

Annual Report and Accounts 2020/21

1 April 2020 – 31 March 2021



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



Cheshire and Wirral Partnership NHS Foundation Trust

Annual Report and Accounts 2020-21

1st April 2020 to 31st March 2021

**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 2020/21. In this publication you can read all about our performance and key 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 the past 12 months. Due to the COVID-19 pandemic, this year has been incredibly challenging for us all, yet our staff have gone above and beyond their duties to continue to support and care for people accessing Cheshire and Wirral Partnership (CWP) NHS Foundation Trust services and their loved ones.

We would personally like to thank every member of #TeamCWP - including our volunteers, members and governors - for their hard work, bravery, commitment and adaptability 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.

The creativity and adaptability shown by colleagues over the last year has been truly humbling. Throughout the pandemic we've seen so many examples of innovation and quality improvement, which hopefully you will get a flavour from this year's Annual Report. One example we are very proud of is our new 24/7 urgent mental health helpline for residents of Cheshire West, Cheshire East and Wirral. The helpline is part of the NHS Long Term Plan to improve access to mental health support and was fast-tracked to be available to support local people during the pandemic, supporting over 40,000 calls from people in need.

As the COVID-19 vaccinations rolled out, the Trust transformed its training centre on the Countess of Chester Health Park, Churton House, into a vaccination hub before taking the operational lead for the mass vaccination centre at Chester Racecourse. Since opening, the centre has been recognised as an example of excellent partnership working to complement existing GP-led, hospital hubs and pharmacy-led vaccination services across Cheshire. We are extremely grateful to all the NHS staff and volunteers, including colleagues from Cheshire Fire and Rescue and St John Ambulance who worked tirelessly to support people to get their vaccine in a safe and efficient way.

The past 12 months have also seen other exciting new partnerships, including a collaboration with Healthbox Community Interest Company (CIC) and Insight Improving Access to Psychological Therapies (IAPT) to provide mental health and wellbeing support to key workers across Cheshire and Wirral, together with a new partnership with Birkenhead-based community organisation JourneyMEN to improve mental health services for men across Wirral.

We were also delighted that in partnership with NHS Cheshire Clinical Commissioning Group, CWP was recognised as the winner of the Mental Health Service Redesign Initiative at the Health Service Journal Value Awards 2020. The award was given for working to improve specialist mental health services for local people in Cheshire following a significant service reconfiguration.

Another key milestone for CWP was maintaining the Care Quality Commission (CQC) 'Outstanding for Caring' rating, alongside an overall rating of 'Good'. We are extremely proud that CWP remains the only trust across Cheshire and Wirral with 'Outstanding for Caring' overall; and the only mental and community health services trust in the North West to be Outstanding for Caring overall.

In June we welcomed our brand-new Wirral Continuing Healthcare (CHC) colleagues to #TeamCWP to deliver assessment and commissioning of appropriate care packages, case management and review of people who require an individually commissioned package of care in Wirral. This includes funded nursing care, specialist learning disabilities, palliative care and other complex care packages. Delivering this service has enabled us to build on the established All Age Disability and Mental Health service so that together we can improve our offer for people with continuing health care and complex needs to achieve a fully integrated all age service for Wirral residents.

More than 300 delegates came together in March for the 2021 virtual Centre for Autism, Neuro-Developmental Disorders and Intellectual Disability (CANDDID) conference with experts in Attention Deficit Hyperactivity Disorder (ADHD) and other neuro-developmental disorders presenting on a range of topics. This was our second conference, after the 2020 conference was unfortunately cancelled due to the COVID-19 pandemic. The first one was in 2019 with a focus on autism. Putting together a virtual conference was an incredible effort from all involved.

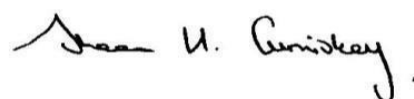
During this year we were also delighted that two of our staff won awards for their outstanding contributions to the NHS. Deepak Agnihotri, a Trainee Advanced Clinical Practitioner and Physiotherapist won a Royal College of Nursing award for his contribution to the equality, diversity and inclusion agenda and the experience of Black, Asian and Minority Ethnic (BAME) service users and staff across the health and social care sector. Tracey Hartley-Smith, Clinical Lead for Children and Young People's Learning Disability Services in Wirral, won the prestigious title of Queen's Nurse in recognition for her commitment to improving patient care and nursing practice.

We look forward to the year ahead and would like to reiterate our thanks to everyone at CWP - our staff; our governors; our volunteers and involvement representatives for overcoming challenges presented by COVID-19 and continuing 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 three years since I was appointed Lead Governor at CWP and I continue to thoroughly enjoy the role. I am truly honoured to be a part of #TeamCWP and feel tremendously proud of how the Trust has conducted itself in the face of immense challenges over the past 12 months.

The COVID-19 pandemic may have begun in the last reporting year; however, its effect has been felt throughout the past 12 months and will continue to do so for many months more. New ways of working have become the norm in many sectors and health services have had to adapt more than most. At CWP our commitment to helping people to be the best they can be has endured, despite the uncertainty that many of us have felt in 2020.

A little over a year ago, words and phrases like 'lockdown', 'social distancing', and 'outbreaks' were not commonly used in everyday language, face masks weren't worn every time we stepped out of our front door, and we celebrated being together socially - rather than avoiding it to protect the ones we love, our friends, neighbours and wider society.

It is difficult to measure the impact the last year has had on us all, but what I can say with certainty is that the NHS, social care colleagues, the third sector and countless volunteers and 'good neighbours' nationwide have responded with admirable courage, commitment and compassion that makes me feel very humble and very proud to be Lead Governor of an NHS trust during this time.

I would like to extend my own thanks to our NHS heroes across the UK, for their incredible work, but especially here at CWP.

The year has seen us establish a brand-new service for the Trust aimed at helping some of the most vulnerable in society. The 24/7 all-age urgent mental health crisis line launched in April 2020 and celebrates one year of operation in April 2021. A free service that is open to all residents of Cheshire West and Chester, Cheshire East and Wirral, including children, it provides a vital pathway into mental health services for those who need it most. Given the challenges we have all faced through the pandemic, it is hugely important.

All of our people have played their part. It is a source of great pride for me that I can have a supporting role in such endeavours.

For my part, I have continued in my role to provide our wider members with a voice and to ensure that engagement with our members has been maintained. We continued to be provided with regular updates, despite the opportunity for face-to-face communication for the membership as a whole being curtailed.

Our Annual Members Meeting was an example of this. Despite the logistical challenges, we were still able to be a part of a wonderful online event where the progress of the Trust was dutifully recognised. In addition, our usual yearly Best Practice event had to be cancelled and an alternative platform introduced to share best practice across the Trust and beyond. To do this, we

published a pandemic specific 'Little Book of COVID Best Practice' which is available for stakeholders and members of the public to view on our website.

It would be remiss of me to not bid a fond farewell to a number of Governors who have moved on from #TeamCWP. I would like to thank Derek Bosomworth, Elizabeth Bott, Martin Curran, Philip Mook, Jacqueline McGhee and Nigel Richardson and for their dedication and service during their time with us.

I am delighted to welcome Kevin Bradburne, Roy Cartlidge, Councillor Gareth Gould, Beverley Greenwood, Lisa Hulmes, Alice Smith, Paul Taylor, Gill Thompson, Robert Walker and Jennette Wilne, who are the latest Governors to join our fantastic team.

We are also pleased to welcome back Richard Agar, Gordon Cairns, Helen Nellist and Tim Seabrooke.

It is with sadness that we said goodbye to Non-Executive Directors, Anne Boyd who stepped down from her post and Dr Jim O'Connor who reached the end of his term of office. However, we have been delighted to welcome Farhad Ahmed and Elizabeth Harrison to the Non-Executive Team.

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

A handwritten signature in blue ink, appearing to read 'BC', is positioned above the name of the signatory.

Brian Crouch – Lead Governor

Key Achievements and Highlights of the Year

Partnership initiative developed to provide wellbeing support to key workers

In March 2021, we teamed up with Healthbox Community Interest Company and Insight Improving Access to Psychological Therapies to provide wellbeing support to key workers across Cheshire and Wirral. A series of initiatives were launched for key workers including health and care staff, teachers, paramedics and police officers including an emotional support line and counselling services.



New partnership to support men's mental health in Wirral

In February 2021, we partnered with Birkenhead-based community organisation JourneyMEN to improve mental health services for men across Wirral. Our Mental Health Access Team now refer men to JourneyMEN's therapeutic services who provide a person-centred approach to support, including social interventions and peer-to-peer support to enable people to live their lives as independently as possible.

New vaccination centre opened to protect Cheshire residents from COVID-19

Chester Racecourse Vaccination Centre went live in February 2021 to help accelerate Cheshire's drive to protect residents from COVID-19. The new centre complemented GP-led vaccination services, hospital hubs and pharmacy-led vaccination services across Cheshire and offered an additional option for people to get vaccinated.



CWP staff speak out to raise mental health awareness



Ahead of national "Time to Talk" day in February 2021, five CWP staff spoke out about their own personal mental health to show that it is ok not to be ok. The wonderful series of interviews were also shared with in a one-off staff wellbeing magazine, demonstrating how conversations about mental health have the power to make a big difference.

COVID-19 vaccinations go live at CWP

In January 2021, Churton House on the Countess of Chester Health Park was transformed into a COVID-19 vaccination hub. Frontline health workers and clinically vulnerable staff received their vaccines first ahead of the hub rolling out vaccinations to eligible local residents.

Prestigious national mental health award for NHS in Cheshire

In October 2020, CWP in partnership with NHS Cheshire Clinical Commissioning Group were recognised as the winner of the Mental Health Service Redesign Initiative at the Health Service Journal (HSJ) Value Awards 2020 for working to improve specialist mental health services for local people.



Double award recognition



Deepak Agnihotri, a Trainee Advanced Clinical Practitioner and Physiotherapist won a Royal College of Nursing award in October 2020 to mark his outstanding contribution to the equality, diversity and inclusion agenda across the health and social care sector.

Tracey Hartley-Smith, Clinical Lead for Children and Young People's Learning Disability Services in Wirral, won the prestigious title of Queen's Nurse in June 2020 in recognition for her commitment to improving patient care and nursing practice.



Wirral Continuing Healthcare colleagues join CWP

In July 2020, we welcomed our brand-new Wirral Continuing Healthcare (CHC) colleagues to #TeamCWP. The CHC team are responsible for the assessment and commissioning of appropriate care packages, case management and review of people who require an individually commissioned package of care in Wirral, including funded nursing care, specialist learning disabilities and other complex care packages.

National regulators say CWP is outstanding for caring

CWP maintained its Care Quality Commission (CQC) outstanding rating for caring, alongside an overall rating of Good announced in June 2020. Inspected between January and March 2020, CWP remains the only trust across Cheshire and Wirral with Outstanding for Caring overall; and the only mental and community health services trust in the North West to be Outstanding for Caring overall.



New helpline goes live to support people's mental health

We launched a new 24/7 urgent, all-age mental health helpline in April 2020 for residents of Cheshire West, Cheshire East and Wirral who needed urgent mental health support. The helpline is part of the NHS Long Term Plan to improve access to mental health support. Originally due to go live in 2021, it was fast-tracked to be available to support local people during the COVID-19 pandemic.

New ways of supporting people developed

Throughout the COVID-19 pandemic, colleagues across CWP facilitated appointments and assessment in a number of different ways, using telephone and video conferencing technology to ensure people still received support even when unable to meet face-to-face. Technology enabled people receiving inpatient care to remain connected with their loved ones, with the introduction of iPads on wards and staff supporting the use of apps such as FaceTime and WhatsApp.

