NHS
Cheshire and Wirral Partnership
NHS Foundation Trust

Annual Report and Accounts 2019/20

1 April 2019 – 31 March 2020

"Working in partnership to improve health and well-being by providing high quality, person-centred care"

Helping people to be
the best they can be

@cwpnhs

Cheshire and Wirral Partnership NHS Foundation Trust

Annual Report and Accounts 2019-20

1st April 2019 to 31st March 2020

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

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Introduction by the Chairman and the Chief Executive

Mike Maier – Chairman

Sheena Cumiskey – Chief Executive

Welcome to our Annual Report 2019/20. In this report you can read all about our performance and achievements over the last year, as well as our aims and priorities for the year ahead.

Firstly, we would like to pause and reflect on what has been an enormously challenging last few months of the annual reporting year due to the COVID-19 pandemic. Our staff have risen to new and unexpected challenges - and we would like to put on record our sincere gratitude at the bravery and adaptability that has been shown.

It has also been wonderful to see the national outpouring of love and respect towards the NHS and social care staff, encapsulated every week in the Clap for Carers taking place across the country on people's doorsteps. A huge thank you to all of #TeamCWP – including our volunteers, members and governors - for their continued hard work, dedication and commitment in ensuring people accessing our services continue to receive the help they need.

Thank you also to our partner NHS trusts, primary care, clinical commissioning and local authority colleagues - and the many other partners we work with in the third sector and beyond – for collaborating with us in many positive ways this year.

In looking back at the last year, we can reflect on a very productive and rewarding 12 months where the Trust received considerable national recognition for the hard work of staff in providing the very best care possible for service users. This included being a finalist in the mental health provider of the year category at the Health Service Journal Awards.

In addition, two members of staff and one team were recognised as CWP gained a remarkable three out of the ten North West winners in the NHS Parliamentary Awards. Andy Styring (the then, director of operations), was recognised for Lifetime Achievement in supporting people with learning disabilities; Stephanie John, CWP clinical support worker, won the regional Care and Compassion Award and the Trust's Next Steps Cards initiative was recognised for supporting young people's mental health. Huge thanks go to our local MPs for their nominations and support at the national finals at Westminster.

Other really important developments include the Trust's recent accreditation as a Veteran Aware NHS Trust; and signing up to the national NHS rainbow badge scheme, as part of our commitment to being a diverse and inclusive employer and care provider.

We are really proud of these achievements, which have been gained alongside significant improvements to services for our local population. This has included the transformation of community mental health services in East Cheshire, which followed a public consultation in 2018. Alongside the enhanced community services, CWP has unveiled two new state-of-the-art inpatient wards in Macclesfield. All the hard work of staff, clinical commissioning colleagues and partners in Cheshire East has also drawn external recognition, featuring on the shortlist for the Mental Health Redesign Initiative Category at the 2020 HSJ Value Awards. The awards have been postponed until later in 2020 so keep an eye on our website for updates on how we get on!
In Cheshire West CWP was also instrumental in the opening of 'Number 71', a new wellbeing resource centre providing early intervention support and treatment for people experiencing a mental health crisis. Centrally located on St Anne Street in Chester, Number 71 is a result of the clinical commissioning group and CWP working together with mental health interest groups, following a successful award from the national Beyond Places of Safety grant scheme.

We have also enhanced our services for young people, with our dedicated website My Mind receiving a modern makeover just in time for World Mental Health Day in October! It now features a new and improved platform and, following considerable engagement, focuses on the key topics identified as most important to young people and their families.

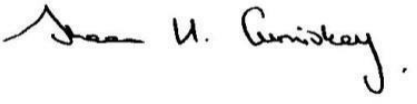
During this year we were also delighted to welcome another GP Practice in Old Hall Surgery, in Ellesmere Port to the CWP family. Old Hall is now the third local GP practice to be managed by CWP joining Westminster Surgery and Willaston Surgery – which was recognised as the number one GP surgery in Cheshire for patient opinion following publication results from the national GP Patient Survey.

The move towards integration has made considerable strides with the Wirral All Age Disability service recognised in a social care ADASS/LGA peer review for joined up working with a positive impact on service user experience. We were delighted to then be selected to showcase the service at the national NHS Providers Showcase in Manchester demonstrating how this integrated mental health and disability service is making a real difference to people's lives.

Another key milestone this year was saying goodbye to two of our longest serving colleagues. Avril Devaney MBE, who was our Director of Nursing, Therapies and Patient Partnership for 17 years, retired in September - and Julia Cottier, who was our Associate Director of Operations for Children, Young People and Families, recently retired after 25 years with the Trust. We would like to thank them both for their hard work and dedication in helping #TeamCWP be the best we can be.

We look forward to the year ahead with confidence in the compassion and commitment of CWP staff to continue to overcome the current challenges presented by Covid-19 and to continue to provide person-centred, high quality care.

Signed:



Mike Maier – Chairman ***Sheena Cumiskey – Chief Executive***

Introduction by the Lead Governor

Brian Crouch – Lead Governor

It has been two years since I was appointed Lead Governor at CWP and I continue to thoroughly enjoy the role. In the past 12 months, CWP has achieved a tremendous amount of progress toward helping people be the best they can be, and it is an ongoing pleasure to be a part of #TeamCWP.

I would firstly like to offer my congratulations to the Trust for their recognition at the HSJ Awards, and to all of the nominees of the NHS Parliamentary Awards for their high quality and dedicated care for local patients, carers and families throughout Cheshire and Wirral.

Over the last year I have had the privilege of ensuring the voices of our wider members have been represented in a number of exciting projects, from the development of Cheshire West's new wellbeing resource centre No 71 in Chester, to the redesign of adult and older people's mental health services in Cheshire East.

Of course, the past year has also included a number of challenges, the most difficult of which being COVID-19 in the last few months of this annual reporting year. It is truly heart-warming to see how CWP staff have found new ways of working to ensure the continuity of care, and I'd like to add my personal thanks to all of #TeamCWP and the wider NHS for everything they are doing to overcome the pandemic.

Over the last year we have bid farewell to a number of governors. I'd like to thank Jill Doble, Michael Brassington, Keith Millar, Arlo King, and Robert Walker for their dedication and service during their time with us.

I am delighted to welcome Elaine Marsh, Rob Robertson, Phil Jarrold, Gill Watson, Laura Jeuda, Andy Corkhill, Tim Seabrooke and Martin Curran, who are the latest governors to join our fantastic team.

It is with sadness that we said goodbye to Non-Executive Director Lucy Crumplin who reached the end of her term of office, however we have been delighted to welcome Anne Boyd and Paul Bowen to join the non-executive team.

Thank you to everyone who has supported me and our Council of Governors over the last year. We look forward to the coming year with optimism and confidence in the ability of the Trust to make a positive difference to people's lives.

Brian Crouch – Lead Governor

Key Achievements and Highlights of the year

Key achievements and highlights of the year

Pilot study to improve employment prospects for ex-forces
In April 2019 we launched a new pilot study in partnership with The Poppy Factory to help improve employment prospects for ex-service personnel who suffer with physical and mental health issues. The three year study, taking place in Wirral, aims to bring the employability charity's long-established into an NHS healthcare setting for the first time.

Emotionally Healthy Children and Young People's project set to continue
Our Emotionally Healthy Children and Young People's programme will continue for at least another 2 years. Led by CWP and delivered in partnership with local charities Visyon, Just Drop In, Clasp, and Kooth, as well as lead school Middlewich High School, the programme brings together colleagues from health, education and the voluntary sector to support East Cheshire schools in their efforts to improve emotional and mental health for young people and their families.

10 years delivering quality dementia care in Cheshire
In May 2019, our Older People's Memory Service was accredited by the Royal College of Psychiatrists for its work assessing and diagnosing dementia – its 10th consecutive year of achieving the coveted Memory Services National Accreditation Programme (MSNAP) award.

Ancora House wins national award
Ancora House, our mental health unit for children and young people, was awarded a prestigious national award for inpatient care at the National Children and Young People's Mental Health Awards. It was praised for including young people and their families/carers in all stages of development, from initial design through to continued improvement of services, and for their work with the Land Trust in facilitating activities for young people on the site's corresponding country park.

Annual recognition awards
We held our 3rd annual Recognition Awards in June to honour the tremendous and tireless hard work of our workforce, volunteers and partners in their efforts to outstanding care, as well as a celebration of the trust's achievements over the past year.

Future nursing standards event
We held an 'all ears' event to discuss future nursing standards, where Ruth May, Chief Nurse at NHSE/I, spoke with our nurses, partners and the people who access our services about their experiences of delivering and receiving care.

Patient Safety Initiative recognised at national awards
A pioneering new initiative enhancing communication and collaboration with community pharmacies across Cheshire and Wirral – led by CWP – was nominated in FIVE separate categories at the national Health Service Journal (HSJ) Patient Safety Awards.

CWP show their PRIDE
We welcomed staff, patients and local partners to celebrate Pride month with us at events in Chester and Crewe. The events saw us raising our rainbow flag in honour of our workforce's commitment to equality, diversity and inclusivity.

Triple recognition at North West awards
Two members of #TeamCWP and a CWP mental health initiative were named as North West regional winners in the NHS Parliamentary Awards, after local MPs nominated them for their outstanding contribution. Andy Styring (the then, director of operations) won the regional Lifetime Achievement Award, Stephanie John (clinical support worker) won the regional Care and Compassion Award, and CWP's Next Step Cards mental health initiative won the regional Future NHS Award.

David Rutley MP (Macclesfield) and the Rt Hon Frank Field MP (Birkenhead) visited CWP to pay tribute to the #TeamCWP members who both won and were nominated for NHS Parliamentary Awards. The MPs presented winners and nominees with special certificates to recognise their achievements, and thanked them personally on behalf of local residents for all that they do to provide high quality and dedicated care for local patients throughout Cheshire and Wirral, as well as supporting their families and carers.

Mental health provider of the year finalist
We were thrilled to be shortlisted for mental health provider of the year at the prestigious Health Service Journal (HSJ) awards.

Old Hall Surgery joins CWP
We were awarded the contract to provide GP services at Ellesmere Port's Old Hall Surgery from September 2019. Old Hall became the third local GP practice to be managed by CWP, joining Westminster Surgery (Ellesmere Port) and Willaston Surgery.

Goodbye to Avril Devaney
In September we said goodbye to our former mental health Nursing Director, Avril Devaney MBE, who retired after 17 years as Director of Nursing, Therapies and Patient Partnership at CWP. Avril was succeeded by Gary Flockhart – who previously held the post of CWP Associate Director of Nursing and Therapies.

MyMind gets modern makeover
We relaunched our dedicated Child and Adolescent Mental Health website, MyMind, was given a modern makeover. Relaunched on World Mental Health Day (10 October), MyMind 2.0 features a new and improved platform with a fresh, coproduced design. The site also gives specific focus to the key topics identified as most important to young people and their families: how to cope with mental health challenges, how to get help and what to do in a crisis. Visit www.mymind.org.uk

New mental health resource centre for Cheshire
A new wellbeing resource centre recently opened on St Anne Street in Chester city centre. Designed in collaboration with people with lived experience of mental ill-health, 'Number 71' will provide early intervention support and treatment for people experiencing a mental health crisis, seven days a week, 365 days a year.

State-of-the-art mental health facilities for East Cheshire unveiled
We opened Silk and Mulberry Wards in Macclesfield which are the result of a £4.5 million investment programme to modernise inpatient services for people who require a hospital stay, as part of wider improvements to local mental health services. The new wards followed a public consultation about proposals to redesign specialist mental health services for adults and older people in East Cheshire. With names selected by service users, carers and staff, Silk and Mulberry Wards will support more people to continue their lives, with support, in the community whilst providing high quality hospital care when needed.



Expansion of Home Treatment Services
Home Treatment Teams (HTTs) across CWP are now operating a 24 hours a day, seven days a week service. This came after the East Cheshire service, based in Congleton, transferred to a 24/7 service, joining West Cheshire and Wirral HTTs in providing 24 hour care. The move coincided with the opening of community crisis beds, with 2 beds in each Crewe, Congleton and Macclesfield.

NHS Rainbow Badges launched at CWP
Earlier this year we signed up to the national rainbow badge scheme to coincide with LGBT+ History Month (February), reinforcing our commitment to being a diverse and inclusive employer and care provider.

Cheshire NHS recognised in national mental health award shortlist
We, alongside health commissioners, NHS Eastern Cheshire Clinical Commissioning Group (CCG), NHS South Cheshire CCG and NHS Vale Royal CCG, have been shortlisted for the HSJ Value Awards 2020 in the Mental Health Service Redesign Initiative category.

1. Performance Report

1.1 Overview of Performance

1.2 Performance Analysis

1.1 Overview of Performance

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

Chief Executive's statement

2019/20 has again been a positive year when the Trust has continued to deliver high quality services to the populations of Cheshire and Wirral. The year has ended on a challenging note as a result of the global Covid19 pandemic. This has seen the Trust respond to unprecedented challenge while maintaining its person centred approach, thanks to the amazing commitment and dedication of Trust staff.

Following the publication of the Long Term Plan, the Trust has started a refresh of its Forward View Strategy to ensure the alignment of priorities and to ensure we continue to meet the needs of people the trust supports and ensure that we continue to deliver the best services within the available resources. We have also undertaken significant work on our People and Organisational Development Strategy which is a key enabling strategy and has been designed to align with the key priorities set out in the NHS Interim People Plan, the Cheshire and Merseyside Health Care Partnership people priorities and emerging people plans for Healthy Wirral, Cheshire West ICP and Cheshire East ICP. Its simple aim is to *help our people be the best they can be*.

Financially, the Trust has performed well. Although a technical deficit of £0.2m is reported, this position includes items totaling £3.696m (these items are detailed in a note to the Statement of Comprehensive Income) that are not part of the normal operations of CWP, and they are excluded from NHS Improvement's (NHSI) financial assessment of the Trust. After adjusting for these items, CWP's performance against our NHSI agreed control total is £3.5m surplus, the control total being £0.7m surplus.

CWP ended the financial year in 'Segment 1' and with a Use of Resources Risk Rating (UoR) of 1 as assessed by NHSI. Our financial and regulatory targets performance in 2019/20 is described in further detail in the Performance Analysis section of this report.

2020/21 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 continuing to work closely with partners in the local health economy to ensure the delivery of safe, effective, caring and person-centred 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. CWP provides health and care services for local people, including mental health, learning disability, community physical health and all-age disability care – including the provision of three GP surgeries.

The Trust provides services across Wirral and Cheshire. 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 and Tier 4 Child and Adolescent Mental Health Services across the Cheshire and Merseyside region. CWP also provides the only NHS inpatient eating disorder accommodation in the North West as well as offering Low secure inpatient units that deliver intensive, comprehensive, multidisciplinary treatment and care for patients across the North West.

The Trust has over 14,500 members and employs more than 3,500 staff across 60 sites, serving a population of over 1 million people and highly specialist services for 2 million.

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 that safe and effective care results in quality outcomes for people who access our services.

In 2019/20, the Trust had an annual turnover of £188.1m. Over 94.7% of the Trust's income comes from a range of CCGs, NHS England and local authorities, principally in North West England.

The CWP Forward View Strategy 2018/2023 and its components are delivered through the four care groups, which together, form the priorities for the Trust: Neighbourhood and Communities, Specialist Mental Health, Children, Young People & Families and Learning Disabilities and Neuro Developmental services.

Trust priorities for 2020/21 will be to continue to support our population within the context of COVID-19 alongside the identified key priority projects including; the redesign of adult and older people's mental health services; Community Mental Health Framework implementation and crisis implementation response, Transforming Care in learning disabilities and attention deficit hyperactivity disorder (ADHD) services.

The Trust is also supported by a number of priority strategic enablers such as people and organisational development strategy, our communications and engagement strategy, quality improvement, improving data quality, introduction of windows 10 and the ICT Device Refresh Programme.

During 2020, there will be a period of reflection to ensure that the Trust's priority projects are relevant and appropriate in the COVID-19 recovery phase for CWP. Going forward this may include; the rehabilitation strategy, commencement of integrated short break service, review of PICU services together with introduction of electronic patient records and electronic referral systems.

Key issues and risks
The Trust's risk management strategy is an integral component of the overarching integrated governance strategy. This provides a robust framework to mitigate risks to delivery of the Trust's strategic objectives.

Clinical and quality risks
The Trust's highest level clinical and quality risks (rated red with a score of 15-25) at the end of 2019/20 were:

- Risk that the impact of COVID-19 will adversely affect the population of Cheshire and Wirral, including CWP staff, impacting on the delivery of service provision and safe, effective care

- Risk of increasing demand for ADHD services which exceeds current contract values and commissioned capacity, resulting in increasing waiting times and complaints from people who have not accessed services due to gaps in commissioning

- Due to pressures on acute care bed capacity, there is a risk that people who require admission may have to wait longer than 4 hours for a bed to be allocated

The Annual Governance Statement details the treatment plans in place to mitigate these risks.

Financial risks
Looking ahead, the Trust faces a number of financial risks in delivery of its 2020/21 plans. These include increasing ward staffing costs, potential for increased agency costs, the potential under-recovery of income on income generating beds, non-achievement of the efficiency plan, continuation of contract pressures, and IT investment. All risks are mitigated as set out in our planning documentation. A temporary national financial regime is in place at the time of writing as a response of the Covid-19 pandemic. Whilst this regime is in place financial pressures resulting from the pandemic are to be covered from national resources.

Going concern
CWP continues to demonstrate a strong underlying financial position. Our agreed financial improvement trajectory was for CWP to break even or better on its income and expenditure account. As part of our planning processes CWP confirmed it was confident this position would be achieved. As referred to in the section above a temporary financial regime is in place during the Covid-19 pandemic which guarantees at least a breakeven position will be maintained during this period.

The Trust has a forecast cash balance of £23m at 31 March 2021 and has no concerns regarding the ability to service payments as and when they fall during 2020/21.

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 our financial management resulting in the Trust exceeding its control total for 2019/20, and our overall performance against our regulatory targets.

1.2 Performance Analysis

Key Performance Measures

A monthly performance dashboard, aligned to the strategic objectives of the trust and the deliverables of the 2019/20 Operational Plan, provides the Board with oversight of the Trust performance during the year. Detailed oversight of the targets is also conducted on a monthly basis by the Operational Committee, an executive committee of the trust.

The Board of Directors undertook work in 2019/20 to redesign the dashboard to ensure the right focus on ward to Board assurance and risks to the strategic objectives. As a result, the revised dashboard sets out a range of performance metrics linked to the strategic objectives.

NHS Oversight Framework Targets 2019/20

Target	Performance required	19/20 Outturn performance
Percentage of people with a first episode of psychosis beginning treatment with a NICE recommended care package within two weeks of referral(MHSDS)	56%	80.28%
Improving Access to Psychological Therapies /Talking Therapies– Percentage of people completing a course of IAPT treatment moving to recovery	50%	46.42%
Improving Access to Psychological Therapies /Talking Therapies– Percentage of people waiting to begin treatment within 6 weeks of referral	75%	75.65%
Improving Access to Psychological Therapies /Talking Therapies– Percentage of people waiting to begin treatment within 18 weeks of referral	95%	98.30%
Inappropriate out-of-area placements for adult mental health services.	0	0
Data Quality Maturity Index (DQMI) – MHSDS dataset score	95%	85% (latest data reported by NHS Digital for January 2020)

The Trust has achieved four of the six regulatory targets for 2019/20.

The Trust has worked hard to achieve the EI performance target and there has been a considerable collaborative effort between clinical support services and clinical teams on improving input, validation and tracking of patients to ensure they are seen within the 2 week target.

The IAPT service has managed to achieve 2 out its 3 targets, achieving both 6 and 18 weeks performance figures. Further work is needed over the coming year to improve the recovery target and a deep dive exercise will be carried out to understand where improvements can be made.

The DQMI target was missed despite a significant amount of work being done to improve the data which flows into our monthly MHSDS submission. There is an on-going Data Quality improvement plan linking education, clinical support service functions and clinical areas to standardise data input and recording, improve ownership assigning clear governance lines and introduce data quality tracking using interactive reporting mechanisms.

There have been 2 out of area placements which were appropriate for a total of 12 beds days. The trust will continue to monitor this measure in line with NHS guidance.

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 31 March 2020
The Trust ended the financial year in 'Segment 1' and with a Use of Resources Risk Rating (UoR) of 1 as assessed by our regulator NHS Improvement (NHSI). Providers are assigned a segment according to the scale of issues faced by the Trust and are rated on a scale of 1-4 where segment 1 identifies providers with maximum autonomy to segment 4 for those in special measures. Performance against both risk rating metrics is shown below.

In 2019/20 CWP accepted a control total of £0.7m surplus. Financial performance was as planned, with the Trust overall achieving a surplus of £1.335m excluding core PSF and additional central income for 2019/20 that was distributed to mental health trusts. As a consequence, CWP received non-recurrent additional income for 2019/20, resulting in a surplus of £3.491m.

A key feature of our financial performance was the ability of the Trust's services to deliver a very challenging efficiency programme during 2019/20. The target for the year was £5.372m, with £4.735m achieved operationally through a mix of recurrent and non-recurrent schemes. The outstanding balance was covered by contingency identified at the beginning of the year as part of our annual planning process. Efficiency savings are a fundamental part of NHS contracts going forward into 2020/21 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 £1.3m of CQUIN (Commissioning for Quality and Innovation) non-recurrent funding to invest in a wide range of service quality enhancements.

Looking forward, there are no financial implications of any significant changes in the Trust's objectives and activities, or its investment strategy for 2020/21.

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

Use of Resources Risk Rating – Performance to 31 March 2020
(1 = lowest risk, 4 = highest risk).

Financial criteria	Metric	Performance	Rating
Capital Servicing Capacity	Capital Service Cover (times)	3.1 times	1
Liquidity	Liquidity Ratio (days)	9.6 days	1
Income and Expenditure Margin	Surplus as % of total operating and non-operating income (including severance costs)	1.9%	1
Income and Expenditure Margin Variance	Income and expenditure margin %variance against annual plan (including severance costs)	1.5%	1

Financial criteria	Metric	Performance	Rating
Agency Expenditure	Agency expenditure % variance against agency ceiling	(16.4%)	1
Overall Rating			**1**

Income
Overall income has increased in 2019/20 by 9.7% in comparison with 2018/19. This financial year has seen a national inflator of 2.6% applied and additional pay award income, together with an increase of superannuation employers. CWP secured an additional GP surgery contract which commenced this year, and there have been various contract increases with significant areas including IAPT, CAMHS Tier 4 additional beds and expansion of Crisis HTT service.

Running costs
The Trust's operating expenses have increased in comparison to 2018/19. Costs have increased in line with inflation and other NHS specific cost pressures. The main increases in expenditure are pay related costs linked to the national agenda for change pay award, employers superannuation costs, and additional staffing costs associated with the additional contracts referred to in the section above.

Fixed assets
The net book value of property, plant and equipment has increased by £1.5m during the year from £77.9m to £79.4m. There has been a £7.2m investment during the year offset by annual depreciation of £2.3m.

During the year, the Trust also impaired Land and Buildings to the value of £2.3m and reclassified the remaining asset as held for sale for £1.1m. A detailed analysis of this can be found in note 15 of the accounts.

Cash position
The Trust ended the year with cash and bank balances of £21.2m. This represents a £2.9m increase in cash and bank balances held at the end of the previous year.

Pensions and other retirement benefits
The Trust's accounting policies for pensions and other retirement benefits for staff can be found in notes 1, 10 and 28 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 2019/20.

