



Cheshire and Wirral Partnership
NHS Foundation Trust



Annual Report and Accounts 2016-17

1st April 2016 – 31st March 2017

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

Care • Well-being • Partnership

Cheshire and Wirral Partnership NHS Foundation Trust

Annual Report and Accounts 2016-17

1st April 2016 to 31st March 2017

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

Contents Page

Introduction by the Chairman and the Chief Executive Foreword....	6
Introduction by the Lead Governor.....	8
Key achievements and highlights of the year.....	9
1. Performance Report.....	13
1.1 Overview	
1.2 Performance Analysis	
2. Accountability Report.....	25
2.1 Directors' Report	
2.2 Remuneration Report	
2.3 Staff Report	
2.4 NHS Foundation Trust Code of Governance	
2.5 NHS Improvement Single Oversight Framework	
2.6 Statement of Accounting Officers Responsibilities	
2.7 Annual Governance Statement	
2.8 Auditors Opinion and Certificate	
3. Quality Account.....	86
4. Annual Accounts 2016/17.....	146

Introduction by the Chairman and the Chief Executive



Mike Maier – Chairman



Sheena Cumiskey – Chief Executive

Welcome to our Annual Report 2016/17. In this publication you can read all about our performance and achievements over the last year, as well as our aims and priorities for the year ahead.

Our vision at CWP is “Leading in partnership to improve health and wellbeing by providing high quality care”, and we have adopted the 6Cs of Care, Compassion, Competence, Communication, Courage and Commitment as our Trust values. Throughout this report you will see how we instil these values in all aspects of our work – throughout both the direct delivery of care and the services that support this care.

Recently, we received the results from our 2016 staff survey - and we’re absolutely delighted to reveal that CWP has been ranked top of the national league table for all mental health, learning disability and community NHS Trusts.

Compared with last year, we have recorded improved scores in 63 areas and have made more than 20 ‘significant improvements’. Most importantly, more staff than ever would recommend our Trust as a place to work or receive care.

You may remember that in 2015 we received a trust wide inspection from the Care Quality Commission (CQC), where we were thrilled to be rated ‘good’ overall and ‘outstanding’ for care. Last year we welcomed back the CQC for a number of follow up inspections to individual services. It is with great pride that we can say that each of the re-inspected services have now had their overall ratings improved from ‘requires improvement’ to ‘good’.

This is a real statement about our commitment to progress and our unwavering desire to be the best we can possibly be. We’d like to reiterate our thanks to all staff, people who access our services, their carers and families for everyone’s ongoing efforts to improve all aspects of CWP. And we will, of course, continue to strive to provide better services for the people we serve.

This year we have introduced our new Person Centred Framework, which is made up of tools and approaches to help us practically apply person centred principles in all we do. Person centredness is about connecting with people as unique individuals with their own strengths, abilities, needs and goals. We want to make sure that we have a shared understanding about how we can put these values into practice and that is what our framework is all about.

In September 2016 we opened our £14m state of the art CAMHS unit Ancora House. From the very start, Ancora House was inspired by 'collaborative engagement', with young people having their say at every stage of development. This ranged from creative workshops to room design and the naming of the building itself. 'Ancora' is a Latin word meaning hope, refuge and support – a perfect fit for what we want to achieve with the new unit.

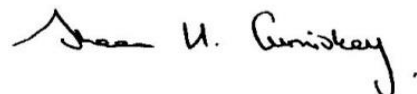
Nationally, the NHS has again spent a lot of time under the spotlight. With rising demand on services and growing financial pressures, it's so important that the healthcare system can work in smarter, streamlined and more integrated ways. Sustainability and Transformation Plans (STPs) have been introduced to set out how the health economy can remain fit for the future and respond successfully to these challenges.

At a local level we are committed to improving services in line with this national agenda, and we will work closely with our colleagues within the Cheshire and Merseyside STP to ensure resilient local services and parity of esteem between mental and physical health.

Signed:



Mike Maier – Chairman



Sheena Cumiskey – Chief Executive

Introduction by the Lead Governor

It has been yet another busy year for everyone at CWP, with changes to services and within our Council of Governors.

We have said goodbye to some people, and we have had the pleasure of welcoming some new faces. I would like to thank the following Governors for their contributions to the Trust and commitment to their members whilst they were in office; service user and carer Governors Joan Roberts, Helen Hall, and Phil Jarrold; and Staff Governor Christina Evans.



***Anna Usherwood -
Lead Governor***

I am very pleased to welcome the following people to the Council of Governors. In the service user and carer constituency, Emma King, Gordon Cairns, Michael Brassington, David Bull, and Keith Miller; staff Governors Deepak Agnihotri and Ken Edwards and our partnership Governor Graham Pollard from the University of Liverpool.

In June the Council of Governors was pleased to appoint Mike Maier as Chair, taking over from previous Chair David Eva who left CWP after 15 years with the Trust. Mike is settled in to his new role and has great ambitions to ensure the Trust continuously improves as a healthcare provider.

I am also delighted to welcome our new Non-Executive Directors, Andrea Campbell and Edward Jenner, who are joining us with a wealth of experience and knowledge.

Being a Governor is a challenging but very rewarding role. All of our governors have worked tirelessly over the last year to champion the voices of some of the most vulnerable people in our local communities.

As I have previously stated in Annual Reports, I am particularly passionate about person-centred care and so I was thrilled to see so many of our governors working alongside frontline staff to launch the Person Centred Framework earlier this year. This is a worthwhile, ongoing initiative that has been received positively by staff, service users, carers and families.

I would like to thank everyone who has worked alongside our governors in the last year. I am proud to be a part of such an inclusive Trust that boasts over 14,000 members, around 200 registered volunteers and 150 registered involvement representatives.

As I am now entering my last year as Lead Governor, I would like to end by saying what a tremendous honour it has been to serve in such an interesting, varied and satisfying role. I've had the pleasure of working alongside many remarkable teams and individuals at CWP and I feel privileged to have been given the opportunity to help this committed Trust in supporting thousands of people across Cheshire and Wirral in managing their mental and physical health.

Thank you to everyone who has supported me in my role as Lead Governor and the wider Trust as a whole over the past year.

A handwritten signature in blue ink that reads "Anna M. Usherwood". The signature is written in a cursive style.

Anna Usherwood – Lead Governor

Key Achievements and Highlights of the year

National £14m mental health facility opened



CWP opened its £14m, state of the art centre for young people. Providing inpatient and day patient care (Tier 4 services) the centre is located in Chester but provides specialist services across England.

The two story storey building is the result of a shared vision of CWP and young people and includes 26 beds across two wards plus an 'outstanding' Ofsted education centre all under one roof. Other facilities include visiting areas, an exercise room, multi-faith area and private gardens complete with a chicken house.

No.1 for staff satisfaction

CWP was ranked at the top of a league table for all mental health, learning disability and community Trusts based on feedback from staff who took part in the 2016 NHS Staff Survey. More staff at CWP recommended the Trust as place to work and receive care, and said that patient care was the Trust's top priority.

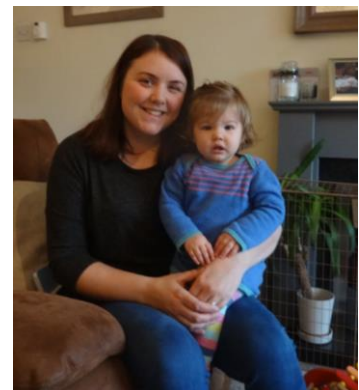


Pioneering the future of nursing

The Trust successfully led a partnership bid to be selected by Health Education England as one of only 11 initial pilot sites across England to pioneer the new Nursing Associate role. The project has seen 40 Trainee Nursing Associates take up posts across the North West with eight working at CWP across inpatient and community settings, whilst studying at the University of Chester as part of a two year course. Once graduated, Nursing Associates will bridge the gap between care assistants and registered nurses to ensure service users receive compassionate, person centred care.

Investment in mental health services for new and expectant Mums

£3.3m is to be invested into developing specialist community services for pregnant women and expectant mothers across Cheshire and Merseyside. CWP will provide one of three local teams as part of the new Specialist Perinatal Community Mental Health Service. The new service will support women with serious mental health problems during pregnancy and in the first year after birth.



CQC re-inspection

Following a re-inspection of services in October 2016, CWP has again demonstrated continued improvement to care. The Care Quality Commission (CQC) first rated the Trust as 'good' overall and 'outstanding' for care after an inspection in June 2015. Five services were identified to have some areas requiring improvement which the CQC re-inspected and found improvements. The CQC also inspected East Cheshire Substance Misuse Service for the first time which also received a rating of 'good'.



Person centred framework



CWP launched our 'person-centred framework' which is made up of tools and approaches to help us to practically apply person-centred principles in all we do. Co-produced by people who access services, their carers, families and staff colleagues, the eight overarching principles celebrate and support us all as unique individuals with our own strengths, abilities needs and aspirations. The Trust celebrated with a programme of events to raise awareness amongst staff and partners.

New provider of community health services in Central Cheshire

CWP was part of a new local health partnership which has been awarded a major £27m contract to provide a range of physical community health services for people across South Cheshire and Vale Royal. Central Cheshire Integrated Care Partnership which is a newly-formed partnership between CWP, the South Cheshire and Vale Royal GP Alliance (covering 30 local GP practices) and Mid Cheshire Hospitals NHS Foundation Trust will provide services such as district nursing, speech therapy and podiatry.



CWP Celebrates over 3000 years of staff service

Over 100 staff who had worked for CWP for 20 years or more were invited to join our Chief Executive and Chair at the annual Recognition of Service Awards. Together attendees had achieved an astonishing 3,004 years of service in the NHS.

Patient Safety Awards

CWP was shortlisted for two awards by the Health Service Journal (HSJ) in the 2016 Patient Safety Awards. The 'Locality Data Packs' were shortlisted in the Best Emerging Product/Innovation in Patient Safety category and the CAMHS 4D Toolkit from www.MyMind.org.uk was also shortlisted for Best Emerging Technology.

Greenways AIMS high

Greenways Assessment and Treatment Unit has received national recognition for delivering high-quality care for adults with learning disabilities. The unit was presented with a certificate after meeting AIMS (Accreditation for Inpatient Mental Health Services) standards set by the Royal College of Psychiatrists. The accreditation assessed the quality of facilities, staffing, care, patient safety and treatment processes at the inpatient unit in Macclesfield.



Award for young peoples' mental health model

Claire Evans, Participation and Engagement Lead at CWP was named National Lead of the Year at the Young Advisor Awards 2016. The award comes two years after CWP became the first NHS Trust to sign up to the national Young Advisors scheme, which gives 15 to 24-year-olds the chance to influence decision-making and improve community services in their area.



Membership magazine is gold standard

CWP Life, the Trust's membership magazine picked up Gold for 'Best Publication' by the Chartered Institute of Public Relations at the North West Pride Awards ceremony. The magazine was commended as a great example of good practice with a comprehensive approach to research and planning and its simple, clear and engaging design.

Developing local peer-led services

Health Education England North West has awarded CWP £30,000 to invest into new peer support roles across the Trust. The money will be used to develop and deliver accredited training for over 30 peer support roles by the end of 2017. The support is in addition to clinical support from health professionals and will assist people with their recovery.



Autism Champion for England

Dr Ian Davidson, Consultant Psychiatrist for CWP, was appointed to the role of Autism Champion late last year by The Royal College of Psychiatrists to support the national 'Think Autism' programme. 'Think Autism' a cross-government strategy led by the Department of Health and supported by NHS England, is set to dramatically improve the lives of people living with autistic spectrum disorder (ASD) and their families, who face many barriers to accessing healthcare services.

Extension of Emotionally Health Schools

East Cheshire school children celebrated one year of the Emotionally Health Schools pilot, which supports the health and wellbeing of young people across the borough. The project, set up by Cheshire East Council in partnership with CWP, Visyon, Just Drop In and the Children's Society has worked to improve linked between schools and mental health services for young people. The project has been extended for a further two years, in line with the government's initiative to improve mental health in schools.



Young People 'Takeover' CWP

Young People in Cheshire and Wirral were given the opportunity to work alongside CWP staff and share their ideas on mental health services as part of CWP's annual 'Takeover Challenge'. Services offering mental health support for children and adolescents showcased their work, whilst young people hosted a question and answer session alongside Trust senior management.

Recovery festival

Patients at Limewalk House in Macclesfield shared their work with friends and family as part of the unit's Recovery Festival. Patients also displayed arts and crafts and hosted carnival stalls. More than 50 people attended the festival which featured live music and raised £440 for CWP Charity.



1. Performance Report

1.1 Overview of Performance

1.2 Performance Analysis

1.1 Overview of Performance

The section seeks to set out the principal purpose of the Trust, the key clinical and quality risks which the Trust faces and mitigates and an overall view on performance during the year.

Chief Executive's statement

2016/17 has been a largely positive year for the Trust, despite the continuing challenges posed by the operational environment, locally and nationally.

We continue to strive towards providing care in a person-centred way in the right place at the right time for people who use our services. This was recognised by the CQC in their routine re-inspection of our core mental health services in autumn 2016 where the Trust rating remained as "good" overall with "outstanding" for care. The launch of our person-centred framework which is made up of tools and approaches to help us practically apply person centred principles in all we do, enable us to continue to ensure that excellent care is at the centre of all we do.

Financially the Trust has performed satisfactorily reporting a deficit from normal operations of £0.1m, which is within our agreed NHSI control total of 0.9m deficit; however the Trust is reporting a technical deficit for the year of £6.5m. This position includes items totalling £6.4m (impairment of non-current assets following revaluation and loss on disposal of assets) that are not part of the normal operations of CWP and they are excluded from NHSI's financial assessment of the Trust.

CWP ended the financial year in 'Segment 1' and with a Use of Resources Risk Rating (UoR) of 2 as assessed by our regulator, NHS Improvement (NHSI). Our financial performance in 2016/17 is described in further detail in the Performance Analysis section of this report.

The Trust has also achieved all regulatory targets for 2016/17, in particular sustaining improvement in targets for improving access to psychological therapies (IAPT) which was marginally under-achieved in the latter half of 2015/16.

The Trust undertook its external well-led governance review during 2016/17 concluding in March 2017. This confirmed the Trust to be a values driven, well-led organisation undertaking a significant role in the local health economy. We are building upon this pleasing conclusion by taking forward a number of areas for further development to ensure we continuously improve.

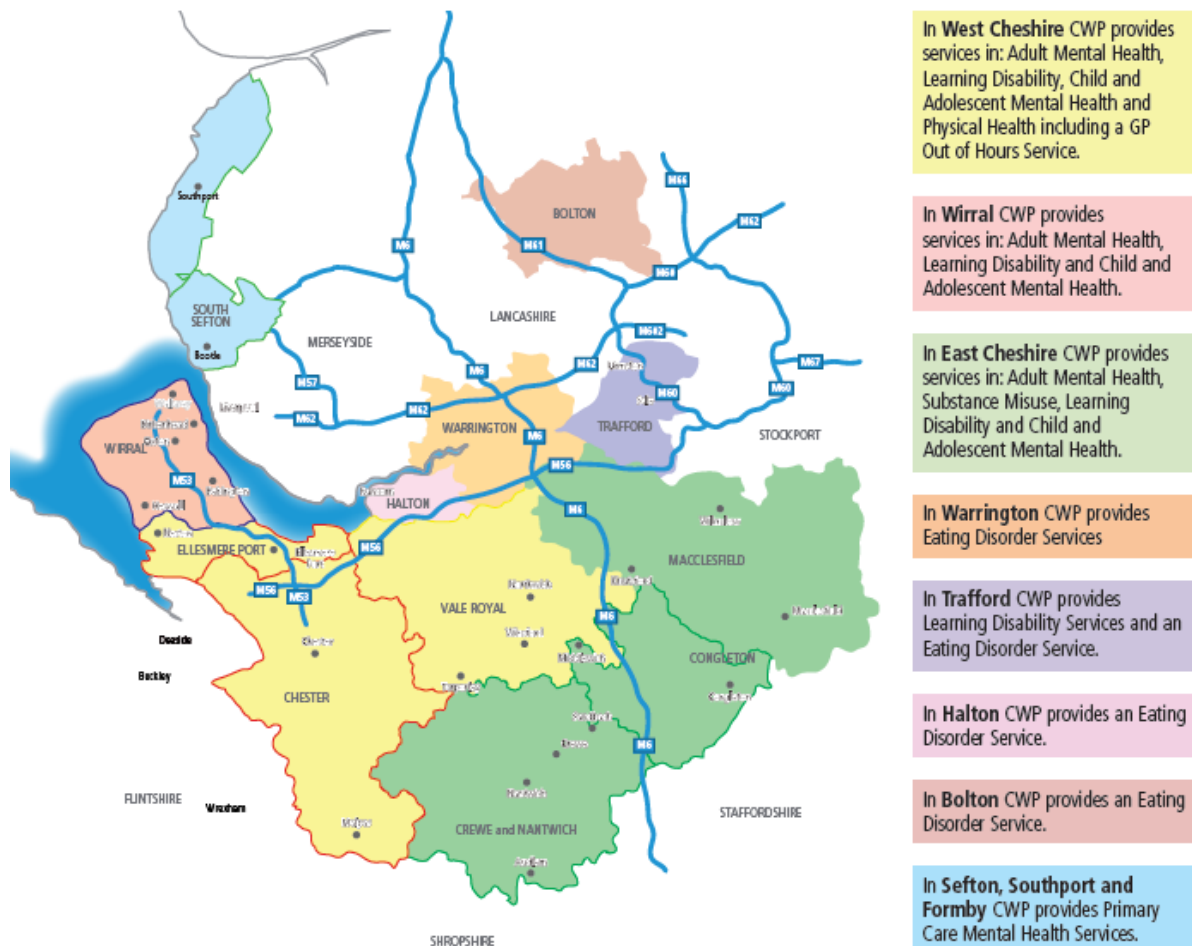
CWP was one of the many NHS trusts and global organisations impacted by the cyber-attack in May 2017. The Trust's business continuity plans worked effectively enabling our clinical services to continue uninterrupted with no loss of data.

2017/18 and beyond are anticipated to be equally as challenging financially, however, in continuing to deploy our effective financial stewardship, we will seek to mitigate these risks in a range of ways. This will include working closely with partners in the local health economy to ensure the delivery of person-centred, effective and caring services within the available resource.

About CWP: History, Statutory Background, Purpose and Activities

Cheshire and Wirral Partnership NHS Foundation Trust (CWP) was formed in 2002 and achieved Foundation Trust status in June 2007.

The Trust provides a range of services throughout Wirral and Cheshire, including mental health, substance misuse, learning disability and community physical health services. These services are provided in partnership with commissioners, local authorities, voluntary and independent organisations, people who access our services, their carers and families. The Trust also provides specialist services within Liverpool, Sefton, Bolton, Warrington, Halton and Trafford.



CWP has over 14,000 members and employs more than 3,000 staff across 60 sites, serving a population of over a million people. We provide integrated care in the community and within inpatient settings based on best practice and outcomes, working closely with the people who access our services and their carers to provide person-centred care for all. Our services are developed and led by clinical staff and we strive for clinical excellence by ensuring there is a framework to deliver quality improvements, ensuring the safe and effective care that result in quality outcomes for people who use our services.

In 2016/17, the Trust had an approximate annual turnover of £162.5m. Over 94.6% of the Trust's income comes from a range of CCGs, NHS England and local authorities, principally in North West England.

The Trust's vision of 'Leading in Partnership to improve health and well-being to provide high quality care' sets out the Trust's aspiration to achieve sustainable, person-centred care in a safe and quality focused way.

In 2016/17, CWP has sought to progress towards this, working collaboratively with partners and stakeholders in the wider community. The Trust's quality strategy is underpinned by the Trust's vision, strategic objectives, forward plans and priorities. Together with the Trust's person-centred framework, this ensures that quality drives the Trust's strategy of ensuring a focus on continuous improvement. This approach is defined in greater detail in the Quality Account.

The Five Year Forward view issued by NHS England in 2014 provides the context for the CWP's forward plans. It sets out a clear direction for the NHS showing why change is needed and what it will look like, with a focus on prevention, engaging communities and empowering patients. Practically it identifies a range of new care models designed to respond to the transformation needed providing a mandate for change. The local Sustainability and Transformation Plans (STPs) identify how this transformation will be taken forward and regional and local level.

CWP is one of twenty NHS provider organisations within the Cheshire and Merseyside STP. Known as the Cheshire and Merseyside Five Year Forward View, it is the second largest in England and is co-terminus with one of the Cheshire and Wirral local delivery systems (LDS) which underpin the delivery of the Cheshire and Merseyside Five Year Forward View priorities.

Despite the challenges of the complex local health economy, the Trust's continued focus on growing and strengthening partnership arrangements is enabling a significant contribution to the Cheshire and Merseyside Five Year Forward View arrangements and in the delivery of the key priorities identified. This includes leading the mental health work stream, working closely with other mental health providers in the area to ensure that the aims of the national Five Year Forward View for mental health is implemented consistently across Cheshire and Merseyside. An early success from this work was the facilitation of the successful joint bid to support perinatal services across the region with new service launching in 2017/18. The Trust is also playing a central role in the implementation of the regional strategy to transform care for people with learning disabilities.

In the context of highly constrained finances coupled with the need to continuously ensure the quality, safety and effectiveness of care, CWP has built upon work instigated in 2015/16 to focus on delivering safe and effective services which meet the needs of the population, delivered within the available resource. This work concluded with the identification of six priority areas for delivery in 2016/17 which included CAMHS tier 4 services, West Cheshire 0-19 services, local implementation of the transforming learning disability services strategy, further development of integrated community health services, reviewing service provision in East Cheshire and delivering improvements on improving access to psychological therapies (IAPT). Performance against these priorities is described throughout this annual report.

Our operational planning process for 2017/18 reviewed progress with these priorities and identified those needing a longer delivery phase. These have been further defined in the 2017/19 Operational Plan and they include the further development of services for children and young people, transforming learning disability services and mental health and physical health integrated care teams. Driven by the Trust's own strategic response to the national Five Year Forward View, the CWP Forward View provides a blueprint for the Trust to transform care delivery with a focus on person-centred care, better outcomes and reducing unwarranted variation in care. Work will continue in to 2017/18 to operationalise this strategy.

Key issues and risks

Risk management is a fundamental part of Trust business and CWP has a robust framework in place to mitigate risks to delivery of its strategic objectives. The risks to the delivery of clinical, quality, operational and financial priorities are managed through the integrated governance framework.

Clinical and Quality Risks

The Trust's highest level clinical and quality risks (rated 15-25) at the end of 2016/17 were:

- Risk of harm to patients due to ligature points and environmental risks within the inpatient setting
- Risk of harm due to deficits in familiarity with and staff confidence in applying safety critical policies, in particular the Trust's 'search' policy, to ensure CWP maintains safe environments for patients and staff
- Risk of cyber-attack resulting in loss of access to key systems and/ or data files with possible impacts on healthcare delivery, financial penalties and reputational damage

Further details on the plans to mitigate these risks can be found in the Annual Governance Statement.

Financial Risks

Looking ahead, the Trust faces a number of financial risks in delivery of its 2017/18 plans. These include increasing ward staffing costs, potential loss of income generating beds and non-achievement of the efficiency plan. Provision has been made within the financial plan to mitigate these risks.

Going concern

CWP continues to demonstrate a strong underlying financial position. Our Operational Plan is forecasting a surplus position of £1.0m for 2017/18, inclusive of £1m non-recurrent Sustainability and Transformation funding (net break-even) and it is expected that this level of financial performance will be sustained in 2018/19. One of the main challenges in achieving this position will be the achievement of £3.2m recurrent efficiency savings carried forward from 2016/17.

The Trust has a forecast cash balance of £7.4m at 31st March 2018 and has no concerns regarding the ability to service payments as and when they fall during 2017/18.

The Directors' opinion, therefore, is that the Trust is a going concern and they 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 issued by NHS Improvement (NHSI) under schedule 7 of the National Health Service Act 2006. Please refer to the statement of Accounting Officer's responsibilities.

In summary, CWP performance has been positive, particularly in light of the complex challenges the NHS faces at large. This is highlighted in particular by our CQC inspection outcome, our financial management resulting in the achievement of our control total for 2016/17 and the achievement of all regulatory operational targets in 2016/17.

1.2 Performance Analysis

Key Performance Measures

We are required to report our performance against a list of published key national measures of access and outcomes against which we are judged as part of assessments of our governance.

A monthly performance dashboard, fully aligned to deliverables of the 2016/17 Operational Plan, has been produced in-year to provide the Board with oversight of the Trust's key priorities. Where the required performance of each priority is at risk, in-depth reviews are undertaken to ensure plans are put in place to return performance to the levels expected. This has worked well in ensuring that the Board has appropriate assurance on the delivery of the Operational Plan and the Trust's objectives.

This dashboard was subject to an end of year review taking account of the Operational Plan 2017/18, to ensure ongoing Board scrutiny of the relevant performance indicators.

NHSI Single Oversight Framework Targets 2016/17		
Target Title	Required Performance	Actual Performance
Care Programme Approach (CPA) patients receiving follow up within 7 days of discharge	>95%	98.6%
Care Programme Approach (CPA) – having formal review within 12 months	>95%	95.8%
Minimising delayed transfers of care	<7.5%	0.7%
Admissions to inpatient services had access to crisis resolution home treatment teams	>95%	97.8%
Meeting commitment to serve new psychosis cases by early intervention teams	>50%	85.7%
Improving Access to Psychological Therapies- Patients referred within 6 weeks	>75%	89.2%
Improving Access to Psychological Therapies - Patients referred within 18 weeks	>95%	98.7%
Data completeness: identifiers	>97%	99.6%
Data completeness: outcomes	>50%	85.4%
Compliance with requirements regarding access to healthcare for people with a learning disability	N/A	Achieved
Community care – referral to treatment information	50%	100%
Community care - referral information	50%	99.9%
Community care - activity information	50%	80.7%

Risk of, or actual, failure to deliver mandatory	Yes/No	No
CQC compliance action outstanding (as at 31 March 2017)	Yes/No	Yes – <i>(actions due for completion July 2017)</i>
CQC enforcement action within last 12 months (up to 31 March 2017)	Yes/No	No
CQC enforcement notice currently in effect (as at 31 March 2017)	Yes/No	No
Moderate CQC concerns or impacts regarding the safety of healthcare provision (as at 31 March 2017)	Yes/No	No
Major CQC concerns or impacts regarding the safety of healthcare provision (as at 31 March 2017)	Yes/No	No

The Trust has achieved all regulatory targets for 2016/17, in particular sustaining improvement in the targets for ‘improving access to psychological therapies (IAPT)’ which was marginally underachieved in the latter half of 2015/16.

Performance on other key targets including financial and workforce related targets are described in other sections of this report. Further information in relation to regulatory ratings can be found within the regulatory ratings section of the Accountability Report.

The position of the Trust at the 31 March 2017

The Trust ended the financial year in ‘Segment 1’ and with a Use of Resources Risk Rating (UoR) of 2 as assessed by our regulator NHS Improvement (NHSI). Segmentation and the UoR replaced both the governance rating and the Financial Sustainability Risk Rating metrics in October 2016. Providers are assigned a segment according to the scale of issues faced by the Trust and are rated on a scale of 1-5 where segment 1 identifies providers with maximum autonomy to segment 5 for those in special measures. Performance against both risk rating metrics are shown below.

In 2016/17, NHSI introduced individual control totals for all Foundation Trusts to achieve by year-end. CWP accepted a control total of £0.9m deficit. Although the Trust is reporting a technical deficit for the year of £6.5m, this position includes items totalling £6.4m (impairment of non-current assets following revaluation and loss on disposal of assets) that are not part of the normal operations of CWP and they are excluded from NHSI’s financial assessment of the Trust. This meant that through robust monitoring and careful use of available resources that the Trust reported a deficit from normal operations of £0.1m, which is within our agreed NHSI control total of 0.9m deficit. This position was improved as a result of the receipt of additional sustainability and transformation fund (STF) funding at year-end.

A key feature of our financial performance was the ability of the Trust’s services to deliver a very challenging efficiency programme during 2016/17. Whilst this was not achieved in full, an appropriate level of contingency was factored into plans which provided the cover for the outstanding gaps. Efficiency savings are a fundamental part of NHS contracts going forward into 2017/18 and beyond. The Trust was also successful in managing the financial risks posed to ensure these did not have a detrimental effect on the overall financial performance.

The Trust was able to take advantage of £3.1m of CQUIN (Commission for Quality and Innovation) non-recurrent funding to invest in a wide range of service quality enhancements outlined in the Quality Account.

Looking forward, there are no financial implications of any significant changes in the Trust's objectives and activities, or its investment strategy for 2017/18.

The Trust's performance on recognised financial metrics is shown in the tables below:

Financial Sustainability Risk Rating – Performance to 30 September 2016 (4 = lowest risk, 1 = highest risk)

Financial criteria	Metric	Performance	Rating
Capital Servicing Capacity	Capital Service Cover (times)	1.6 times	2
Liquidity	Liquidity Ratio (days)	(8.4) days	2
Income and Expenditure Margin	Surplus as % of total operating and non-operating income (excluding severance costs)	(0.4) %	2
Income and Expenditure Margin Variance	Income and expenditure margin % variance against annual plan (excluding severance costs)	0.7%	4
Overall Rating			3

Use of Resources Risk Rating – Performance to 31 March 2017 (1 = lowest risk, 4 = highest risk)

Financial criteria	Metric	Performance	Rating
Capital Servicing Capacity	Capital Service Cover (times)	2.8 times	1
Liquidity	Liquidity Ratio (days)	(6.5) days	2
Income and Expenditure Margin	Surplus as % of total operating and non-operating income (including severance costs)	(0.0)%	3
Income and Expenditure Margin Variance	Income and expenditure margin % variance against annual plan (including severance costs)	0.5%	1
Agency Expenditure	Agency expenditure % variance against agency ceiling	(42.3)%	1
Overall Rating			2

Income

Although overall income has increased in 2016/17 by 0.6% in comparison with 2015/16, this financial year has seen a national inflator of 1.1% applied and this has been offset by small gains and losses in year on various contracts.

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.

Fixed assets

The net book value of property, plant and equipment has decreased by £6.5m during the year from £76.3m to £69.8m. There has been a £5.4m investment of which £4.3m relates specifically to the construction of the Trusts CAMHS T4 unit (Ancora House), operational since summer 2016. Depreciation for the year totals £2.4m.

The Trust also commissioned a full valuation of its Land and Buildings at 31st March 2017. This resulted in an impairment of £9.6m (of which £6.3m was charged to operating expenses and £3.3m to revaluation reserve). A detailed analysis of this can be found in note 14.1 of the accounts.

Cash position

The Trust ended the year with cash, bank balances and investments of £9.5m. Although, this represents a similar cash and bank balances held at the end of the previous year, this represents a significantly improved position on that planned for the year.

Pensions and other retirement benefits

The Trust's accounting policies for pensions and other retirement benefits for staff can be found in note 1.3 to the Accounts. Details of the remuneration and pension benefits of senior managers can be found in the Remuneration Report.

Significant Events

There have been no significant events with material consequences for the Trust in 2016/17.

Overseas Operations

Cheshire and Wirral Partnership NHS Foundation Trust had no overseas operations in 2016/17.

Care Quality Commission (CQC) inspection

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 Trust has participated in one investigation or review by the Care Quality Commission during 2016/17, which was a routine re-inspection of core mental health services.

In October 2016, mental health services were re-inspected in five core services that the Care Quality Commission identified as having areas which required improvement during the Trust's comprehensive inspection undertaken in June 2015, as well as re-assessing core services overall. The Care Quality Commission also inspected our Substance Misuse Services in East Cheshire for the first time.

Results of the re-inspection were published on 3 February 2017. All re-inspected services were rated as "good" overall; the Care Quality Commission reports detail where improvements have been noted. Following the re-inspection, the Trust rating has not changed, remaining as "good" overall with "outstanding" for care.