In physical health services, the West Cheshire Crisis and Reablement team (CART) worked on simplifying referral processes, improving accessibility, reducing administration time and eliminating unnecessary or additional visits by referrers. This resulted in a reduction of time spent by staff travelling, creating more time to deliver care. Utilising a Trusted Assessor model improved referral times, reduced footfall into people's homes and unwarranted and potential exposure to people with COVID-19.

Safe staffing levels maintained

Throughout the pandemic, safe staffing requirements were maintained and all people who have required inpatient admission were supported across CWP's footprint. Colleagues worked hard to ensure all wards had the right numbers of staff with the right skills to continue to provide safe and effective treatment, with some working across different wards and being redeployed from community-based services.

Child and Adolescent Mental Health Services reduce waiting times

With the closure of schools during the COVID-19 pandemic, we saw a significant change to the way children and young people lived their lives in a very short space of time. Recognising the potential impact of the changes, a focused piece of work was delivered by our Child and Adolescent Mental Health Services (CAMHS) teams and we were able to significantly reduce waiting times by over 70% for young people requiring direct support from CAMHS.



CANDDID conference 2021

More than 300 delegates came together for the 2021 virtual Centre for Autism, Neuro-Developmental Disorders and Intellectual Disability (CANDDID) conference on Friday 26 March 2021 with experts in Attention Deficit Hyperactivity Disorder (ADHD) other neuro-developmental disorders presenting on a range of topics. The second annual conference aimed at professionals, students and members of the public brought together speakers from across the UK and internationally. Speakers included, among others, Dr Heather R. Adams, Associate Professor, Department of Neurology and Department of Paediatrics from University of Rochester Medical Centre, New York, USA.

Pressure ulcer apples a hit with healthcare professionals

Toni Griffiths, community nurse for CWP's Tissue Viability Service, developed a creative tool to help educate people on the importance of pressure ulcer damage. The Tissue Viability service offers in-house education and training to all CWP health professionals and link nurse training, to educate people on the importance of pressure ulcer damage. To make this more interactive, Toni created a number of polystyrene apples, carving each out to show the different categories of pressure ulcers.

They were utilised as an interactive learning aid, allowing individuals attending the training to become more involved. Flash cards then offered the learner a brief description of each pressure category so they could understand what they were seeing. The apples received positive feedback from health professionals, as well as on social media.

1. Performance Report

1.1 Overview of Performance

1.2 Performance Analysis

1.1 Overview of Performance

This 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

2020/21 has again been a positive year when the Trust has continued to deliver high quality services for the populations of Cheshire and Wirral; and the wider North West population for some of our more specialist services. The year has ended on a challenging note as a result of the global COVID-19 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 Integrated Care Partnership (ICP) and Cheshire East ICP. Its simple aim is to *help our people be the best they can be*.

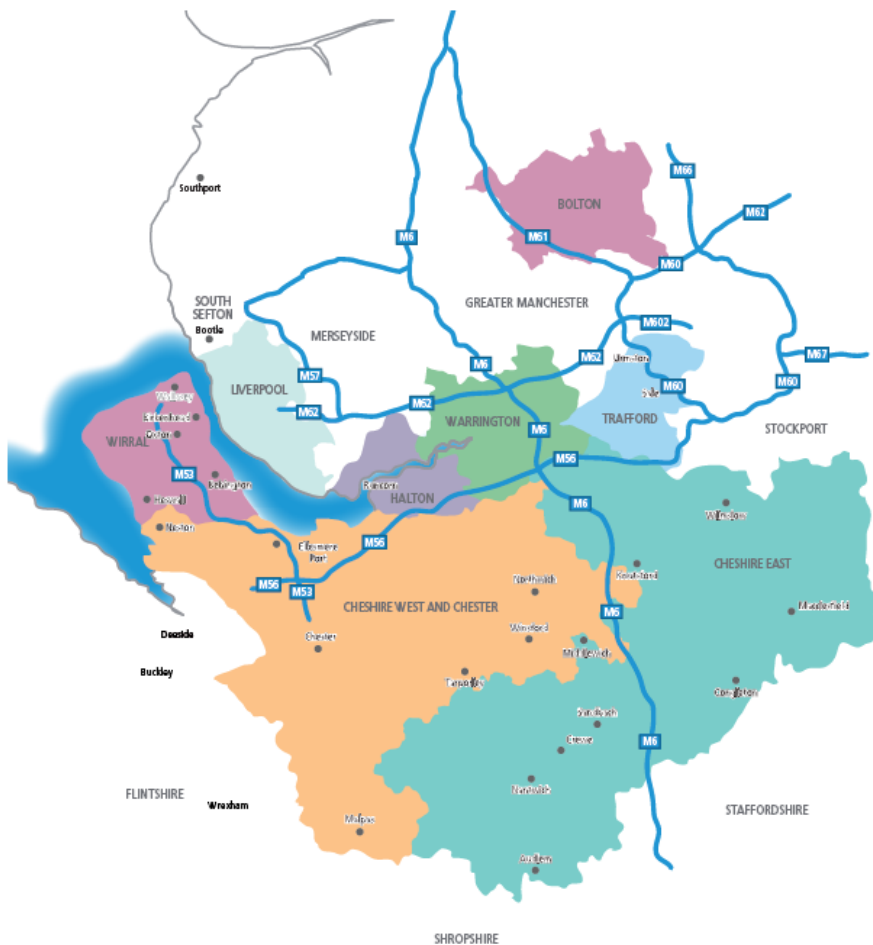
Nationally, during 2020/21, the Trust has operated under a temporary financial regime in response to the COVID-19 pandemic. Financially, the Trust has however continued to perform well. Although a technical deficit of £4.652m is reported, this position includes items totalling £5.798m (these items are 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 England and Improvement's (NHSE/I) financial assessment of the Trust. After adjusting for these items, CWP's performance against our NHSEI agreed control total is £1.146m surplus, the control total being a breakeven position.

Our financial and regulatory targets performance in 2020/21 is described in further detail in the Performance Analysis section of this report.

2021/22 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.



In **West Cheshire** CWP provides services in: Adult Mental Health, Learning Disability, Child and Adolescent Mental Health, Community Physical Health Services, including the 0-19 Starting Well Service, Community Nursing, three GP surgeries and a GP Out of Hours service.

In **Wirral**, CWP provides services in: Adult Mental Health, Learning Disability, Child and Adolescent Mental Health, All Age Disability and the Continuing Healthcare and Complex Healthcare Service.

In **East Cheshire**, CWP provides services in: Adult Mental Health, Learning Disability and Child and Adolescent Mental Health.

In **Warrington** CWP provides an Eating Disorder Service.

In **Trafford** CWP provides Learning Disability Services and an Eating Disorder Service.

In **Halton** CWP provides an Eating Disorder Service.

In **Bolton** CWP provides an Eating Disorder Service.

In **Shropshire**, we provide Community Adult Autism assessment and treatment.

In **Liverpool**, we provide Community Adult ADHD assessment and treatment and Cheshire & Merseyside Adolescent Eating Disorder Services (CHEDS).

Regionally, CWP provides CAMHS Tier 4 services for Cheshire and Merseyside and eating disorder services across the North West. The Trust is also leading the emerging provider collaboratives for both, due to be live from October 2021. CWP is also part of Prospect Partnership, the provider collaborative for Adult Secure Services in the North West.

The Trust has over 14,500 members and employs more than 3,800 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. We strive for clinical excellence by ensuring there is a framework to deliver quality improvements, making sure that safe and effective care results in positive outcomes.

In 2020/21, the Trust had an annual turnover of £204m. Over 92.6% 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 2021/22 are to continue to support our population within the context of COVID-19 delivering safe and effective services with good experience and overseeing vaccination programmes. Alongside this we have a range of identified key priority projects including: the wellbeing of our people and partners, the work we are doing around lead provider collaboratives for specialist regional services and a range of transformation projects responding to goals in the Long Term Plan including community mental health services, mental health crisis care and transforming care for people with learning disabilities. In addition we will be playing our full part in integrating care in Wirral, Cheshire East and West through the developing Integrating Care Partnerships.

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 Information and Communications Technology (ICT) Device Refresh Programme.

During 2021, 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 Psychiatric Intensive Care Unit (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 2020/21 were:

- Risk that the impact of COVID-19 will adversely affect services provided by CWP, potentially resulting in a risk to the delivery of safe, effective care to the population of Cheshire and Wirral.
- Risk of failure to achieve compliance levels of fire evacuation training competency for inpatient service, resulting in risks to patients and staff and failure to comply with Health & Safety regulations.
- 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.
- 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.

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 2021/22 plans. These include the impact of COVID-19, the restoration of services and the anticipated surge in demand for our clinical services. A temporary national financial regime will again be in place for the first 6 months of the year as a response of the COVID-19 pandemic, and at the time of writing the financial regime for the second half of the year is still unknown. In addition to this the Trust will need to manage the potential for increasing ward staffing costs, increased agency costs, non-achievement of efficiency plans, and ICT investment. All financial risks will be mitigated as part of our annual planning processes.

Going concern

The NHS Foundation Trust's annual report and accounts have been prepared on a going concern basis. Non-trading entities in the public sector are assumed to be going concerns where the continued provision of a service in the future is anticipated, as evidenced by the inclusion of financial provision for that service in published documents.

The Trust has a forecast cash balance of £24m at 31 March 2022 and has no concerns regarding the ability to service payments as and when they fall during 2021/22.

After making enquiries, the directors have a reasonable expectation that the services provided by the NHS Foundation Trust will continue to be provided by the public sector for the foreseeable future. For this reason, the directors have adopted the going concern basis in preparing the accounts, following the definition of going concern in the public sector adopted by HM Treasury's Financial Reporting Manual.

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 meeting its control total for 2020/21, 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 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.

NHS Oversight Framework Targets 2020/21

| Target | Performance required | 20/21 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) | 60% | 83.5% |
| Improving Access to Psychological Therapies /Talking Therapies– Percentage of people completing a course of IAPT treatment moving to recovery | 50% | 51.1% |
| Improving Access to Psychological Therapies /Talking Therapies– Percentage of people waiting to begin treatment within 6 weeks of referral | 75% | 88.5% |
| Improving Access to Psychological Therapies /Talking Therapies– Percentage of people waiting to begin treatment within 18 weeks of referral | 95% | 97.6% |
| Inappropriate out-of-area placements for adult mental health services. | 0 | 6 (Placements due to lack of bed availability. Total of 116 days) |
| Data Quality Maturity Index (DQMI) – MHSDS dataset score | 95% | 87.3% (latest data reported by NHS Digital for December) |

The DQMI target was missed despite a significant amount of work being done to improve the data which flows into our monthly Mental Health Services Data Set (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 6 out of area placements which equalled a total of 116 bed days. The need for these placements was a result of a temporary reduction in the Trust's available bed capacity in response to the COVID-19 pandemic. This is sighted on the Trust's Strategic Risk Register. 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 2021

In 2020/21 the Use of Resources Risk Rating (UoR) was suspended and the future of this rating is being consulted upon by the regulator, NHSI. Based on performance in 2020/21 the Trust would have again achieved 'Segment 1' status.

A temporary financial regime was in place in 2020/21 to recognise the impacts on commissioners and providers of healthcare during the COVID-19 pandemic. The expectation was that CWP would achieve at least a breakeven position on its income and expenditure. Financial performance was as planned, with the Trust overall achieving a surplus of £1.146m as assessed by its regulator NHSI.

A key feature of our financial performance each year is the ability of the Trust's services to deliver very challenging efficiency programmes. During 2020/21 there was recognition nationally that additional efficiencies could not be expected during the pandemic and therefore no additional targets were set. It is expected, however, that efficiency targets will return in 2021/22.

The Trust was able to take advantage of £1.8m of CQUIN (Commissioning for Quality and Innovation) non-recurrent funding to continue to invest in a 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 2021/22.

