshire have been co-developed.
Involvement Conference	CWP held its first Involvement Conference with the aim of bringing all involvement representatives together with involvement staff and governors, as peers for the first time. Over 40 people attended from across the services and localities. The day was an opportunity to clarify key messages, have meaningful conversations, learn more about the broader scope and potential of Involvement and how things could be improved.
Peer mentoring project launched in schools	A peer mentoring project was launched to tackle stigma, discrimination and promote well-being in schools. Ten young people who had recently used services (year 12/13) expressed an interest. They were trained by staff in mental health first aid training and with supervision from the CWP primary mental health care team, now provide the PHSE programme to each year group in their schools.
Awarding outstanding contribution	This year's awards followed the Annual Members' Meeting at the Floral Pavillion in New Brighton. The event was to reward staff and volunteers for their efforts over the year. There were two sets of awards; the first as part of the Trust's 'Going the Extra Mile' awards, and the second to demonstrate staff

	commitment to the Trust's values the '6Cs' of care, compassion, communication, competence, courage and commitment, through the Trust's 'I'm into the 6Cs' awards.
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Be a model employer and have a caring, competent and motivated workforce

NHS Staff Opinion Survey	The Trust performed well in the NHS Staff Opinion Survey 2013 with a number of highlights that were above the average national scores for both mental health trusts and all NHS trusts. Areas where CWP performed particularly well include the number of staff who would be happy for a friend or family member to be treated at the organisation at which they work, staff having equalities training and a low number of staff witnessing harmful errors.
Committing to lifelong learning with the RCN	CWP made a commitment to the learning and development of its staff, with a formal signing of a learning agreement alongside the Royal College of Nursing (RCN) North West. The Trust has entered into the formal learning agreement with all health care unions and professional organisations. The aim of learning agreements in the workplace is to create a framework that protects, enables and recognises the need of all workers to engage in lifelong learning.
Recognition of service awards	CWP recognised its longest serving members of staff at an awards ceremony. In total, 118 staff were honoured after achieving over 2,866 years of NHS service. The Trust held a special Recognition of Service Awards event for staff who had achieved 20-40 years continuous service.
NHS England Nurse of the Month	Jane Brand, CWP community mental health nurse, was awarded the NHS England 6Cs Live Story of the Month. The scheme which is jointly run by the Nursing Times and NHS England aims to highlight the values and behaviours of the 6Cs which are: care, compassion, competence, communication, courage and commitment. Jane is part of CWP's adult community mental health team working throughout Wirral, and was awarded the national honour for her dedication and commitment to her patients.
Chief Executive among HSJ top 50	CWP's chief executive, Sheena Cumiskey, has been recognised as an outstanding leader of NHS provider organisations by the Health Service Journal (HSJ). She was one of only five chief executives named from across the North West. The HSJ Top Chief Executives 2014 list, published for the first time, acknowledged Sheena for always acting with the utmost integrity, to develop those she works with, and to have a passion for leadership.

Maintain and develop robust partnerships with existing and potential new stakeholders

Working together for a smokefree environment	With support from local NHS trusts and Public Health England, CWP launched a joint campaign in February to end smoking on hospital premises across West Cheshire, East Cheshire and Wirral. Public Health Cheshire West and Chester, Cheshire East, and Wirral joined CWP and other local NHS trusts along with Health Equalities Group (including Heart of Mersey), at the packed out launch events as part of the new public health campaign.
Patient care at the heart of joined up working	CWP, together with Cheshire West and Chester Council and NHS West Cheshire CCG, launched an integrated community care team pilot based in Princeway Health Centre in Frodsham. The aim of the community care team is to make a person's journey through the health and social care system as simple as possible. The Princeway development is part of the West Cheshire Altogether Better project, which is one of four national Whole Place Community Budget pilot areas. The pilots aim to identify new approaches to delivering public services through increased joined up working, resulting in better health outcomes for all.

A range of other partnerships with external organisations can be found in the 'significant partnerships and alliances' on page 16.

Improve quality of information to improve service delivery, evaluation and planning	
New website launched during Mental Health Awareness Week	CWP launched a new website in conjunction with Mental Health Awareness Week (13 -19 May). Openminded.org.uk was developed by CWP's Early Intervention Team to provide an accessible and informative mental health resource for anyone across Cheshire and Wirral. The site features simplified information about the early symptoms of psychosis, treatment and recovery as well as guidance for carers, family and friends.
Well-being sessions for families affected by prostate cancer	A programme of free well-being sessions were set up by CWP for people affected by prostate cancer. CWP's Healthy Living Centres, in partnership with Prostate Cancer UK and Wirral and North Cheshire Prostate Cancer Support Group, set up the sessions which are open to all residents from Cheshire and the surrounding areas. The sessions form part of the Trust's 'pro-active' campaign which champions positive lifestyle choices.

Sustain financial viability and deliver value for money	
Strategic estates partnership	CWP selected Ryhurst as their strategic estates partner to improve the way its assets are managed for the future so that patients experience higher quality care. The Trust entered into a 15 year 50:50 joint venture partnership to deliver a comprehensive range of estate management services. During this time the Trust will use Ryhurst's STEP (Service Targeted Estates Partnership) model in the delivery of an intelligent estates strategy.
Innovative partnership to provide mental health treatment	CWP and private healthcare company Ultrasis announced a new innovative business partnership to deliver accessible and affordable treatment across the UK for common mental health issues such as depression and anxiety. The Trust and Ultrasis; which specialises in interactive healthcare programmes, have established a jointly-owned company to deliver a range of computerised healthcare products and clinical interventions to patients. CWP will provide telephone and clinical support for Ultrasis' computerised cognitive behavioural therapy, <i>Beating the Blues</i> , which helps treat mild and moderate depression and has been recommended by the National Institute for Health and Care Excellence (NICE).

Be recognised as an open progressive organisation that is about care, well-being and partnership	
New Trust values launched – the 6Cs	Avril Devaney, director of nursing, therapies and patient partnership, led on the implementation of the 6Cs - the Trust's new values. With a focus on 'care' being at the heart of the organisation, the nursing 6Cs of Care, Compassion, Competence, Courage, Communication and Commitment were adopted as CWP's values as they are equally relevant to everyone working in the Trust.
Making mental health a priority for everyone	'Mental health: priorities for change' was launched by deputy prime minister, Nick Clegg and minister for care and support Norman Lamb. Following the launch, CWP Chairman, David Eva highlighted the many local initiatives already underway at CWP that complement the 25 point action plan. This includes innovative work around young people's mental health services, improving access to cognitive behaviour therapies and getting people back into employment. In addition we have a Trustwide campaign called Challenging Stigma, which aims to reduce the stigma that people who use our services often encounter.

Fair Review of the Business

The Directors are pleased to provide readers with a fair review of the Foundation Trust's principal activities during the financial year, ending 31st March 2014. In nearly seven years as a Foundation Trust we have sought to build further on the real benefits this status affords, to continually improve the quality of health care provided. We set out in the Trust's Annual Plan what we wanted to achieve in the past year while recognising there are many other things that could be done. This report will inform the reader, fairly, of how we performed against that plan including what was achieved in full and targets that were exceeded or fell short.

The position of the Trust at the end of March 2014

The Trust ended the financial year with a green governance rating and a Continuity of Services Risk Rating (CoSRR) of 4 as assessed by the regulator of Foundation Trusts, Monitor. The CoSRR replaced the financial risk rating metrics from 1st October 2013. Performances against both risk rating metrics are therefore shown below.

Robust monitoring and careful use of available resources meant that the Trust was able to achieve a surplus of £1.8m. This was ahead of operational plans set out at the beginning of the year. The Trust's performance on recognised financial metrics can be demonstrated in the tables below:

Financial Risk Rating – Performance to 30th September 2013

Financial criteria	Metric	Performance	Rating
Achievement of Plan	EBITDA achieved (acronym for earnings before interest, taxes, depreciation & amortisation)	111.48%	5
Underlying Performance	EBITDA margin	4.4%	2
Financial Efficiency	Net return after financing	3.8%	5
Financial Efficiency	Income and Expenditure surplus margin	1.9%	3
Liquidity	Liquidity ratio	59.5 days	4
Overall rating			3

Continuity of Services Risk Rating – Performance to 31st March 2014

Financial criteria	Metric	Performance	Rating
Capital Servicing Capacity	Capital Service Cover (times)	4.18 times	4
Liquidity	Liquidity Ratio (days)	48.2 days	4
Overall rating			4

As CWP has Foundation Trust status it can take full advantage of this additional cash surplus in future years by setting plans to invest this into improving our estate for the benefit of services provided to our patients.

- We were wholly successful in managing the financial risks posed to ensure these did not have a detrimental effect on the financial performance of the Trust.
- A key feature of our financial performance was the ability of the Trust's services to deliver a very challenging efficiency programme. Efficiency savings are a fundamental part of NHS contracts going forward into 2014/15 and beyond.
- The Trust was able to take advantage of £3.4m (£3,380,368) of CQUIN (Commission for Quality and Innovation) non-recurrent funding to invest in a wide range of service quality enhancements outlined in the Quality Report.

- There are no financing implications of any significant changes in the Trust's objectives and activities, its investment strategy or its long term liabilities.
- Further information on financial and other key performance indicators can be found in the Directors' Report from page 25.

Statement on income

Overall income has decreased in 2013/14 by 1.15% in comparison with 2012/13. This financial year has seen a decline due to several factors, the main being the national deflator applied to the organisation's contracts, as well as a reduction in some Public Health services such as the Drug and Alcohol East Cheshire contract.

Section 43 (2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) requires that the income from the provision of goods and services for the purposes of the health service in England must be greater than its income for any other purposes. The Foundation Trust can confirm that this requirement has been met and that 100% of the income received relates to the provision of goods and services for the health service.

Statement on running costs

The Trust's running costs increased in line with inflation and other NHS specific cost pressures. In addition and in line with movements to income, additional costs in relation to CQUIN projects, new service developments and efficiency schemes have contributed to in year expenditure movements.

Statement on fixed assets

The net book value of property, plant and equipment has increased by £3.4m during the year from £60.4m to £63.8m. Of this, £6m relates to additions which have been offset by depreciation of £3.23m charged in the current financial year. The trust was in receipt of 3 properties from the former Central and Eastern and Western Cheshire PCT's during the year as a result of NHS reorganisation. Assets received totalled £1.8m with an associated revaluation reserve of £0.3m accounted for on a modified absorption basis. A revaluation of the Trust's asset portfolio was carried out in 2012/13 in accordance with RICS valuation guidance and International Accounting Standards (IAS). As per IAS 36, an annual review was undertaken during the year resulting in an impairment to the Springview Inpatient Unit, occupied via a finance lease with Wirral University Teaching Hospital NHS Foundation Trust, of £1m of which £0.3m was charged to an associated Revaluation Reserve in the Statement of Financial Position and £0.8m was charged to Operating Expenses in the Income and Expenditure Statement.

Statement on cash

The Trust ended the year with cash, bank balances and investments of £29.2m. This represents a £0.8m increase over cash and bank balances held at the end of the previous year.

Pensions and other retirement benefits

The Trust's accounting policies for pensions and other retirement benefits for staff can be found in note 1.16 to the Accounts. Details of the remuneration and pension benefits of senior managers can be found in the Remuneration Report on page 42.

Patient and staff surveys

See pages 88-115 for patient surveys and pages 18-20 for staff surveys.

Complaints handling

During the reporting period a total of 220 complaints were received, compared with 204 for 2012/13. The Trust operates a triage system for managing complaints, namely red, amber and green. Of the complaints received, 147 were green, 66 amber and 7 red. In total the Trust has received a 7% increase in complaints within 2013/14 which reflects the work done with services to encourage feedback from the people who use our services. As a Trust, we welcome all types of feedback - this enables us to learn and improve our services for the communities which we serve.

Significant partnerships and alliances entered into by the Trust

The Trust continues to work in close partnership with a wide range of organisations across the NHS, local authorities and the third sector in terms of direct service delivery. The Trust has established a formal Joint Venture partnership with Ryhurst Limited called Villicare. This will support the Trust in providing high quality, effective estates management. CWP also has a formal partnership with Mental Health Matters with whom the Trust deliver primary care mental health services in Warrington.

CWP has also developed a partnership (Ki Group) with a private sector organisation Ultrasis PLC in order to develop and provide computerised CBT across industry, higher education and primary care mental health services. The Trust has inherited a range of partnership arrangements through its merger with community/physical health services in Western Cheshire. It is keen to develop these further in line with the integration agenda focusing on demand management initiatives and is currently exploring with Western Cheshire CCG programme budgeting as a method of managing this.

Going concern

Through its financial statements and performance risk indicators, the Trust continues to demonstrate a strong underlying and improving financial position. The 2014/15 Annual Plan forecasts ongoing surpluses. The directors' opinion therefore is that the Trust is a going concern and make the following disclosure as recommended by the Accounting Standards Board: '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' and for this reason they continue to adopt the going concern basis in preparing the accounts.

The accounts included in this report have been prepared under a direction issue by Monitor under the National Health Service Act 2006. Please refer to model statement of accounting officer's responsibilities on page 140.

Activities in the field of research and development

CWP over the last year have:

- Recruited 856 people to National Institute of Health Research National Portfolio.
- Successfully completed a study on falls on our dementia wards with the Health and Safety Executive.
- Added over 100 recruits to the DNA Polymorphism in Mental Health, a study looking at the genetics of mental health.
- Contributed to recruit patients to a genetic study of side effects to treatment in clozapine, which is used to treat schizophrenia.
- Took part in a study of management training, with the aim of reducing stress in staff.

Corporate social responsibility – social, community and environmental matters

Corporate social responsibility is championed throughout the Trust. The organisation has its own challenging stigma campaign and aims to use suppliers that meet its values in respect of making a contribution to the local community and the environment. Further to the below a range of environmentally friendly initiatives to support our sustainability strategy can be found on pages 22-23.

- CWP patients, staff and volunteers gave NHS Sustainability Day the 'green thumbs-up' by planting over 175 native local cherry, hazel and willow trees at the Countess of Chester Country Park. Having a pleasant green space close to Bowmere Hospital is great for aiding patient recovery time, by providing an area for relaxation and a space for our staff and many other people to take gentle exercise.
- Dr Maureen Wilkinson, CWP medical lead for personal and organisational development, launched a charity cook book to raise funds at home and abroad in the name of mental health. The book features her favourite recipes and stories from around the world and is aptly named 'Cooking with Panache'. All proceeds from the book go towards the CWP Challenging Stigma fund and Jamie's Fund which was set up to support mental health care in Uganda. The Trust established a link with Kisiiizi Hospital in South West Uganda in 2010 to support the development

of mental health services and to look at ways in which the Trust can both help the project, and learn from it.

- During the course of 2013/14 three people completed the research skills training course in Chester, designed to help gain skills that could also be relevant for future employment. Two attendees also attended the annual research afternoon, where findings, conclusions and recommendations from local and national research studies are presented and discussed.
- Staff at Princeway Health Centre, Frodsham, swapped their usual festive Christmas card exchange for donations to West Cheshire food bank. The foodbank supplies three days of emergency food to people in needs and an opportunity for people to be signposted to agencies to assist with longer-term problems.
- Empty printer cartridges are recycled across the Trust and have increased with promotion overall, providing revenue which has been donated to local charity, Chapter. To date £700 has been raised to help them provide much needed resources for people.
- All CWP staff pledged their support for Climate Week 2014, by taking part in 'Turn Off Tuesday'. Staff were encouraged to do their bit and make simple energy saving changes within their working environment over the course of the day. Changes included turning off lights when leaving a room unoccupied and ensuring IT and other electrical equipment is completely turned off rather than left on standby when unattended.

Staff engagement

Statement of approach to staff engagement

Underpinning the Trust's approach to staff engagement is the Partnership Agreement which recognises the important role that trade unions and professional bodies play in enhancing workforce employee relations. Informal discussions take place on a regular basis and a framework of committees and local joint meetings is in place. Together, these ensure that the views of staff representatives can be fed into decision making. Achievements in 2013/14 included:

- The 2013 staff survey was the third in which all Trust staff were given the opportunity to comment upon how they viewed the Trust as an employer; 45% chose to return completed questionnaires.
- To increase opportunities for clinical and non-clinical staff to get involved in 'having their say'. It reshaped its engagement focus this year to boost attendance via virtual participation. This has included the use of short 'specific topic' surveys, the results of which were fed in to the appropriate work stream of the Organisation Development Enabling (ODE) group.
- In addition to the above, staff are regularly provided with information on matters of interest to them, including the financial and economic factors affecting the performance of the Trust. Examples include: weekly staff e-bulletin, monthly team brief, staff intranet and quarterly staff newspaper attached to payslips.
- A real time staff feedback tool has been developed and piloted. This will continue to be rolled out across the Trust in the coming year.
- Progress during the second year of the health and well-being strategy has included launching an innovation fund, against which staff can bid for one-off funding to support local health and well-being initiatives, registering for the 2014 NHS Games, introducing a series of exercise programmes such as yoga and pilates and providing regular representation at the induction market place. In addition to this, staff have been surveyed about next year's action plan, preparation is underway for two health and well-being events later in the year that will focus on mood and food, and following a review an extension of the web based health and well-being zone has now been confirmed.

Summary of performance – results from the NHS staff survey

Based on staff responses across a number of questions in the NHS staff survey, the overall measure of CWP staff engagement score out of 5.00 (the higher score the better) was a slight improvement in 2013/14, as below:

2012/13		2013/14		Variation
Trust Score	National Average	Trust Score	National Average	Trust Change
3.75	3.70	3.78	3.71	+0.60%

Summary of how the 4 scores in which CWP received the *highest* ratings in the 2012 survey have either improved (+) or deteriorated (-) in the 2013 survey. (Changes of less than 5% are not statistically significant):

	2012/13		2013/14		Variation
	Trust Score	National Average	Trust Score	National Average	Trust Change
Top 4 Ranking Scores					
KF24. Staff recommendation of the trust as a place to work or receive treatment	3.71	3.54	3.70	3.55	0.01
KF13. % witnessing potentially harmful errors, near misses or incidents in last month	22%	27%	19%	26%	-3%
KF4. Effective team working	3.89	3.83	3.88	3.83	0.01
KF28. % experiencing discrimination at work in last 12 months	9%	13%	9%	13%	No Change

The summary below shows how the 4 *bottom* ranked scores from the 2012 survey have either improved or deteriorated in the 2013 survey. (Changes of less than 5% are not statistically significant):

	2012/13		2013/14		Variation
	Trust Score	National Average	Trust Score	National Average	Trust Change
Bottom 4 Ranking Scores					
KF7. % appraised in last 12 months	66%	87%	88%	87%	+22%
KF8. % having well-structured appraisals in last 12 months	32%	41%	43%	42%	+11%
KF6. % receiving job-relevant training, learning or development in last 12 months	80%	82%	80%	82%	No Change
KF11. % suffering work-related stress in last 12 months	43%	41%	41%	43%	-2%

The summary below shows the top and bottom ranked scores from the 2013 survey, comparing CWP with national average scores:

2013/14		
Top 4 Ranking Scores	Trust Score	National Average
KF13. Percentage of staff witnessing potentially harmful errors, near misses or incidents in last month	19%	26%
KF26. Percentage of staff having equality and diversity training in last 12 months	78%	67%
KF27. Percentage of staff believing the trust provides equal	93%	89%

opportunities for career progression or promotion		
KF10. Percentage of staff receiving health and safety training in last 12 months	86%	75%

2013/14		
Bottom 4 Ranking Scores	Trust Score	National Average
KF14. Percentage of staff reporting errors, near misses or incidents witnessed in the last month	91%	92%
KF21. Percentage of staff reporting good communication between senior management and staff	30%	31%
KF6. Percentage of staff receiving job-relevant training, learning or development in last 12 months	80%	82%
KF7. Percentage of staff appraised in last 12 months	86%	87%

The results of the 2013/14 survey clearly identify the most significant ‘year on year’ improvements to date in respect of both the incidence and quality of staff appraisals – the number one bottom ranked score of the previous year’s survey. This success should be attributed in part to the Investing in Staff Group who worked to redesign the staff appraisal process. Implementation took place late in 2012 so this is the first staff survey in which the impact of the review can be seen. Early awareness raising of the new pay progression scheme introduced in September 2013 also can be seen to have had a positive impact on the incidence of appraisals.

Many other elements of the latest survey show little or no change from the previous year so the Trust’s challenge over the next 12 months will be to continue to build on the overall positive results, but also to ensure that locality based plans are developed.

As in previous years, the Trustwide Investing in Staff Group will have input to future action planning of Trustwide activities, working alongside the ODE group. Localities will also focus on developing action plans based on their localised survey results.

Measuring outcomes and monitoring arrangements of workforce projects

All significant projects will continue to have specific anticipated outputs and outcomes, as well as a nominated lead officer. Performance against those pre-planned measures will be considered as part of internal monitoring arrangements. Progress on and outcomes of all workforce related initiatives will be monitored through the Workforce and Organisational Development Sub Committee or the Health, Safety and Staff Well-being Sub-committee.

Equality and Diversity/Human Rights

Personal Fair and Diverse Practice

CWP remains committed to delivering personal, fair and diverse services for communities across the whole of the Trust's service delivery geographic footprint. We recognise the different needs of communities and always look to develop services in line with this principle to ensure the care we provide is accessible to all. The Trust believes passionately in creating positive and diverse workplaces for all our staff. We recognise the value employees from all backgrounds bring to their role and the importance of having teams that reflect the diversity of the community they serve. All CWP HR policies are impact assessed.

The overall vision of CWP is "*Leading in partnership to improve health and well-being by providing high quality care*", with the adoption of the 6Cs forming the Trust's values. Therefore, staff showing care, compassion, courage, communication, competence and commitment demonstrate 'how' we will achieve our vision. Integral to supporting the achievement of the CWP vision and values are the Equality and Diversity objectives that the Trust identified in 2011 which are:

Improving our intelligence

Equality and diversity continues to be developed and embedded in the locality structures of CWP following the internal re-structuring in 2013 in order to deliver the vision, values and equality and diversity objectives of the organisation. This will ensure that diversity is moved forward for the people who use our services, as well as their carers and the public.

Working with communities

Equality analysis is also undertaken as part of service changes or re-design, such as the CWP Community Mental Health Services Re-design, in order to assess the impact on people from specific protected characteristics and put measures in place to advance equality. A range of additional methods and interventions are also in place across the Trust for ensuring that equality and diversity is firmly rooted within the organisation, such as corporate induction, mandatory training and Trustwide briefings and communications to staff to ensure that equality and diversity is understood and integral to all that we do.

CWP is not complacent and recognises that people who use our services from a particular protected group are disproportionately more likely **not** to access mainstream services or feedback mechanisms such as complaints, surveys and engagement activity. Therefore work with our seven key third sector partners continues to seek to improve our data and address access and outcomes issues. The partners are:

- Age UK
- Deafness Support Network
- Irish Community Care Merseyside
- Lesbian and Gay Foundation
- National Autistic Society
- North West Interfaith Forum
- Transforum

Developing our staff

Over the last twelve months the Trust has continued to make improvements in developing our staff including the number of staff having equalities training which now stands at 78%, which is 11% above the national average achieved by all mental health trusts in the country.

93% of CWP staff also reported in the staff survey that there is equality of opportunity for career development promotion.

A full statutory data report outlining the demographic makeup of our service users and staff can be found at our website www.cwp.nhs.uk

Sustainability/Climate Change

Sustainable development addressing the mitigation of climate change in the Trust has been an integral part of CWP's ongoing Environment Strategy.

The key principles outlined in the Trust's strategy have previously committed, and currently are on target, to exceed the original 10% (current position is 8.5%) carbon reduction target proposed in the NHS Carbon Reduction Strategy for England: "Saving Carbon, Improving Health" published in January 2009.

The Trust continues to progress and recognise the value of its commitment to the environment and enhance the sustainable development of its social assets.

Energy management

- A new Building Management System has been implemented to control gas and electricity consumption remotely.
- Investment in combined heat and power (CHP) on the Countess of Chester Health Park site.
- Investigation into Biomass Technology.
- Renewable energy at Bowmere via photo voltaic panels.
- Springview Unit to have improved control systems for heating ventilation and hot water together with improved ventilation heat recovery.
- Millbrook CHP to be installed as part of the Macclesfield hospital programme.
- Identifying older types of lighting and implement renewal programme throughout the Trust.
- Improvements in lighting controls at the Countess of Chester Health Park.
- Replacement of the older boiler plant with condensing boilers.

Waste and recycling

The Trust follows the best practice guide laid out in its Waste Management Policy (GR29) in the management of all types of waste at CWP Trust sites:

- The Trust continues to work closely with our general waste contractors, working towards carbon neutral status within 5 years and have an opportunity to work together to progress plans for zero landfill waste by 2018.
- The Trust currently recycles 85% of our general waste of which plastics, glass, cardboard, aluminium and paper are recycled back into the market and any residue is recovered as energy from waste.
- Clinical healthcare waste has been audited in all areas of the Trust 2013/14 to ensure that waste is being utilised for energy, our contractors use low carbon technology.
- Metal recycling is now a source of income as we move increasingly towards electronic filing systems and reduced need for storage of paper records.
- Paper still continues to be recycled both through the paper banks and through the confidential waste consoles.
- Printer cartridges (unused) are recycled/resold through RE-Think and provide revenue. This is due to the rationalisation of printers in the Trust.
- Printer cartridges (empty) are recycled which has increased with promotion. The revenue received is given to a local charity, Chapter. To date £700 has been donated.
- A new system of inventory of all Trust furniture office items has been carried out in 2013 and resulted in a more streamlined approach to making sure that Trust assets are utilised and not wasted or sent off to landfill.
- Surplus office furniture and other equipment, available due to relocation and consolidation of teams have increased over 2013/14 resulting in over 1000 items being re-used by teams across the Trust.
- This current financial year estimated avoided costs of purchase for the Trust are £15k. We are currently working towards a new procurement management system where staff will be prompted to check for re-useable items before purchasing new stock.
- A new software tool 'Warp IT' is being set up for staff to access to see what resources are available for them and use as part of the environment team. The new software tool can also be developed to link in with other 3rd parties such as local authorities so we can share and pool resources.

Transport and Co2 reduction

- Transport management has been reviewed in 2013 looking at regular Trust journeys. This is ongoing work to reduce the number of journeys taken, utilise time and reduce CO₂; an important factor in Green House Gases affecting climate change.
- The post and courier, including delivery of supplies, service was brought in-house April 2013. It aims to better utilise van space, making fewer journeys much more efficient. Fuel efficiency has been tested by using a programme of cleaning the fuel system on our vehicles to improve performance.
- Carbon management is subject to monitoring and measuring mechanisms that form part of the Energy and Carbon Reduction Plan. Information is reported into the Environment Strategy Sub-Committee. Estates management use a carbon monitoring programme from TEAM ENERGY managed by the CWP Estates staff.
- In line with the NHS reporting target, 'CWP set a target with the base year 2007 of reducing Co₂ emissions by at least 10% by 2015', CWP Energy Carbon tonnage was 4474.6 in 2007/2008 and was measured at 4,089.7 in 2012/2013, representing a reduction of 384.9 tonnes (8.7%) of carbon in the last 5 years.

Staff engagement, sustainable development and reduction of carbon

Sustainable development projects which promote and embed sustainable practice and behaviour for staff and visitors encouraging mitigating effects of climate change in 2012/13 included:

- The Trust took part in National Climate Week 3-9th March 2014. Staff including estates facilities and Eco Reps took action by switching off lights and electrical items by participating in "Turn off Tuesday" on 4th March to reduce energy consumption.
- NHS Pledge Day staff taking part by pledging an action or activity to reduce waste and energy.
- Paper, cardboard and printer cartridges projects are on target to offset CWP total tonnage of general waste from 62% recycled tonnage waste at base year 2007 to 95% by 2020. This current year we have achieved a consistent 78% recycle rate across all waste streams.
- The use of video conferencing for meetings is now well established allowing remote conferencing, reducing mileage, and cutting down CO₂ emissions from staff travel.
- The annual bike purchase scheme in May 2013 saw an uptake of over 70 applications from CWP staff. The Trust now has well over 150 members of staff in the bike user group. As well as promoting healthier travel to work and reduced CO₂, by not using transport, there are added health benefits for our staff. There have been improved storage and cycle/ shower changing facilities at Bowmere, Millbrook and Redesmere in Chester.
- Staff engagement and raising awareness of environment and climate change issues continue to be promoted. The environment page on the staff intranet has updated information of how staff can get involved. There is an environment link section in the weekly staff news. A monthly environment display market place at induction demonstrates what the environment team do. Opportunities for training in environment awareness in the office takes place quarterly for administration staff at Sycamore House as part of learning and development.
- Tree planting has taken place through the donation of trees from NHS forest, 40 native trees were planted to form a copse at Saddlebridge unit in 2012.
- The Trust has been given over 100 indigenous trees to plant for the benefit of future generations. These are to be planted with help of staff and service users on the site of the Country Park at Chester, near to Bowmere Hospital. This is part of an NHS Forest project aiming to plant a tree for every NHS employee.

Breakdown of number of male/female directors, other senior managers/employees as of 31st March 2014

	Female	Male	Total
Clinical Directors	7	14	21
Senior Managers	7	3	10
Directors	3	3	6
Non-Exec Directors/Chair	2	4	6
Rest of Employees	2700	692	3392
Total	2719	716	3435

	Female	Male	Total
Clinical Director	33.3%	66.7%	100.0%
Senior Managers	70.0%	30.0%	100.0%
Director	50.0%	50.0%	100.0%
Non-Exec Director/Chair	33.3%	66.7%	100.0%
Rest of Employees	79.6%	20.4%	100.0%
Total	79.2%	20.8%	100.0%

Enhanced quality governance reporting

CWP's quality goals are defined annually within the Trust's Quality Account, which requires quality improvement priorities to be set in the domains of patient safety, clinical effectiveness and patient experience.

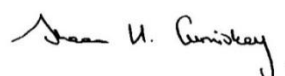
The Board receives the Trust's quarterly Quality Reports to evaluate progress towards delivery of its quality goals. Through quarterly review of the Trust's self-assessment of compliance with Monitor's *Quality Governance Framework*, the Board identifies on a regular basis how quality drives the overall Trust strategy. This is supported by a Board review of the corporate performance report and quality dashboard exception reporting from the Quality Committee. The Trust's Quality Committee includes in its business cycle a review of the quarterly Quality Report, and is the delegated committee that identifies any necessary action plans required to manage the risks associated with the delivery of the Trust's quality goals. The Quality Report is also shared widely with partner organisations, Governors, members, local groups and organisations as well as the public.

The Trust has an integrated governance strategy in place, which incorporates the risk management process for the trust. This strategy acts as guidance and as a framework for all staff to operate within by describing the management of risk appropriate to their authority and duties. The committees of the board are responsible for overseeing strategic risks outlined within the strategic risk register and corporate assurance framework and therefore provide additional assurance on the risk management process.

In January 2014, the Board of Directors approved continuous improvement plans to help deliver the ambitious challenge of achieving a culture of 'zero harm' and in doing so endorsed them for the next 3 – 5 years. The quality improvement priorities will therefore remain unchanged for at least the next three years. These will be reviewed as part of the annual quality account process.

Quality governance is discussed in more detail in the Annual Governance Statement on page 141. Details on our quality priorities is contained in the Quality Account starting on page 78.

Signed on behalf of the Board of Directors:



Sheena Cumiskey – Chief Executive and Accounting Officer
28th May 2014

Directors' Report

Board of Directors

The Board is responsible for determining the Trust's strategy and business plans, budgets, policy determination, audit and monitoring arrangements. It is also responsible for all regulatory and control arrangements, senior appointments and dismissal arrangements and approval of the annual report and accounts. It acts in accordance with the requirements and ensures compliance against the Foundation Trust Provider Licence.

The Trust has not made any political donations and there have been no important events since the end of the financial year. The Trust does not provide any services outside of the UK.

The Directors consider that the annual report and accounts is fair, balanced and understandable and provides the information necessary for stakeholders to assess Cheshire and Wirral Partnership NHS Foundation Trust's (CWP) performance, business model and strategy. The Trust's strategy, vision and strategic objectives are outlined on pages 7 to 10 within the Strategic Report. The Directors take this opportunity to state, so far as they are aware, there is no relevant audit information of which the Trust's auditors are unaware. The Directors have taken all steps 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.

A number of decisions are delegated by the Board to management. These are set out in the Trust's scheme of reservation and delegation to facilitate the efficient operation and success of the organisation. The Constitution sets out the composition of the Board of Directors. This is as agreed by the Council of Governors.

In the reporting year, composition of the Board of Directors was:

- Independent Non-Executive Directors – April to July 2013 – 6; August to October 2013 – 7; with effect from November 2013, there are 6.
- Executive Directors – 6, including the Chief Executive. Please note that the Medical Director Post is a joint appointment – therefore, the Trust has 5 Executive Director Positions, with a headcount of 6.

In July 2013, the Council of Governors approved the appointment of a new Non-Executive director for a first term of office for three years commencing in August 2013 (Lucy Crumplin).

Following the conclusion of the tenure of a Non-Executive Director in October 2013, the Nominations Committee commenced the process to appoint to this vacancy. Interviews were held for this position on the 31st March 2014. The Council of Governors approved the appointment on the 17th April 2014. The new Non-Executive Director (Dr James O'Connor) will take up position from the 1st May 2014 for a three year term of office.

In February 2014, the Council of Governors approved a second term of office for three years for one Non-Executive Director (Mike Maier).


In accordance with the Code of Governance, Non-Executive Directors who have been in office for 6 years or more are subject to annual review undertaken by the Nominations Committee. Annual reviews also consider the continued independence of Non-Executive Directors.


Following a recruitment process undertaken by the Nominations Committee of the Board of Directors in December 2012, a new Director of Finance, Tim Welch was appointed and took up post on 1st April 2013.


Due to the retirement of the Medical Director, Dr Andy Cotgrove, in October 2013, Dr Faouzi Alam was appointed to the post of Medical Director with effect from November 2013. The Medical Director Post is a joint appointment, also held by Dr Anushta Sivananthan.

Non-Executive Directors			Executive Directors
Name	Date of appointment	Length of appointment	
David Eva - chair	1st December 2009	3 years - to 30 th November 2012, extended to Dec 2013. Re-appointed 1 st Oct 2012 - 31 st Dec 2015.	Sheena Cumiskey – Chief Executive
Fiona Clark	1st July 2008	3 years - to 30 th June 2011. Re-appointed 1 st July 2011 - 30 th June 2013. Re-appointed 1 st July 2013 – 30 th June 2016	Tim Welch Director of Finance – Deputy Chief Executive
Ron Howarth	1st November 2010	2 years - to 30 th October 2012. Reappointed for 2 years until 31 st October 2014.	Avril Devaney – Director of Nursing, Therapies and Patient Partnership
Lucy Crumplin	19 th August 2013	3 years- to 18 th August 2016	Andy Styring – Director of Operations
Mike Maier	1st March 2011	3 years - to 1 st March 2014. Re-appointed – 1 st March 2014 – 28 th February 2017	Dr Anushta Sivananthan – joint Medical Director Compliance and Quality Regulation
Stephen McAndrew	1st July 2008	3 years - re-appointed 1 st July 2011 to 30 th June 2013. Re-appointed – 1 st July 2013 – 30 th June 2015	Dr Andy Cotgrove – joint Medical Director Effectiveness and Medical Workforce (up to 30 th September 2013) Dr Faouzi Alam (wef 1 st October 2013)
Grahame Owen	1st November 2010	3 years - to 30 th Nov 2013.	

The background of each Board member is shown in the pen portraits below.