The areas re-visited were:

- Forensic inpatient /secure wards
- Acute wards for adults of working age and psychiatric intensive care units
- Community-based mental health for adults of working age

- Community-based mental health services for older people
- Specialist community mental health services for children and young people

The 'area for improvement' identified from the re-inspection is an area of continuous improvement in relation Mixed sex guidance implementation within the "safe" key question for acute adult and psychiatric intensive care units. A robust action plan was developed in response to the regulatory actions identified which has been agreed with the Care Quality Commission and subsequently implemented. All actions are on track and due to be completed by 31 July 2017.

Overall rating for services at this Provider		Good 
Are Services safe?		Requires improvement 
Are Services effective?		Good 
Are Services caring?		Outstanding 
Are Services responsive?		Good 
Are Services well-led?		Good 

CWP physical health services have not yet received a re-inspection by the Care Quality Commission.

Environmental Matters

CWP continues to be fully committed to reducing the impact of its activities on the environment. Examples of practical environmental projects which were ongoing in 2016/17 include:

- 'Warpit' - CWP's online resource re-use portal designed to make effective use of furniture, consumables and equipment assets declared 'surplus' to needs
- Internal recycling and trading of items have saved costs for CWP teams instead of purchasing new goods
- Partnering with local charities and donating items that would have been deemed as waste
- Close working with general waste contractors by developing and introducing segregated waste options for internal recycling points in many areas of the Trust.
- Healthcare/clinical waste is sent for treatment by alternative technologies enabling energy to be derived from the process and resold back to the market

These projects continue to develop and engage all staff in the process of reducing environmental impacts. Waste figures continue to reduce as more waste is recycled through effective segregation of waste materials and 98% of general waste is recycled. Residual waste is converted to energy by waste technology and the Trust also continued to donate surplus waste furniture items to 12 registered charities in 2016/17.

Sustainable Development Management Plan

CWP's Sustainable Development Management Plan 2015/2020 sets out our response to the NHS Carbon Reduction Strategy and demonstrates the Trust's commitment to sustainability through environmentally responsible working practices and how we will achieve and measure these. The Plan sets out a number of key priorities including energy usage, procurement and food, transport and access, water usage, waste management and ensuring the best design of the built environment. In 2016/17 the Trust continued to progress towards

achieving these ambitions. Progress against the plan is reviewed annually by the Operational Board.

Social, Community and Human Rights Issues

The Trust reiterates its commitment to social responsibility, human rights and playing a positive role in the community, through the services we offer and through our staff as members of the community. CWP remains committed to delivering personal, fair and diverse services for communities and recognises the different needs of communities and always strive 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 that employees from all backgrounds bring to their role and the importance of teams reflecting the diversity of the community they serve.

A four year equality and diversity action plan sets out our key objectives and the measures the Trust will use to monitor delivery. The equality champions network within each locality actively promote equality and diversity within their areas and support the delivery of the equality objectives which are:

- Equality Delivery System 2 (EDS2): The EDS2 is a public commitment of how NHS organisations plan to meet the needs and wishes of both local people and staff and how they will meet the duties placed on them by the Equality Act 2010. It also sets out how differences between people will be recognised and how any gaps and inequalities will be identified and addressed
- Workforce Race Equality Standard (WRES): From 1 April 2015, the Trust has been required to demonstrate how we are addressing race equality issues in a range of staffing areas, through the new nine-point Workforce Race Equality Standard (WRES) metric. The Trust WRES action plan demonstrates progress against a number of indicators of workforce equality which is reviewed annually by the Board of Directors
- Accessible Information Standard: From 1st August 2016 onwards, all organisations providing NHS care or adult social care are legally required to follow the Accessible Information Standard. The standard aims to make sure that people who have a disability, impairment or sensory loss are provided with information that they can easily read or understand and with support so they can communicate effectively with health and social care services. The Trust has promoted the accessible information standard to all services and ensures information is easily accessible to all

The Trust continues to provide a full range of interpreting and translation services for non-English speaking service users and carers who need communication support, including Black and Minority Ethnic (BME), deaf/blind, deaf and visually impaired and learning disabilities service users and carers. The Trust monitors the usage of interpretation and translation services on a quarterly basis and review this usage on an annual basis.

The Disability Confident Employer Scheme aims to help CWP successfully employ and support disabled people and those with ongoing health conditions. It promotes positive attitudes, behaviours and cultures, not just in our immediate business but in our external networks and in the community. In November 2016 the Trust transferred over from the Positive about Disabled People 2 Ticks Accreditation to the Disability Confident Employer Scheme Level 2.

The Trust also maintains the Mindful Employer Charter which provides employers with easy access to information and support in relation to supporting staff that experience stress, anxiety, depression and other mental health conditions.

Equality and Diversity (E&D) continues to be a key feature of the induction programme for new staff. Existing staff undertake regular training programmes to maintain awareness of equality and diversity issues which may impact in their roles.

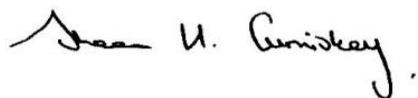
Trust staff also receive equality and diversity information and training sessions provided by various third sector organisations and groups who are representatives of the diverse community that the Trust serves. These include deaf awareness, transgender, hate crime, gypsy travellers, and learning disabilities. These sessions have provided an opportunity for staff to develop their knowledge and understanding of various groups. It has also enabled these representatives to extend their knowledge and understanding of CWP's services.

NHS Constitution

The NHS Constitution sets out the principles and values of the NHS in England, bringing together the standards that staff, patients and the public can expect of the NHS. It sets out the rights of patients, public and staff and the pledges that the NHS has made. It also explains the responsibilities of the public, patients and staff to ensure that the NHS operates fairly and effectively. All NHS bodies (and private and third sector providers supplying NHS services) are bound by law to take account of this Constitution in their decisions and actions.

CWP upholds the NHS Constitution and entirely supports its principles and values. We are already committed to treating our patients with dignity and respect, following the highest standards of care, all of which are included in the NHS Constitution. Moving forward adherence to the values set out in the NHS Constitution will be monitored by the Patient Experience sub-committee.

Signed

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

Sheena Cumiskey – Chief Executive
24th May 2017

2. Accountability Report

2.1 Directors' Report

2.2 Remuneration Report

2.3 Staff Report

2.4 NHS Foundation Trust Code of Governance

2.5 NHS Improvement Single Oversight Framework

2.6 Statement of Accounting Officer's Responsibilities

2.7 Annual Governance Statement

2.8 Auditors Opinion and Certificate


2.1 Directors' Report


Board Membership

The Board of Directors hold the collective responsibility for setting the strategic direction and organisational culture and for the effective stewardship of the Trust business. As such it 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 Corporate Governance Manual sets out the schedule of matters reserved for Board.

Paragraph 26 and Annex 7 of the Trust's constitution and Section G4 of the Provider Licence set out the circumstances that would disqualify an individual from holding a Director position on the Board.


In accordance with the Trust Constitution, the Directors of Cheshire and Wirral Partnership NHS Foundation Trust and their positions during 2016/2017 are set out below.

Mike Maier	Chair – appointed June 2016. Former Independent Non-Executive Director and Deputy Chair - 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 • Qualified Chartered Accountant 	 mike.maier@cwpa.nhs.uk Tel: 01244 397371	


Rebecca Burke-Sharples	Independent Non-Executive Director – appointed August 2014 Senior Independent Director – appointed January 2017
<p>Experience</p> <ul style="list-style-type: none"> • Retired NHS Chief Executive with over 32 years of experience, as a nurse and manager • Member of the Bristol Royal Infirmary Independent Public Enquiry panel • Previously undertaken national policy work in the field of Paediatric Intensive Care Nursing • Awarded the CBE in 2002 for services to Nursing and Healthcare management <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> • Fellow of Liverpool John Moores University • Vice Chair of Chester Zoo (NEZS) – 2009 - 2017 	 <p>Rebecca.BurkeSharples@cwps.nhs.uk Tel: 01244 397371</p>


Andrea Campbell	Independent Non-Executive Director – appointed January 2017
<p>Experience</p> <ul style="list-style-type: none"> • Retired NHS Executive Director of Commissioning 25+years of experience at senior level in health and social care • Management consultant 13+ years working on national policy development, strategic planning, policy implementation, third sector organisational support for service improvement. • Board of two third sector organisations supporting people with dementia and people with learning disabilities • Previous NHS non-executive director experience <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> • MA Social & Public Policy – Leeds University 	 <p>andrea.campbell@cwps.nhs.uk Tel: 01244 397371</p>

Dr James O'Connor	Independent Non-Executive Director – appointed May 2014
<p>Experience</p> <ul style="list-style-type: none"> • General Practitioner since 1978, retired in 2012 • Medical Director of Community Services, intermediate care and PCT from 2000, retired in 2012 • Numerous other roles including Clinical Assistant in Medicine for the Elderly and rehabilitation, local medical committee secretary and national representative of Clinical Leaders in the North West <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> • MB ChB, DRCOG • BMA Member 	 <p>james.oconnor@cwps.nhs.uk Tel: 01244 397371</p>


Edward Jenner	Independent Non-Executive Director – appointed January 2017
<p>Experience</p> <ul style="list-style-type: none"> • 25 years senior executive experience in Unilever plc and latterly Waterford Wedgwood plc • Directorships in Finance, HR, Information Technology, Strategic Planning, Restructuring, Property Development • 20 years non-executive director experience including Chairman of a Building Society • Chair of several Audit and Remuneration Committees <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> • B.Sc. (Hons) • FCMA 	 <p>edward.jenner@cwps.nhs.uk Tel: 01244 397371</p>


Lucy Crumplin	Independent Non-Executive Director – appointed August 2013 Reappointed July 2016.
<p>Experience</p> <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 • Experience as a school governor <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> • English Literature and Psychology, BA Hons • Human Resources Consulting, MSc • Chartered Institute of Personnel and Development (CIPD) qualified • Prince 2 (Project Management) Registered Practitioner 	 <p>lucy.crumplin@cwps.nhs.uk Tel: 01244 397371</p>

Sarah McKenna (nee Reiter)	Independent Non Executive Director – appointed December 2015
<p>Experience</p> <ul style="list-style-type: none"> • Work across both the public and private sectors in roles in Asia, Australia and the UK. • Strong public service mindset, having held policy posts within healthcare during periods of major reform including the decentralisation of mental health in Australia and later serving as Deputy Chief of Staff, for the Victorian Government overseeing unparalleled infrastructure investment. • Regional leadership of one of the world’s largest marketing professional services groups, FutureBrand, and successfully founding the North-East based management consultancy Evidence to Action. <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> • MA, Political and International Affairs, University of New England, NSW, Australia • Practising Management Consultant Certification (Singapore) • BA, Victoria University, Melbourne, Australia • Fellow, Salford University Business School 	 <p>sarah.mckenna@cwp.nhs.uk Tel: 01244 397371</p>

Sheena Cumiskey	Chief Executive - appointed February 2010
<p>Experience</p> <ul style="list-style-type: none"> • Over 30 years experience in the NHS, 21 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 • Named as CEO of the Year at the 2015 Health Service Journal (HSJ) Awards • Member of the NHS Employers Policy Board <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> • BA Hons • General Management Training Scheme graduate • Member of the Institute of Health Service Managers 	 <p>sheena.cumiskey@cwp.nhs.uk Tel: 01244 397371</p>


Tim Welch	Director of Finance – appointed April 2013 Deputy Chief Executive
<p>Experience</p> <ul style="list-style-type: none"> • Over 20 years in the NHS experience • 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 <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> • Fellow of the Chartered Institute of Public Finance and Accountancy • BSc (Hons) Biochemistry 	 <p>tim.welch@cwpc.nhs.uk Tel: 01244 397377</p>

Avril Devaney	Director of Nursing, Therapies and Patient Partnership - appointed January 2003
<p>Experience</p> <ul style="list-style-type: none"> • Over 30 years experience working in NHS • 15 years experience at Board level • 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 • Received MBE in January 2016 for services to nursing of people with mental health problems <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> • Registered Nurse (Mental Health) • Diploma in Counselling • MSc in Health and Social Care (research subject: Nursing Leadership and Organisational Change) • Member of Local Safeguarding Children Boards • 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 • Trustee on The Jamie Devaney Memorial Fund – supporting mental health care in Uganda • Honorary Visiting Professor – University of Chester 	 <p>avril.devaney@cwpc.nhs.uk Tel: 01244 397374</p>

Dr. Faouzi Alam	Consultant Psychiatrist and Joint Medical Director (Effectiveness and Medical Workforce) – appointed October 2013
<p>Experience</p> <ul style="list-style-type: none"> • 21 years experience as a Doctor <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> • MD, specialist in renal medicine • MRC Psych • CCT in Adult and Liaison Psychiatry 	 <p>faouzi.alam@cwps.nhs.uk Tel: 01244 397267</p>

Dr. Anushta Sivananthan	Consultant Psychiatrist and Joint Medical Director (Compliance, Quality & Assurance) – appointed August 2010
<p>Experience</p> <ul style="list-style-type: none"> • Over 15 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 <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> • MBChB • MRCPsych • Diploma in Geriatric Medicine • North West Leadership Award (2013) for Quality and Innovation 	 <p>anushta.sivananthan@cwps.nhs.uk Tel: 01244 397374</p>

Andy Styring	Director of Operations - appointed May 2009
<p>Experience</p> <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 <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> • Registered nurse (learning disabilities) 	 <p>andy.styring@cwps.nhs.uk Tel: 01244 397267</p>

David Harris	Director of People and Organisational Development – appointed September 2014. Appointed Executive Director September 2016
<p>Experience</p> <ul style="list-style-type: none"> • 23 years of working in a range of public sector organisations • Particular experience in the development, implementation and management of organisational change. • Former member of the Civil Service Fast Stream Scheme <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> • MA (Cantab) • Chartered Fellow of the Chartered Institute of Personnel and Development • AQuA Fellow in Improvement Science • Advanced Diploma in Executive Coach Mentoring • Qualified Coach-Mentor Supervisor • Accredited Human Systems Dynamics Practitioner 	 <p>david.harris@cwps.nhs.uk Tel: 01244 393106</p>

Changes to the Board during 2016/2017

David Eva completed his final terms of office as Trust Chairman on 31 May 2016.

Following a rigorous selection process with the support of an external search adviser (Diane Charnock Consulting), the Nominations and Remuneration Committee selected a candidate for recommendation for appointment to the Council of Governors.

The Council of Governors subsequently approved the appointment of Mike Maier, formally Deputy Chairman as Trust Chairman at their meeting on 12 April 2016. Mike Maier took up the position of Chair with effect from the 1 June 2016 for a three year term of office.

Non-Executive Director and Senior Independent Director Fiona Clark completed her final terms of office on 31 December 2016. This followed a short extension to her tenure recommended by the Nominations and Remuneration Committee and approved by the Council of Governors in April 2016. This was approved in view of exceptional circumstances at the time, including the recent appointment of the new Chair and to maintain Board stability.

In September 2016, the Nominations and Remuneration Committee of the Council of Governors also undertook a recruitment process to appoint two new Non-Executive Directors. With the support of external advisers (Gatenby Sanderson), following a rigorous search process, Edward Jenner and Andrea Campbell were appointed to the Board as Non-Executive Directors, with effect from 1 January 2017, each for a three year term of office.

The Committee also reviewed the performance of Non-Executive Director Lucy Crumplin prior to the end of her first term of office in August 2016. The review concluded to recommend reappointment for a second term of office, for a three year period, to conclude in August 2019. This was approved by the Council of Governors in July 2016.

The Nominations and Remuneration Committee of the Board of Directors reviewed the composition of Executive Directors in 2016/17 to ensure the appropriate skills and experience is in place to respond to system challenges. As a result, the Nominations and Remuneration Committee agreed that the Director of People and Organisational Development should have an executive portfolio in reflection of the significant workforce transformation challenges ahead. This was agreed by the Board of Directors in September 2016 and was enabled by a constitution change enacted by the Council of Governors in September 2016.

The significant commitments and interests of the Chair and the other Directors are detailed in the pen portraits shown above 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.

All Directors have been assessed in accordance with the 'fit and proper persons' regulations for Directors (Health and Social Care Act 2008 – Regulated Activities Regulations 2014). The Trust conducts an annual audit of compliance which includes a self-declaration from all Directors.

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

Balance, completeness and appropriateness of the Board

There is clear division of the responsibilities of the Trust Chairman and Chief Executive which is reviewed annually.

Non-Executive Directors are appointed for a term of three years unless otherwise terminated earlier by either party in accordance with Paragraph 21 of the Trust Constitution. Continuation of a Non-Executive Directorship is contingent on satisfactory performance.

Non-Executive Directors may be re-appointed at intervals of no more than three years. In accordance with the Code of Governance, Non-Executive Directors who have been in office for six years or more are subject to annual review undertaken by the Nominations Committee. Annual reviews also consider the continued independence of Non-Executive Directors. All Non-Executive Directors are considered to be independent. Independence of Non Executives is tested prior to appointment and reappointment.

The procedure for the removal of Non-Executive Directors by the Council of Governors is set out in Paragraph 21 of the Trust's constitution.

Following review, 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 that 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

Board performance and significant commitments

The Trust undertook an external well-led governance review in accordance with NHS Improvement's, (formerly Monitor) publication '*Well-Led framework for governance reviews: guidance for NHS foundation Trust's Updated April 2015*'. The review, which concluded in March 2017, was jointly facilitated by AQUA and Mersey Internal Audit Agency (MIAA). MIAA has an established relationship with the Trust as its internal auditor. However, in view of the fact that the review was to be jointly facilitated, with AQUA taking the role of lead facilitator, along with both organisations utilising a range of associates working independently of the internal audit function, this demonstrates sufficient assurance to ensure independence.

The overall conclusion from the review is that the Trust is well-led. The organisation was noted by the reviewers as being '*above all, a values-driven organisation and this has substantially been achieved through Board leadership and the setting of the tone at the top.*'

The review found the Board open to the necessity for transformation with a clear commitment to quality, safety, patient experience, improvement and robust risk management and governance processes.

Secondary governance arrangements, in particular the operation and effectiveness of the Council of Governors were highlighted as very strong, reflecting the investment of time by the leadership team in training, support and relationship building. The Trust is considered to be focused upon growing and strengthening partnership arrangements and contributing fully in the Sustainability and Transformation Plan arrangements, identified as an asset in the system leadership setting.

Areas for development were highlighted by the review include strategy development, capacity building, quality improvement-led efficiency and further development of information and business intelligence.

Following completion of the review, the Chairman of the Trust has written to NHS Improvement to advise them of the review findings. Further work is now being taken forward to respond to the areas for development and improvement and the Board will review the progress at regular intervals during the year.

All committees and sub-committees of the Board undertake an annual review of effectiveness to review the adequacy of the corporate governance framework and committee structure. This informs any changes to the committee structure, corporate governance manual and integrated governance framework which are also reviewed annually. The 2016/17 review approach builds upon the well-led governance review process to ensure a responsive governance structure is in place to manage and mitigate risk. A specific review of committee effectiveness is undertaken by the Audit Committee, the Quality Committee and the Operational Board.

Executive and Non-Executive Directors all receive annual individual appraisals. Non-Executive Directors with terms of office of six years or more are also subject to review by the Nominations and Remuneration Committee of the Council of Governors. The appraisal of the Chair is led by the Senior Independent Director in a process agreed and supported by the Council of Governors.

Board committees

The Board has a number of statutory and assurance Committees. Attendance by Board members at these meetings and those of the Board are shown below.

Director	Board of Directors	Audit Committee	Quality committee	Operational Board
Non-Executive Directors				
Burke-Sharples, Rebecca	11 of 12	7 of 7	3 of 6	
Clark, Fiona (term ended 31 Dec 2016)	8 of 9		3 of 4	
O'Connor, Dr James	10 of 12	5 of 7	6 of 6	
Crumplin, Lucy	11 of 12		6 of 6	
Jenner, Edward	2 of 3	2 of 2		
Campbell, Andrea	3 of 3			
Eva, David (Term ended 31 May 16)	2 of 2			
Maier, Mike (Chair from 1 June 2016)	12 of 12	2 of 2		

Director	Board of Directors	Audit Committee	Quality committee	Operational Board
McKenna (née Reiter), Sarah	10 of 12	4 of 7		
Executive Directors				
Alam, Dr Faouzi (Joint Medical Director)	10 of 12			8 of 11
Cumiskey, Sheena	11 of 12	1 of 1*	4 of 6	9 of 11
Devaney, Avril	8 of 12		4 of 6	5 of 11
Harris, David	8 of 12		1 of 6	5 of 11
Sivananthan, Dr Anushta (Joint medical Director)	11 of 12		6 of 6	6 of 11
Styring, Andy	10 of 12		4 of 6	9 of 11
Welch, Tim	10 of 12	5 of 7	3 of 6	11 of 11

*Sheena Cumiskey is only required to attend Audit Committee on an annual basis.

Nominations and Remuneration Committee of the Board of Directors

The Trust has two Nominations and Remuneration Committees. Both are chaired by the Trust's Chairman, Mike Maier. The Nominations and Remuneration Committee of the Board comprises of all Non-Executive Directors and the Chief Executive (unless the position of Chief Executive is being appointed to). This Committee met once in 2016/17.

Further information on the work of this Committee and Director attendance can be found in the Remuneration Report. More details on the Nominations and Remuneration Committee of the Council of Governors can be found later in this report.

Audit Committee

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 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, operations and compliance and how these issues have been addressed.

From 1 April 2016 until 31 May 2017, the Chair of the Audit Committee was Non-Executive Director Mike Maier. From 1 June 2017, following Mike Maier's appointment as Trust Chairman, Rebecca Burke-Sharples was appointed the Chair of the Audit Committee. The Committee's Non-Executive membership consists of Dr Jim O'Connor, Sarah McKenna and from 1 January 2017, Edward Jenner.

Edward Jenner will assume the position of Audit Committee Chair from 1 July 2017.

The attendance of Audit Committee members at its meetings is shown in the table above.

This year the Audit Committee has again focused on the work of the internal and external audit teams including anti-fraud and the implementation of the Trust's Integrated Governance strategy (means of internal control and risk management). Additionally, the Committee has reviewed financial reporting. The Committee has reviewed the controls and assurances of key strategic risks on a quarterly basis.

The Audit Committee received assurance on compliance with the NHS Foundation Trust Code of Governance which provided evidence of compliance against all provisions within the code and has also received assurance on compliance with the Trust Provider Licence.

The Committee considers that it has fully and effectively discharged its duties under the Terms of Reference extended to it by the Trust Board. The terms of reference are reviewed annually and were most recently reviewed at the March 2017 meeting.

- Financial Reporting

In order to undertake the principle duties assigned to them, Audit Committee members have specifically discussed and reviewed financial reporting and possible financial statement risks and mitigations.

The Trust is required under International Accounting Standard 1 to draw attention to key areas of the financial statements where the underlying estimates, judgements and assumptions used in exercising professional judgement may create a significant risk of causing material uncertainty at the end of the reporting period (31 March 2017).

When recording income, expenditure and the carrying values of assets and liabilities, management will make a series of informed and complex estimates, assumptions and judgements based on the key information available at the time. This is the basis upon which a number of significant values are reported within the financial statements.

At its meeting in February 2017, the Audit Committee was presented with management responses to a summary of generic financial risks which may be subject to estimation technique, judgement and uncertainty used in the preparation of the Trust's financial statements. The key risks and management responses to those risks centre around the accounting treatment of property, plant and equipment and material provisions held within its financial statements. An overview of the main risks and management responses is set out below.

Risk

The value of the Trust's Land and Buildings recorded in its Statement of Financial Position as at the 31st March 2017 is materially under or overstated.

Management Response

The Trust commissioned a full detailed revaluation of its Land and Buildings at the 31st March 2017. The effects of this revaluation are reflected within each of the primary statements and detailed within the notes to the Financial Statements.

Risk

Not all provisions are recorded in the Statement of Financial Position and of those that are recorded, the quantitative assessment is not based on sound judgement.

Management Response

A review of obligations which have not been settled at the reporting date are reviewed and assessed against IAS 37. Other risk areas covered included creditors, income, payroll and financial statement disclosures.

As part of its responsibilities to monitor operational and compliance matters, during the year the Audit Committee has also reviewed the strategic risk register on a quarterly basis and has recommended areas for further scrutiny to the Quality Committee. This has included the length of time taken to fully model individual risks. The Chair of Quality Committee became a member of the Audit Committee in 2016/17 to enhance and formalise the co-working of the two Committees.

The Committee has maintained regular oversight of the Trust's financial position. The Committee has also monitored issues impacting on the Trust's cash position as the year has progressed. The Trust ended the year with cash, bank balances and investments of £9.5m representing a significantly improved position on that planned for the year.

The Committee reviewed a number of other matters during 2016/17 including the clinical audit plan (healthcare quality improvement plan), the Trust response to the National Data Guardian review recommendations, the Trust's approach to the external well-led governance review and matters of locality assurance.

- Internal Audit

The Trust's internal auditors for the reporting period were Mersey Internal Audit Agency (MIAA). Their remit is 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.

The Internal Audit Plan work programme is informed by, and constructed through, a combination of intelligence gathering around both organisational and clinical risk issues as determined by the Trust Risk Register and Assurance Framework. The Audit Committee is satisfied that the programme of reviews for the coming year adequately addresses the strategic priorities of the Trust, is driven by the Board assurance framework and reflects an appropriate balance between clinical and operational (including financial) risk factors.

The Audit Committee has received an update on the progress of the internal audit plan at each meeting.

In 2016/17, 13 audits were undertaken which provided an assurance opinion. 12 were found to be significant assurance and 1 was limited assurance. MIAA have also have undertaken advisory reviews such as the cyber security baseline technical controls assessment and a review of Complex Case Management (Out of Area Placements) and as such these provided guidance to the trust on future actions but did not provide with a specific level of assurance. Following receipt of audit reports, the Committee has directed audit resources to complete follow-up reviews and to perform detailed reviews into specific issues and high risk areas where considered necessary.

- External Audit

The Trust's external auditor for the period April 2016 to March 2017 has been KPMG. In their engagement letter KPMG state that their liability and that of their members, partners and staff (whether in contract, negligence or otherwise) shall not exceed £2m 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 the audit code for NHS Foundation Trusts has been purchased from them. Any work of more than £5k falling into this category is approved by the Audit Committee. The Trust's auditor has not provided any non-audit services to the Trust during 2016/17 which required additional payment, with the exception of a pension tax seminar facilitated by KPMG for CWP employees approaching retirement age.

The effectiveness of the external audit process is held annually following the conclusion on the audit. This is led by the Director of Finance and other key officers.

In January 2017, the Audit Committee reviewed the performance of the external auditor ahead of the end of the initial three year contract and the Committee recommended that the Council of Governors approved the invocation of the two year contract extension. This was agreed by the Council of Governors meaning that the current external auditor contract will conclude at the end of 2018/19.

Board statement

The Directors consider that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and other stakeholders to assess Cheshire and Wirral Partnership NHS Foundation Trust's (CWP) performance, business model and strategy.

Stakeholder relations and 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 continues to utilise the formal joint venture partnership with Ryhurst Limited, 'Villicare' and 2016/17 saw the opening of Ancora House, the new CAMHS unit providing state of the art CAMHS facilities for young people experiencing a range of mental health conditions.

In 2017/18, Villicare will continue to support the Trust in providing high quality, effective estates management and support to drive transformation in other strategic areas such as information management and technology.

2016/17 also saw the Trust becoming a partner in the Central Cheshire Integrated Care Partnership (CCICP), supporting the delivery of integrated community mental and physical health services in Central Cheshire together with Mid Cheshire NHS Foundation Trust and South Cheshire GP Alliance Limited.

The Trust also established Nevexia, a company limited by shares, with the Trust acting as the 100% shareholder to enable the national and global marketing and commercialisation of its intellectual property and the sharing of innovative products, the net profits from which are distributed back to CWP. Incorporated on 19th January 2017, this company remains in its formative stages with no trading activities in 2016/17. A business plan is in development for 2017/18.

All partnership arrangements have representation from the Trust's Board of Directors and have defined reporting into the CWP governance structure, enabling line of sight to the Trust Board.

Charging for information

The Trust continues to comply with the cost allocation and charging requirement set out in HM Treasury and Office of Public Sector Information guidance.

Political donations

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.

Better payment practice code

The Trust adopts a Better Payment Practice Code in respect of invoices received from NHS and non-NHS suppliers. We are required to pay all undisputed invoices within 30 calendar days of receipt of goods, or a valid invoice (whichever is later), unless other payment terms have been agreed. To meet compliance with this target at least 95% of invoices should be paid within 30 days, or within the agreed contract term. The Trust's performance against target is summarised in the table below.

Item	Number 2016/17	£000's 2016/17	Number 2015/16	£000's 2015/16
Total non-NHS trade invoices paid in period	20,550	29,641	24,652	34,227
Total non-NHS trade invoices paid within target	19,277	27,942	21,780	31,586
Percentage of non-NHS trade invoices paid within target	94%	94%	88%	92%

Total NHS trade invoices paid in period	1,625	11,173	1,418	10,589
Total NHS trade invoices paid within target	1,474	10,570	1,287	9,752
Percentage of NHS trade invoice paid within target	91%	95%	91%	92%

Enhanced Quality Governance Reporting

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 performance dashboard report detailing the Trust's quality and safety performance by reporting on compliance in achieving key local and national priorities.

In 2016/17 assurance was obtained on:

- Compliance with Care Quality Commission (CQC) registration requirements through a re-inspection (of mental health services and substance misuse services) in October 2016
- The requirements of the NHS Improvement's, (formerly Monitor) well-led framework. The review, which concluded in March 2017, gave the overall conclusion that the Trust is well-led
- Evidence underpinning corporate governance statements approved by the Board in June 2016

The Annual Governance Statement provides a full description of the arrangements in place to govern service quality.

The Quality Account contains more detail about CWP's performance and achievements in relation to quality during 2016/17.

Income disclosures - required by Section 43(2A) of the NHS Act 2006

Overall income has increased in 2016/17 by 0.6% in comparison with 2015/16. This financial year has seen a national inflator of 1.1% applied to the organisation's contracts, which has been offset by small gains and losses in year on various contracts.

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.

Disclosure to the Auditors

Each individual who is a member of the Board at the time the Directors' Report was approved confirms:

- So far as the director is aware, there is no relevant audit information of which Cheshire and Wirral Partnership NHS Foundation Trust's external auditors are unaware; and
- That the director has taken all steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that Cheshire and Wirral Partnership NHS Foundation Trust's external auditors are aware of that information

Council of Governors

The Council of Governors (COG) is responsible for fulfilling its statutory duties which principally are holding the Non-Executive Directors to account, 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. The Governors are also responsible for communicating with members and ensuring that the interests of the community served by the Trust are appropriately represented.

The Trust continues to support Governors to develop and improve ways of communicating with Members and providing opportunities for members to feed in information to influence and shape Trust plans. An annual training programme, offering a range of internal and external training opportunities is also in place for Governors.

Many Trust Governors are active in their local area and promote a dialogue between members, Governors and the Trust. The Governor question time at COG meetings is often well utilised by governors as a vehicle for member queries and feedback. Governors are able to communicate the views of members and the public to the Board of Directors via Council of Governors meetings and Board to CoG Sessions. The CWP Life magazine is also used as a communications channel for Governors and Members.

Governors regularly attend public Board meetings, receiving a copy of the agenda in advance of the meeting.

Members can contact Governors via the Governor email account - governor@cwps.nhs.uk.

The names and contact details of our current Governors can be found on the Trust website www.cwp.nhs.uk. 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 year 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 the 22 September 2016 following the Annual Members Meeting is:

- Public – 6 Governors (1 vacancy)
- Service users and carers – 12 Governors
- Staff - 7 Governors
- Partnership – 7 Governors (1 vacancy)

The table below gives the names of those who occupied a position of Governor between 1 April 2016 and 31 March 2017 including 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 2016 and March 2017 the Council of Governors met on five occasions and attendance is indicated on the table below.