Income

Overall income has increased in 2020/21 by 8.4% in comparison with 2019/20. This financial year has seen a national inflator of 2.8% applied. In addition, the Trust has received funding for increased costs resulting from the COVID-19 pandemic, additional Mental Health Investment Standards monies, along with some developments in Crisis Home Treatment Team, Core 24 A&E Liaison and GP surgeries.

Running costs

The Trust's operating expenses have increased in comparison to 2019/20. 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, costs associated with the COVID-19 pandemic, and additional costs associated with Mental Health Investment Standards.

Fixed assets

The net book value of property, plant and equipment has decreased by £3.3m during the year from £79.4m to £76.1m.

In 2020/21, the Trust invested £2.7m in new additions and incurred £2.7m of annual depreciation. The Trust also commissioned a desktop revaluation exercise of its Land and Buildings estate. The effect of the exercise was a net impairment of £3.3m, of which £5.5m was charged to expenses and £2.2m increasing reserves. A detailed analysis of this can be found in note 7 and note 15 of the accounts.

Cash position

The Trust ended the year with cash and bank balances of £33.9m. This represents a £12.7m 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, 9, 29 and 30 to the Accounts. Details of the remuneration and pension benefits of senior managers can be found in the Remuneration Report.

Overseas Operations

CWP had no overseas operations in 2020/21.

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 was inspected by the CQC between January 2020 and March 2020. The report was published in June 2020. The Trust received a rating of 'Good' overall, 'Outstanding' for caring and improved its rating for safe to 'Good'. During 2020/21, the Trust implemented regulatory and improvement actions arising from the inspection report. All actions have been completed at year end, with the exception of actions related to the provision of Attention Deficit Hyperactivity Disorder (ADHD) services that require more time to implement and the support of Trust commissioners. An extension to these improvement actions has been agreed with the CQC, for completion during the course of 2021/22.

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 2020/21, seven of these MHA reviewer visits were undertaken Trustwide. Due to COVID-19 pandemic restrictions all visits were undertaken remotely. Following each visit 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 (HQIP) that incorporates numerous work streams including Trust quality improvement priorities and quality improvement projects at a strategic and local level. They collaborate with services to assess, evaluate and improve safety within their respective clinical settings, creating enabling plans to build capability in relation to safe care utilising The Health Foundation's Charles Vincent framework, and present iterative, overarching Trustwide thematic reviews focussing on the outputs of this framework. Furthermore, within the programme, local and national audits are included whereby clinical practice is measured against local and national standards.

Whilst COVID-19 has presented significant challenges, all audits have continued, where applicable, and a number of quality improvement projects have been implemented as a result of the pandemic which have been highlighted in the Trust's 'Little Book of COVID Best Practice'. Due to the need to adapt to ensure that the delivery of safe care continues and that services are responsive to the unprecedented circumstances of the pandemic, staff have worked innovatively using different Quality Improvement (QI) methodologies and adaptive approaches in order to continue to meet the needs of the people the Trust serves.

Environmental Matters

The NHS is responsible for 40% of the public sector carbon footprint which in turn represents 4% of the UK's total carbon emissions and the NHS is challenged with an ambitious target of reducing carbon emissions to the extent of becoming net zero by 2040.

CWP is actively engaged in a series of initiatives that align with the above targets. In 2020/21 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 successfully achieved by more staff engaging and actively separating their waste at work into general and recyclable items. This initiative was supported by the Facilities Management team introducing specific contracted conditions within our latest waste procurement contracts.

- Reducing the use of single use plastics has been a focus of the Trust Infrastructure team through the procurement process throughout 2020/21 - examples in this area would include, reduction of single use plastics within catering provision and recycling of computer equipment.
- Many teams have benefited from recycling items for their workspace, saving on valuable budgets to be used in patient care. Significant costs have been avoided of waste disposal and purchasing new furniture due to recycling of items throughout the Trust.
- 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 staff in the process of reducing environmental impact. The projects demonstrate the commitment of CWP to actively seek solutions to reducing the impacts on the environment wherever possible.

Green Plan (formerly known as the Sustainable Development Management Plan)

CWP's Sustainable Development Management Plan covered the period between 2015 -2020 and set out CWP's response to the NHS Carbon Reduction Strategy. CWP have recently appointed Inspired Energy to help us develop our Green Plan covering the next 5-year period (2021-2026), demonstrating the Trust's continued commitment to sustainability through environmentally responsible working practices and how we will achieve, measure and report these in accordance with national requirements. The Green Plan will cover the following elements in order to comply with the national requirements and format:

- Set out a delivery plan to achieve NHS England's sustainability mandates.
- Strengthen local working partnerships between health & social care on environmental issues.
- Meet legislative requirements: including carbon, waste and water reduction and improved air quality through reduced emissions - specifically on business mileage.
- Reduce use of single use plastics.
- The resultant Plan must also address Public Health England's advice on heat wave preparedness and support the implementation of the NHS Long Term Plan and wider social impact goals.
- The Trust's progress on environmental issues is reported to commissioners under SC18 of the NHS Standard Contract.

Within 2020/21, CWP's carbon reduction initiatives achieved a reduction of a significant amount of carbon across a number of areas such as energy usage, procurement, food, transport, waste management and ensuring the best sustainable designs of the built environment. In 2020/21 the Trust continued progress towards achieving these targets and progress against the plan will be reported to the Operational Committee as part of the launch of the new Green Plan covering the next 5-year period in Q1 2021/22. The COVID-19 pandemic had a fundamental effect on ways of working throughout 2020/21 with widescale adoption of use of digital technology, virtual meetings and flexible working. The opportunities presented by continuation of this cultural change are significant in terms of reducing space requirements together with business mileage across the organisation. These opportunities will form an integral part of the new Green Plan for carbon reduction in 2021/22.

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. We focus on delivering Personal, Fair and Diverse Healthcare Services and key developments of this are detailed below.

Cheshire and Merseyside Social Value Charter

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

Workforce Race Equality Standard (WRES)

To support our work to improve our WRES, we have been working with members of our network for colleagues from ¹BAME+ 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.

We have two BAME Board Champions who are representatives on the North West Assembly - Dr Faouzi Alam and Dr Anushta Sivananthan – and we also have a non-BAME Board Champion, our Director of Nursing, Therapies and Partnerships, Gary Flockhart. BAME+ Network members formulated and signed up to the aims and objectives of the BAME+ Network.

Race Equality Week

We signed up to Race Equality Week, a UK-wide initiative to unite organisations and individuals in activity to address issues affecting ethnic minority colleagues to facilitate conversation, activity and commitment to change. Colleagues signed up to the 'Big Promise' and we produced an awareness video which we shared internally and on social media.



Outstanding Contribution to Equality, Diversity and Inclusion Award



Our BAME+ Network Chair was nominated for and subsequently won a prestigious award as part of Black History Month - Outstanding Contribution to Equality, Diversity and Inclusion and celebrated this as part of a national webinar and a CWP Black History Month Facebook Live event.

Black History Month 2020

We held a collaborative event across Cheshire and Wirral public sector partners which featured people sharing their inspirational stories and answering questions to raise awareness of Black History Month.



¹ Recent guidance identifies that the preferred wording should be Ethnic Minorities, we recognise this and are working with colleagues to make these changes

Impact of COVID-19

National data suggested that people from Black Asian and Minority Ethnic (BAME) communities accounted for a large proportion of NHS staff deaths from COVID-19 particularly nursing staff, support staff and medical staff. CWP data indicated that the prevalence of COVID-19 symptoms within our workforce and their households was slightly more prevalent in the BAME ethnic group than for staff within the white ethnic groups so we worked hard to test staff and their households who identified as BAME. We also acted to mitigate risks by amending our risk assessment process for colleagues potentially at greater risk and were assured when we achieved 100% compliance for risk assessments of active staff who identified as BAME. More recently we have ensured that the COVID-19 vaccination is available for all colleagues.

‘Ten High Impact Practical Actions for Inclusive Talent Management’ and ‘A Fair Experience for All’

We continue to address these two 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 us in our Equality, Diversity and Inclusion (EDI) objectives. Board seminars allocated specifically to EDI issues have taken place and have focussed on areas such as Unconscious Bias and Racial Fluency and we are in the process of implementing a ‘Reverse Mentoring’ pilot which intends to target network group members. We also plan to launch Safe Spaces™ to give colleagues the opportunity not afforded elsewhere to discuss race, racism and equality for our BAME communities.

Workforce Disability Equality Standard (WDES)

Our second WDES report demonstrated a number of improvements in the experiences of colleagues with disabilities. We continue to work with our Disability Network Group to ensure that colleagues covered by this protected characteristic have a voice and influence positive change to the benefit of everyone in the Trust. We identified a Disability Board Champion, David Harris - Director of People & Organisational Development, to further support this key work stream.

Disability History Month UK and International Day of Persons with Disabilities

We raised awareness of International Day of People with Disabilities 2020 with the theme of 'Not All Disabilities Are Visible'. We marked this and UK Disability Month by holding a Facebook Live event and organising a collaborative online webinar with public sector partners across Cheshire and Wirral with people sharing experiences to increase awareness and generate debate.



Reasonable Adjustments Guide

Members of our Disability Network developed a comprehensive ‘Reasonable Adjustments’ guide to support colleagues and this includes additional advice in relation to COVID-19 and its potential long-term after-effects.

Disability Confident Employer

We have been working hard to continue to be recognised as a ‘Disability Confident Employer’ 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. We are currently working in partnership with a ‘Disability Confident Leader’ trust in the local area to share good practice with a view to working towards ‘Leader’ status for our Trust in the future.

Accessible Information Standard (AIS)

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

NHS Rainbow Pin Badge Scheme

We continue to work with members of our LGBT+ Network to promote this initiative so as to increase the number of colleagues who have undergone online training and wear their badges with pride. Badges are 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)]. To strengthen our work to support people who identify as LGBT+, Suzanne Edwards, Director of Operations has been appointed as LGBT+ Board Champion.

Pride Events

The impact of the COVID-19 pandemic prevented physical Pride events as such but the Trust took part in Virtual Pride and made use of Facebook to hold live events with Board presence and also promoted the network and Pride blogs. Pride awareness competitions were held and the Rainbow Flag flew at the entrance to the Countess of Chester Health Park as a visible sign of inclusion. During the summer of 2020, members organised a Socially Distanced LGBT+ Garden Party. We also arranged Facebook Live events to mark both Virtual Pride in the summer of 2020 and LGBT+ History Month in February 2021.

International Women's Day

To mark International Women's Day, we celebrated the everyday courage of women in health and care with an NHS Health & Care Women and Leaders Network webinar. This honoured the massive contribution that women have made in response to the pandemic and coming together in solidarity with each other. Jane Woods, Deputy Director of People and Organisational Development delivered a session at the event entitled 'Women in Power: Breaking the Chain of Gender Bias.'



EDI Champions

We continue to develop our teams of EDI Champions and run bespoke training and awareness-raising sessions for them on protected characteristics. Our champions wear rainbow lanyards as a visible demonstration of inclusion to both colleagues and people accessing our services.

EDI Story Sharing

We have shared further stories from people from protected groups and published EDI related articles within our quarterly 'CWP Life' magazine, 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. This year, we introduced Digital Stories as a really powerful way of bringing these stories to life.

EDI and the Human Rights Act

In partnership with colleagues from Staff Side, our Council of Governors and Healthwatch Cheshire, we carried out an annual review of our Equality, Diversity, Inclusion and Human Rights Policy to ensure that it remains fit for purpose.

Mindful Employer Charter

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

Awareness Raising Flags

We took the opportunity to raise wider awareness of protected characteristics and associated initiatives in a very visible way by producing and flying a number of flags during the year.

- May – Mental Health
- June – Men’s Health
- July to September – Pride
- October – Black History Month
- November – Pancreatic Cancer
- December to January – Disability History Month
- February – LGBT+ History Month
- February to March – Race Equality

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.