David Eva		Chairman appointed to former NHS Trust April 2002, re-appointed from October 2012
Experience	<ul style="list-style-type: none"> National Delivery Team Manager, Unionlearn Member of Liverpool City Region Employment and Skills Board North West Apprenticeship Champion Member of the Greater Manchester Employment and Skills subgroup Former Chairman of Wirral and West Cheshire NHS Trust, non executive director of Wirral Community NHS Trust and Member of Wirral District Health Authority Former Member of NHS National Training Authority 	 <p>david.eva@cwp.nhs.uk</p> <p>tel: 01244 397371</p>
Qualifications & Memberships	<ul style="list-style-type: none"> Physiology and Biochemistry BSc, MSc Postgraduate Diploma in Regeneration 	


Sheena Cumiskey	Chief Executive - appointed February 2010	
Experience	<ul style="list-style-type: none"> • 30 year's experience in the NHS, 18 years at Chief Executive level • Former Chief Executive of both commissioning and provider organisations • Worked at strategic and operational levels within the NHS • Chair of North West Leadership Academy Board • Member of Health Education England North West Board 	
Qualifications & Memberships	<ul style="list-style-type: none"> • BA Hons • General Management Training Scheme graduate • Member of the Institute of Health Service Managers 	sheena.cumiskey@cwps.nhs.uk uk Tel: 01244 3973710

Dr. Faouzi Alam	Consultant Psychiatrist and joint Medical Director (Effectiveness and Medical Workforce) – appointed October 2013	
Experience	<ul style="list-style-type: none"> • 18 years' experience as a Doctor 	
Qualifications & Memberships	<ul style="list-style-type: none"> • MD, specialist in renal medicine • MRC Psych • CCT in Adult and Liaison Psychiatry 	faouzi.alam@cwps.nhs.uk Tel: 01244 397267


Fiona Clark	Non Executive Director - appointed March 2004, reappointed July 2008, reappointed July 2011	
Experience	<ul style="list-style-type: none"> • Advisor – The Tuberous Sclerosis Association • Specialist Lay Member of the First Tier Tribunal – Health, Education and Social Care Chamber (Mental Health). • Non Legal Member, Employment Tribunals • Disability Qualified Member of the First Tier Tribunal – Social Entitlement Chamber • 13 years experience in NHS as a senior nurse, midwife and clinical manager • 16 years experience working at senior management and strategic level in both large and small voluntary sector organisations 	
Qualifications & Memberships	<ul style="list-style-type: none"> • Registered General Nurse • Registered Midwife • BA (Dual Hons) Human Resource Management 	fiona.clark@cwps.nhs.uk Tel: 01244 387371


	and Business Administration (First Class) <ul style="list-style-type: none"> • MA Medical Ethics and Law (Keele) 	
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Andy Cotgrove	Consultant Psychiatrist & Medical Director (Effectiveness, Medical Education & Medical Workforce) - appointed joint Medical Director August 2010 until September 2013.
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Experience	<ul style="list-style-type: none"> • Trained in Sheffield and then worked in hospital medicine and general practice before training in psychiatry. Specialist training in child and adolescent psychiatry was at the Tavistock Clinic in London where I also gained an MSc in family therapy. • Worked as a Clinical Director and Consultant in Adolescent Psychiatry at the Young People's Centre in Chester since 1993. In 2008 I also took on the role of Service Wide Clinical Director for CAMHS in the Trust. • In addition to my clinical work I have always been interested in service development and service improvement. Led on a number of service developments and redesign within Tier 4 CAMHS. • Long-standing interest in research including designing a randomised controlled trial for a treatment intervention for young people who self-harm. Has published widely in the areas of clinical research and service design. • Member of the NICE Mental Health Topic Selection Panel (2007–date). Member or advisor to a number of NICE Guideline Development Groups, including Depression in Young People (2002-2005), Self Harm (2004), Borderline Personality Disorder (2007-2008) and Psychosis with Substance Misuse (2008-date). • Member of the Royal College of Psychiatrists Child and Adolescent Faculty Executive. 	
Qualifications & Memberships	<ul style="list-style-type: none"> • MBChB 1982 • MRCPSych 1989 • MSc 1993 	


Lucy Crumplin		Non-Executive Director – appointed August 2013	
Experience	<ul style="list-style-type: none"> • More than ten years management consultancy experience for public and private sector clients working for KPMG, PA Consulting Group, Hedra plc and independently • Business change and project management experience • Former Chief Human Resources Officer for a Local Authority • Director, Tiger Bright Ltd – HR and management consultancy service 		
Qualifications & Memberships			<p>lucy.crumplin@cwps.nhs.uk</p> <p>Tel: 01244 397371</p>


Avril Devaney		Director of Nursing, Therapies and Patient Partnerships - appointed January 2003	
Experience	<ul style="list-style-type: none"> • 30 years experience working in Mental Health and Drug and Alcohol Services • 11 years experience at Board level • Initiated funding bids, secured income and established new and innovative interagency services • Received the Queen's Nursing Institute award for Innovation in 1999 • Led the development of Patient and Public Involvement and CWP Challenging Stigma Campaign since 2004 • Member of Local Safeguarding Children Boards • Vice Chair of National Mental Health Nurse Directors Forum • Received Honorary MA from University of Chester in March 2014 for services to CWP and mental Health Care in Uganda 		
Qualifications & Memberships			<p>avril.devaney@cwps.nhs.uk</p> <p>Tel: 01244 397374</p>

Ron Howarth		Non Executive Director - appointed June 2006, appointment extended June 2010, reappointed November 2010, reappointed November 2012.	
Experience	<ul style="list-style-type: none"> Retired Commercial Banker. Latterly a director of Corporate Banking RBS / NatWest group North West Region Non executive director and Chair of the Audit Committee, Cheshire Area Probation Board Former non executive director (latterly Chair of the Board), Wirral Partnership Homes Ltd – a registered Social Landlord Former non executive director and Chair of Finance, Liverpool & Manchester Design Initiative Limited (a Registered Charity promoting local design capability) 		
Qualifications & Memberships	<ul style="list-style-type: none"> Former Independent member – Birkenhead and Wallasey Primary Care Trust NHS Agenda for Change Implementation Project Team ACIB (Associate of the Chartered Institute of Bankers) Associate member, Globecon (International Corporate Finance & Capital Markets training organisation) 		<p>ron.howarth@cwps.nhs.uk</p> <p>Tel: 01244 397371</p>

Mike Maier		Non Executive Director - appointed March 2011, re-appointed March 2014	
Experience	<ul style="list-style-type: none"> 30 years experience in industry, chiefly in international manufacturing in the building products and ophthalmic sectors Former European Finance Director, Pilkington Group Ltd Former Head of Finance Shared Services, Yodel Significant experience in mergers and acquisitions, restructuring, internal controls, systems development, strategic planning and cash management 		
Qualifications & Memberships	<ul style="list-style-type: none"> BA Hons Economics Institute of Chartered Accountants in England and Wales (ACA) since 1981 		<p>mike.maier@cwps.nhs.uk</p> <p>Tel: 01244 397371</p>

Stephen McAndrew		Non Executive Director, Deputy Chair & Senior Independent Director - appointed April 2004, re-appointed July 2008, re-appointed April 2013.	
Experience	<ul style="list-style-type: none"> Commercial Director, Healthcare at Home Limited Business Development Director, GSTS Pathology LLP Strategic Development Director, Serco Health Managing Partner, McAndrew Management LLP Managing Director, Health Care Risk Resources International Limited General Manager, Lister BestCare Limited Head of International Marketing and Logistics, KeyMed (Medical and Industrial Equipment) Limited 	 <p>stephen.mcandrew@cwp.nhs.uk</p> <p>Tel: 01244 397371</p>	
Qualifications & Memberships	<ul style="list-style-type: none"> Member of the International Society for Quality in Healthcare Fellow of the Royal Society of Arts Fellow of the Royal Society of Medicine BA Psychology 		

Grahame Owen		Non Executive Director - appointed June 2006, appointment extended June 2010, reappointed November 2010. Term of Office concluded October 2013.	
Experience	<ul style="list-style-type: none"> 30 years experience in the Information Technology industry, including project and contract management Former school governor Former Trustee of a local children's charity Former member of East Cheshire Patient and Public Involvement Forum Lay member of the Nursing and Midwifery Council 		
Qualifications & Memberships	<ul style="list-style-type: none"> Master of Business Administration MSc Control Systems BSc Electrical Engineering 		

Anushta Sivananthan		Consultant Psychiatrist and joint Medical Director (Compliance, Quality & Assurance) – appointed August 2010	
Experience	<ul style="list-style-type: none"> 14 years as Consultant Old Age Psychiatrist Clinical Director for Older Peoples' Services, West Cheshire Trust-wide Clinical Director for Adult Services College Tutor, West Cheshire 2002 – 2004 Deputy Convenor, Royal College of Psychiatrists 2004 – 2006 Programme Director, Old Age Psychiatrists at Mersey Deanery Cochrane reviewer in collaboration with Evidence Based Practice Centre at CWP 		

Qualifications & Memberships	<ul style="list-style-type: none"> • MBChB • MRCPsych • Diploma in Geriatric Medicine 	anushta.sivananthan@cwps.nhs.uk Tel: 01244 397374
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Andy Styring		Director of Operations - appointed May 2009
Experience	<ul style="list-style-type: none"> • Lifelong experience of living with and alongside people with learning disabilities • 35 years as a nurse, teacher and senior manager in services for children and adults with learning disabilities • Several senior clinical posts in children's and adults learning disability services spanning career • Board level posts at acting and substantive level in mental health and learning disability services • Former Healthcare Commission associate • Member of local Safeguarding Children's Boards • Member of Learning Disability Partnership Boards • Member of Executive Commissioning Group for mental health and learning disability services across Cheshire and Wirral • Wide ranging expertise in strategic service development and change management • Former staff governor • Passionate about partnerships and team building 	 andy.styring@cwps.nhs.uk Tel: 01244 397267
Qualifications & Memberships	<ul style="list-style-type: none"> • Registered nurse (learning disabilities) 	

Tim Welch		Director of Finance – appointed April 2013
Experience	<ul style="list-style-type: none"> • Over 20 years in the NHS with 11 years' experience as a Director • Previously Deputy Chief Executive and Director of Finance at Blackpool Teaching Hospitals NHS Foundation Trust and, • Director of Finance at City & Hackney Teaching Primary Care Trust • Started career as a graduate financial management trainee 	 tim.welch@cwps.nhs.uk Tel: 01244 397377
Qualifications & Memberships	<ul style="list-style-type: none"> • Chartered Public Finance Accountant • BSc (Hons) 	

The Trust confirms the balance, completeness and appropriateness of the membership of the Board. The Board has prepared a number of self-certification statements relating to clinical quality, service performance, risk management processes, compliance with the Licence and board roles, structures and capacity. The latter states the Board:

- is satisfied that all Directors are qualified to discharge their functions effectively, including setting strategy, monitoring and managing performance and ensuring management capacity and capability;
- confirms it has a selection process and training programmes in place to ensure Non-Executive Directors have appropriate experience and skills;
- confirms that the management team has the capability and experience necessary to deliver its strategic and operational plans, and that a management structure is in place to deliver strategic objectives for the next five years.

The performance of the Board, its committees and individual Directors is undertaken in a number of ways:

- Board members and the wider Senior Management Team undertook an externally facilitated assessment of risk appetite and tolerances in February 2014. This assessed the profile of the Board. This was facilitated by Risk Solutions, an external consultancy specialising in helping organisations of all kinds and sizes to better understand and manage their risks
- During 2012, the Board undertook a 360° appraisal via Foresight Partnership of all Executives and Non-Executives. In 2014/15 a further 360° assessment is planned.
- Individual appraisal and performance development planning (Executives and Non-Executives). Non-Executive Directors with terms of Office of 6 years or more are also subject to review by the Nominations Committee of the Council of Governors.
- Preparation of annual reports by key governance committees (received by the Board of Directors).
- Review of committee effectiveness of the Audit Committee
- Annual review of effectiveness of Corporate Governance arrangements.
- The appraisal of the Chair is led by the Senior Independent Director in a process agreed by the Council of Governors.

The significant commitments and interests of the Chair and the other Directors' other are detailed in the pen portraits shown on pages 26 to 32 and within the Board of Directors' register of interests. Members of the public can gain access to the Board of Directors' and Council of Governors' register of interests at www.cwp.nhs.uk

Directors can be contacted by e-mail via details on the Trust's website www.cwp.nhs.uk, or via the Head of Corporate Affairs on 01244 397469.

Additional Disclosure Requirements

The additional disclosures required for this report are detailed below with their location within the report referenced.

An indication of:

- Any political donations – **see page 25**
- Likely future developments at the NHS foundation trust - **see page 7 (onwards)**
- The existence of branches outside the UK – **see page 25**
- Policies applied during the financial year for:
 - giving full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities;
 - continuing the employment of, and for arranging appropriate training for, employees who have become disabled persons during the period; and
 - the training, career development and promotion of disabled employees.
See page 39
- Actions taken in the financial year to;
 - provide employees systematically with information on matters of concern to them as employees;
 - consult employees or their representatives on a regular basis so that the views of employees can be taken into account in making decisions which are likely to affect their interests;
 - encourage the involvement of employees in the NHS foundation trust's performance; and
 - to achieve a common awareness on the part of all employees of the financial and economic factors affecting the performance of the NHS foundation trust.
See page 18
- In relation to the use of financial instruments, an indication of the financial risk management objectives and policies of the NHS foundation trust and the exposure of the entity to price risk, credit risk, liquidity risk and cash flow risk, unless such information is not material for the assessment of the assets, liabilities, financial position and results of the entity.
See page 36-37

Performance against key targets

The Trust had a number of external targets to achieve in 2013/14. The regulatory body /accountable organisation target details, required performance, and actual performance are listed below:

Monitor Compliance Framework Targets		
Target Title	Required performance	Actual performance
Care Programme Approach (CPA) patients – receiving follow-up contact within seven days of discharge	95.0%	97.9%
Care Programme Approach (CPA) patients – having formal review within 12 months	95.0%	96.2%
Minimising delayed transfers of care	≤ 7.5%	1.5%
Admissions to inpatients services had access to crisis resolution home treatment teams	95.0%	98.1%
Meeting commitment to serve new psychosis cases by Early Intervention teams	95.0%	128.5%
Data Completeness: identifiers	97.0%	99.4%
Data Completeness: outcomes	50.0%	85.7%
Compliance with requirements regarding access to healthcare for people with a learning disability	N/A	Achieved
Community care - referral to treatment information	50.0%	100.0%
Community care - referral information	50.0%	95.6%
Community care - activity information	50.0%	92.6%
CQC compliance action outstanding (as at 31 Mar 2014)	N/A	Springview - minor concerns for outcome 5 & 21 Bowmere - minor concerns outcome 21
CQC enforcement action within last 12 months (as at 31 Mar 2014)	N/A	No
CQC enforcement action (including notices) currently in effect (as at 31 Mar 2014)	N/A	No
Minor CQC concerns or impacts regarding the safety of healthcare provision (as at 31 Mar 2014)	N/A	Yes (as above)
Moderate CQC concerns or impacts regarding the safety of healthcare provision (as at 31 Mar 2014)	N/A	No
Major CQC concerns or impacts regarding the safety of healthcare provision (as at 31 Mar 2014)	N/A	No
Trust unable to declare on-going compliance with minimum standards of CQC registration	N/A	No
Has the Trust been inspected by CQC (in the quarter ending 31 Mar 2014)	N/A	Yes (as above)
If so, did the CQC inspection find non-compliance with 1 or more essential standards	N/A	Yes (as above)
Unable to maintain, or certify, a minimum published CNST level of 1.0 or have in place appropriate alternative arrangements	N/A	No

Regulatory ratings

Commentary

Monitor uses the Trust's annual plans, in-year quarterly submissions and relevant third party reports to assign risk ratings for finance and governance. Monitor uses these ratings to assess risk to compliance with the Trust's Licence, to guide the intensity of monitoring and signal to the NHS Foundation Trust the degree of concern with the specific issues identified and evaluated.

Monitor requires NHS Foundation Trusts to report in-year, normally on a quarterly basis (dependent upon the outcome of its rating). The submission is split into the following areas:

- Financial Risk Rating and Continuity of Services Risk Rating
- Governance

Financial Risk Rating (to 30th September 2013)

Financial risk ratings are allocated using a scorecard which compares key financial information across all Foundation Trusts. A rating of 5 reflects the lowest level of financial risk and a rating of 1 the highest. When assessing financial risk, Monitor will assign quarterly and annual risk ratings using a system which looks at four criteria:

- achievement of plan;
- underlying performance;
- financial efficiency; and
- liquidity.

The risk rating is forward-looking and is intended to reflect the likelihood of an actual or potential financial breach of the Foundation Trust's Terms of Authorisation. The rating system is on a scale of 1-5 as follows:

5. Low risk – no regulatory concerns
4. No regulatory concerns
3. Regulatory concerns in one or more components. Significant breach unlikely
2. Risk of significant breach in medium term, e.g. 12 to 18 months, in absence of remedial action
1. Highest risk - high probability of significant breach of authorisation in short-term, e.g. <12 months, unless remedial action is taken.

Continuity of Services Risk Rating (from 1st October 2013)

The continuity of services risk rating describes the risk of a provider of Commissioner Requested Services (CRS) failing to carry on as a going concern. This represents Monitor's view of the likelihood that a licence holder is, will be, or could be in breach of the continuity of services licence condition 3.

The Continuity of Services Risk Rating identifies the level of risk to the ongoing availability of key services. This is rated on a scale of 1-4 as follows:

4. Low risk - Monitor continues to monitor performance based on the size and risk.
3. Emerging or residual financial concern – Monitor may perform monthly monitoring.
2. The financial position is such that the provider of Commissioner Requested Services may be subject to investigation to see if it could be in breach of its CoS licence conditions.
Monitor may also start taking an active role in ensuring the continuity of services using provisions in the relevant licence conditions, e.g. requesting the co-operation of the provider to assess risk to services; preventing the disposal of assets used in the provision of CRS.
1. As level 2 above and in addition in extreme cases Monitor may consider the level of risk represents financial distress and initiate contingency planning and/or other action to ensure continuity of services and access.

Governance

Monitor uses the term governance to describe the effectiveness of an NHS Foundation Trust's leadership. They use performance measures such as whether Foundation Trusts are meeting national targets and standards as an indication of this, together with a range of other governance measures described below.

- Legality of constitution
- Growing a representative membership
- Appropriate board roles and structures
- Cooperation with NHS bodies and local authorities
- Clinical quality
- Service performance (healthcare targets and standards)
- Other risk management processes
- Provision of mandatory services

The Governance Rating in line with the Monitor Compliance framework were as follows between April 2013 and September 2013 :-

- Red – Likely or actual significant breach of Terms of Authorisation
- Amber-Red – Material concerns surrounding Terms of Authorisation
- Amber-Green – Limited concerns surrounding Terms of Authorisation
- Green – No Material concerns

These changed in year in line with the Risk Assessment Framework taking effect from October 2013:-

- Green if no issues are identified
- Red where enforcement action is necessary

The Trust's Governance risk rating in 2013/14 for Quarter 1 and Quarter 2 remained amber-green due to five moderate concerns raised by CQC inspection in relation to Eastway, the Trust's learning disability unit in Chester.

Following re-inspection of Eastway by CQC at the end of Quarter 2, full compliance with all standards was achieved. Subsequently, as a result of Monitor assigning Governance risk ratings based on the Risk Assessment Framework, the Trust's Governance risk rating was adjusted to green for Quarter 3. The Trust ended the year with a Governance risk rating of green and therefore successfully achieved the expected performance set out in its annual plan.

Please see pages 102-104 for information on CQC inspections and subsequent Trust actions.

Quality Governance Framework

The Quality Account sets out the Trust's commitment to setting quality improvement priorities that the Trust intends to continue to review its performance against in future years, and to sustain improvements to quality. This strategy is supported by an ongoing/quarterly self-assessment by the Board, as per the Monitor quality governance framework, to assure the Board that strategies are in place to support the quality agenda.

	Annual Plan 2013/14	Q1 2013/14	Q2 2013/14	Q3 2013/14	Q4 2013/14
Financial risk rating	3	3	3	N/A	N/A
Governance risk rating	●	Amber/Green	Amber/Green	●	●
Continuity of service risk rating	4	N/A	N/A	4	4

	Annual Plan 2012/13	Q1 2012/13	Q2 2012/13	Q3 2012/13	Q4 2012/13
Financial risk rating	3	3	3	3	4
Governance risk rating	●	●	●	●	Amber/Green
Mandatory services	●	●	●	●	●

Other disclosures in the public interest

Information to and consultation with employees

The Trust continues to take its responsibilities for informing and consulting with staff very seriously. Significant consultations over the past 12 months has been in respect of the redesign of learning disability services, the introduction of a pay progression scheme and revised pay protection arrangements. In addition to the existing framework of regular consultation meetings (both formal and informal) and the Trust meeting all aspects of its statutory obligations in respect of bringing about changes within the workplace, staff side representatives have been routinely invited to participate in a wide range of Trust projects.

Equalities and disabled employees

The Trust's duties under the Equality Act 2010 cover all employees of the Trust across all nine protected characteristics:

- Age
- Disability
- Gender Reassignment (Trans)
- Marriage/Civil Partnership
- Pregnancy/Maternity
- Race
- Religion or Belief (including lack of belief)
- Sex
- Sexual Orientation

The Trust operates a guaranteed interview scheme for disabled applicants who meet the person specification for posts. People with experience of mental health issues are also positively encouraged to apply for posts. All recruiting managers are required to have received training in fair recruitment practices.

The Trust's management of attendance policy provides guidance to managers on how to support employees with disabilities. Both newly appointed and existing staff who develop a disability whilst in our employment are offered advice and support from our occupational health and staff support services; and where possible reasonable adjustments are made to enable them to undertake their roles effectively.

All our HR policies are impact assessed to ensure that they do not disadvantage staff with disabilities in terms of training, career development and promotion.

To fulfil our duties we ensure our recruitment practices, diversity training and working practices are fair for all and reflect the communities we serve. This section of the report summarises the diversity monitoring data for staff. Using data taken from the Trust's Electronic Staff Record (ESR), it identifies possible trends/patterns for further consideration.

Staff profile highlights

Headlines: As of March 2014 CWP employed 3435 people of which:

- 79.2% are women
- 20.6% are aged 35 or under and 17.4% are aged 55 or over
- Across Cheshire West & Chester, Cheshire East, Wirral and Trafford we have 3.4% of our staff from Black Minority and Ethnic Communities.
- 4.8% of staff have disclosed that they consider themselves to have a disability, 81.0% of staff have told us they don't consider themselves to have a disability with the remainder either unknown or have chosen not to disclose.
- 75.1% of staff have disclosed as Heterosexual and 1.4% as Lesbian, Gay or Bisexual with the remainder unknown or chose not to disclose.

- 56% of staff consider themselves Christian, 9% as Atheists and the third biggest group at 6.9% choosing to define their religion as Other not included on the list available (this list includes Buddhism, Hinduism, Islam, Judaism and Sikhism)
- 26.4% of staff either didn't answer the question or choose not to disclose their religion or belief.

Health and safety performance information and occupational health

The Executive Director with Board level responsibility for Health and Safety acts on behalf of the Chief Executive and has the following responsibilities which are intended to ensure management of health and safety is effective:

- The development and monitoring of relevant policies and systems.
- Setting health and safety objectives based on the standards set out in the Health and Safety Leadership Checklist for Trust Boards and managing performance against objectives.
- Ensuring that appropriate advice is available on health and safety matters.
- Promoting the importance of health and safety.

The Trust's Health, Safety and Well-Being Sub Committee has continued to meet regularly throughout the year and, as part of its remit, fulfils the role of the statutory Safety Committee. A framework of local support meetings is in place, with minutes being submitted to full sub-committee meetings.

During the past year the Health, Safety and Well-Being Sub-Committee has overseen the implementation of the 2nd year action plan of the Staff Health & Well Being Strategy. The emphasis during this year has been on embedding a culture of health and wellbeing throughout the Trust via activities such as local exercise programmes, interventions such as the staff resilience training programme and initiatives such as the Innovation Fund which provides an opportunity for staff to bid for funding to support, activities or equipment that enhance or improve staff health and wellbeing.

The overarching aim of the strategy is to support the creation and ongoing implementation of a working environment that optimises staff health and well-being and enables employees to enjoy work and perform at their best. This is also supported by two ongoing occupational pilots each aimed at early identification of ill health with associated early intervention. The first being the staff physiotherapy pilot which has seen the internal service replaced with a nationally acclaimed external service that promotes and encourages self-management and provides evidenced based interventions as needed. The second pilot (the Healthy Minds Pathway) promotes early identification of mental ill health whilst supporting staff to return to / remain in work.

Anti-Fraud

The Trust continued to work with the Local Counter Fraud Specialist and the accountable officer remains the Director of Finance. Mersey Internal Audit Agency (MIAA) has again provided the service this year. There were a number of investigations within the 2013/14 financial year, which were investigated in accordance with the Trust's Anti-Fraud, Corruption and Bribery, Policy and Response Plan.

The Trust's Anti-fraud work plan for 2014/15 includes work across four areas of Anti-fraud activity as directed by NHS Protect. The Trust actively encourages its staff to use its whistle blowing policy where they have concerns.

Better payment practice code

The Better Payment Practice Code requires the Trust to aim to pay all undisputed invoices by the due date or within 30 days of receipt of the goods or a valid invoice, whichever is later.

Item	Number 2013/14	£000 2013/14	Number 2012/13	£000 2012/13
Total non-NHS trade invoices paid in period	24,316	27,363	23,107	24,351
Total non-NHS trade invoices paid within target	22,996	25,971	20,911	22,580
Percentage of non-NHS trade invoices paid within target	95%	95%	91%	92%
Total NHS trade invoices paid in the period	1,654	11,687	1,397	11,661
Total NHS trade invoices paid within target	1,523	11,196	1,162	10,719
Percentage of NHS trade invoices paid within target	92%	96%	83%	92%

Late Payment of Commercial Debt (Interest) Act 1998

The Trust did not incur any charges in relation to the late payment of commercial debt (interest) act 1998 during the financial year (£nil 2012/13).

Consultations

No public consultations took place between April 2013 and March 2014. No CWP consultations are currently in progress for 2014-15 however, we are anticipating supporting West Cheshire CCG with consultation around podiatry service changes. We will consult with the relevant Health and Well-being Scrutiny Committees should new service changes require public consultation during this period.

Patient and public involvement activities

Cross referenced in the membership section on pages 75-77.

Sickness absence data

Sickness absence performance in 2013/14 is 4.83%. At 4.83%, the overall Trustwide level of sickness absence for 2013/14 was slightly below the 2012/13 figure of 4.93%. This is the second time since gaining Foundation Trust status that the annual figure has been below 5% and reflects the on-going efforts made over the last 12 months to achieve a reduction.

Charging for information

It is government policy that much information about public services should be made available either free or at low cost, in the public interest. The Trust has complied with the cost allocation and charging requirement set out in HM Treasury and Office of Public Sector Information guidance.

Data loss and confidentiality breaches (required as part of NHS Information Governance rules)

There were no serious and untoward incidents involving loss or disclosure of person-identifiable data from April 2013 to March 2014.

Remuneration Report

Tables showing the remuneration and pension benefits of senior managers have been audited and follow this section.

The Remuneration and Terms of Service Committee (RTSC) determines the remuneration of all members of the Trust's Executive Management Team. The Committee is required to ensure levels of individual remuneration are sufficient to attract, retain and motivate directors of the quality required to run Trust successfully, but without paying more than is necessary for that purpose. In ensuring that, the Committee considers the recommendations made by national pay review bodies, local pay market forces and, from time to time, commissions its own benchmarking review. Within the Trust, executive pay is fixed at specified pay points: there is no pay band or incremental pay progression.

As at 31st March 2014, there is no obligation for the Trust regarding early termination of executive team members' contracts.

The Trusts normal practice is that all Executive team members are employed on indefinite contracts with a notice period of three months (six months for the chief executive). The Trust has adopted the Agenda for Change pay structure and job evaluation processes. This has been taken into account in determining Directors remuneration.

Performance objectives are determined for the chief executive and each other executive management team member annually. Each executive team member receives an annual appraisal and regular management reviews to ensure objectives are achieved. These are also appraised and approved by the committee. Membership of the remuneration and Terms of Service Committee comprises the Trust Chair and all non-executive directors. The Chief Executive attends the Remuneration Committee in an advisory capacity, except for meetings that consider her own remuneration or terms and conditions of service. The pay of executive team members is not performance related.

Three meetings of the Committee were held during 2013/14, with committee members attendances as follows:

Director	Remuneration Committee - NEDs
Fiona Clark	1 out of 3
David Eva	3 out of 3
Ron Howarth	2 out of 3
Lucy Crumplin	1 out of 1
Mike Maier	3 out of 3
Stephen McAndrew	3 out of 3
Grahame Owen	2 out of 2

Audited Remuneration Report of Senior Managers	31-Mar-14			
	Salary & Fees bands of £5,000	Taxable Benefit to the nearest £100	All pension-related benefits bands of £5,000	Total in bands of £5,000
S Cumiskey – Chief Executive	145-150	0	5-10	150-155
T Welch – Director of Finance and Deputy Chief Executive (note 1)	120-125	0	(35)-(40)	80-85
R Francke – Director of Finance and Deputy Chief Executive (note 1)	0	0	0	0
Dr A Sivananthan – Medical Director Compliance, Quality and Regulation	160-165	0	60-65	225-230
Dr A Cotgrove – Medical Director (note 2) Effectiveness and Medical Workforce	100-105	0	(0)-(5)	100-105
Dr F Alam – Medical Director (note 2)	65-70	0	15-20	85-90
A Devaney – Director of Nursing, Therapies and Patient Partnership	90-95	7,000	10-15	110-115
A Styring – Director of Operations	55-60	0	0	55-60
D Eva – Chairman	40-45	0	0	40-45

31-Mar-13			
Salary & Fees bands of £5,000	Taxable Benefit to the nearest £100	All pension-related benefits bands of £5,000	Total in bands of £5,000
140-145	0	(30)-(35)	110-115
0	0	0	0
80-85	3,500	(10)-(15)	75-80
155-160	0	215-220	370-375
175-180	0	140-145	315-320
0	0	0	0
85-90	7,000	210-215	305-310
45-50	0	0	45-50
40-45	0	0	40-45

F Clark – Non Executive Director	10-15	600	0	10-15	10-15	500	0	10-15
R Howarth – Non Executive Director	10-15	0	0	10-15	15-20	0	0	15-20
L Crumplin – Non Executive Director	5-10	100	0	5-10	0	0	0	0
M Maier – Non Executive Director	15-20	0	0	15-20	10-15	0	0	10-15
S McAndrew – Non Executive Director	10-15	0	0	10-15	10-15	0	0	10-15
G Owen – Non Executive Director	5-10	0	0	5-10	10-15	0	0	10-15

Audited Remuneration Report of Senior Managers	31-Mar-14					
	Real increase in pension at age 60 Bands of £2,500	Real increase in lump sum at age 60 Bands of £2,500	Total accrued pension at age 60 at 31 March 2014 bands of £5,000	Cash Equivalent Transfer Value at 31 March 2013 £000	Cash Equivalent Transfer Value at 31 March 2014 £000	Real +/- in CETV £000
S Cumiskey – Chief Executive	0-2.5	2.5-5	50-55	919	988	49
T Welch – Director of Finance and Deputy Chief Executive (note 1)	0-2.5	2.5-5	30-35	452	461	-1
R Francke – Director of Finance and Deputy Chief Executive (note 1)	0	0	0	0	0	0
Dr A Sivananthan – Medical Director Compliance, Quality and Regulation	2.5-5	10-12.5	40-45	617	705	75
Dr A Cotgrove – Medical Director (note 2) Effectiveness and Medical Workforce	0-2.5	2.5-5	70-75	1,522	0	0
Dr F Alam – Medical Director (note 2)	0-2.5	2.5-5	10-15	135	182	22
A Devaney – Director of Nursing, Therapies and Patient Partnership	0-2.5	2.5-5	45-50	729	787	42

31-Mar-13					
Real increase in pension at age 60 Bands of £2,500	Real increase in lump sum at age 60 Bands of £2,500	Total accrued pension at age 60 at 31 March 2013 bands of £5,000	Cash Equivalent Transfer Value at 31 March 2012 £000	Cash Equivalent Transfer Value at 31 March 2013 £000	Real +/- in CETV £000
0-2.5	0-2.5	50-55	862	919	12
0	0	0	0	0	0
0-2.5	0-2.5	20-25	341	366	6
10-12.5	30-32.5	35-40	424	617	170
12.5-15	40-42.5	70-75	1,138	1,522	326
0	0	0	0	0	0
7.5-10	27.5-30	40-45	523	729	178

A Styring – Director of Operations	0	0	0	0	0	0	0	0	0	0	0
D Eva – Chairman	0	0	0	0	0	0	0	0	0	0	0
F Clark – Non Executive Director	0	0	0	0	0	0	0	0	0	0	0
R Howarth – Non Executive Director	0	0	0	0	0	0	0	0	0	0	0
L Crumplin – Non Executive Director	0	0	0	0	0	0	0	0	0	0	0
M Maier – Non Executive Director	0	0	0	0	0	0	0	0	0	0	0
S McAndrew – Non Executive Director	0	0	0	0	0	0	0	0	0	0	0
G Owen – Non Executive Director	0	0	0	0	0	0	0	0	0	0	0

There have been no annual or performance related bonuses paid to senior managers.

Note 1:T Welch replaced R Francke on the 1st April 2013

Note 2:F Alam replaced A Cotgrove on the 1st October 2013. Dr Andy Cotgrove has returned to the Trust following flexible retirement and is, therefore, already drawing his pension.

Please note that benefit in kind relates to leased cars and childcare provided by the NHS Foundation Trust

Within the NHS Pension Scheme itself the CPI uplift is only applied to non-active members (i.e. deferred members, retired members and those above the contribution age). For active members no inflation uplift is applied and instead the increase in pension entitlement is driven by salary increases and additional years earned. (In addition any transfers-in or AVCs would also increase entitlement but under these are adjusted-out under the HMRC method). This means that where the actual increase in an individual's pension entitlement during the year is less than the CPI percentage assumed in the calculation (2.2% for 13/14) a negative real pension increase can arise. In practice this would be limited to cases where the individual has a minimal (or nil) salary increase and/or only a few months' contributions (e.g. where they left early in the year). Such a negative real increase could in turn lead to a negative pension input amount in column 'e' of the single figure table.

	31 March 2014	31 March 2013
Band of Highest Paid Directors Total Remuneration (£000)	160-170	170-180
Median Total Remuneration (£)	27,901	27,624
Ratio	5.8	6.3

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce. The banded remuneration of the highest-paid director in the financial year 2013/14 was £162,657

This is 5.8 times the median remuneration of the workforce, which was £27,901. In 2013/14, no employees received remuneration in excess of the highest-paid director.

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

- Please note Non-Executive Directors do not receive pensionable remuneration.
- A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accumulated by a member at a particular point in time. The benefits valued are the member's accumulated benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accumulated in their former scheme. The pension figures shown relate to the benefits that the individual has accumulated as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures and the other pension details include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accumulated to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. A CETV is calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.
- Real Increase in CETV: this reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accumulated pension due to inflation, contributions paid by the employee (including the value of benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end period.
- The Trust is required to disclose details of any highly paid and/or senior off-payroll engagements in the following categories:
 1. For all off-payroll engagements as of 31 March 2014, for more than £220 per day and that last for longer than six months;
 2. For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2013 and 31 March 2014, for more than £220 per day and that last for longer than six months; and
 3. For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2013 and 31 March 2014.

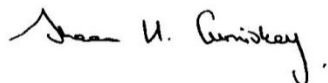
For all of the above categories there have been no off-payroll arrangements in 2013/14 which require disclosure (2012/13 £nil).

Governors (unaudited)

In the reporting period 19 governors received expenses, compared to 18 in the previous financial year (2012/13).

The aggregate sum of expenses paid to governors in 2013/14 was £8,503 (£5,326 2012/13).

Signed:

A handwritten signature in black ink, appearing to read 'Sheena U. Cumiskey'.

Sheena Cumiskey – Chief Executive
28th May 2014

NHS Foundation Trust Code of Governance

Council of Governors

The Council of Governors is responsible for fulfilling its statutory duties of appointing, removing and deciding the term of office (including remuneration) of the Chair and Non-Executive Directors (NEDs), approving the appointment of the Chief Executive, appointing and removing the Trust's external auditors, receiving the annual report and accounts and auditor's report, and expressing a view of the Board's forward plans, in accordance with the Trust Constitution and approving any mergers, acquisitions and transactions over a specific threshold. They are also responsible for ensuring that the interests of the community served by the Trust are appropriately represented.

In order to support Governors to communicate with Members and the Public a number of networking events have been established. The purpose of these events is to encourage Members, Public and Governors to discuss Trust issues and share views. These will be further developed during 2014/2015. Governors are able to communicate the views of Members and the Public to the Board of Directors via Council of Governors meetings and via the Planning Seminars established specifically to enable Governors to influence Trust Plans. Please also refer to the Membership section of this report for further information on the work of the Membership and Development Sub Committee of the Council of Governors.

The Council of Governors meets at least three times per annum in public. The significant commitments and interests of the Governors are detailed on the Council of Governors register of interests. This is available on the Trust website- www.cwp.nhs.uk.

The composition of the Council of Governors from 1st April 2013 to 18th November 2013 was:

- Public -10 Governors
- Service users and carers - 9 Governors
- Staff- 6 Governors
- Partnership - 10 Governors

The composition of the Council of Governors from the 18th November 2013 following the Annual Members Meeting is:

- Public – 7 Governors
- Service users and carers – 12 Governors
- Staff - 7 Governors
- Partnership – 8 Governors

The new composition of the Council of Governors taking effect from the 18th November 2013, reflected the change to the composition set out in the Trust's Constitution agreed at the 2012 Annual Members Meeting.

The table below gives the names of those who occupied the position of Governor between 1st April 2013 and 31st March 2014, how they were appointed or elected and how long their appointments are for. It also states the number of Council of Governors' meetings that were held and individual attendance by Governors at those meetings.

Between April 2013 and March 2014 the Council of Governors met on 6 occasions and attendance is indicated on the table below.

Public Governors (elected)	Area	Tenure	From	To	Council of Governors meetings attended 2013/14
Bosomworth, Derek	Cheshire East	3 years	2011	2014	5 out of 6
Coad, Tim	Cheshire West & Chester	3 years	2010	2013	3 out of 3
Cooper, Kathy (term)	Wirral	3 years	2010	2013	2 out of 3
Mayne, Stanley	Wirral	3 years	2012	2015	6 out of 6
Robertson, Rob	Cheshire West and Chester	3 years	2011 (May 2012)	2014	5 out of 6
Robinson, Michael	Cheshire West and Chester	3 years	2011 (May 2012)	2014	5 out of 6
Salisbury, Eddie <i>previously a Service User and Carer Governor 2010-2011</i>	Wirral	1 year 3 years	2010 2011	2011 2014	6 out of 6
Seber, Derek	Out of Area	3 years	2011	2014	3 out of 6
Wilkinson, Peter	Cheshire East	3 years	2011	2014	4 out of 6
Service user and carer Governors (elected)					
Ankers, Nicholas		3 years	2011	2014	6 out of 6
Bennett, Deborah		3 years	2013	2016	3 out of 5
Campbell, Jean		3 years	2010	2013	0 out of 3
Crouch, Brian David		3 years	2013	2016	2 out of 2
Davison, Rosalind		3 years	2012	2015	4 out of 6
Harland, Richard		1 year 3 years	2011 2012	2012 2015	6 out of 6
Jarrold, Phil		3 years	2010 2013	2013 2016	6 out of 6
Jones, Brenda		3 years 3 years	2009 2012	2012 2015	3 out of 6
McGrath, Ann		8 months 3 years	2011 2011	2011 2014	6 out of 6
McQuarrie, Ferguson		3 years	2013	2016	3 out of 3
Usherwood, Anna		1 year 3 years 3 years	2007 2008 2011	2008 2011 2014	5 out of 6
Staff Governors (elected)	Class				
Buckley, Steven	Therapies	3 years	2013	2016	2 out of 3

Doble, Jill	Therapies	3 years	2013	2016	2 out of 3
Irving, Peter	Nursing	3 years	2010	2013	1 out of 3
McGee, Val	Non-Clinical	3 years	2011	2014	4 out of 6
Newby, Gavin Dr	Clinical Psychology	3 years	2011	2014	2 out of 6
Van Niekerk, Laurie Dr	Medical	3 years	2011	2014	4 out of 5
Welton, Sarah	Therapies	3 years	2010	2013	2 out of 3
Partnership Governors (appointed)	Organisation				
Dowding, Brenda	Cheshire West & Chester Council	3 years 3 years	2009 2012	2012 2015	4 out of 6
Gilchrist, Phil	Wirral Metropolitan Borough Council	3 years 3 years	2010 2013	2013 2016	5 out of 6
Lea, O'Mahoney, Maurice	Staff side	3 years 3 years	2010 2013	2013 2016	1 out of 6 **
Smith, Pam (appointed by CCG March 2014)	West Cheshire CCG	3 years	2013	2016	0 out of 0
Stewart, Iain (appointed by CCG Dec 2013)	Wirral CCG	3 years	2013	2016	0 out of 2
Wilson, Ken (term commenced Oct 2010)	Universities	3 years 3 years 3 years	2007 2010 2013	2010 2013 2016	2 out of 6
Wray, John	Cheshire East Council	3 years 3 years	2009 2012	2012 2015	4 out of 6

** absent due to exceptional circumstances

Members of the Board of Directors regularly attend meetings of the Council of Governors in order to understand Governors' views. The Chief Executive has a standing invitation to attend all meetings of the Council. All Directors receive the Council's papers for review and are invited to attend to present reports on topical issues.

Directors, and in particular Non-Executives, also come together regularly with Governors and Members at consultation, information and training events and seminars. Directors and Non-Executive Directors also regularly attend sub-committee meetings of the Council of Governors. Directors' attendance at meetings of the Council of Governors during 2013/14 is shown below.

Although 6 Council of Governors meetings were held during the year, one of these meetings was an extraordinary meeting convened for Governors to specifically discuss Non-Executive Director appointments and Non-Executive Director succession planning. Only the Chair and Governors were present at this meeting.

Director	Council of Governors meetings attended 2013/14
Non-Executive Director	
Clark, Fiona	4 out of 5
Crumplin, Lucy	1 out of 3
Eva, David (Chair)	5 out of 6
Howarth, Ron	3 out of 5
Maier, Mike (Deputy Chair wef September 2013)	4 out of 5
McAndrew, Stephen (Deputy Chair until Sept 2013 and Senior Independent Director)	1 out of 5
Owen, Grahame	2 out of 3
Executive Director	
Alam, Dr Faouzi	2 out of 2
Cotgrove, Dr Andy	0 out of 3
Cumiskey, Sheena (Chief Executive)	4 out of 5
Devaney, Avril	2 out of 5
Sivananthan, Dr Anushta	1 out of 5
Styring, Andy	2 out of 5
Welch, Tim	4 out of 5

Directors' attendance at meetings during the year - possible and actual - has been recorded as below.

Director	Board of directors	Audit Committee	Quality committee	Operational board
Fiona Clark	10 out of 11	5 out of 7 *	6 out of 6	
Dr Andy Cotgrove	3 out of 5		2 out of 3	4 out of 5
Sheena Cumiskey	10 out of 11		3 out of 6	9 out of 11
Avril Devaney	8 out of 11		3 out of 6	7 out of 11
David Eva	10 out of 11			
Tim Welch	10 out of 11	4 out of 7 *	5 out of 6	7 out of 11
Ron Howarth	9 out of 11	6 out of 7	5 out of 6	
Lucy Crumplin	7 out of 7		4 out of 6	6 out of 11
Stephen McAndrew	10 out of 11	1 out of 2		
Mike Maier	11 out of 11	7 out of 7		
Grahame Owen	6 out of 6	5 out of 5		5 out of 6
Dr Anushta Sivananthan	9 out of 11		3 out of 6	6 out of 11
Andy Styring	8 out of 11		5 out of 6	11 out of 11
Dr Faouzi Alam	5 out of 6		2 out of 3	6 out of 6

* Fiona Clark (Non-Executive Director) and Tim Welch (Director of Finance) are not formal members of the Audit Committee. However, both parties have attended the Audit Committee as detailed above.