Overseas Operations
CWP had no overseas operations in 2019/20.

Care Quality Commission (CQC) inspections
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.

CWP has not received, during 2019/20, any core service or provider-level well-led CQC reports arising from reviews of the Trust. Reviews were in progress during quarter 3 and quarter 4 of 2019/20, the reports will be received and reported on in the 2020/21 year.

Following the core service and provider-level well-led inspection of the Trust in 2018/19, throughout 2019/20, CWP has been implementing a regulatory and improvement plan in response. Monitored by the Trust's Quality Committee, this plan was completed in March 2020. CWP awaits any further regulatory and improvement plans that might arise for the 2019/20 CQC inspection activity.

A rolling programme of Mental Health Act 1983 (MHA) monitoring and review visits undertaken by the CQC provides routine assurance on the use of MHA and the protection of a detained person's rights. During 2019/20 fourteen of these MHA reviewer visits were undertaken trustwide; following which improvement action plans were developed, monitored via the MHA online audit tool, and reported to Care Groups and Quality Committee via the Mental Health Law (MHL) Report. The action plans address the narrative areas of improvement identified by the CQC, which related to minimum compliance with the NHS Code of Practice.

Safe Services co-ordinates an annual healthcare quality improvement programme that incorporates numerous work streams, including, quality improvement projects, patient safety initiatives, local and national audits and thematic reports, to assess the quality and safety of care against local and national standards. All data is triangulated and enabling plans are created in collaboration with clinical services based on the data.

Environmental Matters
In 2019/20 CWP continued to promote environmental initiatives and to raise awareness of supporting the wider environment for staff, visitors and people who accessed our services.

CWP is committed to reducing the impact of its activities on the environment, actively seeking ways to recycle and increasing awareness of our positive environmental activities.

Environmental objectives of achieving zero waste to landfill by 2020 were achieved in 19/20 by more staff engaging and actively separating their waste at work into general and recyclable items. This initiative was supported by Facilities Management by specific contracted conditions within latest waste procurement contract.

- Reducing the use of single use plastics has been a focus of the Trust Infrastructure team through the procurement process throughout 19/20 - examples in this area would include, reduction of single use plastics within catering provision and ICT equipment replacement.
- WARPit – CWP's online resource re-use portal for staff continues its successful internal recycling of furniture and other surplus items. WARPit has effectively helped many relocation projects over the year and has avoided many tonnes of waste throughout the Trust.
- Many teams have benefited from claiming items for their workspace saving on valuable budgets to be used in patient care. To date, WARPit has over 700 staff members and has now saved a significant amount in avoided costs of waste disposal and purchasing new furniture and effects.
- CWP also supports local charities on a regular basis by donating surplus items no longer required.
- CWP recycles empty and full printer cartridges through a company to ensure that they are not destined for general waste and causing pollution of the environment. Regulated battery disposal is a regular initiative throughout the Trust.

All of these different projects continue to develop and engage all staff in the process of reducing environmental impacts. The projects demonstrate the commitment of CWP to actively seek environmental friendly solutions to reducing the impacts on the environment wherever possible.

Sustainable Development Management Plan
CWP's Sustainable Development Management Plan covers the period between 2015-2020 and sets out our response to the NHS Carbon Reduction Strategy demonstrating the Trust's commitment to sustainability through environmentally responsible working practices and how we will achieve and measure these. The Trust's progress on environmental issues is reported to commissioners under SC18 of the NHS Standard Contract.

The latest NHS targets require Trusts to be working towards achieving the UK government's aim of becoming carbon neutral by 2050. In working towards this long term target the Trust has moved further towards the targeted 34% reduction in carbon emissions by 2020 from a 1990 set baseline. Within 2019/20 CWP carbon reduction initiatives achieved a reduction of 31.74 tons of carbon against energy consumption together with savings across a number of other areas such as, procurement, food, transport, waste management and ensuring the best sustainable designs of the built environment. These figures equate to a reduction of 34% against a 2007/08 baseline. In 2019/20 the Trust continued to progress towards achieving these ambitions and progress against the plan will be reported to the Operational Committee as part of the annual review of the Sustainable Development Management Plan which is due for redrafting in 2020.

Social, Community and Human Rights Issues

Equality, Diversity and Inclusion (EDI)

Equality Act 2010
In accordance with the NHS Standard Contract and the Public Sector Equality Duty and in order to demonstrate good Equality, Diversity and Inclusion practice, CWP shows due regard to protected characteristics covered under the Equality Act 2010 and complies with the requirements of Equality Delivery System 2 (EDS2) working with local partners to review and improve performance for people from protected groups. Our EDI Objective Action Plan focuses on delivering Personal, Fair and Diverse Healthcare Services and key developments of this are detailed below:

EDI and the Human Rights Act
In partnership with colleagues from Staff Side, our Council of Governors and Healthwatch Cheshire, we conducted a piece of work to update and refresh our Equality, Diversity, Inclusion and Human Rights Policy with a greater emphasis on Human Rights whilst ensuring adherence to the FREDA principles of Fairness, Respect, Equality, Dignity and Autonomy to protect Human Rights in clinical and organisational practice.

Cheshire and Merseyside Social Value Charter
We have signed up to this charter which is being led by the Cheshire and Merseyside Health and Care Partnership. We have committed to the principles of social value by becoming an NHS Anchor Organisation and signing the Social Values Charter and will seek, where possible, to do this when we design, shape and deliver services.

Workforce Race Equality Standard (WRES)
Our most recent WRES demonstrated improvements in a number of race equality areas. We have now introduced a Staff Network Group for staff from BAME+ backgrounds [Black, Asian and Minority Ethnic (the + simply means that we are inclusive of all minority groups, regardless of how people define themselves)]. We continue to treat this as an area for improvement moving forward.

‘Ten High Impact Practical Actions for Inclusive Talent Management’ and ‘A Fair Experience for All’
We have been working to address two recently published documents which provide guidance in relation to protected characteristics (including ethnicity). The first offers high impact evidence based actions which, if acted upon will help boards foster a more diverse and inclusive NHS. The second relates specifically to closing the ethnicity gap in rates of disciplinary action. Both papers compliment, impact upon and influence each other. Taking on board these actions and developing this work further will support in our Equality, Diversity and Inclusion objectives.

Workforce Disability Equality Standard (WDES)
Our first WDES report highlighted areas for us to focus on in order to improve the experiences of Disabled staff. In order to better understand this and ensure that we support people, we implemented a Disabled Staff Network Group and are also encouraging both awareness raising and the sharing of good practice.

Disability Confident Employer
CWP has retained Level 2 of this scheme which helps us to recruit and retain people living with disabilities or with health conditions for their skills and talent. It demonstrates that CWP treats equality in the workplace as a priority.

Accessible Information Standard (AIS)
CWP is continuing to raise the profile of the AIS to staff and monitor developments and progress and is ensuring that this is done in parallel with the Green Light Toolkit.

Gender Pay Gap Reporting
This is a measure of comparisons between average hourly rates and bonuses across the NHS as opposed to covering equal pay which would look at individual earnings of a female and a male doing equal work.

Our most recent report shows that there has been a slight reduction in our gender pay gap. Although CWP’s hourly gender pay gap continues to be less than the national public sector gender pay gap, there is still work to be done to reduce the gap further wherever this exists for each band and staff group. In addition, the gender gap in bonus payments still needs to be addressed.

The Trust’s information on the Gender Pay Gap for 2019 can be found on the Trust’s website and is also reported to the Cabinet Office for publication nationally. A useful Infographic is also provided.

NHS Rainbow Pin Badge Scheme
This initiative gives staff a simple visual way to show that CWP offers open, non-judgemental and inclusive support for all people and their families who identify as LGBT+ [lesbian, gay, bisexual, transgender (the + simply means that we are inclusive of all identities, regardless of how people define themselves)]. CWP launched this in February 2020 as a way of helping us to celebrate LGBT+ History Month. All staff opting to wear badges undergo accessible online training to enable them to offer support and signposting to local services where appropriate.

Pride Events Within Cheshire

During the summer of 2019, we held large, high profile Pride Launch events in both Crewe and Chester with Board leadership at both of these as a visible demonstration of inclusion to our community partners, many of whom joined us at the events. We sponsored, actively promoted and attended Crewe Pride In The Park, Macclesfield Pride and Chester Pride.

LGBT+ Staff Network

In addition to the Staff Network Groups referred to above for BAME+ people and Disabled people, we have also put in place a Staff Network for LGBT+ people.

EDI Training and Awareness Raising

Following consultation with both our Council of Governors and Staff Side colleagues, our new format online EDI training was implemented in the summer of 2019. This training is now 3 yearly as opposed to non-renewable, again highlighting the high priority we place on EDI.

We developed an EDI Training Programme for members of our Council of Governors and have a delivery plan in place.

Following the success of last year's large scale Autism Conference, we are rolling out a programme of Autism Awareness Training across all Care Groups and localities within the Trust.

We have been delivering Transgender Awareness Training for staff in a number of CWP locations, working with high profile and well respected activists Jessica Lynn and Jenny-Anne Bishop OBE as well as people who have accessed our services to make these really inclusive events.

We have introduced bespoke training and awareness-raising sessions for our growing teams of EDI Champions who now wear rainbow lanyards as a visible demonstration of inclusion to both colleagues and people accessing our services.

We have continued to share stories from people from protected groups and publish EDI related articles within our quarterly CWP Life magazine as well as on the CWP Staff Facebook Page and on the CWP Twitter account so as to further increase the profile of EDI and continue to make it part of everything we do.

Mindful Employer Charter

The Trust continues to promote the charter which provides employers with easy access to information and support in relation to supporting staff who experience stress, anxiety, depression and other mental health conditions.

Human Rights Act

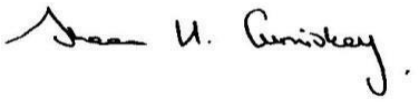
CWP have an Equality Diversity and Human Rights policy and follow the FREDA principles. In essence, the Human Rights based approach is the way in which Human Rights can be protected in clinical and organisational practice by adherence to the underlying core values of fairness, respect, equality, dignity and autonomy (FREDA).

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 people who access our services with dignity and respect, following the highest standards of care, all of which are included in the NHS Constitution.

Signed



Sheena Cumiskey – Chief Executive
8 July 2020

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 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 Trust business. As such it is responsible for determining the Trust's strategy, taking into account the views of the Governors, and for setting the vision, values and standards of conduct for the Trust. Practically, it sets the budget, policy framework, audit and monitoring arrangements and is also responsible for all regulatory, risk and control arrangements. It acts in accordance with the requirements and ensures compliance against the Foundation Trust Provider Licence and any further mandated guidance, contractual and statutory duties.

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 2019/2020 are set out below.

<table>
<tr><td>Mike Maier</td><td colspan="2">Chair – reappointed June 2019
Former Independent Non-Executive Director and Deputy Chair – appointed March 2011, re-appointed March 2014.</td></tr>
<tr><td colspan="2">Experience
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
BA Hons Economics
Qualified Chartered Accountant</td><td> 
mike.maier@nhs.net
Tel: 01244 397371</td></tr>
</table>

Rebecca Burke-Sharples	**Independent Non-Executive Director** – First appointed August 2014; re- appointed April 2017. **Senior Independent Director** – appointed January 2017.

Experience

- 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

Qualifications & Memberships

- Fellow of Liverpool John Moores University
- Vice Chair of Chester Zoo (NEZS): 2009 – 2017

rebecca.burkesharples@nhs.net
Tel: 01244 397371

Andrea Campbell	**Independent Non-Executive Director** – First appointed January 2017; reappointed January 2020

Experience

- 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

Qualifications & Memberships

- MA Social & Public Policy – Leeds University
- Vice Chair of West Cheshire Integrated Care Partnership

andrea.campbell2@nhs.net
Tel: 01244 397371

Dr James O'Connor	**Deputy Chair –** appointed June 2016. **Independent Non-Executive Director** – First appointed May 2014, re-appointed April 2017. Reappointed March 2020

Experience

- 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

Qualifications & Memberships

- MB ChB, DRCOG
- BMA Member

james.oconnor1@nhs.net
Tel: 01244 397371

Edward Jenner	**Independent Non-Executive Director** –First appointed January 2017; reappointed January 2020

Experience

- 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

Qualifications & Memberships

- BSc (Hons)
- FCMA

e.jenner@nhs.net
Tel: 01244 397371

Anne Boyd (Turpin)	**Independent Non-Executive Director** – First appointed September 2019

Experience

- 25 years of public service including local, regional and national Government agencies.
- Experience spans public, private and voluntary sectors.
- Expertise in developing strategy and building partnerships that deliver.

Qualifications & Memberships

- Master Management Practitioner in Enterprise
- Fellow of Royal Society of Arts and Manufacture
- Fellow of the Royal Society of Public Health
- Member of the Institute of Directors
- Oxford University Business School Alumni

anne.boyd6@nhs.net

Tel: 01244 397371

Paul Bowen	**Independent Non-Executive Director** – First appointed October 2019

Experience

- GP based in Poynton, Cheshire, having qualified in 2004.
- GP Partner of the Middlewood partnership and has an interest in dementia management, diabetes and integrated care. Recently successfully merged and transformed a number of GP surgeries into a single organisation and has shared these successes nationally.
- Was the Chair of NHS Eastern Cheshire CCG for 8 years and clinical lead for the integration program in Cheshire East.
- Led on a number of strategic and operational programmes and projects in the North West, and successfully helped establish a number of key services across Cheshire including nursing home schemes and supported mental health services.

Qualifications & Memberships

- BMBS, MRCGP

p.bowen@nhs.net

Tel: 01244 397371

Lucy Crumplin	**Independent Non-Executive Director** – First appointed August 2013, re-appointed July 2016. Completed term July 2019

Experience

- Senior HR professional with >20 years' experience
- Director, Tiger Bright Ltd – HR and management consultancy service
- Former Chief HR Officer, Wrexham County Borough Council
- Previous senior management consultancy roles: KPMG Remuneration Consulting, PA Consulting People and Organisational Change, Hedra HR Transformation Services
- Experienced in providing strategic and pragmatic advice to drive progress with people, pay, and performance issues.

Qualifications & Memberships

- English Literature and Psychology, BA Hons.
- Human Resources Consulting, MSc.
- Chartered Institute of Personnel and Development (CIPD) level 7 qualified.
- PRINCE 2 (Project Management) Foundation and Practitioner levels.

Sheena Cumiskey	Chief Executive – appointed February 2010.

Experience

- 37 years' experience in the NHS, 24 years at Chief Executive level
- Former Chief Executive of both commissioning and acute and community 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
- Supported Work on the Mental Health section of the NHS Long Term Plan

Qualifications & Memberships

- BA Hons
- General Management Training Scheme graduate
- Member of the Institute of Health Service Managers

sheena.cumiskey@nhs.net
Tel: 01244 397371

Tim Welch	**Director of Business and Value** – appointed April 2013. **Deputy Chief Executive**

Experience

- Over 25 years NHS experience
- Previously Deputy Chief Executive and Director of Finance at Blackpool Teaching Hospitals NHS Foundation Trust
- Previously Director of Finance at City & Hackney Teaching Primary Care Trust
- Started career as a graduate financial management trainee

Qualifications & Memberships

- Fellow of the Chartered Institute of Public Finance and Accountancy
- BSc (Hons) Biochemistry

tim.welch1@nhs.net
Tel: 01244 397377

Dr. Faouzi Alam	**Consultant Psychiatrist and Joint Medical Director** (Effectiveness and Medical Workforce) – appointed October 2013.

Experience

- 24 years' experience as a Doctor

Qualifications & Memberships

- MD, specialist in renal medicine
- MRC Psych
- CCT in Adult and Liaison Psychiatry
- Vice Chair of the National Mental Health Medical Directors Forum

faouzi.alam@nhs.net
Tel: 01244 397374

Dr. Anushta Sivananthan	**Consultant Psychiatrist and Joint Medical Director** (Compliance, Quality & Assurance) – appointed August 2010.

Experience

- Over 20 years as Consultant Old Age Psychiatrist
- Previously Clinical Director for Older Peoples' Services, West Cheshire
- Previously Trustwide Clinical Director for Adult Services
- College Tutor, West Cheshire 2002 – 2004
- Deputy Convenor, Royal College of Psychiatrists 2004- 06
- Previously Programme Director, Old Age Psychiatrists at Mersey Deanery
- Cochrane reviewer in collaboration with Evidence Based Practice Centre at CWP
- QI Expert

Qualifications & Memberships

- MBChB
- MRCPsych
- Diploma in Geriatric Medicine
- North West Leadership Award (2013) for Quality and Innovation

anushta.sivananthan@nhs.net
Tel: 01244 397374

Andy Styring	**Director of Operations** – appointed May 2009.Resigned March 2020. **Director of Strategy and Partnerships** – appointed March 2020

Experience

- Lifelong experience of living with and alongside people with learning disabilities
- 45 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 since CWP was established as a Foundation Trust in 2002 at acting and substantive level in mental health and learning disability services
- Former Healthcare Commission associate
- Member of Executive Board, Cheshire & Merseyside Transforming Care for people with learning disabilities
- Member of Shadow Prospect Board delivering new models of care for people with forensic needs
- Board member Central Cheshire Integrated Care Partnership
- Governor – Ancora School
- Wide ranging expertise in strategic service development and change management
- Former staff Governor

Qualifications & Memberships

- Registered nurse (learning disabilities)

andy.styring@nhs.net
Tel: 01244 397267

David Harris	**Director of People and Organisational Development** – appointed September 2014. Appointed Executive Director September 2016.

Experience

- 27 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

Qualifications & Memberships

- MA (Cantab)
- MSc in Innovation and Improvement Science
- Chartered Fellow of the Charted Institute of Personnel and Development
- Senior Associate Lecturer at Lancaster University
- AQuA Fellow in Improvement Science
- Advanced Diploma in Executive Coach Mentoring
- Qualified Coach-Mentor Supervisor
- Accredited Human Systems Dynamics Practitioner
- Accredited Workplace Mediator
- Member of Q Community

david.harris23@nhs.net
Tel: 01244 393106

Gary Flockhart	Director of Nursing, Therapies and Patient Partnership – appointed September 2019

Experience

- 24 years' experience working in the NHS

Qualifications & Memberships

- Registered Nurse (Mental Health)
- MSc Advanced Practice
- Independent Non-medical Prescribing
- Mentorship for Professional Practice
- BSc General Science

g.flockhart@nhs.net
Tel: 01244 397374

Suzanne Edwards	Acting Director of Operations – July 2019

Experience

- Over 25 years' experience in the NHS
- Worked in a range of clinical and operational roles within the North West including health and social care services
- 5 years school governor/deputy chair

Qualifications & Memberships

- NHS Leadership Academy Award in Executive Healthcare Leadership
- MSc in Management
- Bachelor of Nursing with Honours
- Registered Nurse (RMN)

suzanne.edwards4@nhs.net
Tel: 01244 397377

Avril Devaney	Director of Nursing, Therapies and Patient Partnership – appointed January 2003. Retired September 2020

Experience

- 36 years' experience working in NHS
- 17 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

Qualifications & Memberships

- 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

Changes to the Board during 2019/2020
There have been a number of changes to the Board of Directors in 2019/20.

Two new Non-Executive Directors, Anne Boyd and Dr. Paul Bowen were appointed to the Board of Directors. Non-Executive Director Lucy Crumplin completed her second and final term of office.

Avril Devaney, Director of Nursing, Therapies and Patient Partnership retired in September 2019. Gary Flockhart was appointed into this position and took up post in August 2019.

Due to the unplanned sickness absence of Andy Styring, Director of Operations, Suzanne Edwards was appointed as the Acting Director of Operations in July 2019.

A non-voting Director of Strategy position has been created to further support the Board of Directors. Andy Styring, formerly Executive Director of Operations was appointed to the non-voting Director of Strategy position in March 2020. A process to appoint to the substantive Executive Director of Operations role commenced in April 2020.

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-Executive Directors is tested prior to appointment and re-appointment.

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.

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 Provider 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
A development plan is in place for the Board of Directors to ensure the Board continuously improves. The plan seeks to support Board members to further develop technical knowledge and skills including risk management, systems governance and delivering system change blended with opportunities to further develop and improve the ways that Board members work together, through developing relationships and effective challenge. Using external / internal inputs, the programme is designed to be flexible to reflect the development needs of the Board and changing environment.

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 regularly.

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. This was most recently undertaken in December 2019.

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

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

Non- Executive Directors	Board of Directors	Audit Committee	Quality Committee
Non-Executive Directors			
Bowen, Paul	6/6		
Boyd, Anne	4/7		
Burke-Sharples, Rebecca	11/12	6/7	6/6
Campbell, Andrea	12/12	6/7	
Crumplin, Lucy *(until July 2019)*	3/5		2/2
Jenner, Edward	11/12	6/7	
Maier, Mike (Chair)	11/12		
O'Connor, Dr James	11/12	6/7	6/6

Directors	Board of Directors	Audit Committee	Quality Committee	Operational Board
Executive Directors				
Alam, Dr Faouzi (Joint Medical Director)	11/12		5/6	9/11
Cumiskey, Sheena	12/12	1/1*	2/6	8/11
Devaney, Avril *(until September 2019)*	4/5		2/2	3/4
Edwards, Suzanne *(wef June 2019 – Acting)*	5/7		4/5	7/8
Flockhart, Gary *(wef Aug 2019)*	7/7		1/4	4/7
Harris, David	10/12		0/6 ****	1 of 11 ****
Sivananthan, Dr Anushta (Joint Medical Director)	10/12		4/6	4 of 11 **
Styring, Andy ***	5/12		4/6	3 of 11
Welch, Tim	11/12	3/6	4/6	9 of 11

*Sheena Cumiskey is only required to attend Audit Committee on an annual basis.
**Dr Anushta Sivananthan represents the Trust at the Health and Well-Being Board which takes place at the same time as Operational Committee.
*** Andy Styring – was absent due to long term unplanned sick leave wef May 2019.
****David Harris undertook a part time system-wide role during 18/19. The Deputy Director of People and OD, therefore, deputised for David Harris as required.

Nominations and Remuneration Committee of the Board of Directors
The Nominations and Remuneration Committee of the Board is chaired by the Trust's Chairman, Mike Maier. The Committee of the Board comprises all Non-Executive Directors and the Chief Executive (unless the position of Chief Executive is being appointed to). This Committee met four times in 2019/20.

Further information on the work of this Committee and Director attendance can be found in the Remuneration Report.

Audit Committee
The overarching 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.

The Committee has been chaired by Non-Executive Director, Edward Jenner, since July 2017. Other Committee members are Non-Executive Directors, Rebecca Burke-Sharples Andrea Campbell and Dr Jim O'Connor. The attendance of Audit Committee members at its meetings is shown in the table above.

The work of the Audit Committee in 2019/20 has focused on overseeing the work of the internal and external audit teams including anti-fraud and the ongoing implementation of the Trust's integrated governance framework (means of internal control and risk management). The Committee has this year, retained close oversight of the recommendations of the 2018/19 ISA 260 report and has received assurance on the implementation of those recommendations, including specific reports on improvements to data quality. The Committee places a strong emphasis on the follow-up of audit recommendations and as such, a number of senior managers have attended the Committee to update on progress.

The Committee has also continued to review the board assurance framework on a quarterly basis, including the controls and assurances of key strategic risks.

With regard to financial reporting, the Audit Committee has specifically considered the risks to the financial statements and how these are mitigated. 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 2020).