Public Governors (elected)	Area	First appointed	Most recent / Current Tenure	Notes	Council of Governors meetings attended 2016/17
Agar, Richard	Wirral	September 2014	2014 - 2017		5 of 5
Mayne, Stanley	Wirral	November 2012	2015 - 2018		5 of 5
Robertson, Rob	Cheshire West and Chester	May 2012	2014 - 2017		5 of 5
Robinson, Michael	Cheshire West and Chester	May 2012	2014 - 2017		2 of 5
Walker, Robert	Cheshire East	June 2015	2014 - 2017	Elected in by-election	3 of 5
Wilkinson, Peter	Cheshire East	December 2011	2014 - 2017		3 of 5

Service user and carer Governors (elected)	First Appointed	Most Recent / Current Tenure	Notes	Council of Governors meetings attended 2016/17
Crouch, Brian David	December 2013	2016 - 2019		3 of 5
Hall, Helen	January 2015	2013 - 2016	Elected in by-election	1 of 3
Jarrold, Phil	December 2010	2013 - 2016		1 of 2
Lynch, Chris	September 2014	2014 - 2017		5 of 5
McGrath, Ann	February 2011	2014 - 2017		5 of 5
McQuarrie, Ferguson	October 2013	2016 - 2019		4 of 5
Usherwood, Anna (Lead Governor)	September 2008	2014 - 2017		5 of 5
Archer, Gladys	October 2015	2015 - 2018		4 of 5
Arrowsmith, Charlotte	October 2015	2015 - 2018		2 of 5
King, Emma	June 2016	2016 - 2019		3 of 4
Cairns, Gordon	June 2016	2014 - 2017	Elected in by-election	3 of 4
Bull, David	September 2016	2016 - 2019		1 of 1
Brassington, Michael	September 2016	2016 - 2019		1 of 1
Millar, Keith	September 2016	2016 - 2019		1 of 1

Staff Governors (elected)	Class	First Appointed	Most Recent / Current Tenure	Notes	Council of Governors meetings attended 2016/17
Bullen, Kathy	Clinical Psychology	September 2014	2014 - 2017		5 of 5
Doble, Jill	Therapies	October 2013	2016 - 2019		4 of 5
Mook, Phillip	Non-Clinical	September 2014	2014 - 2017		2 of 5
Shaw, Janie	Nursing	September 2014	2015 - 2018		4 of 5
Edwards, Ken	Nursing	September 2016	2016 - 2019		1 of 3
Raju, Keerthy	Medical	October 2015	2014 - 2017	Elected in by-election	4 of 5
Agnihotri, Deepak	Therapies	May 2016	2016 - 2019		3 of 3

Partnership Governors (appointed)	Organisation	First Appointed	Most Recent / Current Tenure	Notes	Council of Governors meetings attended 2016/17
Durham, Liz	Cheshire East Council	January 2016	2016 - 2019		0 of 5
Gilchrist, Phil	Wirral Council	October 2010	2016 - 2019		5 of 5
Lea, O'Mahoney, Maurice	Staff side	October 2010	2013-2016	Term ended Sept 2016	2 of 5
Smith, Pam	West Cheshire CCG	March 2014	2016-2019		2 of 5
Stewart, Iain	Wirral CCG	December 2013	2016-2019		1 of 5
Boyle, Sean	Staff Side	January 2017	2017 - 2020		1 of 5
Pollard, Graham	Universities	April 2016	2016 - 2019		3 of 5
Gahan, Carol	Cheshire West and Chester Council	June 2015	2015 - 2018		4 of 5

Members of the Board of Directors regularly attend meetings of the Council of Governors in order to understand Governors' views and to ensure continued development of the relationships between Board members and Governors. 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, 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 as well as attending other meetings such as locality forums.

Directors' attendance at meetings of the Council of Governors during 2016/17 is shown below.

Director	Council of Governors meetings attended - 2016/17
Non-Executive Directors	
Burke-Sharples, Rebecca	2 of 5
Clark, Fiona (term ended 31 Dec 2016)	3 of 4
Crumplin, Lucy	2 of 5
Eva, David (Chair) (term ended 31 May 2016)	1 of 1
Maier, Mike (became Chair 1 June 2016)	5 of 5
O'Connor, Dr James	4 of 5
McKenna (née Reiter), Sarah	0 of 5
Jenner, Edward	1 of 1
Campbell, Andrea	1 of 1
Executive Directors	
Alam, Dr Faouzi/ Sivananthan Dr Anushta - joint Medical Directors*	3 of 5
Cumiskey, Sheena (Chief Executive)	4 of 5
Devaney, Avril	1 of 5
Harris, David	0 of 5
Styring, Andy	2 of 5
Welch, Tim	3 of 5

*Attendance combined for joint Medical Directors

Governors have not exercised their power under paragraph 10C** of schedule 7 of the NHS Act 2006 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) during the financial year.

The Nominations and Remuneration Committee of the Council of Governors

This Committee is chaired by the Trust's Chair, Mike Maier. In 2016/17, the Committee's members were:

Governor	Constituency	Attendance
Usherwood, Anna	Service User/Carer	5 of 5
Crouch, Brian	Service User/Carer	3 of 5
Gilchrist, Phil	Partnership	4 of 5
Lea-O'Mahoney, Maurice (member until December 2016)	Partnership	1 of 3
Boyle, Sean (member from January 2017)	Partnership	0 of 2
Robertson, Rob	Public	5 of 5
Doble, Jill (member until December 2016)	Staff	2 of 3
Edwards, Ken (member from January 2017)	Staff	1 of 2

The Committee met on five occasions. The purpose of these meetings was to oversee the appointment of two Non-Executive Directors, and undertake annual reviews of current Non-Executive Directors. The Committee also met to review the Chairman's appointment process concluded in March 2016 to consider learning for future appointments.

The members of the Nominations and Remuneration Committee act on behalf of the Council of Governors. However, all decisions are presented to and agreed by the full Council. Further provisions as the appointment and removal of the Chair and other Non-Executive Directors are set out in Annex 7 of the Trust's Constitution.

The Directors report describes the process undertaken to appoint and reappoint to Non-Executive Director positions during the year.

Membership & Engagement

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. 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



Anyone aged over 11 or over is eligible to join the Trust as a member.

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. People who have received care or treatment from the Trust more than 12 months ago, or cares for someone who has, are eligible to join the Trust as general public members.

Public

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 live:

- 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 2017 the Trust had 14,466 members. Membership is broken down into the following constituencies and classes:

1,785 service user and carers

9,209 public members:

- 2,753 Wirral
- 2,938 Cheshire West
- 2,087 Cheshire East
- 1,431 Out of area

3472 staff members:

- 1720 nursing (registered and non-registered)
- 933 non-clinical (including volunteers)
- 478 therapies
- 228 clinical psychology
- 113 medical

The membership strategy

The Communications and Engagement Strategy 2014/17 encompasses both the involvement and membership strategies. The Council of Governors has a Membership and Development Sub-Committee to oversee membership development and they review the membership profile annually and agree the target areas for recruitment and engagement. The Committee also receives regular reports on engagement activities, such as the annual members' meeting, CWP Life magazine and wider involvement activities.

A core objective of the strategy is 'involvement' which includes three campaigns to raise awareness of involvement opportunities and increase participation in underrepresented areas; to support people to access suitable and fulfilling roles that make a difference; and to identify two-way communication to enable governors to engage with members.

The overall aim is to maintain overall numbers of members but particularly target the following areas:

- Service users and carers
- People in Cheshire East
- Males (all ages)
- Young people aged 11-16
- Older people aged 60 and over

This year 37 service user/carers were recruited. 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, lesbian, gay, bisexual and transgender (LGBT) communities and also those who have sensory difficulties.

Membership engagement

CWP has several programmes of work that use a variety of approaches to communicate, consult and engage with members. The aim is to ensure that members, governors, volunteers and involvement representatives feel informed and engaged so they can be meaningfully involved in the Trust.

Involvement

In the last year, 13 new people have signed up to involvement. There has also been a greater interest in people seeking to become governors with more nomination requests than previous years, more frequently contested seats and reduced number of vacant seats on the Council of Governors.



Patient and public involvement

Each locality now has a dedicated participation team to promote and support local involvement in services and drive membership recruitment. Members have been provided with information on the range of different opportunities to get involved with the Trust. There are currently 298 members signed up as Involvement Representatives who are engaged in a wide range of activities such as project groups, audits and inspections and staff recruitment.

Communications

Last year CWP launched its new membership magazine 'CWP Life'. The magazine was designed and produced in collaboration with people who access our services, carers, staff and our governors. This year CWP Life won the Chartered Institute of Public Relations Award for Best Publication. The magazine was commended for its clear design and co-production.

Young Advisors



CWP was the first NHS Trust to establish a group of Young Advisors. These are people aged between 15 and 24, who stimulate social action by showing community leaders and decision makers how to engage young people in community life, local decision making and improving services.

Over the last six years, following the development of a dedicated Participation Development Worker post in Central and East Cheshire, the involvement of young people that both access our services and those across the wider community has increased to one that is embedded in our day to day practices. A large part of this success was born out of the development of our young people's Listen Up! involvement groups which enabled them to work with young people to identify key themes and areas for service development and to provide them with training to enable their involvement in our recruitment and selection processes. This success led to the additional funding being received to create additional capacity and further training to develop a second cohort of CWP Young Advisors across Central, East and West Cheshire.

Recent work by the Young Advisors includes a commission from Central and East Young People's Substance Misuse Services, where the Young Advisors used a variety of engagement methods to hear the voices of local young people across Central and East Cheshire to inform the design of the service. The Young Advisors completed this piece of work, supported by the Young Advisors Co-ordinator, from planning stages to conducting focus groups and questionnaires, to writing a report of their findings for the commissioners.

Last year, the Young Advisors completed a piece of work to address an issue they have highlighted from the outset of their involvement work. This concerned the lack of awareness of mental health issues and how to address young people presenting to A&E in crisis, to a GP surgery with mental health issues, or having a stay on a paediatric ward because of mental health difficulties. This work was commissioned by Eastern Cheshire CCG and has involved the planning and delivery of 14 training sessions, co-produced with clinicians from Eastern Cheshire CAMHS.

The Young Advisors have also worked with leads in the Emotionally Healthy Schools project pilot across Cheshire, delivering training to professionals around their experiences and advising on how to treat a young person when they have presented with mental health issues or self-harmed. As the success of CWP Young Advisors grows we hope to engage many more young people across Cheshire to take part in this participation and recovery model.

2.2 Remuneration Report

Annual Chair's statement on remuneration

There were no major decisions or substantial changes to senior managers' remuneration in 2016/17.

Senior manager remuneration policy

The Remuneration and Terms of Service Committee 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 the 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 31 March 2017, there is no obligation for the Trust regarding early termination of executive team members' contracts.

The Trust's 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. The Consultation and Negotiation Partnership Committee (CNPC) undertake the role of consulting with employees on matters of pay and 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.

Nominations and Remuneration Committee of the Board

Membership of the Nominations and Remuneration Committee comprises the Trust Chair and all Non-Executive directors. The Chief Executive attends the 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.

There is no performance related pay or any other components included in any remuneration packages for Trust senior managers and none of the CWP Executive Directors serve as a Non-Executive Director elsewhere.

One meeting of the Nominations and Remuneration Committee of the Board were held during 2016/17, with committee members attendances as follows:

Director	Nominations and Remuneration Committee of the Board
Maier, Mike	1 of 1
Burke-Sharples, Rebecca	1 of 1
Crumplin, Lucy	0 of 1
O'Connor, Dr James	1 of 1
McKenna, Sarah	1 of 1
Jenner, Edward	0 of 0
Campbell, Andrea	0 of 0
Clark, Fiona	0 of 1

The Director of People and Organisational Development has also been in attendance at the Committee to provide advice and expert guidance.

Fair Pay Disclosure

The 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 remuneration of the highest-paid director in the financial year 2016/17 was £170,530. This is 6.2 times the median remuneration of the workforce, which was £27,361.

In 2016/17, there were no employees who received remuneration in excess of the highest-paid Director (3, 2015/16).

	31 March 2017	31 March 2016
Band of Highest Paid Directors Total Remuneration	170-175	165-170
Median Total Remuneration (£)	£27,361	£27,090
Ratio	6.2	6.2

There are three executives who were paid more than £142,500 in 2016/17. For the purposes of this disclosure, pay is defined as salary and fees, all taxable benefits and any annual or long term performance related bonuses (of which there were none during the year).

The annual earnings of the three executives above who have exceeded the £142,500 threshold reflect the going market rate and additional payments for clinical related activities. The Trust is satisfied that this remuneration is reasonable given the exceptional requirements of the respective roles following the applied level of scrutiny of the Trust's Nominations and Remuneration Committee.

Service Contract obligations

There are no obligations to the Trust set out in service contracts.

Payment for loss of office

As described above, in addition to the notice period agreed for executive directors and the chief executive, there is a locally agreed policy on notice periods for senior managers. Band 8 and 9 Senior Managers are required to provide a notice period of 3 months. There have been no payments for loss of office in year.

Payment for past senior managers

There have been no pay obligations for past senior managers in 2016/17. This was also a nil return in 2015/16.

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

Any decision on senior manager remuneration is taken in the context of employment conditions elsewhere in the Trust

Late Payment of Commercial Debt (Interest) Act 1998

The Trust did not incur any charges for late payment of commercial debt (interest) Act 1998 during the financial year (£86.87 - 2015/16).

Consultations

There were no public consultations undertaken in 2016/17.

Pension Liabilities

For the year ending 31 March 2017, there were 6 early retirements (31 March 2016 - 6 early retirements) from the NHS Foundation Trust on the grounds of ill health. The additional pension liabilities of these ill health retirements will be £344,762 (year ended 31 March 2016 £354,464). The cost of these ill health retirements will be borne by the NHS Business Services Authority – Pensions Division.

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

Information on data loss and confidentiality breaches can be found in our Annual Governance Statement.

Payment of governor expenses

At the 31 March 2017, 15 governors received expenses totaling £4,216.07. This compares to 13 governors receiving expenses totaling £4,786.07 in 2015/16.

Note to the Remuneration Table

The Remuneration table below comprises both payments to (Salary and Fees) and benefits received in the year (Taxable Benefits) or accruing (Pension Related Benefits) to Senior Managers. Taxable benefits and pension related benefits are not payments to Senior Managers in the year.

Salary is the gross salary paid/payable to the senior manager. Taxable benefits are the gross value of benefits before tax. The value shown in pension related benefits is the annual increase in pension entitlement from participating in the NHS Pension Scheme. The annual increase is derived from estimated increases in pension and lump sum entitlement, calculated independently of the Trust by the NHS Pensions Scheme.

Notes to the Remuneration table describe any part year effects of individuals being included within the Senior Managers Remuneration Table and the HMRC method of calculating Pension Related Benefits.

Senior Managers Remuneration and Pension Entitlements

The Remuneration Report for Senior Managers						
2016/2017	(a)	(b)	(c)	(d)	(e)	(f)
Name and title	Salary (bands of £5,000)	Expense Payments (taxable) (to the nearest £100)	Performance Pay and Bonuses (bands of £5,000)	Long Term Performance Pay and Bonuses (bands of £5,000)	All Pension Related Benefits (bands of £2,500)	Total (a to e) (bands of £5,000)
S Cumiskey - Chief Executive	145-150	0	0	0	32.5-35	180-185
T Welch - Director of Finance	125-130	100	0	0	45-47.5	170-175
A Devaney - Director of Nursing	90-95	9,100	0	0	0	95-100
A Styring - Director of Operations	95-100	0	0	0	0	95-100
A Sivananthan - Medical Director	170-175	0	0	0	75-77.5	245-250
F Alam - Medical Director	145-150	800	0	0	75-77.5	220-225
D Harris - Director of People & Org. Dev.	85-90	0	0	0	27.5-30	110-115
D Eva - Non Executive Director	5-10	0	0	0	0	5-10
F Clark - Non Executive Director	5-10	500	0	0	0	5-10
E Jenner - Non Executive Director	0-5	0	0	0	0	0-5
J O'Connor - Non Executive Director	10-15	0	0	0	0	10-15
R Burke-Sharples - Non Executive Director	10-15	0	0	0	0	10-15
L Crumplin - Non Executive Director	10-15	0	0	0	0	10-15
M Maier - Non Executive Director	35-40	0	0	0	0	35-40
S McKenna (nee Reiter) - Non Executive Director	10-15	0	0	0	0	10-15
A Campbell - Non Executive Director	0-5	0	0	0	0	0-5

Please Note:

D Eva left the Trust on 31st May 2016. David Eva was replaced as Chairman by Mike Maier on 1st June 2016.

Fiona Clark left the Trust on 31st December 2016. Edward Jenner and Andrea Campbell joined the Trust on 1st January 2017.

The Remuneration Report for Senior Managers						
2015/2016	(a)	(b)	(c)	(d)	(e)	(f)
Name and title	Salary & Fees (bands of £5,000)	Taxable Benefits (to the nearest £100)	Annual Performance Related Benefits (bands of £5,000)	Long Term Performance Related Benefits (bands of £5,000)	Pension Related Benefits* (bands of £2,500)	Total (bands of £5,000)
S Cumiskey - Chief Executive	145-150	0	0	0	5-7.5	150-155
T Welch - Director of Finance	120-125	2,300	0	0	17.5-20	145-150
A Devaney - Director of Nursing	80-85	8,000	0	0	0	85-90
A Styring - Director of Operations	95-100	0	0	0	0	95-100
A Sivananthan - Medical Director	165-170	0	0	0	105-107.5	275-280
F Alam - Medical Director	135-140	0	0	0	5-7.5	145-150
D Harris - Director of People & Org. Dev.	80-85	0	0	0	77.5-80	160-165
S Scorer – Interim Director of Nursing	45-50	1,400	0	0	77.5-80	125-130
D Eva - Non Executive Director	40-45	0	0	0	0	40-45
F Clark - Non Executive Director	10-15	600	0	0	0	10-15
R Howarth - Non Executive Director	5-10	0	0	0	0	5-10
J O'Connor - Non Executive Director	10-15	0	0	0	0	10-15
R Burke-Sharples - Non Executive Director	10-15	0	0	0	0	10-15
L Crumplin - Non Executive Director	10-15	300	0	0	0	10-15
M Maier - Non Executive Director	15-20	0	0	0	0	15-20
S.Reiter – Non Executive Director	5-10	0	0	0	0	5-10

Please Note:

For the period 17/08/2015 to 11/03/2016, S Scorer temporarily occupied the role of Director of Nursing during a period of planned absence, for the current Director of Nursing Avril Devaney. Payments to the host trust Tees, Esk & Wear Valleys NHS Foundation Trust totalled £68,295 including on-costs.

Total Pension Entitlements Disclosure of Senior Managers

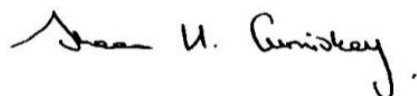
Pension Benefits Disclosure Table								
2016/2017	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Name and title	Real increase in pension at pension age	Real Increase in pension lump sum at pension age	Total accrued pension at pension age at 31 March 2017	Lump sum at pension age related to accrued pension at 31 March 2017	Cash Equivalent Transfer Value at 1 April 2016	Real increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2017	Employers Contribution to Stakeholder Pension
	(bands of £2,500 £000)	(bands of £2,500 £000)	(bands of £5,000 £000)	(bands of £5,000 £000)	£000	£000	£000	£000
S Cumiskey - Chief Executive	0-2.5	5-7.5	55-60	175-180	1,098	81	1,179	0
T Welch - Director of Finance	2.5-5	0-2.5	35-40	100-105	516	49	564	0
A Devaney - Director of Nursing	0-2.5	0-2.5	45-50	135-140	823	21	844	0
A Sivananthan - Medical Director	2.5-5	12.5-15	55-60	170-175	912	98	1,010	0
F Alam - Medical Director	2.5-5	2.5-5	20-25	45-50	246	56	302	0
D Harris - Director of People & Organisational Development	0-2.5	0-2.5	35-40	0	386	31	416	0

Pension Benefits Disclosure Table								
2015/2016								
Name and title	Real increase in pension at age 60	Real Increase in pension lump sum at age 60	Total accrued pension at age 60 at 31 March 2016	Lump sum at age 60 related to accrued pension at 31 March 2016	Cash Equivalent Transfer Value at 1 April 2015	Real increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2016	Employers Contribution to Stakeholder Pension
	(bands of £2,500) £000	(bands of £2,500) £000	(bands of £5,000) £000	(bands of £5,000) £000	£000	£000	£000	£000
S Cumiskey – Chief Executive	0-2.5	2.5-5	55-60	170-175	1,051	34	1,098	0
T Welch - Director of Finance	0-2.5	0	35-40	95-100	493	17	516	0
A Devaney - Director of Nursing	0	0	45-50	135-140	811	3	823	0
A Sivananthan - Medical Director	5-7.5	15-17.5	50-55	155-160	767	136	912	0
F Alam - Medical Director	0-2.5	0	10-15	35-40	190	10	202	0
D Harris - Director of HR & Organisational Development	2.5-5	0	35-40	0	329	52	386	0
S Scorer – Interim Director of Nursing	2.5-5	10-12.5	20-25	60-65	328	80	412	0

Note 1: Pension related benefits shows the annual increase in pension entitlement, expressed in bands of £2,500. The figure includes those benefits accruing from membership of the NHS pension scheme, calculated using the method set out in s229 of the Finance Act 2004.

The calculation shows the increase in the annual rate of pension and the amount of lump sum that would be payable to those named above, if they were entitled to access their pension at the 31March 2017 compared to the 31March 2016 (after adjusting for inflation and multiplying by a standard capitalisation factor) less any contributions made by the Executive or any transferred in amounts

Signed :



Sheena Cumiskey – Chief Executive
24th May 2017

2.3 Staff Report

Trust Employees – staff numbers

Analysis of average staff numbers

The table below provides an overview of average staff numbers for 2016/17 and for comparison, 2015/16.

Average number of employees (WTE basis)	Permanent Number	Other Number	2016/17 Total Number	2015/16 Total Number
Medical and dental	135	0	135	134
Administration and estates	684	0	684	695
Healthcare assistants and other support staff	212	0	212	226
Nursing, midwifery and health visiting staff	1,442	0	1,442	1,444
Scientific, therapeutic and technical staff	434	0	434	507
Healthcare science staff	63	0	63	0
Social care staff	4	0	4	3
Agency and contract staff	0	25	25	41
Bank staff	0	166	166	181
Other	0	0	0	0
Total average numbers	2,975	191	3,166	3,231
Of which:				
Number of employees (WTE) engaged on capital projects	0	0	0	0

The tables below set out a breakdown of the numbers of Trust staff by gender at the 2016/17 year end;

Staff Category	Female	Male	Grand Total
Executive Directors	3	4	7
Other Senior Managers	4	3	7
Other Employees	2714	692	3406
Grand Total	2721	699	3420

Staff Category	Female	Male
Executive Directors	42.86%	57.14%
Other Senior Managers	57.14%	42.86%
Other Employees	79.68%	20.32%
Grand Total	79.56%	20.44%

Sickness absence data

At 5.36% the Trust overall level of sickness absence for 2016/17 was lower compared to the 2015/16 figure of 5.37%.

Staff Costs

An analysis of staff costs is set out below. To delineate, staff 'permanently employed' are those defined as those staff with a permanent contract directly with the Trust (including Executive Directors but excluding Non-Executive Directors). Staff defined as 'other' are those engaged on the objectives of the Trust that do not have permanent (UK) contact of employment with the Trust. This includes employees on short term contracts of employment, agency/temporary staff, locally engaged staff overseas and inward secondments from other organisations.

Staff costs	Permanent (£000)	Other (£000)	2016/17 Total	2015/16 Total
Salaries and wages	104,682	703	105,386	106,387
Social security costs	9,186	-	9,186	7,122
Employer's contributions to NHS pensions	12,663	-	12,663	12,548
Pension cost - other	-	-	-	-
Other post-employment benefits	-	-	-	-
Other employment benefits	-	-	-	-
Termination benefits	-	1,699	1,699	518
Temporary staff	-	1,925	1,925	3,196
Salaries and wages	104,682	703	105,386	106,387
Total gross staff costs	126,531	4,328	130,859	129,771

Staff policies and actions

Policies in relation to disabled people

The Trust seeks to support job applicants and staff who have a disability – our commitment is set out in our approach to recruitment and we are proud that the Trust has been assessed and awarded Level 2: Disability Confident Employer. This means we have signed up to interviewing all disabled applicants who meet the minimum criteria for a job vacancy and that we will make every effort when employees become disabled to make sure they stay in employment. Training and systems are in place for Recruiting Managers to ensure they know how they can best support disabled applicants throughout the recruitment and selection process.

We have also renewed our Charter for Employers who are positive about mental health. Our Occupational Health and Staff Support teams continue to support individuals and advise managers about how to make reasonable adjustments to keep people in work.

Revisiting our commitment to employing reservists

The Trust has also reconfirmed its commitment to become a supportive employer of reservists and is pleased to have signed up to the prestigious Armed Forces Covenant which highlights our support for both reservists and veterans. There will be a programme of awareness-raising moving forward into next year that highlights the benefits of supporting reservists and those who have served in the Armed Forces.

Information to and consultation with employees

The annual staff survey continues to be one of the key mechanisms to engage with staff and all staff are given an opportunity to respond, rather than a representative. Staff are to respond either by email or paper copy.

More detail on this year's staff survey results can be found later in this report.

The Trust continues to use the staff Friends and Family Test which shows that the majority of respondents would recommend CWP as a place to work and to receive care.

Our partnership agreement with staff side colleagues' remains strong and is a priority for the Trust. Formal meetings with staff side colleagues take place at the regular Consultation and Negotiation Partnership Committee and these are supplemented with regular informal meetings. Staff side colleagues are represented at a range of Trust governance committees and attend local management meetings as well as informal meetings.

Staff have continued to contribute to the weekly e-bulletin and the locality newsletter, trialled in Wirral, which has received positive feedback with staff clearly appreciating the direct communication from services.

A year on, CWP Life, the Trust magazine has been very positively received and in November it was awarded Gold for 'Best Publication' by the Chartered Institute of Public Relations at the North West PRide Awards Ceremony. The magazine was commended as a great example of good practice with a comprehensive approach to research and planning and its simple, clear and engaging design. The magazine is co-created by health care professionals, patients and carers to promote local support available and shine a light on real life experiences of people living with health conditions.

Several events have also been held this year to engage people and share good practice across the Trust. These include the annual members meeting and Best Practice Event in New Brighton, at which over 200 people attended. The event was an exhibition of the most innovative, exciting and inspiring work carried out by the Trust over the past year. The number of entries received from staff for the Big Book of Best Practice almost doubled compared with the previous year.

The Trust also launched its person centred framework in March 2017 – which aims to instil a shared understanding about how we can best connect with people as unique individuals with their own strengths, abilities, needs and goals. Co-produced by people who access services, their carers, families and staff colleagues, the eight overarching principles celebrate and support us all as unique individuals.

For the fourth year running, CWP celebrated 'Takeover Day' where a range of local services offering mental health support for children and adolescents showcased their work with young people over the last 12 months. The day finished with young people hosting a question and answer session alongside Trust senior management to talk about the issues important to them.

More than 100 CWP staff have also enjoyed a series of Health and Wellbeing events hosted by the Trust's Occupational Health department. The events form part of CWP's Health and Wellbeing Strategy, part of the Trust's 'Our People' campaign, which ensures CWP is the best possible organisation for staff, carers and service users to work and receive care. Colleagues were encouraged to take part in new initiatives, and to come up with healthy living ideas of their own.

Staff have also benefitted from a new 'Mindfulness' programme. The programme, run by the Trust's Central and East Cheshire Recovery College, includes a range of courses and activities, including Zumba, Pilates, Indian Head Massage and Reflexology. More than 200 CWP staff have attended at least one aspect of the programme, with 67% reporting a decrease in stress after attending sessions.

Schwartz Rounds continue to be run with success. This is a multidisciplinary opportunity for clinical and non-clinical staff to discuss emotive and social issues that can arise in patient care.

CWP have also worked with Skills for Health to offer local people the chance to gain hands-on work experience within the health sector by taking part in a 14 week pre-employment programme. The pre-employment scheme is an excellent programme that is beneficial to both employers and individuals trying to get back into work

2016/17 has also seen the development of the Trust 'Big Conversation' programme. In the past few months a number of workshops have been held with staff on enabling their voice to be heard more loudly and clearly so that staff feel that they are truly involved in shaping the future direction of the Trust.

Details of any consultations with staff

There have been a number of consultations with staff during the year as a result of service changes. These include:

- Administration Review

Wirral Locality completed a major review of administration services this year. Staff were fully engaged in the review and helped shape the delivery model. Administration staff now operate in 'Hubs' which service each of the locality teams. A similar review has commenced in West Locality using a similar model of staff engagement.

- Improving Access to Psychological Therapies (IAPT) in East Cheshire

This service was put out to tender by the East Cheshire Clinical Commissioning Group. The contract was awarded to Big Life Group resulting in 21 staff transferring their employment out of the Trust in February 2017 in line with the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE).

- Learning Disabilities Transforming Care Programme

Options and plans for transforming services and support for people with learning disabilities, autism or both a learning disability and autism remain at the pre-consultation stage, with options for possible public consultation being discussed with a range of stakeholders. CWP is part of the Cheshire & Mersey Transforming Care Partnership which is working to implement the national plan set out in *Building the Right Support*, published by NHS England in October 2015.

- East Cheshire Facilities Department

A service review was undertaken which led to changes to job roles, rota and supervision arrangements. A staff consultation was undertaken involving 13 staff and the changes were successfully implemented.

- Redesigning Adult and Older People's Mental Health Services in East and South Cheshire

Staff are being kept updated on proposals to redesign services aimed at providing strong community services with early intervention and high quality inpatient facilities. Potential options are currently being discussed with key stakeholders prior to formal consultation taking place later in 2017.

Modern Slavery 2015

The Board of Directors approved and published a statement recognising the principles of the Modern Slavery Act 2015. This sets out the Trust's commitments to the highest level of ethical standards and sounds governance arrangements to fully support the government's objectives to eradicate modern slavery and human trafficking.

CWP has identified possible supply chain risks relating to slavery and human tracking and has set out mitigations to avoid these including provisions in tender documentation to exclude any bidder previously convicted of offences under the Modern Slavery Act 2015, imposition conditions in existing contracts for termination in the event of breaches of the Modern Slavery Act 2015, training staff in the principles of the Act and raising awareness of the statement and the Trust's commitment to the principles therein.

Health and safety and occupational health and wellbeing

One of the Trust's four strategic People and Organisational Development objectives is to provide a workplace where people can be at their best.

The health & wellbeing of CWP staff is of paramount importance to the Trust instigating a health needs assessment of the workforce undertaken in June 2016, which became the basis for the development and launch of CWP's Workforce Health and Wellbeing Strategy 2016-19.

As part of this strategy, a range of wellbeing activities were implemented to allow staff to engage in workplace initiatives as part of an effective work-life balance and ultimately to encourage better health both inside and outside of work with the aims of preventing sickness, stress and other related absence.

A range of activities have been provided in 2016/17 including 'Dry January', pedometer challenges, Dechox (health eating events), staff health checks and health promotion events, the Great Cycle Challenge, a Walking Group, Weight Management Classes and mindfulness classes. The flu campaign has seen a 32% increase in vaccinations since 2015.

CWP has worked in partnership with the Countess of Chester Hospital and the Land Trust to provide a green space for staff and local residents to exercise via the Countess of Chester Country Park. The Trust also continues to work with the Calouste Gulbenkian Foundation to deliver a project specifically created for our staff aged 50 and over 'Later Life Transitions – Working Longer and Living Life to the Full.'

During 2016/17 the Trust conducted an in-depth review into attendance levels to better understand the factors and initiatives which were helping or hindering staff in being present, productive and happy in their work. The output of this exercise will be monitored via the Health and Wellbeing subgroup, which oversees the implementation of the Wellbeing Strategy and reports into the Trust's People and Organisational Development Sub-Committee.