Code of Governance – Disclosures

Part of schedule A (see above)	Relating to	Code of Governance reference	Summary of requirement / Evidence
2: Disclose	Board and Council of Governors	A.1.1	<p>The schedule of matters reserved for the board of directors should include a clear statement detailing the roles and responsibilities of the council of governors. This statement should also describe how any disagreements between the council of governors and the board of directors will be resolved. The annual report should include this schedule of matters</p> <p>or a summary statement of how the board of directors and the council of governors operate, including a summary of the types of decisions to be taken by each of the boards and which are delegated to the executive management of the board of directors.</p> <ul style="list-style-type: none"> • The Board meets monthly excepting August • The annual report states how the Board of Directors and Council of Governors operate, including a high-level statement of which types of decisions are taken by each • Matters reserved for the Board are included in the Trust's corporate governance manual • The roles and responsibilities of Governors is contained in the Trust's constitution • The Council of Governors' standing orders includes a statement relating to the handling of disputes.
2: Disclose	Board, Nomination Committee(s), Audit Committee, Remuneration Committee	A.1.2	<p>The annual report should identify the chairperson, the deputy chairperson (where there is one), the chief executive, the senior independent director (see A.4.1) and the chairperson and members of the nominations, audit and remuneration committees. It should also set out the number of meetings of the board and those committees and individual attendance by directors.</p> <ul style="list-style-type: none"> • The annual report identifies the chair, deputy chair, chief executive, senior independent director and the chair and members of the Nomination, Audit and Remuneration Committees • Records are kept of the number of meetings of the Board of Directors and its committees, and directors' attendance

2: Disclose	Council of Governors	A.5.3	<p>The annual report should identify the members of the council of governors, including a description of the constituency or organisation that they represent, whether they were elected or appointed, and the duration of their appointments. The annual report should also identify the nominated lead governor.</p> <ul style="list-style-type: none"> • The annual report identifies Governors, their constituency or organisation they represent, whether they were elected or appointed and the duration of their appointment • A record is kept of Governors' attendance at meetings • The annual report details the Governor elections held in 2013/14.
2: Disclose	Board	B.1.1	<p>The board of directors should identify in the annual report each non-executive director it considers to be independent, with reasons where necessary.</p> <ul style="list-style-type: none"> • The Directors Report identifies independent non-executive directors. Refer to Directors Report.
2: Disclose	Board	B.1.4	<p>The board of directors should include in its annual report a description of each director's skills, expertise and experience. Alongside this, in the annual report, the board should make a clear statement about its own balance, completeness and appropriateness to the requirements of the NHS foundation trust.</p> <ul style="list-style-type: none"> • The annual report gives a description of each director's expertise and experience • It also makes a statement about its balance, completeness and appropriateness to the Trust's requirements
2: Disclose	Nominations Committee(s)	B.2.10	<p>A separate section of the annual report should describe the work of the nominations committee(s), including the process it has used in relation to board appointments.</p> <ul style="list-style-type: none"> • The annual report describes the work of the nominations committees • The annual report describes the appointment process for non-executive directors

2: Disclose	Chair / Council of Governors	B.3.1	<p>A chairperson's other significant commitments should be disclosed to the council of governors before appointment and included in the annual report. Changes to such commitments should be reported to the council of governors as they arise, and included in the next annual report.</p> <ul style="list-style-type: none"> • Non-Executive director terms and conditions of appointment are available for inspection • The expected time commitment is set out in the letter of appointment and in accepting the appointment, Non-Executive directors confirm that they are able to allocate sufficient time to the role • Other significant appointments on the part of those recommended for Non-Executive directorship are made known to Governors prior to appointment
2: Disclose	Council of Governors	B.5.6	<p>Governors should canvass the opinion of the Trust's members and the public, and for appointed governors the body they represent, on the NHS foundation trust's forward plan, including its objectives, priorities and strategy, and their views should be communicated to the board of directors. The annual report should contain a statement as to how this requirement has been undertaken and satisfied.</p> <ul style="list-style-type: none"> • Refer to NHS Foundation Trust Code of Governance section.
2: Disclose	Board	B.6.1	<p>The board of directors should state in the annual report how performance evaluation of the board, its committees, and its directors, including the chairperson, has been conducted.</p> <ul style="list-style-type: none"> • Refer to Directors Report.
2: Disclose	Board	B.6.2	<p>Where there has been external evaluation of the board, the external facilitator should be identified in the annual report and a statement made as to whether they have any other connection to the trust.</p> <ul style="list-style-type: none"> • The externally facilitated risk training of Board Members was provided by Risk Solutions. This organisation has no connections with the trust. Refer to Directors Report.

2: Disclose	Board	C.1.1	<p>The directors should explain in the annual report their responsibility for preparing the annual report and accounts, and state that they consider the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the NHS foundation trust's performance, business model and strategy. Directors should also explain their approach to quality governance in the Annual Governance Statement (within the annual report).</p> <ul style="list-style-type: none"> • Statement within Directors report. • Annual Governance Statement
2: Disclose	Board	C.2.1	<p>The annual report should contain a statement that the board has conducted a review of the effectiveness of its system of internal controls.</p> <ul style="list-style-type: none"> • The Board of Directors conducts an annual review of effectiveness of its annual governance statement, supported by its internal auditors and Audit Committee • A statement of internal control is included in the Trust's annual report within the Annual Governance Statement.
2: Disclose	Audit Committee / control environment	C.2.2	<p>A trust should disclose in the annual report:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p> <ul style="list-style-type: none"> • Refer to Audit Committee Report
2: Disclose	Audit Committee / Council of Governors	C.3.5	<p>If the council of governors does not accept the audit committee's recommendation on the appointment, reappointment or removal of an external auditor, the board of directors should include in the annual report a statement from the audit committee explaining the recommendation and should set out reasons why the council of governors has taken a different position.</p> <ul style="list-style-type: none"> • N/A – Council of Governors approved Audit Committee's recommendation of new external auditors. Refer to Audit Committee Report.

2: Disclose	Audit Committee	C.3.9	<p>A separate section of the annual report should describe the work of the audit committee in discharging its responsibilities. The report should include:</p> <ul style="list-style-type: none"> ➤ the significant issues that the committee considered in relation to financial statements, operations and compliance, and how these issues were addressed; ➤ an explanation of how it has assessed the effectiveness of the external audit process and the approach taken to the appointment or re- appointment of the external auditor, the value of external audit services and information on the length of tenure of the current audit firm and when a tender was last conducted; and ➤ if the external auditor provides non-audit services, the value of the non-audit services provided and an explanation of how auditor objectivity and independence are safeguarded. <ul style="list-style-type: none"> • Refer to Audit Committee Report.
2: Disclose	Board / Remuneration Committee	D.1.3	<p>Where an NHS foundation trust releases an executive director, for example to serve as a non-executive director elsewhere, the remuneration disclosures of the annual report should include a statement of whether or not the director will retain such earnings.</p> <ul style="list-style-type: none"> • Remuneration disclosures in the annual report have not previously included information on earnings by executive directors from Non-Executive Director roles elsewhere as none have been declared. Refer to Audit Committee Report.
2: Disclose	Board	E.1.5	<p>The board of directors should state in the annual report the steps they have taken to ensure that the members of the board, and in particular the non- executive directors, develop an understanding of the views of governors and members about the NHS foundation trust, for example through attendance at meetings of the council of governors, direct face-to- face contact, surveys of members' opinions and consultations.</p> <ul style="list-style-type: none"> • Refer to Directors Report
2: Disclose	Board / Membership	E.1.6	<p>The board of directors should monitor how representative the NHS foundation trust's membership is and the level and effectiveness of member engagement and report on this in the annual report.</p> <ul style="list-style-type: none"> • Refer to membership section.
2: Disclose	Membership	E.1.4	<p>Contact procedures for members who wish to communicate with governors and/or directors should be made clearly available to members on the NHS foundation trust's website and in the annual report.</p> <ul style="list-style-type: none"> • Refer to Directors Report

Part of schedule A (see above)	Relating to	Code of Governance reference	Summary of requirement / Evidence
6: Comply or explain	Board	A.1.4	<p>The board should ensure that adequate systems and processes are maintained to measure and monitor the NHS foundation trust's effectiveness, efficiency and economy as well as the quality of its health care delivery</p> <ul style="list-style-type: none"> • Comply - The Board reviews the Trust's performance at each of its formal meetings based on a corporate performance report and other reports from directors
6: Comply or explain	Board	A.1.5	<p>The board should ensure that relevant metrics, measures, milestones and accountabilities are developed and agreed so as to understand and assess progress and delivery of performance</p> <ul style="list-style-type: none"> • Comply - The Board reviews a range of metric, measures, milestones and accountabilities at its Board meetings including the CPR, quarterly Quality Reports and Annual Plan delivery information.
6: Comply or explain	Board	A.1.6	<p>The board should report on its approach to clinical governance.</p> <ul style="list-style-type: none"> • Comply - Reporting via LFE report and Quarterly quality reports.
6: Comply or explain	Board	A.1.7	<p>The chief executive as the accounting officer should follow the procedure set out by Monitor for advising the board and the council and for recording and submitting objections to decisions.</p> <ul style="list-style-type: none"> • Comply - The chief executive is fully aware of her responsibilities as accounting officer and follows the procedure as set out in the NHS Foundation Trust Accounting Officer Memorandum
6: Comply or explain	Board	A.1.8	<p>The board should establish the constitution and standards of conduct for the NHS foundation trust and its staff in accordance with NHS values and accepted standards of behaviour in public life</p> <ul style="list-style-type: none"> • Comply - The Trust's corporate governance manual includes the Board's code of conduct which is based on the spirit of the Nolan Principles

6: Comply or explain	Board	A.1.9	<p>The board should operate a code of conduct that builds on the values of the NHS foundation trust and reflect high standards of probity and responsibility.</p> <ul style="list-style-type: none"> • Comply - The Trust's corporate governance manual includes the Board's code of conduct and code of practice on openness
6: Comply or explain	Board	A.1.10	<p>The NHS foundation trust should arrange appropriate insurance to cover the risk of legal action against its directors.</p> <ul style="list-style-type: none"> • Comply - Appropriate insurance is in place to cover the risk of legal action against directors
6: Comply or explain	Chair	A.3.1	<p>The chairperson should, on appointment by the council, meet the independence criteria set out in B.1.1. A chief executive should not go on to be the chairperson of the same NHS foundation trust.</p> <ul style="list-style-type: none"> • Comply - The chair meets the independence criteria.
6: Comply or explain	Board	A.4.1	<p>In consultation with the council, the board should appoint one of the independent non-executive directors to be the senior independent director.</p> <ul style="list-style-type: none"> • Comply - A process is in place for the Council of Governors to confirm the appointment of the senior independent director to the Board
6: Comply or explain	Board	A.4.2	<p>The chairperson should hold meetings with the non- executive directors without the executives present.</p> <p>Comply</p> <ul style="list-style-type: none"> • The chair meets regularly with Non-Executive Directors without executives present • The Non- Executive directors meet annually without the chair • A process for evaluating the chair's performance has been agreed with the Council of Governors
6: Comply or explain	Board	A.4.3	<p>Where directors have concerns that cannot be resolved about the running of the NHS foundation trust or a proposed action, they should ensure that their concerns are recorded in the board minutes.</p> <ul style="list-style-type: none"> • Comply - Board meetings are comprehensively and accurately minuted
6: Comply or explain	Council of Governors	A.5.1	<p>The council of governors should meet sufficiently regularly to discharge its duties.</p> <ul style="list-style-type: none"> • Comply -The Council of Governors meets formally at least three times per annum.

6: Comply or explain	Council of Governors	A.5.2	<p>The council of governors should not be so large as to be unwieldy.</p> <p>Comply</p> <ul style="list-style-type: none"> • There are 34 members of the Council of Governors • The Council of Governors regularly reviews its structure, composition, roles and procedures • The Lead Governor was re-appointed in 2013.
6: Comply or explain	Council of Governors	A.5.4	<p>The roles and responsibilities of the council of governors should be set out in a written document.</p> <ul style="list-style-type: none"> • Comply - The roles and responsibilities of the Council of Governors are set out in the constitution and includes preparation and review of the Foundation Trust's membership strategy
6: Comply or explain	Council of Governors	A.5.5	<p>The chairperson is responsible for leadership of both the board and the council but the governors also have a responsibility to make the arrangements work and should take the lead in inviting the chief executive to their meetings and inviting attendance by other executives and non-executives, as appropriate.</p> <p>Comply</p> <ul style="list-style-type: none"> • The Council of Governors has issued a standing invitation to the chief executive to attend its meetings • Other executives and Non -Executive directors are invited to attend Council meetings as appropriate and frequently attend as observers • Non-executive directors attend the sub committee meetings of the Council of Governors.
6: Comply or explain	Council of Governors	A.5.6	<p>The council should establish a policy for engagement with the board of directors for those circumstances when they have concerns.</p> <p>Comply</p> <ul style="list-style-type: none"> • The Council of Governors' standing orders includes a statement relating to the handling of disputes • A process is in place for the Council of Governors to confirm the appointment of the deputy chairman and senior independent director to the Board (a senior independent director is in situ)

6: Comply or explain	Council of Governors	A.5.7	<p>The council should ensure its interaction and relationship with the board of directors is appropriate and effective.</p> <p>Comply</p> <ul style="list-style-type: none"> • The Council of Governors is clear about its role and that of the Board of Directors • The council of Governors and the Board of Directors meet regularly and have an effective working relationship.
6: Comply or explain	Council of Governors	A.5.8	<p>The council should only exercise its power to remove the chairperson or any non-executive directors after exhausting all means of engagement with the board.</p> <p>Comply</p> <ul style="list-style-type: none"> • The Council of Governors would act in accordance with the Standing Orders should there be a requirement to exercise the powers of removal.
6: Comply or explain	Council of Governors	A.5.9	<p>The council should receive and consider other appropriate information required to enable it to discharge its duties.</p> <p>Comply</p> <ul style="list-style-type: none"> • Governors routinely receive a variety of information to include planning and performance information and regular briefings on topical issues to enable them to enable it to discharge its duties.
6: Comply or explain	Board	B.1.2	<p>At least half the board, excluding the chairperson, should comprise non-executive directors determined by the board to be independent.</p> <p>Comply</p> <ul style="list-style-type: none"> • The Board comprises seven Non-Executive Directors, including the chair all of whom are considered independent. It also currently has five executive directors which includes the post of medical director shared by two people.
6: Comply or explain	Board / Council of Governors	B.1.3	<p>No individual should hold, at the same time, positions of director and governor of any NHS foundation trust.</p> <p>Comply</p> <ul style="list-style-type: none"> • The constitution prevents an individual holding office as both director and governor at the same time

6: Comply or explain	Nomination Committee(s)	B.2.1	<p>The nominations committee or committees, with external advice as appropriate, are responsible for the identification and nomination of executive and non- executive directors.</p> <p>Comply</p> <ul style="list-style-type: none"> • A policy for the composition of the Board of Directors was confirmed by both the Board and the Council of Governors when the Trust was authorised. • The Trust has two nominations committees, one responsible for the appointment of non-executive directors and the other responsible for the appointment of Executive Directors.
6: Comply or explain	Board / Council of Governors	B.2.2	<p>Directors on the board of directors and governors on the council should meet the “fit and proper” persons test described in the provider license.</p> <p>Comply</p> <ul style="list-style-type: none"> • The constitution sets out the fit and proper persons test for Directors and Governors as individuals. • There is a Code of Conduct for Directors and Governors. • All Director and Governor appointments are subject to appropriate checks (e.g. Disclosure and Barring System).
6: Comply or explain	Nomination Committee(s)	B.2.3	<p>The nominations committee(s) should regularly review the structure, size and composition of the board and make recommendations for changes where appropriate.</p> <p>Comply</p> <ul style="list-style-type: none"> • The Trust has two nominations committees – one for executive directors and one for non executive directors • The nominations committee responsible for non executive directors has met regularly since authorisation in order to oversee a number of appointments. In doing so it has taken full account of Board assessments to help evaluate the balance of skills, knowledge and experience of Board members
6: Comply or explain	Nomination Committee(s)	B.2.4	<p>The chairperson or an independent non-executive director should chair the nominations committee(s).</p> <p>Comply</p> <ul style="list-style-type: none"> • The Trust’s chair is chair of both Nominations Committees except where his appointment or performance is under review

6: Comply or explain	Nomination Committee(s) / Council of Governors	B.2.5	<p>The governors should agree with the nominations committee a clear process for the nomination of a new chairperson and non-executive directors.</p> <p>Comply</p> <ul style="list-style-type: none"> • The responsible Nominations Committee has a clear terms of reference for the appointment, re-appointment and removal of the chair and other non executive directors, based on the constitution
6: Comply or explain	Nomination Committee(s)	B.2.6	<p>Where an NHS foundation trust has two nominations committees, the nominations committee responsible for the appointment of non-executive directors should consist of a majority of governors.</p> <p>Comply</p> <ul style="list-style-type: none"> • The nominations committee of the council of Governors consists of a majority of Governors.
6: Comply or explain	Council of Governors	B.2.7	<p>When considering the appointment of non-executive directors, the council should take into account the views of the board and the nominations committee on the qualifications, skills and experience required for each position.</p> <p>Comply</p> <ul style="list-style-type: none"> • As part of the Non-Executive Director recruitment in 2013, the Job Description and person Specification was refreshed to reflect the qualifications, skills and experience required from the individual positions.
6: Comply or explain	Council of Governors	B.2.8	<p>The annual report should describe the process followed by the council in relation to appointments of the chairperson and non-executive directors.</p> <p>Comply</p> <ul style="list-style-type: none"> • Refer to Directors Report
6: Comply or explain	Nomination Committee(s)	B.2.9	<p>An independent external adviser should not be a member of or have a vote on the nominations committee(s).</p> <p>Comply</p> <ul style="list-style-type: none"> • The independent external advisor acts in an advisory capacity only to ensure an independent and rigorous process.

6: Comply or explain	Board	B.3.3	<p>The board should not agree to a full-time executive director taking on more than one non-executive directorship of an NHS foundation trust or another organisation of comparable size and complexity.</p> <p>Comply</p> <ul style="list-style-type: none"> Any secondary Board positions would need to be declared by the individual as per the Constitution.
6: Comply or explain	Board / Council of Governors	B.5.1	<p>The board and the council governors should be provided with high-quality information appropriate to their respective functions and relevant to the decisions they have to make.</p> <p>Comply</p> <ul style="list-style-type: none"> The Board of Directors reviews Trust performance information on a monthly basis. The Council of Governors receives appropriate supporting information to enable it to fulfil its role.
6: Comply or explain	Board	B.5.2	<p>The board and in particular non-executive directors, may reasonably wish to challenge assurances received from the executive management. They need not seek to appoint a relevant adviser for each and every subject area that comes before the board, although they should, wherever possible, ensure that they have sufficient information and understanding to enable challenge and to take decisions on an informed basis.</p> <p>Comply</p> <ul style="list-style-type: none"> All Board members receive sufficient information to inform decisions and are able to enlist relevant advise should this be necessary to inform decisions.
6: Comply or explain	Board	B.5.3	<p>The board should ensure that directors, especially non-executive directors, have access to the independent professional advice, at the NHS foundation trust's expense, where they judge it necessary to discharge their responsibilities as directors.</p> <p>Comply</p> <ul style="list-style-type: none"> The Trust's Corporate governance manual provides that independent advice may be sought by the Board of Directors as appropriate Directors undergo annual appraisal and have access to training courses and/or materials consistent with identified personal development need.

6: Comply or explain	Board / Committees	B.5.4	<p>Committees should be provided with sufficient resources to undertake their duties.</p> <p>Comply</p> <ul style="list-style-type: none"> • Committees are supported by the relevant executive director, senior manager/s and Trust staff • The Council of Governors is supported by the Corporate Affairs Team (inc company secretary role).
6: Comply or explain	Chair	B.6.3	<p>The senior independent director should lead the performance evaluation of the chairperson.</p> <p>Comply</p> <ul style="list-style-type: none"> • The senior independent director meets at least annually with the other Non-Executive Directors to discuss the chairs appraisal process • The chairs appraisal process is agreed with the Council of Governors annually.
6: Comply or explain	Chair	B.6.4	<p>The chairperson, with assistance of the board secretary, if applicable, should use the performance evaluations as the basis for determining individual and collective professional development programmes for non-executive directors relevant to their duties as board members.</p> <p>Comply</p> <ul style="list-style-type: none"> • Individual appraisal and performance development planning is undertaken at least annually with Non-Executive Directors. • Preparation of annual reports by key governance committees is routinely undertaken, in particular those chaired by Non-Executive Directors. • A Board Development plan for 2014/15 is currently being agreed which will be informed by individual appraisal. • The Trust has an internal audit programme in place monitoring governance systems in addition to a successful NHSLA inspection in year • The Trust also completes a quarterly assessment of Quality Governance Standards, as part of our quarterly returns to Monitor

6: Comply or explain	Chair / Council of Governors	B.6.5	<p>Led by the chairperson, the council should periodically assess their collective performance and they should regularly communicate to members and the public details on how they have discharged their responsibilities.</p> <p>Comply</p> <ul style="list-style-type: none"> • Governors have contributed to the development of the Operational/ Strategic Plan • Governors are involved in the appraisal of the Chair of the Trust • The effectiveness of the sub groups of the Council of Governors was reviewed in 2013. These were reconfigured and re-launched in the autumn of 2013 with a stronger focus on supporting Governors to discharge their duties. • An overall CoG appraisal for 2013 / 2014 is currently being undertaken and once finalised will be communicated on Trust Website for members access.
6: Comply or explain	Council of Governors	B.6.6	<p>There should be a clear policy and a fair process, agreed and adopted by the council, for the removal from the council of any governor who consistently and unjustifiably fails to attend the meetings of the council or has an actual or potential conflict of interest which prevents the proper exercise of their duties.</p> <p>Comply</p> <ul style="list-style-type: none"> • The constitution sets out the arrangements for the removal of a Governor from the Council
6: Comply or explain	Board / Remuneration Committee	B.8.1	<p>The remuneration committee should not agree to an executive member of the board leaving the employment of an NHS foundation trust, except in accordance with the terms of their contract of employment, including but not limited to service of their full notice period and/or material reductions in their time commitment to the role, without the board first having completed and approved a full risk assessment.</p> <p>Comply</p> <ul style="list-style-type: none"> • In the case of any Executive member of the Board wishing to leave outside the terms of their contract, this would be subject to the completion of a risk assessment by the remuneration committee.

6: Comply or explain	Board	C.1.2	<p>The directors should report that the NHS foundation trust is a going concern with supporting assumptions or qualifications as necessary.</p> <p>Comply</p> <ul style="list-style-type: none"> • The strategic report includes a statement indicating that the financial statements have been prepared on a going concern basis.
6: Comply or explain	Board	C.1.3	<p>At least annually and in a timely manner, the board should set out clearly its financial, quality and operating objectives for the NHS foundation trust and disclose sufficient information, both quantitative and qualitative, of the NHS foundation trust's business and operation, including clinical outcome data, to allow members and governors to evaluate its performance.</p> <p>Comply</p> <ul style="list-style-type: none"> • The Trust has an established annual planning cycle that includes governor involvement • The Board of Directors regularly present information, both quantitative and qualitative, of the Trust's business and operations to the Council of Governors
6: Comply or explain	Board / Audit Committee	C.3.1	<p>The board should establish an audit committee composed of at least three members who are all independent non-executive directors.</p> <p>Comply</p> <ul style="list-style-type: none"> • The audit committee comprises three members, all of which are Non-Executive Directors.
6: Comply or explain	Council of Governors / Audit Committee	C.3.3	<p>The council should take the lead in agreeing with the audit committee the criteria for appointing, re- appointing and removing external auditors.</p> <p>Comply</p> <ul style="list-style-type: none"> • The council of Governors undertook a process to appoint a new external auditor – Refer to Audit Committee section.
6: Comply or explain	Council of Governors / Audit Committee	C.3.6	<p>The NHS foundation trust should appoint an external auditor for a period of time which allows the auditor to develop a strong understanding of the finances, operations and forward plans of the NHS foundation trust.</p> <p>Comply</p> <ul style="list-style-type: none"> • The council of Governors undertook a process to appoint a new external auditor – Refer to Audit Committee section. • The newly appointed external auditor will provide services from April 2014 to March 2017 with an option to extend the contract for a further 2 years.

6: Comply or explain	Council of Governors	C.3.7	<p>When the council ends an external auditor's appointment in disputed circumstances, the chairperson should write to Monitor informing it of the reasons behind the decision.</p> <p>Comply</p> <ul style="list-style-type: none"> • Should there be reason to end an external auditors appointment the chair of the Council of Governors would inform Monitor of the decision and the reasons.
6: Comply or explain	Audit Committee	C.3.8	<p>The audit committee should review arrangements that allow staff of the NHS foundation trust and other individuals where relevant, to raise, in confidence, concerns about possible improprieties in matters of financial reporting and control, clinical quality, patient safety or other matters.</p> <p>Comply</p> <ul style="list-style-type: none"> • Audit committee receive information on internal audits conducted by the internal auditor on a range of matters including financial reporting, clinical quality, policies and patient safety.
6: Comply or explain	Remuneration Committee	D.1.1	<p>Any performance-related elements of the remuneration of executive directors should be designed to align their interests with those of patients, service users and taxpayers and to give these directors keen incentives to perform at the highest levels.</p> <p>Comply</p> <ul style="list-style-type: none"> • The Trust does not currently operate a performance-related pay scheme or make provision for annual bonuses
6: Comply or explain	Remuneration Committee	D.1.2	<p>Levels of remuneration for the chairperson and other non-executive directors should reflect the time commitment and responsibilities of their roles.</p> <p>Comply</p> <ul style="list-style-type: none"> • The Council of Governors sets the level of remuneration for the chair and other Non-Executive directors.
6: Comply or explain	Remuneration Committee	D.1.4	<p>The remuneration committee should carefully consider what compensation commitments (including pension contributions and all other elements) their directors' terms of appointments would give rise to in the event of early termination.</p> <p>Comply</p> <ul style="list-style-type: none"> • The remuneration committee will consider what compensation commitments directors' term of appointment would entail in the event of early termination on an individual basis

6: Comply or explain	Remuneration Committee	D.2.2	<p>The remuneration committee should have delegated responsibility for setting remuneration for all executive directors, including pension rights and any compensation payments.</p> <p>Comply</p> <ul style="list-style-type: none"> • The remuneration committee has delegated responsibility for setting all executive director and senior manager remuneration
6: Comply or explain	Council of Governors / Remuneration Committee	D.2.3	<p>The council should consult external professional advisers to market-test the remuneration levels of the chairperson and other non-executives at least once every three years and when they intend to make a material change to the remuneration of a non-executive.</p> <p>Comply</p> <ul style="list-style-type: none"> • The Council of Governors fulfils its responsibility to set the remuneration of the chairman and Non-Executive Directors. In doing so it has access to national data on pay levels
6: Comply or explain	Board	E.1.2	<p>The board should clarify in writing how the public interests of patients and the local community will be represented, including its approach for addressing the overlap and interface between governors and any local consultative forums.</p> <p>Comply</p> <ul style="list-style-type: none"> • The Board of Directors has arrangements in place to fulfil its responsibility for ensuring there is satisfactory dialogue with its stakeholders. In developing the clinical strategies underpinning the Trust's strategic plans consultation has been undertaken with service users, carers and other stakeholders including members. Consultation is also undertaken in respect of any proposed significant service changes or developments • The Trust's membership strategy is monitored by the Membership and Development sub committee of the Council of Governors. The Involvement strategy is monitored by the Involvement Taskforce which reports the Board of Directors. The overlap and interface between the Trust and any local consultative forums already in place (e.g. health and well-being scrutiny committees and Local Involvement Networks) is addressed via Governors, the Involvement and Governance teams. • Patients/service users and carers are represented throughout the Trust's governance structure; via membership on some subcommittees

6: Comply or explain	Board	E.1.3	<p>The chairperson should ensure that the views of governors and members are communicated to the board as a whole.</p> <p>Comply</p> <ul style="list-style-type: none"> • The chair routinely reports to the Board of Directors on the work of the Council of Governors. • The chair provides the Council of Governors with regular reports on the work of the Board of Directors. A Governor Bulletin is provided quarterly on behalf of the Chair. • Non-Executive Directors, including the senior independent director, regularly attend meetings of the Council of Governors.
6: Comply or explain	Board	E.2.1	<p>The board should be clear as to the specific third party bodies in relation to which the NHS foundation trust has a duty to co-operate.</p> <p>Comply</p> <ul style="list-style-type: none"> • The Board of Directors has a clear understanding of the third party bodies with whom it has a duty to cooperate.
6: Comply or explain	Board	E.2.2	<p>The board should ensure that effective mechanisms are in place to co-operate with relevant third party bodies and that collaborative and productive relationships are maintained with relevant stakeholders at appropriate levels of seniority in each.</p> <p>Comply</p> <ul style="list-style-type: none"> • All Board members have developed networks within their own areas of responsibility to ensure the proper cooperation with third party bodies in order to develop and maintain collaborative relationships • The Board has reviewed the effectiveness of these process and relationships.

Part of schedule A (see above)	Relating to	Code of Governance reference	Summary of requirement / Evidence
Additional requirement of FT ARM	Council of Governors	n/a	<p>The annual report should include a statement about the number of meetings of the council of governors and individual attendance by governors and directors.</p> <ul style="list-style-type: none"> • NHS Foundation Trust Code of Governance.

Additional requirement of FT ARM	Board	n/a	<p>The annual report should include a brief description of the length of appointments of the non-executive directors, and how they may be terminated</p> <ul style="list-style-type: none"> • Pen Portraits set out terms of office – Refer to Directors Report
Additional requirement of FT ARM	Nominations Committee(s)	n/a	<p>The disclosure in the annual report on the work of the nominations committee should include an explanation if neither an external search consultancy nor open advertising has been used in the appointment of a chair or non-executive director.</p> <ul style="list-style-type: none"> • The Nominations Committee Report sets out the process used in relation to Board appointments (Non-Executive Director and Executive Director).
Additional requirement of FT ARM	Council of Governors	n/a	<p>If, during the financial year, the Governors have exercised their power* under paragraph 10C** of schedule 7 of the NHS Act 2006, then information on this must be included in the annual report.</p> <p>This is required by paragraph 26(2)(aa) of schedule 7 to the NHS Act 2006, as amended by section 151 (8) of the Health and Social Care Act 2012.</p> <p>* Power to require one or more of the directors to attend a governors' meeting for the purpose of obtaining information about the foundation trust's performance of its functions or the directors' performance of their duties (and deciding whether to propose a vote on the foundation trust's or directors' performance).</p> <p>** As inserted by section 151 (6) of the Health and Social Care Act 2012)</p> <ul style="list-style-type: none"> • Governors have not exercised their specific power, however, Executive Directors have been in attendance at all Council of Governors meetings as set out in the NHS Foundation Trust Code of Governance section.
Additional requirement of FT ARM	Membership	n/a	<p>The annual report should include:</p> <ul style="list-style-type: none"> ➤ a brief description of the eligibility requirements for joining different membership constituencies, including the boundaries for public membership; ➤ information on the number of members and the number of members in each constituency; and ➤ a summary of the membership strategy, an assessment of the membership and a description of any steps taken during the year to ensure a representative membership [see also E.1.6 above], including progress towards any recruitment targets for members. <ul style="list-style-type: none"> • Please refer to membership section of report – Refer to Membership section.

Additional requirement of FT ARM (based on FReM requirement)	Board / Council of Governors	n/a	<p>The annual report should disclose details of company directorships or other material interests in companies held by governors and/or directors where those companies or related parties are likely to do business, or are possibly seeking to do business, with the NHS foundation trust. As each NHS foundation trust must have registers of governors' and directors' interests which are available to the public, an alternative disclosure is for the annual report to simply state how members of the public can gain access to the registers instead of listing all the interests in the annual report.</p> <ul style="list-style-type: none"> • Refer to the Directors Report and the Trust Website.
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Audit Committee

During 2013/2014 the Chair of the Audit Committee was Non-Executive Director Mike Maier. Between April and October 2013 the members were Ron Howarth and Grahame Owen. From November 2013 the members were Ron Howarth and Stephen McAndrew. The attendance of Audit Committee members at its meetings is shown in the table on page 52.

The over-arching aim of the Audit Committee is to provide one of the key means by which the board ensures effective internal control arrangements are in place. In addition, the committee provides a form of independent scrutiny upon the executive arm of the board. As defined within its terms of reference the committee is responsible for reviewing the adequacy of effectiveness of governance, risk management and internal control arrangements covering both clinical and non-clinical areas. The Audit Committee is also required to consider any significant issues in relation to the financial statements and address these as necessary. During the reporting period, the Audit Committee have not noted any such significant issues.

The Trust's internal auditors for the reporting period is Mersey Internal Audit Agency (MIAA). MIAA provided both internal audit and counter fraud services to the Trust during the financial year. Their remit was to provide assurance to management that system controls exist and are performing well enough to identify, manage and mitigate any risk of error or fraud. Our external auditors will rely in some instances on the work of internal auditors when providing a true and fair opinion on the financial statements.

The Trust's external auditor for the period has been PricewaterhouseCoopers LLP. In their engagement letter PricewaterhouseCoopers LLP state that their liability and that of their members, partners and staff (whether in contract, negligence or otherwise) shall not exceed £1m in the aggregate. It is the Trust's policy to ensure that the external auditor's independence has not been compromised where work outside of Monitor's audit code for NHS Foundation Trusts has been purchased from them. Any work falling into this category is approved by the audit committee. The Trust's auditor provided non-audit services (consultancy) in this year for a review of the validation of quality governance arrangements. In respect of this non-audit work the Trust ensured the auditors independence.

Details of remuneration and fees paid to the external auditor including for work done outside of the audit code for NHS Foundation Trusts can be found in Note 5 of the Accounts. Where the Trust is planning to appoint outside management consultants to undertake work, consideration is given to whether the auditors can be included in the list of firms to be considered, or whether they should be excluded as the work would potentially compromise their independence as auditors. Consideration is given to factors such as the likely fees for the work, the area in which the work is to be undertaken and whether the auditors are likely to review the area as part of their work.

Through the Chief Executive as the Trust's Accounting Officer, Directors are responsible for preparing the accounts as presented in this report. The Directors take this opportunity to state, so far as they are aware, there is no relevant audit information of which the Trust's auditors are unaware. The Directors have taken all of 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 auditors are aware of that information.

In 2013/14, Governors worked with the Audit Committee to tender for external audit contract. The process was led by a steering group of Governors and Audit Committee members who recommended KPMG for appointment. This was approved by the Council of Governors in January 2014. From April 2014/2015 the Trust external auditors are KPMG. The value of the service is £139,100 over 3 years.

Nominations Committee

The Trust has two nominations committees:

- Nominations committee of the Council of Governors in respect of Non-Executive director appointments. This is chaired by the Trust's Chair, David Eva. Between April 2013 and December 2013 the committee's members were Governors - Anna Usherwood, Brenda Jones, Peter Wilkinson, Derek Seber, Phil Gilchrist and John Wray. From December 2013 the membership is Governors – Anna Usherwood, Peter Wilkinson, Phil Gilchrist, John Wray, Rob Robertson and Rosalind Davison. During 2013/14, the committee met on five occasions. The purpose of these meetings was to oversee the appointment of Non-Executive Directors and undertake annual review of current Non-Executive Directors.
- Nominations committee of the Board of Directors in respect of Executive Director appointments. This is also chaired by the Trust's Chair, David Eva, and its members are all other Non-Executive Directors plus the Chief Executive (unless the Chief Executive is being appointed). This committee met once to agree the appointment process for the Medical Director (wte 0.5). The number of meetings and individual attendance by directors at nominations committees – possible and actual - is shown below:

Director	Nominations Committee – Non-Executive Directors
Fiona Clark	0 out of 1
David Eva	0 out of 1
Ron Howarth	1 out of 1
Lucy Crumplin	0 out of 1
Mike Maier	1 out of 1
Stephen McAndrew	0 out of 1
Grahame Owen	1 out of 1
Sheena Cumiskey (CEO)	1 out of 1

Membership

The Trust has continued to build on its commitment to establish a representative Foundation Trust membership, where members are informed about the organisation and have the opportunity to engage with the Trust and become involved. This makes CWP a stronger, more responsive and better organisation.

Eligibility requirements for membership

Staff, service user, carers and the general public are eligible to join the Trust as members. Membership is divided into three groups, known as constituencies:

- Service Users and Carers
- Public
- Staff

Service users and carers

Service users who are over the age of 11 and have received care or treatment from the Trust in the past 12 months, or carers of people who have accessed Trust services in the past 12 months, are eligible to join the Trust as a 'service user/carer' member. Service users or carers who have received care or treatment from the Trust more than 12 months ago, are eligible to join the Trust as general public members.

Public

Anyone aged over 11 or over is eligible to join the Trust as a member. Staff from partner organisations, statutory, community or voluntary groups are welcome to join as individual members of the public.

Within the public constituency, members join into a sub division, known as classes, which are based on the geographic boundaries of the three localities served by the Trust. There is also an 'out of area' class. Public members are assigned to one of the following classes dependent upon the area in which they reside:

- Wirral
- Cheshire West
- Cheshire East
- Out of area.

Staff

The Trust has put arrangements in place for staff to automatically become members because we would like staff to be as fully involved in the organisation as possible. However, staff are able to opt-out if they prefer. Staff join one of the following classes of the constituency:

- medical
- nursing - registered and non-registered
- therapies
- non-clinical staff
- clinical psychology.

Number of members

At the end of March 2014 the Trust had 14,966 members. This can be broken down into the following constituencies and classes:

- 1,767 service user and carers
- 9,759 public members:
 - 2,971 Wirral
 - 3,069 Cheshire West
 - 2,228 Cheshire East
 - 1491 Out of area
- 3,440 staff:
 - 1,632 nursing (registered and non-registered)

- 994 non-clinical (including volunteers)
- 503 therapies
- 192 clinical psychology
- 119 medical.

The membership strategy

The Council of Governors has a Membership and Development Sub-Committee to oversee implementation of the membership strategy which is part of a wider Communications and Engagement Strategy. The sub-committee oversees membership development which includes targeting areas for recruitment to ensure CWP membership is representative of the local population.

The Trust's membership development plan aims to maintain overall numbers of members but particularly target the following areas:

- Service users and carers
- Public members from Cheshire East
- Males (all ages)
- Young people aged 11-16
- Older people aged 65 and over.

This year has seen 102 more service user/carers members than last year.

Whilst CWP's membership is broadly representative of the diverse communities it serves, there is a continued commitment to engage further with minority ethnic communities and other harder to reach groups including the gypsy / traveller communities, the Lesbian, Gay, Bisexual and Transgender (LGBT) communities and also those who have hearing difficulties. Trust staff liaise closely with local community development teams and community leaders, and have attended relevant events in order to provide further information on the benefits of becoming involved as a member.

Membership engagement

In addition to recruiting new people, CWP has several programmes of work that use a variety of approaches to communicate, consult and engage with members. This includes:

- **Investment**

The new Communications and Engagement Strategy 2014/17 encompasses both the involvement and membership strategies and will focus on active and meaningful engagement with members. This includes devolving of funds from central services to improve local participation resources. Investment has also been made into information management and communication for members to enable more sophisticated use of data and effective targeting of information.

- **Involvement strategy**

The Involvement Strategy 2011-2016 continues to be implemented via an action plan group. The aim is to embed the ethos of involvement and ensure that it is proactively done and effectively captured on a day to day basis. A network has been built across localities and services to drive progress which has included holding the first 'Involvement Conference'. The aim is ensure that members, governors, volunteers, involvement representatives and lived experience advisors feel informed and engaged so they can become even more involved in the Trust.

- **Patient and public involvement**

Members have been provided with information on the range of different opportunities to get involved with the Trust. There are currently 150 members signed up as Involvement Representatives or Lived Experience Advisors who are engaged in a wide range of activities such as strategic meetings, project groups and staff recruitment.

- **Communications**

A quarterly membership magazine is sent either electronically or by post to all members. The magazine provides information about the Trust, its services and the people who provide and use them. There is a dedicated 'get involved' section on the Trust website www.cwp.nhs.uk and social media activity aimed at further involving people with an interest in CWP has increased significantly in the last year, for example on Twitter (@cwpnhs) and also with our first facebook pilot at the Healthy Living Centre in Ellesmere

Port. Child and Adolescent Mental Health Services have also been proactive in reaching out to young people through both their Twitter feed (@mymindfeed) with 590 followers and the website MyMind.

- **Annual members' meeting and awards**

The Trust's Annual Members Meeting and 'Going the Extra Mile' Awards were held on the 18 November 2013 at the Floral Pavilion in New Brighton, Wirral. The event was attended by over 140 members of the Trust and recognised the contributions of staff, volunteers and involvement representatives to developing the work of the Trust. It also provides an opportunity for all members, including staff, to receive information including the annual report and annual plan presentations on the financial and economic factors affecting the performance of the foundation trust.

- **Engagement activity and partner events**

The Involvement Team and clinical services, along with Governors and Lived Experience Advisors, have attended a large number of events throughout the year and have been actively involved in the various communities across the Trust's footprint. Activities have focused upon communicating with CWP members (particularly target areas), as well as with other members of the public and numerous local community groups, and providing information and updates on the wide variety of opportunities to be actively involved in the work of the Trust.

- **Engagement in volunteering activities**

CWP has 194 volunteers who are currently active across the Trust in various roles, which include recovery sponsors, peer support workers, meet and greet, gardening, activity groups, group work facilitation and pets as therapy volunteers as well many other roles. 70% of our volunteers are current or recent service users or carers. CWP hosts the Expert Patient Programme in East Cheshire, which is a self-management programme for people who are living with a long term health condition. Courses are delivered by trained lived experience volunteer tutors.

Members who wish to communicate with Governors can do so via email to governor@cwp.nhs.uk or via the Head of Corporate Affairs on 01244 397469.

Quality Account

2013/14



Quality at CWP –
2013/14 in pictures

Vision:

***Leading in partnership to improve health and well-being
by providing high quality care***

Introduction

Quality Accounts are annual reports to the public, from providers of NHS services, about the quality of services they provide. They also offer readers an opportunity to understand what providers of NHS services are doing to improve the care and treatment they provide.

Quality in the NHS is described in the following ways:

Patient safety

This means protecting people who use services from harm and injury, and providing treatment in a safe environment.

Clinical effectiveness

This means providing care and treatment to people who use services that improves their quality of life.

Patient experience

This means ensuring that people who use services have a positive experience of their care, and providing treatment with compassion, dignity and respect.

The aim in reviewing and publishing performance about quality is to enhance *public accountability* by *listening* to and *involving* the public, partner agencies and, most importantly, *acting* on feedback received by the Trust.