As part of preparations for the annual audit, the Trust has identified a number of risks which generally concern the accounting treatment of property, plant and equipment and material provisions held within its financial statements and local government pension scheme liabilities arising from the transfer of local authority staff in 2019/20.The Committee discussed and received assurance on the satisfactory mitigation of these risk areas from Trust management.

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 in March 2020.

- Internal Audit

The Committee has continued to work with its internal auditors Mersey Internal Audit Agency (MIAA). MIAA is appointed 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 and development by a combination of intelligence gathering around both organisational and clinical risk issues as determined by the Trust's strategic risk register and Board Assurance Framework. This was reviewed and approved by the Committee in March 2019. At each meeting, Committee reviews the progress of the internal audit plan. .

In 2019/20, 8 risk based, internal audits were undertaken resulting in an assurance opinion. Three attained substantial assurance, two attained moderate assurance opinions and two attained limited assurance opinions. A further number of supportive reviews were undertaken. The impact of the Covid 19 pandemic has impacted on the completion of full internal audit plan for 2019/20. Residual items will be reflected in the 2020/21 plan.

- External Audit

The Trust's external auditor for the period April 2019 to March 2020 has been Grant Thornton. This is the first year of a three year contract, with an option for a further two year extension. In their engagement letter Grant Thornton 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 2019/20.

The effectiveness of the external audit process is held annually following the conclusion on the audit. This is led by the Director of Business and Value, working closely with other Trust managers.

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.

CWP is part of the Cheshire & Merseyside Healthcare Partnership, along with 19 other NHS Trusts, 9 Local Authorities and 12 Clinical Commissioning Groups. CWP's Chief Executive is the senior responsible owner for the Mental Health and Learning Disabilities oversight of the NHS Long Term Plan.

CWP continues to be involved in the development of Integrated Care Partnerships across the footprint. This innovative approach to building Care Communities will involve other NHS trusts, Primary Care Networks, third sector organisations and local authorities in the area.

Several of the clinical service contracts that CWP deliver involve the third sector as a partner including a number of contracts with the 'starting well' service area.

All strategic 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.

During 2019/20, CWP submitted successful applications to become a Lead Provider for Child and Adolescent Mental Health (CAMHs) Tier 4 for Cheshire & Merseyside and Adult Eating Disorder Services for the North West of England. Collaboratives will take responsibility for specialised budgets and pathways and should lead to a range of benefits:

- bring care closer to home (meaning more opportunity for involvement of family, friend and carers)
- shorter length of stay in services, and better-quality care
- services tailored to local need and co-designed with those with lived experience

Cygnet Health Care and Priory Group will be partners for CAMHs Tier 4 services, as providers of some of the more specialised inpatient services for the Cheshire and Merseyside population. Pathway partners will include Mersey Care, Alder Hey and North West Boroughs.

For Adult Eating Disorders, a comprehensive model of care will be developed in collaboration with Priory Healthcare, and with input from stakeholders including all community eating disorder providers.

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.

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 (£0 – 2018/19).

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 this target is summarised in the table below.

Item	Number 2019/20	£000's 2019/20	Number 2018/19	£000's 2018/19
Total non-NHS trade invoices paid in period	17,078	34,142	16,869	24,258
Total non-NHS trade invoices paid within target	15,510	30,840	14,734	22,724
Percentage of non-NHS trade invoices paid within target	91%	90%	87%	94%
Total NHS trade invoices paid in period	1,539	10,509	1,351	12,065
Total NHS trade invoices paid within target	1,256	9,234	1,288	11,785
Percentage of NHS trade invoice paid within target	82%	88%	95%	98%

Income disclosures – required by Section 43(2A) of the NHS Act 2006
Overall income has increased in 2019/20 by 9.7% in comparison with 2018/19. This financial year has seen a national inflator of 2.6% applied to the organisation's contracts, increased employers pension contributions income and additional clinical service 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.

Council of Governors
The Council of Governors (CoG) has a number of statutory duties. These principally include 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 provides a substantial training and development offer to Governors. Governors are encouraged to access a range of both externally facilitated and internal training opportunities. External opportunities provided by MIAA and via the Governwell programme hosted by NHS Providers enable Governors to receive independent training and to network with other Governors from different Trusts. Governors are asked to share their learning with others following attendance at external events. The internal training offer allows Governors to meet key Trust staff and understand Trust approaches to a range of issues including regulation, equality and diversity and the Mental Health Act.

Governors and Board members continue to work closely together and enjoy strong and constructive relationships. Council of Governors meetings are well attended by Board members. Council of Governors meeting time continues to be split between formal business and topical discussion. This continues to enable more informal discussions and debates between Governors and Board members on a range of issues. This year, topical discussions have included Autism strategy, integrated care partnerships, quality improvement and membership engagement, and influenced the trust strategy refresh.

These sessions have been slightly interrupted during the latter part of this year due to the COVID19 pandemic. Further sessions will be arranged going forward.

Continuing to develop approaches to membership engagement remains a priority for governors but is an issue which remains challenging. The Membership and Development sub-committee reports into the Council of Governors, and a key element of its terms of reference is to identify and develop communication channels with members (the Membership section of this report provides further information on the work of this sub-committee). Many Trust governors are active in their local area and promote a dialogue between members, governors and the Trust and the governors question time at COG is often well utilised by governors as a vehicle for member queries. 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 cwp.governor@nhs.net.

The names and contact details of our current Governors can be found on the Trust website www.cwp.nhs.uk.

Composition of the Council of Governors
Following the Annual Members' Meeting held on 3 October 2019, the composition of the Council of Governors is:

- Public constituency – 7 Governors
- Service users and carers constituency – 12 Governors (2 Vacancies)
- Staff constituency - 7 Governors (3 vacancies)
- Partnership constituency – 8 Governors (2 vacancies)

The table below gives the names of those who occupied a position of Governor between 1 April 2019 and 31 March 2020 including how they were appointed or elected and the length of their appointment. It also states the number of Council of Governors' meetings that were held and individual attendance by Governors at those meetings.

The Council of Governors are required to meet 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.

Between April 2019 and March 2020 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 2019/20
Agar, Richard	Wirral	September 2014	2017-2020		5/5
Walker, Robert	Cheshire East	June 2015	2017-2020	Stepped down 03/10/2019	3/3
Bosomworth, Derek	Cheshire East	October 2017	2017-2020		1/5
Bott, Elizabeth	Cheshire West and Chester	October 2017	2017-2020		3/5
Nellist, Helen	Cheshire West and Chester	October 2017	2017-2020		1/5
Richardson, Nigel	Out of Area	October 2017	2017-2020		5/5
Farrell, Anne-Marie	Wirral	October 2018	2018-2021		3/5

Service user and carer Governors (elected)	First Appointed	Most Recent / Current Tenure	Notes	Council of Governors meetings attended 2019/20
Crouch, Brian (Lead Governor wef October 2017)	December 2013	2019 - 2022		5/5
McQuarrie, Ferguson	October 2013	2019 - 2022		4/5
King, Arlo	June 2016	2016 - 2019	Term of office ceased Oct 2019	1/3
Cairns, Gordon	June 2016	2017 - 2020		4/5
Bull, David	September 2016	2019 - 2022		5/5
Brassington, Michael	September 2016	2016 - 2019	Term of office ceased Oct 2019	2/3
Millar, Keith	September 2016	2016 - 2019	Term of office ceased Oct 2019	3/3

McGhee, Jacqueline	October 2017	2017 - 2020		0/5
Billington Phil	October 2017	2017 - 2020	Stepped down 01/11/2020	2/3
Ashley-Mudie, Peter	October 2018	2018-2021		3/5
Jarrold, Phil	October 2018	2018-2021		5/5
Bishop, Maria	October 2019	2019 - 2022	Stepped down 21/01/2020	0/2
Marsh, Elaine	October 2019	2019 - 2022		2/2
Robertson, Rob	October 2019	2019 - 2022		2/2
Seabrooke, Tim	October 2019	2019 - 2022		2/2

Staff Governors (elected)	Class	First Appointed	Most Recent / Current Tenure	Notes	Council of Governors meetings attended 2019/20
Doble, Jill	Therapies	October 2013	2016 - 2019	Term of office ceased Oct 2019	1/3
Mook, Phillip	Non-Clinical	September 2014	2017 - 2020		3/5
Edwards, Ken	Nursing	September 2016	2019 - 2022		4/5
Agnihotri, Deepak	Therapies	May 2016	2019 - 2022		2/5
Curran, Martin	Therapies	October 2019	2018 - 2021		1/2

Partnership Governors (appointed)	Organisation	First Appointed	Most Recent / Current Tenure	Notes	Council of Governors meetings attended 2019/20
Gilchrist, Phil	Wirral Council	October 2010	2016-2019	Term of office ceased Oct 2019	3/3
Smith, Pam	West Cheshire CCG	March 2014	2019-2022		1/5
Stewart, Iain	Wirral CCG	December 2013	2019-2022		1/5
Boyle, Sean	Staff Side	January 2017	2017-2020		4/5

Pollard, Graham	Universities	April 2016	2016-2019	Term of office ceased Oct 2019	2/3
Gahan, Carol	Cheshire West and Chester Council	June 2015	2018 - 2021		3/3
Wardlaw, Liz	Cheshire East Council	October 2017	2016-2019	Term of office ceased Oct 2019	1/3
Corkhill, Andy	Wirral Borough Council	October 2019	2019 - 2022		2/2
Jeuda, Laura	Cheshire East Council	October 2019	2019 - 2022		0/2
Watson, Gill	Cheshire West and Chester Council	October 2019	2019 - 2022		1/2

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; however, Directors are not formal members of the Council of Governors.

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 2019/20 is shown below.

Director	**Council of Governors meetings attended 2019/20**
Non-Executive Directors	
Bowen, Paul	1/2
Boyd, Anne	0/2
Burke-Sharples, Rebecca	5/5
Campbell, Andrea	5/5
Crumplin, Lucy	1/2
Maier, Mike	4/5
O'Connor, Dr James	3/5
Jenner, Edward	2/5

Executive Directors	
Alam, Dr Faouzi/ Sivananthan Dr Anushta – joint Medical Directors*	1/5
Cumiskey, Sheena (Chief Executive)	4/5
Devaney, Avril	0/2
Edwards, Suzanne *(wef July 2019)*	3/4
Flockhart, Gary *(wef Aug 2019)*	1/3
Harris, David	2/5
Styring, Andy	2/5
Welch, Tim	1/5

*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 Council of Governors has one reporting committee, the Nominations and Remuneration Committee, and two reporting sub-committees, the Membership and Development sub - committee and the Scrutiny sub-committee.

Nominations and Remuneration Committee of the Council of Governors

This Committee is chaired by the Trust's Chair, Mike Maier. In 2019/20, the Committee met on four occasions and the Committee's members were as follows:

Governor	Constituency	Attendance
Maier, Mike	Chair	4/4
Crouch, Brian	Service User/Carer	4/4
Gilchrist, Phil *(until 3.10.2019)*	Partnership	1/2
Boyle, Sean	Partnership	3/4
Edwards, Ken	Staff	4/4
Agar, Richard	Public, Wirral	3/4
Farrell, Anne	Public, Wirral	2/3

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 regarding the appointment and removal of the Chair and other Non-Executive Directors are set out in Annex 7 of the Trust's Constitution.

During 2019/20, the Committee considered a number of matters. These included:

- Agreeing the process to appoint to two Non-Executive Director positions. This included the appointment of an external search adviser, an assessment of the skills required in the new appointments and the long listing and short listing of candidates and participation in the interview process.
- Reviewing and commending the remuneration of the Chair and Non-Executive Directors

- Consideration of assurance from the Chair regarding ongoing compliance with the Trust's Fit and Proper Persons policy.
- A rigorous review of Non-Executive Director appointments approaching end of tenure (Edward Jenner, Andrea Campbell, Rebecca Burke Sharples and Jim O'Connor). This resulted in a second three year term of office agreed by the Council of Governors for Andrea Campbell and Edward Jenner, a one year extension for Rebecca Burke-Sharples and a short extension of six months for Jim O'Connor.

The Directors report describes the processes undertaken by the Nominations and Remuneration Committee to appoint and reappoint to Executive Director positions during the year.

Scrutiny sub-committee of the Council of Governors
This sub-committee scrutinise in detail the Trust's annual plans, risks and performance in order to provide assurance back to the full Council. The Scrutiny sub -committee is regularly attended by the Chair of the Quality Committee, the Chair of the Audit Committee and the Senior Independent Director. Therefore, this committee actively holds the NEDs to account and also closely scrutinises the activity of the NEDs and their input into the well-led organisation.

Membership and Development sub-committee of the Council of Governors
This sub-committee acts on behalf of the Council to develop communications between governors and members, encourage membership to the Trust, support governor elections and promote the work of governors. More detail about the work of this committee is also included in the Membership and Engagement section below.

Membership & Engagement

Membership numbers
The Trust continues to build a representative Foundation Trust membership, where members have the opportunity to engage with the Trust and become involved. This makes CWP a stronger, more responsive and better organisation. Staff, people who access services, carers and the general public are eligible to join the Trust as members. Membership is divided into three groups or constituencies, these are:

- Service users and their carers
- Public
- Staff

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

People who access services and carers
People and their carers 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 care 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 automatically places staff to become members as we would like staff to be as fully involved in the organisation as possible. However, staff are able to opt-out if they prefer. 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.

Number breakdown
At the end of the financial year 2019/20 the Trust had **14460** members. Membership is broken down into the following constituencies and classes:

- **1792** service users and/or carers
- **9080** public members:
    - 2674 Wirral
    - 2923 Cheshire West
    - 2056 Cheshire East
    - 1427 Out of area
- **3588** staff members in the following constituencies:
    - 1634 nursing (registered and non-registered)
    - 1001 non-clinical (including volunteers)
    - 729 therapies
    - 116 clinical psychology
    - 108 medical

Membership development
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 from the Patient and Carer Experience team and information about various engagement activities, such as the annual members' meeting, CWP Life magazine and wider volunteering and involvement activities.

The Sub Committee has also agreed that they work with the Associate Director for Patient and Carer Experience to take a closer look at the information contained within our membership database. We continue to examine how best we can improve the membership of the representation of our population by the development of a long-term engagement strategy that is flexible to members and will grow and change over time.

Working with the communications team, we work to ensure that engage members, and using varied communication sources including physical mail as channels as we know that nearly 50% of our members do not have a registered email address with us. Our plans will include how we can personalise both our communication and content based on our members and their needs. We have established Listen and Learn Events where we provide an opportunity for our membership to contribute and engage with us.

It is clear that our staff, along with volunteers and leaders, are also interacting with other members and volunteers on a daily basis, which means they have a lot to contribute towards our membership and engagement.

Using the Listen and Learn events and the revised Friends and family Test we will listen to people's opinions and views. We will also develop the use of our membership management

software which will provide us with the ability to do more with less. We will focus on both the present and the future.

Participation and Volunteering
The Patient and Carer Experience team includes involvement and volunteering in its work programme. This fits well, given the trust has reviewed the way in which it supports volunteering and involvement and the way in which people are rewarded and recognised for their involvement and volunteering activities.

This year has seen the outcome of the implementation of the of paid roles for people with lived experience as lived experience co-trainers, operating on the bank. They have provided training to people on person-centred thinking & planning and on value based recruitment. This has proved to be popular and a full calendar of training has been continued for Person Centred and values based recruitment for the year.

Working co-productively leads to improved outcomes for people who use services and carers, as well as having a positive impact on the workforce. It is also about people with different views and ideas coming together to make things better for everyone. We have implemented listen and learn events across the trust foot print to foster co-production with all our membership where we will be discussing various topics and looking using this co-production to improve the services we offer

A vital principle of the Involvement Programme is that it should be based upon the principles of volunteering, recovery and social inclusion; which facilitate us to operate in a manner that ensures fairness, consistency, transparency and development for all involvement representatives.

Volunteers who get actively involved with the Involvement Programme –whether people who access CWP services, carers, staff or members of the public - will have the opportunity to access a range of learning and development opportunities including life skills development, further education, employability coaching, work experience placements and other volunteering opportunities.

Involvement in this way seeks to reach out to a wider cross-section of society and support people living with the challenges of mental distress, physical health conditions, and learning disabilities to take control of their own futures.

The Patient and Carer Experience team and the locality Participation and Engagement
Workers work with people to help them to identify their own personal needs and goals. We have over 233 active volunteers of whom many are people with lived experience. We completed a survey of volunteers and managers to understand how we can better support volunteers and also the managers to introduce new volunteer roles and enable us to support them in their work with volunteers.

2.2 Remuneration Report

Senior manager remuneration policy
The Remuneration and Nominations Committee determines the remuneration of all members of the Trust's Executive Management Team. The Committee ensures that 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 particular, the Committee is committed to implementing NHSI guidance on Very Senior Manager pay. Executive pay is fixed at specified pay points: there is no pay band or incremental pay progression. The pay of Executive team members is not performance related.

Annual Chair's statement on remuneration
In their duties, the Remuneration and Nominations Committee reviewed Executive salaries. The Committee, advised by the Deputy Director of People and OD considered the NHSI guidance on Pay for Very Senior Mangers (VSM) in NHS Trusts and Foundation Trusts and the directions from NHS Improvement, the Committee agreed that in line with the guidance, Directors should be awarded a consolidated pay uplift of 1.32% for 2019/20 and an additional one-off, non-consolidated cash lump sum of 0.77% for 2019/20. Due to the timing of the Remuneration and Nominations Committee, this uplift has not been reflected within the tables below.

As at 31 March 2010, there is no obligation for the Trust regarding early termination of executive team members' contracts. There is no performance related pay or any other components included in any remuneration packages for Trust senior managers.

All executive team members are employed on indefinite VSM 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 for other Trust staff. This has been taken into account in determining Directors' remuneration. The Consultation and Negotiation Partnership Committee (CNPC) undertake the role of consulting with non –VSM employees on matters of pay and remuneration.

Performance objectives are determined by the Chair, for the Chief Executive. The Chief Executive determines the performance objectives for the Executive management team members annually. Each Executive team member receives an annual appraisal and regular management reviews to ensure objectives are achieved.

None of the CWP Executive Directors serve as a Non-Executive Director elsewhere.

Diversity and Inclusion
The trust is committed to continuing to encouraging diversity at board level to ensure the trust is representative of the population it serves. As such, the trust takes account of the high impact evidence based actions to help the Board foster a more diverse and inclusive workforce. These policy objectives are linked to the trust's review of the WRES indicators and are reviewed by the Board on an annual basis.

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

Four meetings of the Nominations and Remuneration Committee of the Board were held during 2019/20, with attendance of committee members as follows:

Director	Nominations and Remuneration Committee of the Board
Maier, Mike	3/4
Burke-Sharples, Rebecca	4/4
Crumplin, Lucy	1/1
O'Connor, Dr James	4/4
Jenner, Edward	2/4
Campbell, Andrea	4/4
Boyd, Ann	2/3
Bowen, Paul	0/3

Following the process undertaken by the Committee in 2018/19, Gary Flockhart commenced in post as Director of Nursing, Therapies and Patient Partnership in August 2019. Avril Devaney retired in August 2019.

Due to illness, the Director of Operations was on a period of unplanned sickness leave from June 2019. An interim arrangement to appoint Suzanne Edwards to the Acting Director of Operations was agreed with the Committee.

As a response to significant capacity demands on the executive team, the Committee agreed the creation of a non-voting position of Director of Strategy and Partnerships. In February 2020 Andy Styring, the substantive Director of Operations resigned and was appointed to the non-voting Director of Strategy and Partnerships position.

Fair Pay Disclosure (Subject to Audit)
The reporting body is required to disclose the relationship between the remuneration of the highest-paid director in the organisation and the median remuneration of the organisation's workforce. The remuneration of the highest-paid director in the financial year 2019/20 was£152,635. This is 5.02 times the median remuneration of the workforce, which was £30,401.

In 2019/20 there were 5 employees who received remuneration in excess of the highest paid Director (0, 2019/20). Remunerations in respect of these employees reflects the going market rate and additional payments for clinical related activities.

	31 March 2020	31 March 2019
Band of Highest Paid Directors Total Remuneration	150-155	180-185
Median Total Remuneration (£)	£30,401	£28,050
Ratio	5.0	6.4

There are three executive who were paid more than £150,000 in 2019/20. 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 £150,000 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 2019/20. This was also a nil return in 2018/19.

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.

Pension Liabilities
For the year ending 31 March 2020, there were 2 early retirements (31 March 2019 – 2 early retirements) from the NHS Foundation Trust on the grounds of ill health. The additional pension liabilities of these ill health retirements will be £152,378 (year ended 31 March 2019 £113,401). The cost of these ill health retirements will be borne by the NHS Business Services Authority – Pensions Division.

Payment of Governor expenses
At 31 March 2020, 8 Governors received expenses totaling £4,200. This compares to 7 Governors receiving expenses totaling £2,600 in 2018/19.

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.

In accordance with General Data Protection Regulation (GDPR), the named individuals within the remuneration report, and all disclosures, have been notified in advance of the disclosure. No objections have been raised to the Trust. The details disclosed are consistent with identifiable information of those in the financial statements.

Senior Managers Remuneration and Pension Entitlements (Subject to Audit)

Salaries and Allowances - Single Total Figure Table **2019/2020**	(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	150 - 155	0	0	0	17.5 - 20	170 - 175
T Welch - Director of Finance	125 - 130	0	0	0	15 - 17.5	145 - 150
A Devaney - Director of Nursing	40 - 45	4,900	0	0	0	45 - 50
G Flockhart - Director of Nursing, Therapies & Patient Partnership	65 - 70	0	0	0	90 - 92.5	155 - 160
A Styring - Director of Operations/Director of Strategy and Partnerships	100 - 105	0	0	0	0	100 - 105
S Edwards - Acting Director of Operations	80 - 85	3,800	0	0	57.5 - 60	145 - 150
A Sivananthan - Director Compliance, Quality & Assurance	150 - 155	0	0	0	0	150 - 155
A Sivananthan - Joint Medical Director	0	0	0	0	0	0
F Alam - Director Effectiveness, Medical Education & Medical Workforce	120 - 125	900	0	0	67.5 - 70	190 - 195
F Alam - Joint Medical Director	30 - 35	0	0	0	0	30 - 35
D Harris - Director of People and Organisational Development	95 - 100	0	0	0	5 - 7.5	100 - 105
E Jenner - Non Executive Director	15 - 20	0	0	0	0	15 - 20
J O'Connor - Non Executive Director	10 - 15	0	0	0	0	10 - 15
RB Burke-Sharples - Non Executive Director	10 - 15	0	0	0	0	10 - 15
L Crumplin - Non Executive Director	5 - 10	0	0	0	0	5 - 10
P Bowen - Non Executive Director	5 - 10	0	0	0	0	5 - 10
M Maier - Non Executive Director	45 - 50	0	0	0	0	45 - 50
A Campbell - Non Executive Director	10 - 15	0	0	0	0	10 - 15
A Turpin - Non Executive Director	5 - 10	0	0	0	0	5 - 10

Note 1: Pension related benefits shows the annual increase in pension entitlement between 2018/19 and 2019/20, 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. Note 2: A Devaney left the Trust on 8th September 2019 and was replaced by G. Flockhart from 4th August 2019. Note 3: A Styring was appointed to Director of Strategy and Partnerships from 25th March 2020. Note 4: S Edwards has been acting Director of Operations from 21st May 2019. Note 5: A Pennell left the Trust on 31st December 2018 and was replaced by A Turpin from 23rd September 2019. Note 6: L Crumplin left the Trust on 31st July 2019 and was replaced by P Bowen from 1st October 2019. Note 7: A Sivananthan did not receive a Medical Director Allowance in 2019/20.