A range of work has been undertaken to improve approaches to health and safety in the Trust. These include:

- Health, Safety & Security (HSS) Assessments – 28 have been carried out with no major issues reported.
- Cardinus Workstation Programme was launched in November 2015, 2800 members of staff were invited to take part, and 79% have now been completed. Standard and specialised equipment is accessible to all staff.

- There has been a reduction in RIDDOR incidents reported to Health and Safety Executive (HSE) for the third consecutive year and this was the lowest number since recording commenced.
- Central Alert System (CAS) - received 97 alerts compared to 129 of the previous year.

Health and Safety issues in the Trust are monitored by the Health and Safety sub-committee meeting. In 2016/17 the sub-committee was reconfigured and will now meet twice a year with work being taken forward in localities in the intervening periods.

Anti-Fraud

As described in the Audit Committee report, the Trust's anti-fraud services are provided by MIAA. The Accountable Officer for anti-fraud is the Director of Finance. There were a number of investigations within the 2016/17 financial year, which were investigated in accordance with the Trust's anti-fraud, bribery and corruption policy.

The Trust's anti-fraud work plan for 2016/17 included work across four areas of anti-fraud activity as directed by NHS Protect. The Trust actively encourages its staff to use the raising and escalating concerns policy where they have concerns. This policy reflects the Sir Robert Francis review recommendations to have policies in place to create and honest and open reporting culture in the NHS.

The Audit Committee review and receive assurances on the delivery of the anti-fraud service. This is described in more detail earlier in this report.

Expenditure on consultancy

Consultancy costs for 2016/17 totalled £93,000. Costs in 2015/16 were £100,000.

Reporting high off- payroll engagements

Off-payroll arrangements are those where individuals, either self-employed or acting through a personal service company, are paid more than £220 per day and the engagement lasts longer than six months. The Trust is working to ensure that any off payroll arrangements are in line with NHS Improvement guidelines.

All off-payroll engagements are subject to internal discussion regarding the appropriate treatment of income tax, national insurance and superannuation contributions.

From April 2017, the government has made public sector bodies and agencies responsible for operating the tax rules that apply to off payroll working in the public sector. This is a major change in the tax and NI treatment of off payroll engagements. The Trust's policy on disclosure of off-payroll engagements is to include only those engagements which temporarily cover substantive posts within the Trust's staffing structure.

The disclosures below relate specifically to General Practitioners (GP's) in the Trust's Out of Hours Service. The Trust applied HMRC's guidance and modelled the arrangement through HMRC's Employment Status Indicator toolkit.

The Trust is required to disclose details of any highly paid and/or senior off-payroll engagements in the following categories:

1. For all (new and existing) off-payroll engagements as of 31 March 2017, for more than £220 per day and that last for longer than six months;

	Number of engagements
Number of existing engagements as of 31 March 2017	65
Of which:	
Number that have existed for between one and two years at the time of reporting	2
Number that have existed for between two and three years at the time of reporting	11
Number that have existed for between three and four years at the time of reporting	14
Number that have existed for four or more years at the time of reporting	38
Number that have existed for less than one year at the time of reporting	0

2. For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2016 and 31 March 2017, for more than £220 per day and that last for longer than six months.

	Number of engagements
Number of new engagements, or those that reached six months in duration between 1 April 2016 and 31 March 2017	2
Number of the above which include contractual clauses giving the trust the right to request assurance in relation to income tax and national insurance obligations	0
Number for whom assurance has been requested	0
Of which:	
Number for whom assurance has been received	0
Number for whom assurance has not been received	0
Number that have been terminated as a result of assurance not being received	0

3. Off-payroll engagements of board members, and/or senior officials with significant financial responsibility, between 1 April 2016 and 31 March 2017

	Number of engagements
Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	0
Number of individuals that have been deemed "board members and/or senior officials with significant financial responsibility". This figure should include both off-payroll and on-payroll engagements.	16*

*David Eva left the Trust on 31st May 2016 and was replaced as Chairman by Mike Maier on 1st June 2016. Fiona Clark left the Trust on 31st December 2016. Edward Jenner and Andrea Campbell joined the Trust on 1st January 2017.

Exit Packages

Reporting of compensation schemes - exit packages 2016/17

Within the period 1 April 2016 until 31 March 2017, 17 exit packages totalling £414,000 were agreed. The 17 packages included 12 compulsory redundancies totalling £322,000. The number of other departures agreed included 5 voluntary redundancy totalling £92,000.

	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
Exit package cost band (including any special payment element)			
<£10,000	4	2	6
£10,001 - £25,000	3	1	4
£25,001 - 50,000	3	2	5
£50,001 - £100,000	2	0	2
£100,001 - £150,000	0	0	0
£150,001 - £200,000	0	0	0
>£200,000	0	0	0
Total number of exit packages by type	12	5	17
Total resource cost (£)	£322,000	£92,000	£414,000

Exit packages: other (non-compulsory) departure payments

Within the period 1 April 2016 until 31 March 2017, 5 exit packages totaling £92,000 were agreed. All 5 payments related to voluntary redundancy.

	2016/17		2015/16	
	Payments agreed	Total value of agreements	Payments agreed	Total value of agreements
	Number	£000	Number	£000
Voluntary redundancies including early retirement contractual costs	5	92	1	68
Mutually agreed resignations (MARS) contractual costs	-	-	2	36
Early retirements in the efficiency of the service contractual costs	-	-	-	-
Contractual payments in lieu of notice	-	-	-	-
Exit payments following Employment Tribunals or court orders	-	-	-	-
Non-contractual payments requiring HMT approval	-	-	-	-
Total	5	92	3	104
Of which:				
Non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months of their annual salary	-	-	-	-

Staff Survey

Commentary

The annual staff survey continues to be one of the key mechanisms to engage with staff and for the fourth year running the Trust has opted to survey all staff rather than a representative sample.

CWP was pleased to be ranked top of all mental health, learning disability and community Trusts based on feedback from staff who took part in the 2016 NHS Staff Survey. More staff at CWP recommended the Trust as place to work and receive care, and said that patient care was the Trust's top priority.

The staff survey enables CWP to help our people to be the best that they can be. It does this by providing data for us to monitor staff satisfaction and opinion annually across a range of measures and by enabling us to benchmark ourselves against other similar NHS organisations.

This year's survey was accessible to all employees in the last quarter of 2016 and the results were collated by the approved external contractors at Quality Health. Our use of Quality Health to receive the questionnaire data and translate it into anonymised Trust information ensures its confidentiality and impartiality. This information was made available to us in phases throughout February and March 2017.

This year, the vast majority of surveys were emailed to staff; this was the first time the staff survey has been conducted in this way. Staff in roles with limited access to emails, such as estates and facilities, were provided with a paper-based copy. Staff could also opt for a paper based version of the survey if they so wished.

The range of measures used include core questions set by the Care Quality Commission (CQC) on: Personal Development; Your Job; Your Managers; Your Organisation; Your Health, Wellbeing and Safety at Work; Occupational Health; Leadership and Career Development; and Patient Experience. Together with bespoke questions specifically commissioned by CWP relating to trust values, person-centredness and health and wellbeing.

The results received show the Trust-wide picture. This data is interrogated further to enable all employees to see the results of their collective feedback both Trust-wide and at locality level.

In addition to this, significant work is being delivered across the Trust as part of our overall People and Organisational Development Strategy that addresses many of the issues highlighted through the Staff Survey. Our firm intention is to link this action more overtly to staff survey responses so that staff can see what is being done as a result of the feedback they give us.

Focus will be placed on the role of our managers, from Board to line manager level, to ensure that they appreciate the important role they play as messengers for the Trust. Consistent, repeated messages via our managers strengthens messages, gives credibility and confidence, and begins to create line of sight for all staff between their actions, the actions they see others take, the Trust's strategy and our direction of travel.

Our programme of engagement – Big Conversation - will build on these findings and insight to provide a calendar of regular opportunities for staff to connect with colleagues, contribute to improvements in their area and hear when changes have been made.

In this way, we seek to enable our people to be the best that they can be, to drive better two-way communication, to increase engagement and involvement, and to increase staff satisfaction and positive opinion.

Summary of performance – results from the 2016 NHS staff survey

The Trust undertook a full census staff survey again in 2016. The response rates compared with 2015 are as below:

Response rate				
	2015	2016		Trust improvement/ deterioration
	CWP	CWP	Benchmarking group (Combined MH/LD and community trusts) average	
Response rate	49%	47%	44%	-2%

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 an improvement on 2015/16, as below:

Overall staff engagement				
	2015	2016		Trust improvement/ deterioration
	CWP	CWP	Benchmarking group (Combined MH/LD and community trusts) average	
Staff engagement score	3.82	3.89	3.80	+0.07

Accepting that significant statistical change is one of 5% or more, the results of the latest survey show that there is only one area that has declined significantly since 2015 survey.

Most declined area				
	2015	2016		Trust improvement/ deterioration
	CWP	CWP	Benchmarking group (Combined MH/LD and community trusts) average*	
Staff having any non-mandatory training, learning or development in the past 12 months.	79%	74%	Within the average range when compared to sector	-5%

The summary below shows the overall *most improved* scores of the 2016 Staff Survey.

Most improved scores				
	2015	2016		Trust improvement/ deterioration
	CWP	CWP	Benchmarking group (Combined MH/LD and community trusts) average*	
I often/always look forward to coming to work	56%	62%	Within the average range when compared to sector	+6%
I am treated fairly when involved in an error or near miss	49%	55%	Within the average range when compared to sector	+6%
The organisation takes action to ensure errors or near misses are avoided in future	69%	75%	Higher than average when compared to sector	+6%
We are given feedback about changes made in response to near misses/errors	58%	65%	Higher than average when compared to sector	+7%
I would feel secure about raising concerns around unsafe practice	70%	76%	Higher than average when compared to sector	+6%
The Trust would address my concerns	59%	66%	Higher than average when compared to sector	+7%
Training helped to deliver a better patient / service user experience	79%	84%	Within the average range when compared to sector	+5%
The values of the organisation were discussed during my appraisal	75%	82%	Within the average range when compared to sector	+7%
Staff saying they have worked additional paid hours	25%	20%	Within the average range when compared to sector	-5%

*Comparator data taken from Quality Health – National Staff Survey 2016

This year's survey recorded improved scores in 63 areas of the questionnaire and there are 9 'significant improvements' since the previous survey. Most importantly, even more staff said that they would recommend our Trust as a place to work or receive care.

The Trust has seen the largest marked improvements within the domain of health, wellbeing and safety at work. The majority of improvements in this area concern how incidents and near misses/errors are handled and what action is taken to prevent further occurrences.

While there has been a decline in those reporting they have had any non-mandatory training, learning or development, there are positive improvements related to quality of workforce training and development, specifically how it has enabled staff to undertake their role and the impact this has had upon patient care.

Top five ranking scores when compared to sector

	2015	2016		Trust improvement/ deterioration
	CWP	CWP	National 2016 average for combined MH/LD and community trusts	
Organisation and management interest in and action on health and wellbeing	3.83	3.88	3.74	+0.05
Support from immediate managers	3.90	3.99	3.88	+0.09
Percentage of staff believing that the organisation provides equal opportunities for career progression or promotion	92%	91%	88%	-1%
Percentage of staff experiencing harassment, bullying or abuse from staff in last 12 months	19%	16%	21%	-3% (improvement)
Recognition and value of staff by managers and the organization	3.59	3.66	3.55	+0.07

Bottom 5 ranking scores when compared to sector

	2015	2016		Trust improvement/ deterioration
	CWP	CWP	National 2016 average for combined MH/LD and community trusts	
Percentage of staff reporting good communication between senior management and staff	29%	30%	35%	+1%
Percentage of staff satisfied with the opportunities for	55%	56%	58%	+1%

flexible working patterns				
Percentage of staff experiencing physical violence from patients, relatives or the public in last 12 months	17%	16%	15%	-1%
Percentage of staff appraised in last 12 months	89%	91%	92%	+2%
Effective use of patient / service user feedback	3.62	3.68	3.68	+0.06

Future priorities and targets

The priority for the Trust going forward will be to continue to build on the overall positive results set out above and celebrate the successes and to ensure that locality data is analysed in a meaningful way and action plans are developed and owned.

An annual programme of engagement – Big Conversation - is currently being planned for 2017/18 which will take the results of the 2016 Staff Survey directly to front line staff to gain their views and identify priority areas within localities. Big Conversation engagement events are anticipated to take place from May 2017. Staff will be provided with regular updates “We Said – We’re Doing” throughout the year, through briefs and locality newsletters. These will be monitored by locality senior management who will be responsible for providing updates to the People and Organisational Development (OD) sub-committee.

The following have been identified as priority areas to address at a Trust-wide level:

- Celebrate the positive responses and in particular areas in which the Trust is higher than average for sector – explore how these can be ‘amplified’ for further success using a ‘We said, we did’ approach
- Communication and engagement between senior managers and staff – with particular emphasis on involving staff in decision making process and providing feedback on outcome
- Identify areas where staff have reported violence and harassment, bullying or abuse (HBA) from patients, managers and other staff, cross referencing against local reporting process to drill down potential service areas
- Take action to improve awareness of the need to report incidents of harassment, bullying and abuse and ensure that staff are aware of the process around this and support available through the Freedom to Speak Up Guardian. Whilst this is a priority, staff reporting having experienced HBA is low, has reduced from 2015 survey and is lower than the sector
- Review the provision of non-mandatory training for staff through implementation of a Training Needs Analysis to identify and prioritise training requirements
- Ensure that Patient Experience Data is regularly shared with staff to highlight areas which are positive (and should be celebrated) as well as areas for improvement

These actions will form part of our overall People and OD Strategy delivery plans. Progress against plans will be monitored via the People & OD sub-committee with periodic reporting to Operational Board and the Board of Directors to highlight areas of progress or to escalate concerns.

2.4 NHS Foundation Trust Code of Governance

Cheshire and Wirral Partnership NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a comply or explain basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012. The Trust has complied with the Code and all required disclosures can be found within this Annual Report. The Code is reviewed annually by the Audit Committee to ensure compliance and to identify any areas for development or further scrutiny.

2.5 NHS Improvement's Single Oversight Framework

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

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

The Single Oversight Framework applied from Quarter 3 of 2016/17. Prior to this, Monitor's *Risk Assessment Framework* (RAF) was in place. Information for the prior year and first two quarters relating to the RAF has not been presented as the basis of accountability was different. This is in line with NHS Improvement's guidance for annual reports.

Segmentation

Under the Single Oversight Framework, NHS Improvement (NHSI) classifies Trusts according to the level of support required. Segmentation reflects NHSI's judgement of the seriousness and complexity of the issues facing particular trusts. Trusts are classified from 1 to 4 (1 being Trust's having maximum autonomy. 4 being Trust's placed in special measures).

As at the 31 March 2017, Cheshire and Wirral Partnership NHS Foundation Trust was classified within segment 1 (having maximum autonomy) by NHS Improvement.

Current segmentation information for NHS trusts and foundation trusts is published on the NHS Improvement website.

Finance and use of resources

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

Area	Metric	2016/17 Q3 score	2016/17 Q4 score
Financial sustainability	Capital servicing capacity	3	1
	Liquidity	3	2
Financial efficiency	Income and Expenditure margin	3	3
Financial controls	Distance from Financial Plan	1	1
	Agency spend	1	1
Overall scoring		2	2

2.6 Statement of Accounting Officers Responsibilities

Statement of the chief executive's responsibilities as the accounting officer of Cheshire and Wirral Partnership NHS Foundation Trust

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

NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require Cheshire and Wirral Partnership NHS foundation trust to prepare for each financial year a statement of accounts in the form and on the basis required by those Directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of 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.

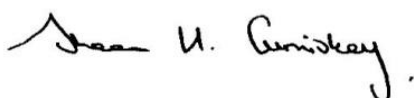
In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Department of Health Group Accounting Manual and in particular to:

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

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

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

Signed



Sheena Cumiskey - Chief Executive
24th May 2017

2.7 Annual Governance Statement

Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the NHS Foundation Trust's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I am also responsible for ensuring that the 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 2017 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Trust has an integrated governance framework in place, which incorporates the risk management process for the Trust. This document 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. At an executive leadership level, the Chief Executive has delegated the 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 responsibility to risk leads within their portfolio, for example associate directors or other senior managers. The process for the management of risk locally involves each locality having their own risk registers, with the accountable officers for risk management being the Clinical Director and Service Director of each locality. 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 and the framework set out in the Trust's integrated governance strategy. The Operational Board receives an in-depth review of the locality risk registers every two months as part of its business cycle.

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 and corporate assurance framework. In addition, the Audit Committee receives the strategic risk register and corporate assurance framework four times per year, as well as undertaking periodic reviews of risk treatment processes for individual risks on an escalation/ enquiry basis.

As well as guidance in the integrated governance strategy, 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, including through various forums in the Trust (e.g. Board development sessions, the Clinical Engagement & Leadership Forum and Quality Committee) there are regular risk management topics that are discussed as part of learning and awareness for 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 programme.

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 best practice. A 'learning from experience' report is produced three times a year which reviews learning from incidents, complaints, concerns, claims, compliments and other sources of feedback. Additionally, a quality improvement report is produced three times a year which provides a highlight of what the Trust is doing to continuously improve the quality of care and treatment that its services provide to people who access its services. These reports are received at the Board of Directors meeting, the Quality Committee and locality governance meetings.

The risk and control framework

The Trust's risk management strategy is an integral component of the overarching 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 and identifies 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, evaluates (through its receipt, review and approval of the corporate assurance framework) and determines its appetite for the risks by review of risk treatment (control) plans against target risk ratings where applicable

Under the NHS Improvement (in exercise of the powers conferred on Monitor) 'Risk assessment framework', NHS Foundation Trust Boards are required to carry out governance reviews every three years. The Board has this year commissioned a governance review of its quality governance arrangements in accordance with NHS Improvement's good practice guidance against the following domains:

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

This review independently tested the outcomes being achieved against the ten questions associated with these domains, with comparative analysis against the Board's self-assessment. This concluded that the Board's self-assessment was congruous with the assessment results of the independent review across all questions, excepting 'does the Board have a credible strategy to deliver high quality, sustainable services to patients and is there a robust plan to deliver?', which the Trust rated as 'green' as opposed to 'green/amber'. The review rating therefore concluded the Trust to have seven 'green' ratings and

three 'green/ amber' ratings. This review has provided the Board with assurance over the effective oversight of the care provided throughout the Trust.

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 performance dashboard report detailing the Trust's quality and safety performance by reporting on compliance in achieving key local and national priorities.
- For 2016/17 in particular, assurance was obtained on compliance with Care Quality Commission (CQC) registration requirements through a re-inspection (of mental health services and substance misuse services) in October 2016, complemented by the comprehensive CQC-led inspection in June 2015 for both mental health and community physical health services, to check and confirm that fundamental standards of quality and safety are being met. Routine assurance on compliance with CQC registration compliance requirements is also received through CQC Mental Health Act 1983 monitoring and review visits throughout the year. The Trust also has an internal compliance visit programme in place to routinely assess compliance with these standards of quality and safety. Collectively these assurance mechanisms have confirmed that the Foundation Trust is fully compliant with the registration requirements of the Care Quality Commission and is rated as "Good" overall and "Outstanding" for caring.

For the year ended 31 March 2017 and up to the date of approval of the annual report and accounts, NHS Improvement has placed the Trust in "segment 1", meaning that it is has judged the Trust as needing the least level of oversight to maintain its CQC rating of "Good". This judgment is made quarterly based on the Trust's performance in relation to five themes (quality of care, finance and use of resources, operational performance, strategic change and leadership and improvement capability).

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 'Information Governance' section of this statement provides further information. Additionally, a baseline technical controls assessment relating to the cyber risks to data security was completed by the internal auditors to assess the maturity of the Trust's controls and informed a number of opportunities for improvement which were, and continue to be taken forward through the Trust's corporate assurance framework (as detailed below).

The Trust's major (including significant clinical) risks at the year ended 31 March 2017 (with a risk score of 15 – 25), and how they are being managed and mitigated are:

- Risk of harm to patients due to ligature points and environmental risks within the inpatient setting.

Each ward area has a full environmental risk assessment report and a colour coded ligature map which risk rates areas of the inpatient setting. Locality risk registers are monitoring these risks for impact locally whilst the strategic risk register receives assurances from the Trustwide Suicide Prevention Clinical Environmental Group. This year has also seen the development of a risk dashboard and snapshot reports to better manage and mitigate this risk.

- Risk of harm due to deficits in familiarity with and staff confidence in applying safety critical policies, in particular the Trust's "search" policy, to ensure CWP maintains safe environments for patients and staff.

There is a Trustwide programme of workshops in place to raise awareness of search processes and procedures and to discuss solutions to the challenges faced by inpatient staff in managing this risk. Detection devices are being explored as a potential means of identifying and locating risk devices. Further, there is a joint work programme between the police and the Trust to undertake security reviews of all inpatient environments.

- Risk of cyber-attack resulting in loss of access to key systems and/ or data files with possible impacts on healthcare delivery, financial penalties and reputational damage.

There has been investment in perimeter protection during 2016/17, as a recommendation of the internal auditors, with other recommendations being taken forward by the records and information systems group (for example implementation of intrusion prevention software) and through the development of strategic plans by the Board.

The organisation's major risks and other risks detailed in the Trust's strategic risk register at year-end also form the Trust's future risks. How these will be managed and mitigated are detailed above and in the Trust's corporate assurance framework and operational plan for 2017/19. At the end of this reporting period, two risks were being scoped as potential future risks. These were the risk of impact on patient care due to the staffing pressures in community mental health teams Trustwide; and the risk of the Trust's workforce not having sufficient capability (capacity, confidence, competence) and resilience to deliver place-based systems of care. These will be scoped in accordance with the Trust's integrated governance strategy and if they are deemed to meet the threshold for being a risk to the Trust's strategic objectives, will be treated/ mitigated through the Trust's corporate assurance framework process.

Outcomes against the management and mitigation of these risks are/ will be assessed by the Board 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 risks. The Quality Committee undertakes individual in-depth reviews of selected strategic risks, 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 any identified target risk rating. The Audit Committee also 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 (supported by periodic reviews of risk treatment processes for individual risks on an escalation/ enquiry basis, as described previously).

The Board undertakes a twice yearly self-assessment of its compliance with NHS Improvement's (in exercise of the powers conferred on Monitor) 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, the operation of which is assessed annually by the Trust's Quality Committee in reviewing its effectiveness over the previous year, 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:

- The Trust's performance improvement/ review framework is an integral component of the overarching integrated governance strategy, which describes the accountability arrangements and the actions that will be taken should risk/ performance issues be judged as requiring escalation.
- Ongoing review and scrutiny of trustwide and locality risk registers
- Promotion of an open, fair and just culture, with support for staff to report actual and potential incidents/ errors so that learning and improvement can take place, informed by appropriate investigation.
- Learning from incidents through aggregated analysis, regular feedback to staff and review of lessons learned. This is supported by the Trust's learning from experience report to monitor incident reporting and includes quantitative and qualitative analysis of numbers, types and severity of incidents reported per clinical speciality and location.
- Ensuring risk assessments are conducted consistently, as outlined in the integrated governance framework.
- Having a robust annual healthcare quality improvement 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 the contractual/ regulatory 'Duty of Candour' (Specific Condition 35, Standard NHS Contract/ Regulation 20 of the Health and Social Care Act).

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

- Forward 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 committees and subsidiary 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.

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 has assessed its financial performance during the year against NHS Improvement key ratios such as the Financial Sustainability Risk Rating and latterly the Use of Resources metrics. There is a scheme of delegation in place and the key sub committees of the Board as 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.

Information governance

The Information Governance toolkit is subject to annual internal audit. This was recently completed and a significant assurance opinion was issued for the fifth consecutive year.

There have been no serious incidents relating to information governance in 2016/17 that were reportable to the Information Commissioner's Office (ICO) as a Level 2 incident in the Information Governance Incident Reporting Tool.

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. NHS Improvement (in exercise of the powers conferred on Monitor) has issued guidance to NHS Foundation Trust Boards on the form and content of annual Quality Reports which incorporate the above legal requirements in the *NHS Foundation Trust Annual Reporting Manual*.

In order to assure the Board that the annual Quality Report (also known as the Quality Account) 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 annual Quality Report are based on feedback received throughout the year from people who access and deliver the Trust's services and the Trust's wider stakeholder groups. These quality priorities are integrated with the Trust's forward 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 Quality Improvement Reports by the Board to evaluate progress towards delivery of the quality priorities. Through the governance review of its quality governance arrangements, which the Board has this year commissioned, it has identified how quality drives the overall Trust strategy.

- This is supported by a review by Board of the corporate performance dashboard report and exception reporting from the Quality Committee of quality performance issues (aligned to the quality of care domains defined by the CQC) detailed in the Trust's locality data packs. The Quality Committee includes in its business cycle a review of the Quality Improvement Report and is the delegated committee that identifies any necessary action plans required to manage the risks associated with the delivery of the quality priorities. The Quality Improvement 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.

The Trust ensures the quality and accuracy of elective waiting time data by:

- Undertaking weekly reviews of waiting lists, including cleansing, to ensure clinical appropriateness.
- Service-led task and finish groups to validate waiting list data.
- A suite of reports that enable managers to have oversight of a team's capacity and demand.
- Undertaking data quality checks.

The risks to the quality and accuracy of this data are the potential for inaccurate data capture, which is being mitigated through the work of task and finish groups to improve the effectiveness of clinical and administrative processes.

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.

In accordance with Department of Health requirements, the Director of Internal Audit has provided me with an overall assessment of compliance with the Assurance Framework requirements. Based upon the review conducted, it is concluded that: "The organisation's

Assurance Framework is structured to meet the NHS requirements, is visibly used by the Board and clearly reflects the risks discussed by the Board". The review has given assurance that:

1. The structure of the Assurance Framework meets the requirements.
2. There is Board engagement in the review and use of the Assurance Framework.
3. The quality of the content of the Assurance Framework demonstrates clear connectivity with the Board agenda and external environment.

This review has been presented in a report to the Audit Committee and the Board. It details that the Assurance Framework is reflective of the NHS and external environment. It also details that the Audit Committee and Quality Committee both discuss the Assurance Framework and the appropriateness of the risks within.

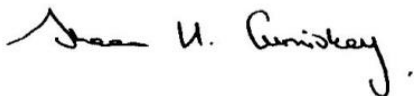
The review of the Assurance Framework across the year, alongside the Board minutes, has identified the following area for development:

- The organisation should ensure clarity in Board and committee minutes as to whether it is the Board Assurance Framework or risk register that is being considered by members at a given time

Conclusion

Following my review of the effectiveness of internal control, I conclude and confirm that no significant internal control issues have been identified and that the internal control system supports the achievement of the NHS Foundation Trust's strategic plans and objectives.

Signed

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

Sheena Cumiskey – Chief Executive
24th May 2017



Independent auditor's report

to the Council of Governors of Cheshire and Wirral Partnerships NHS Foundation Trust only

Opinions and conclusions arising from our audit

1. Our opinion on the financial statements is unmodified

We have audited the financial statements of Cheshire and Wirral Partnerships NHS Foundation Trust for the year ended 31 March 2017 set out on pages 147 to 182. In our opinion:

- the financial statements give a true and fair view of the state of the Trust's affairs as at 31 March 2017 and of the Trust's income and expenditure for the year then ended; and
- the Trust's financial statements have been properly prepared in accordance with the Department of Health's Group Accounting Manual 2016/17.

Overview

Materiality:	£3m (2015/16:£3m)
Financial statements as a whole	2% (2015/16: 2%) of income from operations

Risks of material misstatement vs 2015/16

Recurring risks	Valuation of land and buildings	▲
-----------------	--	---

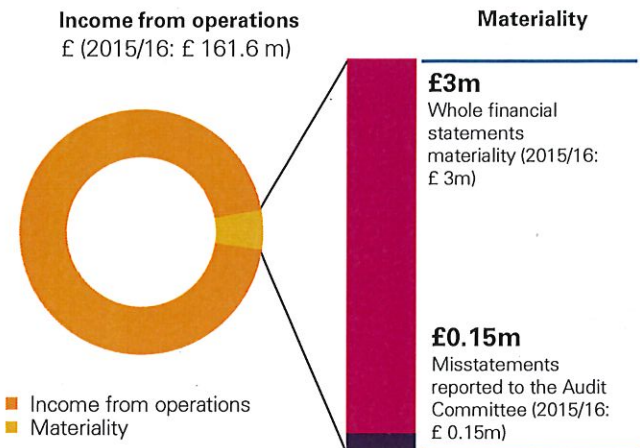
2. Our assessment of risks of material misstatement

In arriving at our audit opinion above on the financial statements, the risks of material misstatement that had the greatest effect on our audit was as follows:

	The risk	Our response
<p>Property, Plant and Equipment £69.8 million; 2015/16: £76.4m</p> <p>Refer to page 9 (Audit Committee Report), page 155 (accounting policy) and page 169 (financial disclosures).</p>	<p>Valuation of land and buildings</p> <p>Land and buildings are required to be held at fair value. The Trust's main land and buildings relate to multiple sites across Cheshire. As hospital buildings are specialised assets and there is not an active market for them they are usually valued on the basis of the cost to replace them with an equivalent asset. There is significant judgement involved in determining the correct valuation.</p> <p>When considering the cost to build a replacement asset the Trust may consider whether the asset would be built to the same specification or in the same location. Assumptions about changes to the asset must be realistic.</p> <p>For non specialised assets, where there is generally an active market, these are usually valued at open market value. In 2016/17, the Trust commissioned a full valuation as at 31 March 2017 by an external expert to demonstrate that the land and buildings are being held at fair value.</p> <p>As a result the value of the assets has fallen by £9.3 million to reflect their fair value. Given the materiality and judgment involved in determining the carrying values of the land and buildings this has been identified as a key audit risk</p>	<p>Our procedures included:</p> <p>Assessment of the Trust's external valuer: We assessed the competence, capability, objectivity and independence of the Trust's external valuer, including an assessment of the useful economic lives. We assessed the assumptions used in preparing the full valuation completed of the Trust's land and buildings by comparing our own knowledge of the client and experience of the industry in which it operates to ensure they were appropriate. As part of this process we consulted with our in house valuations specialists.</p> <p>Impairment review: We assessed whether the valuation and the accounting treatment of the impairment was compliant with the relevant accounting standards, and in particular whether impairments should be recognised in the Statement of Comprehensive Income.</p> <p>Agreement of underlying accounting records: We sample tested the completeness of the estate base data provided to the valuer to complete the full valuation to ensure it accurately reflected the Trust estate;</p> <p>Accounting movements: We reconciled the valuation report to the financial statements to ensure that valuation movements had been applied correctly both in total and at an individual asset level;</p> <p>Assessment of accounting treatment: We assessed the adjustments in the valuation of land and buildings and ensured that these have been appropriately treated in the financial statements in accordance with the requirements of the Department of Health Group Accounting Manual 2016/17</p>

3. Our application of materiality and an overview of the scope of our audit

The materiality for the financial statements was set at £3 million (2015/16: £3 million), determined with reference to a benchmark of income from operations (of which it represents approximately 2%). We consider income from operations to be more stable than a surplus-related benchmark. We report to the Audit Committee any corrected and uncorrected identified misstatements exceeding £150k (2015/16: £150k), in addition to other identified misstatements that warrant reporting on qualitative grounds.



4. Our opinion on other matters prescribed by the Code of Audit Practice is unmodified

In our opinion:

- the part of the Directors’ Remuneration Report to be audited has been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2016/17; and
- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

5. We have nothing to report in respect of the matters on which we are required to report by exception

We are required to report to you if, based on the knowledge we acquired during our audit, we have identified information in the Annual Report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

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

- we have identified material inconsistencies between the knowledge we acquired during our audit and the directors’ statement that they consider that the Annual Report and financial statements taken as a whole is fair, balanced and understandable; or
- the Audit Committee’s commentary on page 36 of the Annual Report does not appropriately address matters communicated by us to the Audit Committee.