To help meet this aim, CWP produces quarterly *Quality Reports* on the Trust's priorities to show improvements to quality during the year. This is so that CWP can regularly inform people who work for the Trust, people who use the Trust's services, carers, the public, commissioners of NHS services, and local scrutineers, of quality initiatives and to encourage regular feedback.

As a report to the public, CWP recognises how important it is that the information it provides about the quality of care is accessible to all. This *Quality Account*, and 'easier read' accessible versions of the *Quality Account* and the Trust's *Quality Reports*, are published on CWP's website.

Part 1. Statement on quality from the Chief Executive of the NHS Foundation Trust



I am delighted to present CWP's Quality Account for 2013/14. This report details how we have improved the quality of care we provide, particularly in the priority areas we set out in last year's Quality Account. Last year's focus was 'tackling health inequalities', a priority in the *NHS Outcomes Framework*, and something we place immense importance on. The achievement against these priorities are one indicator of how we have worked hard during the year to support a reduction in avoidable variations in the quality of care and in improving outcomes.

On 1 April 2013, the changes outlined in the *Health and Social Care Act 2012* came into effect. The changes have heralded the most extensive re-organisation of the structure of the NHS in England to date. Clinical Commissioning Groups (CCGs) are now responsible for health care funds and are responsible for deciding how to commission services. In response, CWP moved towards a new structure to match these CCGs and other partners. We now have three service directors leading each of our localities: CWP East, CWP West and CWP Wirral. During the year, each service director has developed plans in partnership with their local CCGs to best serve the needs of the populations that we serve.

In January 2014, CWP chairman, David Eva, attended the launch of the government's new mental health action plan, aimed at increasing support for people with mental illness. *Mental health: priorities for change* was launched by the deputy prime minister and the minister for care and support, with the aim of raising the profile of mental health across the health system. CWP welcomes the announcement and wholeheartedly supports physical and mental health being of equal priority for health services. We have a number of initiatives underway that complement the 25 point action plan. This includes innovative work around young people's mental health services, improving access to cognitive behavioural therapies, and getting people back into employment. In addition, we have a Trustwide campaign called *Challenging Stigma*, which aims to reduce the stigma that people who use our services often encounter. The most important aspect of this action plan is the fact that it is as relevant to the wider health system as much as mental health trusts. Therefore we will be working more closely with our local partners such as acute trusts, clinical commissioning groups, local authorities, schools and employers to make these changes happen.

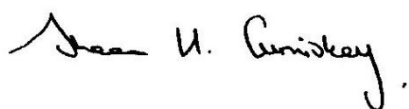
This year, like other care organisations, we have again had the benefit of reviews of how we are meeting national standards following reviews of compliance with essential standards of quality and safety by the *Care Quality Commission (CQC)*. These findings are shared with the public and you can find a summary of these findings in section 2 of the report. We always welcome this scrutiny, as it helps us to make improvements to our services. Any concerns are acted on immediately, with action plans submitted to the CQC within the required timeframe. We currently have no outstanding CQC compliance actions and additionally from quarter 3, *Monitor* assigned CWP with a Green governance risk rating on the basis of there being no evident governance concerns at the Trust.

I am immensely proud that partnership working is one of our key strengths at CWP. We want our Quality Account to be part of our evolving conversation with the people we serve about what quality means and about how we must work together to deliver quality across the organisation. We have made huge strides in recent years, through our involvement and recovery strategies, to make service improvements through collaboration with people who use our services and carers as equal partners. One example is our peer support steering group. Ward staff, senior staff, people who use our services and carers all attend this group which is chaired by a volunteer lived experience advisor. Together the group aims to develop the peer role, measuring the impact it can have on services. The benefits of this type of partnership working and shared expertise are immense: individuals are supported with their recovery through the many involvement opportunities they choose and the Trust is able to gain a real understanding of the issues faced by people accessing mental health services in order to make improvements.

This year we once again welcome the engagement and input of our partners and stakeholders in the development of our Quality Account. We acknowledge the concern of our stakeholders of the prevailing economic circumstances and will, through the financial strategy of the Trust, continue to deliver sustainable and effective services, and improvements in quality, whilst increasing value. We know that 2014/15 will be a challenging year for all NHS services, but we also know that our commitment to quality will enable us to improve the efficiency and effectiveness of our services, and continue to provide people who use our services with a positive and therapeutic experience.

There is no doubt that the future quality improvement priorities that we have identified in this Quality Account are ambitious, but they have been selected to have the highest possible impact on quality across CWP and reflect key national agendas. Please do look out for our progress with these priorities throughout the year, which we publish in our quarterly *Quality Reports* on the publications section of Trust's Internet. If you have any questions or feedback, we would be happy to hear from you – how to contact us is detailed in the *Quality Reports*.

On behalf of the Board, to the best of my knowledge, the information presented in this report is accurate.

A handwritten signature in black ink that reads "Sheena U. Cumiskey". The signature is written in a cursive style with a large initial 'S' and a trailing flourish.

Sheena Cumiskey
Chief Executive
Cheshire and Wirral Partnership NHS Foundation Trust

Statement from the Medical Director – executive lead for quality



This year's Quality Account reflects CWP's ambition to deliver continuous quality improvement in all our services. You will see that each of our quality improvement priorities this year aims to achieve this by instilling a 'zero harm' culture. The 'zero harm' aspiration was set out in the independent report *Berwick review into patient safety: Recommendations to improve patient safety in the NHS in England* (August, 2013) which calls for the NHS to continually reduce patient harm by embracing an ethos of learning. To demonstrate the Trust's long term commitment to this achieving this aspiration, based on the recommendations of the Trust's own 'Clinical Expert Champion for Zero Harm', in January 2014 the Board of Directors approved a productive investment scheme to help staff to deliver better care by providing them with the necessary support and training.

This scheme will specifically support each of our quality improvement priorities for 2014/15 in the following ways:

- Patient safety – a commitment to a continual reduction in patient harm through an ethos of learning, including the implementation of safe, organisational 'human factors' practices, and improved reporting of incidents to better identify opportunities to improve patient care.
- Clinical effectiveness – ensuring that systems within the Trust promote, support and facilitate delivery of best practice day to day, and learn from all outcomes to ensure that service delivery consistently delivers best practice.
- Patient experience – preventing unacceptable variations in healthcare experience by ensuring that our workforce has the right values, skills and training.


One of the principles of the *Berwick review* recommendations was to focus on better care rather than quantitative targets. As such, the three quality priorities do not set targets – instead they aspire to deliver continuous improvement year-on-year. More information on how we aim to achieve these priorities can be found in *part 2 – priorities for improvement*.

I am delighted to announce that in March 2014, CWP joined the Government's 'Sign Up To Safety' campaign, which aims to reduce avoidable harm in the NHS over the next three years and support in making the NHS healthcare system the safest in the world. This campaign complements the Trust's own 'zero harm' initiative, and will include the Trust receiving access to extra help and support in understanding best practice for improving safety.

This year's Quality Account also includes examples of quality improvement during the year, none of which could have been delivered without the commitment of our staff. In developing this report, our staff have been able to reflect on and demonstrate their commitment to continuous, evidence based quality improvement. Staff from all our services came together to create an impressive marketplace, sharing and showcasing best practice, at our best practice event in October 2013. The day provided a platform for people to see what is happening in other parts of the Trust, to share and learn new ideas. Dr Geraldine Strathdee, *NHS England's* National Clinical Director for Mental Health, spoke at the event and spent time visiting the marketplace stalls. She spoke about the culture of learning we have created at CWP which helps us to share and deliver best practice. Dr Strathdee also observed how we work proactively with acute services, holding joint therapy sessions, and how we use data to embed learning and implement best practice.

As you read our Quality Account, you will see that we have achieved a great deal over the year. I would like to thank the people who use our services, carers, all the people who work for the Trust, and other partners who work with us, for their continued dedication and professionalism in working together to

ensure that the Trust continues to improve the quality of the services we provide. You should be proud of your contribution to the services we provide.

A handwritten signature in black ink, appearing to read 'A Sivananthan'.

Dr Anushta Sivananthan
Medical Director – Compliance, Quality & Assurance
Cheshire and Wirral Partnership NHS Foundation Trust

Part 2. Priorities for improvement and statements of assurance from the board

Priorities for improvement

Quality improvement priorities for 2013/14

CWP has achieved all the quality improvement priorities it set in last year's *Quality Account*.

Below is a summary of how the Trust achieved these priorities, which were monitored throughout the year in the Trust's quarterly *Quality Reports*, which are presented at the Trust's Board meetings and are available on the CWP website.

Patient safety priority for 2013/14

CWP said it would:

Improve the safety, effectiveness, and efficiency of patient care and services, through the development of a dashboard to monitor safety and quality indicators during the transition and after the community mental health team and learning disability service redesigns.

CWP achieved this priority by:

- Developing indicators of quality and displaying these on a quality dashboard to measure the safety and quality impact of the service redesigns, demonstrating baseline and ongoing compliance which is monitored by the Quality Committee and the Board of Directors.
- Seeking and receiving independent assurance that:
 - The dashboard presentation is fit for purpose and identifies qualitative performance.
 - Key performance indicators are aligned to the Trust's quality priorities, and there is a clear rationale for the selection of these indicators.
 - Key performance indicator calculations are done in a reasonable way so that the key performance indicator reflects actual performance.
 - The quality of the data in the system is adequate.
- Producing these quality dashboards for each locality to help clinical teams to identify improvements to the quality of care delivery.
- Demonstrating, by trend analysis of the patient safety measures identified to monitor the impact of the redesigns, that there has not been an overall adverse impact on the quality of care patients have received. Where isolated measures identify that performance has dipped, assurance mechanisms are routinely identified to address these by the clinical directors and service directors responsible for each of the teams. The quality dashboard is used to analyse impacts, and where there are areas requiring improvement, the clinical directors and service directors present mitigating actions to the Trust's Quality Committee.

Patient safety priority for 2013/14

CWP said it would:

Improve patient safety and experience through the development of Trust 'never events' and implementation of associated preventative, positive, and patient focused 'always events'.

CWP achieved this priority by:

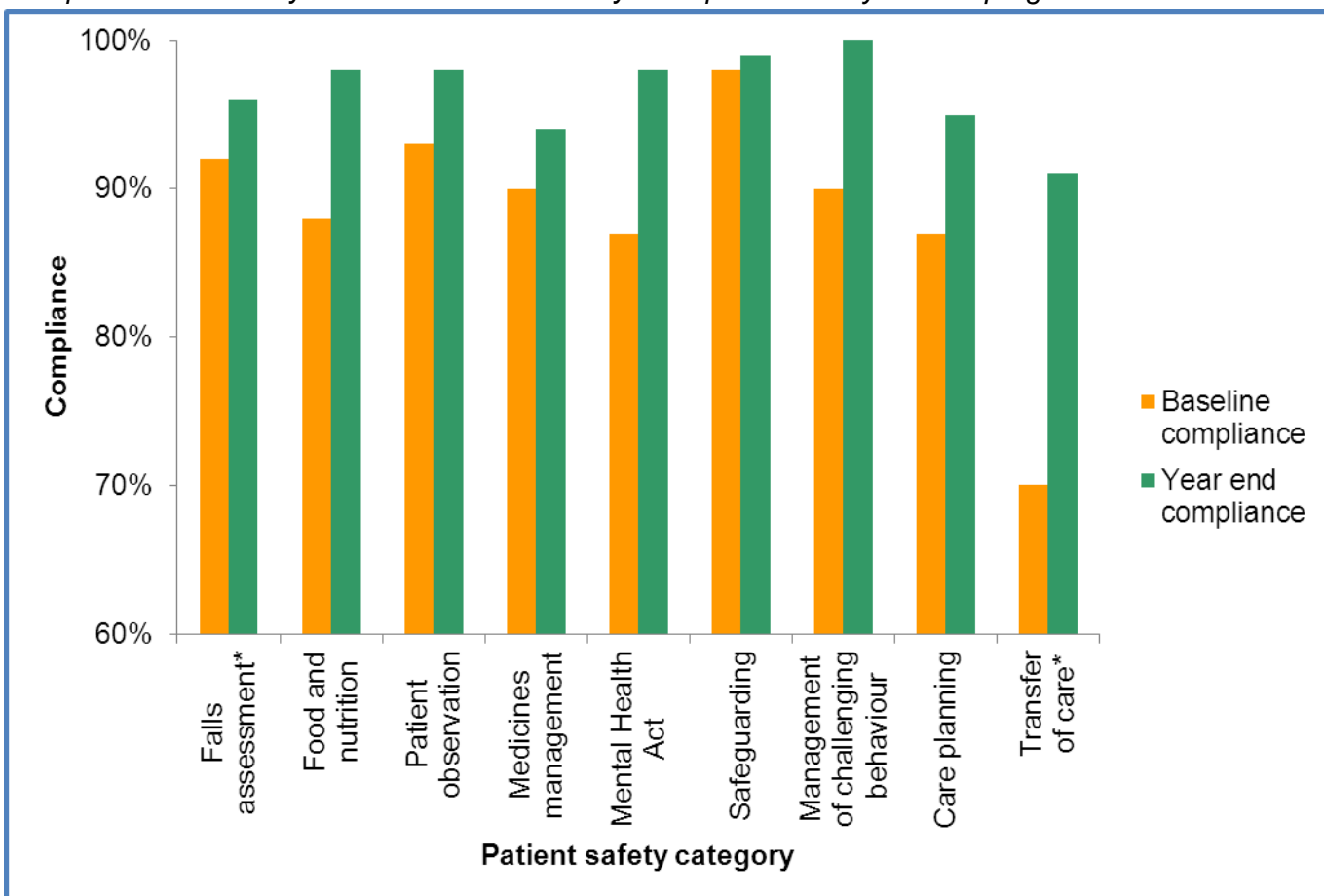
- Locality and clinical specialty representatives proposing a set of 'never events' and associated 'always events'. These were:
 - Falls – to ensure people never have an avoidable fall in an inpatient setting which causes their death or results in severe harm.

- Transfer of care – to ensure good continuity of care and safe practice when people who use the Trust’s services are transferred to another service.
- Managing non attendance – to ensure people who do not attend an appointment do not come to serious harm because care was not provided in line with the Trust’s “managing did not attend” policy.
- CWP’s Operational Board approving a framework and methodology for measuring compliance with these events. This included enhancing and improving the current inpatient safety metrics and community safety metrics audit programmes by incorporating ‘always events’.
- The Quality Committee monitoring performance and trends in compliance with the priority ‘always events’ via the quality dashboards.

Inpatient wards

- In November 2013, the ‘always events’ standards ‘transfer of care’ and ‘FallSafe’ care bundle were incorporated into the inpatient safety metrics programme.
- Improvements in compliance with standards has been achieved across all categories – see the graph below.

Compliance with ‘always events’ as monitored by the inpatient safety metrics programme

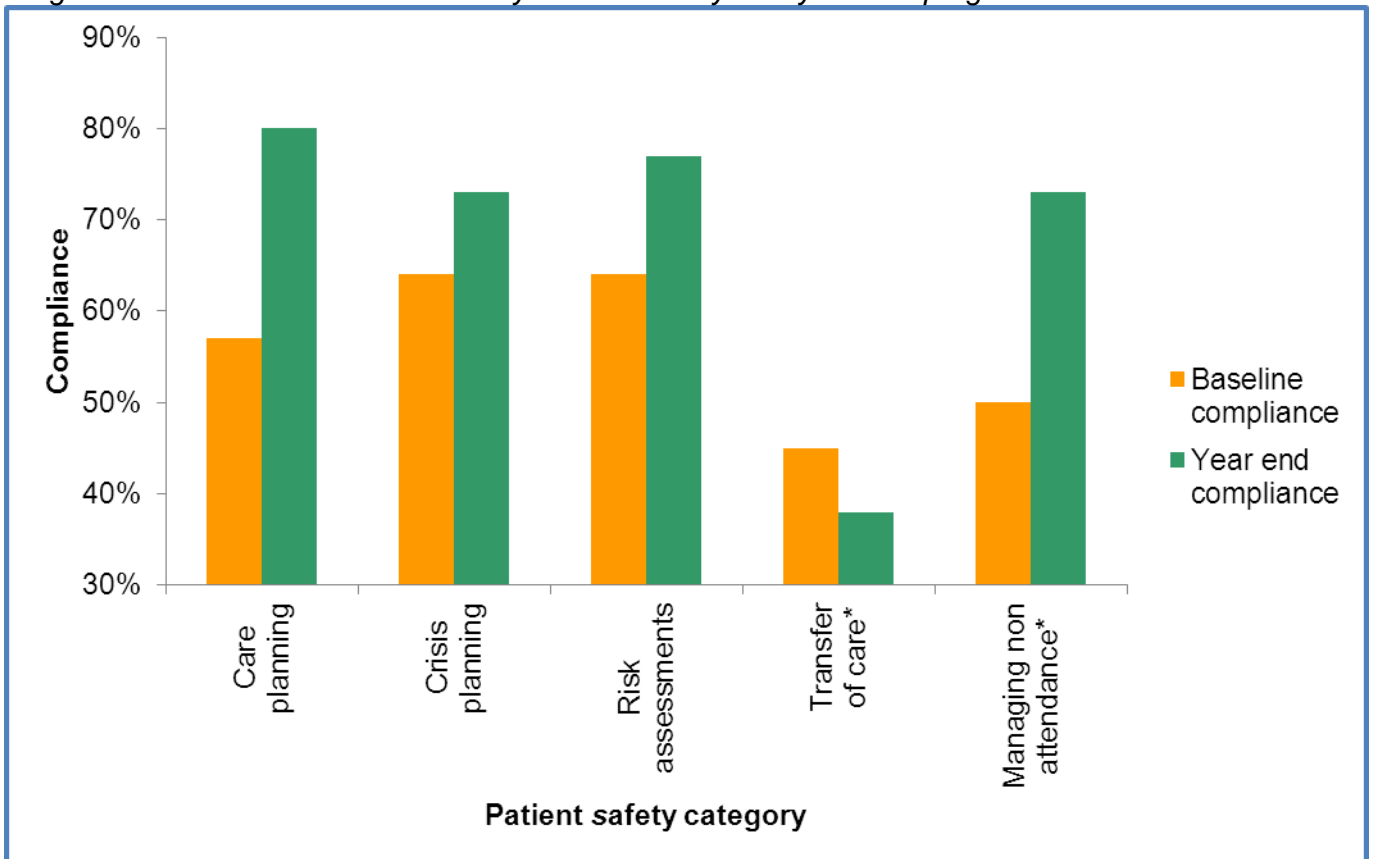


*includes ‘always events’

Community mental, learning disability and physical health teams and drug & alcohol services

- In December 2013, the 'always events' standards 'transfer of care' and 'managing non attendance' were incorporated into the community safety metrics programme for community mental health and learning disability teams. All standards were introduced to Wirral and West drug and alcohol services. The 'transfer of care' standard was introduced to physical health teams.
- The chart below illustrates overall improvements in the quality of 'care planning', 'crisis planning', 'risk assessments' and 'managing non attendance' standards.
- All teams also achieved improvements to 'transfer of care' standards with the exception of drug and alcohol services. Services are using the compliance information in order to target specific areas where there are gaps in order to identify ways of making improvements. As 'always events', these will continue to be monitored on an ongoing basis to track improvements to performance.

Compliance with 'always events' for community mental, learning disability and physical health teams and drug & alcohol services as monitored by the community safety metrics programme

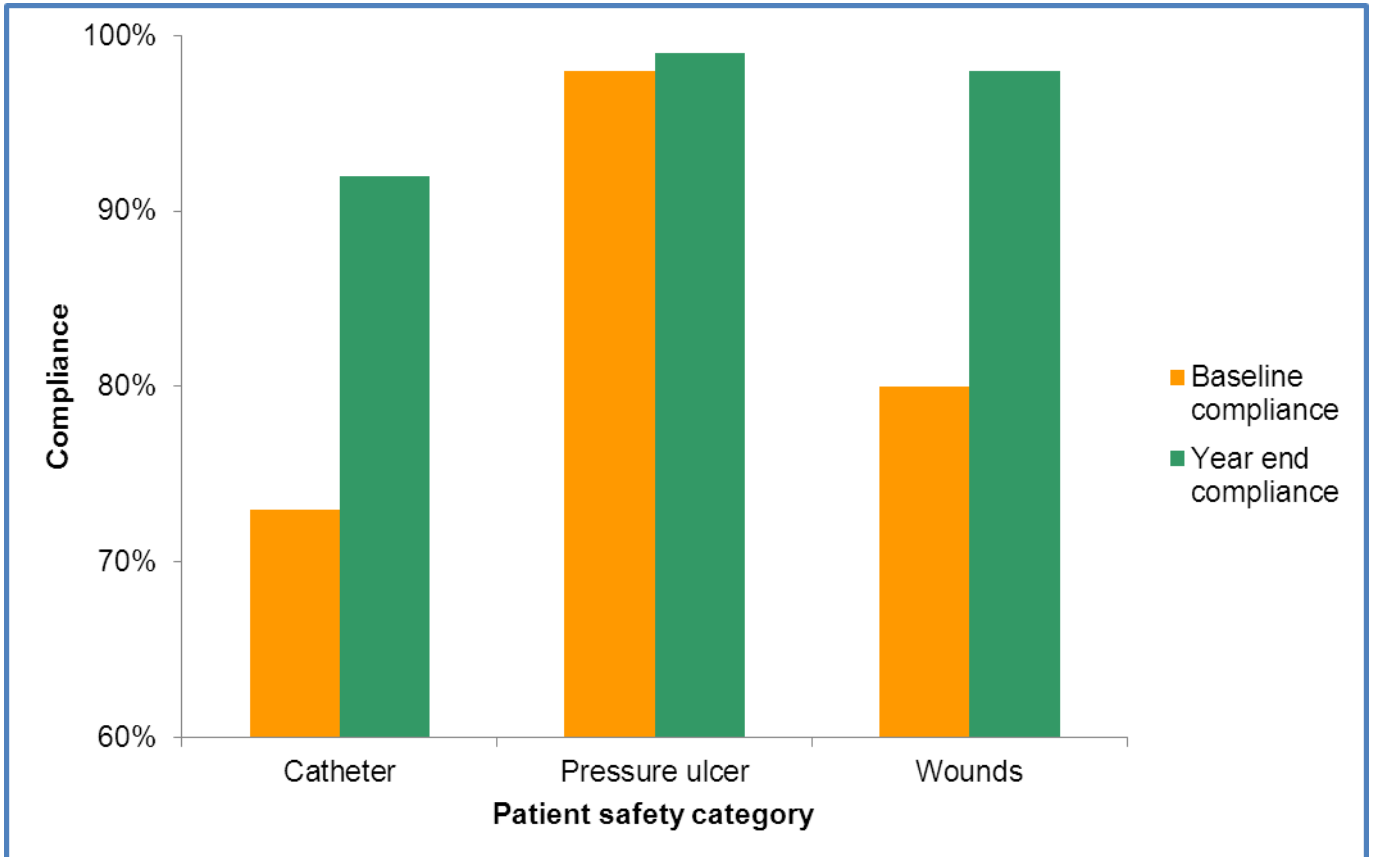


*Includes 'always events'

District nursing teams

- Community safety metrics were introduced to district nursing teams in December 2013 to measure the quality of catheter care, pressure ulcer care and wound care.
- Improvements in compliance with standards has been achieved across all categories – see the graph below.

Compliance with 'always events' for district nursing teams as monitored by the community safety metrics programme



Clinical effectiveness priorities for 2013/14

CWP said it would:

Improve outcomes by implementing clinically effective practice through the *development of evidence based care pathways*, including transitional pathways.

CWP achieved this priority by:

- Prioritising clinical and process pathways following agreement of locality and Trustwide clinical strategies. *NICE* champions provided an enhanced focus for care pathway development, and facilitated clinical consensus in respect of standards and outcome measures.
- Improving information systems and introducing care pathways for ADHD (attention deficit hyperactivity disorder), bipolar disorder, dementia – memory assessment clinics, complex needs and early intervention in psychosis.
- Implementing physical health care bundles based on the inpatient care standards contained within the revised physical healthcare pathway.
- Introducing the *Royal College of Physicians* 'FallSafe' care bundle across all wards. The Trust's 'always events' framework monitors falls using this bundle to inform the review of the Trust's falls policy and pathways on an ongoing basis.



Patient experience priority for 2013/14

CWP said it would:

Improve service user and carer experience, by *developing and implementing patient/ carer reported outcome measures and patient experience measures across care pathways – linked to Payment by Results.*

CWP achieved this priority by:

- Appointing a Patient Experience Recovery Lead and a Carer Experience Recovery Lead to develop and implement recovery focused services and build upon the success of the previously CQUIN funded recovery team.
- Launching the CWP carers
- during carer awareness week in June 2013, the results have informed future plans and strategies linked to 'Triangle of Care' (a framework to improve carer engagement and involvement of carers and families in the care planning and treatment of people with mental ill-health).
- Being awarded England's first 'Triangle of Care' gold star for demonstrating how carers and families are supported in care planning and treatment. 'Triangle of Care' meetings (which include people who use the Trust's services, carers and professionals) have been held in each locality to network and identify best practice for carers.
- Operational Board approved a pilot in November 2013 of an IT solution to gather real time patient experience. Subject to positive outcomes, plans will then be developed to rollout across the Trust. This will be monitored as part of the patient experience quality improvement priority for 2014/15.
- Introducing WEMWBS (Warwick Edinburgh Mental Well Being Scale) at 'Recovery Colleges' to measure outcomes of people accessing these colleges.

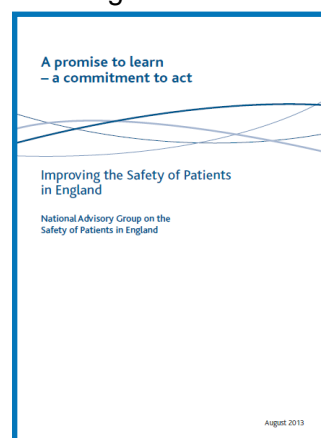


Quality improvement priorities for 2014/15

CWP has set three quality improvement priorities for 2014/15.

These priorities have been developed and chosen based on:

- Identified risks to quality in-year, this includes recurring themes locally and nationally across mental health trusts from feedback such as complaints and serious untoward incidents.
- What is relevant to people who use the Trust's services and people who work for the Trust's services. This includes general feedback received throughout the year from people who use the Trust's services, people who work for the Trust and stakeholders such as work with commissioners and other scrutineers.
- National priorities:
 - Protecting people who use NHS services from **avoidable harm**, achieving **better health outcomes** for patients, and ensuring that people have a **positive experience** of care are detailed in *The NHS Outcomes Framework 2014/15*.
 - The quality improvement priorities are also the Trust's direct response to the independent report *Berwick review into patient safety: Recommendations to improve patient safety in the NHS in England* (August, 2013) which calls for the NHS to continually reduce patient harm by embracing an ethos of learning. This review focuses on preventing avoidable unnecessary harms and unwarranted variations in the quality of healthcare. National evidence suggests, and one of the principles of the *Berwick review* recommendations is, to focus on **better care** rather than quantitative targets. As such, the three quality priorities **do not set targets** – instead they **aspire to deliver continuous improvement year-on-year**.
- Specific feedback received in-year from the outputs of the assessment and monitoring of quality provision across all localities, and the work of the *Quality Committee* and the *Patient Safety & Effectiveness Sub Committee*.



The quality priorities identified for achievement in 2014/15 have been set out in the Trust's operational plan, including how they link to the Trust's corporate and locality strategic objectives. This process of integrating the Trust's quality priorities with forward planning processes allows the Trust's quality priorities to be consistently consulted on and effectively communicated across the Trust and wider stakeholder groups.

How progress to achieve the quality improvement priorities will be reported:

The Trust's *Quality Committee* has approved a plan for the delivery of the quality improvement priorities. Progress against this plan will be reported to the *Quality Committee* and regular updates will be included in the Trust's quarterly *Quality Report* which is reported to the Board, and shared widely with partner organisations, governors, members, local groups and organisations as well as the public.

How the views of patients, the wider public and staff were taken into account:

All of the priorities were identified through regular feedback and engagement, and by taking into account the views of:

- People who use the Trust's services and carers, for example through receipt of feedback through activities such as patient and carer surveys.
- Staff and senior clinicians, for example through discussion at the Trust's corporate governance meetings.
- Lived experience advisors, for example through participation in involvement activity and engagement with the Trust's *involvement taskforce*.
- Stakeholders and the wider public, for example through activities such as formal consultations.
- Commissioners of NHS services, through contract negotiation and monitoring processes.
- Local scrutineers, for example through feedback from visits to services.

Patient safety priority for 2014/15

Priority for quality improvement:

Achieve a continuous reduction in avoidable harm and make measurable progress to embed a culture of patient safety in CWP, including through improved reporting of incidents.

Rationale for selection of this priority:

This quality priority reflects the Trust's strategic goal of having an aspiration of 'zero harm' that drives the Trust's culture. It also reflects the *NHS Constitution*, the *NHS Outcomes Framework* and one of *NHS England's* objectives for 2014/15 to protect people who use NHS services from avoidable harm. This includes taking action to identify those groups known to be at higher risk of suicide than the general population, such as people in the care of mental health services and criminal justice services. The Berwick review on patient safety, '*A promise to learn – a commitment to act*', recommends a continual reduction in patient harm through an ethos of learning. All clinicians have a professional responsibility to report incidents of actual or potential harm. Improved reporting of incidents helps to better identify risks and provides better opportunities to improve patient safety. In addition, raising awareness of error provoking conditions and unsafe situations through the promotion of the understanding of 'human factors' will help to reduce avoidable harm.

How progress to achieve the priority will be measured:

- Evaluation of staff receiving training and development in safe, organisational human factors practices and the spread of the implementation of these practices.
- Evaluation of incident reporting by staff in relation to the reported number of actual or potential harm events, and improvement actions identified to continuously increase all incident reporting – in particular the number/ proportion of 'no harm' incidents.
- Evaluation of the themes identified as recommendations following the review of serious incidents, and improvement actions identified to continuously decrease recurrent themes/ increase in new learning themes, to further improve systems and processes.
- Evaluation of the unnecessary avoidable harm identified following the review of serious incidents, and improvement actions identified to embed and sustain learning from these events.
- Evaluation of the Trust's suicide prevention strategy, to strengthen measures in place that aim to reduce the number of suicides and incidents of serious self harm or harm to others, including effective crisis response.

Clinical effectiveness priority for 2014/15

Priority for quality improvement:

Achieve a continuous improvement in health outcomes for people using the Trust's services by engaging staff to improve and innovate.

Rationale for selection of this priority:



This quality priority reflects one of the Trust's strategic goals of delivering high quality, integrated and innovative services that improve outcomes. Freeing the NHS to innovate in order to get the best health outcomes for patients is also one of the Government's ambitions for the health service for 2014/15. One of the indicators of the Trust's strategic goal of having an aspiration of 'zero harm' that drives the Trust's culture is that interventions should lead to the maximum number of people achieving good outcomes and positive recovery and the smallest number of people experiencing adverse outcomes. This quality priority aims to ensure that systems within the Trust promote, support and facilitate delivery of best practice day to day and learn from outcomes, whether positive or adverse, to ensure that service delivery consistently delivers best practice.

How progress to achieve the priority will be measured:

- Continuous improvement in the collection and reporting of outcomes from the measurement of care pathways.
- Evaluation of staff receiving training and development in techniques and approaches in relation to continuous improvement.
- Continuous increase in the number of good practice stories published internally through the Trust's dedicated intranet site that celebrates and promotes good practice.
- Continuous improvement in the number of positive media stories published externally about the Trust.
- 'Innovation register' demonstrates continuous improvement in the number of innovative practices that are registered and also evidence of spread.
- Evaluation of the outputs of clinical audit activity, through action plans, that identify recommendations to spread good practice and accelerate excellence.
- Re-audit, or equivalent monitoring, demonstrates sustained good practice and spread excellence to other areas.
- Continuous improvement in the number of publications, e.g. articles, reviews, quality improvement reports, research reports, developed by the Trust that are successfully published.

Patient experience priority for 2014/15

Priority for quality improvement:

Achieve a continuous improvement in people's experience of healthcare by promoting the highest standards of caring through implementation of the Trust's values.

Rationale for selection of this priority:



Ensuring that people have a positive experience of care is one of the Government's ambitions for the health service for 2014/15. Also, one of the indicators of the Trust's strategic goal of having an aspiration of 'zero harm' that drives the Trust's culture is the prevention of unacceptable variations in healthcare experience. Compassionate care and patient experience are just as important as clinical outcomes. People who need the support of healthcare services expect to be treated with compassion, respect and dignity. To enable excellent care, the workforce needs to have the right values, skills and training. Achieving a continuous improvement in health outcomes requires healthcare services to measure, understand and respond

to the needs and preferences of patients and communities locally through a regular programme of feedback looking at how people feel about the care they receive.

How progress to achieve the priority will be measured:

- Evaluation of the outputs of the Trust's 6Cs (care, compassion, courage, communication, competence and commitment) work programme and 'values group' to review that they are supporting the workforce to have the right values, skills and training to enable excellent care and improvement actions identified to continuously improve this.
- Evaluation of the NHS patient survey in relation to the proportion of people, across all areas of care, who rate their experience as excellent or very good, and improvement actions identified to improve this.
- Evaluation of NHS staff survey results in relation to whether staff would recommend their place of work to a family member or friend as a high quality place to receive treatment and care, and improvement actions identified to continuously improve this.
- Evaluation of 'Friends and family' test for patients results for community and mental health services (by the end of December 2014) and improvement actions identified to continuously improve these.
- Evaluation of local surveys, focus groups and real time experience collection, conducted to measure the experience of people who use the Trust's services, carers, and people who work for the Trust, and improvement actions identified to achieve continuous improvements in people's experiences.
- Evaluation of patient experience feedback/ complaints and improvement actions identified to improve key areas, including reports regarding the appropriateness and effectiveness of communication.

Statements of assurance from the board

The purpose of this section of the report is to provide formally required evidence on the quality of CWP's services. This allows readers to compare content common across all *Quality Accounts* nationally.

Common content for all *Quality Accounts* nationally is contained in a shaded double line border like this.

Information on the review of services

CWP provides the following services, in partnership with commissioners, local authorities, voluntary/independent organisations, people who use the Trust's services, and carers:

- Inpatient mental health services across Cheshire and Wirral
- Community mental health services across Cheshire and Wirral
- Specialist tier 4 CAMHS services across the North West
- Drug and alcohol services across Cheshire and Wirral and drug services in Trafford
- Inpatient learning disability services across Cheshire and Wirral
- Community learning disability services across Cheshire, Wirral, and Trafford
- Eating disorder services across areas of the North West
- Low secure services for people with mental health and learning disabilities across the North West
- Community physical health services in Western Cheshire

The Trust has also continued to maintain its strong relationships with local commissioners and other providers in playing an integral role in local transformation programmes, specifically the drive towards integrated working and developing collaborative partnerships to deliver services. This is in line with one of the Trust's strategic objectives to 'deliver high quality, integrated and innovative services that improve outcomes'. Additionally, during the year at one of the Trust's 'clinical engagement and leadership forum' meetings, the Trust also gathered information to scope its contribution to another transformation programme – the NHS moving towards offering patients better, safer and high quality health care every day of the week through the provision of seven day services. The Trust will work in partnership with commissioners during 2014/15 to explore local solutions to meet the needs of its local communities and populations.

During 2013/14, Cheshire and Wirral Partnership NHS Foundation Trust provided and/ or sub-contracted **100** relevant health services.

Cheshire and Wirral Partnership NHS Foundation Trust has reviewed all the data available to them on the quality of care in **100** of these relevant health services.

The income generated by the relevant health services reviewed in 2013/14 represents **97** per cent of the total income generated from the provision of relevant health services by Cheshire and Wirral Partnership NHS Foundation Trust for 2013/14.

CWP has reviewed the data on the quality of its services in the following ways during the year.

Contract review and monitoring

CWP works together with its commissioners to review and update the quality requirements in its contracts annually, to ensure that they reflect changes in best practice and emerging national or local good clinical or good healthcare practice. Through contract monitoring meetings, assurance is provided that the Trust's performance in relation to improving quality of care is on track.

Reviewing the results of local and national patient surveys

To improve the quality of services that CWP delivers, it is important to understand what people think about their care and treatment. CWP has engaged people who use its services, carers, people who

work for the Trust, and other partners in a wide variety of local survey activity to inform and influence the development of its services.

The national patient survey of people's experiences of community mental health services



The Care Quality Commission's (CQC) national patient survey was published in September 2013. It gave CWP a valuable insight into what people who use the Trust's community mental health services thought about their care. The CQC report also provided an indication of the Trust's progress since the last survey in 2012. The Trust received 245 responses from a sample of 830 people who used the Trust's community mental health services, which represented a 31% response rate. CWP performed 'better' in four areas out of nine national service areas when compared with other trusts – for medications, care co-ordinator, crisis care, and overall care.

Local CWP surveys

Carers survey

This survey was launched during carer awareness week in June 2013. 147 surveys were completed. The most positive movement in the survey demonstrated an **increase of 32%** of carers strongly agreed/agreed that they were satisfied with information given to them by CWP staff.

Service level experience and satisfaction activity

Feedback is proactively sought across CWP through a variety of methods, including participation groups, focus groups and surveys. Involvement activity is captured and reported on a quarterly basis in an involvement report which is shared with people who work for the Trust and commissioners. This feedback is used to make continuous improvements to services.

Trustwide inpatient survey

This survey was completed in August 2013. With the support of involvement representatives and people who work for the Trust, this year saw an **18% improvement** in responses compared to 2012 (47% for 2013). To ensure meaningful engagement and understanding, learning disability services completed the survey with people using those services by utilising a patient stories approach.

Learning from experience and feedback from people who use the Trust's services

Learning from experience

CWP acknowledges areas where it needs to make changes to improve care. This is called 'learning from experience'. It focuses on feedback from people who use the Trust's services which show where they are not fully satisfied, or through the reporting of incidents by people who work for the Trust when they witness events that caused actual harm or had the potential to cause harm. The Trust also learns from other NHS organisations when things go wrong, by reviewing and learning from external recommendations. Examples of learning from experience include:

- Following an investigation into a serious **incident** of the care and treatment of a patient who fell, a 'task and finish' group was set up to review the management and prevention of falls. The group is undertaking a comprehensive review of environments, specifically looking at flooring. It is reviewing the Trust's policy on the prevention and management of slips, trips and falls. It is implementing an action plan which was developed in December 2013 as a result of an independent review of falls incidents within the Trust.
- Following a **claim** relating to a member of staff who sustained an injury as a result of attempting to perform venepuncture on a patient, CWP has clearly defined the role of trainer and assessor for venepuncture competency. Local systems have been developed to ensure that a copy of all documentation in relation to venepuncture training and competency is kept in the staff member's file at ward level.
- To address **complaint** themes about staff attitude, CWP has adopted the *Department of Health's* 'Compassion in Practice' document which describes 6Cs of value and behaviour. The 6Cs are care, compassion, courage, communication, competence and commitment. Work programmes to empower people who work for the Trust have been identified to promote behaviours that reflect

shared values in the delivery and management of care, which should have a positive impact on the number of complaints received in relation to staff attitude.

Feedback from people who use the Trust's services

CWP welcomes compliments and comments from people who use the Trust's services and carers, in order to use the feedback to act on suggestions, consolidate what CWP does well, and to share this best practice across the Trust. During 2013/14, CWP has seen a **1% increase** compared with 2012/13 in the number of compliments received from people who use the Trust's services and others about their experience of the Trust's services.

CWP's *Learning from Experience* report, which is produced three times a year, reviews learning from incidents, complaints, concerns, claims and compliments, including Patient Advice and Liaison Service contacts. These are all rich sources of feedback from people who use the Trust's services. Reviewing them together, with the results of clinical audits, helps to identify trends and spot early warnings, so actions can be taken to prevent potential shortfalls in care. Sharing learning is key to ensuring that safety is maintained and that action can be taken to prevent recurrence of similar issues. These *Learning from Experience* reports are shared with the public, via CWP's Board meetings held in public and via the Trust's website, and also with CWP's partner organisations, demonstrating the Trust's commitment to being transparent in how it learns lessons and makes improvements.

Examples of feedback from people who use the Trust's services include:

"I have just been discharged by (member of staff) at the physiotherapy service and I have to say what an excellent service I have received from him. His courtesy along with an infectious positive attitude and hint of humour has had a good effect on me. Often a health care professional will only deal with the body part in their specialism, but (member of staff) has a good holistic approach... (and) has gently but firmly encouraged me to continue to work through pain and not to view it as a barrier to progress. I know pain is all registered in the brain from wherever but one's attitude to dealing with it has an impact on the outcome, and he has helped me enormously with this."

[Physiotherapy/ Musculoskeletal Services – Physical Health West](#)

"I am pleased to say all is good here and alcohol free. We had a baby boy last Friday so we now have 2 boys! It astonishes me sometimes to think how far removed my life is now from the situation I found myself in when I was wholly dependent on drugs and alcohol. I feel like I owe you an on-going depth of gratitude as your skill and encouragement matched with a little will power on my part has really changed so much."