Salaries and Allowances - Single Total Figure Table

2018/2019	(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	0	145-150
T Welch - Director of Finance	125-130	0	0	0	22.5-25	150-155
A Devaney - Director of Nursing	105-110	10,600	0	0	0	115-120
A Styring - Director of Operations	100-105	0	0	0	0	100-105
A Sivananthan - Director Compliance, Quality & Assurance	145-150	0	0	0	0	145-150
A Sivananthan - Joint Medical Director	30-35	0	0	0	0	30-35
F Alam - Director Effectiveness, Medical Education & Medical Workforce	115-120	800	0	0	12.5-15	130-135
F Alam - Joint Medical Director	30-35	0	0	0	0	30-35
D Harris - Director of People & Org.Dev	95-100	0	0	0	16-18.5	110-115
E Jenner - Non Executive Director	15-20	0	0	0	0	15-20
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	40-45	0	0	0	0	40-45
A Campbell - Non Executive Director	10-15	0	0	0	0	10-15
A Pennell - Non Executive Director	10-15	0	0	0	0	10-15

Total Pension Entitlements Disclosure of Senior Managers (Subject to Audit)

Pension Benefits Disclosure Table

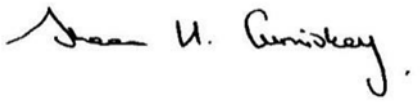
2019/2020	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Name of Senior Manager and title	**Real increase in pension at pension age (bands of £2,500) £000**	**Real Increase in pension lump sum at pension age (bands of £2,500) £000**	**Total accrued pension at pension age at 31 March 2020 (bands of £5,000) £000**	**Lump sum at pension age related to accrued pension at 31 March 2020 (bands of £5,000) £000**	**Cash Equivalent Transfer Value at 1 April 2019 £000**	**Real increase in Cash Equivalent Transfer Value £000**	**Cash Equivalent Transfer Value at 31 March 2020 £000**	**Employers Contribution to Stakeholder Pension £000**
S Cumiskey - Chief Executive	0 - 2.5	5 - 7.5	65 - 70	200 - 205	1,466	57	1,580	0
T Welch - Director of Finance	0 - 2.5	0	45 - 50	100 - 105	768	16	819	0
A Devaney - Director of Nursing	0	0 - 2.5	50 - 55	165 - 170	1,169	0	0	0
G Flockhart - Director of Nursing, Therapies & Patient Partnership	2.5 - 5	7.5 - 10	25 - 30	65 - 70	428	78	525	0
A Sivananthan - Medical Director - Compliance, Quality & Assurance	0	0	55 - 60	175 - 180	1,261	0	1,250	0
F Alam - Medical Director - Effectiveness, Med. Ed & Med. WR	2.5 - 5	0	30 - 35	50 - 55	416	42	488	0
D Harris - Director of People and Organisational Development	0 - 2.5	0 - 2.5	45 - 50	0 - 5	621	11	660	0
S Edwards - Acting Director of Operations	2.5 - 5	2.5 - 5	30 - 35	65 - 70	440	40	508	0

Pension Benefits Disclosure Table

2018/2019	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Name and title	**Real increase in pension at pension age (bands of £2,500)**	**Real Increase in pension lump sum at pension age (bands of £2,500)**	**Total accrued pension at pension age at 31 March 2019 (bands of £5,000)**	**Lump sum at pension age related to accrued pension at 31 March 2019 (bands of £5,000)**	**Cash Equivalent Transfer Value at 1 April 2018**	**Real increase in Cash Equivalent Transfer Value**	**Cash Equivalent Transfer Value at 31 March 2019**	**Employers Contribution to Stakeholder Pension**
	£000	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
S Cumiskey - Chief Executive	0-2.5	0-2.5	60-65	190-195	1,294	111	1,466	0
T Welch - Director of Finance	0-2.5	0-2.5	40-45	100-105	633	98	768	0
A Devaney - Director of Nursing	0-2.5	0-2.5	50-55	160-165	1,031	92	1,169	0
A Sivananthan - Medical Director	2.5-5	10-12.5	60-65	180-185	1,152	52	1,261	0
F Alam - Medical Director	0-2.5	0-2.5	25-30	50-55	337	49	416	0
D Harris - Director of People & Org.Dev	0-2.5	0-2.5	45-50	0-2.5	507	84	621	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 31 March 2019 compared to the 31 March 2018 (after adjusting for inflation and multiplying by a standard capitalisation factor) less any contributions made by the Executive or any transferred in amounts. Note 2: The real increase in Cash Equivalent Transfer Value has been restated to take account of individual employee's superannuation contributions in 2017/18.

Signed:



Sheena Cumiskey – Chief Executive
8 July 2020

2.3 Staff Report

Trust Employees – staff numbers (Subject to Audit)

Analysis of average staff numbers
The table below providers an overview of average staff numbers (WTE basis) for 2019/20 and for comparison, 2018/19.

Average number of employees (WTE basis)	Permanent Number	Other Number	2019/20 Total Number	2018/19 Total Number
Medical and dental	145	9	154	138
Administration and estates	702	41	743	692
Healthcare assistants and other support staff	164	9	273	245
Nursing, midwifery and health visiting staff	1,497	111	1,608	1,559
Scientific, therapeutic and technical staff	424	1	425	436
Healthcare science staff	16	0	16	66
Social care staff	99	4	103	69
Total average numbers	3,147	175	3,322	3,207
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 2019/20 year end.

Staff Category	Female	Male	Grand Total
Executive Directors	3	5	8
Other Senior Managers	3	4	7
Other Employees	3,008	705	3,713
Grand Total	3,014	714	3,728

Staff Category	Female	Male
Executive Directors	37.5%	62.50%
Other Senior Managers	42.86%	57.14%
Other Employees	81.01%	18.99%
Grand Total	**80.85%**	**19.15%**

Sickness absence data
At 5.75 % the Trust overall level of sickness absence for 2019/20 was slightly higher compared to the 2018/19 figure of 5.69 %.Further statistical analysis of sickness absence rates by NHS England region and monthly sickness absence rates by NHS England region, staff group, organisation type and organisation can be found via NHS Digital.

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). Staffs 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)	2019/20 Total	2018/19 Total
Salaries and wages	115,606	702	116,308	110,439
Social security costs	10,518	0	10,518	9,945
Apprenticeship Levy	559	0	559	530
Employer's contributions to NHS pensions	14,223	0	14,223	13,194
Pension cost - employer contributions paid by NHSE on provider's behalf (6.3%)	6,026	0	6,026	0
Pension cost - other	156	2,095	2,251	274
Termination benefits	(246)	0	(246)	(39)
Temporary staff	0	2,597	2,597	1,941
Total gross staff costs	146,842	5,394	152,236	136,284

Staff policies and actions

Widening Participation

The Trust seeks to support job applicants and staff who have a disability, including those with lived experience of mental health issues. 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 committed to making every effort in supporting employees to remain in employment if they become disabled. 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.

Our Workforce Wellbeing Service continues to support individuals and advise managers about how to make reasonable adjustments to help our people be healthy and make their best contribution in work. This may include taking up flexible working options and potentially different roles to support health and well-being or responsibilities outside of work.

This support is informed by a network of staff groups which were established during 2019 to engage with staff who have particular lived experiences and who can help us understand how we can best help individuals to be the best they can be. These groups include those with disabilities, LGBTQ+ and BAME groups.

Workforce Wellbeing Service

The Workforce Wellbeing Service has four pathways:

- Occupational Health
- Psychological Wellbeing
- Musculoskeletal (MSK)
- Health Promotions

The health and wellbeing of staff remains of paramount importance to the Trust and is a key strategic priority in the Trust's People Strategy for 2019/22. The Workforce Wellbeing Group continues to oversee this element of the strategy and associated delivery plan and reports to the Trust's People and Organisational Development Sub-committee. This year the Group has particularly focused on monitoring and understanding absence levels and the underlying causes.

As in previous years, a range of activities have been promoted in 2019/20 including 'Dry January', pedometer challenges, staff health checks, health promotion roadshows, resilience workshops, stress management workshops, "Know Your Numbers" events (raising the importance of knowing what your blood pressure is etc.) and the annual Flu Vaccination Campaign. The latter was the Trust's most successful campaign ever.

The Trust also continued to work with the Calouste Gulbenkian Foundation and the Centre for Aging Better to deliver workshops specifically created for our staff to look at working longer and planning for their future, called 'Later Life Transitions – Working Longer and Living Life to the Full.' A formal evaluation of this project via Swansea University took place in 2019, with positive results and this work will be embedded within the People Strategy going forward.

Freedom to Speak-Up Guardian

Creating an open and honest learning culture that is responsive to feedback to continually improve is a Trust commitment. The Trust meets the statutory requirement of NHS England by having Freedom to Speak Up Guardians available to support any staff member to raise a concern that they may have.

Speaking up policy and processes are up to date and reflective of national guardians office guidance. All associated polices are reviewed on an annual basis or as guidance develops that requires change. Our Freedom to Speak Up Guardians have a clear understanding of their roles and responsibilities with sufficient time and support to undertake them.

The Director of Nursing, Therapies and Patient Experience is the Executive Lead for Speaking Up. The Trust has a Non-Executive Director Freedom to Speak Up Champion, Rebecca Burke-Sharples, who provides alternative support to the Freedom to Speak Up Guardians, scrutinises speak up processes and is able to robustly challenge Speak Up governance.

The Board receives regular reports in relation to Speak Up; alternative months via Board escalation and a dedicated Freedom to Speak Up annual report. Reports inform on the number of concerns raised, lessons learned and recommendations for any further necessary action. The Board is assured that the Trust adheres to good practice and that appropriate Speak Up arrangements are in place.

Information to and consultation with employees
Our partnership agreement with staff side colleagues was reviewed and agreed in 2019/20 and remains a strong and valued arrangement within the Trust. Formal meetings with staff side colleagues take place at the regular Consultation and Negotiation Partnership and Joint Local Negotiating committees and these are supplemented with regular informal meetings. Staff side colleagues are represented at a range of Trust governance committees and play an important role in providing input on policy development and implementation as well as the overall staff experience.

Recognition Awards

CWP's 2019 Recognition Awards took place on the 6th June at Ellesmere Port Civic Hall. 230 attendees came to the event – a significant increase over the previous year.

The event recognised awards across 11 different categories, as follows:

1. Going the Extra Mile Award
2. Outstanding Contribution to Patient Care
3. Outstanding Contribution to Clinical Support Services
4. Outstanding Contribution to Volunteering
5. Outstanding Contribution to our Communities
6. Outstanding Contribution to Research, Development & Innovation
7. Outstanding Contribution Through Leadership
8. Learner of the Year
9. Apprentice of the Year
10. Mentor of the Year
11. Outstanding Contribution from our Partners (A new award for the year)

In addition to the above, a planned-surprise Lifetime Achievement Award was presented.

The awards themselves were presented by both Executive and Non-Executive Directors. The event received coverage across the Trust and in local papers. All of these spoke of the pride and passion evident on the evening and in the achievements of all those nominated for an award.

Staff Engagement
'Breakfast with Sheena' launched in April 2017 as an initiative to provide increased, direct and regular face to face opportunities to meet Sheena in her role as Chief Executive Officer. This approach has been further developed in response to feedback triangulated from NHS Staff Survey, Friends and Family Test and staff focus groups.

Developing on the theme of improving senior leadership visibility, engagement and communication led to the introduction of an additional programme of 'senior leader shadowing'. This provides staff from across the organisation the opportunity to spend a day with a director to share best practice as well as provide an opportunity to raise issues directly with a senior leader. Feedback has also been positive and this activity will continue to be improved.

Details of any consultations with staff

- Transfer of General Practice in the Neighbourhood Care Group in West Cheshire

The Trust was successful in its bid to run the the Old Hall GP Practice in May 2019 and the service transferred on 1 September 2019.

- Transfer of Child Health Services in the Neighbourhood Care Group in West Cheshire

An invitation to tender was released in July 2019 and TUPE information was shared with NHS England. Consultation took place between January and March 2020 and the service transferred on 1 April 2020.

- Transfer of Buildings Supervisor and Reception Staff Services in Facilities, West Cheshire.

Consultation took place between August and September 2019 to transfer buildings supervisor and reception staff at 1829 Building to NHS Property Services effective from 1 October 2019.

- Transfer of Infection Prevention and Control within Clinical Support Services for the Trust

An invitation to tender was released by Cheshire East Borough Council in November 2019 and the Trust was successful in bidding for the service which transferred in March 2020.

- Transfer of CHC Services in the Specialist Mental Health Care Group in Wirral

Consultation commenced in January 2020 to transfer the CHC Service from Wirral Borough Council. The transfer is scheduled to take place on 1 July 2020

- Changes to Terms and Conditions of Service in the Neighbourhoods Care Group in West Cheshire

Consultation commenced in March 2020 to transfer staff in the Front Door Service in the Old Hall Surgery to Agenda for Change terms and conditions of service.

Health and Safety

A range of work has been undertaken to improve and maintain health and safety in the Trust as required under the Health and Safety at Work etc Act and subsequent Regulations. These include:

- Completion of 35 Health, Safety & Security (HSS) Assessments – there have been no major issues identified, some areas required a replacement Health and Safety Law poster following refurbishments. Any new services which are set up or join CWP are assessed for safety requirements to ensure all standards are adhered to. CWP now have 15 Sure Start Children's centres. Health, Safety and security assessments have been completed on all the centres
- The Cardinus Workstation training and assessment programme continues, 1,796 members of staff have completed the training and completed their personal assessment, this equates to 83% of staff invited. Standard and specialised equipment is accessible to all staff and the catalogue of equipment is regularly reviewed and updated by the Senior Health and Safety Advisor.
- Individual workplace assessments and risk assessments for staff have been completed as required by the Senior Health and Safety Advisor. 26 one to one assessments have been completed
- There has been a slight decrease in RIDDOR incidents reported to Health and Safety Executive (HSE) for the year 2019-2020. 10 reports were completed as opposed to 15 the previous year.
- The Central Alerting System (CAS) is a web based cascading system for Patient Safety Alerts, Medical Device Alerts, Estates and Facilities notifications and other safety information to healthcare providers– CWP received 69 alerts compared to 83 for the previous year. All alerts have been actioned as required.
- The service contract for maintenance and repair of medical devices was put out to tender by the senior health and safety advisor and the medical device and safety officer, with a new provider appointed for April 2018 onwards. The new provider offers better value for

money and has reduced the contract costs. Replacement defibrillators were purchased to replace older models whose consumables had become obsolete. Some resource centres in the community will now have a defibrillator onsite.

- There are three local health and safety groups which feed into the Trust Health and Safety Sub Committee. Health and Safety issues in the Trust are monitored by the Health and Safety Sub Committee meeting which meets three times a year and work is also taken forward in localities in the intervening periods. The meeting summary (Chairs Report) from the Health and Safety Subcommittee is submitted to the Operational Committee for information and noting.

Modern Slavery Act

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 sound 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.

Anti-Fraud

The Trust's anti-fraud services are provided by MIAA. The Accountable Officer for anti-fraud is the Director of Business and Value. There were a number of fraud referrals received within the 2019/20 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 2019/20 included work across four areas of anti-fraud activity as directed by the NHS Counter Fraud Authority (NHSCFA). The Trust actively encourages its staff to use the raising and escalating concerns policy where they have concerns.

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 2019/20 totaled £32,000. Costs in 2018/19 were £49,000.

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 £245 per day and the engagement lasts longer than six months.

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 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 2020, for more than £245 per day and that last for longer than six months.

There were no off-payroll engagements as at 31st March 2020, for more than £245 per day and that lasted longer than six months.

There were no new off-payroll engagements, or those that reached six-months in duration, between 1st April 2019 and 31st March 2020, for more than £245 per day and lasted longer than six months.

2. Off-payroll engagements of board members, and /or senior officials with significant financial responsibility, between 1 April 2018 and 31 March 2019

	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.	17*

*Please note – Lucy Crumplin vacated the position of Non-Executive Director with effect from 31.07.2019. Medical Directors Dr Faouzi Alam and Dr Anushta Sivananthan undertake a job share.

Exit Packages (Subject to Audit)

Reporting of compensation schemes – exit packages 2019/20

Within the period 1 April 2019 until 31 March 2020, 10 exit packages totalling £297,000, were agreed. 1 departure related to a compulsory redundancy, the other 9 related to a mutually agreed resignation scheme.

	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	0	5	**5**
£10,001 - £25,000	0	2	**2**
£25,001 - 50,000	0	1	**1**
£50,001 - £100,000	0	1	**1**
£100,001 - £150,000	0	0	**1**
£150,001 - £200,000	1	0	**0**
Total number of exit packages by type	**1**	**9**	**10**
Total resource cost (£)	£160,000	£137,000	£297,000

Exit packages: other (non-compulsory) departure payments
Within the period 1 April 2019 until 31 March 2020, 9 exit packages totaling £137,000 were agreed. These payments related to a mutually agreed resignations.

	2019/20		2018/19	
	Payments agreed	Total value of agreement	Payments agreed	Total value of agreements
	Number	£000	Number	£000
Voluntary redundancies including early retirement contractual costs	0	0	0	0
Mutually agreed resignations (MARS) contractual costs	9	137	1	40
Total	**9**	**137**	**1**	**40**

NHS Staff Survey

Staff Engagement
The NHS Staff Survey provides data to monitor staff satisfaction and opinion annually across a range of measures and enables the Trust to benchmark against other similar NHS organisations, of which there is a total of 31 across England.

The annual staff survey continues to be one of the key ways to engage with staff and as in previous years, the Trust has opted to survey all staff rather than a representative sample. The response rate to the 2019 survey among trust staff was 54% - An improvement of 6% from 48% in 2018. The average response rate for similar organisations is 51%

This year's survey was accessible to all employees in the last quarter of 2019 and the results were collated by the approved external contractor - Picker. This year, the vast majority of surveys were emailed to staff; the third time the Staff Survey has been conducted in this way. Those in roles with limited access to emails could also opt for a paper based version of the survey. Picker collected and translated our questionnaire data into anonymised information ensuring its confidentiality and impartiality. This information was made available in phases throughout January to March 2020.

The survey includes core questions set by the Care Quality Commission (CQC) on: your job, your managers, your health, well-being and safety at work, your personal development and your organisation. For Staff Survey 2019, additional local questions were commissioned asking about CWP's person-centred approach and workforce health and wellbeing.

The results show the Trust-wide picture as well as providing insight about the Trust's Care Groups and Clinical Support Service portfolios. The results are cascaded through engagement with clinical leads, managers and frontline staff and engagement methods have been improved since 2018, based on feedback from managers.

The overall staff engagement score is an average of the scores for questions on advocacy, involvement and motivation.

Overall staff engagement					
	2017	**2018**	**2019**		**Trust improvement/ deterioration over previous year**
	Trust	Trust	Trust	Benchmarking group (Combined MH/LD and community trusts) average	
Staff engagement score	7.1	7.2	7.1	7.1	-0.1

NHS Staff Survey Comparisons to Similar Organisations

As Picker also provided the same survey to 12 other similar organisations to CWP, we were able to compare our results against their combined average score. Overall, we place 7th out of the 12 organisations.

Out of the 90 questions fielded to staff in 2019, CWP scored better than the combined average score on 48 of the questions. Notably for:

Last experience of physical violence reported	+ 6%
Last experience of harassment/bullying/abuse reported	+ 6%
Organisation acts fairly: Career Progression	+ 5%
In last month, have not seen errors/near misses/incidents that could hurt patients/service users	+ 5%
If friend/relative needed treatment, would be happy with standard of care provided by organisation	+ 5%

CWP matched the combined average score on 11 of the questions.

Of those scores where CWP scored worse than the combined average score, the most notable were:

Receive regular updates on patient/service user feedback in my directorate/department	- 10%
Have adequate materials, supplies and equipment to do my work	- 9%
Communication between senior management and staff is effective	- 7%
Senior managers try to involve staff in important decisions	- 7%
Senior managers act on staff feedback	- 6%
Appraisal/performance review: Organisational values definitely discussed	- 6%
Feedback from patients/service users is used to make informed decisions within directorate/department	- 6%

Areas of Improvement from Previous Year
The following results are taken from our internal report comparing this year's results with the previous year.

Most improved from last survey		
2019	**+/- Since 2018**	**Question**
63%	+9%	Q13d. Reported last experience of harassment/bullying/abuse
54%	+6%	Q22b. Receive regular updates on patient/service user feedback in my directorate/department
94%	+5%	Q12d. Reported last experience of physical violence
52%	+4%	Q22c. Feedback from patients/service users is used to make informed decisions within directorate/department
83%	+2	Q8e. Immediate manager supportive in personal crisis

Areas of Deterioration from Previous Year
The following results are taken from our internal report comparing this year's results with the previous year.

Least improved from last survey		
2019	**+/- Since 2018**	**Question**
82%	-4%	Q12a. Not experienced physical violence from patients/service users, their relatives or other members of the public
67%	-4%	Q20. Had training, learning or development in the last 12 months
72%	-4%	Q13a. Not experienced harassment, bullying or abuse from patients/service users, their relatives or members of the public
48%	-4%	Q4f. Have adequate materials, supplies and equipment to do my work
51%	-3%	Q4c. Involved in deciding changes that affect work

Last Year's Agreed Priority Areas
The findings from the Staff Survey 2018 highlighted a number of priority areas that were to be focused on throughout 2019. These were:

1. Improvements in senior manager visibility and engagement
2. Senior managers to engage staff in decision making and shaping service plans
3. Teams to receive feedback from people who use our services to inform decision making
4. Improvements in team effectiveness
5. Improved access to resources and materials to support staff in undertaking work
6. Increased awareness in reporting incidents for staff
7. Improve appraisal take up and access to training for non-clinical staff
8. Create more opportunities for flexible working

Below shows the individual priorities with their respective 2018 and 2019 Staff Survey results and where an improvement or deterioration has been observed. For 2019, the average score of similar organisations has also been included to help us understand how we compare.