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

- the Annual Governance Statement does not reflect the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2016/17, is misleading or is not consistent with our knowledge of the Trust and other information of which we are aware from our audit of the financial statements.
- the Trust has not made proper arrangement for securing economy, efficiency and effectiveness in its use of resources.

In addition we are required to report to you if:

- any reports to the regulator have been made under Schedule 10(6) of the National Health Service Act 2006.
- any matters have been reported in the public interest under Schedule 10(3) of the National Health Service Act 2006 in the course of, or at the end of the audit.

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

6. We have completed our audit

We certify that we have completed the audit of the accounts of Cheshire and Wirral Partnerships NHS Foundation Trust in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice issued by the National Audit Office.

Scope and responsibilities

As described more fully in the Statement of Accounting Officer's Responsibilities on page 73 the accounting officer is responsible for the preparation of financial statements that give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the UK Ethical Standards for Auditors. A description of the scope of an audit of financial statements is provided on our website at www.kpmg.com/uk/auditscopeother2014. This report is made subject to important explanations regarding our responsibilities, as published on that website, which are incorporated into this report as if set out in full and should be read to provide an understanding of the purpose of this report, the work we have undertaken and the basis of our opinions.

The Trust is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. Under Section 62(1) and Schedule 10 paragraph 1(d), of the National Health Service Act 2006 we have a duty to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively. We have undertaken our review in accordance with the Code of Audit Practice, having regard to the specified criterion issued by the Comptroller and Auditor General, as to whether the Trust has proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary.

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors of the Trust as a body, for our audit work, for this report or for the opinions we have formed.



Amanda Latham for and on behalf of KPMG LLP
Chartered Accountants and Statutory Auditor
1 St Peter's Square, Manchester, M2 3AE

26th May 2017



3. Quality Account



Quality Account

2016/17



Quality at CWP
2016/17 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 access services from harm and injury, and providing treatment in a safe environment.

Clinical effectiveness

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

Patient experience

This means ensuring that people who access 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 we receive.

To help meet this aim, we produce *Quality Improvement Reports* three times a year on our priorities to show improvements in quality during the year.



This *Quality Account*, and 'easier read' accessible versions of the *Quality Account* and our *Quality Improvement Reports*, are published on our website.

Part 1.

Statement on quality from the Chief Executive of the NHS Foundation Trust



As ever, I am extremely pleased to present to you our annual Quality Account. At CWP, we are committed to improving the quality of the lives over people who access our services by providing and delivering the best possible of quality of care. This is our eighth year of publishing an annual report on the quality of our services and I hope that the following pages will demonstrate to you:

- Our commitment and approach to quality improvement.
- How we have performed against the quality improvement priorities for 2016/17.
- Our quality improvement priorities for the coming year.

2016/17 has been a year when we have continued our quality improvement journey. Key to our journey has been ensuring that our excellent staff who deliver our services are engaged in developing a person-centred culture. At CWP, person-centredness is about *connecting with people as unique individuals with their own strengths, abilities, needs and goals*. I am therefore delighted that in the results of the 2016 NHS Staff Survey, 88% of our staff felt that they were able to deliver a person-centred approach in their practice/ delivery of care. However, we are not complacent, as demonstrated by the launch of our new person-centred framework in March and by setting a quality improvement priority this year to improve on the performance in the staff survey even further. You can read about this and the other quality improvement priorities we have set in *Part 2* of this report. They will provide the focus for our work in the coming year. We are proud of what we have achieved so far and hope to do even more in 2017/18.

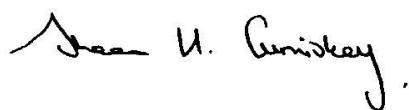
Readers of last year's Quality Account will recall that we received a comprehensive inspection of our inpatient and community mental health services and community physical health services by the Care Quality Commission. This year we received a re-inspection of our mental health services and also a first inspection of our substance misuse services in East Cheshire. I was delighted that all the services that were re-inspected, as well as our substance misuse services, were all rated as Good. The Trust has sustained its rating of Good overall and Outstanding for caring. You can read more about the re-inspection in *Part 2* of this report.

Reflecting on what we have achieved since the *Five Year Forward View* was published in 2016, I'm pleased at what we have achieved in working towards this national vision through many initiatives that we are running locally. One focus is providing greater mental health support, particularly for children and young people. We have made great strides in our communities in this area of focus, for example:

- In Wirral, CWP has supported over 750 school children with mental health first aid training, and the Trust's Primary Mental Health Worker team works closely with schools and community providers to support young people's mental health needs through training and group work.
- In West Cheshire, young people aged between 11–19 living or attending school/ college in the area are able to contact the *MyWell-being* online team, a team of professional clinicians, for online support, chat and guidance around their emotional health and well-being.
- In East Cheshire, CWP has been working in partnership with *Cheshire East Council*, *Just Drop-In*, *The Children's Society* and *Visyon* to deliver the Emotionally Healthy Schools Project – an innovative collaboration aiming to help six local secondary schools promote positive emotional health and well-being to their pupils.

The Board continues to be inspired by the commitment and passion of all our staff to continue to improve care and services for the people and communities we serve, despite the unprecedented challenge and change in the NHS. The next financial year is going to continue to be challenging, but with some great opportunities to continue to develop and improve our services by keeping quality at the heart of all that we do.

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



Sheena Cumiskey
Chief Executive
Cheshire and Wirral Partnership NHS Foundation Trust

Statement from the Medical Director – Executive lead for quality



In September, I had the great pleasure of joining over 200 people at our annual Best Practice showcase event, which took place this year at the Floral Pavilion theatre in New Brighton. This is one of my favourite events of the year and it is always a delight to see so many fantastic examples of great work from our teams at CWP. Over 35 services showcased their successful projects on the day. Examples of these included how our Wirral Complex Needs Service has significantly reduced admissions to A&E; the involvement of young people in the development of our CAMHS new build Ancora House; and the Crewe Recovery Team's partnership with Crewe Alexandra FC to encourage healthy living and social inclusion. Angie and Tony Russell, Co-Directors of the Positive Practice in Mental Health Collaborative, helped us kick off the day by speaking passionately about the importance of learning, not just from our own experiences, but also from those in the wider healthcare community.

We recognise that delivering healthcare is not without risk and we acknowledge that we don't get it right for every person every time. It is therefore important that we learn from our mistakes and listen to people who access our services, the communities we serve and our stakeholders about their personal experiences and the health needs of our population. We also recognise the importance of learning from other organisations' quality performance, a process known as benchmarking. Being open to learning from others enables us to be the best we can be. Where we perform well, this assures the Trust and also our stakeholders, including the communities we serve, of the high quality of our services. Where we perform less well, we are committed to understanding why so that we can identify quality improvement approaches to further improve our services. In January, I presented to the Board of Directors on the results of our performance in the *NHS Benchmarking Network's* "Mental Health Benchmarking" report for 2016. As a member of this network, we work with other members to understand the variation in demand, capacity and outcomes within the NHS to help define "what good looks like". This showed that we perform well in relation to areas such as lengths of stay on inpatient wards and patient satisfaction, but we need to understand what we can do better in areas including serious incident reporting, complaints management, and use of community treatment orders. As such, we have identified quality improvement projects to look at these areas, which we will report on to our Quality Committee in July and September.

Quality improvement is now a huge part of everyone's day to day role at CWP. Over the last couple of years, a key driver to this has been our Zero Harm campaign – our dedication to supporting everyone to deliver the best care possible, as safely as possible, and in doing so reducing avoidable harms. A shining example of this is the work of the Tissue Viability team and the pressure care Zero Harm group. By using structured quality improvement approaches in a consistent way, they have successfully sustained continuous reductions in avoidable pressure ulcers in the community, resulting in no reported avoidable pressure

ulcers since June 2016, which is a significant achievement. I was delighted to hear that they were asked to present all of their hard work at the *International Forum on Quality and Safety in Healthcare* in London in April 2017.

During the year, we have started to help our staff to understand how to deliver quality improvement by using structured approaches, like PDSA (Plan Do Study Act) cycles. You can read more about how we are doing this in *Parts 2 and 3* of this report, as well as finding lots of examples of quality improvement in our Quality Improvement Reports, which we produce three times a year. They can be found on our Internet at <http://www.cwp.nhs.uk/resources/reports/>.

I hope you enjoy reading our Quality Account.



Dr Anushta Sivananthan
Medical Director & Consultant Psychiatrist
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 2016/17

CWP has made significant improvements towards the priorities it set in last year's *Quality Account*.

Below is a summary of how our improvements, which are presented at the Trust's Board meetings and are available on the CWP website.

Based on feedback from our stakeholders last year, we have tried to report at local level as well as Trustwide levels.

We have included a glossary of some of the terms used in the report. *Annex A* explains these terms.

Patient safety priorities for 2016/17

We wanted to:

Demonstrate improvement in the **completion** and **quality** of handovers between wards and Home Treatment teams, using the 'SBAR' (Situation, Background, Assessment and Recommendation) tool to help improve communication.

This is because failure in handover (the process of transferring responsibility for some or all aspects of care for a patient to other professionals) is a major preventable cause of patient harm and is usually due to poor communication.

How we have shown improvement:

✓ An audit of a random sample of cases from quarter 1 and quarter 4 of 2016/17 shows an increase in the completion of the SBAR handover tool from **55% to 75%** when patients are transferred between wards. The audit showed that the SBAR forms were fully completed with risk assessments and physical health information.

✓ Home Treatment teams are consistently using an electronic form called the "Gateway Assessment form" to improve the transfer of patients from the community into inpatient settings.

We wanted to:

Demonstrate improvement in the Trustwide incident reporting profile, in line with the Heinrich model.

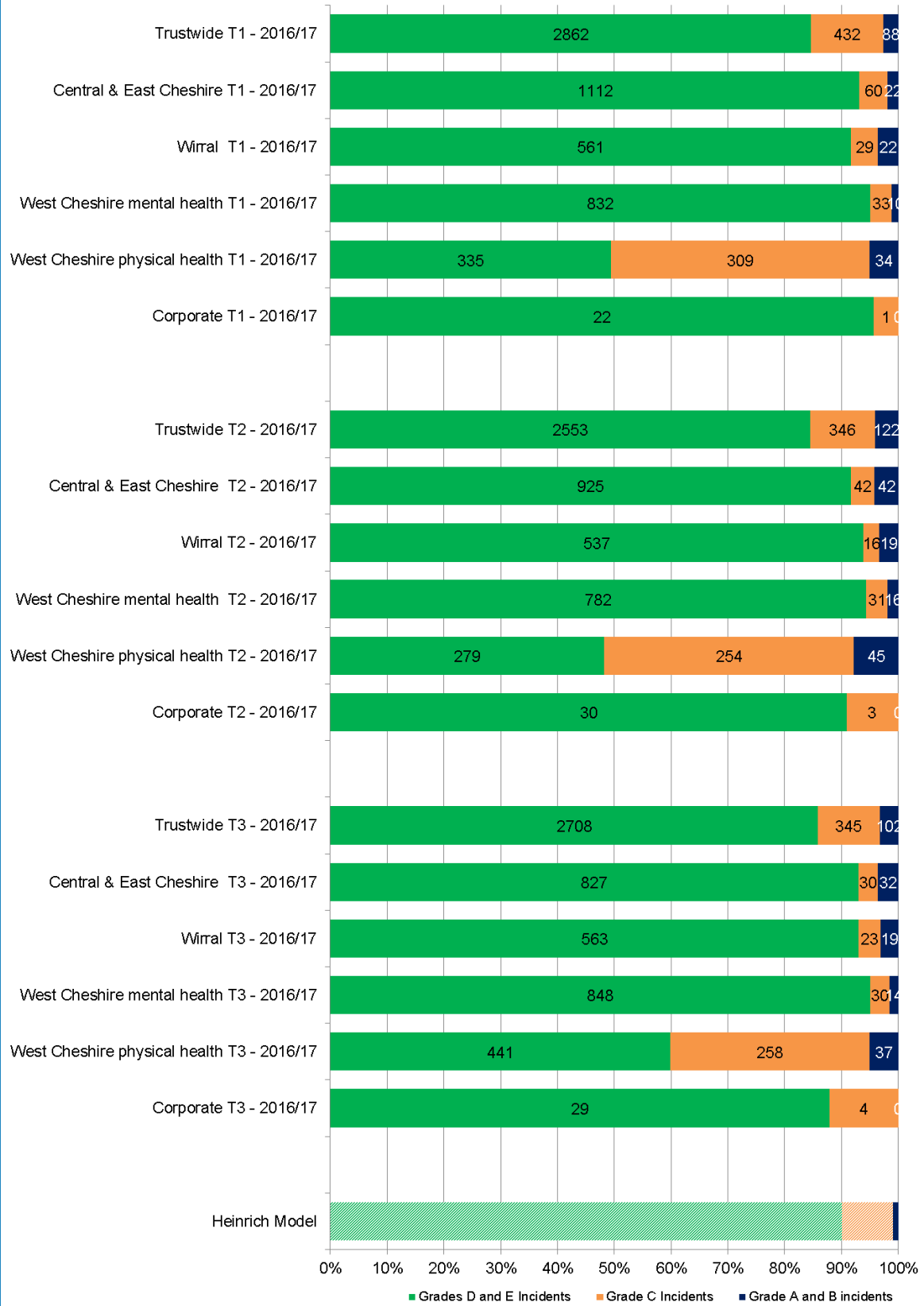
How we have shown improvement:

✓ Overall results show a significant improvement in reporting proportionately more low harm and no harm incidents (grades D and E), in line with the Heinrich model, to give a better chance of identifying and preventing hazards before they result in more serious harm incidents.

✓ Physical health community care teams have a different reporting profile because policy requires pressure ulcer incidents to be reported as either grade B or C depending on their severity. Whilst this means their profile will be made up of more of these incidents, these teams can and do benchmark against each other and other services in the Trust.

✓ For 2017/18, CWP is looking to develop the Heinrich model (which is based on health and safety accident reporting) to reflect incident reporting profiles that are more appropriate to healthcare provider services.

**CWP Incidents per trimester 2016/17
against 300:30:1 Heinrich ratio)**



Clinical effectiveness priority for 2016/17

We wanted to:

Demonstrate improvement in the **use** of service-level health related outcome ratings.

How we have shown improvement:

- ✓ Outcome ratings, such as the Health of the Nation Outcome Score (HoNOS), enable teams to assess the impact of the care and treatment they have provided. From December 2016, the Locality Data Packs (LDPs) produced by the Trust's Quality Surveillance team now show the change in HoNOS score between admission and discharge, for every patient discharged from the ward.
- ✓ The LDPs for Child & Adolescent Mental Health teams now show the percentage of children with Goal Based Outcomes, patient reported outcome measures (PROMs) or patient reported experience measures (PREMs).
- ✓ Improving the use of outcome ratings by now including them in LDPs means that throughout 2017/18, teams can use this information to identify where they can further improve the effectiveness of the care they provide.

Patient experience priority for 2016/17

We wanted to:

Demonstrate an increase in the **uptake** of the Friends and Family Test (FFT).

How we have shown improvement:

- ✓ Between February and March 2017, Trustwide we received 568 FFT responses, with an overall score of 55% of people saying they would be extremely likely to recommend our services to friends and family.
- ✓ A total of 403 comments were received as part of these responses. 61% of people who went on to comment said they were extremely likely to recommend our services to friends and family.
- ✓ Starting in April 2017, the Patient and Carer Experience team will be attending team meetings to discuss the support they need to further increase uptake of the FFT, targeting Central & East Cheshire initially as this is where there is most room for improvement.

	Apr – May 2016	Feb – Mar 2017	Change
Central & East Cheshire	153	94	-39%
West Cheshire	254	280	+10%
Wirral	123	148	+20%
Not specified	32	46	+44%
Trustwide	562	568	+1%

Quality improvement priorities for 2017/18

Our priorities have been developed and chosen based on:

- Identified risks to quality, which includes feedback such as complaints and learning from investigations into serious incidents.
- What is important to people who access our services, people who deliver our services and stakeholders such as commissioners.

- National priorities.

The quality priorities identified for achievement in 2017/18 have been set out in the Trust's plans, including how they link to the Trust's corporate and locality strategic objectives. This allows our quality priorities to be consistently consulted on and effectively communicated across the Trust and wider stakeholder groups.

Our approach to Quality Improvement

We are looking at quality in more detail to better demonstrate our aspiration of achieving equity of care through quality improvement. We are using well-known national and international definitions of quality (including those from the *Institute for Healthcare Improvement*, the *World Health Organization*, and the *Department of Health*) to help us do this, as detailed in the chart below.

QUALITY					
Patient safety	Clinical effectiveness			Patient experience	
Safe	Effective	Affordable	Sustainable	Acceptable	Accessible
Achieving Equity and Person-centred Care through CO-PRODUCTION, CO-DELIVERY, QUALITY IMPROVEMENT & WELL-LED SERVICES					
Delivering care which minimises risks	Delivering care that follows an evidence base and results in improved health outcomes, based on people's needs	Delivering care in a way which maximises use of resources and minimises waste	Delivering care that can be supported within the limits of financial, social and environmental resources	Delivering care which takes into account the preferences and aspirations of people	Delivering care that is timely, geographically reasonable, and provided in a place where skills and resources are appropriate to meet people's needs
<p><i>"Being treated in a safe environment"</i></p> <p><i>"Being protected from harm and injury"</i></p>	<p><i>"Receiving care which will help me recover"</i></p> <p><i>"Having an improved quality of life after treatment"</i></p>			<p><i>"Having a positive experience"</i></p> <p><i>"Being treated with compassion, dignity and respect"</i></p>	

Our patient safety priority for 2017/18

Measure	Increase in the identification of patients taking monotherapy or combination antipsychotic treatment, in which daily doses exceed the recommended maximum limits (according to the British National Formulary) to improve monitoring of the associated risks.
Rationale	There are greater risks, including serious physical side-effects, associated with antipsychotics taken in high doses or in combination (<i>Royal College of Psychiatrists, 2014</i>).
Baseline	An audit in quarter 1 of the number of patients recorded as having an alert stating “High Dose Antipsychotic Therapy (HDAT) prescribing” and evidence that the HDAT checklist has been completed. Population = inpatients and those under the care of community teams.
Improvement target	a/ An incremental increase (from quarter 2 onwards) in the number of patients who have a documented HDAT – an improvement target will be set at the end of quarter 1 once the baseline is known. b/ An 80% rate of completion of the HDAT checklist by quarter 4.
Source	HDAT alert and checklist reporting dataset obtained from the Trust’s electronic patient records system, extracted by the Information Team on a monthly basis.

Our clinical effectiveness priority for 2017/18

Measure	Improvement in the Trustwide average bed occupancy rate for adults and older people.
Rationale	The optimal bed occupancy rate to facilitate more effective care is 85% (<i>Royal College of Psychiatrists, 2011</i>).
Baseline	The average Trustwide bed occupancy rate (excluding leave beds) at year end (month 12 – December) for adult and older people inpatient wards. For 2016, this rate was 90%.
Improvement target	The Trustwide average bed occupancy rate for 2017 (excluding leave beds) at year end (month 12 – December) for the adult and older people inpatient wards to reduce to 85%.
Source	NHS England bed availability and occupancy data (KH03).

Our patient experience priority for 2017/18

Measure	Improvement in embedding a person-centred culture across the organisation.
Rationale	In March 2017, the Trust implemented a person-centred framework. CWP defines person-centredness as “connecting with people as unique individuals with their own strengths, abilities, needs and goals”. This priority will demonstrate how the framework is helping to improve the organisation’s person-centred culture.
Baseline	The percentage of staff responding positively in the NHS Staff Survey that they were able to deliver a person-centred approach in their practice/ delivery of care. For 2016 this was 88%.
Improvement target	90% or more staff responding positively in the NHS Staff Survey that they are able to deliver a person-centred approach in their practice/ delivery of care.
Source	NHS Staff Survey 2017.

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

Progress against the delivery of the quality improvement priorities will be reported to the Trust’s *Quality Committee* and regular updates will be included in our *Quality Improvement Report* which is reported to the Board, and is available on our [website](#).

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

We are commissioned to provide the following services:

- NHS Bolton CCG – Eating Disorder services.
- NHS England – CAMHS (Children and Adolescent Mental Health Services) Tier 4, Specialised Eating Disorder, Low Secure, school age immunisations programmes, Child Health Information Systems (CHIS) and Specialist Community Peri-natal Mental Health services.
- NHS Eastern Cheshire CCG – Mental Health, Learning Disability and CAMHS services.
- NHS South Cheshire and Vale Royal CCGs – Mental Health, Learning Disability and CAMHS services.
- NHS Trafford CCG – Eating Disorder Services and Learning Disability services.
- NHS Western Cheshire CCG – Mental Health, Learning Disability, CAMHS and Community services.
- NHS Wirral CCG (and co-commissioners) – Mental Health, Learning Disability, Eating Disorder and CAMHS services.
- Cheshire East Council – Substance Misuse services and Emotionally Healthy Schools
- Cheshire West and Chester Council – the Healthy Child Programme (0-5s) and Children and Young People's (5-19) services.

We also deliver various CCG commissioned specialist services to support people with Autism of all ages and abilities.

During 2016/17 Cheshire and Wirral Partnership NHS Foundation Trust provided and/ or sub contracted 83 NHS services, as outlined within the Trust's contract with its commissioners. The income generated by the relevant health services reviewed in 2016/17 represents 95 per cent of the total income generated from the provision of relevant health services by Cheshire and Wirral Partnership NHS Foundation Trust for 2016/17.

We have reviewed the data on the quality of our services in the following ways during the year.

Contract review and monitoring

We work together with our commissioners to review and update the quality requirements in our contracts to ensure that they reflect changes in best practice and emerging national or local good clinical or good healthcare practice.

Reviewing the results of surveys

We have engaged people who access our services, carers, people who deliver our services, and other partners in a wide variety of survey activity to inform and influence the development of our services.

The NHS Staff Survey is used to review and improve staff experience. The results also inform local and national assessments of the quality and safety of care, and how well organisations are delivering against the standards set out in the *NHS Constitution*. Trusts are asked to provide the following specific survey result indicators, to demonstrate progress against a number of indicators of workforce equality linked to the Workforce Race Equality Standard (WRES):

KF 26 – Percentage of staff experiencing harassment, bullying or abuse from staff in the last 12 months:

White	16%
Black and minority ethnic	15%

KF21 – Percentage believing that the trust provides equal opportunities for career progression or promotion

White	91%
Black and minority ethnic	97%

Further information can be found at:

http://www.nhsstaffsurveys.com/Caches/Files/NHS_staff_survey_2016_RXA_full.pdf

The WRES detailing the NHS Staff Survey results for 2016 will be published on our website in July 2017.

Learning from experience – examples

Learning from complaints and a serious incident has demonstrated that staff need further training in understanding patients who have Autistic Spectrum Disorder. We have identified plans to improve on this during 2017/18.

As a result of a ‘Report to Prevent Future Deaths’ (Regulations 28 of the Coroners (Investigations) Regulations 2013), we have reviewed and improved the training and support to staff in using our nicotine management policy.

We are analysing our claims profile in respect of value, volume, speciality and cause, to improve patient safety. A claims “score card” is presented in every *Learning from Experience* report.

Mortality monitoring

In March 2017, the *National Quality Board* published National Guidance on “Learning from Deaths” which was informed by the recent findings of the *Care Quality Commission* report “Learning, candour and accountability”. At CWP, we have already begun to increase reporting of deaths that do not meet the serious incident criteria to help us identify more learning. This work is being reported in our *Learning from Experience* report and is being monitored by our *Quality Committee*.

Feedback from people who access the Trust's services

We welcome compliments and comments from people who access our services and carers, and use the feedback to act on suggestions, consolidate what we do well, and to share this best practice across the Trust.

Our *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 (PALS) contacts. Reviewing them together, with the results of clinical audits, helps to identify trends and spot early warnings, so that 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 our Board meetings, our partner organisations and via our website.

Examples of feedback from people who access our services include:

"To all staff in Croft ward, you have helped [patient] and me so much. I have met such wonderful people. I will never forget you – it helped me get through the worst year of my life. I will keep on fighting for the unit. [Doctor] you have performed a miracle with [patient]" – Older People Services, CWP East

"[Staff member] was great. She listened and was able to identify and bring to the table ways for me to put my thoughts into context. Always positive and I will take away a strength that I will continue to get better. I believe in myself thanks to her." – Primary Care Mental Health Team, CWP West

"Thank you very much for looking after me when I was on the ward. You are all very nice people and showed this by caring for each other and caring for me. I will very much miss our games of scrabble and cards and I am slightly disappointed that I missed the on-ward safari. I am getting used to making my own cups of tea. Thank you and god bless." – Learning Disability Services, CWP Wirral

"[Staff member]'s whole manner was wonderful. Professional, caring and made my daughter my daughter again. Cannot praise him highly enough. As parents, we're forever grateful." – Child and Adolescent Mental Health Services, CWP East

"I want to thank you and all your colleagues for the professional care and kindness [patient] received from you all during last year. Your many visits were always personal and friendly and contributed very much to her wellbeing. I am extremely grateful to you all." – Physical Health Services, CWP West

Duty of Candour

Duty of Candour is a regulation that providers of health and social care follow to ensure they are open and transparent with people who access services, and with people acting lawfully on their behalf, in relation to care and treatment – including when things go wrong. A review of our practice has been undertaken and has demonstrated areas of good practice such as the work of our family liaison officers, as well as areas where improvements can be made. Improvement actions include strengthening how we review compliance with the duty through

locality governance meetings, providing scenarios for staff to help them better understand application of the duty, and provision of information for staff.

Reviewing the results of clinical audit

Clinical audit is used to check that standards of care are of a high quality. Where there is a need for improvement, actions are identified and monitored. The next section describes this in greater detail.

Information on participation in clinical audits and national confidential enquiries

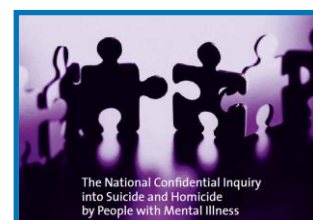
National clinical audits and national confidential enquiries

National clinical audits

We take part in national audits in order to compare findings with other NHS trusts to help us identify necessary improvements to the care provided to people accessing our 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 2016/17 **seven** national clinical audits covered relevant health services that Cheshire and Wirral Partnership NHS Foundation Trust provides.

During 2016/17 the Trust participated in **100%** national clinical audits which it was eligible to participate in.

The national clinical audits and national confidential enquiries that the Trust was eligible to participate in during 2016/17 are as follows:

- National Prescribing Observatory for Mental Health: Topic 1g & 3d: Prescribing high dose and combined antipsychotics on adult psychiatric wards.
- National Prescribing Observatory for Mental Health: Topic 7e: Monitoring of patients on Lithium.
- National Prescribing Observatory for Mental Health: Topic 11c: Prescribing antipsychotic medication for people with dementia.
- National Prescribing Observatory for Mental Health: Topic 16a: Rapid Tranquillisation in the context of the pharmacological management of acutely-disturbed behaviour.
- NHS England/ Royal College of Psychiatrists: Early Intervention in Psychosis Self-Assessment Audit.
- NHS England: Physical health assessment of patients with severe mental illness.
- University of Bristol: Learning disability mortality review programme.

The national clinical audits that the Trust participated are listed below alongside the number of cases submitted to each audit.

		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: Topic 1g and 3d: Prescribing high dose and combined antipsychotics on adult psychiatric wards	141 (100%)		Data submitted; report to be published July 2017. Action planning will then follow.
National Prescribing Observatory for Mental Health: Topic 7e: Monitoring of patients prescribed Lithium	133 (100%)		Report published. Action planning in progress.
National Prescribing Observatory for Mental Health: Topic 11c: Prescribing antipsychotic medication for people with dementia	283 (100%)		Report published. We have developed an action plan to support improvements identified, provided in briefings from the clinical directors to all teams involved in dementia care.
National Prescribing Observatory for Mental Health: Topic 16a: Rapid Tranquillisation in the context of the pharmacological management of acutely-disturbed behaviour	21 (100%)		Data submitted; report to be published in June 2017. Action planning will then follow.
Early Intervention in Psychosis Network/ Royal College of Psychiatrists: Early Intervention in Psychosis Self-Assessment Audits: Wirral, West, Central and East Cheshire	Central & East	127 (100%)	Reports received April 2017. Action planning in progress.
	West	94 (100%)	
	Wirral	200 (100%)	
NHS England: Physical health assessment of patients with severe mental illness	¹50 (100%)		Data submitted; ^{1,2} report to be published May 2017. Action planning will then follow. ^{3,4} report provided to commissioners April 2017.
Cardio metabolic assessment and treatment for patients with psychoses:	²100 (100%)		
¹ Inpatients	³121 (100%)		
² Community mental health patients	⁴120 (100%)		
³ Community early intervention patients	(see locality figures [cases submitted] below)		
⁴ Communication with General Practitioners			
Inpatients	Central & East	21	
	West	18	
	Wirral	11	
Community mental health patients	Central & East	38	
	West	29	
	Wirral	33	
Community early intervention patients	Central & East	40	

	Cases submitted (as a percentage of registered cases)	
	West	41
	Wirral	40
Communication with General Practitioners	Central & East	40
	West	40
	Wirral	40
Learning disability mortality review programme (LeDeR)	15 (100%)	
Ongoing data submission.		
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	No cases	
Suicide	100%	
Homicide	100%	
Victims of homicide	No cases	
National Confidential Enquiry into Patient Outcome and Death		
Young people's mental health study	100%	

The reports of seven national clinical audits were reviewed by Cheshire and Wirral Partnership NHS Foundation Trust in 2016/17 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 eight completed local clinical audits were reviewed in 2016/17 and Cheshire and Wirral Partnership NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided.

Title of local clinical audit	Good practice identified	Action/s taken
1. NICE clinical guidance: Meningitis (bacterial) and meningococcal septicaemia in under 16s (re-audit)	Improvement in compliance with all the criteria in the NICE guidance compared with previous audits.	Enabling actions to support clinicians to make further improvements required in recording and measuring the level of oxygen in patients' blood.
2. Lone Workers policy	96% of staff audited were fully aware of the guidance in the Trust's Lone Workers policy.	<ul style="list-style-type: none"> ▪ Awareness raising of the risks that "lone workers" might come across. ▪ A review of staff training around "Breakaway – disengagement techniques".

Title of local clinical audit	Good practice identified	Action/s taken
3. Monitoring of physical health on an open rehabilitation unit (Limewalk)	The majority of patients audited had a formal assessment of medication side effects.	<ul style="list-style-type: none"> ▪ Clinical leads identified for each patient group to ensure cardio metabolic risk factors are monitored and interventions are in place. ▪ Development of innovative ways to help staff view and monitor progress on patients' physical health needs.
4. Monitoring of cardio metabolic assessments on an intensive rehabilitation ward (Rosewood)	All patients audited had their physical health monitored at least annually.	<ul style="list-style-type: none"> ▪ Identified clinical lead on the ward to ensure cardio metabolic assessments are undertaken. ▪ Introduction of user friendly guidelines for staff on monitoring requirements. ▪ Recruitment of a registered general nurse to undertake physical health checks, including blood tests. ▪ Introduction of a physical health template to be completed at each CPA review.
5 and 6. Resuscitation Equipment (audit and re-audit)	Compliance with availability of resuscitation equipment has improved following the initial audit, with most wards fully compliant.	<ul style="list-style-type: none"> ▪ Introduction of spot checks and increased awareness raising. ▪ Trainee doctor induction programme has been amended to strengthen gaps identified in the audit, for example the importance of the trolleys being fully equipped. ▪ A session on resuscitation equipment/ suction techniques has been added to the yearly mandatory life support training for clinical staff. ▪ Improvements to the procurement of resuscitation equipment.
7. Record keeping	Improvement in compliance with all the standards in the Trust's record keeping policy compared with previous audits.	A review of the record keeping training e-learning module has moved emphasis from paper to electronic records.

Title of local clinical audit	Good practice identified	Action/s taken
8. Handovers of care	Increase in the completion of the handover tool from 55% to 75% when patients are transferred between wards.	Feedback of audit results to promote greater completion and improved quality of handover documentation.