[Drug and Alcohol Services – CWP East](#)

"(Patient) was... displaying challenging behaviour over the weekend, therefore I contacted the unit for help and support. I would like to express my extreme gratitude to the staff members who supported me through this and even telephoned (patient's) GP on my behalf. It makes such a difference to know that staff are there with the level of support I need and I would like to pass on my thanks to the team."

[Thorn Heys Respite Learning Disability Service – CWP Wirral](#)

"My mum has recently come out of the Adelphi ward in Macclesfield and I can't praise the staff enough... Mental health needs the recognition it deserves! My mum was always well looked after, the staff had a laugh with patients, one day they were all hoola hooping and getting everyone involved! It's that that sets the staff apart! To all on the Adelphi ward, thank you from the bottom of my heart and keep doing what you all do!"

[Adelphi ward – CWP East](#)

"Thank you very much for all your help and support over the past couple of years. I am so grateful for your understanding and for putting up with me when I get on my soap box. Words cannot express the gratitude I feel when I think about what you and your team have done for us."

[Winsford Team, CAMHS – CWP West](#)

Reviewing the results of clinical audit

Healthcare professionals who provide care use clinical audit to check that the standards of care they provide is of a high quality. Where there is a need for improvement, actions are identified to improve the delivery of care, which is described on the following pages.

Information on participation in clinical audits and national confidential enquiries

The purpose of clinical audit is to improve the quality of care provided to service users. It is at the heart of providing the necessary changes in practice to ensure that CWP is delivering efficient, service user focused, high quality care and treatment.

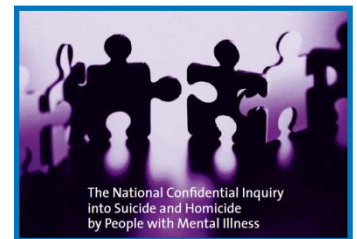
National clinical audits and national confidential enquiries

National clinical audits

CWP takes part in all of the national audits, as it allows the Trust to compare findings with other NHS Trusts to help CWP identify necessary improvements to the care provided to people using the Trust's services.

National confidential enquiries

National confidential enquiries are nationally defined audit programmes that ensure there is learning from the investigation of deaths in specific circumstances, taken from a national sample, in order to improve clinical practice.



During 2013/14 **3** national clinical audits and **1** national confidential enquiry covered relevant health services that Cheshire and Wirral Partnership NHS Foundation Trust provides. During 2013/14 the Trust participated in **100%** national clinical audits and **100%** national confidential enquiries of the national clinical audits and national confidential enquiries which it was eligible to participate in.

The national clinical audits and national confidential enquiries that the Trust was eligible to participate in during 2013/14 are as follows:

- National prescribing observatory for mental health
- National audit of schizophrenia
- National audit of psychological therapies for anxiety and depression
- National Confidential Inquiry into Suicide and Homicide by People with Mental illness

The national clinical audits that the Trust participated in, and for which data collection was completed during 2013/14, are listed 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 that audit or enquiry.

Cases submitted as a percentage of registered cases

National clinical audits (registered cases for these audit programmes means cases registered within CWP)		
National prescribing observatory for mental health:		
<ul style="list-style-type: none"> ▪ Topic 4b : Prescribing anti-dementia drugs 	100%	Report available later in 2014 to inform action planning.
<ul style="list-style-type: none"> ▪ Topic 7d: Monitoring patients on lithium 	100%	As a result of reviewing this audit, the Trust has agreed that advice about potential side effects and signs of toxicity will be included in training sessions for CMHTs.
<ul style="list-style-type: none"> ▪ Topic 10c: Use of anti psychotic medication in CAMHS 	100%	Data collection completed, report available later in 2014 to inform action planning.
<ul style="list-style-type: none"> ▪ Topic 13a: Prescribing for ADHD in children, adolescents and adults 	100%	As a result of reviewing this audit, the Trust has ensured copies of centile charts and assessments have been shared between teams to ensure standards are consistent throughout the Trust.
National audit of schizophrenia	83%	Data collection completed, results available later in 2013/14 to inform action planning. National audit report due November 2014.
National audit of psychological therapies for anxiety and depression	100%	National report published, action planning in progress.
National Confidential Inquiry into Suicide and Homicide by People with Mental Illness (registered cases for this audit programme means cases from a national sample, not from within CWP)		
Sudden unexplained death in psychiatric inpatients	100%	
Suicide	100%	
Homicide	100%	
Victims of homicide	100%	

The reports of **3** national clinical audits were reviewed by Cheshire and Wirral Partnership NHS Foundation Trust in 2013/14 and the Trust intends to take the actions identified in the table above to improve the quality of healthcare provided.

Local CWP clinical audits

The reports of **13** local clinical audits were reviewed in 2013/14 and Cheshire and Wirral Partnership NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided.

Title of local CWP clinical audit	Action/s taken
Electro convulsive therapy (ECT)	<ul style="list-style-type: none"> ▪ Reviewed training around ECT to ensure that all staff are aware of the legal requirements relating to consent. ▪ Issued a bulletin to relevant staff to remind them to monitor and record side effects and to document reasons for continuing/ withdrawing therapy where side effects occur.
Medicines management	<ul style="list-style-type: none"> ▪ Developed medicines elements of care pathways to include prompts to ask about side effects. ▪ Reminded teams of the correct procedure for the receipt of depot injections. ▪ Reviewed the Trust policy on rapid tranquilisation.
Standard care letter template	<ul style="list-style-type: none"> ▪ Implemented mechanisms to address gaps in compliance with the doctors involved through the appraisal process.
Lithium monitoring	<ul style="list-style-type: none"> ▪ Improved the provision of advice about potential side effects and signs of toxicity by providing training sessions for community mental health teams.
Prescribing for ADHD in young people and adults	<ul style="list-style-type: none"> ▪ Copies of centile charts and standardised assessment tools have been shared between teams to ensure that standards are consistent throughout CWP.
Antibiotic prescribing	<ul style="list-style-type: none"> ▪ Raised awareness of clinical guidelines relating to the prescription of antibiotics to reinforce that antibiotic prescription may not be indicated for various conditions.
Section 136 of the Mental Health Act 1983	<ul style="list-style-type: none"> ▪ Awareness has been raised of the importance of revisiting, formulating, and implementing a crisis plan when risks increase.
CPA documentation	<ul style="list-style-type: none"> ▪ Implemented a robust process for assessing a sample of clinical records during supervision to review the adequacy of record keeping.
Safeguarding adults	<ul style="list-style-type: none"> ▪ Introduction of named safeguarding links within teams and departments. ▪ Increased bespoke safeguarding adults training with individual teams. ▪ Worked with the local authority to ensure feedback from safeguarding referrals is received by CWP teams. ▪ Raised awareness around accessing safeguarding supervision.
Absent without leave	<ul style="list-style-type: none"> ▪ Raised awareness of the importance of following the missing person's procedure. ▪ Reminded staff of the need for risk assessments to be updated to reflect the missing patient incidents.
Supervised community treatment	<ul style="list-style-type: none"> ▪ Raised awareness in all localities of risk assessment requirements and inclusion of review of this in clinical supervision. ▪ Raised awareness in all localities of the need for care plans to be updated prior to discharge into the community, documenting community treatment order conditions and full medication details. ▪ Reviewed operational procedures to ensure information leaflets are sent out as soon as practicable. ▪ Updated mandatory and role specific training. ▪ Raised awareness of the benefits of early completion and submission of community treatment order renewal documentation at the locality consultant management meetings. ▪ Strengthened the recording of incidents and complaints relating to supervised community treatment to facilitate their identification and monitoring.
Record keeping	<ul style="list-style-type: none"> ▪ Reviewed compliance with record keeping standards and developed an action plan to further improve standards.

Title of local CWP clinical audit	Action/s taken
Slips, trips and falls	<ul style="list-style-type: none"> ▪ Reviewed the environment of wards (lighting, flooring, decoration, signage) which may have contributed to the increased risk of falls. ▪ Reviewed and implemented a falls policy and risk assessment including the provision of a “FallSafe” care bundle checklist.

National and local CWP clinical audits are reviewed as part of the annual clinical audit programme, and are reported to the Trust’s *Patient Safety & Effectiveness Sub Committee*, which is a delegated sub committee of the Board chaired by the Medical Director – Executive Lead for Quality.

The Trust also has an infection prevention and control (IPC) audit programme, to support the enhancement of cleanliness of the care environment, to identify good IPC practice and areas for improvement.

Information on participation in clinical research

The *NHS Constitution* makes it clear that research is a core part of the NHS, enabling the NHS to improve the current and future health of the people it serves. CWP staff are recognised internationally for their pioneering work through their involvement in research to discover best practice and innovative ways of working.

CWP’s participation in clinical research helps to improve the quality of care, patient experience and outcomes within the Trust and across the NHS.

The number of patients receiving relevant health services provided or sub-contracted by Cheshire and Wirral Partnership NHS Foundation Trust in 2013/14 that were recruited during that period to participate in research approved by a research ethics committee was **857**.

Participation in clinical research demonstrates Cheshire and Wirral Partnership NHS Foundation Trust’s commitment to improving the quality of care it offers and to making its contribution to wider health improvement. CWP’s clinical staff stay abreast of the latest possible treatment possibilities and active participation in research leads to successful patient outcomes.

Cheshire and Wirral Partnership NHS Foundation Trust was involved in conducting **83** clinical research studies in all of its clinical service units during 2013/14.

There were **193** clinical staff participating in approved research during 2013/2014. These staff participated in research covering **22** medical specialties and also research covering management training.

CWP has been increasing staff involvement in clinical research to help increase the use of new evidence in the future. The number of Principal Investigators in CWP has increased over the last year and more clinicians are actively involved in researching. Also, over the last three years, CWP has been associated with **202** research publications, the findings from which are used to improve patient outcomes and experience across the Trust and the wider NHS. The Trust’s engagement with clinical research also demonstrates Cheshire and Wirral Partnership NHS Foundation Trust’s commitment to offering the latest medical treatments and techniques.



One project CWP has been engaged in is a falls project based on dementia wards, run by the *Health and Safety Executive’s* ‘Pedestrian Safety Group’. This has resulted in recommendations to improve wards and representation at the Trust’s falls task and finish group to ensure the action plan is implemented.

NICE guidance

The *National Institute for Health and Care Excellence (NICE)* provides national guidance and advice that helps health, public health and social care professionals to deliver the best possible care based on the best available evidence. Many CWP specialists are involved in the production of national guidelines for *NICE*.

CWP monitors the implementation of all types of applicable *NICE* guidance, and overall is fully or partially compliant with over **100%** of all applicable key priorities in this guidance.

Information on the use of the CQUIN framework

The *Commissioning for Quality and Innovation (CQUIN)* payment framework enables commissioners to reward excellence, by linking a proportion of the Trust's income to the achievement of local, regional, and national quality improvement goals. Participation in *CQUIN* indicates that CWP, with its commissioners, is actively engaged in quality improvements. *CQUIN* goals are reviewed through the contract monitoring process as discussed earlier in the report.

A proportion of Cheshire and Wirral Partnership NHS Foundation Trust's income in 2013/14 was conditional on achieving quality improvement and innovation goals agreed between the Trust and any person or body they entered into a contract, agreement or arrangement with for the provision of relevant health services, through the Commissioning for Quality and Innovation payment framework. Further details of the agreed goals for 2014/15 and for the following 12 month period available by request from the Trust's Safe Services Department: <http://www.cwp.nhs.uk/pages/1-what-we-do>

The Trust received £2,064,933 for the goals that it achieved for 2011/12 and £3,438,614 for the goals that it achieved for 2012/13.

The maximum income available in 2013/14 was £3,440,200 and the Trust received £3,380,368 for the *CQUIN* goals achieved.

The total monies available in 2014/15, upon successful achievement of all the agreed *CQUIN* goals, is £3,188,869.

Below are three examples of the positive impacts that *CQUIN goals* have had on the quality of care.

Dementia baseline screening for people with Down syndrome

There is an increased incidence of dementia in people with Down syndrome. During 2013/14, in the Vale Royal and South Cheshire area, CWP commenced baseline screening for dementia in people with Down syndrome aged 30 or over. As a result of this, those people with Down syndrome diagnosed with dementia are now placed on the GP dementia register and offered targeted proactive health checks to ensure that their health is maintained.

Literacy

During 2013/14, the Occupational Therapy teams at the Alderley Unit and Saddlebridge Recovery Centre, Macclesfield, worked to improve the range and availability of opportunities available to people using these Trust services. Opportunities available include: one to one or group educational sessions in literacy, numeracy and IT, budgeting support, cookery sessions, vocational qualifications in animal care, and volunteering. This work has led to the development of a new occupational therapy care pathway which ensures that people's needs and aspirations in relation to education and vocation are captured. It allows the joint development of an intervention plan to ensure better opportunities patients for future participation in various aspects of life.

Mental and physical health care pathways: dementia care

Since 2012/13, CWP, in partnership with the *Countess of Chester Hospital NHS Foundation Trust*, has been running a new and innovative service for dementia patients. Work has continued with this during 2013/14 as part of *CQUIN*. Specialist dementia nurses are based five days a week on medical and surgical wards at the Countess of Chester Hospital. They help to assess and identify patients with dementia, and provide advice and support to carers. They also work with doctors, nurses and therapists to facilitate discharge safely and smoothly and reduce patients' length of stay in hospital, including for patients with more complex needs. Patient and staff feedback has been very positive and positive outcomes of the service includes improved identification of patients with dementia or cognitive impairment, reduced length of stay in hospital, and more patients being discharged back to their own homes, either straight from the Countess of Chester Hospital or after a period of rehabilitation or respite.

Information relating to registration with the Care Quality Commission and periodic/ special reviews



Independent assessments of CWP and what people have said about the Trust can be found by accessing the *Care Quality Commission's* website. Here is the web address of CWP's page:

<http://www.cqc.org.uk/directory/rxa>

Cheshire and Wirral Partnership NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is **registered and licensed to provide services**. The Trust has no conditions on its registration.

The Care Quality Commission has **not** taken enforcement action against the Trust during 2013/14.

The Trust has participated in **6** special reviews or investigations by the Care Quality Commission relating to the following areas during 2013/14:

Review of compliance: Eastway

Review of compliance: Springview

Review of compliance: Bowmere

Review of compliance: Greenways

Special review: Safeguarding and looked after children

Special review: Mental health – Assessment and application for detention and admission

The reviews of compliance were unannounced inspections against the Care Quality Commission's essential standards of quality and safety.

The special reviews were:

- i. A review of safeguarding and looked after children, undertaken in collaboration with other partners across Cheshire West and Chester.
- ii. A review of assessment and application for detention and admission, undertaken in Wirral. This was a joint visit between CWP and Wirral Borough Council.

The Trust was **compliant** with the requirements of the Care Quality Commission relating to the reviews at Eastway and Greenways.

The Trust was **compliant** with the requirements of the Care Quality Commission relating to the review at Springview in relation to:

- Outcome 1 – respecting and involving people who use services
- Outcome 4 – care and welfare of people who use services
- Outcome 7 – safeguarding people who use services from abuse
- Outcome 13 – staffing
- Outcome 16 – assessment and monitoring the quality of service provision
- Outcome 17 – complaints

The Care Quality Commission identified **minor concerns** in the review of compliance at Springview in relation to:

- Outcome 5 – meeting nutritional needs
- Outcome 21 – records

The Trust was **compliant** with the requirements of the Care Quality Commission relating to the review at Bowmere in relation to:

Outcome 4 – care and welfare of people who use services

Outcome 6 – co-operating with other providers

Outcome 10 – safety and suitability of premises

The Care Quality Commission identified **minor concerns** in the review of compliance at Bowmere in relation to:

Outcome 21 – records

The Trust has taken the following action to address the conclusions or requirements reported by the Care Quality Commission which related to the Trust:

Reviews of compliance:

1. Review of patient menu ordering system to ensure choice and availability of special dietary requirements.
2. Strengthened the assurance processes to assess quality of food and nutrition available on inpatient areas through the Trust's unannounced compliance visits and regular community meetings with patients.
3. Review of record keeping systems to reduce the risks associated with dual record keeping of electronic and paper records.
4. Review the Trust's therapeutic observation policy to ensure adequate assessment and recording of review of risk relating to observation levels.
5. Communicate to ward managers and clinicians the importance of ensuring service users have received a copy of their care plan, where possible, and that this is clearly documented within clinical records.

Special reviews:

6. For the review of safeguarding and looked after children, a review of the following areas to improve and strengthen:
 - Child protection 'step down' arrangements.
 - Self harm pathways.
 - Access to training and safeguarding supervision for adult mental health professionals.
 - Links and information sharing between GPs, school health advisers and CAMHS.
 - Scrutiny of referrals from adult mental health to children's social care and ensure sufficient levels of engagement by CAMHS and adult mental health professionals in child protection case conferences.
7. For the review of assessment and application for detention and admission, a review of the following areas to improve and strengthen:
 - Communication between carers and CWP.
 - Guidelines for the assessment and management of admission for young people.
 - Support, training and clarity for the clinical support worker.
 - The Trust's section 136 policy and sign up by relevant agencies.

The Trust has made the following progress by 31 March 2014 in taking such action:

Reviews of compliance:

1. A revised menu ordering system was introduced to enhance choice and availability of special dietary requirements, however, following consultation with patients, their feedback and general dissatisfaction of the new menu ordering system, the Trust agreed with the CQC to revert to the previous system but to monitor feedback more closely as part of the Trust's unannounced compliance visit schedule.
2. Food and nutrition is currently assessed at every inpatient unannounced compliance visit; it has been consistently rated as "green" with no concerns identified.
3. The Trust has a dual record keeping action plan which is overseen operationally by the Trust's *Records and Clinical Systems Group* and monitored, to ensure that improvements are being made, by the Trust's *Patient Safety and Effectiveness Sub Committee*.
4. The Trust's therapeutic observation policy has been reviewed and revised. The new policy was implemented in February 2014 and has been disseminated to all staff.
5. Communications have been circulated to all staff about ensuring that care plans are signed and that this is also documented in the clinical notes. Spot checks to specific wards have confirmed that care

plans are signed. In addition, this standard is monitored on an ongoing basis via the Trust's inpatient safety metrics programme.

Special reviews:

6. Progress on the areas requiring improvement and strengthening are on track and progress is monitored by the local safeguarding meeting. The overall action plan is being co-ordinated and monitored via NHS West Cheshire CCG. The CQC reported that the Trust's action plans were robust and identified learning.

7. A comprehensive action plan has been developed to identify areas requiring improvement and strengthening and has been submitted to the CQC. Progress is being monitored by the Safe Services Department.

Information on the quality of data

NHS number and general medical practice code validity

The patient *NHS number* is the key identifier for patient records. Improving the quality of NHS number data has a direct impact on improving clinical safety by preventing misidentification.

Accurate recording of a patient's *general medical practice code* is essential to enable transfer of clinical information about the patient from a Trust to the patient's GP.

Cheshire and Wirral Partnership NHS Foundation Trust submitted records during 2013/14 to the Secondary Uses service for inclusion in the Hospital Episode Statistics 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;
100% for out patient care.

The percentage of records in the published data which included the patient's valid General Medical Practice Code was:
100% for admitted patient care; and
100% for out patient care.

Information Governance Toolkit attainment levels

The Information Quality and Records Management attainment levels assessed within the Information Governance Toolkit provide an overall measure of the quality of data systems, standards and processes within an organisation.

Cheshire and Wirral Partnership NHS Foundation Trust's Information Governance Assessment Report overall score for 2013/14 was 95% and was graded satisfactory/ green.

Clinical coding error rate

Cheshire and Wirral Partnership NHS Foundation Trust was **not** subject to the *Payment by Results* clinical coding audit during 2013/14 by the *Audit Commission*.

Statement on relevance of data quality and actions to improve data quality

Good quality information underpins the effective delivery of the care of people who use NHS services and is essential if improvements in quality of care are to be made.

Cheshire and Wirral Partnership NHS Foundation Trust will be taking the following actions to improve data quality:

Implementation of a data quality framework plan during 2014/15 to address the following areas –

1. Targeting areas of underperformance in relation to areas demonstrating data quality issues by offering support through training and signposting to further CAREnotes training and escalation with relevant management.
2. Improvements to Payment by Results cluster accuracy/ rates, through publishing weekly performance reports and develop reporting which highlights staff and team outliers.
3. Continue weekly data quality dashboard reporting, highlighting key data quality issues in the Trust, and promoting data quality and good practice across the Trust in forums such as the CAREnotes champion user group.
4. Review of the Trust's mandatory submissions and externally published data to identify areas of improvement and issues to feed back on, using this knowledge to improve the Trust's reporting techniques and processes.

Performance against key national priorities and quality indicators

CWP is required to report its performance with a list of published key national priorities, against which the Trust is judged. CWP reports its performance to the Board and the Trust's regulators throughout the year. Actions to address any areas of underperformance are put in place where necessary. These performance measures and outcomes help CWP to monitor how it delivers its services.

Performance against key national priorities from the Monitor *Compliance Framework 2013/14*

Indicator	Required performance	Actual performance
Data completeness – community services:		
▪ Referral to treatment information	50%	100%
▪ Referral information	50.0%	95.6%
▪ Treatment activity information	50.0%	92.7%
Care Programme Approach (CPA) patients:		
▪ Receiving follow-up contact within seven days of discharge	95.0%	97.7%
▪ Having formal review within 12 months	95.0%	96.2%
Minimising mental health delayed transfers of care	≤7.5%	1.5%
Admissions to inpatients services had access to crisis resolution home treatment teams	95.0%	98.7%
Meeting commitment to serve new psychosis cases by early intervention teams	95.0%	128.5% CWP has over-performed against this target. This means that the Trust has seen more new cases than the national target (in line with local need).
Data completeness: identifiers	97.0%	99.4%
Data completeness: outcomes for patients on CPA	50.0%	85.7%

Quality Accounts are required to report against a core set of quality indicators provided by *The Health and Social Care Information Centre*. This allows readers to compare performance common across all *Quality Accounts* nationally. These are detailed in the following table.

Performance against quality indicators: 2012/13 – 2013/14

Quality indicator	Related NHS Outcomes Framework Domain	Reporting period					
		2013/14			2012/13		
		CWP performance	National average	National performance range	CWP performance	National average	National performance range
Care Programme Approach (CPA) patients receiving follow-up contact within seven days of discharge from psychiatric inpatient care	Preventing people from dying prematurely	Quarter 1 97.7%	Quarter 1 97.7%	Quarter 1 94.1 – 100%	Quarter 1 96.8%	Quarter 1 97.5%	Quarter 1 94.9 – 100%
		Quarter 2 98.1%	Quarter 2 97.7%	Quarter 2 90.7 – 100%	Quarter 2 97.3%	Quarter 2 97.2%	Quarter 2 89.8 – 100%
	Quarter 3 96.9%	Quarter 3 97.1%	Quarter 3 77.2 – 100%	Quarter 2 98.1%	Quarter 3 97.6%	Quarter 3 92.5 – 100%	
	Quarter 4 98.7%*	Quarter 4 Not available until June 2014*	Quarter 4 Not available until June 2014*	Quarter 4 96.2%	Quarter 4 97.3%	Quarter 4 93.6 – 100%	
<p>Cheshire and Wirral Partnership NHS Foundation Trust considers that this data is as described because the Trust's data is checked internally for consistency and accuracy by the responsible staff in line with internal gatekeeping processes. The Trust's external auditors have verified the processes for production of this data. The Trust has achieved the performance target for this quality indicator, as required by the Department of Health and Monitor (target for 2013/14 is achieving at least 95.0% rate of patients followed up after discharge, CWP performance for 2013/14 is 97.7%). The Trust has taken the following action to improve this percentage, and so the quality of its services, by:</p> <ul style="list-style-type: none"> Targeting work with services and teams demonstrating areas of underperformance by offering support through dedicated locality analysts. 							
Admissions to acute wards for which the crisis resolution home treatment team acted as a gatekeeper	Enhancing quality of life for people with long-term conditions	Quarter 1 99.7%	Quarter 1 98.0%	Quarter 1 74.5 – 100%	Quarter 1 99.7%	Quarter 1 98.0%	Quarter 1 83.0 – 100%
		Quarter 2 97.9%	Quarter 2 98.6%	Quarter 2 89.8 – 100%	Quarter 2 97.6%	Quarter 2 98.1%	Quarter 2 84.4 – 100%
		Quarter 3 98.5%	Quarter 3 98.6%	Quarter 3 85.5 – 100%	Quarter 3 95.3%	Quarter 3 98.4%	Quarter 3 90.7 – 100%

Quality indicator	Related NHS Outcomes Framework Domain	Reporting period					
		2013/14			2012/13		
		CWP performance	National average	National performance range	CWP performance	National average	National performance range
		Quarter 4 98.9%*	Quarter 4 Not available until June 2014*	Quarter 4 Not available until June 2014*	Quarter 4 91.5%	Quarter 4 98.6%	Quarter 4 20.0 – 100%
		<p>Cheshire and Wirral Partnership NHS Foundation Trust considers that this data is as described because the Trust's data is checked internally for consistency and accuracy by the responsible staff in line with internal gatekeeping processes. The Trust's external auditors have verified the processes for production of this data. The Trust has achieved the performance target for this quality indicator, as required by the Department of Health and Monitor (target for 2013/14 is achieving at least 95.0% of all admissions gatekept, CWP performance for 2013/14 is 98.7%). The Trust has taken the following action to improve this percentage, and so the quality of its services, by:</p> <ul style="list-style-type: none"> Targeting work with services and teams demonstrating areas of underperformance by offering support through dedicated locality analysts. 					
The percentage of patients aged (i) 0 to 15; and (ii) 16 or over, readmitted to a hospital which forms part of the Trust within 28 days of being discharged from a hospital which forms part of the Trust during the reporting period	Helping people to recover from episodes of ill health or following injury	(i) 1.51%*	Not available via HSCIC indicator portal*		(i) 3.45%*	Not available via HSCIC indicator portal*	Not available via HSCIC indicator portal*
		(ii) 6.61%*	Not available via HSCIC indicator portal*		(ii) 5.37%*	Not available via HSCIC indicator portal*	Not available via HSCIC indicator portal*
		<p>Cheshire and Wirral Partnership NHS Foundation Trust considers that this data is current using internal information systems. Readmission rates help to monitor success in preventing or reducing unplanned readmissions to hospital following discharge. Readmission rates are an effective measure of treatment across the entire patient pathway across all sectors of health and social care. The Trust has taken the following action to improve this percentage, and so the quality of its services, by:</p> <ul style="list-style-type: none"> Targeting work with services and teams demonstrating areas of underperformance by offering support 					

Quality indicator	Related NHS Outcomes Framework Domain	Reporting period					
		2013/14			2012/13		
		CWP performance	National average	National performance range	CWP performance	National average	National performance range
		through dedicated locality analysts.					
Staff employed by, or under contract to the Trust who would recommend the Trust as a provider of care to their family or friends	Ensuring that people have a positive experience of care	69%	65%	38 – 94%	70%	63%	21 – 95%
		Cheshire and Wirral Partnership NHS Foundation Trust considers that this data is as described because it is administered and verified by the National NHS Staff Survey Co-ordination Centre. The Trust achieved a performance better than the national average for this quality indicator. The Trust has taken the following action to improve this percentage, and so the quality of its services, by: <ul style="list-style-type: none"> The Trust's 'investing in staff' group developing an action plan to address areas of improvement identified in the survey. 					
"Patient experience of community mental health services" indicator score with regard to a patient's experience of contact with a health or social care worker	Enhancing quality of life for people with long-term conditions Ensuring that people have a positive experience of care	87.8%	85.8%	80.9 – 91.8%	89.6%	86.6%	82.6 – 91.8%
		Cheshire and Wirral Partnership NHS Foundation Trust considers that this data is as described because it is administered and verified by Quality Health Ltd on behalf of the Care Quality Commission. The Trust achieved a performance better than the national average for this quality indicator. The Trust has taken the following action to improve this percentage, and so the quality of its services, by: <ul style="list-style-type: none"> Developing an action plan to address areas of improvement identified in the survey. 					
(i) Number of patient safety incidents reported within the Trust, and (ii) Percentage of such patient safety incidents that resulted in severe harm or death	Treating and caring for people in a safe environment and protecting them from avoidable harm	(i) 2615*	Not available until February 2015*	Not+ available until February 2015*	(i) 3750	(i) 4407	(i) 3 – 6903
		(ii) 0.3%*	(ii) Not available until February 2015*	(ii) Not available until February 2015*	(ii) 1.2%	(ii) 2.5%	(ii) 0 – 9.4%
		Cheshire and Wirral Partnership NHS Foundation Trust considers that this data is as described because the Trust's data is checked internally for consistency and accuracy by the responsible staff in line with internal					

Quality indicator	Related NHS Outcomes Framework Domain	Reporting period					
		2013/14			2012/13		
		CWP performance	National average	National performance range	CWP performance	National average	National performance range
		<p>gatekeeping processes. The data is analysed and published by the <i>NHS Commissioning Board Special Health Authority</i>. The national data stated relates to mental health Trusts only. The Trust's reporting of patient safety incidents is comparable with the middle 50% of reporters, and has increased reporting Trustwide during the last two years. The Trust has taken the following action to improve this number/ percentage, and so the quality of its services, by:</p> <ul style="list-style-type: none"> Encouraging the reporting of incidents through it "learning from experience" report produced for staff three times a year. <p>The Trust's severity of reported patient safety incidents is lower than the national average (all mental health Trusts). The <i>NHS Commissioning Board Special Health Authority</i> encourages higher reporting of patient safety incidents that do not result in severe harm or death, as it provides an opportunity to reduce the risk of future incidents.</p>					

(*) denotes:

Performance for 2013/14 (and 2012/13 where applicable) is not available at the time of publication of the report from the data source prescribed in *The National Health Service (Quality Accounts) Amendments Regulations 2012*.

The data source is *The Health and Social Care Information Centre (HSCIC)* Quality Accounts section within their indicator portal.

The data source of the performance that is stated is the Trust's information systems.

Part 3. Other information

An overview of the quality of care offered by CWP – performance in 2013/14

Below is a summary of CWP's performance, during 2013/14, against previous years' quality improvement priority areas approved by Board as part of the Trust's *Quality Accounts*. The performance compares historical (over the past three years) and/ or benchmarking data where this is available. This demonstrates the Trust's commitment to setting quality improvement priorities each year in its *Quality Account* that it intends to continue to review its performance against to demonstrate sustained improvements.

Quality indicator	Year identified	Reason for selection	CWP performance		
			2011/12	2012/13	2013/14
Patient safety					
i. Improving learning from patient safety incidents by increasing reporting	2008/09	Research shows that organisations which report more usually have stronger learning culture where patient safety is a high priority	8566 incidents	9291 incidents	9213 incidents
			Data source = the Trust's incident reporting system (Datix). The number of the Trust's reported incidents for each of these years is comparable with the middle 50% of reporters, tending towards the highest 25% of reporters (in 2013/14), based on national comparative data reported to the <i>NHS Commissioning Board Special Health Authority</i> .		
ii. Create a better safety culture by achieving level 2 NHSLA accreditation	2008/09	NHSLA Accreditation provides an independent assessment of compliance against national safety priorities	NHSLA level 2 compliant	NHSLA level 1 compliant	NHSLA level 1 compliant
			In 2012/13 the Trust took a decision at Board level to be assessed at level 1, following the Trust becoming responsible for providing community physical health care services in Western Cheshire, necessary to ensure policy reconciliation. The outcome of the independent assessment was compliance with 50/50 standards related to national safety priorities.		
iii. Strengthen hand decontamination procedure compliance	2008/09	Equipping staff with the skills to undertake effective hand decontamination minimises the risk of cross infection to service users and staff	NHS Staff Survey scores <i>Training:</i> 76% (national average 68%)	NHS Staff Survey scores <i>Training:</i> 81% (national average 72%)	NHS Staff Survey scores <i>Training:</i> 89% (national average 72%)
			<i>Availability of hand washing materials:</i> 65% (highest 20% of all mental health Trusts)	<i>Availability of hand washing materials:</i> 59% (national average 55%)	<i>Availability of hand washing materials:</i> 60% (national average 54%)
Data source = National NHS Staff Survey Co-ordination Centre. The <i>NHS National Staff Survey</i> results include the percentage of staff saying that they: - have received training, learning, or					

Quality indicator	Year identified	Reason for selection	CWP performance		
			2011/12	2012/13	2013/14
			<p>development in infection control (including guidance on hand washing);</p> <ul style="list-style-type: none"> - always have hand washing materials available. <p>Staff receive training on infection prevention and control at induction, mandatory training/ learning, and bespoke training to all community and ward staff where necessary. Audits are also undertaken by the Trust's Infection Prevention and Control Team, incorporating questions in relation to hand decontamination, on a rolling basis. Every inpatient area and every clinic Trustwide was audited in 2013/14.</p>		
Clinical effectiveness					
i. Implement the Advancing Quality programme for dementia and psychosis	2009/10	'Advancing Quality' measures clinical and patient reported outcomes to determine the level of care that patients have received, benchmarked against a set of agreed 'best practice' criteria	<p>Dementia:</p> <p>CWP compliance 88%</p> <p>Regional compliance (range) 63% – 98%</p> <p>–</p> <p>Psychosis:</p> <p>CWP compliance 82%</p> <p>Regional compliance (range) 73% – 99%</p>	<p>Dementia:</p> <p>CWP compliance 88.7%</p> <p>CWP target 88.6%</p> <p>–</p> <p>Psychosis:</p> <p>CWP compliance 89.9%</p> <p>CWP target 87.9%</p>	<p>Dementia:</p> <p>CWP compliance 89.9%</p> <p>CWP target 83.6%%</p> <p>–</p> <p>Psychosis:</p> <p>CWP compliance 98.0%</p> <p>CWP target 88.2%</p>
<p>Data source = Clarity Informatics</p> <p>There is up to a six month delay in reporting of compliance data relating to 2013/14. The above figures for 2013/14 reflect CWP's monthly submissions up to and including January 2014.</p>					
ii. Physical health checks for all inpatient service users, including Body Mass Index (BMI)	2008/09	The monitoring of a service user's physical health is a priority to ensure that a service user's physical health needs are being met	<p>85% compliance with the patient having their BMI calculated on admission</p> <p>Performance was measured throughout the year as part of the Trust's patient safety</p>	<p>94% compliance with the patient having their BMI calculated on admission</p> <p>Performance was measured once during the year as part of the Trust's patient safety</p>	<p>97% compliance with the patient having their BMI calculated on admission</p> <p>Performance was measured once during the year as part of the</p>

Quality indicator	Year identified	Reason for selection	CWP performance		
			2011/12	2012/13	2013/14
			priority for 2011/12. The denominator was 1102.	priority for 2012/13. The denominator was 560.	Trust's patient safety priority for 2013/14. The denominator was 642.
Data source = local patient safety metrics data. The 'physical health check undertaken within 6 hours of admission' part of this indicator reported in previous years was removed as this is no longer a requirement of the local patient safety metrics.					
iii. Develop integrated care pathways	2009/10	Seamlessness between primary and secondary care promotes a joined up approach, and improves the continuity and quality of care	Care pathways and associated care bundles developed for: <ul style="list-style-type: none"> - urinary catheter care - wound care - pressure ulcer care - dementia memory assessment - early intervention in psychosis - structured assessment and treatment in learning disabilities - obsessive compulsive disorder in young people 	Care pathways and associated care bundles developed for: <ul style="list-style-type: none"> - dementia assessment - chronic obstructive pulmonary disease - diabetes - heart failure 	Care pathways and associated care bundles developed for: <ul style="list-style-type: none"> - attention deficit hyperactivity disorder - bipolar disorder - complex needs - dementia (memory assessment clinics) - early intervention
			All outcome measures for the care pathways identified as priorities for 2013/14 are reported in <i>part 2 – clinical effectiveness priority for 2013/14.</i>		
Patient experience					
i. Increase patient experience feedback - <i>the types of feedback measured include concerns/ PALS contacts, comments, complaints, and compliments</i>	2008/09	Understanding the experience of service users, and their carers, is fundamental to being able to provide high quality services and to identify areas for improvement	28% increase compared with 2010/11 This does not include patient experience feedback reported by Physical Health West, as these were not included in previous years' performance.	5% increase compared with 2011/12 This does not include patient experience feedback reported by Physical Health West, as these were not included in previous years' performance.	4% decrease compared with 2012/13 This does not include patient experience feedback reported by Physical Health West, as these were not included in previous

Quality indicator	Year identified	Reason for selection	CWP performance		
			2011/12	2012/13	2013/14
			Physical Health West received 264 patient experience contacts in 2011/12.	Physical Health West received 350 patient experience contacts in 2012/13.	years' performance. Physical Health West received 410 patient experience contacts in 2013/14.
			<p>Data source = the Trust's incident reporting system (Datix).</p> <p>For 2013/14, the changes in patient feedback are: Concerns = 9% increase PALS contacts = 27% decrease Comments/ suggestions = 13% decrease Compliments = 1% increase Complaints = 13% increase</p> <p>The increase in concerns and complaints suggests that the Trust has a learning and an open and transparent culture, as this is one recognised indicator that people using the Trust's services and those close to them are not fearful of complaining due to the consequences (A review of the NHS hospitals complaints system: Putting patients back in the picture, 2013).</p> <p>The decrease in PALS contacts is expected, following targeted work by the PALS Officer with all services to promote local resolution of informal concerns.</p>		
ii. Improvement of complaints management and investigation processes	2008/09	Complaints handling and investigations should be of a high quality and robust so that any improvements are highlighted and cascaded throughout the Trust in order to continually improve services and share best practice	6 complaint quality assurance reviews	6 complaint quality assurance reviews	2 complaint/ serious incident quality assurance reviews
			<p>Complaint quality assurance reviews are led by a Non Executive Director, and provide internal assurance of the quality and robustness of complaints management and investigation processes.</p> <p>Fewer reviews were held in 2013/14 but this was expected as the former complaint quality assurance reviews were extended to also review the quality and robustness of serious incident investigation processes.</p>		
iii. Measure patient satisfaction levels	2008/09	Patient satisfaction is an important measure of the quality of the care and treatment delivered by the	National Patient Survey score 72% (average performance)	National Patient Survey score 75% (better than the average)	National Patient Survey score 78% (better than the average)

Quality indicator	Year identified	Reason for selection	CWP performance		
			2011/12	2012/13	2013/14
		Trust	<p>compared with all other mental health Trusts)</p> <p>Responses = 236</p> <p>–</p> <p>CWP inpatient survey</p> <p>73% of service users rated the service they received as 'good' or 'excellent'</p> <p>Responses = 79</p>	<p>performance across all other mental health Trusts)</p> <p>Responses = 224</p> <p>–</p> <p>CWP inpatient survey</p> <p>80% of service users rated the service they received as 'good' or 'excellent'</p> <p>Responses = 86</p>	<p>performance across all other mental health Trusts)</p> <p>Responses = 284</p> <p>–</p> <p>CWP inpatient survey</p> <p>83% of service users rated the service they received as 'good' or 'excellent'</p> <p>Responses = 110</p>
			<p>Data sources = Quality Health Ltd and internal patient survey data respectively.</p> <p>The National Patient Survey score for 2011/12 represents how service users rated the care received from CWP. The National Patient Survey score for 2012/13 and 2013/14 represents how service users scored receiving good overall care from NHS mental health services in the last 12 months.</p>		

Monitor requires mental health foundation Trusts, for external assurance of their *Quality Accounts*, to ensure a review by independent auditors of two mandated indicators and one local indicator chosen by the councillor of governors. The independent auditor's report, at *Annex D*, details the findings of the review of the mandated indicators. *Annex E* details the definitions of the indicators.

Mandated indicators

- Patients on Care Programme Approach (CPA) followed up within 7 days of discharge from psychiatric inpatient stay.
- Admissions to acute wards gatekept by Crisis Resolution Home Treatment Teams.

Locally selected indicator

- Minimising delayed transfers of care.

Additional information on improving the quality of CWP's services in 2013/14

Below is a selection of the work over the past year that some of the Trust's services, as detailed in *part 2 – information on the review of services*, have undertaken to improve the quality of the services they provide. The Trust's quarterly *Quality Reports* provide more information about the quality of the services provided by CWP throughout the year.

Improving patient safety



CWP was shortlisted as finalists at the national *Patient Safety Awards* held in July 2013, in the category of 'patient safety in mental health'. The Trust's submission was for its 'inpatient safety metrics' programme, which monitors policy standards across all of the Trust's inpatient wards. Peer reviews are undertaken by ward managers to provide a contemporaneous method of measuring and tracking patient safety standards, in order to reinforce local accountability and to act as a spur for providing high quality care, facilitated by targeted action planning. The programme has delivered demonstrable improvements in compliance with patient safety standards over the past two years.