2019 Priority Area with attributing staff survey questions	**2018**	**2019**	**Variation +/-**	**2019 Similar Orgs. Average**
Improvements in senior manager visibility and engagement				
9 a) I know who my senior managers are	82%	80%	-2%	83%
9 b) Communication between senior management and staff is effective	37%	35%	-2%	42%
9 d) Senior managers act on staff feedback	29%	30%	+1%	36%
Senior managers to engage staff in decision making and shaping service plans				
9 c) Senior managers try to involve staff in important decisions	30%	31%	+1%	38%
Teams to receive feedback from people who use our services to inform decision making				
22 a) Patient/service user feedback collected within directorate/department	94%	93%	-1%	95%
22 b) Receive regular updates on patient/service user feedback in my directorate/department	48%	54%	+6%	64%
22 c) Feedback from patients/service users is used to make informed decisions within directorate/department	48%	52%	+4%	58%
Improvements in team effectiveness				
4 b) Able to make suggestions to improve the work of my team/dept	79%	78%	-1%	77%
4 c) Involved in deciding changes that affect work	54%	51%	-3%	54%
4 d) Able to make improvements happen in my area of work	57%	55%	-2%	59%
4 e) Able to meet conflicting demands on my time at work	44%	45%	+1%	45%
4 g) Enough staff at organisation to do my job properly	32%	31%	-1%	32%
4 h) Team members have a set of shared objectives	74%	74%	Even	74%
4 i) Team members often meet to discuss the team's effectiveness	67%	65%	-2%	70%
4 j) I receive the respect I deserve from my colleagues at work	78%	78%	Even	76%

5 c) Satisfied with support from colleagues	87%	85%	-2%	84%
Improved access to resources and materials to support staff in undertaking work				
4 f) Have adequate materials, supplies and equipment to do my work	52%	48%	-4%	57%
Increased awareness in reporting incidents for staff				
17b) Organisation encourages reporting of errors/near misses/incidents	89%	89%	Even	90%
18 a) Know how to report unsafe clinical practice	97%	97%	Even	96%
18 b) Would feel secure raising concerns about unsafe clinical practice	75%	76%	+1%	75%
Improve appraisal take up and access to training for non-clinical staff				
19 a) Had appraisal/KSF review in last 12 months	87%	90%	+3%	N/A
19 f) Appraisal/performance review: training, learning or development needs identified	61%	67%	+6%	N/A
19 g) Definitely supported by manager to receive training, learning or development identified in appraisal	71%	69%	-2%	N/A
20 Had training, learning or development in the last 12 months	61%	67%	+6%	N/A
Create more opportunities for flexible working				
5 h) Satisfied with opportunities for flexible working patterns	57%	56%	-1%	60%

2020 Trust Priority Areas

1. Improve senior manager visibility and engagement of staff in decision making and shaping service plans
2. Improve team effectiveness with a focus on relationships
3. Make better use of feedback from our people and those who use our services to inform decision making
4. Improve quality of appraisals and supervision
5. Support staff wellbeing, including capacity (time, energy and attention) and opportunities for flexible working
6. Build managerial capability (capacity, competence and confidence)

*Although lack of equipment has been raised as a concern again in this staff survey the current IT refresh programme (which had not really become embedded at the time of the survey) is considered to be addressing this aspect and feedback is positive.

In addition to the above, the Trust has commenced an Evaluation Project to understand the impact of the coronavirus on, amongst other things, staff experience. The output of that evaluation will be combined with the above priority areas to produce a revised list and action plan which best reflects the most recent experiences of our people.

Monitoring arrangements

Staff Survey 2019 results were initially shared with senior leaders in February 2020 in order to confirm Trust and Care Group priorities for action. This information will then be shared across CWP to all staff. Progress will be communicated via quarterly 'We said, we're doing' communications.

In addition, individual services will have responsibility for reviewing and addressing the findings. The Trust-wide action plan will be monitored as part of People and Organisational Development Sub-Committee with updates provided to Operational Committee; the findings will also be shared with Trust Board and Council of Governors.

Trade Union Facility Time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 – Period April 2019 to March 2020.

Table 1 – Relevant union officials
What was the total number of your employees who were relevant union officials during the relevant period?

Headcount	Full-time equivalent
25	22.42

Table 2 – Percentage of time spent on facility time
How many of your employees who were relevant union officials employed during the relevant period spent a) 0%, b) 1%-50%, c) 51%-99% or d) 100% of their working hours on facility time?

Percentage of time	Number of employees
0%	15
1-50%	8
51-99%	0
100%	2

Table 3 – Percentage of pay bill spent on facility time
Provide the figures requested in the first column of the table below to determine the percentage of your total pay bill spent on paying employees who were relevant union officials for facility time during the relevant period.

Metric	Figures
Total cost of facility time	£59,385.39
Total pay bill	£152,236,000
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.039%

Table 4 – Paid trade union activities
As a percentage of total paid facility time hours, how many hours were spent by employees who were relevant union officials during the relevant period on paid trade union activities?

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	3.33%

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 Oversight Framework

NHS 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)

Based on information from these themes, providers are segmented from 1 to 4, where '4' reflects providers receiving the most support, and '1' reflects providers with maximum autonomy. A foundation trust will only be in segments 3 or 4 where it has been found to be in breach or suspected breach of its licence.

Segmentation

As at 31 March 2020, 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 NHS Oversight Framework, the segmentation of the trust disclosed above might not be the same as the overall finance score here.

Area	Metric	2019/20 Scores				2018/19 Scores			
		Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Financial Sustainability	Capital Service Capacity	1	1	1	2	1	2	2	2
	Liquidity	1	1	1	1	1	1	1	1
Financial Efficiency	I&E Margin	1	2	2	3	1	2	2	2
Financial Controls	Distance From Financial Plan	1	1	1	1	1	1	1	1
	Agency Spend	1	1	1	1	1	1	1	1
Overall Trust Position		**1**	**1**	**1**	**2**	**1**	**1**	**1**	**1**

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, other items of comprehensive income and losses and cash flows for the financial year.

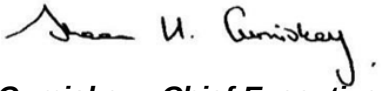
In preparing the accounts and overseeing the use of public funds, the Accounting Officer is required to comply with the requirements of the Department of Health and Social Care Group Accounting Manual and in particular to:

- 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 and Social Care 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
- confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS foundation trust's performance, business model and strategy and
- prepare the financial statements on a going concern basis and disclose any material uncertainties over going concern.

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 them 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.

As far as I am aware, there is no relevant audit information of which the foundation trust's auditors are unaware, and I have taken all steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

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
8 July 2020

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 2020 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 duties and authority. 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/ subject matter experts. The process for the management of risk locally involves each operational group structure having their own risk registers, with the accountable officers for risk management being the relevant strategic clinical director and associate director of operations. The local risk registers are reviewed within the local governance structure, with risks managed and monitored within each operational group but escalated appropriately, dependent on the severity of the risk and the process set out in the Trust's integrated governance framework. The Operational Committee receives an in-depth review of the local 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 Committee as appropriate, specifically those which relate to the business overseen by that committee or its sub committees, or 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 corporate assurance framework. In addition, the Audit Committee receives the corporate assurance framework four times per year, as well as having the capacity to undertake periodic reviews of risk treatment processes for individual risks, should this be indicated, on an escalation/ enquiry basis.

As well as guidance in the integrated governance framework, training is provided to staff to equip them with the skills to manage risk appropriate to their duties and authority, as identified in the Trust's learning needs analysis. As part of leadership development, including through various forums in the Trust (e.g. Board development sessions, the Clinical Engagement & Leadership Forum, Quality Committee, the Clinical Practice & Standards Sub Committee, bespoke workshops, community of practice meetings) there are regular risk management topics that are discussed as part of learning and awareness for the Board of Directors, senior managers and subject matter experts. Risk management and awareness training sessions to other staff are delivered as part of the Trust's essential learning programme or as identified through individual appraisals. For 2019/20, this has included training provided by the Medical Director (Compliance, Quality & Regulation) and the Associate Director of Safe Services to operational services, clinical support services and the Quality Committee on the NHS England and Improvement 'NHS Patient Safety Strategy'.

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 local 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 (and change in risk), evaluation of risk/s, 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 risk identified in the corporate assurance framework is aligned to an organisational strategic objective 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 potential and actual 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.

The Care Quality Commission undertakes routine *regulatory* assessments of the so-called 'well-led question' as part of their overall regulatory and inspection regime. This involves targeted inspections focused on individual services offered by providers, as well as their leadership. For the year ended 31 March 2020 and up to the date of approval of the annual report and accounts, the Trust is rated as "Good" for well-led. Under the NHS Improvement well-led framework, NHS Foundation Trust Boards are also strongly encouraged to carry out externally facilitated, *developmental* reviews of their leadership and governance using the well-led framework every three to five years, according to their circumstances and on a risk basis. The Trust's most recent developmental review was undertaken in 2016/17, which provided the Board with assurance over the effective oversight of the care provided throughout the Trust. The next developmental review will be undertaken in line with the NHS Improvement guidance by 2021/22.

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 dashboard report detailing the Trust's quality and safety performance against the

Trust's strategic objectives, by reporting on compliance in achieving key local and national priorities.

- Assurance obtained on compliance with Care Quality Commission (CQC) registration requirements through monitoring, inspection and regulatory activity to judge the quality of care provided by the Trust. The Trust was rated as "Good" for well-led following a comprehensive inspection undertaken in 2018/19 (the current published rating at 2019/20 year end). 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 monitoring system in place (data packs) to routinely assess compliance with standards of quality and safety. Board members seek 'team to Board' assurance through visits aligned to a Board member visits framework, additionally non executive directors seek primary governance assurance through team-level visits, aligned to the Trust's safety management system. Collectively, these assurance mechanisms have confirmed that Cheshire and Wirral Partnership NHS Foundation Trust is fully compliant with the registration requirements of the Care Quality Commission and is currently rated as "Good" overall and "Outstanding" for caring.

For the year ended 31 March 2020 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".

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 Data Security and Protection Toolkit as a mandatory annual assessment of information governance performance. The 'Information governance' section of this statement provides further information. Additionally, risks to data security are being treated via the corporate assurance framework, through management of the 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. This residual risk score at the year ended 31 March 2020 is 10 (amber).

The Trust's major (including significant clinical) risks at the year ended 31 March 2020 (with a 'red' risk score of 15 – 25), how they are being managed and mitigated are:

- *Risk that the impact of COVID-19 will adversely affect the population of Cheshire and Wirral, including CWP staff, impacting on the delivery of service provision and safe, effective care.*
  The ongoing approach to response to this risk is treatment in real time, informed by risk logs, updated weekly, from each of the 'cells' of the COVID-19 emergency response governance structure, established to complement the Trust's substantive meeting structure.
- *Risk of increasing demand for ADHD services which exceeds current contract values and commissioned capacity, resulting in increasing waiting times and complaints from people who have not accessed services due to gaps in* commissioning.
  In-year, the Board of Directors informed commissioners that CWP will provide a commissioned service based on available funding, however the Trust has continued to work with commissioners to support the redesign of ADHD pathways to increase the capacity within the service to try and meet the demand. The Trust will be working with its commissioners as part of the 2020/21 contract round to ensure there is more effective commissioning and resourcing of the ADHD assessment service.
- *Due to pressures on acute care bed capacity, there is a risk that people who require admission may have to wait longer than 4 hours for a bed to be allocated.*
  Bed utilisation and response to operations at and escalations to OPEL 4 is managed centrally by a bed management hub. A thematic analysis of bed usage is planned for 2020/21, following completion of reconfiguration of Central and East Cheshire beds and community services, aligned to a review of crisis beds; the system imperative to tackle the risks associated with these pressures will also be considered.

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 forward plans. At the end of this reporting period, two risks were being scoped as potential future risks. These were the *risk of inability to support the transfer of the Continuing Healthcare Service due to capacity constraints, potentially resulting in lack of understanding of risk profile, service demands, financial implications and any reputational considerations*; and the *risk of reducing ability to provide safe and effective care and services due to staffing levels (all professional groups) primarily as a result of impacts of the COVID-19 pandemic*. These will be scoped in accordance with the Trust's integrated governance framework 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 overall opinion of the Director of Internal Audit is that substantial assurance can be given that that there is a good system of internal control designed to meet the organisation's objectives, and that controls are generally being applied consistently. The audit assignment element of this opinion is limited to the scope and objective of each of the risk based individual internal audit reviews. Detailed information on the limitations to the reviews has been provided within the individual audit reports and through Audit Committee progress reports throughout the year. During the course of the year, internal audit has undertaken follow up reviews and has concluded that the organisation has made good progress with regards to the implementation of recommendations. Internal audit will track and follow up outstanding actions identified in management responses to internal audit review findings requiring enhancement.

The Board undertakes a twice yearly self-assessment of its compliance with NHS Improvement's provider licence conditions for foundation trusts. This includes the licence provision for NHS foundation trust governance arrangements (condition 4). This confirms compliance with this condition as at the date of this statement and it is anticipated that compliance with this condition will continue for the next financial year. The principal control measures in place are the effective operation of the Trust's integrated governance framework, 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 management framework is an integral component of the overarching integrated governance framework, 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 local risk registers.
- Promotion of a 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 (including clinical audit) informed by risk.
- Ensuring that person-centred quality and equality impact 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' (Service 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.
- Learning from experience, where feedback is received from comments, concerns, complaints and compliments received from both patients and public stakeholders.

Cheshire and Wirral Partnership NHS Foundation Trust has published on its website an up-to-date register of interests, including gifts and hospitality, for decision-making staff (as defined by the trust with reference to the guidance) within the past twelve months, as required by the 'Managing Conflicts of Interest in the NHS' guidance.

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.

Cheshire and Wirral Partnership NHS Foundation Trust has undertaken risk assessments and has a sustainable development management plan in place which takes account of UK Climate Projections 2018 (UKCP18). The Trust ensures that its obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

The Trust complies with the 'Developing Workforce Safeguards' recommendations. A consistent approach to workforce planning across the Trust has been established within the business cycle for the Board of Directors meeting in public. Strategic workforce planning and systems for safer staffing, including completion of quality impact assessments (in line with NHS Improvement and National Quality Board guidance) is included within the terms of reference of the Trust's People Planning Group. Processes are in place to enable frontline staff to raise concerns in relation to staffing systems, additionally team level risk registers are in place to manage risks to safe, sustainable and effective staffing systems.

Safer staffing is reported to the Board of Directors via the Trust's Operational Committee on a six monthly basis, presented by the Director of Nursing, Therapies and Patient Partnership. This report provides oversight of our processes (including use of evidence based tools) to assure that we have the right staff, with the right skills, and in the right time and place, in accordance with national guidance.

In addition, the monthly continuous improvement report to the Trust's Operational Committee includes assurance around staffing levels. Other key workforce measures are considered at Care Group level and Trustwide at the People Planning Group.

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 Use of Resources metric. 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 Data Security & Protection Toolkit is subject to annual internal audit. This was recently completed and a moderate assurance opinion was issued. The toolkit had a greater emphasis on cyber security this year, with the assurance rating reflecting the residual gaps that remain in treating this strategic risk area as detailed earlier in this statement.

There have been no serious incidents relating to information governance in 2019/20 that were reportable to the Information Commissioner's Office (ICO) as Level 2 incidents in the Information Governance Incident Reporting Tool.

Data quality and governance
In order to assure the Board that appropriate controls in place to ensure the accuracy of data, the following steps have been put in place:

- Development of the Trust's annual quality improvement priorities 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 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 improvement 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 improvement priorities.
- Review, by the Board, of the report against strategic objectives 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 quality assurance dashboard. 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 improvement priorities. The Quality Improvement Report is also shared widely with partner organisations, governors, members, local groups and organisations, as well as the public.

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

- Undertaking weekly data quality reviews of waiting lists, including cleansing, to ensure clinical appropriateness
- Developing and implementing data dictionaries to ensure consistent processes for recording new referrals, including auditing their implementation.
- Producing a suite of reports that enable managers to have oversight of a team's capacity and demand.
- Sharing data quality issues with the clinical systems development team to influence system upgrades/ design.
- Data quality monitoring for MHSDS and NHSI targets, governed by the Operational Committee.
- Implementation of an information management framework, bringing together all the main suppliers of Trust data.
- Implementation of Trust's data quality improvement framework and notification of data quality issues to clinical teams.
- Monthly service-led waiting list data validation exercises (for Early Intervention services).

The risks to the quality and accuracy of data and the potential for inaccurate data capture is being mitigated through the above mechanisms. Additionally, the Trust mitigates risks to Trustwide data quality (data capture, flow and production) through delivery of the strategic risk treatment plan identified in response to this issue.

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 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-year, the Audit Committee has received routine progress reports from the work of the internal auditors, which has provided updates in respect of the assurances, key issues and progress against the internal audit plan for 2019/20.

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, there could be greater visibility of its use by the Board, and it the clearly reflects the risks discussed by the Board Committees".

The review has given assurance that:

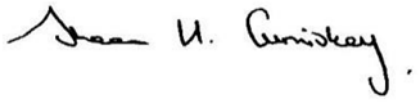
1. The structure of the Assurance Framework meets the requirements.
2. There is Board engagement in the review and use of the Assurance Framework.
3. The quality of the content of the Assurance Framework demonstrates clear connectivity with the Board agenda and external environment.

This review has been presented in a report to the Audit Committee and the Board. The review has rated all requirements as 'Green', with the exception of an 'Amber' rating for the requirement that the minutes of the Board Committees clearly demonstrating consideration of the Assurance Framework and associated risks. This has been identified as an area for improvement for 2020/21.

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:



Sheena Cumiskey - Chief Executive
8 July 2020

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

Report on the Audit of the Financial Statements

Opinion

Our opinion on the financial statements is unmodified

We have audited the financial statements of Cheshire and Wirral Partnership NHS Foundation Trust (the 'Trust') for the year ended 31 March 2020 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the Accounts Directions issued under the National Service Act 2006, the NHS foundation trust annual reporting manual 2019/20 and the Department of Health and Social Care Group Accounting Manual 2019 to 2020.

In our opinion the financial statements:

- give a true and fair view of the financial position of the Trust as at 31 March 2020 and of its expenditure and income for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2019 to 2020; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the Accounting Officer and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the Trust's future operational arrangements.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the Trust's future operational arrangements. However, no audit should be expected to predict the unknowable factors or all possible future implications for an entity associated with these particular events.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Accounting Officer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

In our evaluation of the Accounting Officer' conclusions, and in accordance with the expectation set out within the Department of Health and Social Care Group Accounting Manual 2019 to 2020 that the Trust's financial statements shall be prepared on a going concern basis, we considered the risks associated with the Trust's operating activities, including effects arising from macro-economic uncertainties such as Covid-19 and Brexit. We analysed how those risks might affect the Trust's financial resources or ability to continue operations over the period of at least twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Trust will continue in operation.

Grant Thornton

Overview of our audit approach

Financial statements audit

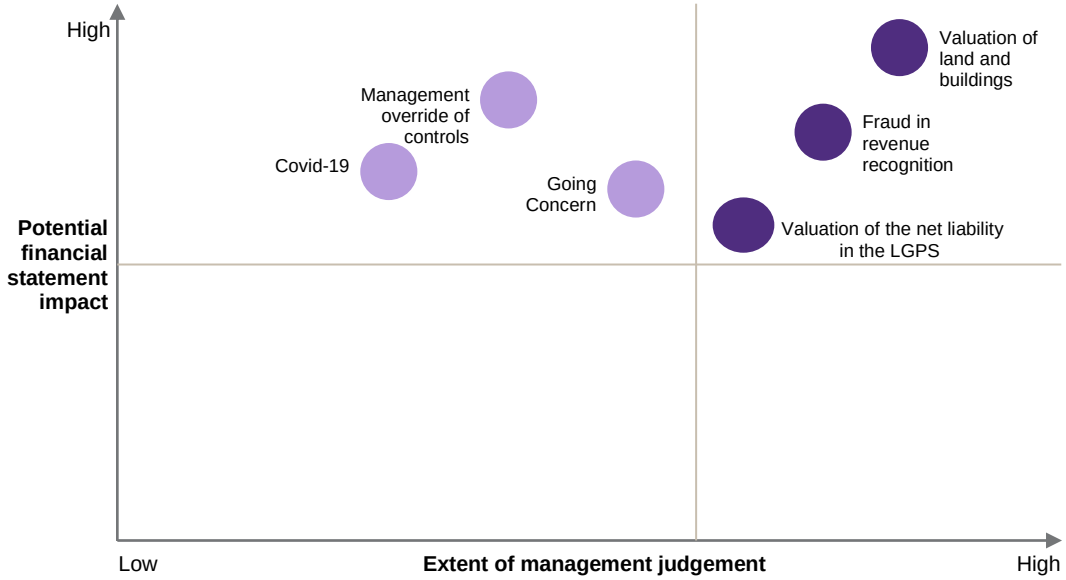
- Overall materiality: £3,000,000 which represents 1.6% of the Trust's gross operating expenses
- Key audit matters were identified as:
  - Valuation of land and buildings
  - Valuation of the net liability in the local government pension scheme
  - Fraud in revenue recognition

Conclusion on the Trust's arrangements for securing economy, efficiency, and effectiveness in its use of resources

- We did not identify any significant risks in respect of the Trust's arrangements for securing economy, efficiency, and effectiveness in its use of resources (see Report on other legal and regulatory requirements section).

Key audit matters

The graph below depicts the audit risks identified and their relative significance based on the extent of the financial statement impact and the extent of management judgement.



Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those that had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the matter was addressed in the audit
Risk 1 **Valuation of land and buildings** The Trust revalues its land and buildings on a regular basis to ensure the carrying value in the Trust financial statements is not materially different from current value at the financial statements date. Valuation can be affected by both changes in the general economy and the extent of and content of capital expenditure programmes. Management engage the services of an external valuer, who is a Regulated Member of the Royal Institute of Chartered Surveyors (RICS) to estimate the current value of their land and buildings. The Trust last undertook a full valuation of its land and buildings in 2018/19. Having discussed valuation of land and buildings with its valuer, management decided not to obtain a valuation report for 2019/20. because in their view there had been no indication that there had been a material change in asset values. Following the Covid-19 outbreak, on advice from RICS, regulated members have been considering whether a material uncertainty declaration is now appropriate in their reports. Its purpose is to ensure that any client relying upon a valuation report understands that it has been prepared under extraordinary circumstances. This valuation represents a significant estimate by management in the financial statements. We therefore identified the valuation of land and buildings as a significant risk, which was one of the most significant assessed risks of material misstatement.	Our audit work included, but was not restricted to: • evaluating management's processes and assumptions for the calculation of the estimate, the instructions issued to valuation experts and the scope of their work; • evaluating the competence, capabilities and objectivity of the valuation expert; • discussing with the valuer the basis on which the valuation was carried out; • challenging the information and assumptions used by the valuer to assess completeness and consistency with our understanding; • evaluating the assumptions made by management, including how the impact of market volatility had been considered, and how management had satisfied themselves that the existing valuations were not materially different to current value at 31 March 2020; • challenging management's initial assertion that there was not a material valuation uncertainty in relation to land and buildings because of uncertainties in the markets caused by Covid-19 The Trust's accounting policy on valuation of land and buildings is shown in note 1.10 to the financial statements and related disclosures are included in note 15. Following audit challenge, management identified the material uncertainty regarding the valuation of land and

Key Audit Matter	How the matter was addressed in the audit
.	buildings due to market uncertainty arising from the Covid-19 pandemic as a significant issue in note 1.4 to the financial statements, and also described the action that it has taken to address this issue. **Key observations** As disclosed in note 1.4 to the financial statements, the Trust has not obtained an independent professional valuation report for 2019/20, but there may now be greater uncertainty in markets on which the land and buildings revaluation obtained in 2018/19 was based. The Trust has disclosed the estimation uncertainty related to the year-end valuations in note 1.4 to the financial statements. We obtained sufficient audit assurance to conclude that: • the basis of the valuation of land and buildings was appropriate, and • the assumptions and processes used by management in determining the estimate of valuation of property were reasonable; • the valuation of land and buildings disclosed in the financial statements is reasonable.
Risk 2 **Valuation of the net liability in the local government pension scheme (LGPS)** The Trust is one of a small number of Trusts to have taken over services previously provided by local authorities and to have taken on a significant number of local authority employees under TUPE arrangements. Many of these employees have remained in the LGPS, which is a defined benefit pension scheme. The scheme assets and liabilities attributable to these employees can be identified and so are recognised in the Trust's financial statements. The pension fund net liability is considered a significant estimate due to the size of the gross liabilities (£23.1 million) and the gross assets (£15.9 million), as well as the sensitivity of the estimate to changes in key assumptions. We therefore identified valuation of the net liability in the LGPS as a significant risk, which was one of the most significant assessed risks of material misstatement.	Our audit work included, but was not restricted to: • obtaining assurances from the auditor of Merseyside Pension Fund relating to the validity and accuracy of membership data, contributions data and benefits data sent to the actuary by the pension fund • assessing the competence, capabilities, and objectivity of the actuary who estimated the net pension liability • undertaking procedures to confirm the reasonableness of the actuarial assumptions made by reviewing the report of the consulting actuary (as auditor's expert) and performing any additional procedures suggested within the report • testing the consistency of the net pension liability and disclosures with the actuary's report • performing analytical procedures on the gross assets and liabilities. The Trust's accounting policy on valuation of the defined benefit net pension liability is shown in note 1.8 to the financial statements and related disclosures are included in notes 22 and 28. Key observations We obtained sufficient audit assurance to conclude that: • the basis of the valuations was appropriate, and assumptions and processes used by management in determining the estimates were reasonable; and • the valuation of the net pension liability recognised in the financial statements is reasonable.
Risk 3 **Fraud in revenue recognition** Trusts are facing significant external pressure to restrain budget overspends and meet externally set financial targets, coupled with increasing patient demand and cost pressures. In this environment, we have considered the rebuttable presumed risk under ISA (UK) 240 that revenue may be misstated due to the improper recognition of revenue. We have rebutted this presumed risk for the revenue streams of the Trust that are principally derived from contracts that are agreed in advance at a fixed price. We have determined these to be income from: • Block contract income element of patient care revenues • Education and training income	Our audit work included, but was not restricted to: • evaluating the Trust's accounting policy for recognition of income from patient care activities and other operating income for appropriateness and compliance with the Department of Health and Social Care (DHSC) Group Accounting Manual 2019/20 • updating our understanding of the Trust's system for accounting for income from patient care and other operating income and evaluated the design of the associated controls. In respect of patient care income: • obtaining an exception report from the DHSC that

Key Audit Matter	How the matter was addressed in the audit
We have not deemed it appropriate to rebut this presumed risk for all other material streams of patient care income and other operating income. We have therefore identified the occurrence and accuracy of these income streams of the Trust and the existence of associated receivable balances as a significant risk, which was one of the most significant assessed risks of material misstatement.	details differences in reported income and expenditure and receivables and payables between NHS bodies, agreeing the figures in the exception report to the Trust's financial records and obtaining supporting information for differences over £300,000, to corroborate the amount recorded in the financial statements by the Trust; • agreeing, on a sample basis, income from contract variations and associated year-end receivables to signed contract variations, invoices or other supporting evidence such as correspondence from the Trust's commissioners • evaluating the judgments made by management in determining the total income from contract variations to be recognised in the financial statements. In respect of other operating income: • agreeing, on a sample basis, income and year end receivables to invoices and cash payment or other supporting evidence. The Trust's accounting policy on recognition of income is shown in note 1.6 to the financial statements and related disclosures are included in note 3. **Key observations** We obtained sufficient audit evidence to conclude that: • The Trust's accounting for income from patient activities and other operating income is in accordance with the Department of Health's Group Accounting Manual for 2019 to 2020; and • Income from patient care activities and other operating income is not materially misstated.