The Trust report for 2020 shows an increase in the Gender Pay Gap (GPG), with the mean being 18.85% compared with 13.62% declared in 2019. However, this is almost entirely due to a previous miscalculation which was identified in the development of the 2020 report. If a direct comparison were to be made, the Trust GPG would have only increased by 0.30%. Due to this inconsistency, and the fact that the most impactful measures that have been put in place to reduce the pay gap following the 2019 report are expected to only take effect in the year ending 31st March 2021, the Trust plans to publish its 2021 Gender Pay Gap report by summer 2021. This will ensure that that relevant themes are identified and that appropriate action plans can be put in place.

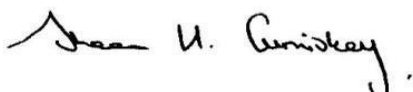
In terms of publication of the 2020 report, the deadline for publication has been extended to October 2021. The Trust’s report is currently pending approval by the Trust Board at which point it will be published on the Trust’s website.

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
25 June 2021

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 Independent Auditors Report

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 2020/21 are set out below.

| | | |
|--|---|--|
| Mike Maier | Chair: re-appointed June 2019 Former Independent Non-Executive Director and Deputy Chair – appointed March 2011; re-appointed March 2014. | |
| <p>Experience</p> <ul style="list-style-type: none"> • 30 years' experience in industry, chiefly in international manufacturing in the building products and ophthalmic sectors • Former European Finance Director, Pilkington Group Ltd • Former Head of Finance Shared Services, Yodel • Significant experience in mergers and acquisitions, restructuring, internal controls, systems development, strategic planning and cash management <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> • BA Hons Economics • Qualified Chartered Accountant |  <p>mike.maier@nhs.net Tel: 01244 397371</p> | |

| | |
|---|---|
| Andrea Campbell | Deputy Chair – appointed June 2016 Independent Non-Executive Director: appointed January 2017; reappointed January 2020 |
| <p>Experience</p> <ul style="list-style-type: none"> Retired NHS Executive Director of Commissioning 25+ years of experience at senior level in health and social care Management consultant 13+ years working on national policy development, strategic planning, policy implementation, third sector organisational support for service improvement Board of two third sector organisations supporting people with dementia and people with learning disabilities Previous NHS non-executive director experience <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> MA Social & Public Policy – Leeds University Chair of West Cheshire Integrated Care Partnership |  <p>andrea.campbell2@nhs.net Tel: 01244 397469</p> |

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|---|--|
| Rebecca Burke-Sharples | Independent Non-Executive Director: appointed August 2014; re-appointed April 2017; one-year extension April 2020. Senior Independent Director: appointed January 2017, reappointed April 2020. |
| <p>Experience</p> <ul style="list-style-type: none"> Retired after 32 years' services in the NHS including significant Nursing Director role and as an NHS Chief Executive. Rebecca has extensive experience in nursing and hospital management Member of the Bristol Royal Infirmary Independent Public Inquiry panel Previously undertaken national policy work in the field of Paediatric Intensive Care Nursing Awarded the CBE in 2002 for services to Nursing and Healthcare Management <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> Fellow of Liverpool John Moores University Vice Chair of Chester Zoo (NEZS): 2009 – 2017 RGN and RSCN (retired) |  <p>rebecca.burkesharples@nhs.net Tel: 01244 397469</p> |

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|---|---|
| Edward Jenner | Independent Non-Executive Director: appointed January 2017 Re-appointed: January 2020 |
| <p>Experience</p> <ul style="list-style-type: none"> 25 years senior executive experience in Unilever plc and latterly Waterford Wedgwood plc Directorships in Finance, HR, Information Technology, Strategic Planning, Restructuring, Property Development 23 years non-executive director experience including Chairman of a building society Chair of several Audit and Remuneration Committees <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> BSc (Hons) FCMA |  <p>e.jenner@nhs.net Tel: 01244 397469</p> |

Paul Bowen

Independent Non-Executive Director: 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.



p.bowen@nhs.net
Tel: 01244 397469

Qualifications & Memberships

- BMBS, MRCGP

Farhad Ahmed

Independent Non-Executive Director: appointed October 2020

Experience


- Public Affairs and Stakeholder Engagement within a regulatory body working as part of the cross-Government response to Brexit and COVID-19 pandemic
- Former Diversity & Inclusion representative for Government Communications Service Board
- Designing and delivering enterprise initiatives at UCLAN including in collaboration with charities, multi-Academy Trusts and contributing to a University joint venture with the private sector
- Managing community based economic development programmes including sitting on the Mary Portas Town Team for Liverpool
- Managing Widening Participation projects for young people from disadvantaged backgrounds





farhad.ahmed4@nhs.net
Tel: 01244 397469

Qualifications & Memberships

- MA English – University of Liverpool
- Fellow of the Royal Society of the Arts
- Certificate in Education


| | |
|---|---|
| Elizabeth Harrison | Independent Non-Executive Director: appointed October 2020 |
| <p>Experience</p> <ul style="list-style-type: none"> • Market research and customer insight • Insight and strategy for national retailers; developing their brands and influencing and leading business change • Governor and Vice-Chair – Reaseheath College • Non-Executive Director – Homes Board, Housing Plus Group • A strategic thinker and passionate about providing excellent service to end-users to meet their needs and looks forward to ensuring service users remain central to decision making <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> • PhD and BSc (Hons), University of London • The Market Research Society • Membership of the Institute of Directors |  <p>elizabeth.harrison31@nhs.net Tel: 01244 397469</p> |


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| Anne Boyd (Turpin) | Independent Non-Executive Director: appointed September 2019 Resigned June 2020 |
| <p>Experience</p> <ul style="list-style-type: none"> • 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 delivers. <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> • 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 |  |


| | |
|---|---|
| Dr James O'Connor | Deputy Chair: appointed June 2016 Independent Non-Executive Director: Appointed May 2014; re-appointed April 2017; re-appointed March 2020. Completed term: October 2020 |
| <p>Experience</p> <ul style="list-style-type: none"> • General Practitioner since 1978, retired in 2012 • Medical Director of Community Services, intermediate care and PCT from 2000, retired in 2012 • Numerous other roles including Clinical Assistant in Medicine for the Elderly and rehabilitation, local medical committee secretary and national representative of Clinical Leaders in the North West <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> • MB ChB, DRCOG • BMA Member |  |

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|---|---|
| Sheena Cumiskey | Chief Executive: appointed February 2010 |
| <p>Experience</p> <ul style="list-style-type: none"> • 38 years' experience in the NHS, 25 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 • Senior Responsible Officer Mental Health Program Cheshire and Merseyside Integrated Care System (ICS) • Chair of Cheshire East Integrated Care Partnership <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> • BA Hons • General Management Training Scheme graduate • Member of the Institute of Health Service Managers |  <p>sheena.cumiskey@nhs.net Tel: 01244 397371</p> |

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|--|---|
| Tim Welch | Director of Business and Value: appointed April 2013 Deputy Chief Executive |
| <p>Experience</p> <ul style="list-style-type: none"> • 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 <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> • Fellow of the Chartered Institute of Public Finance and Accountancy • BSc (Hons) Biochemistry |  <p>tim.welch1@nhs.net Tel: 01244 397267</p> |

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|---|---|
| Dr. Faouzi Alam | Consultant Psychiatrist and Joint Medical Director (Effectiveness and Medical Workforce): appointed October 2013 |
| <p>Experience</p> <ul style="list-style-type: none"> • 25 years' experience as a Doctor <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> • MD, specialist in renal medicine • MRC Psych • CCT in Adult and Liaison Psychiatry • Vice Chair of the National Mental Health Medical Directors Forum |  <p>faouzi.alam@nhs.net Tel: 01244 397374</p> |

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| Dr. Anushta Sivananthan | Consultant Psychiatrist and Joint Medical Director (Compliance, Quality & Assurance): appointed August 2010 |
| <p>Experience</p> <ul style="list-style-type: none"> • Over 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 • Senior Responsible Officer for Care Community Development, Cheshire East Place <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> • MBChB • MRCPsych • Diploma in Geriatric Medicine • North West Leadership Award (2013) for Quality and Innovation |  <p>anushta.sivananthan@nhs.net Tel: 01244 397374</p> |

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|---|---|
| Andy Styring | Director of Strategy and Partnerships: appointed March 2020 (Non-Voting) |
| <p>Experience</p> <ul style="list-style-type: none"> • 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 • Governor – Ancora School • Wide ranging expertise in strategic service development and change management • Former staff Governor <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> • Registered nurse (learning disabilities) |  <p>andy.styring@nhs.net Tel: 01244 397267</p> |

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|---|---|
| David Harris | Director of People and Organisational Development :appointed September 2014. Appointed Executive Director September 2016. |
| <p>Experience</p> <ul style="list-style-type: none"> • 28 years of working in a range of public sector organisations • Particular experience in the development, implementation and management of organisational change • Former member of the Civil Service Fast Stream Scheme <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> • MA (Cantab) • MSc in Innovation and Improvement Science • Chartered Fellow of the Chartered Institute of Personnel and Development • Honorary Senior Lecturer at Salford 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 |  <p>david.harris23@nhs.net Tel: 01244 393106</p> |

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|---|---|
| Gary Flockhart | Director of Nursing, Therapies and Patient Partnership: appointed August 2019 |
| <p>Experience</p> <ul style="list-style-type: none"> • 25 years' experience working in the NHS <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> • Registered Nurse (Mental Health) • MSc Advanced Practice • Independent Non-medical Prescribing • Mentorship for Professional Practice • BSc General Science |  <p>g.flockhart@nhs.net Tel: 01244 397374</p> |

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| Suzanne Edwards | Director of Operations: appointed April 2020 |
| <p>Experience</p> <ul style="list-style-type: none"> • 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 <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> • NHS Leadership Academy Award in Executive Healthcare Leadership • MSc in Management • Bachelor of Nursing with Honours • Registered Nurse (RMN) |  <p>suzanne.edwards4@nhs.net Tel: 01244 397267</p> |

Changes to the Board during 2020/21

There have been a number of changes to the Board of Directors in 2020/21.

Two new Non-Executive Directors, Farhad Ahmed and Elizabeth Harrison were appointed to the Board of Directors in October 2020. Non-Executive Director Jim O'Connor completed his term in October 2020 and Anne Boyd (Turpin) resigned from her role in June 2020.

Suzanne Edwards was appointed as Director of Operations 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 and Remuneration 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, governance and strategy development blended with opportunities to further develop and improve the ways that Board members work together, through developing relationships and effective challenge. 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. Effectiveness reviews have been delayed this year due to the Trust's response to the current pandemic. By agreement of the Board of Directors, a number of committees were temporarily suspended to release capacity and allow Care Groups to focus their efforts on the response to COVID-19.

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 and was most recently undertaken in November 2020.

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 cwp.nhs.uk.

Board committees

The Board has a number of statutory and assurance Committees.