National and local CWP clinical audits are reviewed as part of the annual healthcare quality improvement programme (which incorporates clinical audit), and are reported to our *Patient Safety & Effectiveness Sub Committee*, chaired by the Medical Director.

We have an infection prevention and control (IPC) audit programme, to ensure cleanliness of the care environment, identify good IPC practice and areas for improvement. We also monitor and analyse patient safety standards through the completion of the national safety thermometer tool.

Information on participation in clinical research

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

The number of patients that were recruited during that period to participate in research approved by a research ethics committee was **1530**.

Cheshire and Wirral Partnership NHS Foundation Trust was involved in conducting **94** clinical research studies in all of its clinical services during 2016/17.

There were **351** clinical staff participating in approved research during 2016/17. These staff participated in research covering **22** medical specialties.

The number of principal investigators in CWP has increased over the last year and more clinicians are actively involved in research. CWP has been associated with **58** research publications, the findings from which are used to improve patient outcomes and experience across the Trust and the wider NHS.

During 2016/17 CWP has been part of an ongoing Phase 1 clinical research study. This is a study of a vaccine in Alzheimer's disease. We have been working closely with the *Royal Liverpool and Broadgreen University Hospitals NHS Trust's* Phase 1 Clinical Research Unit. Over 1,500 patients were screened and we exceeded our target for recruitment; follow up work is in progress.

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 of our specialists are involved in the production of national guidelines for *NICE*. CWP is strengthening the processes to monitor adherence to *NICE* guidance.

Service Quality and Accreditation Projects

(Royal College of Psychiatrists' College Centre for Quality Improvement – CCQI)

The CCQI's quality and accreditation projects review services against established guidelines and standards, with the aim of supporting services to improve the quality of care they offer. CWP has participated in the following projects this year and gained a number of accreditations.

Project	Participating services	Accreditation status
Memory Services National Accreditation Project	Chester	Accredited
	Wirral	Accredited
Psychiatric Liaison Accreditation Network	Wirral	Accreditation awaited
Quality Network for Community CAMHS (Child and Adolescent Community Mental Health Services) Eating Disorders	Child Eating Disorder Service	Participating, but not yet undergoing accreditation
Quality Network for Learning Disability wards	Greenways	Accredited
Electro Convulsive Therapy Accreditation Service	Wirral	Accredited as excellent
	Bowmere Hospital	Not yet assessed
Early Intervention in Psychosis self-assessment	Central and Eastern Cheshire	N/A
	Cheshire West	N/A
	Wirral	N/A
Quality Network for Forensic Mental Health Services	Saddlebridge Recovery Centre and Alderley Unit	N/A
Quality Network for Inpatient CAMHS	Coral ward	Accredited
	Indigo ward	Participating, but not yet undergoing accreditation
Accreditation of Inpatient Mental Health Services	Brooklands ward	Accredited
Home Treatment Accreditation Service	Wirral	Not yet assessed
Quality Network for Eating Disorder Services	Oaktrees ward	Accredited
Early Intervention in Psychosis Network	West Cheshire	N/A
	Wirral	N/A

N/A = Not Applicable, e.g. accreditation not offered

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 our income to the achievement of local, regional, and national quality improvement goals. *CQUIN* goals are reviewed through the contract monitoring process.

A proportion of Cheshire and Wirral Partnership NHS Foundation Trust's income in 2016/17 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 2017/18 and for the following 12 month period available by request from the Trust's Effective Services Department: email lynn.davison@cwps.nhs.uk

The maximum income available in 2016/17 was £3,225,995 and the Trust received £3,126,445 (to be confirmed after quarter 4 submissions) for the *CQUIN* goals achieved. The total monies available in 2017/18, upon successful achievement of all the agreed *CQUIN* goals, is forecast to be £2,010,658 (this figure currently excludes the Wirral Associates to the NHS contract, Bolton and Trafford CCGs as these have not yet been finalised) and a further £1,115,156 dependent upon meeting technical requirements stipulated by *NHS Improvement* and *NHS England*.

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 2016/17.

The Trust has participated in **1** investigation or review by the Care Quality Commission during 2016/17, which was in relation to the following area:

Routine re-inspection of core mental health services

In October 2016, mental health services were re-inspected in five core services that the Care Quality Commission identified as having areas which required improvement during the Trust's comprehensive inspection undertaken in June 2015, as well as re-assessing core services overall. The Care Quality Commission also inspected our Substance Misuse Services in East Cheshire for the first time.

The areas re-visited were:

- Forensic inpatient/ secure wards
- Acute wards for adults of working age and psychiatric intensive care units
- Community-based mental health for adults of working age
- Community-based mental health services for older people
- Specialist community mental health services for children and young people

Results of the re-inspection were published on 3 February 2017. All re-inspected services were rated as "Good" overall. Following the re-inspection, the Trust's rating has not changed, remaining as "Good" overall with "Outstanding" for caring.

There is one area for improvement identified from the re-inspection, in relation to the "safe" domain for acute adult and psychiatric intensive care units. A robust action plan was developed, which has been agreed with the Care Quality Commission and is being implemented. All actions are on track and due to be completed by 31 July 2017.

CWP's community physical health services have not yet received a re-inspection by the Care Quality Commission.

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 2016/17 to the Secondary Uses service for inclusion in the Hospital Episode Statistics which are included in the latest published data.

The percentage (to one decimal point) of records in the published data which included the patient's valid NHS number was:

99.6% for admitted patient care;

100.0% for outpatient care.

The percentage of records (to one decimal point) in the published data which included the patient's valid General Medical Practice Code was:

99.1% for admitted patient care; and

100.0% for outpatient 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 score overall for 2016/17 was **95%** and was graded **green** (satisfactory).

All areas of the Information Governance Toolkit attained level 2/ 3. Internal Audit has awarded a "significant assurance" rating for the Information Governance Toolkit for the last three consecutive years.

Clinical coding error rate

Cheshire and Wirral Partnership NHS Foundation Trust was **not** subject to the *Payment by Results* clinical coding audit during 2016/17 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 access 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:

Continue to implement the Trust's data quality improvement framework during 2017/18.

Performance against key national quality indicator targets

We are required to report our Trustwide performance against a list of national measures of access and outcomes, against which we are judged as part of assessments of our governance. We report our performance to the Board and our regulators throughout the year. These performance measures and quality outcomes help us to monitor how we deliver our services.

We have successfully met all required organisational performance levels. Based on feedback from our stakeholders last year, we have reported these measures in this report to show local levels of performance in the three main Cheshire and Wirral local authority areas (*note the Trustwide performance includes services provided by CWP across other areas outside of Cheshire and Wirral, e.g. Trafford, South Sefton).

Individual teams benchmark against each other and other services in the Trust to identify how they can continuously improve their performance.

Performance against key national quality indicator targets from *NHS Improvement's Single Oversight Framework 2016/17*

Indicator	Required Trustwide performance threshold	Trustwide*	Cheshire and Wirral Area		
			Cheshire West and Chester	*Cheshire East	****Wirral
Data completeness: community services, comprising:					
▪ Referral to treatment information	50.0%	100.0%	100%	N/A	N/A
▪ Referral information	50.0%	99.9%	99.9%	N/A	N/A
▪ Treatment activity information	50.0%	80.7%	80.7%	N/A	N/A

Indicator	Required Trustwide performance threshold	Trustwide*	Cheshire and Wirral Area		
			Cheshire West and Chester	*Cheshire East	****Wirral
Care Programme Approach (CPA) patients, comprising:					
<ul style="list-style-type: none"> Receiving follow-up contact within seven days of discharge 	95.0%	98.6%	98.7%	98.4%	99.1%
<ul style="list-style-type: none"> Having formal review within 12 months 	95.0%	95.8%	95.0%	98.4%	94.3%
Early intervention in psychosis (EIP): people experiencing a first episode of psychosis treated with a NICE-approved care package within two weeks of referral	50.0%	85.7%	81.7%	88.9%	85.5%
Improving access to psychological therapies (IAPT):					
<ul style="list-style-type: none"> People with common mental health conditions referred to the IAPT programme will be treated within 6 weeks of referral 	75%	89.2%	86.2%	85.9%	N/A
<ul style="list-style-type: none"> People with common mental health conditions referred to the IAPT programme will be treated within 18 weeks of referral 	95%	98.7%	99.3%	96.8%	N/A
Minimising mental health delayed transfers of care	≤7.5%	0.7%	1.1%	0.0%	0.5%
Admissions to inpatients services had access to crisis resolution/ home treatment teams	95.0%	97.8%	99.7%	98.4%	95.9%
Mental health data completeness: identifiers	97.0%	99.6%	99.5%	98.8%	99.8%
Mental health data completeness: outcomes for patients on CPA	50.0%	85.4%	80.0%	85.4%	90.4%

**The Cheshire West and Cheshire Local Authority include services within two CWP localities: CWP West locality and CWP Central and East localities.

***Cheshire East Local Authority includes services within the CWP Central and East locality.

****The Wirral Local Authority includes services within the CWP Wirral locality.

Performance against quality indicators: 2015/16 – 2016/17

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.

The data sources for the information we are required to provide in this section is not available by locality.

Quality indicator	Related NHS Outcomes Framework Domain	Reporting period					
		2016/17			2015/16		
		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 99.1%	Quarter 1 96.2%	Quarter 1 28.6 – 100%	Quarter 1 97.5%	Quarter 1 97.0%	Quarter 1 88.9 – 100%
		Quarter 2 98.7%	Quarter 2 96.8%	Quarter 2 76.9 – 100%	Quarter 2 99.6%	Quarter 2 96.8%	Quarter 2 83.4 – 100%
	Quarter 3 98.5%	Quarter 3 96.7%	Quarter 3 73.3 – 100%	Quarter 3 97.7%	Quarter 3 96.9%	Quarter 3 50.0 – 100%	
	Quarter 4 98.0%	Quarter 4 Not available until August 2017*	Quarter 4 Not available until August 2017*	Quarter 4 97.6%	Quarter 4 97.2%	Quarter 4 80.0 – 100%	
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 NHS Improvement (target for 2016/17 is achieving at least 95.0% rate of patients followed up after discharge, CWP performance for 2016/17 is 98.6%). The Trust has taken the following action to improve this percentage, and so the quality of its services: targeting work with services and teams demonstrating areas of underperformance by offering support through dedicated locality analysts.							

Quality indicator	Related NHS Outcomes Framework Domain	Reporting period					
		2016/17			2015/16		
		CWP performance	National average	National performance range	CWP performance	National average	National performance range
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 97.1%	Quarter 1 98.1%	Quarter 1 78.9 – 100%	Quarter 1 96.9%	Quarter 1 96.3%	Quarter 1 18.3 – 100%
		Quarter 2 97.8%	Quarter 2 98.4%	Quarter 2 76.0 – 100%	Quarter 2 98.0%	Quarter 2 97.0%	Quarter 2 48.5 – 100%
		Quarter 3 98.6%	Quarter 3 98.7%	Quarter 3 88.3 – 100%	Quarter 3 99.3%	Quarter 3 97.4%	Quarter 3 61.9 – 100%
		Quarter 4 98.6%	Quarter 4 Not available until August 2017*	Quarter 4 Not available until August 2017*	Quarter 4 97.6%*	Quarter 4 98.2%	Quarter 4 84.3 – 100%
		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 NHS Improvement (target for 2016/17 is achieving at least 95.0% of all admissions gate kept, CWP performance for 2016/17 is 97.8%). The Trust has taken the following action to improve this percentage, and so the quality of its services: 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	Helping people to recover from episodes of ill health or following injury	(i) 1.2%*	Not available via HSCIC indicator portal* Not available via HSCIC indicator portal*	(i) 9.4%*	Not available via HSCIC indicator portal* Not available via HSCIC indicator portal*		
		(ii) 5.8%*		(i) 6.5%*			

Quality indicator	Related NHS Outcomes Framework Domain	Reporting period					
		2016/17			2015/16		
		CWP performance	National average	National performance range	CWP performance	National average	National performance range
being discharged from a hospital which forms part of the Trust during the reporting period		Cheshire and Wirral Partnership NHS Foundation Trust considers that this data is as described because using information that is held on internal information systems. Readmission rates help to monitor success in preventing or reducing unplanned readmissions to hospital following discharge.					
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	73%	65%	54 – 73%	68%	66%	36 – 93%
		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 the top score of all relevant mental health trusts. The Trust has taken the following action to improve this percentage, and so the quality of its services, by 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	85%	N/A	79 – 90%	Not available		
		Cheshire and Wirral Partnership NHS Foundation Trust considers that this data is as described because the survey is administered and verified by Quality Health Ltd on behalf of the Care Quality Commission. The Trust has taken the following action to improve this percentage, and so the quality of its services. Sharing results with locality leads to support their work to develop actions plans to address priority areas for improvement.					
Incidents (i)The number and, where available, rate (per 1,000 bed days) of patient safety incidents reported within the Trust during the reporting period and the	Treating and caring for people in a safe environment and protecting them from	** (i) 2855/ 51.5	** (i) 2963/ 46.5	** (i) 8 – 6723/ 6 – 84.0	*(i) 6067/ 55.0	*(i) 5200/ 41.2	*(i) 33 – 12295/ 0 – 82.9
		** (ii) 50/ 1.8	** (ii) 10/ 0.4	** (ii) 0-50/ 0 – 2.9	*(ii) 59/ 0.9	*(ii) 18/ 0.4	*(ii) 0 - 123/ 0 – 2.4
		** (iii) 51/ 1.8	** (iii) 23/	** (iii) 0 – 84/	*(iii) 86/ 1.5	*(iii) 39/	*(iii) 0 – 146/

Quality indicator	Related NHS Outcomes Framework Domain	Reporting period					
		2016/17			2015/16		
		CWP performance	National average	National performance range	CWP performance	National average	National performance range
number and percentage of such patient safety incidents that resulted in (ii) severe harm or (iii) death	avoidable harm		1.1	0 – 10.0		0.9	0 – 3.6
<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 data is analysed and published by the NHS Commissioning Board Special Health Authority. The national data stated relates to mental health trusts only. The Trust has taken the following action to improve this number/ percentage, and so the quality of its services: encouraging the reporting of incidents through it "learning from experience" report produced for staff three times a year. The national average data includes all mental health trusts that have provided partial or full data.</p> <p>*Represents full 2015/16 data hence the difference in reporting in the Quality Account 2015/16. **Represents data for 01/04/2016 to 30/09/2016, data for 01/10/2016 to 31/03/2017 will be available in April 2018.</p>							

(*) denotes:

Performance for 2016/17 (and 2015/16 where applicable) is not available or 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 as Trust performance where *HSCIC* data is not available is the Trust's information systems.

Part 3.

Other information

An overview of the quality of care offered by CWP – performance in 2016/17

Below is a summary of our Trustwide performance, during 2016/17, against previous years' quality improvement priority areas approved by Board as part of our *Quality Accounts*. The performance compares historical and/ or benchmarking data where this is available. This year, we have also tried to report at local level for the period 2016/17, so in future years we can then demonstrate continuous quality improvement at local level too.

Quality indicator	Year identified	Reason for selection	CWP performance		
			2014/15	2015/16	2016/17
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	7598 incidents	10560 incidents	9558 incidents
			Central & East Cheshire		3092 incidents
			West Cheshire		4588 incidents
			Wirral		1789 incidents
			Corporate		89 incidents
			Data source = the Trust's incident reporting system (Datix). Despite the increase in the number of total incidents reported in 2016/17, as per our patient safety priority for 2015/16, overall results show a significant improvement in reporting proportionately more low harm and no harm incidents (grades D and E) to give a better chance of identifying and preventing hazards before they result in more serious harm incidents.		
ii. 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> 87% (National average 75%) <i>Availability of hand washing materials:</i> N/A*	NHS Staff Survey scores <i>Training:</i> N/A* <i>Availability of hand washing</i>	NHS Staff Survey scores <i>Training:</i> N/A* <i>Availability of hand washing</i>

Quality indicator	Year identified	Reason for selection	CWP performance		
			2014/15	2015/16	2016/17
				materials: N/A*	materials: N/A*
<p>Data source = National NHS Staff Survey Co-ordination Centre.</p> <p>The <i>NHS National Staff Survey</i> results include the percentage of staff saying that they have received training, learning, or development in infection control.</p> <p>*The NHS Staff Survey Advisory Group reviewed these questions for their usefulness and relevance for the 2014/15, 2015/16 and 2016/17 surveys and decided not to include in the survey.</p>					
iii. Care Programme Approach (CPA) patients receiving follow-up contact within seven days of discharge from psychiatric inpatient care	2008/09	Preventing people from dying prematurely	97.9%	98.4%	98.6%
Data source = The Trust's information systems.					
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 64.0%</p> <p>CWP target 57.3%</p> <p>–</p> <p>Psychosis:</p> <p>CWP compliance 84.2%</p> <p>CWP target 90.9%</p>	<p>Dementia:</p> <p>CWP compliance* 76.3%</p> <p>CWP target 59.3%</p> <p>–</p> <p>Psychosis:</p> <p>CWP compliance* 97.1%</p> <p>CWP target 90.9%</p>	<p>Dementia:</p> <p>**N/A</p> <p>–</p> <p>Psychosis:</p> <p>**N/A</p>
<p>Data source = Clarity Informatics</p> <p>There is up to a six month delay in reporting of compliance data relating to 2015/16.</p> <p>*These figures for 2015/16 reflect CWP's monthly submissions up to and including</p>					

Quality indicator	Year identified	Reason for selection	CWP performance		
			2014/15	2015/16	2016/17
			January 2016. **Advancing Quality programme for dementia and psychosis has been discontinued		
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>97% 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 priority for 2014/15. The denominator was 596.</p>	<p>99.5% compliance with the patient having their BMI calculated within the previous week</p> <p>Performance was measured every two months as part of the Trust's patient safety priority for 2015/16. The denominator was 639.</p>	<p>100% compliance with the patient having their BMI calculated during their inpatient stay or within last 12 months if admitted >12 months ago.</p> <p>Performance was measured once during the year as part an NHS England/ Royal College of Psychiatrists national CQUIN. The denominator was 50.</p>
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	During the year the Trust has developed a pathway template to regularly monitor progress with the development of care pathways and the reporting of outcomes from measureme	Additional pathways were developed during 2015/16 to facilitate a reduction in unwarranted variation in the following areas of care: <ul style="list-style-type: none"> ▪ Acute care ▪ Bipolar disorder 	Acute care pathways have been strengthened by implementing 3 further pathways. <ol style="list-style-type: none"> 1) The establishment of a centralised bed management hub during 2016/17. The bed hub works

Quality indicator	Year identified	Reason for selection	CWP performance		
			2014/15	2015/16	2016/17
			<p>nt of these pathways. These pathways are based on NICE guidance and collect the minimum data required to ensure a quality service is being delivered.</p>	<ul style="list-style-type: none"> ▪ ADHD 	<p>closely with the Complex Recovery Assessment and Consultation (CRAC) team for more complex service users requiring additional assessment and rehabilitation .</p> <p>2) Enhanced collaboration between primary, community and secondary care, started as a pilot scheme within Princeway Community Care Team, and has now been extended to facilitate reduced length of stay.</p> <p>3) Further work has been undertaken to integrate mental and physical health services, including the introduction of</p>

Quality indicator	Year identified	Reason for selection	CWP performance		
			2014/15	2015/16	2016/17
					psychological therapies for some long term conditions.
Patient experience					
i. Patient experience	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	33% increase compared with 2013/14	25% increase compared with 2014/15	26% decrease compared with 2015/16
			This does not include patient experience feedback reported by Physical Health West, as these were not included in previous years' performance. Physical Health West received 410 patient experience contacts in 2014/15.	This does not include patient experience feedback reported by Physical Health West, as these were not included in previous years' performance. Physical Health West received 118 patient experience contacts in 2015/16.	This does not include patient experience feedback reported by Physical Health West, as these were not included in previous years' performance. Physical Health West received 502 patient experience contacts in 2016/17.
			Central & East Cheshire		765 contacts
			West Cheshire mental health		1459 contacts
			West Cheshire physical health		493 contacts
			Wirral		1057 contacts
			Corporate		30 contacts
			Data source = the Trust's incident reporting system (Datix). For 2016/17 the changes in patient feedback are: Concerns = 25% decrease PALS contacts = 300% increase Comments/ suggestions = 43% decrease Compliments = 32% decrease		

Quality indicator	Year identified	Reason for selection	CWP performance		
			2014/15	2015/16	2016/17
			<p>Complaints = 53% increase</p> <p>The increase in PALS contacts is associated with the development of a Patient and Carer Experience Team that includes the additional role of a Carer Advice and Liaison Service Officer. The service has been promoting the service during this financial year to provide a more targeted and focused approach.</p> <p>The decrease in formally recorded compliments is associated with the implementation of a new compliments reporting system during the year. We are acting on feedback around the use of the system to improve its efficiency and to encourage reporting more positive feedback and examples of good practice.</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	2 complaint/serious incident quality assurance reviews	6 complaint/serious incident quality assurance reviews	24 complaint/serious incident quality assurance reviews
			Central & East Cheshire		13
			West Cheshire mental health		4
			West Cheshire physical health		5
			Wirral		2
			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.		
iii. Measure patient satisfaction levels	2008/09	Patient satisfaction is an important measure of the quality of the care and treatment delivered by the Trust	National Patient Survey score 78% (better than the average performance across all other mental health Trusts) Responses = 256 -	National Patient Survey score N/A*	National Patient Survey score 74% (better than the average performance across all other mental health Trusts) Responses = 237 -

Quality indicator	Year identified	Reason for selection	CWP performance		
			2014/15	2015/16	2016/17
			CWP inpatient survey 74% service users rated the service they received as 'good' or 'excellent' Responses = 142	– CWP inpatient survey N/A*	CWP inpatient survey N/A**
			*The Trust does did not have these specific survey results to report for 2015/16. ** The Trust does did not have these specific survey results to report for 2016/17.		

NHS Improvement 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 council 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 the Care Programme Approach (CPA) followed up within 7 days of discharge from psychiatric inpatient stay.
- Admissions to acute wards gate kept by Crisis Resolution Home Treatment Teams.

Locally selected indicator

- Minimising mental health delayed transfer of care.

Additional information on improving the quality of CWP's services in 2016/17

Below is a selection of the work over the past year that some of our services have undertaken to improve the quality of the services we provide. Our *Quality Improvement Reports*, published three times a year, provide more information about the quality of the services we provide throughout the year.

Improving patient safety



Our Tissue Viability team has successfully sustained a continuous reduction in avoidable pressure ulcers in the community.

In the twelve months to June 2015, 13 out of 95 stage 3 or 4 pressure ulcers were deemed avoidable (which equates to 14%). Stage 3 and 4 pressure ulcers are the most severe stages where there is significant skin and tissue damage and risk of infection. In the twelve months to June 2016 (i.e. one year on) the corresponding figures were 10 out of 111 (or 9%). In other words, the number of pressure ulcers being identified and treated went up, and the proportion of avoidable pressure ulcers went down. Incident analysis demonstrates the longest run of months without a single avoidable pressure ulcer incident reported in the community. None have been reported since June 2016. This shows sustained improvement in the care we provide and demonstrates how our staff are learning from incidents by reflecting on their practice.

This is one example of many in the Trust that shows how our staff are embracing our Zero Harm campaign, which is about supporting people to deliver the best care possible, as safely as possible and in doing so reducing unwarranted avoidable harm. Through collaboration, learning, sharing knowledge and listening and responding, we have achieved real improvements in the way we deliver care to people.



In February 2015, CWP identified an “Accelerating Restraint Reduction” Quality Improvement project, sponsored by the Medical Director. This was in response to national benchmarking data which suggested that we were reporting more “prone position” incidents (physical restraint in the face down position) than the national average. Through implementing the project, as well as significantly reducing the number of prone position restraint incidents, there is clear evidence that staff are progressively using more de-escalation techniques. Quality Surveillance Analysts from our Safe Services Department continue to monitor ongoing progress and are reporting that improvements are being sustained to-date.

An academic paper describing CWP's approach to reducing prone position restraint has been published in the *International Journal of Health Governance*. A multidisciplinary team, led by Dr Elizabeth Shaw (previously a trainee grade doctor at CWP), and sponsored by Dr Anushta Sivananthan, Medical Director, audited CWP's approach to using prone position restraint, which in turn has significantly and sustainably reduced the number of restraint incidents.

Our Estates & Facilities team has taken the lead on environmental risk management, helping our clinical teams manage clinical risks. This has included undertaking environmental risk assessment surveys of all CWP inpatient units, resulting in a 5-year capital investment programme of remedial works.

The Estates & Facilities team has collaborated with clinicians to develop a suite of



supporting information including risk management plans, snapshot reports, ward specific risk maps and dashboards. The reports have been designed to provide accurate risk information in an easily accessible format. A dashboard allows senior management up to Board level to review progress on reducing risks.

CWP now has a robust risk management plan in place and is on target to achieve its strategic risk targets. The systems are considered an example of best

practice and CWP is currently supporting neighbouring mental health trusts with developing environmental risk plans.

CWP marked **World Suicide Prevention Day** (10 September) with a suicide prevention workshop, drawing over 80 attendees, with speaker Angela Samata, former head of *Survivors of Bereavement by Suicide (SOBS)* and presenter of a BBC documentary *Life after Suicide*.

As part of its Zero Harm strategy, CWP is committed to reducing the risk of suicide and has developed a four-year Suicide Prevention strategy with partners across Cheshire and Merseyside. Audrey Jones, Head of Clinical Governance, has led this project, which is aligned to both national and regional strategies.



Improving clinical effectiveness



CWP's physical health community care teams have improved collaborative working with secondary care. The team wanted to improve communication and information sharing between primary and secondary care after they noted that patients with complex needs, often elderly, were being admitted to hospital without any notification to the community care team. This led to failed visits and lack of continuity of care for both the patient and staff. A

pilot scheme began last year with teams having conference calls with professionals in secondary care. All of CWP's community care teams are now included in the project and a process has been formulated between CWP and the *Countess of Chester Hospital NHS Foundation Trust*.

As well as improved communication between primary and secondary care, the project has resulted in a greater understanding of what each team does. There is now a slicker, safer flow of the patient's journey. The project has reduced the number of failed home visits. Local GP practices are also involved, further facilitating greater communication and awareness between primary and secondary care.



Our forensics department has teamed up with the *National Autistic Society* to improve screening for autism at Cheshire's custody suites and to prevent those with learning difficulties from re-offending. The partnership has implemented screening measures whereby everyone who enters the custody process is assessed for autism using a tailored questionnaire. Individuals who require support are then referred to the relevant team.

The aim is to identify autism at the earliest opportunity, so that adjustments can be put in place to support people during their time within the criminal justice system.

The Macmillan Specialist Community Palliative Care Team has developed a drop-in clinic for patients with motor neurone disease (MND) and their families. MND is a rare neurological condition that causes the degeneration (deterioration and loss of function) of the motor system (the cells and nerves in the brain and spinal cord which control the muscles in our bodies). This results in weakness and wasting of the muscles.



MND is progressive and symptoms worsen over time. MND severely reduces life expectancy and most people with MND die within five years of the onset of symptoms. The team has developed a drop-in clinic so that patients suffering with MND, and their carers, can call into the Hospice once a month for advice. This enables therapists to reassess and offer appropriate treatment. A focus group was set up to establish patients' requirements; this resulted in the creation of the clinic. The team also planned a programme of speakers to give informative monthly talks. It has also provided patients with a social element to their care as they meet at the clinic, allowing them, and their carers, to provide mutual support to each other.



Fountains Community Care Team has been collaborating with St Werburgh's Medical Practice for the homeless, and Richmond Court Homeless Facility, to improve the end of life care for people who are homeless. The palliative care service is the first of its kind attached to this type of accommodation; this facility having been researched and developed with support from a range of agencies and health professionals including CWP staff. The centre also has a dedicated medical room to allow

its partner health agencies to provide more advanced treatment options for homeless

people. CWP staff provided advice on equipping this facility. The team wanted to ensure that access to end of life care for homeless people was fair and equitable with other patients. The aim of the project was to provide dignified end of life care, fulfil the persons' wishes, and support their friends within the homeless community. There is now an agreed process in place to support homeless people in Richmond Court at the end of their life, which allows them to remain within Richmond Court, but also be supported with their end of life medical needs and medication administration.

Catherine House has established an Alcohol Support Drop-in at which is open to anyone accessing either the Community or Hospital Alcohol Liaison Service (HALS). People can receive advice and support, and an introduction to what is available from the service. There is an opportunity to provide brief interventions. This project typifies how CWP teams are making services more accessible to those who use them, and providing affordable and sustainable solutions.



Improving patient experience



Our older people wards have signed up to a national campaign, called *John's Campaign*, to enable the families and carers of patients with dementia to stay with them in hospital. John's Campaign is named after Dr John Gerrard with passed away with Alzheimer's disease in 2014. Meadowbank, Croft and Cherry wards have all pledged their support to the campaign after recognising the important role that families and carers play in putting people with dementia at ease during their hospital stay, demonstrating their commitment to person-centred care.

Patient-led assessments of the care environment (PLACE) are self-assessments that focus on the areas which matter to patients, families and carers. It is a programme that aims to promote a range of principles including:

- Putting patients first.
- Actively encouraging feedback from the public, patients and staff to help improve services.
- Striving to get the basics of quality of care right.
- A commitment to ensure that services are provided in a clean and safe environment that is fit for purpose.

The PLACE results for 2016/17 were released in August and are detailed in the table below. The results demonstrate that:

- CWP scores have improved from previous visits.
- CWP is above national average on all areas of inspection in every locality.

Area of assessment	Cleanliness	Food	Privacy, Dignity and Wellbeing	Condition, Appearance and Maintenance	Dementia	Disability
CWP	99%	92%	92%	97%	95%	89%
Central & East Cheshire	99%	92%	91%	96%	95%	86%
West Cheshire	100%	93%	91%	98%	97%	93%
Wirral	99%	93%	97%	99%	96%	95%
National	98%	88%	84%	93%	75%	79%

Patient experience is a key element of quality at CWP. This means ensuring the people who access our services have a positive experience of their care, and receive treatment with compassion, dignity and respect. CWP staff and volunteers marked *Dignity Action Day* 2017 by asking colleagues and visitors “What does dignity mean to you?” Dignity Action Day gives everyone the opportunity to contribute to upholding people's rights to dignity and provide a truly memorable day for people receiving care. Dignity Action Day aims to ensure people who use care services are treated as individuals and are given choice, control and a sense of purpose in their daily lives.



CWP and partners are delivering a Specialist Perinatal Community Mental Health Service through three locality teams provided by CWP, *North West Boroughs Healthcare Partnership NHS Foundation Trust* and *Mersey Care NHS Foundation Trust*, and will support women with serious mental health problems during pregnancy and in the first year after birth. The funding for this is being provided from the Perinatal Mental Health Community Services Development Fund, set up by *NHS England*, and is part of a £365million plan to expand perinatal support to an extra 30,000 women a year by

2020. Women are more likely to suffer from mental health issues during the perinatal period than at any other point in their lives. Securing this funding has provided CWP and its partner trusts with the opportunity to greatly improve access to evidence-based treatments, as well as training for other front-line services caring for local women. It will improve early intervention in perinatal mental health care to prevent local women and their children from experiencing potential problems in the future and build capacity and sustainability across the workforce to ensure consistent, high-quality care across the region. Thousands of women from across Cheshire and Merseyside will benefit from this service.

Staff in the 14-18 Wirral CAMHS Team run an Activity Group for young people and, as part of this, they have recently been working with a local gym to set up some free sessions with

young people who access their service with a view to getting them out and about, active and improving their emotional well-being. Exercise and engaging in meaningful occupations can have a positive impact on a person's mental health. The young people who access the activity group typically are not attending school and are very isolated, often spending long periods of time at home on their own. Exercise can help to:

- Reduce anxiety symptoms, improve self-esteem and help to build confidence.
- Give these young people some meaningful occupation adding to their structure and routine for the week, allowing them to try new activities in a supportive environment.
- Engage with other young people who have similar difficulties.
- Have a positive impact on low mood and depression, as well as improving their physical well-being.