Our application of materiality

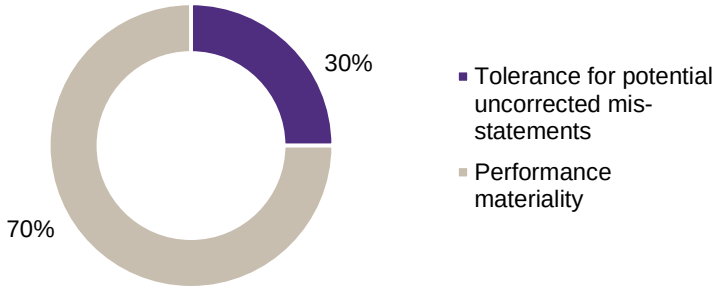
We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality in determining the nature, timing and extent of our audit work and in evaluating the results of that work.

Materiality was determined as follows:

Materiality Measure	Trust
Financial statements as a whole	£3,000,000 which is 1.6% of the Trust's gross operating expenses. This benchmark is considered the most appropriate because we consider users of the financial statements to be most interested in how the Trust has expended its revenue and other funding. Materiality for the current year is at the same level as that determined by the Trust's previous auditors for the year ended 31 March 2019.
Performance materiality used to drive the extent of our testing	70% of financial statement materiality.
Specific materiality	The senior officer remuneration disclosures in the remuneration report have been identified as an area requiring specific materiality of £20,000 due to the sensitive nature of these disclosures
Communication of misstatements to the Audit Committee	£200,000 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

The graph below illustrates how performance materiality interacts with our overall materiality and the tolerance for potential uncorrected misstatements.

Overall materiality – Trust



An overview of the scope of our audit

Our audit approach was a risk-based approach founded on a thorough understanding of the Trust's business, its environment and risk profile and in particular included:

- Updating our understanding of and evaluating the Trust's internal control environment, including its IT systems and controls over key financial systems;
- Through direct agreement to contracts and sample testing of contract variations we tested 87% of income from patient care activities.
- Through direct contract agreement and sample testing we tested 60% of other operating income.
- Through sample testing of operating expenditure, we tested 26% of non-pay expenditure
- Substantive testing, on a sample basis, of the Trust's material assets and liabilities

Other information

The Accounting Officer is responsible for the other information. The other information comprises the information included in the Annual Report**,** other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

In this context, we also have nothing to report in regard to our responsibility to specifically address the following items in the other information and to report as uncorrected material misstatements of the other information where we conclude that those items meet the following conditions:

- Fair, balanced and understandable as set out on page 68 in accordance with provision C.1.1 of the NHS Foundation Trust Code of Governance **–**the statement given by the directors that they consider the Annual Report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for patients, regulators and other stakeholders to assess the Trust's performance, business model and strategy, is materially inconsistent with our knowledge of the Trust obtained in the audit; or
- Audit committee reporting as set out on page 35 in accordance with provision C.3.9 of the NHS Foundation Trust Code of Governance –the section describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee.

Other information we are required to report on by exception under the Code of Audit Practice

Under the Code of Audit Practice published by the National Audit Office on behalf of the Comptroller and Auditor General (the Code of Audit Practice) we are required to consider whether the Annual Governance Statement does not meet the disclosure requirements set out in the NHS foundation trust annual reporting manual 2019/20 or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in this regard.

Our opinion on other matters required by the Code of Audit Practice is unmodified

In our opinion:

- the parts of the Remuneration Report and the Staff Report to be audited have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the NHS foundation trust annual reporting manual 2019/20 and the requirements of the National Health Service Act 2006; and
- based on the work undertaken in the course of the audit of the financial statements and our knowledge of the Trust gained through our work in relation to the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources, the other information published together with the financial statements in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- we issue a report in the public interest under Schedule 10 (3) of the National Health Service Act 2006 in the course of, or at the conclusion of the audit; or
- we refer a matter to the regulator under Schedule 10 (6) of the National Health Service Act 2006 because we have reason to believe that the Trust, or a director or officer of the Trust, is about to make, or has made, a decision which involves or would involve the incurring of expenditure that was unlawful, or is about to take, or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency**.**

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

Responsibilities of the Accounting Officer and Those Charged with Governance for the financial statements

As explained more fully in the Statement of the Chief Executive's responsibilities as the accounting officer set out on page 68, the Chief Executive, as Accounting Officer, is responsible for the preparation of the financial statements in the form and on the basis set out in the Accounts Directions included in the NHS foundation trust annual reporting manual 2019/20, for being satisfied that they give a true and fair view, and for such internal control as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accounting Officer is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer has been informed by the relevant national body of the intention to dissolve the Trust without the transfer of the Trust's services to another public sector entity.

The Audit Committee is Those Charged with Governance. Those charged with governance are responsible for overseeing the Trust's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements – Conclusion on the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Matter on which we are required to report by exception - Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report to you if, in our opinion we have not been able to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2020**.**

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

Significant risks

Under the Code of Audit Practice, we are required to report on how our work addressed the significant risks we identified in forming our conclusion on the adequacy of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources. Significant risks are those risks that in our view had the potential to cause us to reach an inappropriate conclusion on the audited body's arrangements. We have determined that there are no significant risks in the context of our conclusion on the adequacy of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources.

Responsibilities of the Accounting Officer

The Accounting Officer is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of the Trust's resources.

Auditor's responsibilities for the review of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

We are required under paragraph 1 of Schedule 10 of the National Health Service Act 2006 to be satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources and to report where we have not been able to satisfy ourselves that it has done so. 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 guidance on the specified criterion issued by the Comptroller and Auditor General in April 2020, as to whether in all significant respects, the Trust had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The Comptroller and Auditor General determined this criterion as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2020, and to report by exception where we are not satisfied.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to be satisfied that the Trust has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Report on other legal and regulatory requirements - Certificate

We certify that we have completed the audit of the financial statements of Cheshire and Wirral Partnership NHS Foundation Trust in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Code of Audit Practice.

Use of our report

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

Peter Barber, Key Audit Partner
for and on behalf of Grant Thornton UK LLP, Local Auditor

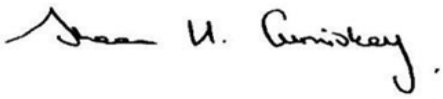
Bristol
9 July 2020

3. Annual Accounts 2019/20

Foreword to the accounts

Cheshire and Wirral Partnership NHS Foundation Trust

These accounts, for the year ended 31 March 2020, 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 **8 July 2020**

Statement of Comprehensive Income

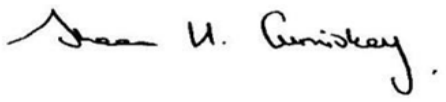
	Note	2019/20 £000	2018/19 £000
Operating income from patient care activities	3	179,325	161,240
Other operating income	4	8,763	10,286
Operating expenses	7, 9	(186,663)	(171,189)
Operating surplus from continuing operations		**1,425**	**337**
Finance income	12	159	118
Finance expenses	13	(65)	(97)
PDC dividends payable		(1,722)	(1,748)
Net finance costs		**(1,628)**	**(1,727)**
Other (losses)	14	(2)	-
(Losses) arising from transfers by absorption		-	(4,977)
(Deficit) for the year		**(205)**	**(6,367)**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	8	-	(3,531)
Revaluations		-	12,353
Remeasurements of the net defined benefit pension scheme liability / asset	28	2,766	(3,078)
Total comprehensive income / (expense) for the period		**2,561**	**(623)**
Adjusted financial performance (control total basis):			
(Deficit) for the period		(205)	(6,367)
Remove net impairments not scoring to the Departmental expenditure limit		2,341	4,490
Remove losses on transfers by absorption		-	4,977
Remove non-cash element of on-SoFP pension costs		1,355	274
Adjusted financial performance surplus		**3,491**	**3,374**

Statement of Financial Position

	Note	31 March 2020 £000	31 March 2019 £000
Non-current assets			
Property, plant and equipment	15	79,373	77,926
Other investments / financial assets	17	1	1
Total non-current assets		**79,374**	**77,927**
Current assets			
Receivables	18	5,727	8,545
Cash and cash equivalents	20	21,237	18,268
Total current assets		**26,964**	**26,813**
Current liabilities			
Trade and other payables	21	(17,062)	(18,326)
Borrowings	23	(80)	(133)
Provisions	25	(1,307)	(1,706)
Other liabilities	22	(3,759)	(2,437)
Total current liabilities		**(22,208)**	**(22,602)**
Total assets less current liabilities		**84,130**	**82,138**
Non-current liabilities			
Borrowings	23	(159)	(286)
Provisions	25	(602)	(658)
Other liabilities	22	(7,179)	(8,590)
Total non-current liabilities		**(7,940)**	**(9,534)**
Total assets employed		**76,190**	**72,604**
Financed by			
Public dividend capital		37,423	36,398
Revaluation reserve		15,681	18,741
Other reserves		(7,179)	(8,590)
Income and expenditure reserve		30,265	26,055
Total taxpayers' equity		**76,190**	**72,604**

The notes on pages 87 to 132 form part of these accounts.

Name	Sheena Cumiskey
Position	Chief Executive
Date	8 July 2020



Statement of Changes in Equity for the year ended 31 March 2020

	Public dividend capital	Revaluation reserve	Financial assets reserve	Other reserves	Merger reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2019 - brought forward	**36,398**	**18,741**	**-**	**(8,590)**	**-**	**26,055**	**72,604**
(Deficit) for the year	-	-	-	-	-	(205)	**(205)**
Transfer from revaluation reserve to income and expenditure reserve for impairments arising from consumption of economic benefits	-	(2,582)	-	-	-	2,582	**-**
Other transfers between reserves	-	-	-	(1,355)	-	1,355	**-**
Remeasurements of the defined net benefit pension scheme liability/asset	-	-	-	2,766	-	-	**2,766**
Public dividend capital received	1,025	-	-	-	-	-	**1,025**
Other reserve movements	-	(478)	-	-	-	478	**-**
Taxpayers' and others' equity at 31 March 2020	**37,423**	**15,681**	**-**	**(7,179)**	**-**	**30,265**	**76,190**

Statement of Changes in Equity for the year ended 31 March 2019

	Public dividend capital	Revaluation reserve	Financial assets reserve	Other reserves	Merger reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2018 - brought forward	**36,181**	**10,160**	**-**	**(261)**	**-**	**26,930**	**73,010**
(Deficit) for the year	-	-	-	-	-	(6,367)	**(6,367)**
Transfers by absorption: transfers between reserves	-	-	-	(4,977)	-	4,977	**-**
Other transfers between reserves	-	-	-	(274)	-	274	**-**
Impairments	-	(3,531)	-	-	-	-	**(3,531)**
Revaluations	-	12,353	-	-	-	-	**12,353**
Remeasurements of the defined net benefit pension scheme liability/asset	-	-	-	(3,078)	-	-	**(3,078)**
Public dividend capital received	217	-	-	-	-	-	**217**
Other reserve movements	-	(241)	-	-	-	241	**-**
Taxpayers' and others' equity at 31 March 2019	**36,398**	**18,741**	**-**	**(8,590)**	**-**	**26,055**	**72,604**

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 organisation. Additional PDC may also be issued to trusts by the Department of Health and Social Care. A charge, reflecting the cost of capital utilised by the 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.

Pension Reserve
This reserve records the balance of the net pension liability in relation to staff who are members of the Cheshire Pension Fund who transferred into the trust from Cheshire West and Chester Council on 1st January 2018 and Merseyside Pension Fund who transferred into the trust from Wirral Borough Council on 17th August 2018. The balance on this reserve includes the opening pension liability and subsequent movements in the valuation of the Cheshire Pension Fund and Merseyside Pension Fund which arise as a result of changes in actuarial assumptions used in the annual IAS 19 valuation of the fund deficit.

Income and expenditure reserve
The balance of this reserve is the accumulated surpluses and deficits of the trust.

Statement of Cash Flows

	Note	2019/20 £000	2018/19 £000
Cash flows from operating activities			
Operating surplus / (deficit)		1,425	337
Non-cash income and expense:			
Depreciation and amortisation	7.1	2,250	1,871
Net impairments	8	2,341	4,490
Non-cash movements in on-SoFP pension liability		1,355	274
(Increase) / decrease in receivables and other assets		2,727	(19)
Increase in payables and other liabilities		499	2,860
(Decrease) in provisions		(455)	(856)
Other movements in operating cash flows		(8)	-
Net cash flows from / (used in) operating activities		**10,134**	**8,958**
Cash flows from investing activities			
Interest received		166	112
Purchase of PPE and investment property		(7,726)	(2,091)
Sales of PPE and investment property		1,192	50
Net cash flows from / (used in) investing activities		**(6,368)**	**(1,929)**
Cash flows from financing activities			
Public dividend capital received		1,025	217
Capital element of finance lease rental payments		(180)	(102)
Interest paid on finance lease liabilities		(65)	(95)
PDC dividend (paid) / refunded		(1,577)	(1,704)
Net cash flows (used in) financing activities		**(797)**	**(1,684)**
Increase in cash and cash equivalents		**2,969**	**5,345**
Cash and cash equivalents at 1 April		**18,268**	**12,923**
Cash and cash equivalents at 31 March	20.1	**21,237**	**18,268**

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2019/20 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These 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.

Note 1.2 Going concern
These accounts have been prepared on a going concern basis.

CWP continues to demonstrate a strong underlying financial position. Our agreed financial improvement trajectory was for CWP to break even or better on its income and expenditure account. As part of our planning processes CWP confirmed it was confident this position would be achieved. A temporary financial regime is currently in place during the Covid-19 pandemic which guarantees at least a breakeven position will be maintained during this period.

The Trust has a forecast cash balance of £23m at 31 March 2021 and has no concerns regarding the ability to service payments as and when they fall during 2020/21.

After making enquiries, the Board of Directors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Trust continues to adopt the going concern basis when preparing the accounts.

Note 1.3 Critical judgements in applying accounting policies

In the application of the NHS foundation trusts 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 judgements, apart from those involving estimations (see below), are those that management has made in the process of applying the NHS foundation trust accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

- Determination of an appropriate carrying value for Property, Plant and Equipment. Detailed in note 15 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 trusts provisions. These are set out in note 25.

- Determination of an appropriate value for the NHS foundation trusts defined benefit pension obligation (asset and Liability). This is set out in note 28.

Note 1.4 Sources of estimation uncertainty

The following are assumptions about the future and other major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Provisions
Provisions have been calculated having recognised an obligating event during the year and include estimates and assumptions relating to the carrying amounts and timing of anticipated payments. Other less significant areas of judgement and estimation techniques (e.g. depreciation and deferred income) have been disclosed in the Trust's accounting policies and in the notes to the financial statements, as required by the relevant IFRS.

Note 1.4 Sources of estimation uncertainty continued

Valuation assumptions for Property, Plant and Equipment (with Land and Building carrying assets of £77m as at 31st March 2020)

The Trust has not obtained an independent professional valuation report for 2019/20, but it should be noted that there may now be greater uncertainty in markets on which the full Land and Buildings revaluation obtained in 2018/19 was based.

The RICS guidance states "The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a "Global Pandemic" on 11 March 2020, has impacted global financial markets. Market activity is being impacted in many sectors. As at the Balance Sheet date, less emphasis can be placed on previous market evidence for comparison purposes to inform opinions of value. Indeed, the current response to COVID-19 means that professional valuers are faced with an unprecedented set of circumstances on which to base a judgement. Valuations are therefore being reported on the basis of 'material valuation uncertainty' as per VPS 3 and VPGA 10 of the RICS Red Book Global. Consequently, less certainty – and a higher degree of caution – should be attached to a valuation than would normally be the case.

Given the judgements explained above in preparing the 2019/20 financial statements, the Trust has not deviated from its existing accounting policy by obtaining an additional valuation to which a materiality uncertainty might be attached. For illustrative purposes, a 1% increase in the value of our Land and buildings would add approximately £0.8m to the statement of financial position and increase PDC dividends payable by £24k.

Of the £75.7m net book value of land and buildings subject to valuation in 2018/19, £66.1m relates to specialised assets valued on a depreciated replacement cost basis. Here the valuer bases their assessment on the cost to the Trust of replacing the service potential of the assets. The uncertainty explained above relates to the estimated cost of replacing the service potential, rather than the extent of the service. It is possible that the COVID-19 pandemic will affect the Trust's future assessment of what would be required in a modern equivalent asset, but as yet there is insufficient evidence to affect the assumptions used in the valuation.

Cheshire Pension Fund (CPF)

The NHS foundation trust became an admitted body to the CPF on the 1st January 2018. Full actuarial valuations of the fund are undertaken every 3 years, the latest being March 2019. In between full actuarial valuations, the assets and liabilities are updated at each year end using principal actuarial assumptions as at that date. An actuarial report is produced detailing the opening and closing assets and liabilities of the Trust share of the CPF. The principal actuarial assumptions used at 31st March 2020 and 31st March 2019 in measuring the present value of the defined benefit scheme liabilities are:

	31st March 2020	31st March 2019
	%p.a.	%p.a.
Pension Increase Rate	1.8	2.4
Salary Increase Rate	2.5	2.7
Discount Rate	2.3	2.5

Merseyside Pension Fund (MPF)

Following the TUPE transfer of staff from Wirral Borough Council on the 17th August 2018, The NHS foundation trust became an admitted body to the MPF. Like the CPF, full actuarial valuations of the fund are undertaken every 3 years, with the latest being March 2019. In between full actuarial valuations, the assets and liabilities are updated at each year end using principal actuarial assumptions as at that date. An actuarial report is produced detailing the opening and closing assets and liabilities of the Trust share of the MPF. The principal actuarial assumptions used at 31st March 2020 and 31st March 2019 in measuring the present value of the defined benefit scheme liabilities are:

	31st March 2020	31st March 2019
	%p.a.	%p.a.
Pension Increase Rate	2.2	2.3
Salary Increase Rate	3.6	3.7
Discount Rate	2.4	2.5

Note 1.5 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.

Nevexia Ltd

The NHS foundation trust created a subsidiary company in 2016/17 of which it has 100% stake. Nevexia Ltd has been set up to provide innovative care solutions. At the 31st March 2020 the Trust has not consolidated any of the financial statements of Nevexia Ltd on the grounds of materiality. Disclosure note 31 records the summary transactions for 2019/20.

Villicare LLP

The NHS foundation 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 2019/20. 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 NHS foundation trust includes within its financial statements its share of the assets, liabilities, income and expenses.

Note 1.6 Revenue from contracts with customers

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The GAM expands the definition of a contract to include legislation and regulations which enables an entity to receive cash or another financial asset that is not classified as a tax by the Office of National Statistics (ONS).

Revenue in respect of goods/services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust's entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received or receivable relates to a performance obligation that is to be satisfied in a future period, the income is deferred and recognised as a contract liability.

Upon satisfaction of a performance obligation, the NHS foundation trust will issue an invoice to be settled ordinarily with settlement terms of 30 days.

Revenue from NHS contracts

The main source of income for the Trust is contracts with commissioners for health care services. A performance obligation relating to delivery of a spell of health care is generally satisfied over time as healthcare is received and consumed simultaneously by the customer as the Trust performs it. The customer in such a contract is the commissioner, but the customer benefits as services are provided to their patient. Even where a contract could be broken down into separate performance obligations, healthcare generally aligns with paragraph 22(b) of the Standard entailing a delivery of a series of goods or services that are substantially the same and have a similar pattern of transfer. At the year end, the Trust accrues income relating to activity delivered in that year.

Provider sustainability fund (PSF)

The PSF enables providers to earn income linked to the achievement of financial controls and performance targets. Income earned from the funds is accounted for as variable consideration.

Note 1.7 Other forms of income

Disposal of non-current assets

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.

Grants

Government grants are grants from government bodies other than income from commissioners or trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure. Where the grants is used to fund capital expenditure, it is credited to the consolidated statement of comprehensive income once conditions attached to the grant have been met. Donations are treated in the same way as government grants.

Apprenticeship service income

The value of the benefit received when accessing funds from the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider from the Trust's Digital Apprenticeship Service (DAS) account held by the Department for Education, the corresponding notional expense is also recognised at the point of recognition for the benefit.

Note 1.8 Expenditure on employee benefits

Short-term employee benefits
Salaries, wages and employment-related payments such as social security costs and the apprenticeship levy 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 two NHS Pension Schemes. Both schemes are unfunded, defined benefit schemes that cover NHS employers, general practices and other bodies, allowed under the direction of Secretary of State for Health and Social Care in England and Wales. The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as though it is a defined contribution scheme: the cost to the trust is taken as equal to the employer's pension contributions payable to the scheme for the accounting period. The 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.