Attendance by Board members at these meetings is shown below.

| Non-Executive Directors | Board of Directors | Audit Committee | Quality Committee |
|--|--------------------|-----------------|-------------------|
| Maier, Mike (Chair) | 11/11 | | |
| Ahmed, Farhad (from October 2020) | 5/5 | | |
| Bowen, Paul | 8/11 | | |
| Burke-Sharples, Rebecca (Senior Independent Director) | 11/11 | 6/6 | 5/6 |
| Campbell, Andrea (Deputy Chair) | 11/11 | 5/6 | 6/6 |
| Harrison, Elizabeth (from October 2020) | 5/5 | 1/1 | |
| Jenner, Edward | 10/11 | 6/6 | |
| O'Connor, Dr James (to October 2020) | 6/6 | 3/3 | 3/6 |
| Boyd (Turpin), Anne (to June 2020) | 2/3 | | |

| Directors | Board of Directors | Audit Committee | Quality Committee | Operational Committee |
|---|--------------------|-----------------|-------------------|-----------------------|
| Executive Directors | | | | |
| Cumiskey, Sheena (Chief Executive) | 11/11 | 1/1* | 3/6 | 10/11 |
| Alam, Dr Faouzi (Joint Medical Director) | 9/11 | | 5/6 | 9/11 |
| Edwards, Suzanne | 9/11 | | | 11/11 |
| Flockhart, Gary | 9/11 | | 2/6 | 8/11 |
| Harris, David | 9/11 | | | 8/11 |
| Sivananthan, Dr Anushta (Joint Medical Director) | 11/11 | | 5/6 | 6/11 ** |
| Styring, Andy | 11/11 | | 3/6 | 9/11 |
| Welch, Tim (Deputy Chief Executive) | 10/11 | 5/6 | 1/6 | 10/11 |

*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.

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 2020/21.

Further information on the work of this Committee and Director attendance can be found in the Nominations and 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 (until October 2020). Elizabeth Harrison (Non-Executive Director) has recently joined the committee attending her first meeting in March 2021. The attendance of Audit Committee members at its meetings is shown in the table above.

The work of the Audit Committee in 2020/21 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 places a strong emphasis on the follow-up of audit recommendations and where necessary invites senior managers to attend the Committee to update on progress.

The Committee has also continued to review the board assurance framework, 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 2021).

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 May 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 developed 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 August 2020. This would normally have taken place in March 2020 but was delayed due to the impact of the COVID-19 pandemic. At each meeting, Committee reviews the progress against the plan.

In 2020/21, 5 risk based, internal audits were undertaken resulting in formal assurance opinions. Of those, 1 obtained high assurance, 3 obtained substantial assurance, and 1 obtained limited assurance. A further number of supportive reviews were undertaken, including data security and protection toolkit, cyber essential gap analysis and conflicts of interest.

- External Audit

The Trust's external auditor for the period April 2020 to March 2021 has been Grant Thornton. This is the second year of a three-year contract, with an option for a further two-year extension. In their engagement letter Grant Thornton stated 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 2020/21.

The effectiveness of the external audit process is assessed 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

During 2020/21, the Trust has continued to work in close partnership with a wide range of organisations across the NHS, local authorities, voluntary, community, faith and social enterprise organisations to improve our population's health and wellbeing. This partnership work has taken place at national, regional, Cheshire and Merseyside Health and Care Partnership and local footprint level.

CWP's Chief Executive was a joint chair of the Mental Health Long Term Plan Steering Group and has continued to influence the development of national Mental Health delivery plans. In addition, the Chief Executive has maintained the role of Senior Responsible Officer for Mental Health on behalf of the Cheshire and Merseyside Health and Care Partnership and the Trust hosts a small team to support this system level work. The Health and Care Partnership includes 9 Local Authorities, 9 Clinical Commissioning Groups and 19 NHS trusts.

CWP continues to be involved in the development of Integrated Care Partnerships across the more localised footprint. This innovative approach to building Care Communities involves other NHS trusts, Primary Care Networks, third sector organisations and local authorities in the area. In the latter part of the year, the Cheshire and Merseyside Mental Health Programme Team, hosted by CWP, submitted successful delivery plans to facilitate the release of national transformation funding for community Mental Health services. Trust leads have then established mechanisms to co-produce models of care working closely with Primary Care Networks and other key local stakeholders.

It has clearly been an unprecedented year for the NHS in light of the COVID-19 pandemic and the Trust has had to quickly respond to population need by establishing new crisis services and alternative pathways to provide support for people with mental illness. This has required the rapid development of new arrangements with local partners to support crisis care, discharge from hospital and workforce health & wellbeing.

The Trust has progressed its business case development to become the Lead Provider for Cheshire and Merseyside Child and Adolescent Mental Health (CAMHs) Tier 4 services and North West Adult Eating Disorders under the national Provider Collaborative programme. A Memorandum of Understanding has been signed by all North West Lead Provider Collaboratives in respect of CAMHs Tier 4 Services – Lancashire and South Cumbria (hosted by Lancashire and South Cumbria NHS Foundation Trust); Cheshire and Merseyside (hosted by Cheshire and Wirral Partnership NHS Foundation Trust); Greater Manchester (hosted by Pennine Care NHS Foundation Trust). This work will result in new models of care in these service areas which will ensure that high quality care is delivered closer to home and that both admissions and length of stay are reduced. 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 is being developed in collaboration with Priory Healthcare, with input from stakeholders including all community eating disorder providers.

This year has seen CWP enter into a new provider collaborative, led by Leeds and Yorkshire Partnership NHS Foundation Trust, to deliver a new NHS service for armed forces veterans experiencing severe mental health problems. The service launched in November 2020 across the North of England. The Veterans' Mental Health High Intensity Service (HIS) provides care and treatment for veterans who are in a mental health crisis and need urgent help. It does this by working with local mental health services, such as those provided by CWP, that are already treating a veteran, to improve experience and outcomes for them.

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 – 2019/20).

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 following table.

| Item | Number 2020/21 | £000's 2020/21 | Number 2019/20 | £000's 2019/20 |
|---|-------------------|-------------------|-------------------|-------------------|
| Total non-NHS trade invoices paid in period | 15,641 | 28,345 | 17,078 | 34,142 |
| Total non-NHS trade invoices paid within target | 14,135 | 24,848 | 15,510 | 30,840 |
| Percentage of non-NHS trade invoices paid within target | 90% | 88% | 91% | 90% |
| Total NHS trade invoices paid in period | 1,714 | 11,042 | 1,539 | 10,509 |
| Total NHS trade invoices paid within target | 1,586 | 10,125 | 1,256 | 9,234 |
| Percentage of NHS trade invoice paid within target | 93% | 92% | 82% | 88% |

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

Overall income has increased in 2020/21 by 8.4% in comparison with 2019/20. This financial year has seen a national inflator of 2.8% applied to the organisation's contracts, income to cover the increase in costs associated with COVID-19 and additional funding relating to Mental Health Investment Standards.

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. The Governor training programme was, unfortunately, adversely affected this year by the COVID-19 pandemic. Plans are now in place to ensure a full offer of training to Governors during 2021/22 from both internal and external trainers.

Governors and Board members continue to work closely together and enjoy strong and constructive relationships. The Trust Constitution sets out the process to be followed should a dispute arise between the Council of Governors and the Board of Directors.

Council of Governors meetings are well attended by Board members. The usual format for Council of Governors meetings is to split time between formal business and topical discussion. This enables more informal discussion and debate between Governors and Board members on a range of issues. This year, the Council has adapted to holding its meetings via video conferencing. The format of meetings has, therefore, had to alter to respond to the current circumstances, and meetings have focused on business-critical items as a priority.

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 and papers in advance of the meeting.

Members can contact Governors via the Governor e-mail 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 5 November 2020, the composition of the Council of Governors is:

- Public constituency – 7 Governors
- Service users and carers constituency – 12 Governors (1 vacancy)
- Staff constituency - 7 Governors (1 vacancy)
- Partnership constituency – 8 Governors (2 vacancies)

The table below gives the names of those who occupied a position of Governor between 1 April 2020 and 31 March 2021 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 at cwp.nhs.uk

Between April 2020 and March 2021 the Council of Governors met on four 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 2020/21 |
|----------------------------|---------------------------|-----------------|------------------------------|--------------------------------|--|
| Agar, Richard | Wirral | September 2014 | 2020-2023 | | 4/4 |
| Bradburne, Kevin | Cheshire West and Chester | November 2020 | 2020-2023 | | 2/2 |
| Cartlidge, Roy | East Cheshire | November 2020 | 2020-2023 | | 2/2 |
| Bosomworth, Derek | Cheshire East | October 2017 | 2017-2020 | Term of office ceased Nov 2020 | 0/2 |
| Bott, Elizabeth | Cheshire West and Chester | October 2017 | 2017-2020 | Term of office ceased Nov 2020 | 0/2 |
| Farrell, Anne | Wirral | October 2018 | 2018-2021 | | 3/4 |
| Nellist, Helen | Cheshire West and Chester | October 2017 | 2017-2023 | | 2/4 |
| Richardson, Nigel | Out of Area | October 2017 | 2017-2020 | Term of office ceased Nov 2020 | 2/2 |
| Taylor, Paul | Out of Area | November 2020 | 2020-2023 | | 1/2 |
| Walker, Robert | Cheshire East | November 2020 | 2020-2023 | | 1/2 |

| Service user and carer Governors (elected) | First Appointed | Most Recent / Current Tenure | Notes | Council of Governors meetings attended 2020/21 |
|--|-----------------|------------------------------|--------------------------------|--|
| Ashley-Mudie, Peter | October 2018 | 2018-2021 | | 2/4 |
| Bull, David | September 2016 | 2019-2022 | | 4/4 |
| Cairns, Gordon | June 2016 | 2020-2023 | | 4/4 |
| Crouch, Brian (Lead Governor wef October 2017) | December 2013 | 2019-2022 | | 3/4 |
| Greenwood, Beverly | November 2020 | 2020-2023 | | 1/2 |
| Jarrold, Phil | October 2018 | 2018-2021 | | 2/4 |
| Marsh, Elaine | October 2019 | 2019-2022 | | 1/4 |
| McGhee, Jacqueline | October 2017 | 2017-2020 | Term of office ceased Nov 2020 | 0/2 |

| | | | | |
|---------------------|---------------|-----------|--|-----|
| McQuarrie, Ferguson | October 2013 | 2019-2022 | | 1/4 |
| Robertson, Rob | October 2019 | 2019-2022 | | 3/4 |
| Seabrooke, Tim | November 2020 | 2020-2023 | | 3/4 |
| Smith, Alice | November 2020 | 2020-2023 | | 1/2 |

| Staff Governors (elected) | Class | First Appointed | Most Recent / Current Tenure | Notes | Council of Governors meetings attended 2020/21 |
|---------------------------|---------------------|-----------------|------------------------------|--------------------------------|--|
| Agnihotri, Deepak | Therapies | May 2016 | 2019-2022 | | 4/4 |
| Curran, Martin | Therapies | October 2019 | 2018-2022 | Stepped down Mar 2021 | 2/4 |
| Edwards, Ken | Nursing | September 2016 | 2019-2022 | | 3/4 |
| Hulmes, Lisa | Clinical Psychology | November 2020 | 2020-2023 | | 2/2 |
| Mook, Phillip | Non-Clinical | September 2014 | 2017-2020 | Term of office ceased Nov 2020 | 0/2 |
| Thompson, Gill | Therapies | November 2020 | 2020-2023 | | 2/2 |
| Wilne, Jennett | Non-clinical | November 2020 | 2020-2023 | | 0/2 |

| Partnership Governors (appointed) | Organisation | First Appointed | Most Recent / Current Tenure | Notes | Council of Governors meetings attended 2020/21 |
|-----------------------------------|--------------------------|-----------------|------------------------------|-----------------------|--|
| Boyle, Sean | Staff Side | October 2016 | 2019-2022 | | 3/4 |
| Corkhill, Andy | Wirral Borough Council | October 2019 | 2019-2022 | | 1/4 |
| Gould, Gareth | West and Chester Council | June 2020 | 2019-2022 | | 2/3 |
| Houston, Marilyn | Cheshire East Council | September 2020 | 2019-2022 | | 1/2 |
| Jeuda, Laura | Cheshire East Council | October 2019 | 2019-2022 | Stepped down Sep 2020 | 0/2 |
| Smith, Pam | West Cheshire CCG | March 2014 | 2019-2022 | Stepped down Jul 2020 | 0/2 |

| | | | | | |
|---------------|-----------------------------------|--------------|-----------|-----------------------|-----|
| Stewart, Iain | Wirral CCG | October 2013 | 2019-2022 | | 0/4 |
| Watson, Gill | Cheshire West and Chester Council | October 2019 | 2019-2022 | Stepped down Jun 2020 | 0/2 |

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.