The Occupational Therapists contacted local gyms in Hoylake, to see if they could offer any sessions to help the young people who access the Wirral CAMHS service to help reduce their anxiety around attending the gym, but also to help them access exercise and all the positive benefits this can offer. The Underground Training Station (UTS) gym in Hoylake offered a 6-week programme at their gym, and offered to tailor this to meet the needs of the young people. The initial sessions are kept short and friendly to get the young people used to the idea of going in the gym as this is a massive barrier for some. The sessions will develop to deliver a circuit style class aimed at harnessing the power of physical activity and basic nutrition to help improve the mental health and well-being of the young people who attend.

Annex A: Glossary

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.

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 – CPA

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 clinically-led statutory bodies that are responsible for designing and commissioning/ buying local health and care services in England.

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 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.

Duty of Candour

This is Health and Social Care Act 2008 (Regulated Activities) Regulations 2014: Regulation 20. The intention of this regulation is to ensure that providers are open and transparent with people who access services and other 'relevant persons' (people acting lawfully on their behalf) in general in relation to care and treatment.

Forensic

Forensic mental health is an area of specialisation that involves the assessment and treatment of those who have a mental disorder or learning disability and whose behaviour has led, or could lead, to offending.

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 Team

A team within CWP to support and enable staff with continuous improvement specifically using the results of clinical audits and quality improvement. The team will also focus on ensuring this learning is embedded in practice to assist in the spread of learning and excellence in patient care.

Heinrich ratio

The Heinrich ratio relates to the number of incidents that do not result in harm to the number that result in minor harm, and the number resulting in major harm. This is written as a ratio based on 1 case of major harm – 300:30:1.

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.

Human Factors

This is a way of enhancing clinical performance through an understanding of the effects of teamwork, tasks, equipment, workspace, culture, organisation on human behaviour and abilities, and application of that knowledge in clinical settings.

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.

Locality Data Pack

Locality data packs (LDPs) are data sets contained quality of service and care information about wards and teams. They are prepared every two months for wards, and community teams with three or more staff. Team managers use them to compare their team against benchmarks, to share good practice and to drive further improvement.

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.

National Confidential Enquiry into Patient Outcome and Death – NCEPOD

NCEPOD undertakes confidential surveys and research to assist in maintaining and improving standards of care for adults and children for the benefit of the public.

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.

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.

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.

NHS Improvement

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

Palliative

Palliative care is specialised medical care for people with serious illness or life limiting illness. This type of care is focused on providing relief from the symptoms and stress of a serious illness. The goal is to improve quality of life for both the patient and the family.

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.

PDSA

PDSA stands for Plan Do Study Act. It is an evidence-based approach that involves a repetitive four-stage model for continuous improvement.

Person-centred care

Connecting with people as unique individuals with their own strengths, abilities, needs and goals.

Perinatal

The perinatal period extends from when pregnancy begins to the first year after the baby is born.

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.

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 everyday 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.

SBAR

SBAR stands for Situation, Background, Assessment and Recommendation. It is a widely used communication tool and is evidenced based to reduce the incidence of harm.

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 access services

Anyone who accesses, 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.

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.

Zero Harm

A strategy which aims to reduce unwarranted avoidable harm and embed a culture of patient safety in CWP.

Annex B: Comments on CWP Quality Account 2016/17

Statement from Governors

A statement from the Lead Governor is in the foreword of the Annual Report. At the Council of Governors meeting held on 21 April 2017 it was agreed that the minimising mental health delayed transfers of care would be selected as the locally selected indicator. Governors play a key role in influencing and informing Trust strategy and have been fully involved in the development of the Trust strategic plan and operational plan and fully support the Trust as it seeks to achieve its ambitions and objectives. It was a pleasure to read the Quality Account and for them to confirm everything I believed about our Trust. The theme running throughout is that of improved person-centred care. I was particularly impressed with the success of 'John's Campaign', to enable families and carers of people with dementia to stay with them in hospital. It is evident throughout the report how hard our staff work and they should be congratulated for their successful patient outcomes

Comments by CWP's commissioners

NHS South Cheshire Clinical Commissioning Group and NHS Vale Royal Clinical Commissioning Group commentary

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 (CWPFT) performance through the organisation's Quality Account for 2016/17.

NHS South Cheshire CCG and NHS Vale Royal CCG are committed to ensuring that the services it commissions provide safe effective care for local people. Services are required to demonstrate compassionate and responsive care which means that patients receive the right care at the right time.

During the year we have reviewed information, held monthly through the Quality and Performance meetings and have carried out visits to clinical areas to gain assurance around the standards of care being provided. We have also provided challenge and scrutiny when performance has not met the expected standards.

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 be commended for once again achieving the quality improvement priorities as set the previous year. The focus of monitoring clinical effectiveness, patient safety and patient experience is evident throughout the Quality Account. It also is pleasing to see that CWPFT have used a number of sources to develop the quality improvement priorities. These identified priorities have been set out in the Trust's strategic and operational plans and also have a link to the Trust's corporate and locality strategic objectives giving ownership across the organisation.

CWPFT continue to undertake engagement work with service users and carers and this was represented well in the Quality Account. The use of feedback for those that have accessed services demonstrates the impact that the staff and services have on service users and carers and how the Trust has made care improvements. This is especially evident in the commitment shown to staff wellbeing.

Although the Trust rating following a CQC inspection in 2014 was 'Good' overall with 'Outstanding' for caring there were some areas which were rated as 'requires improvement'. Therefore in 2016 the Care Quality Commission re-inspected the services rated as 'requires improvement', these were the acute wards for adults of working age and psychiatric intensive care units, community health services for children, young people and families, and Forensic inpatient/ secure wards. An action plan was developed for the areas which 'required improvement'. This action plan is on track for completion by July 2017. Following this re-inspection the Trust rating has not changed, remaining 'Good' overall with 'Outstanding' for caring. This should be commended.

The Trust has made the monitoring of service users' physical health care checks and patients healthcare generally a priority, from initiation of treatment and regular planned annual review or when physical healthcare needs change and interface with Primary Care which is a really positive step.

In particular we would like to highlight the ongoing engagement with partners based on feedback from carers and patients from the National Audit of Dementia.

It is also pleasing to see that the older people's wards have signed up to the John's Campaign to enable families and carers of patients with dementia to stay with them in hospital. This has highlighted a commitment to person-centred care for both patients and carers.

The CCGs congratulate CWPFT and partners in securing national funding to develop a Specialist Perinatal Community Mental Health Service operating across three localities. This is an initiative which will support women with serious mental health problems during pregnancy and in the first year after birth and ensure this specialist service is provided in the local area. The CCGs are looking forward to receiving feedback from the service about the outcomes for women who use the service.

It is noted that CWPFT continues to take part in national and local audits and plans to continue work around specific standards for quality improvement around physical health monitoring, intervention, prescribing of medication, interventions for psychosis, and Parkinson's disease. We look forward to viewing the Trust's action plans and publishing on the CWPFT website demonstrates a strong commitment to transparency.

CWPFT are committed to engage in quality improvements through their priorities in 2017/18 with a focus on quality and patient experience. The CCG's will monitor these priorities to ensure that they have a positive impact on patient care, outcomes and experience.

We look forward to maintaining a strong commissioning relationship with CWPFT in 2017/18. NHS South Cheshire CCG and NHS Vale Royal CCG are committed to working in a collaborative manner to achieve positive experiences for our local population with a provider that has the continued high quality delivery of health care at its core.

West Cheshire Clinical Commissioning Group Commentary received 25/05/2017

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 regular 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.

Cheshire and Wirral Partnership NHS Foundation Trust has continued to demonstrate a high level of commitment to improving patient safety and person-centred care during 2016/17. This was observed by the CQC re-inspection of mental health and substance misuse services in October 2016 with excellent patient care and good practice noted, with the overall Trust rating remaining as "good" with outstanding for care.

The community nursing teams have also worked hard to improve patient safety throughout the year and the zero harm group has now become well established with the peer review and learning from the group contributing to the significant in year reduction in avoidable pressure ulcers with the West Cheshire community. The Trust has a good safety culture, encouraging staff to report incidents with a focus of learning from no harm and near miss incidents. There has also been excellent progress and achievement of the Commissioning for Quality and Innovation goals for the year with continuous improvement in relation to the number of staff receiving the flu vaccinations.

In 2015-16 we shared with you a number of concerns reported by GPs about delays in them receiving timely outpatient letters. The Trust's efforts to increase patient feedback and better understand the experience of people accessing the Trust's services, is noted and welcomed. We have raised the comparatively low return rate, of Friends and Family Test Surveys previously in last year's quality account summary as being an area where extra focus was required during 2016/17 so it of concern that this has not improved in year as much as we had anticipated.

We acknowledge the Trust's response to the Regulation 28 report from the Coroner to prevent future deaths in relation to the Trusts non-smoking policy for patients. It was noted that some members of the nursing staff, although readily enforcing the smoking ban, were not fully engaged in addressing the patient's nicotine addiction and this had revealed a possible training deficit.

The Trust has been proactive and innovative with its approach to workforce planning; being the host for one of the first cohorts in the country of the new nurse associate role and by also providing the governance arrangements for a new neighbourhood team integrated patient centred care model in rural Cheshire.

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 2017-18.

Wirral Clinical Commissioning Group Commentary

Requested feedback sent 28/04/2017 (not received)

Central and East Commissioning Group Commentary

Requested feedback sent 28/04/2017 (not received)

Statement from Scrutiny Committees

Statement from Wirral Metropolitan Borough Council received 16 May 2017

Commentary on the draft Quality Account, 2016/17 **Cheshire and Wirral Partnership NHS Foundation Trust**

The People Overview & Scrutiny Committee undertakes the health scrutiny function at Wirral Council. The Committee has established a Panel of Members (the Health and Care Performance Panel) to undertake on-going scrutiny of performance issues relating to the health and care sector. Members of the Panel met on 10th May 2017 to consider the draft Quality Account and received a verbal presentation on the contents of the document. Members would like to thank Cheshire and Wirral Partnership Trust for the opportunity to comment on the Quality Account 2016/17. Members look forward to working in partnership with the Trust during the forthcoming year. Members provide the following comments:

Overview

Members acknowledge that the nature of the Trust's geographical footprint renders it difficult to provide Wirral specific information regarding every aspect of service provision. The mandated reporting of performance data at the Trust-wide level makes measurement of achievement at the local level difficult to assess. However, it is suggested that for future years, a short summary with Wirral specific data to supplement the document may be helpful.

Priorities for Improvement

In general, Members support the Trust's on-going commitment to continuous improvement during 2016/17 and Members note that this theme is apparent throughout the document. Continuous improvement is also a key feature of the priorities for improvement adopted for 2017/18 and these are supported by the Panel. Regarding the clinical effectiveness priority for 2017/18, Members particularly welcome the aim to reduce the average bed occupancy rate for adults and older people from the 2016 figure to the recognised optimal rate for more effective care of 85%.

Friends and Family Test (FFT)

Members welcome the 20% increase in FFT responses on Wirral over the last year, and hope this is replicated in the overall Trust-wide response rate in future. Members are encouraged by plans to embed the Friends and Family Test further in future following the appointment of a new Associate Director for Patient Experience and the use of new recording methods and software. Members would welcome details of progress on this issue in next year's Quality Account. Although the Quality Account report refers to the response rate of the FFT, there is no reference to patient scores from the Test. As an indicator of patient experience, it is suggested that patient scores for the Friends and Family Test would be a useful addition to the report in future years.

Mental Health Services

Members are aware of the growth in demand and the pressure on mental health services at a national level. It is suggested that consideration could be given to the inclusion of plans to respond to increasing pressures in this area to reassure Members over the delivery of mental health services on Wirral. Members would also welcome inclusion of data on waiting times from referral to delivery of services in the future as an indicator of quality.

Overview of the quality of care offered by CWP – performance in 2016/17

Regarding the Patient Safety quality indicator “improving learning from patient safety incidents by increasing reporting”, Members note the Trust’s reason for selection of this indicator is that higher reporting organisations usually have a stronger learning culture. Given this, an explanation of the reasons for the fall by almost 1000 of incidents reported over the last year would be helpful.

Locality Based Services

Taking into account the Trust’s provision of a range of services across three local authority areas, Members recognise that Trust performance may vary by locality. Accepting this, Members seek reassurance that the quality of service provision in all localities is given equal priority.

I hope that these comments are useful.



Councillor Moira McLaughlin
Chair, Health and Care Performance Panel and
Chair, People Overview & Scrutiny Committee

Cheshire East Health and Adult Social Care Overview and Scrutiny Committee received 22/05/2017

The Committee were satisfied with the Quality Account and particularly:

- The Committee thought that the partnership initiative by CWP Forensics department and the National Autistic Society (NAS) to improve screening for Autism at Cheshire’s custody suites to prevent those with learning difficulties from re-offending was excellent. They have requested that an outcomes based review be presented to Scrutiny in the future to report on the progress of this initiative.
- The quality improvement example that Older People wards had signed up to John’s Campaign was seen as very positive.

Statement from Healthwatch organisations

Healthwatch Cheshire West received 18 May 2017

I have read the report and comment as follows.

In essence good – uses plain English – allowing for the necessary formality and format required it is understandable and appears to be "jargon free".

I know there is a glossary at the end – appendices – and all terms/ acronyms are detailed but there a few "first time" appearances in the report that perhaps need to be explained – full name in brackets as normal:

SBAR Tool – CAMHS – EIP Self Assessment

Otherwise other initials/ acronyms appear to be explained on first appearance.

It made interesting reading and shows a wide and detailed report on activities of CWP.

Healthwatch Wirral received 22 May 2017

Unfortunately we are unable to provide a statement for your Quality Account in time for your deadline this year.

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 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) and on the arrangements that Foundation Trust boards should put in place to support the data quality for the preparation of the quality report.

In preparing the quality report, directors are required to take steps to satisfy themselves that:

- the content of the quality report meets the requirements set out in the NHS Foundation Trust Annual Reporting Manual 2016/17;
- the content of the Quality Report is not inconsistent with internal and external sources of information including:
 - Board minutes and papers for the period April 2016 – April 2017.
 - Papers relating to Quality reported to the Board over the period April 2016 to May 2017.
 - Feedback from commissioners: East Cheshire Clinical Commissioning Group received 22/05/2017, South Cheshire Clinical Commissioning Group and Vale Royal Clinical Commissioning Group received 12/05/2017. Feedback from West Clinical Commissioning Group received 25/05/2017. Feedback from Wirral Commissioning Group sent 28/04/2017 (not received).
 - Feedback from governors dated 05/05/2017.
 - Feedback from local Healthwatch organisations: Healthwatch Cheshire West received 18/05/2017, Healthwatch Wirral received 22/05/2017, Healthwatch Cheshire East 19/05/2017.
 - Feedback from Wirral Metropolitan Borough Council (Overview and Scrutiny Committee) received 17/05/2016. Feedback from East Cheshire Council (Overview and Scrutiny Committee) received 22/05/2017.
 - The Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009, for the period of April 2016 – March 2017. Published May 2017.
 - The national patient survey published on 24 November 2017.
 - The 2016 national staff survey – received by the Trust March 2017.
 - The Head of Internal Audit's annual opinion over the Trust's control environment dated 2016/17 issued 4 May 2017.

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;

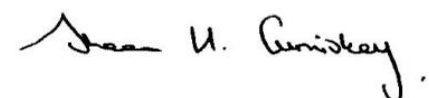
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice;
- the data underpinning the measures of performance reported in the 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.monitornhsft.gov.uk/annualreportingmanual) as well as the standards to support data quality for the preparation of the Quality Report (available at www.monitornhsft.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. We will continue to strive to improve the quality of data the Trust collects.

By order of the Board at the meeting held on 24 May 2017.



Chair of the meeting
24th May 2017



Chief Executive
24th May 2017

Annex D:

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF CHESHIRE and WIRRAL PARTNERSHIPS NHS FOUNDATION TRUST ON THE QUALITY REPORT

We have been engaged by the Council of Governors of Cheshire and Wirral Partnership NHS Foundation Trust to perform an independent assurance engagement in respect of Cheshire and Wirral Partnerships NHS Foundation Trust's Quality Report for the year ended 31 March 2017 (the 'Quality Report') and certain performance indicators contained therein.

Scope and subject matter

The indicators for the year ended 31 March 2017 subject to limited assurance consist of the following two national priority indicators (the indicators):

- Patients on Care Programme Approach followed up within 7 days of discharge from psychiatric inpatient stay; and
- Admissions to acute wards gate kept by Crisis Resolution Home Treatment Teams.

We refer to these national priority indicators collectively as the 'indicators'.

Respective responsibilities of the directors and auditors

The directors are responsible for the content and the preparation of the Quality Report in accordance with the criteria set out in the *NHS Foundation Trust Annual Reporting Manual* issued by NHS Improvement.

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

- the Quality Report is not prepared in all material respects in line with the criteria set out in the *NHS Foundation Trust Annual Reporting Manual* and supporting guidance;
- the Quality Report is not consistent in all material respects with the sources specified in the *Detailed requirements for quality reports for foundation trusts 2016/17* ('the Guidance'); and
- the indicators in the Quality Report identified as having been the subject of limited assurance in the Quality Report are not reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and the six dimensions of data quality set out in the *Detailed Requirements for external assurance for quality reports for foundation trusts 2016/17*.

We read the Quality Report and consider whether it addresses the content requirements of the NHS Foundation Trust Annual Reporting Manual and consider the implications for our report if we become aware of any material omissions.

We read the other information contained in the Quality Report and consider whether it is materially inconsistent with:

- Board minutes and papers for the period April 2016 to May 2017;
- papers relating to quality reported to the board over the period April 2016 to May 2017;
- feedback from commissioners, South Cheshire and NHS Vale Royal CCG dated 12th May 2017; West Cheshire CCG, Wirral CCG and Eastern CCG requested 28th April 2017.
- feedback from governors, dated 5th May 2017;
- feedback from Healthwatch Cheshire West requested 28th April 2017, Healthwatch Wirral dated 22nd May 2017, Healthwatch Cheshire dated 19th May 2017;
- feedback from Overview and Scrutiny Committee, dated 22nd May 2017;
- the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009;

- the latest available national patient survey, dated 24th November 2016;
- the latest national staff survey, dated 13th February 2017;
- Care Quality Commission Inspection, dated 3rd February 2017;
- the 2016/17 Head of Internal Audit's annual opinion over the trust's control environment, dated for the period 2016/17; and
- any other information included in our review.

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 and Wirral Partnerships NHS Foundation Trust as a body, to assist the Council of Governors in reporting the 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 2017, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicator. 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 and Wirral Partnerships NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

Assurance work performed

We conducted this limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) – 'Assurance Engagements other than Audits or Reviews of Historical Financial Information', issued by the International Auditing and Assurance Standards Board ('ISAE 3000'). Our limited assurance procedures included:

- evaluating the design and implementation of the key processes and controls for managing and reporting the indicator;
- making enquiries of management;
- testing key management controls;
- limited testing, on a selective basis, of the data used to calculate the indicator back to supporting documentation;
- comparing the content requirements of the NHS Foundation Trust Annual Reporting Manual to the categories reported in the Quality Report; and
- reading the documents.

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

Limitations

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

The absence of a significant body of established practice on which to draw allows for the selection of different, but acceptable measurement techniques which can result in materially different measurements and can affect comparability. The precision of different measurement

techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision of these criteria, may change over time. It is important to read the quality report in the context of the criteria set out in the *NHS Foundation Trust Annual Reporting Manual* and supporting guidance.

The scope of our assurance work has not included governance over quality or the non-mandated indicator, which was determined locally by Cheshire and Wirral Partnerships 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 2017:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the *NHS Foundation Trust Annual Reporting Manual* and supporting guidance;
- the Quality Report is not consistent in all material respects with the sources specified in the Guidance; and
- the indicators in the Quality Report subject to limited assurance have not been reasonably stated in all material respects in accordance with the *NHS Foundation Trust Annual Reporting Manual* and the six dimensions of data quality set out in the Guidance.

KPMG LLP

KPMG LLP
Chartered Accountants
1 St Peter's Square
Manchester
M2 3AE

25th May 2017

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 (national performance indicator)

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 gate kept by Crisis Resolution Home Treatment Teams (national performance indicator)

In order to prevent hospital admission and give support to informal carers CR (crisis resolution)/ HT (home treatment) are required to gate keep all admission to psychiatric inpatient wards and facilitate early discharge of service users. An admission has been gate kept 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 gate kept 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 Mental Health Delayed transfer of care

Numerator: 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 quarter. For example, one patient delayed for five days counts as five.

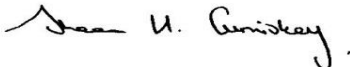
Denominator: the total number of occupied bed days (consultant and non-consultant led) during the quarter. Delayed transfers of care attributable to social care services are included.

4. Annual Accounts

Foreword to the accounts

Cheshire and Wirral Partnership NHS Foundation Trust

These accounts, for the year ended 31 March 2017, have been prepared by Cheshire and Wirral Partnership NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006.



Signed

Name Sheena Cumiskey
Job title Chief Executive
Date 24 May 2017

Statement of Comprehensive Income

		2016/17	2015/16
	Note	£000	£000
Operating income from patient care activities	3	153,921	153,964
Other operating income	4	8,615	7,624
Total operating income from continuing operations		162,537	161,588
Operating expenses	5.1	(166,820)	(160,140)
Operating surplus/(deficit) from continuing operations		(4,283)	1,448
Finance income	10	28	64
Finance expenses	11	(123)	(68)
PDC dividends payable		(2,052)	(2,284)
Net finance costs		(2,147)	(2,288)
Gains/(losses) of disposal of non-current assets	12	(40)	-
Surplus/(deficit) for the year from continuing operations		(6,470)	(840)
Surplus/(deficit) on discontinued operations and the gain/(loss) on disposal of discontinued operations		-	(1,152)
Surplus/(deficit) for the year		(6,470)	(1,992)
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments		(3,341)	-
Revaluations		922	-
Total comprehensive income/(expense) for the period		(8,889)	(1,992)

An analysis to reconcile the Trust's operating deficit as defined by the independent regulator, NHS Improvement, with the presentation of the Trust's financial statements as prescribed by international accounting standards is shown below:

	2016/17
	£000
Surplus/(Deficit) for the financial year (as stated above)	(6,470)
<i>Add back</i> Net Impairments	6,358
<i>Less</i> Loss on asset disposal	40
Surplus/(Deficit) on a Control Total Basis	(72)

The introduction of NHS Improvement's Use of Resources Risk Rating superseded Monitor's Financial Sustainability Risk Rating on 1st October 2017. As a consequence, NHS Improvement revised how Trust's financial performance metrics were calculated. There is no meaningful comparison available between the 2016/17 and 2015/16 metrics for this reason.

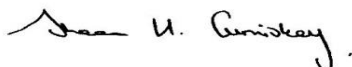
Statement of Financial Position

	Note	31 March 2017 £000	31 March 2016 £000
Non-current assets			
Property, plant and equipment	14	69,824	76,346
Other investments	17	1	1
Total non-current assets		69,825	76,347
Current assets			
Trade and other receivables	19	6,785	7,101
Non-current assets for sale and assets in disposal groups	20	750	260
Cash and cash equivalents	21	9,484	9,535
Total current assets		17,019	16,896
Current liabilities			
Trade and other payables	22	(15,019)	(14,088)
Other liabilities	23	(2,007)	(1,607)
Borrowings	24	(13)	(6)
Provisions	26.1	(2,074)	(889)
Total current liabilities		(19,113)	(16,590)
Total assets less current liabilities		67,731	76,653
Non-current liabilities			
Borrowings	24	(128)	(134)
Provisions	26.1	(702)	(729)
Total non-current liabilities		(830)	(863)
Total assets employed		66,901	75,790
Financed by			
Public dividend capital		36,181	36,181
Revaluation reserve		7,307	10,090
Income and expenditure reserve		23,413	29,520
Total taxpayers' equity		66,901	75,790

The notes on pages 153 to 182 form part of these accounts.

The financial statements on pages 147 to 182 were approved by the Board on 24th May 2017 and signed on its behalf by Sheena Cumiskey, Chief Executive.

Signed



Date

24 May 2017

Statement of Changes in Equity for the year ended 31 March 2017

	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2016 - brought forward	36,181	10,090	29,519	75,790
Surplus/(deficit) for the year	-	-	(6,470)	(6,470)
Impairments	-	(3,341)	-	(3,341)
Revaluations	-	922	-	922
Transfer to retained earnings on disposal of assets	-	(166)	166	-
Other reserve movements	-	(198)	198	-
Taxpayers' and others' equity at 31 March 2017	36,181	7,307	23,413	66,901

Statement of Changes in Equity for the year ended 31 March 2016

	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2015 - brought forward	36,181	10,359	31,242	77,782
Surplus/(deficit) for the year	-	-	(1,992)	(1,992)
Transfer to retained earnings on disposal of assets	-	(36)	36	-
Other reserve movements	-	(233)	233	-
Taxpayers' and others' equity at 31 March 2016	36,181	10,090	29,519	75,790

Information on Reserves

Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS trust. Additional PDC may also be issued to NHS foundation trusts by the Department of Health. A charge, reflecting the cost of capital utilised by the NHS foundation trust, is payable to the Department of Health as the public dividend capital dividend.

Revaluation reserve

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are recognised in operating income. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

Other reserves - AHFS reserve

The balance of this reserve relates to the difference between historic cost and the revalued amount for Pine Lodge which is currently recorded as an asset held for sale in the Statement of Financial Position.

Income and expenditure reserve

The balance of this reserve is the accumulated surpluses and deficits of the NHS foundation trust.

Statement of Cash Flows

	2016/17	2015/16
Note	£000	£000
Cash flows from operating activities		
Operating surplus/(deficit) from continuing operations	(4,283)	1,448
Operating surplus/(deficit) of discontinued operations	-	(1,152)
Operating surplus/(deficit)	(4,283)	296
Non-cash income and expense:		
Depreciation and amortisation	5 2,390	2,154
Net impairments charged to operating surplus/deficit	6 6,358	-
(Increase)/decrease in receivables and other assets	695	(200)
Increase/(decrease) in payables and other liabilities	1,970	(56)
Increase/(decrease) in provisions	1,139	265
Net cash generated from/(used in) operating activities	8,269	2,459
Cash flows from investing activities		
Interest received	28	66
Purchase of property, plant, equipment and investment property	(6,027)	(10,123)
Sales of property, plant, equipment and investment property	220	-
Net cash generated from/(used in) investing activities	(5,779)	(10,057)
Cash flows from financing activities		
Capital element of finance lease rental payments	(6)	(2)
Interest paid on finance lease liabilities	(104)	(48)
PDC dividend paid	(2,431)	(2,284)
Net cash generated from/(used in) financing activities	(2,541)	(2,334)
Increase/(decrease) in cash and cash equivalents	(51)	(9,932)
Cash and cash equivalents at 1 April	9,535	19,468
Cash and cash equivalents at 31 March	9,484	9,535

21

Notes to the Accounts

Note 1 Accounting policies and other information

Basis of preparation

NHS Improvement, in exercising the statutory functions conferred on Monitor, is responsible for issuing an accounts direction to NHS foundation trusts under the NHS Act 2006. NHS Improvement has directed that the financial statements of NHS foundation trusts shall meet the accounting requirements of the Department of Health Group Accounting Manual (DH GAM) which shall be agreed with the Secretary of State. Consequently, the following financial statements have been prepared in accordance with the DH GAM 2016/17 issued by the Department of Health. The accounting policies contained in that manual follow IFRS and HM Treasury's FReM to the extent that they are meaningful and appropriate to NHS foundation trusts. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

Accounting convention

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

Going concern

These accounts have been prepared on a going concern basis. After making enquiries, the Board of Directors have a reasonable expectation that the NHS foundation trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

Critical accounting estimates and judgements

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 1.5 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 26.

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.

Note 1.1 Interests in other entities

Charitable Funds

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 IFRS 10. 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.

Joint operations - Villicare LLP

The Trust has a 50% equity stake in a joint operation with Ryhurst Ltd. Villicare LLP, has been established to support the Trust in providing high quality, effective estates management. A review of Villicare LLP's management arrangements, ownership structure and operations in 2015/16 concluded that the arrangement should be accounted for as a joint operation. This is consistent with the accounting treatment in 2015/16. Joint operations are arrangements in which the trust has joint control with one or more other parties and has the rights to the assets, and obligations for the liabilities, relating to the arrangement. The trust includes within its financial statements its share of the assets, liabilities, income and expenses.

Nevevia Ltd

The Trust created a subsidiary company in 2016/17 of which it has 100% stake. Nevevia Ltd has been set up to provide innovative care solutions. At the 31st March 2017 the Trust has not consolidated any of the financial statements of Nevevia Ltd on the grounds of materiality. Disclosure note 18 records the summary transactions for 2016/17.

Note 1.2 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 trust is contracts with commissioners in respect of health care services.

Where income is received for a specific activity which is to be delivered in a subsequent 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.

Note 1.3 Expenditure on employee benefits

Short-term employee benefits

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

Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the NHS Pension Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the direction of Secretary of State, in England and Wales. It is not possible for the NHS foundation trust to identify its share of the underlying scheme liabilities. Therefore, the scheme is accounted for as a defined contribution scheme.

Employer's pension cost contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the trust commits itself to the retirement, regardless of the method of payment.

Note 1.4 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

Note 1.5 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 be provided to, the trust
- it is expected to be used for more than one financial year
- the cost of the item can be measured reliably
- the item has cost of at least £5,000, or
- collectively, a number of items have a cost of at least £5,000 and individually have cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, eg, plant and equipment, then these components are treated as separate assets and depreciated over their own useful economic lives.

Measurement

Valuation

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

All property, plant and equipment is measured subsequently at valuation. Fair values are determined as follows:

- land and non-specialised buildings - market value for existing use
- specialised buildings - modern equivalent depreciated replacement cost
- surplus property, plant and equipment with no plan to bring back into use - fair value under IFRS 13, if it does not meet the requirements of IAS 40 or IFRS 5.

A full revaluation of land and buildings on a componentised 'Existing Use' basis was carried out at 31st March 2017 by the NHS foundation trust's valuers Cushman & Wakefield, (Member of the Royal Institute of Chartered Surveyors). 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.

The properties have been valued using the Depreciated Replacement Cost (DRC) approach. The DRC will be subject to the prospect and viability of the continued occupation and use by the client. The valuer confirms that the market value for readily identifiable alternative uses would not be higher than the existing use value reported. Upon cessation of the existing use by the client the market value would be materially lower.

The DRC approach assumes that the asset would be replaced with a modern equivalent, not a building of identical design, with the same service potential as the existing asset. The modern equivalent may well be smaller than the existing asset, for example due to technological advances in plant and machinery.

Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

Depreciation

Items of property, plant and equipment are depreciated on a straight line basis over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. 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.

Revaluation gains and losses

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating income.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

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

Impairments

In accordance with the *DH GAM*, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating income to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised. Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

Non Current Assets Held for Sale

Assets intended for disposal are reclassified as 'held for sale' once all of 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 must be highly probable ie:
 - management are committed to a plan to sell the asset
 - an active programme has begun to find a buyer and complete the sale
 - the asset is being actively marketed at a reasonable price
 - the sale is expected to be completed within 12 months of the date of classification as 'held for sale' and
 - the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's economic life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Useful Economic lives of property, plant and equipment

	Min life Years	Max life Years
Land	-	-
Buildings	1	90
Plant & machinery	1	15
Transport equipment	1	5
Information technology	1	10
Furniture & fittings	1	5

Finance-leased assets (including land) are depreciated over the shorter of the useful economic life or the lease term, unless the foundation trust expects to acquire the asset at the end of the lease term in which case the assets are depreciated in the same manner as owned assets above.

Note 1.6 Intangible assets

Recognition

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

Software

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

Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Note 1.7 Inventories

Inventories are valued at the lower of cost and net realisable value. Inventories are charged to operating expenses but are revalued on an annual basis for any material change.