Local Government Pension Scheme

Some employees are members of the Local Government Pension Scheme which is a defined benefit pension scheme. The scheme assets and liabilities attributable to these employees can be identified and are recognised in the NHS foundation trust's accounts. The assets are measured at fair value, and the liabilities at the present value of future obligations.

The increase in the liability arising from pensionable service earned during the year is recognised within operating expenses. The net interest cost during the year arising from the unwinding of the discount on the net scheme liabilities is recognised within finance costs. Remeasurements of the defined benefit plan are recognised in the income and expenditure reserve and reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Note 1.9 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 1.10 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 lives.

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.

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.

Assets are measured subsequently at valuation. Assets which are held for their service potential and are in use (ie operational assets used to deliver either front line services or back office functions) are measured at their current value in existing use. Assets that were most recently held for their service potential but are surplus with no plan to bring them back into use are measured at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Revaluations of property, plant and equipment are performed with sufficient regularity (the latest being a full revaluation as at 31st March 2019) to ensure that carrying values are not materially different from those that would be determined at the end of the reporting period. Current values in existing use are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost on a modern equivalent asset basis.

For specialised assets, current value in existing use is interpreted as the present value of the asset's remaining service potential, which is assumed to be at least equal to the cost of replacing that service potential. Specialised assets are therefore valued at their depreciated replacement cost (DRC) on a modern equivalent asset (MEA) basis. An MEA basis assumes that the asset will be replaced with a modern asset of equivalent capacity and meeting the location requirements of the services being provided. Assets held at depreciated replacement cost are valued on an alternative site basis where this would meet the location requirements.
Valuation guidance issued by the Royal Institute of Chartered Surveyors states that valuations are performed net of VAT where the VAT is recoverable by the entity.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees. Assets are revalued and depreciation commences when the assets are brought into use.

IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful lives or low values or both, as this is not considered to be materially different from current value in existing use.

Note 1.10 Property, plant and equipment continued

Depreciation

Items of property, plant and equipment are depreciated over their remaining useful 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 which has been reclassified as 'held for sale' cease to be depreciated upon the 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 expenditure.

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 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 expenditure 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.

De-recognition

Assets intended for disposal are reclassified as 'held for sale' once all of the following criteria are met. The sale must be highly probable and the asset available for immediate sale in its present condition.

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 useful life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Note 1.10 Property, plant and equipment continued

Useful lives of property, plant and equipment

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

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

Finance-leased assets (including land) are depreciated over the shorter of the useful life or the lease term, unless the 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 1.11 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.

Amortisation

Intangible assets are amortised over their expected useful lives in a manner consistent with the consumption of economic or service delivery benefits.

Note 1.12 Inventories

Inventories are valued at the lower of cost and net realisable value. Inventories are charged to operating expenses in the Statement of Comprehensive Income, but are reviewed on an annual basis for any material change.

Note 1.13 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 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 trusts bank account belonging to patients.

Cash balances with Government Banking Service (GBS) are held with the Royal Bank of Scotland. Interest earned and interest charged on bank accounts is recorded as finance income and finance expenses respectively, in the Statement of Comprehensive Income in the year to which they relate. Bank charges are recorded as operating expenses in the year to which they relate. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

Note 1.14 Financial assets and financial liabilities

Recognition

Financial assets and financial liabilities arise where the Trust is party to the contractual provisions of a financial instrument, and as a result has a legal right to receive or a legal obligation to pay cash or another financial instrument. The GAM expands the definition of a contract to include legislation and regulations which give rise to arrangements that in all other respects would be a financial instrument and do not give rise to transactions classified as a tax by the Office for National Statistics (ONS).

This includes 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 and are recognised when, and to the extent which, performance occurs, ie, when receipt or delivery of the goods or services is made.

Classification and measurement

Financial assets and financial liabilities are initially measured at fair value plus or minus directly attributable transaction costs except where the asset or liability is not measured at fair value through income and expenditure. Fair value is taken as the transaction price, or otherwise determined by reference to quoted market prices or valuation techniques.

Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases described below.

Financial assets are classified as subsequently measured at amortised cost.

Financial liabilities are classified as subsequently measured at amortised cost.

Note 1.14 Financial assets and financial liabilities continued

Financial assets and financial liabilities at amortised cost

Financial assets and financial liabilities at amortised cost are those held with the objective of collecting contractual cash flows and where cash flows are solely payments of principal and interest. This includes cash equivalents, contract and other receivables, trade and other payables, rights and obligations under lease arrangements and loans receivable and payable.

After initial recognition, these financial assets and financial liabilities are measured at amortised cost using the effective interest method less any impairment (for financial assets). The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Interest revenue or expense is calculated by applying the effective interest rate to the gross carrying amount of a financial asset or amortised cost of a financial liability and recognised in the Statement of Comprehensive Income and a financing income or expense.

Impairment of financial assets

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets, the Trust recognises an allowance for expected credit losses.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

Losses are calculated based on a probability or weighting of them occurring within a defined period.
Smaller receivables balances may be linked or grouped by similar characteristics (i.e.: salary overpayments, prescriptions, etc.).

For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

Expected losses are charged to operating expenditure within the Statement of Comprehensive Income and reduce the net carrying value of the financial asset in the Statement of Financial Position.

Derecognition

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

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

Note 1.15 Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

The trust as a lessee

Finance leases

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

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

The annual rental charge 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

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially in other liabilities on the statement of financial position and subsequently as a reduction of rentals on a straight-line basis over the lease term. Contingent rentals are recognised as an expense in the period in which they are incurred.

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.

The trust as a lessor

Finance leases

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the trust's net investment outstanding in respect of the leases.

Operating leases

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Note 1.16 Provisions

The 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.

Early retirement provisions and injury benefit provisions both use the HM Treasury's pension discount rate of minus 0.5% in real terms.

Note 1.16 Provisions continued

Clinical negligence costs
NHS Resolution operates a risk pooling scheme under which the trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the trust is disclosed at note 25 but is not recognised in the Trust's accounts.

Non-clinical risk pooling
The trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the trust pays an annual contribution to NHS Resolution 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 1.17 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, where an inflow of economic benefits is probable.
Contingent liabilities are not recognised 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 1.18 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 organisation. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

The Secretary of State can issue new PDC to, and require repayments of PDC from, the trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the 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 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 and grant 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 and Social Care (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 calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

Note 1.19 Value added tax

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

Note 1.20 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 dis-apply 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 1.21 Foreign exchange

The functional and presentational currency of the trust is sterling.

A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction.

Note 1.22 Third party assets

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

Note 1.23 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 the trust not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

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 1.24 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2019/20.

Note 1.25 Standards, amendments and interpretations in issue but not yet effective or adopted

IFRS 16 Leases

IFRS 16 Leases will replace *IAS 17 Leases, IFRIC 4 Determining whether an arrangement contains a lease* and other interpretations and is applicable in the public sector for periods beginning 1 April 2021. The standard provides a single accounting model for lessees, recognising a right of use asset and obligation in the statement of financial position for most leases: some leases are exempt through application of practical expedients explained below. For those recognised in the statement of financial position the standard also requires the remeasurement of lease liabilities in specific circumstances after the commencement of the lease term. For lessors, the distinction between operating and finance leases will remain and the accounting will be largely unchanged.

IFRS 16 changes the definition of a lease compared to IAS 17 and IFRIC 4. The trust will apply this definition to new leases only and will grandfather its assessments made under the old standards of whether existing contracts contain a lease.

On transition to IFRS 16 on 1st April 2021, the trust will apply the standard retrospectively with the cumulative effect of initially applying the standard recognised in the income and expenditure reserve at that date. For existing operating leases with a remaining lease term of more than 12 months and an underlying asset value of at least £5,000, a lease liability will be recognised equal to the value of remaining lease payments discounted on transition at the trust's incremental borrowing rate which will be set by HM Treasury. Currently this is 1.27% and may change on adoption of the new standard. The related right of use asset will be measured equal to the lease liability adjusted for any prepaid or accrued lease payments. For existing peppercorn leases not classified as finance leases, a right of use asset will be measured at current value in existing use or fair value. The difference between the asset value and the calculated lease liability will be recognised in the income and expenditure reserve on transition. No adjustments will be made on 1st April 2021 for existing finance leases.

For leases commencing in 2021/22, the trust will not recognise a right of use asset or lease liability for short term leases (less than or equal to 12 months) or for leases of low value assets (less than £5,000). Right of use assets will be subsequently measured on a basis consistent with owned assets and depreciated over the length of the lease term.

HM Treasury revised the implementation date for IFRS 16 in the UK public sector to 1 April 2021 on 19 March 2020. Due to the need to reassess lease calculations, together with uncertainty on expected leasing activity in from April 2021 and beyond, a quantification of the expected impact of applying the standard in 2021/22 is currently impracticable. However, the trust does expect this standard to have a material impact on non-current assets, liabilities and depreciation

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 it is 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

All income from patient care activities relates to contract income recognised in line with accounting policy 1.6

Note 3.1 Income from patient care activities (by nature)	2019/20	2018/19
	£000	£000
Mental health services		
Cost and volume contract income	4,728	4,708
Block contract income	123,542	113,889
Clinical partnerships providing mandatory services (including S75 agreements)	7,803	7,124
Other clinical income from mandatory services	4,421	3,906
Community services		
Community services income from CCGs and NHS England	24,092	22,221
Income from other sources (e.g. local authorities)	6,427	6,450
All services		
Agenda for Change pay award central funding*		1,893
Additional pension contribution central funding**	6,026	
Other clinical income	2,286	1,049
Total income from activities	**179,325**	**161,240**

*Additional costs of the Agenda for Change pay reform in 2018/19 received central funding. From 2019/20 this funding is incorporated into tariff for individual services.

**The employer contribution rate for NHS pensions increased from 14.3% to 20.6% (excluding administration charge) from 1 April 2019. For 2019/20, NHS providers continued to pay over contributions at the former rate with the additional amount being paid over by NHS England on providers' behalf. The full cost and related funding have been recognised in these accounts.

Note 3.2 Income from patient care activities (by source)

	2019/20	2018/19
Income from patient care activities received from:	**£000**	**£000**
NHS England	21,897	14,685
Clinical commissioning groups	140,362	129,870
Department of Health and Social Care	-	1,893
Other NHS providers	1,253	276
Local authorities	14,095	13,454
Non NHS: other	1,718	1,062
Total income from activities	**179,325**	**161,240**

Note 4 Other operating income

	2019/20			2018/19		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total
	£000	£000	£000	£000	£000	£000
Research and development	238	-	**238**	255	-	**255**
Education and training	3,739	327	**4,066**	2,994	184	**3,178**
Non-patient care services to other bodies	1,584		**1,584**	1,846		**1,846**
Provider sustainability fund (PSF)	1,380		**1,380**	3,238		**3,238**
Income in respect of employee benefits accounted on a gross basis	985		**985**	896		**896**
Rental revenue from operating leases		110	**110**		61	**61**
Other income	400	-	**400**	812	-	**812**
Total other operating income	**8,326**	**437**	**8,763**	**10,041**	**245**	**10,286**

Note 5.1 Additional information on contract revenue (IFRS 15) recognised in the period

	2019/20	2018/19
	£000	£000
Revenue recognised in the reporting period that was included in contract liabilities at the previous period end	1,857	1,572

Note 5.2 Transaction price allocated to remaining performance obligations

The Trust has no disclosures to record under this heading

Note 5.3 Income from activities arising from commissioner requested services

Under the terms of its provider licence, 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 licence 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:

	2019/20	2018/19
	£000	£000
Income from services designated as commissioner requested services	176,412	158,526
Income from services not designated as commissioner requested services	2,914	2,714
Total	**179,326**	**161,240**

Note 5.4 Profits and losses on disposal of property, plant and equipment

During the financial year, the trust part disposed of land and buildings at the Ashton House site. The market value at the point of disposal was equal to the value of the sale proceeds received. This asset was surplus to requirements and has no effect on how the trust meets its obligations to commissioners.

Note 6.1 Fees and charges

HM Treasury requires disclosure of fees and charges income. The Trust has no disclosures to record under this heading.

Note 7.1 Operating expenses

	2019/20	2018/19
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	813	965
Purchase of healthcare from non-NHS and non-DHSC bodies	1,709	1,488
Staff and executive directors costs	150,138	134,106
Remuneration of non-executive directors	135	125
Supplies and services - clinical (excluding drugs costs)	2,128	2,067
Supplies and services - general	1,394	1,821
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	1,872	2,189
Consultancy costs	32	49
Establishment	1,281	1,706
Premises	10,064	8,321
Transport (including patient travel)	2,037	2,367
Depreciation on property, plant and equipment	2,250	1,871
Net impairments	2,341	4,490
Movement in credit loss allowance: contract receivables / contract assets	(6)	(79)
Movement in credit loss allowance: all other receivables and investments	50	46
Audit fees payable to the external auditor		
audit services- statutory audit	57	61
other auditor remuneration (external auditor only)	6	13
Internal audit costs	95	107
Clinical negligence	537	506
Legal fees	223	223
Insurance	337	332
Research and development	554	475
Education and training	2,817	2,372
Rentals under operating leases	2,719	2,508
Redundancy	(246)	(39)
Hospitality	3	2
Losses, ex gratia & special payments	115	24
Other services, eg external payroll	238	256
Other	2,970	2,817
Total	**186,663**	**171,189**

Note 7.2 Other auditor remuneration

	2019/20	2018/19
	£000	£000
Other auditor remuneration paid to the external auditor:		
Audit-related assurance services	6	13
Total	**6**	**13**

Note 7.3 Limitation on auditor's liability

The limitation on auditor's liability for external audit work is £2m (2018/19: £2m).

Note 8 Impairment of assets

	2019/20	2018/19
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Unforeseen obsolescence	2,341	4,490
Total net impairments charged to operating surplus / deficit	**2,341**	**4,490**
Impairments charged to the revaluation reserve	-	3,531
Total net impairments	**2,341**	**8,021**

The impairment shown in 2019/20 relates to the revaluation of land and buildings at the Ashton House site following the transfer from property, plant and equipment to assets held for sale. The change in valuation was informed by the District Valuer. Ashton House was subsequently disposed of at market value.

Note 9 Employee benefits

	2019/20 Total £000	2018/19 Total £000
Salaries and wages	116,308	110,230
Social security costs	10,518	9,945
Apprenticeship levy	559	530
Employer's contributions to NHS pensions	20,249	12,907
Pension cost - other	2,251	770
Termination benefits (note 1)	(246)	(39)
Temporary staff (including agency)	2,597	1,941
Total staff costs	**152,236**	**136,284**

Employee costs shown above are included within employee expenses for both executive directors and staff (£144.112m) plus a notional pension cost of 6.3% paid by NHSE on the providers behalf (6.026m), research (£0.545m), termination benefits (-£0.246m) and education & training (£1.799m)

Note 1 - This is a net reversal of a redundancy provision from 2018/19 (£0.544m) offset by a new cost in 2019/20 (£0.298m)

Note 9.1 Retirements due to ill-health

During 2019/20 there were 2 early retirements from the trust agreed on the grounds of ill-health (2 in the year ended 31 March 2019). The estimated additional pension liabilities of these ill-health retirements is £152k (£113k in 2018/19).

These estimated costs are calculated on an average basis and will be borne by the NHS Pension Scheme.

There are no director long term incentive schemes, other pension benefits, guarantees or advances to disclose for the financial year.

Note 10 Pension costs

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

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation
A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2020, is based on valuation data as at 31 March 2019, updated to 31 March 2020 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

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

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6%, and the Scheme Regulations were amended accordingly. For 2019/20, The actual pension contribution rate paid by the Trust was 14.3%. The increase in employer pension contributions of 6.3% was paid centrally by NHS England on behalf of all NHS provider organisations. For accounting purposes, the pension increase has been recorded in the Trust accounts as both notional income and notional expenditure.

The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap set following the 2012 valuation. Following a judgment from the Court of Appeal in December 2018 Government announced a pause to that part of the valuation process pending conclusion of the continuing legal process.

Note 11 Operating leases

Note 11.1 Cheshire and Wirral Partnership NHS Foundation Trust as a lessor

This note discloses income generated in operating lease agreements where Cheshire and Wirral Partnership NHS Foundation Trust is the lessor.

	2019/20	2018/19
	£000	£000
Operating lease revenue		
Minimum lease receipts	110	61
Total	**110**	**61**

	31 March 2020	31 March 2019
	£000	£000
Future minimum lease receipts due:		
- not later than one year;	110	61
Total	**110**	**61**

Note 11.2 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 is the lessee.
These primarily comprise leases for office equipment, premises and transport which are charged to operating expenses in note 9. No individual leases are considered significant for separate disclosure.

	2019/20	2018/19
	£000	£000
Operating lease expense		
Minimum lease payments	2,719	2,508
Total	**2,719**	**2,508**

	31 March 2020	31 March 2019
	£000	£000
Future minimum lease payments due:		
- not later than one year;	1,664	2,185
- later than one year and not later than five years;	1,650	3,061
- later than five years.	456	504
Total	**3,770**	**5,750**
Future minimum sublease payments to be received	-	-

Note 12 Finance income

Finance income represents interest received on assets and investments in the period.

	2019/20	2018/19
	£000	£000
Interest on bank accounts	159	118
Total finance income	**159**	**118**

Note 13.1 Finance expenditure

Finance expenditure represents interest and other charges involved in the borrowing of money or asset financing.

	2019/20	2018/19
	£000	£000
Interest expense:		
Finance leases	65	95
Total interest expense	**65**	**95**
Unwinding of discount on provisions	-	2
Total finance costs	**65**	**97**

Note 13.2 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015

The Trust has no disclosures to record under this heading.

Note 14 Other gains / (losses)

	2019/20	2018/19
	£000	£000
Gains on disposal of assets	30	-
Losses on disposal of assets	(32)	-
Total gains / (losses) on disposal of assets	**(2)**	**-**

Included within this figure is the disposal of surplus land relating to 2018/19 and the derecognition of property, plant and equipment. The disposal and derecognition are not considered material for separate disclosure.

Note 15.1 Property, plant and equipment - 2019/20

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2019 - brought forward	**7,473**	**66,826**	**-**	**1,956**	**1,033**	**176**	**3,338**	**793**	**81,595**
Additions	78	404	-	6,629	-	-	113	-	**7,224**
Impairments	(280)	(2,061)	-	-	-	-	-	-	**(2,341)**
Revaluations	-	(88)	-	-	-	-	-	-	**(88)**
Reclassifications	-	7,510	-	(7,510)	-	-	-	-	**-**
Transfers to / from assets held for sale	-	(1,162)	-	-	-	-	-	-	**(1,162)**
Disposals / derecognition	-	-	-	-	-	-	(24)	-	**(24)**
Valuation/gross cost at 31 March 2020	**7,271**	**71,429**	**-**	**1,075**	**1,033**	**176**	**3,427**	**793**	**85,204**
Accumulated depreciation at 1 April 2019 - brought forward	**-**	**-**	**-**	**-**	**807**	**143**	**2,207**	**512**	**3,669**
Provided during the year	-	1,744	-	-	114	9	335	48	**2,250**
Revaluations	-	(88)	-	-	-	-	-	-	**(88)**
Accumulated depreciation at 31 March 2020	**-**	**1,656**	**-**	**-**	**921**	**152**	**2,542**	**560**	**5,831**
Net book value at 31 March 2020	**7,271**	**69,773**	**-**	**1,075**	**112**	**24**	**885**	**233**	**79,373**
Net book value at 1 April 2019	**7,473**	**66,826**	**-**	**1,956**	**226**	**33**	**1,131**	**281**	**77,926**

Note 15.2 Property, plant and equipment - 2018/19

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2018 - as previously stated	**6,816**	**64,355**	**-**	**559**	**1,023**	**176**	**2,991**	**716**	**76,636**
Valuation / gross cost at 1 April 2018 - restated	**6,816**	**64,355**	**-**	**559**	**1,023**	**176**	**2,991**	**716**	**76,636**
Additions	-	302	-	1,397	10	-	347	77	**2,133**
Impairments	(337)	(7,684)	-	-	-	-	-	-	**(8,021)**
Revaluations	1,044	9,853	-	-	-	-	-	-	**10,897**
Transfers to / from assets held for sale	(50)	-	-	-	-	-	-	-	**(50)**
Valuation/gross cost at 31 March 2019	**7,473**	**66,826**	**-**	**1,956**	**1,033**	**176**	**3,338**	**793**	**81,595**
Accumulated depreciation at 1 April 2018 - as previously stated	**-**	**-**	**-**	**-**	**694**	**136**	**1,951**	**473**	**3,254**
Accumulated depreciation at 1 April 2018 - restated	**-**	**-**	**-**	**-**	**694**	**136**	**1,951**	**473**	**3,254**
Provided during the year	-	1,456	-	-	113	7	256	39	**1,871**
Revaluations	-	(1,456)	-	-	-	-	-	-	**(1,456)**
Accumulated depreciation at 31 March 2019	**-**	**-**	**-**	**-**	**807**	**143**	**2,207**	**512**	**3,669**
Net book value at 31 March 2019	**7,473**	**66,826**	**-**	**1,956**	**226**	**33**	**1,131**	**281**	**77,926**
Net book value at 1 April 2018	**6,816**	**64,355**	**-**	**559**	**329**	**40**	**1,040**	**243**	**73,382**

Note 15.3 Property, plant and equipment financing - 2019/20

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2020									
Owned - purchased	7,271	69,773	-	1,075	112	24	645	233	**79,133**
Finance leased	-	-	-	-	-	-	240	-	**240**
NBV total at 31 March 2020	**7,271**	**69,773**	**-**	**1,075**	**112**	**24**	**885**	**233**	**79,373**

Note 15.4 Property, plant and equipment financing - 2018/19

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2019									
Owned - purchased	7,473	66,826	-	1,956	226	33	758	281	**77,553**
Finance leased	-	-	-	-	-	-	373	-	**373**
NBV total at 31 March 2019	**7,473**	**66,826**	**-**	**1,956**	**226**	**33**	**1,131**	**281**	**77,926**

Note 16 Revaluations of property, plant and equipment

As disclosed in note 1.4 ('Sources of estimation uncertainty'), having commissioned a full revaluation of its land and building assets in 2018/19, despite the impact of COVID-19 on markets, the trust has not commissioned a revaluation of land and buildings in 2019/20. The trust valuers have confirmed that the impact of COVID-19 has had no impact on the valuation obtained in 2018/19.

Note 17 Other investments

	2019/20	2018/19
	£000	£000
Carrying value at 1 April	**1**	**1**
Carrying value at 31 March	**1**	**1**

Note 17.1 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 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 2019/20

	2019/20 Current Assets £'000	2019/20 Current Liabilities £'000	2019/20 Income £'000	2019/20 Expenditure £'000
Villicare LLP - Consisting of:				
Cheshire and Wirral Partnership NHS FT	2	1	0	0
Ryhurst Ltd	2	1	0	0
Total	**4**	**2**	**0**	**0**

Related Party Transactions 2018/19

	2018/19 Current Assets £'000	2018/19 Current Liabilities £'000	2018/19 Income £'000	2018/19 Expenditure £'000
Villicare LLP - Consisting of:				
Cheshire and Wirral Partnership NHS FT	2	1	0	(2)
Ryhurst Ltd	2	1	0	(2)
Total*	**3**	**1**	**0**	**(3)**

* Differences due to roundings

Note 17.2 Subsidiaries

Nevexia Limited was incorporated with Companies House in 2017. The nature of the Business is to provide innovative healthcare products. The Trust's equity shareholding at the 31st March 2020 was £1 (one pound).