CWP was one of 54 NHS mental health providers that participated in a benchmarking project for inpatient mental health services between July and August 2013. *NHS Cheshire & Merseyside Commissioning Support Unit* reviewed early benchmarks in the "Mental Health Benchmarking Toolkit" and concluded that CWP made a good quality data submission. The report highlighted:

- CWP was benchmarked **above average in the provision of beds** in categories acute, psychiatric intensive care, eating disorders and other mental health.
- CWP was one of 15 providers to **achieve delayed transfer of care [adult acute] rates at less than 2% of total bed days impacted**.
- Improved adult acute readmission rates within 28 days – CWP **ranked second** with a readmission percentage rate of less than 2.5%.
- CWP accepted over 95% of referrals to community mental health teams along with 13 other providers.
- CWP had **less failed to attend scheduled appointments** than the other providers' average of 10%.



This benchmarking project has provided CWP with an excellent platform for enhancing future service provision. CWP continues to analyse reports and develop conclusions on the results of mental health benchmarking. Good practices are shared amongst member organisations to support ongoing improvements within the mental health sector.

The Trust's *Patient Safety Walkround* programme has continued throughout 2013/14, with a total of seven inpatient wards receiving a planned visit from a member of the executive team. The walkround is arranged in conjunction with the ward manager at a time that is most suitable for the ward to receive visitors and it is an opportunity for the staff to meet a member of the executive team. During the visit, the ward staff provide the executive with a tour of the ward, after which some quality 'time out' is taken to receive patient safety feedback through the use of a series of open ended questions. The outcome of these discussions is recorded and followed up by a thematic analysis and subsequent action plan. Successfully implemented actions have included a review of staffing levels, accelerated replacement of security door fobs, and older peoples' wards being granted monies to purchase staff uniforms.



The *Patient Safety First* campaign's ambition is to eliminate the avoidable harm associated with pressure ulcers across the NHS. With an estimated 180,000 newly acquired pressure ulcers developing each year (NHS Safety Thermometer, 2012) and 91,810 patient safety incident reports received by the *National Reporting and Learning System* in 2011, this is one of the biggest patient safety challenges facing the NHS. CWP is contributing to national work in this important area of patient safety. The Trust's Tissue Viability Specialist Nurse and Specialist Practitioner Community Student attended the UK annual wounds conference. The general theme for this year focused on the management of pressure ulcers, supported by many

seminars and workshops. The CWP Tissue Viability Specialist Nurse is an active member of the North West Tissue Viability Nurse Group. They **presented a poster about the staging of pressure ulcers**, which was designed by the group. The conference was well received by over 1,000 delegates this year, and it consisted of the largest exhibition of wound care companies in the UK.

Community physical health services continue to measure levels of harm free care using the *NHS Safety Thermometer* on a monthly basis on four outcomes:

- pressure ulcers
- falls
- venous thromboembolisms
- urinary tract infections in patients with catheters

This is a national *CQUIN* goal, which aims to facilitate the delivery of **harm free care over time**. The level of harm free care delivered during 2013/14 ranged from 90% – 94%.

Improving clinical effectiveness

NHS England's National Clinical Director for Mental Health, Dr Geraldine Strathdee, has commended CWP for its 'can do' ethos at its annual 'Good Practice' showcase event. Impressive marketplace stalls were created by staff from mental health, learning disability, drug and alcohol, and physical health services, who came together to share and showcase good practice at the Trust's **clinical effectiveness and leadership forum**. Staff spoke about how much they enjoyed the event, how much they learnt, and how they have been inspired to take ideas back to their own work areas to make improvements. Dr Strathdee spoke at the event and spent time visiting the marketplace stalls. She observed how CWP works proactively with acute services, holding joint therapy sessions, and how the Trust uses information to embed learning and implement best practice. Dr Strathdee commented on the "brilliant and impressive" services in the marketplace, showcasing mental health care at its best, with staff and service users stood side by side, proud of what they had jointly co-designed.



Staff from the CWP acquired brain injury [ABI] service in Chester have recently celebrated their new book being published. 'Practical Neuropsychological Rehabilitation in Acquired Brain Injury: A Guide for Working Clinicians [Brain Injuries]' aims to acknowledge the complexity of working with clients who have ABI, giving practical and useable guides for readers to develop their practice.

Wirral memory assessment service was **accredited as excellent** by the Royal College of Psychiatrists in the final report of the 'Memory Service National Accreditation Programme'. Accreditation assures staff, people using the service, carers, commissioners and regulators of the quality of the service being provided. Some of the positive aspects mentioned in the report are listed below:

- Joint shared protocols with GPs and primary care
- Early evening and Saturday morning appointments available
- Five accessible satellite clinics
- Opportunities for people using the service and carers to be involved with research
- Routine feedback/ satisfaction surveys
- The service was described as 'caring', 'sensitive', 'considerate' and 'always accessible'
- Promotion of staff training and provision of consistent supervision
- Provision of education to GPs
- Access to full time dementia advisor



CWP celebrated double success at *The NHS North West Leadership Academy* recognition awards in November 2013. CWP's Clinical Service Manager for Wirral drug & alcohol services won the **NHS Partnership/ System Leader of the Year** award. CWP's Medical Director (Executive Lead for Quality) won a joint award for **NHS Quality Champion/ Innovator of the Year**.

Improving Patient experience

CWP was part of a joint project in Quarter 4 with other hospitals to support a quality initiative to help general hospital staff recognise and assess the extra support needs of people using services with learning disabilities. The collaboration developed a *reasonable adjustment risk* assessment and a *care plan* to suit each hospital, focusing on: communication, consent, behaviour, support needs, medication, and discharge planning. The care plan provides information to prompt hospital staff to focus on and record the 'reasonable adjustments' required to meet the needs of people using the service in order for them to have a **positive hospital experience**. The care plan enables carers to share their knowledge and their own needs to ensure that people using services receive the correct support during a hospital stay. It has been presented as an **example of good practice at a national conference** and it also meets the recommendations of the *confidential inquiry into the premature deaths of people with learning disabilities* (CIPOLD).

Wirral older people mental health team's occupational therapists have won the first ever **Ken Holt Memorial Award** for 'life story work' at the *National Dementia Care Awards*. The award recognised the outstanding work that the ward has done in integrating life story work into clinical practice. Life story work is a technique designed to enable older adults to recognise their past, present, and future. Life story books are built into this work, to give a visual aid and reminder of important events or feelings. This work has:

- Enhanced the quality of **person centred care**
- **Improved engagement** in therapy and activities
- **Encouraged** people who use the service to reminisce and help in sustaining interactions
- Generated spontaneous discussions with people using the service who struggle to initiate conversation
- Helped care homes in getting to know residents transferred from hospital
- Settling agitation and improving concentration
- Provided comfort to people using the service, carers and families
- Brought **collaboration** to care planning





Drug & Alcohol Services in West Cheshire have listened to people using these services struggling to attend clinics at Aqua House and Unity House due to transport difficulties. In response to this feedback, the service has improved access to weekly clinics and made them available in Neston at Mellock Lane health centre and Frodsham health centre. **Attendance rates have increased to 96%**. People using these services are also benefiting from the use of other facilities provided in the health centres. Further work has been developed alongside people who use these services to improve successful drug and alcohol treatment completions. A

newspaper for people using the drug and alcohol services has been developed promoting groups and services provided.

CWP facilitated a “My Life, My Say” event during the “Big Health Day” for people with learning disabilities during ‘Learning Disability Week’. CWP promoted good practice and provided awareness of different services available. People using learning disability services expressed their thoughts and ideas on large pin boards and in video booths. The feedback gathered helped local services to improve communication pathways and provide a clearer understanding of the needs of people using learning disability services.



Annex A: Glossary

Advancing Quality

Advancing Quality is a programme introduced by NHS North West in order to drive up quality improvement across the North West region by the collecting and submission of information in relation to the quality of services provide for service users with specific conditions. It allows comparison of participating trusts' performance with their partner trusts to incentivise continuous improvement.

Board

A Board (of Directors) is the executive body responsible for the operational management and conduct of an NHS Foundation Trust. It includes a non executive Chairman, non executive directors, the Chief Executive and other Executive Directors. The Chairman and non executive directors are in the majority on the Board.

CAREnotes

The main clinical electronic care record used within CWP.

Care bundles

A care bundle is a collective set of interventions, performed in a structured way as part of a care pathway, which are effective in improving outcomes for service users.

Care pathways

A pre-determined plan of care for patients with a specific condition.

Care plan

Written agreements setting out how care will be provided within the resources available for people with complex needs.

Care Programme Approach

The process mental health service providers use to co-ordinate care for mental health patients.

Care Quality Commission – CQC

The Care Quality Commission is the independent regulator of health and social care in England. It regulates health and adult social care services, whether provided by the NHS, local authorities, private companies or voluntary organisations.

Carer

Person who provides a substantial amount of care on a regular basis, and is not employed to do so by an agency or organisation. Carers are usually friends or relatives looking after someone at home who is elderly, ill or disabled.

Clinical audit

Clinical audit measures the quality of care and services against agreed standards and suggests or makes improvements where necessary.

Clinical commissioning group – CCG

Clinical Commissioning Groups are groups of GPs that are responsible for designing and commissioning/ buying local health and care services in England.

Clinical governance

The system through which NHS organisations are accountable for continuously improving the quality of their services and safeguarding high standards of care.

Commissioners

Commissioners are responsible for ensuring adequate services are available for their local population by assessing needs and purchasing services. Clinical commissioning groups are the key organisations responsible for commissioning healthcare services for their area. They commission services (including acute care, primary care and mental healthcare) for the whole of their population, with a view to improving their population's health.

Commissioning Data Set

The basic structure used for the submission of commissioning data to the Secondary Uses Service.

Commissioning for Quality and Innovation – CQUIN

High Quality Care for All included a commitment to make a proportion of providers' income conditional on quality and innovation, through the Commissioning for Quality and Innovation payment framework.

Community physical health services

Health services provided in the community, for example health visiting, school nursing, podiatry (foot care), and musculo-skeletal services.

Crisis

A mental health crisis is a sudden and intense period of severe mental distress.

Department of Health

The Department of Health is a department of the UK Government but with responsibility for Government policy for England alone on health, social care and the NHS.

Dual diagnosis

The term dual diagnosis is used to describe the co-morbid condition of a person considered to be suffering from a mental illness and a substance misuse problem. Dual diagnosis is also used to describe someone who has been diagnosed with more than one mental health problem.

Foundation Trust

A type of NHS trust in England that has been created to devolve decision-making from central government control to local organisations and communities so they are more responsive to the needs and wishes of their local people. NHS Foundation Trusts provide and develop healthcare according to core NHS principles – free care, based on need and not on ability to pay. NHS Foundation Trusts have members drawn from patients, the public and staff, and are governed by a Council of Governors comprising people elected from and by the membership base.

Health Act

An Act of Parliament is a law, enforced in all areas of the UK where it is applicable. The Health Act 2009 received Royal Assent on 12 November 2009.

Healthcare

Healthcare includes all forms of care provided for individuals, whether relating to physical or mental health, and includes procedures that are similar to forms of medical or surgical care but are not provided in connection with a medical condition, for example cosmetic surgery.

Healthcare Quality Improvement Partnership

The Healthcare Quality Improvement Partnership was established in April 2008 to promote quality in healthcare, and in particular to increase the impact that clinical audit has on healthcare quality in England and Wales. It is led by a consortium of the Academy of Medical Royal Colleges, the Royal College of Nursing and National Voices.

Hospital Episode Statistics

Hospital Episode Statistics is the national statistical data warehouse for England of the care provided by NHS hospitals and for NHS hospital patients treated elsewhere.

Improving Access to Psychological Therapies – IAPT

Improving Access to Psychological Therapies is an NHS programme offering interventions approved by NICE for treating people with depression and anxiety disorders.

Information Governance Toolkit

The Information Governance Toolkit is a performance tool produced by the Department of Health. It draws together the legal rules and central guidance set out above and presents them in one place as a set of information governance requirements.

Intranet

An internal network, which works like the internet or World Wide Web, which can only be accessed by the employees of an organisation.

Healthwatch

A local Healthwatch will be an independent organisation, able to employ its own staff and involve volunteers, so it can become the influential and effective voice of the public. It will have to keep accounts and make its annual reports available to the public.

Mental Health Act 1983

The Mental Health Act 1983 is a law that allows the compulsory detention of people in hospital for assessment and/ or treatment for mental disorder. People who are detained under the Mental Health Act must show signs of mental disorder and need assessment and/ or treatment because they are a risk to themselves or a risk to others. People who are detained have rights to appeal against their detention.

Mental health and learning disability trusts

Mental health and learning disability trusts provide health and social care services for people with mental health problems and a range of healthcare and social support services for people who have learning disabilities and other long-term complex care needs.

Mental Health Minimum Data Set – MHMDS

The Mental Health Minimum Data Set is a database maintained by providers of mental healthcare containing a wide range of information on patients, details of the care they are receiving or have received and some of the outcomes of care.

Monitor

The independent regulator responsible for authorising, monitoring and regulating NHS Foundation trusts.

National audit of psychological therapies for anxiety and depression

Run by the Royal College of Psychiatrists, its aim is to promote access, appropriateness, acceptability and positive outcomes of treatment for those suffering from depression and anxiety.

National Confidential Inquiry into Suicide and Homicide by People with Mental Illness

A research project funded mainly by the National Patient Safety Agency that aims to improve mental health services and to help reduce the risk of similar incidents happening again in the future.

National Institute for Health and Care Excellence – NICE

The National Institute for Health and Care Excellence is an independent organisation responsible for providing national guidance on promoting good health and preventing and treating ill health.

NHS Commissioning Board Special Health Authority

Responsible for promoting patient safety wherever the NHS provides care.

NHS Constitution

The principles and values of the NHS in England. It sets out rights to which patients, public and staff are entitled, and pledges which the NHS is committed to achieve, together with responsibilities, which the public, patients and staff owe to one another to ensure that the NHS operates fairly and effectively.

National Patient Survey

The National Patient Survey programme, co-ordinated by the Care Quality Commission, gathers feedback from patients on different aspects of their experience of recently received care, across a variety of services/ settings.

National prescribing observatory for mental health

Run by the Health Foundation, Royal College of Psychiatrists, its aim is to help specialist mental health services improve prescribing practice through quality improvement programmes including clinical audits.

National Staff Survey

An annual national survey of NHS staff in England, co-ordinated by the Care Quality Commission. Its purpose is to collect staff satisfaction and staff views about their experiences of working in the NHS.

Patient Reported Outcome Measures – PROMs

Patient Reported Outcome Measures are measures of a patient's health status or health-related quality of life. They are typically short, self-completed questionnaires, which measure the patients' health status or health related quality of life at a single point in time.

Patient Advice and Liaison Services – PALS

Patient Advice and Liaison Services are services that provide information, advice and support to help patients, families and their carers.

Payment by Results

A national initiative introduced by the Department of Health requiring all CCGs to pay providers of NHS healthcare for treatment at prices (tariffs) which are consistent across the country.

Providers

Providers are the organisations that provide NHS services, for example NHS Trusts and their private or voluntary sector equivalents.

Public health

Public health is concerned with improving the health of the population rather than treating the diseases of individual patients.

Quality and Risk Profile – QRP

A Quality and Risk Profile is a tool for providers of NHS care, commissioners and CQC staff in monitoring compliance with the CQC's sixteen essential standards of quality and safety. It draws in data from a number of sources which the CQC analyses to identify areas of potential non-compliance within a provider by producing a set of 'risk estimates' of non-compliance, one for each of the essential standards.

Quarter

One of four three month intervals, which together comprise the financial year. The first quarter, or quarter one, means April, May and June.

Registration

From April 2009, every NHS trust that provides healthcare directly to patients must be registered with the Care Quality Commission.

Regulations

Regulations are a type of secondary legislation made by an executive authority under powers given to them by primary legislation in order to implement and administer the requirements of that primary legislation.

Research

Clinical research and clinical trials are an every day part of the NHS. The people who do research are mostly the same doctors and other health professionals who treat people. A clinical trial is a particular

type of research that tests one treatment against another. It may involve either patients or people in good health, or both.

Secondary care

Secondary care is specialist care, usually provided in hospital, after a referral from a GP or health professional. Mental health services are included in secondary care.

Secondary Uses Service – SUS

The Secondary Uses Service is designed to provide anonymous patient-based data for purposes other than direct clinical care such as healthcare planning, commissioning, public health, clinical audit and governance, benchmarking, performance improvement, medical research and national policy development.

Serious untoward incident

A serious untoward incident (SUI) includes unexpected or avoidable death or very serious or permanent harm to one or more patients, staff, visitors or members of the public.

Service users/ patients/ people who use services

Anyone who uses, requests, applies for or benefits from health or local authority services.

Special review

A special review is a review carried out by the Care Quality Commission. Special reviews and studies are projects that look at themes in health and social care. They focus on services, pathways of care or groups of people. A review will usually result in assessments by the CQC of local health and social care organisations. A study will usually result in national level findings based on the CQC's research.

Stakeholders

In relation to CWP, all people who have an interest in the services provided by CWP.

Strategy

A plan explaining what an organisation will do and how it will do it.

Tier 4 CAMHS

Specialist assessment and treatment services for young people with complex mental health needs, which includes psychiatric inpatient provision and intensive community focussed services.

The Health and Social Care Information Centre

The Health and Social Care Information Centre is a data, information and technology resource for the health and care system.

Annex B: Comments on CWP Quality Account 2013/14

CWP has included contributions internally from its staff, senior clinicians and managers, involvement representatives, and the Council of Governors, in developing this *Quality Account*. Externally, CWP offered all of its local scrutineers the opportunity to comment – commissioners; local *Healthwatch* organisations; and the local health and well-being scrutiny committees. The contribution of local scrutineers is key to the *Quality Account* assurance process. Their contribution assures the public that the information presented in the *Quality Account* is accurate and fairly interpreted, and that the range of services described and priorities for improvement are representative. Through the Trust's quarterly *Quality Report*, CWP has engaged with its local scrutineers throughout the year, to assist them in developing a better informed comment, and to regularly discuss healthcare matters with CWP and their stakeholders, including service users.

The following comments were returned from its local scrutineers. Following the return of these comments, no amendments were required to be made to CWP's *Quality Account* 2013/14.

Comments by CWP's commissioners

Statement from Eastern Cheshire Clinical Commissioning Group

NHS Eastern Cheshire Clinical Commissioning Group (ECCCCG) welcomes the opportunity to provide feedback and commentary to Cheshire and Wirral Partnership Foundation Trust (CWPFT) *Quality Account* for 2013/14.

ECCCCG acknowledges the continued hard work and commitment shown to ensuring patient safety throughout 2013/14. This is particularly evident by looking at the development of the 'Never Events' and the patient centred and focussed 'Always Events' initiatives that the Trust embedded into its quality improvement ideas. Undoubtedly these initiatives have led to increased patient safety, better patient journey and experience.

The Trust has invested a good deal of time and expertise in order to improve service user and carer experience over the past year. The Trust has launched several initiatives this year which include appointing a named Patient Experience Recovery Lead and a Carer Experience Recovery Lead to develop and implement better patient experience. This has led to national recognition and the Trust has recently been awarded the country's first 'Triangle of Care' for their work with support with care planning and treatment.

Eastern Cheshire would again like to extend its thanks to CWPFT for its participation in the CQUIN programme for people with Long Term Conditions and the Caring Together programme. The Trust has embraced the need to develop Neighbourhood teams and GP practice engagement in order to treat more people in an "out of hospital" setting. This does not come without challenges and the Trust, as a key partner in Caring Together.

We are pleased with the overall performance with the Trust's CQUINs for 2013/14 and we again look forward to working collaboratively with the Trust to improve upon their performance even further.

We are pleased to see that the Trust has been proactive in developing a set of key quality improvement priorities for the coming year (2014/15) which are both robust and clearly driven by reducing harm, increasing the patient experience. The improvements can be clearly linked to the Berwick report into patient safety and outcome based and not target based. This is a deliberate focus to move into better outcomes for the patient and the CCG commends this. CWP was also shortlisted as finalist for National Patient Safety Awards in July 2013 for the 'patient safety in mental health' which is again commendable and the Trust should be proud of this accolade.

The Trust has undergone and participated in 6 special reviews carried out by the Care Quality Commission and no enforcement action was sanctioned. The CQC only found two areas that had minor concerns which related to record keeping and not the quality of care. Comprehensive action plans were

subsequently put in place by the Trust and no further action was required. The Trust should be proud of its good compliance record with CQC.

IAPT – The IAPT team should be commended for the work they did on the recent waiting list initiative and waiting times have greatly reduced. The team needs to maintain this impetus and continue to keep the waiting times down, though the CCG does recognise that this is difficult within a limited budget. The team have also achieved a recovery rate of 42% and we recognise that the team are ranked highly nationally on this measure in comparison to their peers. We look forward to working with the IAPT team to build on their recent achievements as we recognise improvements still need to be made.

This year the CAMHS team have done excellent work on the ASC and ADHD waiting list initiative. Increased support has been given to parents of children with ADHD and the waiting time for ASC diagnosis has greatly reduced. The CCG and the Trust now need to work closely together to create an integrated pathway between health and social care and ensure that the waiting times reduce further and can be maintained and improved.

The Trust has made real progress has been made on the children and young people's IAPT pilot and we look forward to seeing how the work progresses.

We understand that the CAMHS 16-19 service has far greater demand than capacity and we acknowledge how difficult it must be for the staff working in this clinical area. We will be working closely with CWP this year to review the service and ensure that access is improved for our young people. The CCG would like to extend their gratitude to the staff within the service and recognise all of their professionalism and dedication.

Overall the Trust account has fairly represented their ongoing commitment to improving the quality of services it offers. During the coming year the Trust will need to maintain this momentum and continue their focus on development and pursue further improvements.

Statement from NHS South Cheshire CCG and NHS Vale Royal CCG

NHS South Cheshire Clinical Commissioning Group (CCG) and NHS Vale Royal Clinical Commissioning Group (CCG) welcome the opportunity to provide commentary on Cheshire and Wirral Partnership NHS Foundation Trust's (CWPFT) performance through the organisation's Quality Account for 2013/14.

We confirm that we have reviewed the information contained within the Quality Account and this reflects a fair, representative and balanced overview of the quality of care in CWPFT and includes the mandatory elements required.

CWPFT should feel proud to have been awarded England's first Triangle of Care gold star for demonstrating the way they support families and carers in treatment and care planning. Sharing that best practice in each locality through meetings involving service users, carers and professionals should also be commended.

As presented in their 2013/14 Quality Account CWPFT continues to address quality through monitoring of patient safety, clinical effectiveness and patient experience and has achieved all of the quality improvement priorities set in last year's Quality Account. It is also pleasing to see the transparent approach taken with the quality account and quality reports being published on CWPFT website.

CWPFT has actively engaged in quality improvements using the CQUIN framework and reported positive impacts from the CQUIN goals. This is particularly around dementia baseline screening for people with Down syndrome and mental and physical healthcare pathways. We hope to build upon the collaborative approach already taken to ensure development of future CQUINs are meaningful, deliverable and have a real impact on patient care and experience.

We are pleased to note the engagement work that is on-going that takes into account the views of service users and carers through regular activities such as patient and carer surveys. This is supported through the learning from experience section that gave good real life examples of how the Trust had made changes to improve care.

The use of quotes from service users and external services demonstrates some of the positive feelings about the services being delivered and the people providing those services. It would be encouraging to see more examples used within the reports currently being provided.

It is noted that CWPFT continues to take part in national and local audits and that this includes implementing actions where identified. An example to highlight is the audit of safeguarding adults that identified a need to introduce named safeguarding links within teams and departments.

While the Quality Account gives a comprehensive overview of the work that CWPFT have undertaken the format of the document could benefit from being made more accessible for service users and public. We appreciate that an easy read document will follow in due course however we feel that more use of graphics and illustrations to demonstrate achievements could have a bigger impact on those reading the document.

We have acknowledged the hard work and commitment that CWPFT have undertaken around reporting but would like to see an increase in evidence supplied to support data e.g. patient stories, pathways and also how Compassion in Practice (6Cs) is being embedded within the organisation.

Overall we welcome the vision described within the Quality Account, agree with the priority areas and will continue our strong commissioning relationship in an open and transparent way.

Statement from West Cheshire Clinical Commissioning Group

We are committed to commissioning high quality services from our providers and we make it clear in our contract with this Trust the standards of care that we expect them to deliver. We manage their performance through progress reports that demonstrate levels of compliance or areas of concern. It is through these arrangements that the accuracy of this Quality Account has been validated.

The Trust has performed well against all the goals set in their Commissioning for Quality and Innovation Scheme. We commend the Trust on their positive response to the shift in sharing responsibility for delivery against these goals with other partners, and their dedication to partnership working within the health economy.

We welcome the commitment and investment to instil a Zero Harm culture within the Trust which aligns to national priorities and best practice. We note that there is no reference to local priorities and drivers that may have contributed to the commencement of this Zero Harm programme and would have expected more detail regarding a number of recurrent themes identified in the root causes of serious incidents.

We are pleased to note that the Trust has registered for involvement with the 'Sign Up to Safety – the path to saving 6,000 lives' national programme of work, and the commitment this shows to open and honest care.

We note the considerable improvements that have been made through the Always Events and in-patient safety metrics programme of work. In particular we are pleased to see the on-going progress being achieved through replicating the Always Events model into the patient safety metrics developed for community services.

We had highlighted the lack of learning from pressure ulcer incidents as a concern. We welcome the improvements in the investigation process into why and how a pressure ulcer has developed. The process being used now is clearly identifying any root causes and the timeliness of reporting has shown some improvement. We expect to see a reduction in the recurrent themes identified in the root causes of pressure ulcers and more effective shared learning across the teams where these avoidable harm incidents have occurred.

We note the increased number of grade 3 and 4 pressure ulcer incidents and support the Trust in acknowledging that this is due to improvements in how these are being reported publically. We expect

this number will decrease in the year ahead as a number of your priorities for delivery in 2014-15 impact on direct care.

We acknowledge the hard work of your staff in this past year and recognise the national awards and commendations you have received for various areas of both physical and mental health care.

We support the priorities that the Trust has identified for the forthcoming year and look forward to continuing to work in partnership with you to assure the quality of services commissioned in 2014-15.

Statement from Wirral Clinical Commissioning Group

As a commissioner, Wirral Clinical Commissioning Group is committed to commissioning high quality services from Cheshire and Wirral Partnership NHS Foundation Trust and we take seriously our responsibility to ensure that patients' needs are met by the provision of safe, high quality services and that the views and expectations of patients and the public are listened to and acted upon. The quality account in our opinion reflects quality performance in 2013/14 and highlights priorities for 2014/15.

We congratulate the Trust in achieving all the quality improvement priorities that were set out in last year's quality account. These included:

Patient safety – the year end compliance with always events have seen an improvement against the baseline.

Clinical effectiveness – the appointment of the NICE champions have provided the focus to improving patient pathways in conditions such as dementia and ADHD.

Patient experience – systems have been developed over the year to record patient recorded outcomes and experience which will be used to inform future service developments.

There have been a number of external reviews that have been undertaken by the Care Quality Commission and some special reviews. We acknowledge that the areas that require improvements and strengthening in relation to the review of assessment and application for detention and admission, undertaken in Wirral. We expect that the actions that are outlined within the action plan to be implemented this year.

Completion of a root cause analyses following a serious incident within the 45 day timeframe remains a challenge to the Trust. With a focus on the achievement of this standard, we look forward to seeing evidence of sustained improvement in 2014/15.

We are pleased to see from this quality account the high profile given to continuous quality improvement in Cheshire and Wirral Partnership NHS Foundation Trust. Wirral CCG looks forward to continuing to work with the trust to assure the quality of services commissioned in 2014/15.



Phil Jennings-Chair
Wirral Clinical Commissioning Group

Comments by Governors

A foreword from the lead governor is detailed at the start of the annual report 2013/14.

Comments by Healthwatch

Statement from Healthwatch Wirral

Healthwatch Wirral would like to thank Cheshire and Wirral Partnership Trust NHS Foundation Trust for the opportunity to comment on the Quality Account for 2013/14.

A member of Healthwatch Wirral attended the Quality Account Event on 2nd May and we were impressed that CWP immediately acted on the feedback from this event and that the Quality Account reflects this.

A sub group of Healthwatch Wirral, who look at Quality Accounts for NHS Trusts, met on 13th May 2014 to compile this response.

Quality Improvement Priorities

Healthwatch Wirral noted the Quality improvement priorities this year and the Trusts aims to achieve this by instilling a 'zero harm' culture. It was interesting to read about the investment scheme to help staff to deliver better care by providing them with the necessary support and training.

The Quality improvement priorities for 2013/14 were noted. Healthwatch Wirral were pleased that CWP has achieved all the quality improvement priorities it set in last year's Quality Account.

Compliance with 'always events' as monitored by the inpatient safety metrics programme,

It was noted that all teams had achieved improvements to 'Transfer of Care' standards with the exception of the drug and alcohol services. Healthwatch Wirral would be interested to hear how this will be monitored to track improvement in performance.

Care Quality Commission Reviews

Healthwatch Wirral reviewed the reports and compliance to outcomes were noted.

It was disappointing to read that the Care Quality Commission identified minor concerns in the review of compliance at Springview in relation to Outcome 5 – meeting nutritional needs and Outcome 21 – records. The review at Bowmere identified non compliance in Outcome 21 – records.

Healthwatch Wirral will look with interest at the progress of the action plan produced by the Trust to address these concerns.

Performance against key national priorities from the Monitor Compliance Framework 2013/14

Healthwatch Wirral noted that the Trust performed well against these priorities.

Healthwatch Wirral would like to congratulate the Trust for being shortlisted as finalists at the national Patient Safety Awards held in July 2013, in the category of 'patient safety in mental health'. Also for the Wirral memory assessment service being accredited as excellent by the Royal College of Psychiatrists in the final report of the 'Memory Service National Accreditation Programme'.

Overall the Quality Account was positive. The format was easy to read and the report was informative.

The Trust should be recognised for supporting the governments new 'Mental Health: priorities for change' action plan by introducing a number of initiatives to complement this. The Trust should also be commended for their partnership working where ward staff, senior staff, people who use services and carers views are taken into account when decisions around service improvement are made.

Karen Prior
Healthwatch Wirral Manager
On behalf of Healthwatch Wirral

Statement from Healthwatch Cheshire West

A draft copy of the Quality Account for Cheshire and Wirral Partnership NHS Foundation Trust was received late by Healthwatch Cheshire West on the 8th May 2014. Where Healthwatch Cheshire West acknowledges and accepts the reasons for this as outlined by the Trust, the late receipt of the draft quality account limited the opportunity for us to provide a fuller commentary.

Healthwatch Cheshire West did however attend a Quality Account Presentation Day hosted by the NHS England Area Team on 2nd May 2014, to receive a good presentation regarding the draft Quality Account from Cheshire and Wirral Partnership NHS Foundation Trust staff.

The presentation day allowed the opportunity for Healthwatch Cheshire West to comment on the Quality Account in draft format and interact with Trust staff in a meaningful and positive way. Healthwatch Cheshire West was particularly pleased to see that the Trust took on board the feedback received from Healthwatch Cheshire West and wider stakeholders at the presentation day in developing its Quality Account, and produced a detailed action plan to support this.

The receptiveness to feedback from stakeholders and people who use the Trust's services is explicit in the Quality Account in relation to references to 'Learning from Experience', and the importance that is placed on acknowledging areas where the Trust needs to make changes to improve care. With this in mind, Healthwatch Cheshire West suggests that future publications may benefit from a stronger, or perhaps more balanced, focus on the challenges and areas for improvement over celebration of achievements and targets hit.

Healthwatch Cheshire West would also like to see greater consideration of alternative formats and more innovative ways to bring the information contained within the Quality Account to life for patients and the public (in addition to an 'easy read' format'). To this end we happily offer our expertise in this area in relation to future publications.

Healthwatch Cheshire West looks forward to receiving regular updates from the Trust on progress with the implementation of the Quality Account and the impact on patient care throughout 2014/15 and more early involvement in the review of the Quality Account next year.

Jonathan Taylor
Service Manager

Statement from Healthwatch East Cheshire

Healthwatch East Cheshire attended a Quality Account Presentation Day hosted by the NHS England Area Team on 2 May 2014 and gave feedback regarding the draft Quality Account from Cheshire and Wirral Partnership NHS Foundation Trust staff. The feedback was addressed and is now evident in the Quality Account.

Phil Johnston
On behalf of Healthwatch East Cheshire

Comments by other stakeholders

Cheshire West and Chester Council Health and Wellbeing Scrutiny Committee

The CWP NHS Trust Quality Account appears to demonstrate the increasing attention the Trust is affording to improving patient experience and the safety of patients within its care (i.e. adopting a zero harm culture across the Trust). The Challenging Stigma campaign is particularly welcome as it is acknowledged how many users of mental health services encounter prejudice and discrimination over their condition.

Statement from Wirral Metropolitan Borough Council Families and Wellbeing Policy and Performance Committee

The Families and Wellbeing Policy and Performance Committee undertakes the health scrutiny function at Wirral Council. The Committee has established a Panel of Members (The Health and Care Performance Panel) to review the draft Quality Accounts received from health partners. Members of the Panel met on 29th April 2014 to consider the draft Quality Account and received a verbal presentation on the document. Members would like to thank Cheshire and Wirral Partnership Trust for the opportunity to comment on the Quality Account 2013/14. Members provide the following comments:

Overview

Members acknowledge the positive performance of the Trust as measured against the targets for 2013/14. Members note that the Trust achieved the major objectives that they set out last year under the headings of improving patient safety; improving patient experience and improving clinical effectiveness. However, the lack of more specific targets means that measurement of achievement is difficult to assess.

The number of initiatives based on patient experience, documented within this Quality Account and also in CWP's Learning from Experience reports demonstrate a positive approach towards service improvement. In particular, Members welcome the Trust's commitment to implementing the values defined by the 6 Cs (care, compassion, courage, communication, competence and commitment) as described in the Nursing Strategy, 'Compassion in Practice'.

Council Members look forward to working in partnership with the Trust during the forthcoming year and would welcome the opportunity to receive the quarterly Quality Reports regarding progress towards achieving next year's objectives.

Opening Statement from the Chief Executive

The Chief Executive highlights the Trust's campaign 'Challenging Stigma', which relates to reducing the stigma that people who use CWP's services often encounter. She proposes to work more closely with partner organisations, including the Local Authorities, to develop this campaign. Members welcome this approach.

Part 2 Priorities for improvement - Quality improvement priorities for 2013/14

Patient Safety

Members note that the compliance for the 'transfer of care' standards at year end was below baseline compliance, with the Quality Account particularly drawing attention to drug and alcohol services. Although the document states that services "will continue to be monitored on an ongoing basis to track improvements to performance", there appears to be no specific priority in 2014/15 to target this improvement.

Patient experience priorities

Members welcome the priority which the Trust has placed on improving carer engagement, including the involvement of carers and families in the care planning and treatment of people with mental ill-health. The progress has been demonstrated by the Trust being awarded England's first 'Triangle of Care' gold star for ensuring that carers and families are supported in the care planning and treatment process.

Quality improvement priorities for 2014/15

In general, Members consider that there is a lack of detail in the priority setting, with few specific targets being provided. Whilst understanding the comment of the Medical Director that “One of the principles of the Berwick review recommendations was to focus on better care rather than quantitative targets”, this will make measurement of achievement difficult to quantify and monitor.

Information on the use of the CQUIN framework

The Quality Account provides examples to illustrate the positive impacts that CQUIN goals have had on the quality of care. In particular, Members commend the use of training courses in life skills, such as literacy and numeracy, to ensure that patient’s needs and aspirations in relation to education and vocation are enhanced.

I hope that these comments are useful.



Councillor Moira McLaughlin
Chair, Health and Care Performance Panel and
Deputy Chair, Families and Wellbeing Policy & Performance Committee

Annex C: 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 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 NHS foundation trust boards should put in place to support the data quality for the preparation of the quality report.

In preparing the Quality Report, directors are required to take steps to satisfy themselves that:

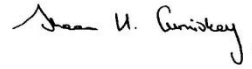
- the content of the Quality Report meets the requirements set out in the NHS Foundation Trust Annual Reporting Manual 2013/14;
- the content of the Quality Report is not inconsistent with internal and external sources of information including:
 - Board minutes for the period April 2013 to April 2014;
 - Papers relating to Quality reported to the Board over the period April 2013 to April 2014;
 - Feedback from the Commissioners, namely West Cheshire Clinical Commissioning Group (CCG) received on 16/05/2014; Wirral CCG received on 28/05/2014, South Cheshire CCG & Vale Royal CCG received on 28/05/2014 and Eastern Cheshire Clinical Commissioning Group received on 22/05/2014;
 - Feedback from Governors provided on 22/04/2014;
 - Feedback from local Healthwatch organisations, namely Healthwatch Wirral received on 15/05/2014, Healthwatch Cheshire West received on 17/05/2014 and Healthwatch East Cheshire verbally received on 21/05/2014;
 - The trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, as presented to Quality Committee on 07/05/2014;
 - Feedback from other stakeholders involved in the sign-off of the Quality Report, namely Wirral Metropolitan Borough Council Families and Wellbeing Policy and Performance Committee dated 13/05/2014 and Cheshire West and Chester Council Wellbeing Scrutiny Committee received on 23/05/14;
 - The 2013 national patient survey;
 - The 2013 national staff survey;
 - Care Quality Commission quality and risk profiles dated 31/05/2013, 30/06/2013, 31/07/2013, 31/10/2013, 30/11/2013, 31/01/2014 and 28/02/2014;
 - The Head of Internal Audit's annual opinion over the Trust's control environment dated March 2014;
- the Quality Report presents a balanced picture of the NHS foundation trust's 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.monitor.gov.uk/annualreportingmanual) as well as the standards to support data quality for the preparation of the Quality Report (available at www.monitor.gov.uk/annualreportingmanual)).

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 at the meeting held on 28 May 2014.



Date: 28 May 2014, Chair of the meeting



Date: 28 May 2014, Chief Executive

Annex D: Independent Auditor’s Limited Assurance Report to the Council of Governors of Cheshire and Wirral Partnership NHS Foundation Trust on the Annual Quality Report

We have been engaged by the Council of Governors of Cheshire & Wirral Partnership NHS Foundation Trust to perform an independent assurance engagement in respect of Cheshire & Wirral Partnership NHS Foundation Trust’s Quality Report for the year ended 31 March 2014 (the ‘Quality Report’) and specified performance indicators contained therein.

Scope and subject matter

The indicators for the year ended 31 March 2014 in the Quality Report that have been subject to limited assurance (the “specified indicators”) consist of the following national priority indicators as mandated by Monitor:

Specified Indicators	Specified indicators criteria (exact location where criteria can be found in the Quality Report)
Patients on Care Programme Approach (CPA) followed up within 7 days of discharge from psychiatric inpatient stay	Annex E
Admissions to acute wards gatekept by Crisis Resolution Home Treatment Teams	Annex E

Respective responsibilities of the Directors and auditors

The Directors are responsible for the content and the preparation of the Quality Report in accordance with the specified indicators criteria referred to on pages of the Quality Report as listed above (the "Criteria"). The Directors are also responsible for the conformity of their Criteria with the assessment criteria set out in the NHS Foundation Trust Annual Reporting Manual (“FT ARM”) and the “Detailed requirements for quality reports 2013/14” issued by the Independent Regulator of NHS Foundation Trusts (“Monitor”).

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that:

- The Quality Report does not incorporate the matters required to be reported on as specified in Annex 2 to Chapter 7 of the FT ARM and the “Detailed requirements for quality reports 2013/14”;
- The Quality Report is not consistent in all material respects with the sources specified below; and
- The specified indicators have not been prepared in all material respects in accordance with the Criteria and the six dimensions of data quality set out in the “2013/14 Detailed guidance for external assurance on quality reports”.

We read the Quality Report and consider whether it addresses the content requirements of the FT ARM, 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 the following documents:

- Board minutes for the period April 2013 to April 2014;
- Papers relating to Quality reported to the Board over the period April 2013 to April 2014;
- Feedback from the Commissioners, namely West Cheshire Clinical Commissioning Group (CCG) received on 16/05/2014; Wirral CCG received on 28/05/2014, South Cheshire CCG & Vale Royal CCG received on 28/05/2014 and Eastern Cheshire Clinical Commissioning Group received on 22/05/2014;
- Feedback from Governors provided on 22/04/2014;

- Feedback from local Healthwatch organisations, namely Healthwatch Wirral received on 15/05/2014, Healthwatch Cheshire West received on 17/05/2014 and Healthwatch East Cheshire verbally received on 21/05/2014;
- The trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, as presented to Quality Committee on 07/05/2014;
- Feedback from other stakeholders involved in the sign-off of the Quality Report, namely Wirral Metropolitan Borough Council Families and Wellbeing Policy and Performance Committee dated 13/05/2014 and Cheshire West and Chester Council Wellbeing Scrutiny Committee received on 23/05/14;
- The 2013 national patient survey;
- The 2013 national staff survey;
- Care Quality Commission quality and risk profiles dated 31/05/2013, 30/06/2013, 31/07/2013, 31/10/2013, 30/11/2013, 31/01/2014 and 28/02/2014;
- The Head of Internal Audit's annual opinion over the Trust's control environment dated March 2014;
- CQC Inspections Reports for Eastway (November 2013), Springview (January 2014), Bowmere (February 2014), and Greenways (April 2014);
- The Trust's 2013/14 quarterly Monitor Governance statements dated 31/07/2014 (Q1), 31/10/2014 (Q2), 30/01/2014 (Q3) and 30/04/2014 (Q4); and
- The Trust's 2013/14 Annual Governance Statement.