Directors' attendance at meetings of the Council of Governors during 2020/21 is shown below.

| Council of Governors meetings attended 2020/21 | |
|---|-----|
| Non-Executive Directors | |
| Maier, Mike | 4/4 |
| Ahmed, Farhad | 1/2 |
| Bowen, Paul | 2/4 |
| Burke-Sharples, Rebecca | 3/4 |
| Campbell, Andrea | 4/4 |
| Harrison, Elizabeth | 2/2 |
| Jenner, Edward | 3/4 |
| O'Connor, Dr James | 1/2 |
| Boyd (Turpin), Anne | 0/1 |

| Executive Directors | |
|--|-----|
| Cumiskey, Sheena (Chief Executive) | 4/4 |
| Alam, Dr Faouzi/ Sivananthan Dr Anushta – joint Medical Directors* | 2/4 |
| Edwards, Suzanne | 0/4 |
| Flockhart, Gary | 2/4 |
| Harris, David | 4/4 |
| Styring, Andy | 1/4 |
| Welch, Tim | 2/4 |

*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 2020/21, the Committee met on six occasions and the Committee's members were as follows:

| Governor | Constituency | Attendance |
|-------------------|---------------------------------|-------------------|
| Maier, Mike | Chair | 6/6 |
| Agar, Richard | Public, Wirral | 6/6 |
| Boyle, Sean | Partnership | 4/6 |
| Crouch, Brian | Service User/Carer | 6/6 |
| Edwards, Ken | Staff | 5/6 |
| Farrell, Anne | Public, Wirral | 3/6 |
| Nellist, Helen | Public, Cheshire West & Chester | 4/6 |
| Richardson, Nigel | Out of area | 3/5 |
| Robertson, Rob | Service User/Carer | 2/5 |

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 2020/21, the Committee considered a number of matters. These included:

- Following the scheduled departure of Non-Executive Director, Dr Jim O'Connor, Non-Executive Director, Andrea Campbell was approved as Deputy Chair.
- Agreeing an in-house process to appoint to two Non-Executive Director positions considering options to reach a wider diversity of candidate.
- Reviews of Non-Executive Director Activity reports.
- Chair's Appraisal led by the Senior Independent Director.
- A rigorous review of Non-Executive Director appointments approaching end of tenure (Rebecca Burke Sharples). This resulted in a one-year extension.
- Annual Review of the Terms of Reference

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 scrutinises 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. This year has seen some disruption to the usual pattern of meetings for the sub-committee. Meetings have been held as required to consider business critical items.

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 of 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. As above, this year has seen some disruption to the usual pattern of meetings for the sub-committee. Meetings have been held as required to consider business critical items.

Membership & Engagement

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:

- People who access services and their carers
- Public
- Staff/Colleagues

People who access services and their carers

Anyone aged 11 or over is eligible to join the Trust as a member. In addition, people who access services and their carers over the age of 11 who have received care or treatment from the Trust 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 subdivision, 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/Colleagues

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 ethnic minority 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.

At the end of the financial year 2020/21 the Trust had 14,449 members. Membership is broken down into the following constituencies and classes:

- 1,617 Service users and/or carers
- 9,005 Public members
 - 2,641 Wirral
 - 2,900 Cheshire West
 - 2,036 Cheshire East

- 1,428 Out of area
- 3,827 Staff members in the following constituencies
 - 1,777 Nursing (registered & non-registered)
 - 1,030 Non-clinical (including volunteers)
 - 805 Therapies
 - 96 Clinical psychology
 - 119 Medical

Membership development

The Council of Governors has a Membership and Development Sub Committee to oversee Membership development; the Sub Committee appraises the membership profile annually and agree the target areas for recruitment and engagement. During the COVID-19 pandemic, work in this area was paused to divert activity to the COVID-19 response systems. However, the Committee (at the dates that it convened) continued to receive 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 continues to work with the Associate Director for Patient and Carer Experience in examining 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 which will grow and change over time.

Acting with the Communications Team, we will continue to work to ensure that we engage members and use varied communication sources (including physical mail) as we know that nearly 50% of our members do not have a registered email address. Our plans include refreshing and cleansing information within the database so that we can personalise both our communication and content based on our members and their needs. We established Listen and Learn Events; however these were not able to happen during the pandemic. It is planned that these will resume from April 2021.

It is evident that our staff, along with some volunteers and leaders, are also interacting with other members and volunteers on a daily basis, contributing towards our membership and engagement. The revised Friends and Family Test has been reinstated (having been paused throughout lock down) and we will continue to listen to people's opinions and views, we will also develop the use of our membership management software.

Participation and Volunteering

The Patient and Carer Experience team includes involvement and volunteering in its work programme. 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 development of remote interviewing by our volunteers using digital technology. It has seen volunteers join the NHS Responders programme to support our places and communities. It has seen us develop volunteer roles in concierge activities at our buildings and also volunteers at our vaccine hubs.

The paid roles that we developed were extended to include co-training in Proactive Approach Training, and people with lived experience working as lived experience co-trainers, have also provided training in person-centred thinking & planning, and on value-based recruitment.

Co-production remains a key and essential aspect of our approach and people have been involved in the development of Crisis and Acute Care and also Transforming Community Services. They have played a key part in research and evaluation in terms of our study in understanding CWPs response to COVID-19.

A vital element 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 (including 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 Care Groups Participation and Engagement Workers work with people to help them to identify their own personal needs and goals. We have also recruited staff to widen and extend our volunteer offer and explore opportunities for wider and different volunteering and involvement going forwards.

2.2 Remuneration Report

Senior manager remuneration policy

The Nomination and Remuneration 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 Nomination and Remuneration Committee reviewed Executive salaries. The Committee, advised by the Deputy Director of People and Organisational Development, considered the NHSI guidance on Pay for Very Senior Managers (VSM) in NHS Trusts and Foundation Trusts and the directions from NHS Improvement. It was agreed that in line with the guidance, Directors should be awarded a consolidated pay uplift of 1.03% for 2020/21.

As at 31 March 2021, 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 encourage 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 2020/21, with attendance of committee members as follows:

| Director | Nominations and Remuneration Committee of the Board |
|-------------------------|---|
| Maier, Mike | 4/4 |
| Ahmed, Farhad | 3/3 |
| Bowen, Paul | 2/4 |
| Burke-Sharples, Rebecca | 4/4 |
| Campbell, Andrea | 4/4 |
| Harrison, Elizabeth | 3/3 |
| Jenner, Edward | 4/4 |
| O'Connor, Dr James | 1/1 |
| Boyd (Turpin), Anne | 1/1 |

During 2020/21, the Committee considered a number of matters. These included:

- Awarding all staff an additional day of annual leave in recognition of their hard work during the pandemic
- Approving the proposal to undertake the appointment of Suzanne Edwards as Director of Operations
- Approving the recommendation to award sessional payments to Associate Hospital Managers for attendance at hearings
- Agreement to continue to support the Real Living Wage for staff

Fair Pay Disclosure (Audited)

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 2020/21 was £186,890. This is 5.92 times the median remuneration of the workforce, which was £31,544. Remuneration ranged from £13,251 to £189,408 (2019/20: £10,899 to £181,390).

In 2020/21 there was 1 employee who received remuneration in excess of the highest paid Director (6, 2019/20). Remuneration in respect of this employee reflects the going market rate and additional payments for clinical related activities.

| | 31 March 2021 | 31 March 2020 |
|---|---------------|---------------|
| Band of Highest Paid Directors Total Remuneration | 186-190* | 150-155 |
| Median Total Remuneration (£) | £31,544 | £30,401 |
| Ratio | 5.92 | 5.02 |

*The highest paid Director in 2020/21 did not receive a Medical Director Payment in 2019/20

There are three executives who were paid more than £150,000 in 2020/21. 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 2020/21. This was also a nil return in 2019/20.

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 2021, there were 0 early retirements (31 March 2020 – 2 early retirements) from the NHS Foundation Trust on the grounds of ill health.

Payment of Governor expenses

At 31 March 2021, 1 Governor received expenses totalling £202.50. This compares to 8 Governors receiving expenses totalling £4,200 in 2019/20.

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 2020/21 (Audited)

| Salaries and Allowances - Single Total Figure Table | | | | | | |
|--|--|---|---|--|---|---|
| 2020/2021 | (a) | (b) | (c) | (d) | (e) | (f) |
| Name and title | Salary and Fees (bands of £5,000) | All Taxable Benefits (to the nearest £100) | Annual Performance-Related Bonuses (bands of £5,000) | Long Term Performance-Related 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 | 155 - 160 | 0 | 0 | 0 | 0 | 155 - 160 |
| T Welch - Director of Business & Value | 135 - 140 | 0 | 0 | 0 | 0 | 135 - 140 |
| G Flockhart - Director of Nursing, Therapies & Patient Partnership | 105 - 110 | 0 | 0 | 0 | 87.5 - 90 | 195 - 200 |
| A Styrling - Director of Strategy and Partnerships | 110 - 115 | 0 | 0 | 0 | 0 | 110 - 115 |
| S Edwards - Director of Operations | 100 - 105 | 5,400 | 0 | 0 | 40 - 42.5 | 145 - 150 |
| A Sivanathan - Director Compliance, Quality & Assurance | 155 - 160 | 0 | 0 | 0 | 127.5 - 130 | 280 - 285 |
| A Sivanathan - Joint Medical Director | 30 - 35 | 0 | 0 | 0 | 0 | 30 - 35 |
| F Alam - Director Effectiveness, Medical Education & Medical Workforce | 125 - 130 | 800 | 0 | 0 | 27.5 - 30 | 155 - 160 |
| F Alam - Joint Medical Director | 30 - 35 | 0 | 0 | 0 | 0 | 30 - 35 |
| D Harris - Director of People and Organisational Development | 100 - 105 | 0 | 0 | 0 | 40 - 42.5 | 140 - 145 |
| E Jenner - Non-Executive Director | 15 - 20 | 0 | 0 | 0 | 0 | 15 - 20 |
| J O'Connor - Non-Executive Director | 5 - 10 | 0 | 0 | 0 | 0 | 5 - 10 |
| RB Burke-Sharpley - Non-Executive Director | 10 - 15 | 0 | 0 | 0 | 0 | 10 - 15 |
| P Bowen - Non-Executive Director | 10 - 15 | 0 | 0 | 0 | 0 | 10 - 15 |
| 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 | 0 - 5 | 0 | 0 | 0 | 0 | 0 - 5 |
| E Harrison - Non-Executive Director | 5 - 10 | 0 | 0 | 0 | 0 | 5 - 10 |
| F Ahmed - Non-Executive Director | 5 - 10 | 0 | 0 | 0 | 0 | 5 - 10 |

Note 1: Pension related benefits shows the annual increase in pension entitlement between 2019/20 and 2020/21, 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: S Edwards appointed Director of Operations from 1st May 2020, having been acting in this role from 21st May 2019. Note 3: J O'Connor left the Trust on 16th October 2020 and was replaced by E Harrison from 1st October 2020. Note 4: A Turpin left the Trust on 30th June 2020 and was replaced by F Ahmed from 1st October 2020. Note 5: J O'Connor remained at the Trust for two weeks after the appointment of his replacement to support new NED inductions. Note 6: T Welch left the NHS Pension Scheme in 2019/2020.

| Salaries and Allowances - Single Total Figure Table | | | | | | |
|--|---|--|---|---|--|--|
| 2019/2020 | | | | | | |
| Name and title | (a) Salary (bands of £5,000) | (b) Expense Payments (taxable) (to the nearest £100) | (c) Performance Pay and Bonuses (bands of £5,000) | (d) Long Term Performance Pay and Bonuses (bands of £5,000) | (e) All Pension Related Benefits (bands of £2,500) | (f) 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.