Note 1.8 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.

Cash balances with the Government Banking Service (GBS) are held with the Royal Bank of Scotland. 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.

Note 1.9 Financial assets and financial liabilities

Recognition

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

De-recognition

All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or the trust has transferred substantially all of the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Classification and measurement

Financial assets are categorised as fair value through income and expenditure, loans and receivables or available-for-sale financial assets. 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 trust's loans and receivables comprise: current investments, cash and cash equivalents, NHS receivables, accrued income and "other receivables".

Loans and receivables are recognised initially at fair value, net of transactions 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 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.

They are included in current liabilities except for amounts payable more than 12 months after the Statement of Financial Position date, which are classified as long-term liabilities.

Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to finance costs. Interest on financial liabilities taken out to finance property, plant and equipment or intangible assets is not capitalised as part of the cost of those assets.

Determination of fair value

For financial assets and financial liabilities carried at fair value, the carrying amounts are determined from discounted cash flow analysis.

Impairment of financial assets

At the Statement of Financial Position date, the trust assesses whether any financial assets, other than those held at "fair value through income and expenditure" are impaired. Financial assets are impaired and impairment losses are recognised if, and only 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 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.

Note 1.10 Leases

Finance leases

Where substantially all 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 asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for an item of property plant and equipment.

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

Operating leases

Other leases are regarded as operating leases and the rentals are charged to operating expenses on a straight-line basis over the term of the lease. Operating lease incentives received are added to the lease rentals and charged to operating expenses over the life of the lease.

Leases of land and buildings

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.

Note 1.11 Provisions

The NHS foundation trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which 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. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. 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.

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. Although the NHSLA is administratively responsible for all clinical negligence cases, the legal liability remains with the NHS foundation trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the NHS foundation trust is disclosed at note 26.2 but is not recognised in the NHS foundation trust's accounts.

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 under which the trust pays an annual contribution to the NHS Litigation Authority and in return receives assistance with the costs of claims arising. The annual membership contributions, and any "excesses" payable in respect of particular claims are charged to operating expenses when the liability arises.

Note 1.12 Contingencies

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

Contingent liabilities are not recognised, but are disclosed in note 27, unless the probability of a transfer of economic benefits is remote.

Contingent liabilities are defined as:

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

Note 1.13 Public dividend capital

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

A charge, reflecting the cost of capital utilised by the NHS foundation trust, is payable as public dividend capital dividend. The charge is calculated at the 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 Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility, and (iii) 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 on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend thus calculated is not revised should any adjustment to net assets occur as a result of the audit of the annual accounts.

Note 1.14 Value added tax

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 the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

Note 1.15 Corporation tax

The 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 Trust is potentially within the scope of Corporation Tax but there is no tax liability arising in respect of the current financial year.

Note 1.16 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.

Note 1.17 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the NHS foundation trust has no beneficial interest in them. However, they are disclosed in a separate note to the accounts in accordance with the requirements of HM Treasury's *FReM*.

Note 1.18 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had NHS foundation trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure) (see note 31).

However the losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

Note 1.19 Accounting standards that have been issued but have not yet been adopted

The DH GAM does not require the following Standards and Interpretations to be applied in 2016/17. These standards are still subject to HM Treasury *FReM* adoption, with IFRS 9 and IFRS 15 being for implementation in 2018/19, and the government implementation date for IFRS 16 still subject to HM Treasury consideration.

IFRS 9 Financial Instruments - Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the *FReM*: early adoption is not therefore permitted.

IFRS 15 Revenue from Contracts with Customers - Application required for accounting periods beginning on or after 1 January 2018, but not yet adopted by the *FReM*: early adoption is not therefore permitted.

IFRS 16 Leases - Application requires for accounting periods beginning on or after 1 January 2019, but not yet adopted by the *FReM*: early adoption is not therefore permitted

IFRIC 22 Foreign Currency Transactions and Advance Consideration - Application required for accounting periods beginning on or after 1 January 2018

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 NHSI (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.

Note 3 Operating income from patient care activities

Note 3.1 Income from patient care activities (by nature)

	2016/17	2015/16
	£000	£000
Mental health services		
Cost and volume contract income	4,790	4,720
Block contract income	111,610	109,476
Clinical partnerships providing mandatory services (including S75 agreements)	5,051	5,002
Other clinical income from mandatory services	4,641	4,483
Community services		
Community services income from CCGs and NHS England	21,834	24,928
Community services income from other commissioners	5,559	5,036
All services		
Other clinical income	437	319
Total income from activities	153,921	153,964

Note 3.2 Income from patient care activities (by source)

Income from patient care activities received from:	2016/17	2015/16
	£000	£000
CCGs and NHS England	141,769	142,141
Local authorities	9,928	8,911
Other NHS foundation trusts	329	349
NHS trusts	-	518
Non NHS: other	1,896	2,045
Total income from activities	153,921	153,964

Note 3.3 Overseas visitors (relating to patients charged directly by the NHS foundation trust)

The trust received no income in relation to overseas visitors during the financial year 2016/17.

Note 4.1 Other operating income

	2016/17	2015/16
	£000	£000
Research and development	244	236
Education and training	3,281	3,203
Non-patient care services to other bodies	1,585	2,171
Sustainability and Transformation Fund income	1,696	-
Income in respect of staff costs where accounted on gross basis	1,294	1,213
Other income	516	800
Total other operating income	8,615	7,624

Note 4.2 Income from activities arising from commissioner requested services

Under the terms of its provider license, the trust is required to analyse the level of income from activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider license and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

	2016/17	2015/16
	£000	£000
Income from services designated as commissioner requested services	149,425	149,968
Income from services not designated as commissioner requested services	4,496	3,996
Total	153,921	153,964

Note 4.3 Profits and losses on disposal of property, plant and equipment

The Trust disposed of Field House in 2016/17. The asset was recorded as held for sale in 2015/16 and 2016/17 and was disposed of because it was surplus to trust requirements.

Note 5.1 Operating expenses

	2016/17	2015/16
	£000	£000
Services from NHS foundation trusts	1,239	1,244
Services from NHS trusts	1,129	1,404
Services from CCGs and NHS England	72	330
Services from other NHS bodies	35	291
Purchase of healthcare from non NHS bodies	1,885	1,631
Employee expenses - executive directors	760	795
Remuneration of non-executive directors	119	127
Employee expenses - staff	128,005	128,296
Supplies and services - clinical	2,307	2,646
Supplies and services - general	1,813	1,761
Establishment	1,409	1,653
Research and development	433	181
Transport	2,209	2,418
Premises	6,364	7,472
Increase/(decrease) in provision for impairment of receivables	509	120
Change in provisions discount rate(s)	19	-
Drug costs	1,940	2,118
Rentals under operating leases	2,869	2,739
Depreciation on property, plant and equipment	2,390	2,154
Net impairments	6,358	-
Audit fees payable to the external auditor		
audit services- statutory audit	57	65
other auditor remuneration (external auditor only)	13	12
Clinical negligence	550	432
Legal fees	213	226
Consultancy costs	93	100
Internal audit costs	67	67
Training, courses and conferences	447	575
Patient travel	46	49
Redundancy	1,670	518
Early retirements	29	-
Hospitality	6	3
Insurance	334	308
Other services, eg external payroll	256	256
Losses, ex gratia & special payments	50	132
Other	1,124	1,169
Total	166,820	161,292
Of which:		
Related to continuing operations	166,820	160,140
Related to discontinued operations	-	1,152

Note 5.2 Other auditor remuneration

	2016/17	2015/16
	£000	£000
Other auditor remuneration paid to the external auditor:		
Audit-related assurance services	13	12
Total	<u>13</u>	<u>12</u>

Note 5.3 Limitation on auditor's liability

The limitation on auditors' liability for external audit work is £2m (2015/16: £2m).

Note 6 Impairment of assets

	2016/17	2015/16
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Unforeseen obsolescence	6,198	-
Changes in market price	160	-
Total net impairments charged to operating surplus / deficit	<u>6,358</u>	-
Impairments charged to the revaluation reserve	3,341	-
Total net impairments	<u>9,699</u>	-

Net material impairment losses and/or reversals recognised for an individual asset include:

Bowmere Hospital £3,524k

Stein Centre £2,250k

Soss Moss £1,040k

Ancora House £2,390k

The losses relate to freehold land and building and were predominantly a consequence of identifiable functional and external obsolescence.

Note 7 Employee expenses

	2016/17	2015/16
	Total	Total
	£000	£000
Salaries and wages	105,386	106,387
Social security costs	9,186	7,122
Employer's contributions to NHS pensions	12,663	12,548
Termination benefits	1,699	518
Temporary staff (including agency)	1,925	3,196
Total gross staff costs	<u>130,859</u>	<u>129,771</u>

Note 1 Employee costs shown above are included within employee expenses for both executive directors and staff (£128.765m) research (£0.395m) redundancy (£1.670m), early retirement (£0.029m)

Note 7.1 Retirements due to ill-health

During 2016/17 there were 6 early retirements from the trust agreed on the grounds of ill-health (6 in the year ended 31 March 2016). The estimated additional pension liabilities of these ill-health retirements is £345k (£355k in 2015/16).

The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

Note 8 Pension Liability

Cheshire and Wirral Partnership NHS Foundation Trust estimates its employer contributions for 2017/18 will be £12.8m. The published annual accounts of the NHS Pension Scheme in 2015/16 disclosed a liability for the whole scheme of £382bn a decrease of £8.6bn from the liabilities at 31 March 2015. As the Scheme is unfunded these liabilities are underwritten by the Exchequer. Employer contribution rates remain at 14.3% for 2016/17.

Note 9 Operating leases

Cheshire and Wirral Partnership NHS Foundation Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where Cheshire and Wirral Partnership NHS Foundation Trust FT is the lessee.

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.

	2016/17 £000	2015/16 £000
Operating lease expense		
Minimum lease payments	2,869	2,739
Total	2,869	2,739
	31 March 2017 £000	31 March 2016 £000
Future minimum lease payments due:		
- not later than one year;	2,058	1,750
- later than one year and not later than five years;	2,418	1,246
- later than five years.	1,053	232
Total	5,529	3,228

Note 10 Finance income

Finance income represents interest received on assets and investments in the period.

	2016/17	2015/16
	£000	£000
Interest on bank accounts	28	64
Total	28	64

Note 11 Finance expenditure

Finance expenditure represents interest and other charges involved in the borrowing of money.

	2016/17	2015/16
	£000	£000
Interest expense:		
Finance leases	104	49
Unwinding of discounts on provisions	19	19
Total interest expense	123	68

Note 12 Gains/losses on disposal/derecognition of non-current assets

	2016/17	2015/16
	£000	£000
Loss on disposal of non-current assets	(40)	-
Net profit/(loss) on disposal of non-current assets	(40)	-

Note 13 Discontinued operations

	2016/17	2015/16
	£000	£000
Operating expenses of discontinued operations	-	(1,152)
Total	-	(1,152)

Note 14.1 Property, plant and equipment - 2016/17

	Land £000	Buildings excluding dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation/gross cost at 1 April 2016 - brought forward	9,928	56,854	9,898	863	171	2,170	481	80,365
Additions	-	587	4,372	98	5	149	184	5,395
Impairments	(2,516)	(2,740)	-	-	-	-	-	(5,256)
Reversals of impairments	84	1,831	-	-	-	-	-	1,915
Reclassifications	-	14,188	(14,188)	-	-	-	-	-
Revaluations	(860)	(8,397)	-	-	-	-	-	(9,257)
Transfers to/ from assets held for sale	(282)	(582)	-	-	-	-	-	(864)
Valuation/gross cost at 31 March 2017	6,354	61,741	82	961	176	2,319	665	72,298
Accumulated depreciation at 1 April 2016 - brought forward	-	2,098	-	452	118	1,056	295	4,019
Provided during the year	-	1,837	-	95	9	360	89	2,390
Impairments	955	7,159	-	-	-	-	-	8,114
Reversals of impairments	(27)	(1,823)	-	-	-	-	-	(1,850)
Revaluations	(928)	(9,251)	-	-	-	-	-	(10,179)
Transfers to/ from assets held for sale	-	(20)	-	-	-	-	-	(20)
Accumulated depreciation at 31 March 2017	-	-	-	547	127	1,416	384	2,474
Net book value at 31 March 2017	6,354	61,741	82	414	49	903	281	69,824
Net book value at 1 April 2016	9,928	54,756	9,898	411	53	1,114	186	76,346

Note 14.2 Property, plant and equipment - 2015/16

	Land £000	Buildings excluding dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation/gross cost at 1 April 2015 - as previously stated	9,928	55,688	677	1,271	179	2,701	688	71,132
Additions	-	1,166	9,221	56	-	150	37	10,630
Disposals / derecognition	-	-	-	(464)	(8)	(681)	(244)	(1,397)
Valuation/gross cost at 31 March 2016	9,928	56,854	9,898	863	171	2,170	481	80,365
Accumulated depreciation at 1 April 2015 - as previously stated	-	439	-	830	117	1,372	504	3,262
Provided during the year	-	1,659	-	86	9	365	35	2,154
Disposals / derecognition	-	-	-	(464)	(8)	(681)	(244)	(1,397)
Accumulated depreciation at 31 March 2016	-	2,098	-	452	118	1,056	295	4,019
Net book value at 31 March 2016	9,928	54,756	9,898	411	53	1,114	186	76,346
Net book value at 1 April 2015	9,928	55,249	677	441	62	1,329	184	67,870

Note 15.1 Property, plant and equipment financing - 2016/17

	Land £000	Buildings excluding dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Net book value at 31 March 2017								
Owned	6,354	61,741	82	414	49	790	281	69,711
Finance leased	-	-	-	-	-	113	-	113
NBV total at 31 March 2017	6,354	61,741	82	414	49	903	281	69,824

Note 15.2 Property, plant and equipment financing - 2015/16

	Land £000	Buildings excluding dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Net book value at 31 March 2016								
Owned	9,928	54,756	9,898	411	53	980	186	76,212
Finance leased	-	-	-	-	-	134	-	134
NBV total at 31 March 2016	9,928	54,756	9,898	411	53	1,114	186	76,346

Note 16 Revaluations of property, plant and equipment

The most recent valuation took place effective on 31/03/2017 by independent valuers Cushman & Wakefield. The valuation was undertaken in accordance with International Financial Reporting Standards (IFRS) and the RICS Valuation Standards prepared on an Existing Use basis. Assets with an active market value such as land and residential accommodation are valued using the sales comparison method.

Note 17.1 Other investments

	2016/17 £000	2015/16 £000
Carrying value at 1 April	1	1
Carrying value at 31 March	1	1

Note 17.2 Joint Arrangements

Villicare LLP has been established as a Limited Liability Partnership (LLP) strategic estates partnership between Cheshire & Wirral Partnership NHS FT and Ryhurst Ltd. The partnerships primary purpose is to make available the estate needed to help CWP deliver efficient clinical services.

Villicare LLP's registered address and principal place of business is Rydon House, Station Road, Forest Row, East Sussex, RH18 5DW, England.

The partnership currently has 2 subsidiaries, Villicare (Nominee No.1) Ltd and Villicare (ProjectCo. No1) LLP. It is anticipated that further subsidiaries will be created as and when new business opportunities arise.

The Trusts share of Villicare LLP's income, expenditure, assets and liabilities are accounted for in accordance with the relevant IFRS's/IAS's in the Trust's accounts.

Related Party Transactions 2016/17

	2016/17 Current Assets £'000	2016/17 Current Liabilities £'000	2016/17 Income £'000	2016/17 Expenditure £'000
Villicare LLP - Consisting of:				
Cheshire and Wirral Partnership NHS FT	15	(14)	297	(296)
Ryhurst Ltd	15	(14)	297	(296)
Total	30	(28)	594	(592)

Related Party Transactions 2015/16

	2015/16 Current Assets £'000	2015/16 Current Liabilities £'000	2015/16 Income £'000	2015/16 Expenditure £'000
Villicare LLP - Consisting of:				
Cheshire and Wirral Partnership NHS FT	333	(352)	185	(205)
Ryhurst Ltd	333	(352)	185	(205)
Total	666	(704)	370	(410)

Note 18 Subsidiaries

Nevevia Limited was incorporated with Companies House on 19 January 2017. The nature of the Business is to provide innovative healthcare products. The Trust's equity shareholding at the 31st March 2017 was £1 (one pound).

The Registered Address for Nevevia Ltd is Redesmere, COCH Health Park, Liverpool Road, Chester CH2 1BQ.

Cheshire and Wirral Partnership NHS Foundation Trust has a 100% shareholding in Nevevia Ltd. Its Board comprises of two Directors who are also Executive Directors of Cheshire and Wirral Partnership NHS Foundation Trust.

At the 31st March 2017, Cheshire and Wirral Partnership NHS Foundation Trust transferred £83,643 to Nevevia Ltd, held on the Trust's Balance Sheet throughout the course of the year, principally for the sale of licences which now forms part of the operations of the new entity.

Note 19.1 Trade receivables and other receivables

	31 March 2017 £000	31 March 2016 £000
Current		
Trade receivables due from NHS bodies	2,789	3,398
Other receivables due from related parties	862	1,236
Provision for impaired receivables	(653)	(156)
Prepayments (non-PFI)	968	658
Accrued income	1,661	1,321
PDC dividend receivable	379	-
VAT receivable	336	117
Other receivables	443	528
Total current trade and other receivables	6,785	7,101

Note 1 - There were no non-current trade and other receivables.

Note 19.2 Provision for impairment of receivables

	2016/17 £000	2015/16 £000
At 1 April as previously stated	156	244
At 1 April - restated	156	244
Increase in provision	633	144
Amounts utilised	(12)	(208)
Unused amounts reversed	(124)	(24)
At 31 March	653	156

Note 19.3 Analysis of impaired receivables

	2017 other £000	2016 other £000
Ageing of impaired financial assets		
0 - 30 days	16	26
30-60 Days	171	2
60-90 days	27	2
90- 180 days	21	7
Over 180 days	419	119
Total	653	156
Ageing of non-impaired financial assets past their due date		
0 - 30 days	1,277	2,011
30-60 Days	141	300
60-90 days	20	49
90- 180 days	90	179
Over 180 days	33	131
Total	1,560	2,670

Note 20 Non-current assets for sale and assets in disposal groups

	2016/17	2015/16
Property, plant & equipment £000	Total £000	Total £000
NBV of non-current assets for sale and assets in disposal groups at 1 April	260	260
NBV of non-current assets for sale and assets in disposal groups at 1 April - restated	260	260
Plus assets classified as available for sale in the year	844	-
Less assets sold in year	(260)	-
Less impairment of assets held for sale	(94)	-
NBV of non-current assets for sale and assets in disposal groups at 31 March	750	260

In 2016/17 Pine Lodge was transferred from non-current assets to current assets held for sale. The asset is surplus to trust requirements following the construction of the trusts CAMHS Tier 4 unit (Ancora House). Pine Lodge is expected to be disposed of early summer 2017.

Note 21.1 Cash and cash equivalents movements

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	2016/17	2015/16
	£000	£000
At 1 April	9,535	19,468
Net change in year	(51)	(9,933)
At 31 March	9,484	9,535
Broken down into:		
Cash at commercial banks and in hand	136	72
Cash with the Government Banking Service	9,348	9,463
Total cash and cash equivalents as in SoFP	9,484	9,535

Note 21.2 Third party assets held by the NHS foundation trust

Cheshire and Wirral Partnership NHS Foundation Trust held cash and cash equivalents which relate to monies held by the the foundation trust on behalf of patients or other parties. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	31 March	31 March
	2017	2016
	£000	£000
Bank balances	27	13
Total third party assets	27	13

Note 22 Trade and other payables

	2017	2016
	£000	£000
Current		
NHS trade payables	2,639	1,258
Amounts due to other related parties	1,690	1,905
Other trade payables	1,055	908
Capital payables	526	1,165
Social security costs	2,418	2,264
Other payables	1,192	1,250
Accruals	5,499	5,338
Total current trade and other payables	15,019	14,088

There are no non-current trade and other payables balances.

Note 23 Other liabilities

	31 March 2017 £000	31 March 2016 £000
Current		
Deferred goods and services income	2,007	1,607
Total other current liabilities	<u>2,007</u>	<u>1,607</u>

Note 24 Borrowings

	31 March 2017 £000	31 March 2016 £000
Current		
Obligations under finance leases	13	6
Total current borrowings	<u>13</u>	<u>6</u>
Non-current		
Obligations under finance leases	128	134
Total non-current borrowings	<u>128</u>	<u>134</u>

Note 25 Finance leases**Cheshire and Wirral Partnership NHS Foundation Trust as a lessee**

Obligations under finance leases where Cheshire and Wirral Partnership NHS Foundation Trust is the lessee.

	2017 £000	2016 £000
Gross lease liabilities	<u>397</u>	<u>476</u>
of which liabilities are due:		
- not later than one year;	112	106
- later than one year and not later than five years;	285	370
Finance charges allocated to future periods	(256)	(336)
Net lease liabilities	<u>141</u>	<u>140</u>
of which payable:		
- not later than one year;	13	6
- later than one year and not later than five years;	128	134

The lease obligation in respect of Phase one of the introduction of the provision of multifunctional devices will end in 2020/21. Phase two will end in 2021/22.

Note 26.1 Provisions for liabilities and charges analysis

	Pensions - early departure costs	Other legal claims	Re- structurings	Redundancy	Other	Total
	£000	£000	£000	£000	£000	£000
At 1 April 2016	793	156	272	-	397	1,618
Arising during the year	-	117	1,150	56	195	1,518
Utilised during the year	(65)	(77)	(15)	-	-	(157)
Reversed unused	-	(72)	(169)	-	-	(241)
Unwinding of discount	19	-	-	-	-	19
At 31 March 2017	747	124	1,238	56	592	2,757
Expected timing of cash flows:						
- not later than one year;	64	124	1,238	56	592	2,074
- later than one year and not later than five years;	268	-	-	-	-	268
- later than five years.	434	-	-	-	-	434
Total	766	124	1,238	56	592	2,776

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 26.2 Clinical negligence liabilities

At 31 March 2017, £1,091k was included in provisions of the NHSLA in respect of clinical negligence liabilities of Cheshire and Wirral Partnership NHS Foundation Trust (31 March 2016: £1,275k).

Note 27 Contingent assets and liabilities

	31 March 2017 £000	31 March 2016 £000
Value of contingent liabilities		
NHS Litigation Authority legal claims	(68)	(84)
Gross value of contingent liabilities	<u>(68)</u>	<u>(84)</u>
Net value of contingent liabilities	<u>(68)</u>	<u>(84)</u>

NHSLA legal claims relate to a number of outstanding non clinical claims against the trust at 31st March. The calculation is the NHSLAs estimate of settlement based on the balance of probability. The timing of cash flows is expected to be in 2017/18.

Note 28 Contractual capital commitments

	31 March 2017 £000	31 March 2016 £000
Property, plant and equipment	363	481
Total	<u>363</u>	<u>481</u>

Note 29 Financial instruments

Note 29.1 Financial risk management

29.1 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. 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.

29.2 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 £16,269,000. 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, 1.3% of income is from non-NHS customers.

29.3 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. As stated above the majority of NHS foundation trust's net operating expenses are financed via NHS commissioners from resources voted annually by Parliament.

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 Independent Trust 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.

Note 30.1 Financial assets

	Loans and receivables £000	Total £000
Assets as per SoFP as at 31 March 2017		
Trade and other receivables excluding non financial assets	5,101	5,101
Other investments	1	1
Cash and cash equivalents at bank and in hand	9,484	9,484
Total at 31 March 2017	14,586	14,586

	Loans and receivables £000	Total £000
Assets as per SoFP as at 31 March 2016		
Trade and other receivables excluding non financial assets	7,100	7,100
Cash and cash equivalents at bank and in hand	9,535	9,535
Total at 31 March 2016	16,635	16,635

Note 30.2 Financial liabilities

	Other financial liabilities £000	Total £000
Liabilities as per SoFP as at 31 March 2017		
Obligations under finance leases	141	141
Trade and other payables excluding non financial liabilities	12,601	12,601
Other financial liabilities	2,007	2,007
Total at 31 March 2017	14,749	14,749

	Other financial liabilities £000	Total £000
Liabilities as per SoFP as at 31 March 2016		
Obligations under finance leases	140	140
Trade and other payables excluding non financial liabilities	14,088	14,088
Other financial liabilities	1,607	1,607
Total at 31 March 2016	15,835	15,835

Note 30.3 Maturity of financial liabilities

	£000	£000
In one year or less	14,621	15,701
Total	14,621	15,701

Note 31 Losses and special payments

	2016/17		2015/16	
	Total number of cases Number	Total value of cases £000	Total number of cases Number	Total value of cases £000
Losses				
Cash losses	1	-	3	-
Bad debts and claims abandoned	10	657	8	8
Stores losses and damage to property	191	45	77	7
Total losses	202	702	88	15
Special payments				
Ex-gratia payments	18	40	14	117
Total special payments	18	40	14	117
Total losses and special payments	220	742	102	132
Compensation payments received				

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 2017 the NHS foundation trust had 220 (year ended 31 March 2016, 102) separate losses and special payments totalling £742,000 (year ended 31 March 2015, £132,000). Most of these were in relation to damage and losses in respect of buildings and property.

Note 1: One entry in the Losses and Special Payments Register exceeded £300k. This is in relation to bad debt impairments recorded in note 19.

32.1 Related Party Transactions

Ultimate Parent

Cheshire and Wirral Partnership NHS Foundation Trust is a public benefit corporation established under the NHS Act 2006. NHS Improvement, 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. NHS Improvement does not prepare group accounts but does prepare separate NHS Foundation Trust Consolidated Accounts which are then included within the Whole of Government Accounts. NHS Improvement 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 2017

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	Prior year comparative	111	0	0	2
Care Quality Commission	Member of Council of Governors	0	0	0	0
Cheshire East UA	Member of Council of Governors	3,237	120	122	99
Cheshire Police	Member of Council of Governors	5	0	0	0
Cheshire West and Chester UA	Member of Council of Governors	5,025	571	778	60
CLRN	Commissioner	244	0	0	0
Health Education England (North West Board)	Board of Directors	3,270	0	1	102
Liverpool John Moore's University	Member of Council of Governors	1	0	0	0
Making Space	Commissioner	0	29	0	11
NHS Bolton CCG	Commissioner	539	0	20	0
NHS Chorley and South Ribble CCG	Commissioner	438	0	110	0
NHS East Lancashire CCG	Commissioner	208	0	32	0
NHS Eastern Cheshire CCG	Commissioner	16,520	28	30	195
NHS England	Commissioner	17,075	0	983	596
NHS Halton CCG	Commissioner	112	0	0	0
NHS Liverpool CCG	Commissioner	363	0	9	443
NHS North Staffordshire CCG	Commissioner	78	0	1	0
NHS South Cheshire CCG	Commissioner	14,352	14	84	14
NHS South Sefton CCG	Commissioner	1,501	0	29	0
NHS Southport and Formby CCG	Commissioner	1,278	0	208	0
NHS Stockport CCG	Commissioner	289	0	3	0
NHS Trafford CCG	Commissioner	220	0	0	0
NHS Vale Royal CCG	Commissioner	8,309	0	28	1
NHS Warrington CCG	Commissioner	601	0	14	1
NHS West Cheshire CCG	Member of Council of Governors	46,715	181	1,032	300
NHS Wirral CCG	Member of Council of Governors	35,177	7	47	320
NIHR, Local Comprehensive Clinical Network	Prior year comparative	0	0	0	0
North of England Zoological Society (Chester Zoo)	Board of Directors	0	0	0	0
Royal College of Psychiatrists	Member of Council of Governors	71	0	32	0
The Walton Centre NHS Foundation Trust	Board of Directors	13	0	1	0
Trafford Borough Council	Prior year comparative	1,299	0	0	0
University of Liverpool	Member of Council of Governors	17	0	6	0
Wirral Borough Council	Member of Council of Governors	605	351	49	51

Note 1 - Payments made to the key decision makers within the organisation are disclosed in the Remuneration table which is shown on pages 53 and 55 of the Annual Report

Note 2 - The main entities within the public sector with which Cheshire & Wirral Partnership NHS Foundation Trust has had dealings are Countess of Chester NHS Foundation Trust, East Cheshire NHS Trust, HM Revenue and Customs, Mid Cheshire NHS Foundation Trust, Merseycare NHS Trust, NHS Business Services Authority, NHS Litigation, NHS Pensions Agency, Royal Liverpool and Broadgreen University Hospitals, The Clatterbridge Centre NHS Foundation Trust, Wirral Community NHS Foundation Trust and Wirral University Teaching Hospitals NHS Foundation Trust. These Organisations are excluded from the table above due to there being no control or influence by Cheshire & Wirral Partnership NHS Foundation Trust or vice versa from the entities noted.

Note 3 - DH group bodies must disclose the Department of Health as the parent department, Cheshire & Wirral Partnership NHS Foundation Trust does not have any balances or transactions as at 31st March 2017

Note 4 - The Trust is the corporate trustee of CWP Charity (Registered Charity No. 1050046). The charitable fund accounts have not been consolidated into these accounts as the transactions are considered immaterial in the context of the Trust. The provisional turnover of the charity in 2016/17 was £25,089 and its net assets were £303,592. The Trust provides a financial administration service for the charity for which the charity paid £5,976 in 2016/17. An annual report and audited accounts of the Trust's charity (covering the period reported in these accounts) will be available from 31 January 2018 and may be accessed via the Charity Commission website at www.charity-commission.gov.uk

Note 32.2 Related parties

Year Ended 31 March 2016

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	193	18	41	0
Care Quality Commission	Member of Council of Governors	0	78	0	0
Cheshire East UA	Member of Council of Governors	3,024	193	537	83
Cheshire Police	Member of Council of Governors	16	1	0	9
Cheshire West and Chester UA	Member of Council of Governors	3,849	579	460	73
CLRN	Member of Council of Governors	218	0	0	0
Countess of Chester Hospital NHSFT	Member of Council of Governors	616	1,074	373	166
East Cheshire NHS Trust	Member of Council of Governors	46	1,025	8	170
Eastern Cheshire CCG	Member of Council of Governors	16,688	37	95	194
Health Education England NW Board	Board of Directors	3,173	0	37	157
HM Revenue and Customs	Member of Council of Governors	0	0	117	2,264
Liverpool John Moore's University	Member of Council of Governors	1	2	0	0
Making space	Member of Council of Governors	0	53	0	0
Mid Cheshire Hospitals NHSFT	Member of Council of Governors	32	83	19	21
NHS Business Services Authority	Member of Council of Governors	0	0	0	154
NHS Pensions Agency	Member of Council of Governors	0	19,672	0	1,726
NIHR, Local Comprehensive Clinical Network	Member of Council of Governors	0	0	8	0
North of England Zoological Society (Chester zoo)	Board of Directors	0	1	0	0
Royal College of Psychiatrists	Member of Council of Governors	0	38	0	13
Royal Liverpool & Broadgreen Hospitals	Member of Council of Governors	0	6	0	16
South Cheshire CCG	Member of Council of Governors	13,804	6	310	72
The Walton Centre NHS FT	Board of Directors	13	1	1	0
Trafford Borough Council	Member of Council of Governors	1,325	71	107	0
Vale Royal CCG	Member of Council of Governors	7,980	0	89	81
Western Cheshire CCG	Member of Council of Governors	47,178	130	1,178	454
Wirral Borough Council	Member of Council of Governors	784	255	237	323
Wirral CCG	Member of Council of Governors	34,084	77	257	370
Wirral Community NHS Trust	Member of Council of Governors	922	339	116	96
Wirral University Teaching Hospital NHSFT	Member of Council of Governors	44	661	41	207



Cheshire and Wirral Partnership
NHS Foundation Trust



Cheshire and Wirral Partnership NHS Foundation Trust
Trust Headquarters Redesmere
Countess of Chester Health Park
Liverpool Road
Chester, CH2 1BQ
Tel: 01244 397397
Fax: 01244 397398