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with those documents (collectively, the "documents"). Our responsibilities do not extend to any other information.

We are in compliance with the applicable independence and competency requirements of the Institute of Chartered Accountants in England and Wales ("ICAEW") Code of Ethics. Our team comprised assurance practitioners and relevant subject matter experts.

This report, including the conclusion, has been prepared solely for the Council of Governors of Cheshire & Wirral Partnership NHS Foundation Trust as a body, to assist the Council of Governors in reporting Cheshire & Wirral Partnership 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 2014, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicators. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors as a body and Cheshire & Wirral Partnership NHS Foundation Trust for our work or this report save where terms are expressly agreed and with our prior consent in writing.

Assurance work performed

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 '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:

- reviewing the content of the Quality Report against the requirements of the FT ARM and "Detailed requirements for quality reports 2013/14";
- reviewing the Quality Report for consistency against the documents specified above;
- obtaining an understanding of the design and operation of the controls in place in relation to the collation and reporting of the specified indicators, including controls over third party information (if applicable) and performing walkthroughs to confirm our understanding;
- based on our understanding, assessing the risks that the performance against the specified indicators may be materially misstated and determining the nature, timing and extent of further procedures;
- making enquiries of relevant management, personnel and, where relevant, third parties;
- considering significant judgements made by the NHS Foundation Trust in preparation of the specified indicators;
- performing limited testing, on a selective basis of evidence supporting the reported performance indicators, and assessing the related disclosures; and reading documents.

A limited assurance engagement is less in scope than a reasonable assurance engagement. The nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable measurement techniques which can result in materially different measurements and can impact comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time. It is important to read the Quality Report in the context of the assessment criteria set out in the FT ARM and the Criteria referred to above.

The nature, form and content required of Quality Reports are determined by Monitor. This may result in the omission of information relevant to other users, for example for the purpose of comparing the results of different NHS Foundation Trusts.

In addition, the scope of our assurance work has not included governance over quality or non-mandated indicators in the Quality Report, which have been determined locally by Cheshire & Wirral Partnership NHS Foundation Trust.

Conclusion

Based on the results of our procedures, nothing has come to our attention that causes us to believe that for the year ended 31 March 2014,

- The Quality Report does not incorporate the matters required to be reported on as specified in Annex 2 to Chapter 7 of the FT ARM and the “Detailed requirements for quality reports 2013/14”;
- The Quality Report is not consistent in all material respects with the documents specified above; and
- The specified indicators have not been prepared in all material respects in accordance with the Criteria and the six dimensions of data quality set out in the “2013/14 Detailed guidance for external assurance on quality reports”.

PricewaterhouseCoopers LLP

Chartered Accountants

Manchester

29/05/2014

The maintenance and integrity of the Cheshire & Wirral Partnership NHS Foundation Trust’s website is the responsibility of the directors; the work carried out by the assurance providers does not involve consideration of these matters and, accordingly, the assurance providers accept no responsibility for any changes that may have occurred to the reported performance indicators or criteria since they were initially presented on the website.

Annex E: Definitions of the performance measure indicators

Patients on Care Programme Approach (CPA) followed up within 7 days of discharge from psychiatric inpatient stay

All patients discharged to their place of residence, care home, residential accommodation, or to non psychiatric care must be followed up within 7 days of discharge. All avenues need to be exploited to ensure patients are followed up within 7 days of discharge. Where a patient has been discharged to prison, contact should be made via the prison in-reach team. Exemptions:

- Patients who die within 7 days of discharge may be excluded.
- Where legal precedence has forced the removal of the patient from the country.
- Patients transferred to NHS psychiatric inpatient ward.
- CAMHS (children and adolescent mental health services) are not included.

Admissions to acute wards gatekept by Crisis Resolution Home Treatment Teams

In order to prevent hospital admission and give support to informal carers CR (crisis resolution)/ HT (home treatment) are required to gatekeep all admission to psychiatric inpatient wards and facilitate early discharge of service users. An admission has been gatekept by a crisis resolution team if they have assessed the service user before admission and if the crisis resolution team was involved in the decision making-process, which resulted in an admission. Admissions from out of the trust area where the patient was seen by the local crisis team (out of area) and only admitted to this trust because they had no available beds in the local areas. CR team should assure themselves that gatekeeping was carried out. This can be recorded as gatekept by CR teams. Exemptions:

- Patients recalled on Community Treatment Order.
- Patients transferred from another NHS hospital for psychiatric treatment.
- Internal transfers of service users between wards in the trust for psychiatry treatment.
- Patients on leave under Section 17 of the Mental Health Act.
- Planned admission for psychiatric care from specialist units such as eating disorder unit are excluded.

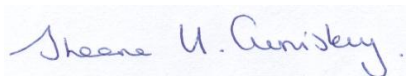
Minimising delayed transfers of care

A delayed transfer of care from mental health care occurs when people who use the Trusts services who are ready to depart from such care and is still occupying a bed.

- The indicator is expressed as the number of Delayed Transfers of Care per average occupied bed days.
- The indicator (both numerator and denominator) only includes adults aged 18 and over.
- The numerator is the number of non-acute patients (aged 18 and over on admission) per day under consultant and non-consultant-led care whose transfer of care was delayed during the year. For example, one patient delayed for five days counts as five.
- The denominator is the total number of occupied bed days (consultant-led and non-consultant-led) during the year.
- Delayed transfers of care attributable to social care services are included.
- A delayed transfer of care occurs when a patient is ready for transfer from a hospital bed, but is still occupying such a bed.
- A patient is ready for transfer when:
 - A clinical decision has been made that the patient is ready for transfer; and
 - A multi-disciplinary team decision has been made that the patient is ready for transfer; and
 - A decision has been made that the patient is safe to transfer.

Foreword to the Accounts

These financial statements for the year ended 31 March 2014 have been prepared by Cheshire and Wirral Partnership NHS Foundation Trust in accordance with paragraphs 24 and 25 of Schedule 7 of the National Health Service Act 2006 in the form which Monitor, the Independent Regulator of NHS Foundation Trusts has, with the approval of the Secretary of State, directed.



Sheena Cumiskey - Chief Executive

Date: 28th May 2014

Statement of the Chief Executive's responsibilities as the Accounting Officer of Cheshire and Wirral Partnership NHS Foundation Trust

The National Health Service 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 the Independent Regulator of NHS Foundation Trusts ("Monitor").

Under the National Health Service Act 2006, Monitor has directed Cheshire and Wirral Partnership 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 Cheshire and Wirral Partnership NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

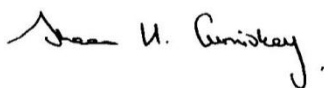
In preparing the accounts, the Accounting Officer is required to comply with the requirements of the NHS Foundation Trust Annual Reporting Manual and in particular to:

- 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 and
- 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 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:



Sheena Cumiskey - Chief Executive

Date: 28th May 2014

Annual Governance Statement – April 2013 - March 2014

Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the NHS foundation trust's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I am also responsible for ensuring that the NHS foundation trust is administered prudently and economically and that resources are applied efficiently and effectively. I also acknowledge my responsibilities as set out in the *NHS Foundation Trust Accounting Officer Memorandum*.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Cheshire and Wirral Partnership 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 Cheshire and Wirral Partnership NHS Foundation Trust for the year ended 31 March 2014 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The trust has an integrated governance strategy in place, which incorporates the risk management process for the trust. This strategy acts as guidance and as a framework for all staff to operate within by describing the appropriate management of risk appropriate to their authority and duties. At an executive leadership level, the Chief Executive has delegated operational responsibility for oversight of the risk management process to the Medical Director (Compliance, Quality and Regulation), whilst each executive director is accountable for managing the strategic risks that are related to their portfolio. Executive directors, as strategic risk owners, can discharge accountability to risk leads within their portfolio, for example associate directors or senior managers. The process for the management of risk locally involves each locality having its own risk register/s, with the accountable officers for risk management being the Locality Clinical Director and Service Director of each locality as appropriate. The locality risk register is reviewed within the local governance structure, with risks managed and monitored within the locality but escalated appropriately, dependent on the severity of the risk.

The committees of the board are responsible for overseeing strategic risks outlined within the strategic risk register and corporate assurance framework and therefore provide additional assurance on the risk management process. The Quality Committee has overarching responsibility for the risk management process and therefore reviews the strategic risk register at each meeting. The Quality Committee will refer any risks to the Operational Board as appropriate, particularly where there are identified resource requirements to address the risk/s. The Audit Committee is responsible for oversight and internal scrutiny of the risk management process and discharges these functions through the use of internal and external auditors. The internal audit plan is developed in collaboration with the strategic risk register. In addition, each Audit Committee meeting undertakes an in-depth review on a selected strategic risk, the controls and assurances in place, mitigations identified, and the impact of these on the residual risk rating and outstanding controls and assurances ahead of reaching the target risk rating.

Training is provided to staff to equip them with the skills to manage risk appropriate to their authority and duties, as identified in the trust's training needs analysis. As part of leadership development, there is regular risk management training to the Board of Directors and senior managers. Risk management and awareness training sessions to other staff are delivered as part of the trust's essential learning programmes. It is recognised that sound risk management requires the identification, celebration and building on evidence of success, therefore the trust supports staff to learn from good practice. A three times yearly learning from experience report is produced which reviews learning from incidents, complaints, concerns, claims and compliments, including Patient Advice and Liaison Service (PALS) contacts. Additionally, a quarterly quality report is produced which provides a highlight of what the trust

is doing to continuously improve the quality of care and treatment that its services provide. These reports are received at the Board of Directors meeting, the Quality Committee and locality governance meetings.

The risk and control framework

The risk management strategy is an integral component of the integrated governance strategy. The key elements include:

- A corporate assurance framework that is used by the Board of Directors as a planned and systematic approach to the identification of risk (or change in risk), evaluation and control of risk/s that could hinder the trust achieving its strategic objectives. The assurance framework document contains information regarding internal and external assurances that strategic objectives are being met.
- Each organisational strategic objective in the corporate assurance framework features risks which the organisation is engaging with at any one time, which is indicative of the trust's risk appetite. The Board of Directors in accepting new risks to organisational strategic objectives assesses (through its receipt, review and approval of the corporate assurance framework) and determines its appetite for the risks by review of risk treatment plans against target risk ratings.

The board undertakes a quarterly and annual self assessment of its quality governance arrangements by reviewing Monitor's Quality Governance Framework against the following domains:

- Strategy
- Capabilities and culture
- Processes and structure
- Measurement

The key elements that underpin the trust's quality governance arrangements include:

- The review of early warning frameworks by the Board of Directors to identify the potential for deteriorating standards in the quality of care and to give a detailed view of the trust's overall performance. This includes assessment of the quality of performance information through the review of a monthly corporate performance report detailing the trust's quality and safety performance by reporting on compliance in achieving key local and national priorities.
- Routine assurance is obtained on compliance with Care Quality Commission registration requirements through Care Quality Commission inspections to check that essential standards of quality and safety are being met and Mental Health Act 1983 monitoring visits. The trust also has an internal compliance visit programme in place to routinely assess compliance with the essential standards of quality and safety outcomes.

For the year ended 31 March 2014 and up to the date of approval of the annual report and accounts, the trust's assessment against the Monitor quality governance standards is 'Green' – i.e. meets or exceeds expectations; many elements of good practice; no major omissions.

Risks to data security are managed and controlled by the processes outlined within the trust's information governance policy, which is scrutinised annually via the Information Governance Toolkit as a mandatory annual assessment of information governance performance. The trust's Information Governance Assessment Report overall score for 2013/14 was 95% and was graded satisfactory/green.

Some of the organisation's in-year major risks, including significant clinical risks, how they are being managed and mitigated include:

- Risk of harm to patients due to a lack of staff competency to manage changing physical conditions. A review of physical healthcare training was undertaken by a physical healthcare network during 2013/14, which reports to the trust's Patient Safety & Effectiveness Sub Committee. Improvements have been made to the trust's essential training, including new physical health training. This will be implemented across the workforce throughout 2014/15 onwards.
- The inability of staff to manage the occurrences of slips, trips and falls of patients, resulting in patient injury.

An external acute trust falls nurse specialist undertook a review of falls prevention and management in 2013/14 to inform how to manage this risk. This review recommended the implementation of systems to manage slips, trips and falls, environmental improvements and training. Actions to

implement these recommendations were identified by a task and finish group, reporting to the trust's Patient Safety & Effectiveness Sub Committee.

- Lack of robust ligature management programme within the trust may result in harm to patients with associated reputational and financial impact on the organisation.
The trust updated its environmental clinical risk assessment policy during the latter half of 2013/14 to reflect an update to the process to include protocols for visual inspection and clinical risk assessments, scoring principles and a survey template. This was undertaken with full consultation and agreement of clinical groups. This will be implemented in 2014/15 onwards to promote a more joined up and flexible response by the workforce to environmental and clinical risk management.
- Risk of harm to patients due to Clinical Assessment of Risk to Self and Others (CARSO) risk assessment not being completed as per policy.
In September 2013, the Quality Committee endorsed the appointment of an internal clinical advocate to act as a catalyst to help the trust achieve synergies in promoting safe and effective services, including through risk assessment. Proposals for a training role to take forward this agenda were approved by the January 2014 Board of Directors and strengthened training for the workforce will commence in 2014/15 onwards. This will promote less variation in completion of CARSO risk assessments.
- Risk of harm to patients and staff due to staffing levels across inpatient services in the three localities.
A review was undertaken in-year of staffing levels, including safety and skill mix across all professional types, to ensure an effective response to acuity and demand. Progress with the recommendations of this review will be monitored and reported at least twice per year to the Board of Directors as per the requirements of the National Quality Board.
- Risk of not being able to deliver safe and effective services due to inadequate attendance on mandatory training. This may result in harm to patients, litigation claims and breach of legislation.
A review of the trust's training strategy was undertaken following a corporate services review in 2013/14 and followed planning priorities and linked to responses to the national Francis and Berwick reports and the trust's 'always events' framework. A revised mandatory employee learning programme was subsequently presented and approved by the trust's Operational Board.

The organisation's future risks and how they will be managed and mitigated are detailed in the trust's operational plan for 2014/16. Additionally, in-year risks which have not been mitigated to their target risk score remain as current/ future risks. Some examples include:

- Income risks associated with the current market environment and the potential for commissioners to seek further competitive tendering for clinical services.
The financial strategy of the trust will ensure that it remains a viable foundation trust as a going concern, so that new opportunities to enhance sustainability are identified and capacity/ scope to deliver high quality, effective and innovative services continues to be a priority.
- Risk of harm to patients as a result of increased rate of grade 3/4 pressure ulcers being reported and evidence of recurring themes in RCA reports relating to pressure area care.
A training programme for tissue viability is scheduled for review early in 2014/15 and will subsequently become mandatory across the trust's clinical workforce once the programme is agreed by the trust's pressure ulcer action group. This will allow the workforce to respond to the clinical management of pressure ulcers more robustly in order to reduce the rate.
- Adults, children and young people are not protected through safeguarding training and practice.
A safeguarding exception report will be monitored on an ongoing basis through the Quality Committee to ensure ongoing achievement of contractual training targets.

Outcomes against the management and mitigation of these risks are/ will be assessed by the Board of Directors by receipt of controls, assurances, and risk treatment plans to address gaps, to review the adequacy of assurances provided to mitigate the impact of the risk. The Audit Committee contributes to assessment against the management and mitigation of risks by reviewing the effectiveness of the trust's integrated governance arrangements and internal control across whole of the trust. Each Audit Committee meeting undertakes an in-depth review on a selected strategic risk, the controls and assurances in place, mitigations identified, and the impact of these on the residual risk rating and outstanding controls and assurances ahead of reaching the target risk rating.

The board undertakes an annual self assessment of its compliance with Monitor's provider licence conditions for foundation trusts. This includes the licence provision for NHS foundation trust governance

arrangements (condition 4). This confirms compliance with this condition as at the date of this statement and it is anticipated that compliance with this condition will continue for the next financial year. The principal control measures in place are the effective operation of the trust's integrated governance strategy, which is assessed annually by the trust's Quality Committee, and validation of the annual corporate governance statement, as required by NHS foundation trust condition 4(8)(b). These control measures ensure that the trust is able to assure itself of compliance in relation to:

- the effectiveness of governance structures;
- the responsibilities of directors and sub committees;
- reporting lines and accountabilities between the board, its sub committees and the executive team;
- the submission of timely and accurate information to assess risks to compliance with the trust's licence; and
- the degree and rigour of oversight the board has over the trust's performance.

Risk management is embedded in the activity of the organisation and integrated into core trust business in the following ways:

- Robust links between the integrated governance strategy and the trust's operating framework to describe the accountability arrangements and the actions that will be taken should risk/ performance issues be judged as requiring escalation.
- Ongoing review of trustwide and locality risk registers.
- Promotion of an open and just culture where all incidents and near misses are formally reported and appropriately investigated, with support for staff to report actual and potential errors so that learning and improvement can take place.
- Learning from incidents through aggregated analysis, regular feedback to staff and review of lessons learned.
- Ensuring risk assessments are conducted consistently, as outlined in the integrated governance framework.
- Having a robust annual clinical audit programme informed by risk.
- Ensuring that equality assessments are conducted on all new service developments and trust policies.

The trust's incident reporting and management policy describes how incident reporting is handled across the trust, including how incident reporting is openly encouraged. The trust has embedded the principles of 'Being Open' (National Patient Safety Agency, 2009) guidance into trust practice and has updated these to implement the contractual 'Duty of Candour' (Specific Condition 35, Standard NHS Contract, 2013/14).

The trust produces a learning from experience report three times per year to monitor incident reporting and includes quantitative and qualitative analysis of numbers, types and severity of incidents reported per clinical speciality and location.

Public stakeholders are involved in managing risks which impact on them in the following ways:

- Annual planning events, which encourage engagement in setting strategic priorities.
- Consultation with public stakeholders on major service redesigns.
- Involvement of the foundation trust membership and Council of Governors membership.
- Patient and public involvement in the sub committees within the governance structure.
- Learning from experience where feedback is received from comments, concerns, complaints and compliments received from both patients and public stakeholders.

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

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

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

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 this organisation's obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

Review of economy, efficiency and effectiveness of the use of resources

The board reviews the financial position of the trust on a monthly basis. This includes the achievement of efficiency targets. The trust assesses its performance on the use of resources against Monitor's key ratios such as the financial risk rating applicable to the 30 September 2013, replaced by the continuity of services risk rating thereafter. There is a scheme of delegation in place and the key sub committees of the board, the Audit Committee and the Quality Committee, are part of the governance structure. The trust also utilises internal audit to review business critical systems over a rolling programme using a risk based approach. This culminates in the delivery of the Director of Audit opinion on the effectiveness of the system of internal control at the foundation 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*.

In order to assure the board that the Quality Report presents a balanced view and that there are appropriate controls in place to ensure the accuracy of data, the following steps have been put in place:

- Development of the quality priorities contained within the Quality Report based on feedback received throughout the year from people who use and work for the trust's services and the trust's wider stakeholder groups. These quality priorities are integrated with the trust's annual planning processes to allow consultation and effective communication across the trust and wider stakeholder groups. It also ensures a robust audit trail to document the process of setting quality priorities, including being able to evidence feedback and constructive challenge.
- The receipt of quarterly Quality Reports by the board to evaluate progress towards delivery of the quality priorities. Through quarterly review of the trust's self assessment of compliance with Monitor's Quality Governance Framework, the board identifies on a regular basis how quality drives the overall trust strategy. This is supported by a review by board of the corporate performance report and exception reporting from the Quality Committee of the trust's quality dashboard. The Quality Committee includes in its business cycle a review of the quarterly Quality Report and is the delegated committee that identifies any necessary action plans required to manage the risks associated with their delivery. The Quality Report is also shared widely with partner organisations, governors, members, local groups and organisations, as well as the public.
- The Chief Executive confirms that on behalf of the board the information presented in the Quality Report is accurate.
- The board ensures that the governance processes around the presentation and scrutiny of the Quality Report are robust and as per regulations, receiving independent/ external audit assurance of this. The Chairman and Chief Executive confirm, on behalf of the board, that to the best of their knowledge and belief that the directors have complied with their responsibilities and requirements in preparing the Quality Report
- The limited assurance report audit conducted by the independent auditors to the Council of Governors on the annual Quality Report includes a review and report against the Trust's policies and plans in ensuring quality of care provided, systems and processes, people and skills, and quality metrics focussing on data collection, use and reporting.

Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS foundation trust who have responsibility for the development and maintenance of the internal control framework. I

have drawn on the content of the Quality Report attached to this Annual Report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the board, the audit committee and the quality committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Head of Internal Audit Opinion has provided an overall opinion of significant assurance. The work of the trust's internal auditors also confirmed that the trust has an assurance framework that has been established which is designed and operating to meet the requirements of the Annual Governance Statement and provide reasonable assurance that there is an effective system of internal control to manage the principal risks identified by the organisation.

The review has given assurance that:

1. The components of the Assurance Framework are all present, i.e. objectives; risks; controls; positive assurance; gaps in control and/or assurance and remedial action are all identified.
2. There is evidence that the board has been appropriately engaged in developing and maintaining the assurance framework.
3. The framework is fit for purpose: that is it provides the board with evidence based assurances on the way in which it manages the organisation at a strategic level.

The review has been presented in a report to the Audit Committee and the board. It details that assurances have been identified from a range of internal and external sources, e.g. internal audit, Care Quality Commission and the trust's compliance visits, external audit and clinical audit. It details that the Quality Committee reviews the strategic risk register at each meeting and has overarching responsibility for risk, with consideration given to the potential impact on strategic objectives and therefore the Assurance Framework.

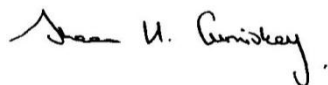
The review of the Assurance Framework across the year, alongside the board agenda, has identified the following areas for development:

- To ensure that the board agenda and minutes continue to adequately record and reflect discussion, challenges and debate in respect of the assurance framework.
- To ensure regular involvement of all the executive team in providing assurances on the escalation of risks from the wider organisation to the board.

Conclusion

No significant internal control issues have been identified.

Signed:



Sheena Cumiskey - Chief Executive
28 May 2014

Independent auditors' report to the Council of Governors of Cheshire and Wirral Partnership NHS Foundation Trust

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the NHS Foundation Trust's affairs as at 31 March 2014 and of its income and expenditure and cash flows for the year then ended; and
- have been prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2013/14.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by Cheshire and Wirral Partnership NHS Foundation Trust, comprise:

- the Statement of Financial Position as at 31 March 2014;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Cash Flows for the year then ended;
- the Statement of Changes in Taxpayers' Equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation is the NHS Foundation Trust Annual Reporting Manual 2013/14 issued by the Independent Regulator of NHS Foundation Trusts ("Monitor").

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). 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 NHS Foundation Trust's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially 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.

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

In our opinion:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2013/14.

Other matters on which we are required to report by exception

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

- in our opinion the Annual Governance Statement does not meet the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2013/14 or is misleading or inconsistent with information of which we are aware from our audit. We are not required to consider, nor have we considered, whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls;
- we have not been able to satisfy ourselves that the NHS Foundation Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources; or
- we have qualified, on any aspect, our opinion on the Quality Report.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement set out on page 140 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view in accordance with the NHS Foundation Trust Annual Reporting Manual 2013/14.

Our responsibility is to audit and express an opinion on the financial statements in accordance with the National Health Service Act 2006, the Audit Code for NHS Foundation Trusts issued by Monitor and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Council of Governors of Cheshire and Wirral Partnership NHS Foundation Trust in accordance with paragraph 24 of Schedule 7 of the National Health Service Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Certificate

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

Rebecca Gissing (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester
29 May 2014

- (a) The maintenance and integrity of the Cheshire and Wirral Partnership NHS Foundation Trust website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any

changes that may have occurred to the financial statements since they were initially presented on the website.

- (b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2014

		Year ended 31 March 2014	Year ended 31 March 2013
	NOTE	£000	£000
Operating income from patient care activities	3	154,284	154,921
Other operating income	4	5,261	6,482
Operating expenses	5	<u>(155,725)</u>	<u>(155,535)</u>
OPERATING SURPLUS		3,820	5,868
Finance income - bank interest		126	268
Finance expenses	8	(207)	(382)
Public Dividend Capital dividends payable	9	<u>(1,939)</u>	<u>(2,563)</u>
SURPLUS FOR THE YEAR		1,800	3,191
Other Comprehensive Income			
<u>Items that will not be reclassified subsequently to profit and loss</u>			
Gain from transfer by absorption	11.1	1,751	0
Impairments	11.1	(288)	(2,119)
Revaluations		0	2,378
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>3,263</u></u>	<u><u>3,450</u></u>

The notes on pages 154 to 183 form part of these Accounts.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2014

		31 March 2014	31 March 2013
	NOTE	£000	£000
NON-CURRENT ASSETS			
Property, plant and equipment	11.1	<u>63,802</u>	<u>60,353</u>
CURRENT ASSETS			
Trade and other receivables	12	7,104	5,850
Cash and cash equivalents	13	29,218	28,452
Non-current assets held for sale		<u>260</u>	<u>477</u>
Total Current Assets		<u>36,582</u>	<u>34,779</u>
TOTAL ASSETS		<u>100,384</u>	<u>95,132</u>
CURRENT LIABILITIES			
Trade and other payables	14	(11,291)	(10,541)
Tax (PAYE) and Social Security payables	14	(2,326)	(2,405)
Borrowings	15	(167)	(340)
Deferred income	16	(412)	(140)
Provisions for liabilities	17	<u>(2,044)</u>	<u>(1,290)</u>
Total Current Liabilities		<u>(16,240)</u>	<u>(14,716)</u>
NET CURRENT ASSETS		<u>20,342</u>	<u>20,063</u>
TOTAL ASSETS LESS CURRENT		<u>84,144</u>	<u>80,416</u>
NON-CURRENT LIABILITIES			
Borrowings	15.1	(2,168)	(2,023)
Provisions for liabilities	17.1	<u>(782)</u>	<u>(794)</u>
Total Non-Current Liabilities		<u>(2,950)</u>	<u>(2,817)</u>
TOTAL ASSETS EMPLOYED		<u><u>81,194</u></u>	<u><u>77,599</u></u>
FINANCED BY TAXPAYERS' EQUITY:			
Public dividend capital	21	36,181	35,849
Revaluation reserve		8,619	8,772
Retained earnings		36,394	32,978
TOTAL TAXPAYERS' EQUITY		<u><u>81,194</u></u>	<u><u>77,599</u></u>

The notes on pages 154 to 183 form part of these Accounts.

The financial statements on pages 139 to 183 were approved by the Board on 28th May 2014 and signed on its behalf by Sheena Cumiskey, Chief Executive

Signed:

Sheena U. Cumiskey

Date: 28th May 2014

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY

	Public Dividend Capital	Revaluation Reserve	Retained Earnings	Total
	£000	£000	£000	£000
<u>Year Ended 31 March 2014</u>				
Taxpayers' Equity at 1 April 2013, as previously stated	35,849	8,772	32,978	77,599
Total Comprehensive Income for year ended 31 March 2014:				
Transfers by modified absorption: gains on 1 April transfers from demising bodies	0	0	1,751	1,751
Surplus for the year	0	0	1,800	1,800
Transfers by modified absorption: transfer between reserves	0	321	(321)	0
Impairments	0	(288)	0	(288)
Transfer to retained earnings on disposal of assets	0	(24)	24	0
Public Dividend Capital Received	332	0	0	332
Other reserve movements	0	(162)	162	0
Taxpayers' Equity at 31 March 2014	<u>36,181</u>	<u>8,619</u>	<u>36,394</u>	<u>81,194</u>
<u>Year Ended 31 March 2013</u>				
Taxpayers' Equity at 1 April 2012, as previously stated	35,849	8,674	29,626	74,149
Total Comprehensive Income for year ended 31 March 2013:				
Surplus for the year	0	0	3,191	3,191
Impairments	0	(2,119)	0	(2,119)
Revaluations - PPE	0	2,378	0	2,378
Transfer to retained earnings on disposal of assets	0	(48)	48	0
Other reserve movements	0	(113)	113	0
Taxpayers' Equity at 31 March 2013	<u>35,849</u>	<u>8,772</u>	<u>32,978</u>	<u>77,599</u>

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2014

		Year ended 31 March 2014	Year ended 31 March 2013
	NOTE	£000	£000
CASH FLOWS FROM OPERATING ACTIVITIES			
OPERATING SURPLUS		3,820	5,868
Depreciation	11.1	3,230	1,922
Impairments	11.1	753	352
(Gain) on disposal		(51)	0
(Increase) in trade and other receivables		(1,455)	(906)
Increase / (decrease) in trade and other payables		286	(192)
Increase in other current liabilities		272	12
Increase in provisions		723	1,027
NET CASH INFLOW FROM OPERATING ACTIVITIES		<u>7,578</u>	<u>8,083</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		327	204
Sale of other financial assets		0	10,000
Payments for property, plant and equipment		(5,455)	(2,382)
Proceeds from disposal of property, plant and equipment		268	197
NET CASH (OUTFLOW) / INFLOW FROM INVESTING ACTIVITIES		<u>(4,860)</u>	<u>8,019</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Public dividend capital received		332	0
Capital element of finance lease		(156)	0
Interest element of finance lease	8	(188)	(344)
Public dividend capital dividend paid	9	(1,939)	(2,563)
NET CASH (OUTFLOW) FROM FINANCING ACTIVITIES		<u>(1,951)</u>	<u>(2,907)</u>
INCREASE IN CASH AND CASH EQUIVALENTS		766	13,195
CASH AND CASH EQUIVALENTS AT 1 APRIL		28,452	15,257
CASH AND CASH EQUIVALENTS AT 31 MARCH	13	<u><u>29,218</u></u>	<u><u>28,452</u></u>

The notes on pages 154 to 183 form part of these Accounts.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES AND OTHER INFORMATION

Monitor, the Independent Regulator of NHS Foundation Trusts, has directed that these financial statements shall meet the accounting requirements of the NHS Foundation Trust Annual Reporting Manual as agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2013/14 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, unless otherwise stated, in dealing with items considered material in relation to the accounts.

Cheshire and Wirral Partnership NHS Foundation Trust Charitable Funds balances have not been consolidated into these financial statements even though the NHS foundation trust is a Corporate Trustee and the Charity represents a subsidiary as per IAS 27. This is due to the immaterial effect of the transactions, assets and liabilities in the year on the primary statements of the Trust as a whole.

The following standards, amendments and interpretations have been published by the IASB and IFRIC and are mandatory for the NHS foundation trust's accounting periods beginning on or after 1 April 2014 or later periods, but, unless otherwise indicated, have not been early adopted.

- IFRS 09 Financial Instruments
- IFRS 10 Consolidated Financial Statements
- IFRS 11 Joint Arrangements
- IFRS 12 Disclosure of Interests in Other Entities
- IFRS 13 Fair Value Measurement
- IAS 27 Separate Financial Statements
- IAS 28 Associates and joint ventures
- IAS 32 Financial Instruments: Presentation (amendment)

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 and where required certain financial assets and financial liabilities. These accounts have been prepared on a going concern basis.

1.2 Acquisitions and Discontinued Operations

Activities are considered to be 'acquired' whether or not they are acquired from outside the public sector. Activities are considered to be 'discontinued' only if they cease entirely but they are not considered to be 'discontinued' if they transfer from one public sector body to another. A discontinued operation is a component of the entity that: a) is a reportable segment or b) meets the criteria to be classified on acquisition as held for sale.

1.3 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the NHS foundation trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Such estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. While estimates and underlying assumptions are continually reviewed, actual results may differ from such estimates. Revisions to accounting estimates are recognised in the year that such revisions occur. The following critical judgements have been made in applying the NHS foundation trust's accounting policies:

- Determination of an appropriate carrying value for Property, Plant and Equipment. Detailed in Note 1.7 below is the basis that the NHS foundation trust has applied in valuing its Property, Plant and Equipment.
- Determination of an appropriate value for the NHS foundation trust's provisions. These are set out in Note 17 below.

The following key assumptions concerning the future and other key sources of estimation uncertainty at the end of the financial year, that have significant risk of causing material adjustments to the carrying value of amounts of assets and liabilities within the next financial year include:

- Continuing economic conditions that may result in further impairment of the NHS foundation trust's property portfolio.
- Conditions or circumstances used in determining the NHS foundation trust's provisions proving to be incorrect.

1.4 Income

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. The main source of income for the NHS foundation trust is contracts with commissioners in respect of healthcare services. Where income is received for a specific activity which is to be delivered in the following financial year, that income is deferred. Income from the sale of non-current assets is recognised only when all material conditions of sale have been met and is measured as the sums due under the sale contract, less the carrying amount of the assets sold.

1.5 Expenditure

Expenditure on goods and services is recognised when, and to the extent that the goods and services have been received. It is measured at the fair value of the consideration payable. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment. Expenditure on 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 employees are permitted to carry forward leave into the following period.

1.6 Pooled Budgets

The NHS foundation trust has a pooled budget arrangement hosted by Cheshire East Council. Under this, funds are pooled under Section 75 of the NHS Act 2006 for learning disabilities activities in Central and Eastern Cheshire. As a provider of healthcare services the NHS foundation trust does not make contributions to the pool. However payments from the pool for services provided by the NHS foundation trust are accounted for as income from Local Authorities and are recognised in the period that services are provided.

1.7 Property, Plant and Equipment

Recognition

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes
- it is probable that future economic benefits will flow to, or service potential will be supplied to, the NHS foundation trust
- it is expected to be used for more than one financial year
- the cost of the item can be measured reliably and individual items have a cost of at least £5,000; or collectively items have a cost of at least £5,000 and 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 setting-up cost of a new building or refurbishment of a ward or unit, irrespective of their individual or collective cost.

Where a property, such as a building, includes a number of components with significantly different asset lives, then these components are treated as separate assets and depreciated over their own useful economic lives.

Measurement

Valuation

All property, plant and equipment is 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.

Note 1.7 continues on next page

1.7 Property, Plant and Equipment (continued)

All property, plant and equipment is measured subsequently at fair value. Land and buildings are shown in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment loss. Fair values are determined as follows:

- Land and non-specialised buildings - market value for existing use
- Specialised buildings - depreciated replacement cost
- Non-operational properties including surplus land - fair value based on alternative use

Until 31 March 2008, the depreciated replacement cost of specialised buildings was estimated for an exact replacement of the asset in its present location. HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on a modern equivalent asset basis (MEA). This allows for an alternative site and more modern specification to be valued as long as that alternative site would provide the same level of service as is currently provided. In accordance with IAS 16 revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined using fair value at the reporting date.

A complete revaluation of land and buildings on the MEA basis was carried out at 31st March 2013 by the NHS foundation trust's valuers DTZ, (Member of the Royal Institute of Chartered Surveyors). DTZ were also commissioned to restructure the Trusts asset register to comply with the requirements of accounting standard IAS16. The effect was to separate each significant part of an asset into 4 components (componentisation) with each having a different life determination as follows:

- Building Fabric - 1 to 90 years
- Services - 1 to 30 years
- External Works - 1 to 50 years
- Land - infinite

Property in the course of construction is carried at cost, less any impairment loss. Such property is normally valued, where material, by professional valuers when it is brought into use, at which time depreciation commences. Note that cost includes professional fees but not borrowing costs which are charged to the statement of comprehensive income immediately, as allowed by IAS 23 for assets held at fair value.

Plant and equipment is carried at depreciated historic cost as this is considered not to be materially different from fair value. Plant and equipment surplus to requirements is valued at net recoverable amount.

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be reliably determined. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. All other expenditure that does not generate additional future economic benefits or service potential is recognised as an expense in the period in which it is incurred.

Note 1.7 continues on next page

1.7 Property, Plant and Equipment (continued)

Depreciation

The cost or valuation of property, plant and equipment is depreciated on a straight line basis over its remaining useful economic life in a manner consistent with the consumption of economic or service delivery benefits. This is specific to the NHS foundation trust and may be shorter than the physical life of the asset itself. Freehold land is considered to have an infinite life and is not depreciated.

Property, plant and equipment in the course of construction is not depreciated until it is brought into use, whilst that intended for disposal is reclassified as held for sale and depreciation ceases upon this reclassification (see Note 1.8 below). Property, plant and equipment which is to be scrapped or demolished is not earmarked as held for sale but is retained as an operational asset and its economic life is adjusted accordingly. Property, plant and equipment is de-recognised when scrapping or demolition occurs.

Buildings and installations are depreciated on a straight line basis on their carrying value over their estimated remaining lives on a componentised basis as assessed by the NHS foundation trust's professional valuers.

Equipment is depreciated evenly over its estimated remaining life which is considered not to be materially different from the period of consumption of economic benefits as follows:

Plant and Equipment 1 - 15 years

Transport Equipment 1 - 5 years

Information Technology 1 - 10 years

Furniture and Fittings 1 - 5 years

Revaluations and Impairments

Increases in property, plant and equipment values arising from revaluations are recognised in the revaluation reserve, except where they reverse a revaluation loss previously recognised in operating expenses, in which case, they are recognised in operating income to the extent of the charge previously made there and thereafter to the revaluation reserve. Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance in respect of the asset concerned, and thereafter they are charged to operating expenses.

At the end of each financial year the NHS foundation trust reviews its property, plant and equipment assets for indications of impairment. Impairments arise from a loss or consumption of economic benefits or service potential.

Impairments arising from a loss or consumption of economic benefits or service potential are charged to operating expenses. The asset is written down to its recoverable amount and a charge which is either the lower of the impairment loss charged to operating expenses or the balance on the revaluation reserve in respect of the asset impaired is then transferred from the revaluation reserve to the income and expenditure reserve. Impairments due to a loss of economic benefits or service potential are reversed if the circumstances that gave rise to the original loss subsequently reverse.

Note 1.7 continues on next page

1.7 Property, Plant and Equipment (continued)

For all other impairments that do not arise from a loss or consumption of economic benefits or service potential, the asset is written down to its recoverable amount and a charge is made to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to operating expenses. Where such an impairment subsequently reverses, the reversal is credited to operating expenses to the extent of the loss previously recognised and thereafter the remainder of the reversal is credited to the revaluation reserve.

Gains and losses recognised in the revaluation reserve are reported as other comprehensive income in the statement of comprehensive income.

The excess of the depreciation on revalued amounts over that on the original asset cost is transferred in equity from revaluation reserve to retained earnings.

Transfer of Legacy Assets

On 1 April 2013, the Trust was in receipt of 3 Non Current Assets transferring from the former Central & Eastern and Western Cheshire PCTs. The net assets received totalled £1.751m. These net assets have an associated revaluation reserve balance in the accounts of £0.321m. The Trust has accounted for these assets on a modified absorption basis. The transfer of these assets are shown in Non Current Assets with a corresponding entry in the Income and Expenditure Reserve. A transfer is then made from the Income and Expenditure Reserve to the Revaluation Reserve to reflect the difference between the historic cost value and revalued amount at the point of transfer.

1.8 Non-Current Assets Held For Sale

Property, plant and equipment intended for disposal is reclassified as non-current assets held for sale once the following criteria are met:

- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
- the sale is highly probable, i.e. management are committed to a plan to sell the asset and it is unlikely that the plan will be dropped or changed; an active programme has begun to find a buyer and complete the sale; the asset is being marketed at a reasonable price; the sale is expected to be completed within 12 months of the date of classification as 'held for sale'; the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

Non-current assets held for sale are valued at the lower of existing carrying amount and 'fair value less costs to sell' and depreciation ceases to be charged. Assets are derecognised when all material sale contract conditions have been met.

The profit or loss arising on disposal of property, plant and equipment is the difference between the sale proceeds and the carrying amount, and is recognised in the Statement of Comprehensive Income. On disposal, the balance for the asset on the revaluation reserve is transferred to retained earnings. For donated assets, a transfer is made to or from the relevant reserve to the gain or loss on disposal account so that no gain or loss is recognised in the Statement of Comprehensive Income. The remaining surplus or deficit in the donated asset reserve is then transferred to retained earnings.

1.9 Leases

Finance Leases

Where substantially all the risks and rewards of ownership of a leased asset are borne by the NHS foundation 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 implicit interest rate is that which produces a constant periodic rate of interest on the outstanding liability.

The asset and liability are recognised at the inception of the lease and are de-recognised when the liability is discharged, cancelled or expires. The annual rental is split between the repayment of the liability and a finance cost so as to achieve a constant rate of return for the lessor over the life of the lease. The annual finance cost is calculated by applying the implicit interest rate to the outstanding liability and 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

Other leases are regarded as operating leases and the rentals are charged to operating expenses on a straight-line basis over the lease term. Operating lease incentives are added to lease rentals on a straight-line basis and charged to operating expenses over the lease term.