Total Pension Entitlements Disclosure of Senior Managers 2020/21 (Audited)

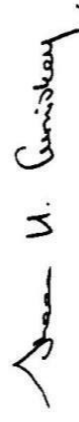
| Pension Benefits Disclosure Table | | | | | | | | |
|--|--|---|--|--|---|--|--|--|
| 2020/2021 | | | | | | | | |
| Name of Senior Manager and title | (a) Real increase in pension at pension age | (b) Real Increase in pension lump sum at pension age | (c) Total accrued pension at pension age at 31 March 2021 | (d) Lump sum at pension age related to accrued pension at 31 March 2021 | (e) Cash Equivalent Transfer Value at 1 April 2020 | (f) Real increase in Cash Equivalent Transfer Value | (g) Cash Equivalent Transfer Value at 31 March 2021 | (h) Employers Contribution to Stakeholder Pension |
| S Cumiskey - Chief Executive | £000 0 | £000 0 | (bands of £5,000) £000 65 - 70 0 | (bands of £5,000) £000 205 - 210 0 | £000 1,580 | £000 20 | £000 1,641 | £000 0 |
| T Welch - Director of Business & Value | £000 0 | £000 0 | (bands of £2,500) £000 7.5 - 10 0 | (bands of £2,500) £000 75 - 80 0 | £000 819 | £000 0 | £000 0 | £000 0 |
| G Flockhart - Director of Nursing, Therapies & Patient Partnership | (bands of £2,500) £000 2.5 - 5 | (bands of £2,500) £000 7.5 - 10 | (bands of £5,000) £000 35 - 40 | (bands of £5,000) £000 75 - 80 | £000 525 | £000 77 | £000 625 | £000 0 |
| A Sivanathan - Medical Director - Compliance, Quality & Assurance | (bands of £2,500) £000 5 - 7.5 | (bands of £2,500) £000 15 - 17.5 | (bands of £5,000) £000 65 - 70 | (bands of £5,000) £000 195 - 200 | £000 1,250 | £000 140 | £000 1,431 | £000 0 |
| F Alam - Medical Director - Effectiveness, Med. Ed & Med. WR | £000 0 - 2.5 | £000 0 - 2.5 | £000 30 - 35 | £000 50 - 55 | £000 488 | £000 21 | £000 538 | £000 0 |
| D Harris - Director of People and Organisational Development | £000 2.5 - 5 | £000 0 | £000 50 - 55 | £000 0 | £000 660 | £000 37 | £000 722 | £000 0 |
| S Edwards - Director of Operations | £000 2.5 - 5 | £000 0 - 2.5 | £000 30 - 35 | £000 70 - 75 | £000 508 | £000 33 | £000 563 | £000 0 |

Note 1 : Pension related benefits shows the annual increase in pension entitlement between 2019/20 and 2020/21, 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 2021 compared to the 31 March 2020 (after adjusting for inflation and multiplying by a standard capitalisation factor) less any contributions made by the Executive or any transferred in amounts.

| 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 in 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 age related to accrued pension at 31 March 2020 (bands of £5,000) £000 | Cash 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 Sivvananthan - 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 |

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
25 June 2021

2.3 Staff Report

Trust Employees – staff numbers (Audited)

Analysis of average staff numbers

The table below provides an overview of average staff numbers (WTE basis) for 2020/21 and for comparison, 2019/20.

| Average number of employees (WTE basis) | Permanent Number | Other Number | 2020/21 Total Number | 2019/20 Total Number |
|---|------------------|--------------|----------------------|----------------------|
| Medical and Dental | 158 | 5 | 163 | 154 |
| Administration and Estates | 683 | 51 | 734 | 743 |
| Healthcare Assistants and Other Support Staff | 309 | 3 | 312 | 273 |
| Nursing, Midwifery and Health Visiting Staff | 1,563 | 113 | 1,676 | 1,608 |
| Scientific, Therapeutic and Technical Staff | 483 | 4 | 487 | 425 |
| Healthcare Science Staff | 20 | 0 | 20 | 16 |
| Social Care Staff | 104 | 1 | 105 | 103 |
| | | | | |
| Total average numbers | 3,320 | 177 | 3,497 | 3,322 |
| Of which: | | | | |
| Number of employees (WTE) engaged on capital projects | 18 | 0 | 18 | 0 |

The tables below set out a breakdown of the numbers of Trust staff by gender at the 2020/21 year-end.

| Staff Category | Female | Male | Grand Total |
|-----------------------|--------------|------------|--------------|
| Executive Directors | 3 | 5 | 8 |
| Other Senior Managers | 3 | 4 | 7 |
| Other Employees | 3,113 | 758 | 3,871 |
| Grand Total | 3,119 | 767 | 3,886 |

| Staff Category | Female | Male |
|-----------------------|------------|------------|
| Executive Directors | 38% | 63% |
| Other Senior Managers | 43% | 57% |
| Other Employees | 80% | 20% |
| Grand Total | 80% | 20% |

Sickness absence data

At 6.09% the Trust overall level of sickness absence for 2020/21 was slightly higher compared to the 2019/20 figure of 5.75%. Further statistical analysis of sickness absence rates by NHS England by 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 staff with a permanent contract directly with the Trust (including Executive Directors but excluding Non-Executive Directors). Staff defined as 'other' are those engaged on the objectives of the Trust that do not have permanent (UK) contact of employment with the Trust. This includes employees on short term contracts of employment, agency/ temporary staff, locally engaged staff overseas and inward secondments from other organisations.

| Staff costs | Permanent (£000) | Other (£000) | 2020/21 Total | 2019/20 Total |
|--|------------------|--------------|----------------|----------------|
| Salaries and wages | 127,425 | 696 | 128,121 | 116,308 |
| Social security costs | 11,592 | 0 | 11,592 | 11,592 |
| Apprenticeship Levy | 602 | 0 | 602 | 602 |
| Employer's contributions to NHS pensions | 15,117 | 0 | 15,117 | 15,117 |
| Pension cost - employer contributions paid by NHSE on provider's behalf (6.3%) | 6,543 | 0 | 6,543 | 6,026 |
| Pension cost - other | 54 | 969 | 1,023 | 2,251 |
| Termination benefits | 0 | 0 | 0 | 0 |
| Temporary staff | 0 | 2,518 | 2,518 | 2,597 |
| Total gross staff costs | 161,333 | 4,183 | 165,516 | 152,236 |

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 2020 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 & Wellbeing Promotions (Early Intervention)

Through these four pathways the Service aims to support staff to look after their own health and wellbeing where possible and provide support and guidance when needed.

Throughout the year the Service adapted and flexed its model of delivery to ensure the wellbeing offer to staff was congruent with the changing health landscape particularly during the COVID-19 pandemic.

Within the Occupational Health Pathway, face to face appointments continued to ensure the recruitment process within the Trust was smooth and timely. Other aspects of this pathway were moved onto virtual platforms in order to keep the team and all staff as safe as possible whilst still providing quality care.

During the pandemic the Service successfully delivered an antibody testing programme rolled out by NHSE/I and co-ordinated the Trust-wide person-centred COVID-19 risk assessment framework to ensure the safety and wellbeing of all staff. A new workshop was also developed to support line managers to look after their own health and wellbeing and, in so doing, to enable them to look after the health and wellbeing of their team.

A Workforce Wellbeing magazine was produced and distributed to every member of staff within the Trust with a thank you message from the Chief Executive and Chairman. The publication contained personal stories from staff across the Trust relating to their own personal mental health challenges and included features covering a range of wellbeing topics aimed at helping staff to stay safe, healthy and motivated.

Health and wellbeing resources are available to all staff on the Trust's intranet. During the COVID-19 pandemic, these resources were increased locally and nationally and promoted to staff via the COVID-19 Communication bulletins. The Workforce Wellbeing Service established a weekly newsletter 'Thoughtful Thursday' which contained themes around the current updates, and suggestions asked for by staff were also included. The newsletters continue each month and will remain a feature from the Workforce Wellbeing Service.

The response to the COVID-19 vaccination has been exceptional with over 90 per cent of our workforce receiving the vaccine. As a provider lead for the vaccination centre, serving the local population within Cheshire West, over 50,000 vaccines have been administered at the Chester Racecourse vaccination centre with positive recognition of people's experience.

The annual Flu Vaccination Campaign was the most successful campaign to date with 80 per cent of staff receiving the vaccination.

Our collaboration with the Centre for Ageing Better continued with the aim of rolling out a train the trainer package for the Later Life Transitions workshops to other NHS Trusts.

The service also used this year to understand more fully the wellbeing needs of CWP staff and so to set out a comprehensive wellbeing offer that will be further developed in 2021 as the full impact of COVID-19 becomes known.

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 policies 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-Sharple, 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 bi-annual reports in relation to Speak Up. Reports inform on the number of concerns raised, lessons learned and recommendations for any further necessary action. The Board is assured that the Speak Up pathway is provided in line with the statutory requirements.

Information to and consultation with employees

Policies reviewed in 2020/21

- A Systems Level Security Policy for Critical System (Healthroster) was updated in partnership with ICT Services and was approved by Audit Committee on 10 November 2020.
- A revised Equality Diversity, Inclusion and Human Rights Policy was approved on 18 January 2021 via People and OD Sub Committee Chair's approval following discussion at the Trust Operational Committee on 16 December 2020.
- A Pay Progression Policy was developed to implement revised Agenda for Change terms and conditions of employment. Implementation was temporarily paused nationally due to the pandemic but engagement with staff commenced in March to effect changes from 1 July 2021. This was agreed via the People and OD Sub-committee Chair's approval on 8 March 2021 and was reported to Operational Committee for noting on 24 March 2021.
- Agile Working Guidelines. These guidelines were approved at Tactical Command Group in response to and in support of safe home working for those staff who were able to continue working from home during the pandemic.
- Work is in progress to refresh the Trust Disciplinary, Grievance, Dignity at Work and Flexible Working policies alongside a new Resolution policy in support of the Trust's aim to nurture a culture that is values-based and person-centred.

Recognition Awards

Recognition

For 2020, in light of the unfolding COVID-19 pandemic, there was no formal/face-to-face Recognition Awards event held by CWP. Instead, the Trust took a number of different approaches, to ensure that staff felt valued and were thanked for their contribution throughout 2020/21. These were:

1. Awarding all staff an additional day's leave for their Birthday

An additional day's leave was awarded to all staff, to be taken on or around their Birthday between January 1st and December 31st, 2021. This initiative was signed off by the Trust's executive team as way of showing their gratitude for the incredible and continuous effort our staff have put in to supporting those we serve and their fellow colleagues through the COVID-19 pandemic. The gesture has been very well received by staff and numerous thanks have been received via the Trust's Facebook page.

2. NHS Charities Together Funds

With the monies received from the NHS Charities Together funds, CWP provided staff with a number of different restorative initiatives aimed at recognising their brilliant contribution and looking after their Wellbeing:

- a. New rest areas and 'nature spots' were installed across the CWP sites, implemented by the Trust's Estates team.
- b. 'Thank You' gift boxes were ordered containing multiple items that could be given out to staff as a small token of appreciation. These boxes were distributed to the Trust's staff vaccination hubs during the rollout of COVID-19 vaccines and were also well received.

3. Facebook 'Thank You's' and 'Going the Extra Mile' Awards

With the Trust's private Facebook page membership growing from approximately 500 members to well over 1000 in 2020 alone, the social media platform has been a very useful way for our executive team (and others) to engage with colleagues and give thanks. The executive team have frequently utilised the Trust's Tuesday 'Facebook Live' sessions to highlight fantastic examples of work and thank all staff for continued efforts.