The Registered Address for Nevexia Ltd is Redesmere, COCH Health Park, Liverpool Road, Chester CH2 1BQ.

Cheshire and Wirral Partnership NHS Foundation Trust has a 100% shareholding in Nevexia Ltd. Its Board comprises of two Directors who are also Executive Directors of Cheshire and Wirral Partnership NHS Foundation Trust.

Note 18.1 Receivables

	31 March 2020	31 March 2019
	£000	£000
Current		
Contract receivables	4,437	7,050
Allowance for impaired contract receivables / assets	(33)	(39)
Allowance for other impaired receivables	(71)	(37)
Prepayments (non-PFI)	1,152	1,238
Interest receivable	5	12
PDC dividend receivable	-	84
VAT receivable	138	96
Other receivables	99	141
Total current receivables	**5,727**	**8,545**
Of which receivable from NHS and DHSC group bodies:		
Current	3,529	5,977

There were no non-current trade and other receivables.

Note 18.2 Allowances for credit losses

	2019/20		2018/19	
	Contract receivables and contract assets	All other receivables	Contract receivables and contract assets	All other receivables
	£000	£000	£000	£000
Allowances as at 1 April - brought forward	**39**	**37**	**-**	**118**
Impact of implementing IFRS 9 (and IFRS 15) on 1 April 2018			118	(118)
Allowances at start of period for new FTs	**-**	**-**	-	-
New allowances arising	8	113	-	57
Reversals of allowances	(14)	(63)	(79)	(11)
Utilisation of allowances (write offs)	-	(16)	-	(9)
Allowances as at 31 Mar 2020	**33**	**71**	**39**	**37**

Note 19 Non-current assets held for sale and assets in disposal groups

	2019/20	2018/19
	£000	£000
At start of period for new FTs	**-**	**-**
Assets classified as available for sale in the year	1,162	50
Assets sold in year	(1,162)	(50)
NBV of non-current assets for sale and assets in disposal groups at 31 March	**-**	**-**

During the financial year, the trust part disposed of land and buildings at the Ashton House site. The market value at

Note 20.1 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.

	2019/20	2018/19
	£000	£000
At 1 April	**18,268**	**12,923**
Net change in year	2,969	5,345
At 31 March	**21,237**	**18,268**
Broken down into:		
Cash at commercial banks and in hand	1,754	206
Cash with the Government Banking Service	19,483	18,062
Total cash and cash equivalents as in SoFP	**21,237**	**18,268**
Total cash and cash equivalents as in SoCF	**21,237**	**18,268**

Note 20.2 Third party assets held by the trust

Cheshire and Wirral Partnership NHS Foundation Trust held cash and cash equivalents which relate to monies held by the Trust on behalf of patients or other parties and in which the trust has no beneficial interest. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	31 March 2020	31 March 2019
	£000	£000
Bank balances	14	19
Total third party assets	**14**	**19**

Note 21 Trade and other payables

	2020	2019
	£000	£000
Current		
Trade payables	4,166	5,781
Capital payables	240	742
Accruals	8,167	7,659
Social security costs	2,817	2,686
PDC dividend payable	61	-
Other payables	1,611	1,458
Total current trade and other payables	**17,062**	**18,326**
Of which payables from NHS and DHSC group bodies:		
Current	3,531	3,239

There were no non current trade and other payables

Note 22 Other liabilities

	31 March 2020 £000	31 March 2019 £000
Current		
Deferred income: contract liabilities	3,759	2,437
Total other current liabilities	**3,759**	**2,437**
Non-current		
Net pension scheme liability	7,179	8,590
Total other non-current liabilities	**7,179**	**8,590**

Note 23.1 Borrowings

	31 March 2020 £000	31 March 2019 £000
Current		
Obligations under finance leases	80	133
Total current borrowings	**80**	**133**
Non-current		
Obligations under finance leases	159	286
Total non-current borrowings	**159**	**286**

Note 23.2 Reconciliation of liabilities arising from financing activities - 2019/20

	Finance leases	Total
	£000	£000
Carrying value at 1 April 2019	**419**	**419**
Cash movements:		
Financing cash flows - payments and receipts of principal	(180)	**(180)**
Financing cash flows - payments of interest	(65)	**(65)**
Non-cash movements:		
Application of effective interest rate	65	**65**
Carrying value at 31 March 2020	**239**	**239**

Note 23.3 Reconciliation of liabilities arising from financing activities - 2018/19

	Finance leases	Total
	£000	£000
Carrying value at 1 April 2018	**521**	**521**
Cash movements:		
Financing cash flows - payments and receipts of principal	(102)	**(102)**
Financing cash flows - payments of interest	(95)	**(95)**
Non-cash movements:		
Application of effective interest rate	95	**95**
Carrying value at 31 March 2019	**419**	**419**

Note 24 Finance leases

Note 24.1 Cheshire and Wirral Partnership NHS Foundation Trust as a lessee

Obligations under finance leases where the trust is the lessee.

	2020	2019
	£000	£000
Gross lease liabilities	**249**	**509**
of which liabilities are due:		
- not later than one year;	85	198
- later than one year and not later than five years;	164	311
Finance charges allocated to future periods	(10)	(90)
Net lease liabilities	**239**	**419**
of which payable:		
- not later than one year;	80	133
- later than one year and not later than five years;	159	286

Finance lease liabilities at the 31st March relate to a data centre. The lease obligation will end in 2022/23.

Note 25.1 Provisions for liabilities and charges analysis

	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Re-structuring	Equal Pay (including Agenda for Change)	Redundancy	Other	Total
	£000	£000	£000	£000	£000	£000	£000	£000
At 1 April 2019	**714**	**-**	**88**	**950**	**-**	**-**	**612**	**2,364**
Arising during the year	**-**	**-**	**94**	**224**	**-**	**-**	**-**	**318**
Utilised during the year	(56)	-	(29)	(304)	-	-	2	**(387)**
Reversed unused	**-**	**-**	**-**	**(386)**	**-**	**-**	**-**	**(386)**
At 31 March 2020	**658**	**-**	**153**	**484**	**-**	**-**	**614**	**1,909**
Expected timing of cash flows:								
- not later than one year;	56	-	153	484	-	-	**614**	**1,307**
- later than one year and not later than five years;	602	-	-	-	-	-	**-**	**602**
Total	**658**	**-**	**153**	**484**	**-**	**-**	**614**	**1,909**

The provision for pensions is based on actuarial estimates provided by the NHS Business Services Authority - Pensions Division.

The provision for legal claims is based on information provided by the NHS foundation trust's solicitors and the NHS Resolution (NHSR) and largely relates to excesses that are expected to be paid. Settlement of these claims is generally anticipated to be within one year.

Note 25.2 Clinical negligence liabilities

At 31 March 2020, £2,415k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Cheshire and Wirral Partnership NHS Foundation Trust (31 March 2019: £978k).

Note 26 Contingent assets and liabilities

	31 March 2020	31 March 2019
	£000	£000
Value of contingent liabilities		
NHS Resolution legal claims	(98)	(70)
Gross value of contingent liabilities	**(98)**	**(70)**
Net value of contingent liabilities	**(98)**	**(70)**

NHSR legal claims relate to a number of outstanding non clinical claims against the trust at 31st March. The calculation is the NHSR estimate of settlement based on the balance of probability. The timing of cash flows is expected to be in 2020/21.

Note 27 Contractual capital commitments

	31 March 2020	31 March 2019
	£000	£000
Property, plant and equipment	217	1,411
Total	**217**	**1,411**

Note 28 Defined benefit pension schemes

Staff who transferred from Cheshire West and Chester Council to the trust on 1st January 2018 have remained members of the Cheshire Pension Fund (CPF). Details of this scheme can be obtained from the CPF, Cheshire West and Chester Council, Council Offices, 4 Civic Way, Ellesmere Port, CH65 0BE. Staff who transferred from Wirral Borough Council on the 17th August 2018 have also remained members of the Merseyside Pension Fund (MPF). Details of this scheme can be obtained from MPF, Wirral Borough Council, Castle Chambers, Liverpool, Merseyside, L2 9SH. Both schemes are members of the Local Government Pension Scheme (LGPS).

Details of the trust assets and liabilities as a member of both CPF and MPF schemes have been calculated by independent actuaries Hyman Robertson LLP and Mercer Ltd respectively. Full actuarial reports for the full CPF and MPF were produced as at March 2020.

The funds within the LGPS are multi-employer schemes and each employer's share of the underlying assets and liabilities can be identified. Hence a defined benefit accounting approach is followed. Both schemes have a full actuarial valuation at intervals not exceeding three years. In between the full actuarial valuations, the assets and liabilities are updated at each year end, using the principal actuarial assumptions at that date. The full disclosure requirements of IAS19 Employee Benefits are given in notes 28.1 to 28.4 on pages 126 and 127.

The pension scheme assets are measured using market value. Pension scheme liabilities are measured using the projected unit actuarial method and are discounted at the current rate of return on a high quality corporate bond of equivalent terms and currency to the liability. The increase in the present value of the liabilities of the defined benefit pension scheme expected to arise from employee service in the period is charged to operating expenses.

The expected return on the scheme assets and the increase during the year in the present value of the schemes' liabilities arising from the passage of time are included in other finance costs.

Actuarial gains and losses are recognised within retained earnings in the Statement of Changes in Taxpayers' Equity and in Other Comprehensive Income.

Note 28.1 Actuarial Assumptions

The main actuarial assumptions used at the date of the statement of financial position in measuring the present value of defined benefit scheme liabilities are:

	31st Mar 2020 %	31st Mar 2019 %
Cheshire Pension Fund		
Increase in pensions	1.8	2.4
Increase in salaries	2.5	2.7
Discount rate	2.3	2.5
Merseyside Pension Fund		
Increase in pensions	2.2	2.3
Increase in salaries	3.6	3.7
Discount rate	2.4	2.5

The current life expectancies at age 65 underlying the accrued liabilities for the scheme are:

	31st Mar 2020 %	31st Mar 2019 %
Cheshire Pension Fund		
Non retired member - Male (aged 65 in 20 years time)	21.9	23.9
Non retired member - Female (aged 65 in 20 years time)	25	26.5
Retired member - Male	21.2	22.3
Retired member - Female	23.6	24.5
Merseyside Pension Fund		
Non retired member - Male (aged 65 in 20 years time)	22.5	25.2
Non retired member - Female (aged 65 in 20 years time)	25.9	27.9
Retired member - Male	20.9	22.2
Retired member - Female	24.0	25.0

The fair value of the schemes assets and liabilities recognised in the balance sheet were as follows:

	31st Mar 2020 %	31st Mar 2019 %
Cheshire Pension Fund		
Equities	39	45
Bonds	49	45
Property	9	8
Cash/Other	3	2
Total	**100**	**100**
Merseyside Pension Fund		
Equities	41	49
Bonds	29	16
Property	7	10
Cash/Other	22	25
Total	**100**	**100**

The sensitivities regarding the principal assumptions used to measure the scheme liabilities and the resulting monetary change in obligation are as follows:

	31st Mar 2020 %	31st Mar 2020 £000	31st Mar 2019 %	31st Mar 2019 £000
Cheshire Pension Fund				
Increase in Real Discount Rate	0.5	269	0.5	306
Increase in Salary Increase Rate	0.5	44	0.5	62
Increase in Pension Increase Rate (CPI)	0.5	222	0.5	239

	31st Mar 2020 %	31st Mar 2020 £000	31st Mar 2019 %	31st Mar 2019 £000
Merseyside Pension Fund				
Increase in Real Discount Rate	0.1	(443)	0.1	(504)
Increase in Salary Increase Rate	0.1	132	0.1	142
Increase in Pension Increase Rate (CPI)	0.1	453	0.1	515

Note 1: The sensitivity percentage rates are supplied by individual actuaries

Note 28.2 Changes in the defined benefit obligation and fair value of plan assets during the year

	2019/20	2018/19
	£000	£000
Present value of the defined benefit obligation at 1 April	**(25,211)**	**(1,466)**
Transfers by absorption	-	(19,725)
Current service cost	(1,213)	(640)
Interest cost	(646)	(376)
Contribution by plan participants	(234)	(142)
Remeasurement of the net defined benefit (liability) / asset:		
- Actuarial (gains) / losses	4,557	(2,862)
Benefits paid	270	-
Past service costs	(647)	-
Present value of the defined benefit obligation at 31 March	**(23,124)**	**(25,211)**
Plan assets at fair value at 1 April	**16,621**	**1,205**
Transfers by normal absorption	-	14,748
Interest income	424	279
Remeasurement of the net defined benefit (liability) / asset:		
- Return on plan assets	-	67
- Actuarial (losses)	(1,807)	(283)
Contributions by the employer	743	463
Contributions by the plan participants	234	142
Benefits paid	(270)	-
Plan assets at fair value at 31 March	**15,945**	**16,621**
Plan (deficit) at 31 March	**(7,179)**	**(8,590)**

Note 28.3 Reconciliation of the present value of the defined benefit obligation and the present value of the plan assets to the assets and liabilities recognised in the balance sheet

	31 March 2020	31 March 2019
	£000	£000
Present value of the defined benefit obligation	(23,124)	(25,211)
Plan assets at fair value	15,945	16,621
Net defined (obligation)	**(7,179)**	**(8,590)**
Net (liability)	**(7,179)**	**(8,590)**
of which:		
Cheshire Pension Fund	(1,613)	(1,833)
Merseyside Pension Fund	(21,511)	(23,378)
Present value of the defined benefit obligation at 31 March	**(23,124)**	**(25,211)**
Cheshire Pension Fund	1,611	1,463
Merseyside Pension Fund	14,334	15,158
Plan assets at fair value at 31 March	**15,945**	**16,621**

Note 28.4 Amounts recognised in the SoCI

	2019/20	2018/19
	£000	£000
Current service cost	(1,213)	(640)
Interest expense / income	(222)	(97)
Past service cost	(647)	-
Total net (charge) recognised in SOCI	**(2,082)**	**(737)**

Note 29 Financial instruments

Note 29.1 Financial risk management

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.

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 £25.812m. 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, 1.24% of income is from non-NHS customers.

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 NHSI, 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 29.2 Carrying values of financial assets

Carrying values of financial assets as at 31 March 2020	Held at amortised cost	Total book value
	£000	£000
Trade and other receivables excluding non financial assets	4,437	**4,437**
Other investments / financial assets	1	**1**
Cash and cash equivalents	21,237	**21,237**
Total at 31 March 2020	**25,675**	**25,675**

Carrying values of financial assets as at 31 March 2019	Held at amortised cost	Total book value
	£000	£000
Trade and other receivables excluding non financial assets	7,126	**7,126**
Other investments / financial assets	1	**1**
Cash and cash equivalents	18,268	**18,268**
Total at 31 March 2019	**25,395**	**25,395**

Note 29.3 Carrying values of financial liabilities

Carrying values of financial liabilities as at 31 March 2020	Held at amortised cost	Total book value
	£000	£000
Obligations under finance leases	239	**239**
Trade and other payables excluding non financial liabilities	14,174	**14,174**
Total at 31 March 2020	**14,413**	**14,413**

Carrying values of financial liabilities as at 31 March 2019	Held at amortised cost	Total book value
	£000	£000
Obligations under finance leases	419	**419**
Trade and other payables excluding non financial liabilities	15,506	**15,506**
Total at 31 March 2019	**15,925**	**15,925**

Note 29.4 Maturity of financial liabilities

	31 March 2020 £000	31 March 2019 £000
In one year or less	14,253	15,765
In more than one year but not more than two years	160	160
Total	**14,413**	**15,925**

Note 29.5 Fair values of financial assets and liabilities

Book value (carrying value) is a reasonable approximation of fair value.

Note 30 Losses and special payments

	2019/20		2018/19	
	Total number of cases Number	Total value of cases £000	Total number of cases Number	Total value of cases £000
Losses				
Cash losses	1	-	-	-
Bad debts and claims abandoned	8	(174)	8	(156)
Stores losses and damage to property	44	7	141	23
Total losses	**53**	**(167)**	**149**	**(133)**
Special payments				
Ex-gratia payments	15	96	15	14
Total special payments	**15**	**96**	**15**	**14**
Total losses and special payments	**68**	**(71)**	**164**	**(119)**
Compensation payments received				-

Note 31 Related Parties

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 2020

Name of Related Party	Relationship / Reason for Disclosure	Income £000	Expenditure £000	Receivables £000	Payables £000
Ancora House	Board of Directors	**33**	**0**	**0**	**0**
Care Quality Commission	Member of Council of Governors	**0**	**118**	**0**	**0**
Cheshire East Unitary Authority	Member of Council of Governors	**640**	**91**	**0**	**14**
Cheshire West and Chester Unitary Authority	Member of Council of Governors	**6,449**	**2,171**	**135**	**147**
Comprehensive Local Research Network (CLRN)	Commissioner	**238**	**0**	**0**	**0**
Crewe and Nantwich Open Minds Mental Health Forum	Member of Council of Governors	**0**	**1**	**0**	**1**
Health Education England (North West Board)	Commissioner	**3,503**	**0**	**104**	**542**
Liverpool John Moore's University	Member of Council of Governors	**40**	**2**	**20**	**2**
Mental Health and Learning Disabilities Nurse Directors and Leads Forum	Board of Directors	**0**	**1**	**0**	**1**
Nevexia Ltd	Board of Directors	**0**	**0**	**20**	**0**
NHS Bolton CCG	Commissioner	**397**	**0**	**2**	**0**
NHS East Lancashire CCG	Commissioner	**2**	**0**	**0**	**0**
NHS Eastern Cheshire CCG	Commissioner	**15,954**	**29**	**3**	**138**
NHS England	Commissioner	**17,428**	**23**	**647**	**259**
NHS Halton CCG	Commissioner	**116**	**0**	**1**	**0**
NHS Liverpool CCG	Commissioner	**691**	**0**	**81**	**381**
NHS North West Leadership Academy	Board of Directors	**16**	**9**	**0**	**0**
NHS North Staffordshire CCG	Commissioner	**54**	**0**	**0**	**0**
NHS South Cheshire CCG	Commissioner	**16,202**	**0**	**520**	**141**
NHS South Sefton CCG	Commissioner	**1,646**	**0**	**24**	**0**
NHS Southport and Formby CCG	Commissioner	**1,175**	**0**	**3**	**0**
NHS Stockport CCG	Commissioner	**443**	**0**	**5**	**0**
NHS Trafford CCG	Commissioner	**273**	**0**	**0**	**0**
NHS Vale Royal CCG	Commissioner	**10,225**	**0**	**0**	**92**
NHS Warrington CCG	Commissioner	**419**	**0**	**0**	**1**
NHS West Cheshire CCG	Member of Council of Governors	**52,338**	**122**	**873**	**569**
NHS Wirral CCG	Member of Council of Governors	**38,282**	**20**	**-409**	**862**
Royal College of Psychiatrists	Member of Council of Governors	**0**	**18**	**0**	**25**
University of Chester	Board of Directors	**4**	**225**	**0**	**227**
University of Lancaster	Board of Directors	**0**	**9**	**0**	**9**
University of Liverpool	Member of Council of Governors	**23**	**91**	**9**	**91**
Vernova CIC	Board of Directors	**0**	**30**	**0**	**30**
Wirral Borough Council	Member of Council of Governors	**5,878**	**184**	**558**	**57**

Note 1 - Payments made to the key decision makers within the organisation are disclosed in the Remuneration table which is shown on pages 50 to 53 of the Annual Report

Note 2 - The main entities within the public sector with which Cheshire & Wirral Partnership NHS Foundation Trust has had dealings with during the year include the 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 Resolution, NHS Pensions Agency, Royal Liverpool and Broadgreen University Hospitals, The Clatterbridge Centre NHS Foundation Trust, The Walton Centre, 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 and Social Care (DHSC) as the parent department. Cheshire & Wirral Partnership NHS Foundation received £53,361 from DHSC for the year ending 31st March 2020.

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 2019/20 was £29,154 and its net assets were £227,406. The Trust provides a financial administration service for the charity for which the charity paid £2,930 in 2019/20. An annual report and audited accounts of the Trust's charity (covering the period reported in these accounts) will be available from 31 January 2021 and may be accessed via the Charity Commission website at www.charity-commission.gov.uk

Note 31.1 Related parties

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 2019

Name of Related Party	Relationship / Reason for Disclosure	Income £000	Expenditure £000	Receivables £000	Payables £000
Ancora House	Board of Directors	1	0	1	0
Care Quality Commission	Member of Council of Governors	0	114	0	0
Cheshire East Unitary Authority	Member of Council of Governors	2,020	75	50	16
Cheshire West and Chester Unitary Authority	Member of Council of Governors	6,544	108	707	148
Comprehensive Local Research Network (CLRN)	Commissioner	255	0	0	0
Health Education England (North West Board)	Commissioner	2,944	6	14	226
Liverpool John Moore's University	Member of Council of Governors	0	1	0	0
Mental Health and Learning Disabilities Nurse Directors and Leads Forum	Board of Directors	0	1	0	1
Nevexia Ltd	Board of Directors	0	0	40	0
NHS Bolton CCG	Commissioner	472	0	22	0
NHS East Lancashire CCG	Commissioner	3	0	1	0
NHS Eastern Cheshire CCG	Commissioner	15,417	31	29	9
NHS England	Commissioner	18,083	2	10	502
NHS Halton CCG	Commissioner	110	0	18	0
NHS Liverpool CCG	Commissioner	997	0	31	586
NHS North Staffordshire CCG	Commissioner	59	0	16	0
NHS North West Leadership Academy	Board of Directors	31	9	0	0
NHS South Cheshire CCG	Commissioner	14,538	0	236	113
NHS South Sefton CCG	Commissioner	1,505	0	2	0
NHS Southport and Formby CCG	Commissioner	1,089	0	1	0
NHS Stockport CCG	Commissioner	344	0	2	0
NHS Trafford CCG	Commissioner	258	0	0	56
NHS Vale Royal CCG	Commissioner	8,669	0	53	0
NHS Warrington CCG	Commissioner	443	0	50	0
NHS West Cheshire CCG	Member of Council of Governors	49,375	157	1,055	491
NHS Wirral CCG	Member of Council of Governors	34,612	0	831	83
Royal College of Psychiatrists	Member of Council of Governors	0	48	0	4
The Walton Centre NHS Foundation Trust	Board of Directors	14	0	0	0
University of Chester	Member of Council of Governors	4	12	1	4
University of Liverpool	Member of Council of Governors	23	82	7	0
Villicare LLP	Board of Directors	0	10	0	0
Wirral Borough Council	Member of Council of Governors	3,885	340	126	0

Note 1 - Payments made to the key decision makers within the organisation are disclosed in the Remuneration table which is shown on pages 49 to 52 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 Resolution, 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 and Social Care (DHSC) as the parent department. Cheshire & Wirral Partnership NHS Foundation received £1,913k from DHSC for the year ending 31st March 2019.

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 2018/19 was £40,683 and its net assets were £264,613. The Trust provides a financial administration service for the charity for which the charity paid £2,930 in 2018/19. An annual report and audited accounts of the Trust's charity (covering the period reported in these accounts) will be available from 31 January 2020 and may be accessed via the Charity Commission website at www.charity-commission.gov.uk

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