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

1.10 Inventories

IAS 2 prescribes the accounting treatment for inventories & permits recognising inventories in operating expenses. From 2010/11 all inventories are now charged to operating expenses but are reviewed on an annual basis for any material change. Partially completed contracts for patient services are not accounted for as inventory work-in-progress.

1.11 Financial Assets and Financial Liabilities

Recognition

Financial assets and financial liabilities arising from contracts for the purchase or sale of non-financial items (goods or services), which are entered into in accordance with the NHS foundation 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 or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases (see Note 1.9).

All other financial assets and financial liabilities are recognised when the NHS foundation trust becomes a party to the contractual provisions of the instrument.

Note 1.11 continues on next page

1.11 Financial Assets and Financial Liabilities (continued)

De-recognition

All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or the NHS foundation trust has transferred substantially all of the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Classification and Measurement

Financial Assets

Financial assets are classified into the following categories: financial assets held at fair value through income and expenditure; held to maturity investments; available for sale financial assets and loans and receivables. The NHS foundation trust holds only loans and receivables.

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 NHS foundation trust's loans and receivables comprise: 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 discounts exactly estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset. Interest on loans and receivables is calculated using the effective interest method and credited to the Statement of Comprehensive Income.

Financial Liabilities

Financial liabilities are classified into the following categories: fair value through income and expenditure or other financial liabilities. The NHS foundation trust holds only other financial liabilities.

Financial liabilities are included in current liabilities except for amounts payable more than twelve months after the Statement of Financial Position date, which are classified as long-term liabilities.

The NHS foundation trust's financial liabilities comprise trade payables, accruals, other payables and provisions for legal claims.

Note 1.11 continues on next page

1.11 Financial Assets and Financial Liabilities (continued)

All financial liabilities are recognised initially 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 discounts exactly estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability. Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to the Statement of Comprehensive Income.

Determination of Fair Value

Fair value is determined from market prices, independent appraisals and discounted cash flow analysis as appropriate to the financial asset or liability. Where required, cash flows are discounted at HM Treasury's discount rate of 2.2% in real terms.

Impairment of Financial Assets

At the Statement of Financial Position date, the NHS foundation trust assesses whether any financial assets are impaired. Financial assets are impaired and impairment losses are recognised if there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows where applicable discounted at the asset's original effective interest rate. The loss is recognised in the Statement of Comprehensive Income and the carrying amount of the asset is reduced through the use of a provision for impairment of receivables. Amounts charged to the provision for impairment of receivables are only written off against the carrying amount of the financial asset, when all avenues of recovery are deemed exhausted.

1.12 Cash and Cash Equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than twenty four hours. Cash equivalents are investments that mature in three months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. These balances exclude monies held in the NHS foundation trust's bank accounts belonging to patients (see Note 1.19 Third Party Assets). Cash balances with the Government Banking Service (GBS) currently comprise bank accounts with Citibank and the Royal Bank of Scotland which in accordance with Department of Health instructions are aggregated to arrive at a net closing position. Interest earned and interest charged on bank accounts is recorded as, respectively, finance income and finance expenses in the year to which they relate. Bank charges are recorded as operating expenses in the year to which they relate.

1.13 Provisions

The NHS foundation trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount at the date of the Statement of Financial Position on the basis of the best estimate of the expenditure required to settle the obligation. Provisions are recognised where it is probable that there will be a future outflow of cash or other resources and a reliable estimate can be made of the amount. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the discount rates published and mandated by HM Treasury except for early retirement and injury benefit provisions which both use HM Treasury's pension discount rate of 2.2% in real terms.

1.14 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 operating expenses. Although the NHSLA is administratively responsible for all clinical negligence cases, the legal liability remains with the NHS foundation trust. Amounts in respect of these cases are not provided for in these financial statements but the total value of the clinical negligence provisions carried by the NHSLA on behalf of the NHS foundation trust is disclosed at Note 17.2 but is not recognised in the NHS foundation trust accounts.

1.15 Non-Clinical Risk Pooling

The NHS foundation trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes and are accounted for on a net basis under which the NHS foundation 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 operating expenses when the liability arises.

1.16 Pension Costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. Details of the benefits payable under these provisions can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. The Scheme is an unfunded, defined benefit scheme that covers NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The Scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the Scheme is accounted for as if it were a defined contribution scheme. Employers pension cost contributions are charged to operating expenses as and when they become due. The cost to the NHS foundation trust of participating in the Scheme is taken as equal to the employers cost contribution payable to the Scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

Note 1.16 continues on next page

1.16 Pension Costs (continued)

a) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the Scheme (taking into account recent demographic experience), and to recommend the contribution rates to be paid by employers and scheme members.

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

b) Accounting valuation

A valuation of the scheme liability is carried out annually by the scheme actuary as at the end of the reporting period. Actuarial assessments are undertaken in intervening years between formal valuations using updated membership data are accepted as providing suitably robust figures for financial reporting purposes. However, as the interval since the last formal valuation now exceeds four years, the valuation of the scheme liability as at 31 March 2014, is based on detailed membership data as at 31 March 2010 updated to 31 March 2014 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Pension Accounts, published annually. These accounts can be viewed on the NHS Pensions website. Copies can also be obtained from The Stationery Office.

c) Scheme provisions

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

Annual Pensions

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

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

Note 1.16 continues on next page

1.16 Pension Costs (continued)

Pensions' Indexation

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

Ill health Retirement

Early payment of a pension, with enhancement in certain circumstances, is available to members of the Scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity.

Death Benefits

A death gratuity of twice final year's pensionable pay for death in service, and five times their annual pension for death after retirement, less pension already paid, subject to a maximum amount is payable.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to the employer.

Additional Voluntary Contributions (AVCs)

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

1.17 Taxation

Cheshire and Wirral Partnership NHS Foundation Trust is a Health Service Body within the meaning of S519A ICTA 1988 and accordingly is exempt from taxation in respect of income and capital gains within categories covered by this. There is a power for the Treasury to disapply the exemption in relation to the specified activities of a Foundation Trust (S519A (3) to (8) ICTA 1988). Accordingly the NHS foundation trust is potentially within the scope of Corporation Tax in respect of activities which are not related to, or ancillary to, the provision of healthcare, and where the profits there from exceed £50,000 per annum. There is no Corporation Tax liability arising in respect of such items in the current financial year.

Most of the activities of the NHS foundation trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to operating expenses or included in the capitalised purchase cost of property, plant and equipment. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.18 Foreign Exchange

The functional and presentational currency of the NHS foundation trust is sterling.

A transaction which is denominated in a foreign currency is translated into sterling at the exchange rate ruling on the date of the transaction. At the end of the reporting period, financial assets and liabilities denominated in foreign currencies are retranslated at the spot exchange rate on 31 March. Resulting exchange gains or losses for either of these are recognised in the statement of comprehensive income in the period in which they arise.

1.19 Third Party Assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the financial statements since the NHS foundation trust has no beneficial interest in them. Details of third party assets are disclosed in Note 20.

1.20 Public Dividend Capital (PDC) and Public Dividend Capital Dividend

Public dividend capital represents taxpayers' equity in the NHS foundation trust. It is recorded at the value of the excess of assets over liabilities at the time of establishment of the original predecessor NHS trust. As PDC is issued under legislation rather than under contract, it is not treated as an equity financial instrument within the meaning of IAS 32.

The PDC dividend for the year payable to the Department of Health is shown in Note 9 of these financial statements. The charge reflects the cost of capital utilised by the NHS foundation trust and is calculated at the real rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the NHS foundation trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for (i) donated assets (including lottery funded assets), (ii) average daily cash balances held with the Government Banking Service (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short term working capital facility, (iii) for 2013/14 only, net assets and liabilities transferred from bodies which ceased to exist on 1 April 2013, and (iv) any PDC dividend balance receivable or payable. In accordance with the requirements laid down by the Department of Health (as the issuer of PDC), the dividend for the year is calculated 'pre audit' and is not revised should any adjustment to net assets occur as a result of the audit of the annual accounts.

1.21 Losses and Special Payments

Losses and Special Payments are items that Parliament would not have contemplated when it agreed funds for the National 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 operating expenses on an accruals basis, including losses which would have been made good through insurance cover had the NHS foundation trust not been bearing their own risks. See Note 10.

1.22 Research and Development

Expenditure on research and development is normally charged against income in the year in which it is incurred. Where development expenditure relates to a clearly defined project which is guaranteed to provide future economic benefit, then the expenditure is deferred and amortised through operating expenses on a systematic basis over the period expected to benefit from the project, in accordance with IAS38, Intangible Assets.

1.23 Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the NHS foundation trust, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote. See Note 18.

1.24 Consolidation

Following HM Treasury's agreement to apply IAS 27 to NHS Charities from 1 April 2013, the Trust has established as the Trust is the corporate trustee of the linked NHS charity ('CWP Charity'), effectively it has the power to exercise control so as to obtain economic benefits. However, the transactions are immaterial in the context of the Trusts and transactions have not been consolidated. details of the transactions of the charity are included in the related parties' note.

2. Operating Segments

All activity at Cheshire and Wirral Partnership NHS Foundation Trust is healthcare related and a large majority of the Trust's income is received from within UK Government departments. The main proportion of the operating expenses are payroll related and are for the staff directly involved in the provision of health care and the indirect and overhead costs associated with that provision. The Trust operates primarily in Cheshire and the Wirral with some services delivered across the North West of England. Therefore, it is deemed that the business activities which earn the revenues for the Trust and in turn incur the expenses are one provision, which is it deemed appropriate to identify as a single segment, namely 'health care'.

The Trust identifies the Trust Board (which includes all Executive and Non-Executive Directors) as the Chief Operating Decision Maker (CODM) as defined by IFRS 8. Monthly operating results are reported to the Trust Board. The financial position of the Trust in month and for the year to date are reported, along with projections for the future performance and position, as a position for the whole Trust rather than as component parts making up the whole. The Trust board does not have separate directors for particular service areas or divisions. The Trust's external reporting to Monitor (the regulator) is on a whole Trust basis, which also implies the Trust is a single segment.

All decisions affecting the Trust's future direction and viability are made based on the overall total presented to the Board; the Trust is satisfied that the single segment of healthcare is appropriate and consistent with the principles of IFRS 8.

3. Operating Income from Patient Care Activities

Income is almost entirely from the supply of services and is classed by source below. Income from the sale of goods is immaterial.

	Year ended 31 March 2014	Year ended 31 March 2013
	£000	£000
NHS Foundation Trusts	777	328
NHS Trusts	22	44
Clinical Commissioning Groups (CCG's) & NHS England	134,792	0
Primary Care Trusts	0	145,587
Department of Health	22	53
Local Authorities	17,683	7,640
Non-NHS Other	988	1,269
	<u>154,284</u>	<u>154,921</u>

Note 1 - As a result of the re-organisation of commissioning services, income previously received from Primary Care Trusts in 2012/13 is now received from CCG's, NHS England and local authorities

Note 2 - £153,296,000, of the income recorded above has arisen from Commissioner Requested Services (£153,652,000 2012/13)

4. Other Operating Income

	Year ended 31 March 2014	Year ended 31 March 2013
	£000	£000
Research	188	175
Education and training	2,738	2,685
Non-patient care services to other bodies	1,681	2,097
Other income	654	1,525
	<u>5,261</u>	<u>6,482</u>

Note 1 - The Terms of Authorisation set out the mandatory education and training that the NHS foundation trust is required to provide (protected education and training). All of the income from education and training shown above is derived from the provision of protected education and training. All other operating income is un-protected.

5. Operating Expenses**Operating expenses comprise:**

	Year ended 31 March 2014	Year ended 31 March 2013
	£000	£000
Services from NHS Foundation Trusts	2,050	1,966
Services from NHS Trusts	1,550	1,701
Services from other NHS bodies	537	686
Services from Non NHS bodies	230	236
Employee expenses - Executive directors	596	545
Employee expenses - Non-executive directors	116	116
Employee expenses - Staff	122,007	122,472
Drug costs	1,765	2,600
Rentals under operating leases - minimum lease payments	1,643	1,911
Supplies and services - clinical	1,738	1,923
Supplies and services - general	1,359	1,158
Establishment	1,876	1,544
Research	278	200
Transport	3,216	3,561
Premises	8,025	8,115
Increase/(Decrease) in bad debts provision	11	0
Depreciation on property, plant and equipment	3,230	1,922
Impairments of land and buildings (Note 1)	753	352
Internal audit	68	92
Statutory auditors' fees (Note 2)	72	71
Other statutory auditors' services (Note 3)	31	27
Clinical negligence	253	198
Legal fees	251	267
Consultancy services	487	839
Redundancy costs	1,757	1,434
Training	570	717
Insurance	298	246
Other	958	636
	155,725	155,535

Note 1 - Impairments of land and buildings are losses arising on valuation reviews which could not be offset against revaluation reserves.

Note 2 - Further details in respect of statutory audit arrangements including auditor liability is shown on page 56 of the Annual Report.

Note 3 - Other statutory auditors' services relate to the external validation of quality dashboard processes

6 Operating Leases

These primarily comprise leases for office equipment, premises and transport which are charged to operating expenses in Note 5 above. No individual leases are considered significant for separate disclosure.

6.1 Payments recognised as an expense

	Year ended 31 March 2014	Year ended 31 March 2013
	£000	£000
Minimum lease payments	1,643	1,911

6.2 Total future minimum lease payment commitments

	Year ended 31 March 2014		Year ended 31 March 2013	
	Land and Buildings	Other Leases	Land and Buildings	Other Leases
	£000	£000	£000	£000
Payable :				
Within 1 year	902	411	590	488
Between 1 and 5 years	1,311	461	889	561
After 5 years	227	0	422	0
	2,440	872	1,901	1,049

7. Employee Costs and Numbers

7.1 Employee costs

	Year ended 31 March 2014	Year ended 31 March 2013
	£000	£000
Salaries and wages	101,835	101,857
Social Security costs	7,248	7,252
Employer contributions to NHS Pensions Scheme	11,795	11,680
Agency / contract staff	1,979	2,411
	<u>122,857</u>	<u>123,200</u>

Note 1 - Key management are the executive directors whose remuneration is disclosed in the Remuneration Report, see page 42 to 48 of the Annual Report.

Note 2 - Employee costs above vary with Employee expenses - Staff disclosed in Note 5 to the Accounts, due to the costs of non executive directors being excluded from this note, and also the costs of research staff being classified under Operating Expenses - Research.

7.2 Staff exit packages

	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
Year ended 31 March 2014			
Exit package cost band			
<£10,000	6	1	7
£10,001 - £25,000	12	0	12
£25,001 - £50,000	12	3	15
£50,001 - £100,000	9	8	17
£100,001 - £150,000	1	0	1
Total number of exit packages by type	<u>40</u>	<u>12</u>	<u>52</u>
Total resource cost (£000's)	<u>1,346</u>	<u>636</u>	<u>1,982</u>
	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
Year ended 31 March 2013			
Exit package cost band			
<£10,000	2	6	8
£10,001 - £25,000	0	12	12
£25,001 - £50,000	0	10	10
£50,001 - £100,000	5	4	9
£100,001 - £150,000	1	1	2
Total number of exit packages by type	<u>8</u>	<u>33</u>	<u>41</u>
Total resource cost (£000's)	<u>516</u>	<u>918</u>	<u>1,434</u>

Note 1 - the cost of exit packages for the year ending 31st March 2014 reflects the programme of clinical and corporate service redesigns delivered during the year. The figure above reflects those packages that have been agreed in year and takes no account of residual issues from prior years. The action taken will generate recurrent savings going forward.

7. Employee Costs and Numbers**7.3 Average monthly number of employees**

	Year ended 31 March 2014	Year ended 31 March 2013
	Number	Number
Medical and dental	134	138
Administration and estates	646	652
Healthcare assistants and other support staff	200	176
Nursing, midwifery and health visiting staff	1,349	1,404
Scientific, therapeutic and technical staff	554	545
Social care staff	4	4
Bank and agency staff	212	185
	<u>3,099</u>	<u>3,104</u>

Note 1 - The average monthly number of employees is shown on a whole time equivalent basis and of these over 95% have permanent contracts with the NHS foundation trust.

Directors Remuneration

	Year ended 31 March 2014	Year ended 31 March 2013
	£000	£000
Directors Remuneration	753	705
Employer contributions to the pension scheme	91	88
	<u>844</u>	<u>793</u>

The highest paid director in 2013-14 received a salary in the bracket of £160,000 - £165,000. The highest paid director in 2012-13 received a salary in the bracket of £175,000 - £180,000. Full disclosure is given in the remuneration report.

	Year ended 31 March 2014	Year ended 31 March 2013
Total number of directors to whom benefits are accruing under defined benefit schemes	<u>6</u>	<u>5</u>

7.4 Retirements due to ill-health

During the year there were 10 (year ended 31 March 2013, 7) early retirements from the NHS foundation trust on the grounds of ill-health. The additional pension liabilities of these ill-health retirements will be £692,315 (year ended 31 March 2013, £224,000). The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

7.5 Pension Liability

Cheshire and Wirral Partnership NHS Foundation Trust estimates its employer contributions for 2014-15 will be £11.8m. The published annual accounts of the NHS pension scheme in 2012-13 disclosed a liability for the whole scheme of £284bn, which is underwritten by the Exchequer. Employer contribution rates in 2014-15 will remain at 14%, but are forecast to increase from 1 April 2015 on the basis of the most recent valuation of the scheme.

8. Finance Expenses

	Year ended 31 March 2014	Year ended 31 March 2013
	£000	£000
Unwinding of discount on provisions	19	22
Finance leases	188	360
	<u>207</u>	<u>382</u>

9. Public Dividend Capital Dividends payable

The NHS foundation trust is required to pay a dividend to the Department of Health to reflect the cost of capital utilised at a real rate of 3.5% on the actual average carrying amount of all assets less liabilities, except for donated assets and cash balances with the Government Banking Service. The NHS foundation trust's public dividend capital dividend charge for the year was £1,939,000 (year ended 31 March 2013, £2,563,000).

10. Losses and Special Payments

NHS foundation trusts record on an accruals basis payments and other adjustments that arise as a result of losses and special payments. In the year to 31 March 2014 the NHS foundation trust had 100 (year ended 31 March 2013, 155) separate losses and special payments totalling £107,000 (year ended 31 March 2013, £170,000). Most of these were in relation to damage and losses in respect of buildings and property.

	Year ended 31 March 2014		Year ended 31 March 2013	
	Numbers	£000	Numbers	£000
LOSSES:				
Losses of cash due to:				
theft, fraud etc.	0	0	0	0
overpayment of salaries	0	0	0	0
other causes (note 1)	2	0	1	0
Fruitless payments and constructive losses	0	0	0	0
Bad debts and claims abandoned				
private patients	0	0	0	0
overseas visitors	0	0	0	0
other	2	11	3	0
Damage to buildings, property (Inc. stores)				
theft, fraud etc.	85	12	126	41
stores losses	0	0	0	0
other	0	0	0	0
TOTAL LOSSES	<u>89</u>	<u>23</u>	<u>130</u>	<u>41</u>
SPECIAL PAYMENTS:				
Compensation under legal obligation	0	0	0	0
Extra contractual to contractors	0	0	0	0
Ex gratia payments in respect of:				
loss of personal effects	6	1	18	2
clinical negligence with advice	0	0	0	0
personal injury with advice	2	62	3	126
other negligence and injury	0	0	0	0
other employment payments	0	0	0	0
patient referrals outside the UK	0	0	0	0
other	3	21	4	1
maladministration, no financial loss	0	0	0	0
Special Severance payments	0	0	0	0
Extra statutory and regulatory	0	0	0	0
TOTAL SPECIAL PAYMENTS	<u>11</u>	<u>84</u>	<u>25</u>	<u>129</u>
TOTAL LOSSES AND SPECIAL PAYMENTS (note 2)	<u>100</u>	<u>107</u>	<u>155</u>	<u>170</u>

Note 1: The two cases identified were for a total value of £391.

Note 2: none of the payments made during the year totalled more than £250,000 which would require further analysis

11. Property, plant and equipment

11.1 Year ended 31 March 2014

	Land £000	Buildings £000	Assets under construction £000	Plant and equipment £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost or Valuation at 1 April 2013	8,687	50,455	3,794	922	121	1,799	535	66,313
Adjustment (note 1)	0	(1,660)	0	0	0	0	0	(1,660)
Transfers by absorption - Modified	475	1,276	0	0	0	0	0	1,751
Additions purchased	0	0	4,766	193	58	773	51	5,841
Additions Leased	0	128	0	0	0	0	0	128
Impairments charges to operating expenses	0	(753)	0	0	0	0	0	(753)
Impairments charged to revaluation reserve	0	(288)	0	0	0	0	0	(288)
Reclassifications	0	2,947	(2,947)	0	0	0	0	0
Cost or Valuation at 31 March 2014	9,162	52,105	5,613	1,115	179	2,572	586	71,332
Depreciation at 1 April 2013	0	2,222	1,660	726	102	848	402	5,960
Adjustment (note 1)	0	0	(1,660)	0	0	0	0	(1,660)
Charged during the year	0	2,953	0	43	6	182	46	3,230
Depreciation at 31 March 2014	0	5,175	0	769	108	1,030	448	7,530
Net book value								
Purchased at 1 April 2013	8,687	46,822	2,134	196	19	951	133	58,942
Finance Lease at 1 April 2013	0	1,411	0	0	0	0	0	1,411
Total at 1 April 2013	8,687	48,233	2,134	196	19	951	133	60,353
Purchased at 31 March 2014	9,162	45,453	5,613	346	71	1,542	138	62,325
Finance Lease at 31 March 2014	0	1,477	0	0	0	0	0	1,477
Total at 31 March 2014	9,162	46,930	5,613	346	71	1,542	138	63,802

Note 1. Adjustment relates to the reclassification of an impairment following the completion of the Saddlebridge Soss Moss Low Secure Unit at 31st March 2011. This is a reclassification adjustment and has had no effect on the Net Book Value of PPE

The movement in non current assets held for sale is due to the disposal of the Kemple Unit at a Net Book Value of £216,950 for £250,000 as part of a reconfiguration of the Trusts estate. The Trust continues to meet its Commissioner Related Services obligations. Also during the year, the Trust disposed of a John Dere tractor for £30,000.

11. Property, plant and equipment

11.1 Year ended 31 March 2013

	Land	Buildings	Assets under construction	Plant and equipment	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or Valuation at 1 April 2012	9,486	51,984	1,976	935	157	1,240	565	66,343
Additions purchased	0	0	1,818	5	0	559	0	2,382
Impairments	(867)	(1,279)	0	0	0	0	0	(2,146)
Reversal of Impairments	26	1	0	0	0	0	0	27
Revaluations	42	(251)	0	0	0	0	0	(209)
Disposals	0	0	0	(18)	(36)	0	(30)	(84)
Cost or Valuation at 31 March 2013	8,687	50,455	3,794	922	121	1,799	535	66,313
Depreciation at 1 April 2012	0	2,717	1,660	697	131	765	387	6,357
Charged during the year	0	1,740	0	47	7	83	45	1,922
Impairments	20	332	0	0	0	0	0	352
Revaluations	(20)	(2,567)	0	0	0	0	0	(2,587)
Disposals	0	0	0	(18)	(36)	0	(30)	(84)
Depreciation at 31 March 2013	0	2,222	1,660	726	102	848	402	5,960
Net book value								
Purchased at 1 April 2012	9,486	47,794	316	238	26	475	178	58,513
Finance Lease at 1 April 2012	0	1,473	0	0	0	0	0	1,473
Total at 1 April 2012	9,486	49,267	316	238	26	475	178	59,986
Purchased at 31 March 2013	8,687	46,822	2,134	196	19	951	133	58,942
Finance Lease at 31 March 2013	0	1,411	0	0	0	0	0	1,411
Total at 31 March 2013	8,687	48,233	2,134	196	19	951	133	60,353

11.2 Assets held under finance leases

The net book value of assets held under finance leases, which is included in total property, plant and equipment above, is as follows.

	31 March 2014	31 March 2013
	£000	£000
Buildings	<u>1,477</u>	<u>1,411</u>

Depreciation charged to the statement of comprehensive income in respect of assets held under finance leases and which is included under total depreciation above, is as follows.

	31 March 2014	31 March 2013
	£000	£000
Buildings	<u>61</u>	<u>61</u>

11.3 Net book value of land and buildings

	31 March 2014	31 March 2013
	£000	£000
Freehold	53,984	54,815
Long leasehold	2,064	1,990
Short leasehold	44	115
TOTAL	<u>56,092</u>	<u>56,920</u>

11.4 Capital Commitments

Commitments under capital expenditure contracts at 31 March 2014 were £4,061,000 (31 March 2013, £822,000).

12. Trade and other receivables - current

	31 March 2014	31 March 2013
	£000	£000
NHS receivables	3,687	1,536
Non-NHS trade receivables	1,566	939
Provision for impairment of receivables	(15)	(4)
Prepayments	872	958
Accrued income	779	2,097
VAT receivables	215	324
TOTAL	<u>7,104</u>	<u>5,850</u>

Note 1 - There were no non-current trade and other receivables.

12.1 Receivables past their due date but not impaired

	31 March 2014	31 March 2013
	£000	£000
By up to three months	1,956	757
By three to six months	201	91
By more than six months	143	76
TOTAL	<u>2,300</u>	<u>924</u>

12.2 Provision for impairment of receivables

	31 March 2014	31 March 2013
	£000	£000
Balance at 1 April	4	4
Amount written off during the year	0	0
Amount recovered during the year	(2)	0
Increase in receivables impaired	13	0
Balance at 31 March	<u>15</u>	<u>4</u>

13. Cash and cash equivalents

Cash with banks is held in instant access accounts. Current investments comprise money market investments or fixed interest accounts denominated in sterling which are either instant access or mature within three months of the statement of financial position date. Short term investments mature between three and six months after the statement of financial position date. All accounts attract interest at rates based on LIBOR or equivalent market or public sector rates. The carrying amounts are equivalent to their fair values.

	31 March 2014	31 March 2013
	£000	£000
Balance at 1 April	28,452	15,257
Net change in year	766	13,195
Balance at 31 March	<u>29,218</u>	<u>28,452</u>
Made up of -		
Cash with the Government Banking Service (GBS)	6,856	5,972
Cash with commercial banks and cash in hand	2,362	2,480
Current investments	20,000	20,000
Cash and cash equivalents as in Statement of Financial Position and Statement of Cash Flows	<u>29,218</u>	<u>28,452</u>

14. Trade and other payables - current

	31 March 2014	31 March 2013
	£000	£000
NHS payables	872	1,148
Other trade payables - revenue	3,857	3,256
Other trade payables - capital	864	478
Other payables	1,348	1,030
Accruals	4,350	4,628
Tax Due	2,326	2,405
TOTAL	<u>13,617</u>	<u>12,945</u>

Note 1 - There are no non - current trade and other payables balances.

15. Borrowings - current

	31 March 2014	31 March 2013
	£000	£000
Obligations under a finance lease	<u>167</u>	<u>340</u>

15.1 Borrowings - non-current

	31 March 2014	31 March 2013
	£000	£000
Obligations under a finance lease	<u>2,168</u>	<u>2,023</u>

Note 1 - The finance lease obligation relates to a property from which the NHS foundation trust delivers Adult Mental Health and Older Peoples Services. The lease has a termination date of 2036 and an implicit interest rate of 15.23%.

15.2 Finance lease obligations

Amounts payable under finance leases: minimum lease payments

	31 March 2014	31 March 2013
	£000	£000
Within one year	343	340
Between one and five years	1,372	1,360
After five years	1,688	11,772
Less future finance charges	<u>(1,068)</u>	<u>(11,109)</u>
Present value of minimum lease payments	<u>2,335</u>	<u>2,363</u>
Included in:		
Current borrowings	167	340
Non-current borrowings	<u>2,168</u>	<u>2,023</u>
	<u>2,335</u>	<u>2,363</u>

15.3 Borrowings - Prudential Borrowing Limit (PBL)

The prudential borrowing code requirements in section 41 of the NHS Act 2006 have been repealed with effect from 1 April 2013 by the Health and Social Care act 2012. The financial statements disclosures that were provided previously are no longer required.

16. Deferred income - current

	31 March 2014	31 March 2013
	£000	£000
Deferred income	<u>412</u>	<u>140</u>

Note 1 - There is no non-current deferred income

17. Provisions for liabilities - current

	31 March 2014	31 March 2013
	£000	£000
Pensions relating to other staff	71	90
Legal claims	153	116
Redundancy	1,104	691
Restructurings	386	393
Other	330	0
TOTAL	<u>2,044</u>	<u>1,290</u>

17.1 Provisions for liabilities - non-current

	31 March 2014	31 March 2013
	£000	£000
Pensions relating to other staff	782	794
TOTAL	<u>782</u>	<u>794</u>

17.2 Movement of provisions for liabilities

	Pensions relating to other staff	Legal claims	Redundancy	Restructuring	Other	Total
	£000	£000	£000	£000	£000	£000
At 1 April 2013	884	116	691	393	0	2,084
Arising during the year	22	109	1,104	105	330	1,670
Utilised during the year	(72)	(51)	(444)	0	0	(567)
Reversed unused	0	(21)	(247)	(112)	0	(380)
Unwinding of discount	19	0	0	0	0	19
At 31 March 2014	<u>853</u>	<u>153</u>	<u>1,104</u>	<u>386</u>	<u>330</u>	<u>2,826</u>

Expected timing of cash flows:

Within one year	71	153	1,104	386	330	2,044
Between one and five years	382	0	0	0	0	382
After five years	400	0	0	0	0	400

Note 1 - The provision for pensions is based on actuarial estimates provided by the NHS Business Services Authority - Pensions Division.

Note 2 - The provision for legal claims is based on information provided by the NHS foundation trust's solicitors and the NHS Litigation Authority (NHSLA) and largely relates to excesses that are expected to be paid. Settlement of these claims is generally anticipated to be within one year.

Note 3 - At 31 March 2014 £1,072,000 (31 March 2013, £325,000) is included in the provisions of the NHSLA in respect of the clinical negligence liabilities of the NHS foundation trust.

18. Contingent Liabilities

At 31 March 2014 the NHS foundation trust has a contingent liability in respect of non-clinical negligence claims with the NHS Litigation Authority (NHSLA) of £92,000 (31 March 2013, £76,000).

19. Financial Instruments

IAS 32 and 39 and IFRS 7 require disclosure of the role that financial instruments have had during the year in creating or changing the risks an entity faces in undertaking its activities. The NHS foundation trust actively seeks to minimise its financial risks, neither buying nor selling financial instruments and is therefore not exposed to significant financial risk factors arising from financial instruments.

Further the NHS foundation trust is not exposed to the degree of financial risk faced normally by business entities because of the continuing service, commissioner-provider relationship that the NHS foundation trust has with local Primary Care Trusts and the way in which those Primary Care Trusts are financed. Financial assets and liabilities, see below, are generated by day-to-day operational activities rather than being held to change the risks facing the NHS foundation trust in undertaking its activities.

The NHS foundation trust holds the following financial assets and liabilities are measured at amortised cost:

	31 March 2014	31 March 2013
	£000	£000
Financial Assets		
Loans and Receivables -		
NHS receivables	3,687	1,536
Non-NHS trade receivables (net of provision for impaired receivables)	1,551	935
Accrued income	779	2,097
Cash at bank and in hand, and short term investments	29,218	28,452
TOTAL	<u>35,235</u>	<u>33,020</u>
Financial Liabilities		
Other Financial Liabilities -		
NHS payables	872	1,148
Other trade payables - revenue	3,857	3,256
Other trade payables - capital	864	478
Other payables	1,348	1,031
Accruals	4,350	4,628
Deferred Income	412	140
Finance lease obligations	2,335	2,363
TOTAL	<u>14,038</u>	<u>13,044</u>

Note 1 - The fair value of financial assets and liabilities shown above is not considered to be significantly different from book value.

19.1 Market Risk

Market risk is the possibility that financial loss might arise as a result of changes in such measures as interest rates and stock market movements. The only element of financial assets held that are subject to a variable rate are cash at bank and current investments. The NHS foundation trust is not therefore exposed to significant interest rate risk. In addition all of the NHS foundation trust's financial liabilities carry nil or fixed rates of interest. Further details on interest rates in respect of the NHS foundation trust's relevant financial assets can be found in Note 13. Changes in interest rates can impact discount rates and consequently affect the valuation of provisions and finance lease obligations. The NHS foundation trust's transactions are almost all undertaken in sterling and so it is not exposed to foreign exchange risk and as it holds no equity investments in companies or other investments linked to a price index no further exposure arises in this respect.

19.2 Credit Risk

Credit risk is the possibility that other parties might fail to pay amounts due to the NHS foundation trust. Credit risk arises from deposits with banks as well as credit exposure to the NHS foundation trust's commissioners and other receivables. At the statement of financial position date the maximum exposure of the NHS foundation trust to credit risk was £35,235,000. Surplus operating cash is invested to maximise interest return. Investments are only permitted with independently rated UK sovereign banks and there is a list of authorised deposit takers with whom surplus funds may be invested for appropriate periods up to a maximum of twelve months. The NHS foundation trust's banking services are provided by the Government Banking Service and Lloyds Public Banking Group. The NHS foundation trust's net operating expenses are incurred largely under annual service agreements with Clinical Commissioning groups and NHS England, which are financed from resources voted annually by Parliament. The NHS foundation trust receives cash each month based on agreed levels of contract activity. Excluding income from local councils, which is normally considered low risk, 1% of income is from non-NHS customers.

19.3 Liquidity Risk

Liquidity risk is the possibility that the NHS foundation trust might not have funds available to meet its commitments to make payments. Prudent liquidity risk management includes maintaining sufficient cash and the availability of funding from an adequate amount of committed credit facilities. To mitigate against any significant fluctuation in cash flows, the NHS foundation trust has in place a £5,000,000 working capital facility with its Bankers which it has yet to draw on. As stated above the NHS foundation trust's net operating expenses are financed via Primary Care Trusts from resources voted annually by Parliament. NHS Foundation Trusts are required to comply with the Prudential Borrowing Code made by Monitor, the Independent Regulator of Foundation Trusts, compliance with which is covered in Note 15.3.

The NHS foundation trust presently finances its capital expenditure from internally generated funds or funds made available from Government, in the form of additional Public Dividend Capital. In addition, the NHS foundation trust can borrow, within parameters laid down by Monitor, the Independent Regulator, both from the Department of Health Financing Facility and commercially to finance capital schemes. No borrowing has taken place in the accounting year. The NHS foundation trust is currently not exposed to significant liquidity risk.

20. Third Party Assets

At 31 March 2014 the NHS foundation trust held £14,714 (31 March 2013, £18,533) cash at bank and in hand which relates to monies held on behalf of patients. This has been excluded from cash and cash equivalents figures reported in these financial statements.

21. Movement in Public Dividend Capital

	31 March 2014	31 March 2013
	£000	£000
Public Dividend Capital at 1 April	35,849	35,849
New Public Dividend Capital received	332	0
Public Dividend Capital at 31 March	36,181	35,849

Note - Further information on public dividend capital can be found above in Note 1.20.

22. Related Party Transactions**Ultimate Parent**

Cheshire and Wirral Partnership NHS Foundation Trust is a public benefit corporation established under the NHS Act 2006. Monitor, the Independent Regulator of NHS Foundation Trusts has the power to control the NHS foundation trust within the meaning of IAS 27 'Consolidated and Separate Financial Statements' and therefore can be considered as the NHS foundation trust's parent. Monitor does not prepare group accounts but does prepare separate NHS Foundation Trust Consolidated Accounts which are then included within the Whole of Government Accounts. Monitor is accountable to the Secretary of State for Health. The NHS foundation trust's ultimate parent is therefore HM Government.

Whole of Government Accounts (WGA) Bodies

All government bodies which fall within the whole of government accounts boundary are regarded as related parties because they are all under the common control of HM Government and Parliament. This includes, for example, all NHS bodies, all local authorities and central government bodies.

During the year the NHS foundation trust has had transactions with the following related party organisations;

Year Ended 31 March 2014

Name of Related Party	Relationship / Reason for Disclosure	Income £000	Expenditure £000	Receivables £000	Payables £000
Alzheimer's Society	Member of Council of Governors	4	0	0	0
Arch Initiatives	Member of Council of Governors	0	34	0	21
Care Quality Commission	Member of Council of Governors	0	70	0	0
Cheshire East UA	Member of Council of Governors	5,823	109	12	0
Cheshire West and Chester UA	Member of Council of Governors	4,743	319	613	58
Countess of Chester Hospital NHSFT	Member of Council of Governors	697	1,159	421	257
Eastern Cheshire CCG	Member of Council of Governors	12,999	0	0	0
East Cheshire NHS Trust	Member of Council of Governors	21	1,081	9	28
Head Injured People in Cheshire	Member of Council of Governors	0	5	0	0
Health Education England	Board of Directors	2,733	7	0	0
HM Revenue and Customs	WGA body and material balance	0	0	214	0
Mid Cheshire Hospitals NHSFT	Member of Council of Governors	1	115	0	14
Metropolitan Borough of Wirral	Member of Council of Governors	5,430	183	593	3
NHS Business Services Authority	WGA body and material balance	0	989	0	626
NHS Pensions Agency	WGA body and material balance	0	86	0	0
Royal College of Psychiatrists	Member of Council of Governors	0	65	0	8
South Cheshire CCG	Member of Council of Governors	12,683	0	0	0
Trafford Borough Council	WGA body and material balance	2,009	0	274	0
Western Cheshire CCG	Member of Council of Governors	44,698	93	0	0
Wirral Community NHS Trust	WGA body and material balance	925	916	132	328
Wirral CCG	Member of Council of Governors	34,395	119	0	2
Wirral University Teaching Hospitals NHSFT	WGA body and material balance	60	1,484	55	223
Vale Royal CCG	Member of Council of Governors	8,172	0	0	0

Note 1 - As a result of the re-organisation of commissioning services, income previously received from Primary Care Trusts in 2012/13 is now received from CCG's, NHS England and local authorities

Note 2 - Payments made to the key decision makers within the organisation are disclosed in the Remuneration table which is shown on pages 43 and 45 of the Annual Report

22. Related Party Transactions**Year Ended 31 March 2013**

Name of Related Party	Relationship / Reason for Disclosure	Income	Expenditure	Receivables	Payables
		£000	£000	£000	£000
Alzheimer's Society	Member of Council of Governors	0	0	0	0
Arch Initiatives	Member of Council of Governors	0	66	0	0
Care Quality Commission	Member of Council of Governors	0	70	0	0
Central and Eastern Cheshire PCT	Member of Council of Governors	35,046	343	564	0
Cheshire East UA	Member of Council of Governors	4,030	122	359	2
Cheshire West and Chester UA	Member of Council of Governors	831	586	70	34
Cheshire Area Probation Service	Member of Council of Governors	0	0	0	0
Countess of Chester Hospital NHSFT	Member of Council of Governors	305	1,199	149	472
East Cheshire NHS Trust	Member of Council of Governors	2	939	2	87
HM Revenue and Customs	WGA body and material balance	0	7,252	0	2,406
Mid Cheshire Hospitals NHSFT	Member of Council of Governors	0	83	0	24
Metropolitan Borough of Wirral	Member of Council of Governors	1,121	270	58	44
NHS Business Services Authority	WGA body and material balance	0	1,250	0	0
NHS Pensions Agency	WGA body and material balance	0	11,680	0	1,516
Royal College of Psychiatrists	Member of Council of Governors	0	52	0	22
Trafford Borough Council	WGA body and material balance	2,121	7	186	7
Tribunals Service	Board of Directors	0	0	0	0
Unionlearn	Board of Directors	0	0	0	0
University of Liverpool	Member of Council of Governors	0	278	0	39
Western Cheshire PCT	Member of Council of Governors	66,658	617	1,129	180
Wirral Community NHS Trust	WGA body and material balance	887	751	121	107
Wirral Mind	Member of Council of Governors	0	0	0	0
Wirral PCT	Member of Council of Governors	40,184	2	491	43
Wirral University Teaching Hospitals NHSFT	WGA body and material balance	10	1,174	0	381

The NHS foundation trust has benefited from revenue payments out of a number of charitable funds, for which the NHS foundation trust acts as Corporate Trustee, and as such is regarded as a related party. The Annual Report and Accounts for the charitable funds (Registered Charity No. 1050046) are available on request from the NHS foundation trust.

The Trust is the corporate trustee of CWP Charity (Registered Charity No. 1050046). The charitable fund accounts have not been consolidated into these accounts transactions are considered immaterial in the context of the Trust. The provisional turnover of the charity in 2013/14 was £13,292 and its net assets were £330,646. The Trust provides a financial administration service for the charity for which the charity paid £6,500 in 2013/14. An annual report and audited accounts of the Trust's charity (covering the period reported in these accounts) will be available from 31 January 2015 and may be accessed via the Charity Commission website at www.charity-commission.gov.uk



Cheshire and Wirral Partnership
NHS Foundation Trust



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