In addition, Chief Executive Sheena Cumiskey delivered a virtual version of CWP's 'Going the Extra Mile' awards; sending awards out to those who had gone above and beyond. Nominees had been put forward by their peers for extraordinary work, before a panel then selected several winning nominations

Staff Engagement

Virtual Breakfast with Sheena Engagement Sessions were reinstated in July 2020 to support our colleagues' wellbeing, especially throughout the COVID-19 pandemic. The Organisational Development team worked closely with the Communications and Engagement team to ensure the delivery of 8 planned sessions between July 2020 and March 2021. These sessions covered a range of staff groups, roles and teams across the Trust. July 2020 and March 2021.

The sessions provided colleagues with an opportunity to meet with the Chief Executive, to take a break, catch up with each other and to celebrate personal and professional achievements. Many of the sessions focused on what people were doing to look after their own wellbeing and that of colleagues whilst dealing with the challenges of the pandemic. They also provided an opportunity for people to discuss what was working well, to raise any issues or concerns and to discuss ideas for how we can improve as a Trust. The ideas and actions arising from the sessions were disseminated to the relevant members of the leadership team/Executive team to complete.

A recent attendee commented: *"I'm so impressed that there are Breakfast with Sheena sessions and that it was lovely to be able to be so open and honest."*

COVID-19 Support Groups

A collaboration between our Director of People and OD and members of the Workforce Wellbeing Service, the COVID-19 Support Groups provided a safe, informal space for colleagues to share their personal COVID-19 experiences and where they were up to in their recovery journey.

In the first instance, three virtual sessions were offered, to gauge interest for the event and test the approach. Attendance and positive feedback for the pilot sessions showed there was real value to this offer and as a result, this peer support approach is to be expanded to colleagues across the Trust, starting specifically with staff who have been 'shielding' during the pandemic.

Details of any consultations with staff

Consultations with Staff

- Transfer out of IAPT Services Sefton to Mental Health Matters effective from 31 December 2020. 38 members of staff along with colleagues from Insight Healthcare were consulted supported by staff side colleagues in order to affect the transfer.
- Consultation commenced in March 2021 regarding the transfer in of 16 employees from West Cheshire Cleaning. The transfer took place on 1st April 2021.
- Implementation of a 24/7 Crisis Line providing services to both adults and children across the Wirral and Cheshire footprint. Plans were brought forward due to the pandemic to develop this urgent and emergency single point of access.
- Transfer in of Wirral Continuing Healthcare and Complex Care Services effective from 1 July 2020.

High level engagement commenced with Clinical Support Service managers to review all Clinical Support Service functions in 2020, implementation was paused due to the Trust's requirement to respond to the COVID-19 pandemic but the review is now underway again

Short-Distanced Relocation of Services – Public Engagement

In September 2020, following a focused period of engagement with patients, partners, local residents and wider stakeholders, Ellesmere Port Podiatry and Tissue Viability services officially relocated to Hope Farm Clinic, Ellesmere Port, moving the short distance from its previous base at Stanney Lane Clinic, Ellesmere Port.

In early 2021, CWP also carried out a short period of engagement with patients, partners, local residents and wider stakeholders regarding Podiatry and Speech and Language Therapy (SALT) services based at Great Sutton Medical Centre, Ellesmere Port. Following the engagement period Podiatry services officially relocated to Hope Farm Clinic, Ellesmere Port, in March 2021. During the same month, SALT services relocated to the following locations across Ellesmere Port:

- Cherrybank Resource Centre in Wellington Road, under two miles away;
- Portside Children's Centre in Egerton Street and, under three miles away;
- Parklands Children's Centre in Little Sutton, under one mile away.

CWP continues to work as part of the Cheshire West Integrated Care Partnership to lead the development of a broader estates strategy for Cheshire West, focusing on how we can work with partners to develop our collective estate to meet the emerging needs of the population and support the development of community based integrated services.

Health and Safety

A range of work has been undertaken to improve and maintain health and safety in the Trust throughout 2020/21 as required under the Health and Safety at Work Act and subsequent regulations. The last 12 months have been particularly challenging in relation to the backdrop of the COVID-19 pandemic.

- The standard programme of building Health, Safety and Security assessments was suspended in April 2020 due to the restrictions of the pandemic.
- During 2020, a new In-Patient Health and Safety assessment tool was developed to encompass 'Safer wards' issues. This tool will be re-launched from May 2021 onwards.
- All Health & Safety issues raised by staff have been dealt with and communication maintained with staff and their managers throughout the year.
- Person centred COVID-19 risk assessments for staff have been completed and reviewed as required when engaged by service leads.
- In recognition of the number of CWP staff working at home or remotely, work commenced with Cardinus and the Senior Health and Safety Advisor to create a bespoke E-Learning programme with a workstation assessment section and the ability to create a Healthy Working plan to ensure safe working practices employed covering all working environments.
- 1,558 staff have completed this E-Learning programme and 1,342 have completed their Healthy working plan. Original risk status at the commencement of the E-Learning reduced in 665 staff. The staff in a 'no risk' category increased from 63 to 711 staff with the E-Learning and knowledge acquired as part of this.
- The senior Health and Safety advisor reviewed and updated the standard and specialised workstation equipment catalogue which is accessible through the Health and Safety Intranet page.
- CWP reported five incidents to the Health and Safety Executive in line with the RIDDOR Regulations (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations). This represents a continuation of the decrease in reportable incidents by 50% on the 2019/20.
- The Central Alerting System (CAS) is a web based cascading system for Patient Safety Alerts, Medical Device Alerts, Estates and Facilities notifications, Chief Medical Officer notifications and other safety information to healthcare providers.
- Of the 101 alerts received via CAS from 1st April 2020 to 31st March 2021, 55 were in relation to COVID-19. These alerts included COVID-19 treatments and several supply distribution alerts relating to unavailability of some medicines. All alerts were actioned and communicated to the correct staff and departments in full compliance of system requirements.
- The Trust's medical device contract is managed by the Health and Safety team. Early in the pandemic there was disruption to this service as certain medical devices and vital signs monitoring equipment ordered were redirected to support the national pandemic response Nightingale wards. Alternative supplies were re-sourced by CWP in readiness for potential outbreaks.
- Three local Health and Safety groups feed into the Trust Health and Safety Sub Committee covering East Cheshire, West Cheshire and Wirral. Health and Safety issues in the Trust are monitored by the Health and Safety Sub Committee which meets four times a year and work is also taken forward in localities in the intervening periods. The Chair's report from the Health and Safety Subcommittee is submitted to the Operational Committee for information, noting and action where appropriate.
- In line with Trust directive these meetings were paused for six months whilst the Trust was in business continuity mode, the Health & Safety Sub Committee meeting was reinstated and met in April 2021.

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 trafficking 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 of 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 queries received within the 2020/21 financial year which were reviewed and investigated where appropriate in accordance with the Trust's anti-fraud, bribery and corruption policy.

The Trust's anti-fraud work plan for 2020/21 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

There were no consultancy costs for 2020/21. Costs in 2019/20 were £32,000.

Reporting high off-payroll engagements

Off-payroll engagements are subject to internal review regarding the appropriate treatment of income tax, national insurance and superannuation contributions for IR35 purposes.

The Trust is required to disclose details of off-payroll engagements in the following categories:

- 1. For all (new and existing) off-payroll engagements as of 31 March 2021, for more than £245 per day and that last for longer than six months.**

There were no off-payroll engagements as at 31st March 2021, for more than £245 per day.

- 2. All off-payroll workers engaged at any point during the year ended 31 March 2021 earning £245 per day or greater**

| Number of off-payroll workers engaged at any point during the year ended 31 March 2021 earning £245 per day or greater | Number of engagements |
|---|------------------------------|
| Of which | |
| Not subject to off-payroll legislation* | 0 |
| Subject to off-payroll legislation and determined as in-scope of IR35* | 0 |
| Subject to off-payroll legislation and determined as out-of-scope of IR35* | 2 |
| Number of engagements reassessed for compliance or assurance purposes during the year | 0 |
| Of which: number of engagements that saw a change to IR35 status following review | 0 |

*A worker that provides their services through their own limited company or another type of intermediary to the client will be subject to

off-payroll legislation and the Trust must undertake an assessment to determine whether that worker is in-scope of Intermediaries legislation (IR35) or out-of-scope for tax purposes

3. Off-payroll engagements of board members, and /or senior officials with significant financial responsibility, between 1 April 2020 and 31 March 2021

| | 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 – A Boyd (Turpin) and J O'Connor vacated their positions as Non-Executive Directors on the 30th June 2020 and 16th October 2020 respectively. They were replaced by E Harrison and F Ahmed on the 1st October 2020. Medical Directors Dr Faouzi Alam and Dr Anushta Sivananthan undertake a job share.

Exit Packages (Audited)

Reporting of compensation schemes – exit packages 2020/21

Within the period 1 April 2020 until 31 March 2021, 0 exit packages were agreed.

Exit packages: other (non-compulsory) departure payments

Within the period 1 April 2020 until 31 March 2021, 0 exit packages were agreed.

| | 2020/21 | | 2019/20 | |
|---|-----------------|--------------------------|-----------------|--------------------------|
| | Payments agreed | Total value of agreement | Payments agreed | Total value of agreement |
| | Number | £000 | Number | £000 |
| Voluntary redundancies including early retirement contractual costs | 0 | 0 | 0 | 0 |
| Mutually agreed resignations (MARS) contractual costs | 0 | 0 | 9 | 137 |
| Total | 0 | 0 | 9 | 137 |

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 are a total of 31 across England. The annual staff survey continues to be one of the key ways to engage with staff.

Response Rate

The response rate to the 2020 survey among Trust staff was 51%, a decrease of 3% from 2019's 54%. The average response rate for similar organisations was 52%. While it cannot be said definitively, this decrease in participation could be attributed to our COVID-19 experience where staff absence increased through the months of the survey's campaign in comparison to the previous year. In addition, out of the 3751 members of staff invited to participate, 55 complete

responses were deemed ineligible and 32 completed responses were from people who then left the organisation.

NHS Staff Survey Comparisons to Similar Organisations

As the Staff Survey supplied by Picker also provided the same survey to 26 other Mental Health & Learning Disability/Mental Health/Learning Disability & Community Trusts, we were able to compare our results against their combined average score. Overall, we placed 8th out of the 26 organisations.

Out of the 78 questions fielded to staff in 2020:

- CWP scored better than the combined average score on 50 of the questions. Notably for:

| | |
|---|------|
| If friend/relative needed treatment would be happy with standard of care provided by organisation | +8% |
| Organisation acts fairly: career progression | + 7% |
| Not experienced harassment, bullying or abuse from patients/service users, their relatives or members of the public | + 6% |
| Satisfied with level of pay | + 5% |
| Not experienced discrimination from patients/service users, their relatives or other members of the public | + 5% |

- CWP matched the combined average score on 9 of the questions
- CWP scored worse than the combined average score on 19 of the questions. Notably for:

| | |
|--|------|
| Team members often meet to discuss the team's effectiveness | - 7% |
| Senior managers try to involve staff in important decisions | - 6% |
| Senior managers act on staff feedback | - 6% |
| Communication between senior management and staff is effective | - 5% |
| Satisfied with opportunities for flexible working patterns | - 4% |

Areas of Improvement from Previous Year (CWP to CWP)

The following results were taken from our internal report comparing this year's results with the previous year.

| Most improved from last survey | | |
|--------------------------------|----------------|--|
| 2020 | +/- Since 2019 | Question |
| 58% | +14% | Q11d. In last 3 months, have not come to work when not feeling well enough to perform duties |
| 62% | +14% | Q4f. Have adequate materials, supplies and equipment to do my work |
| 42% | +7% | Q9b. Communication between senior management and staff is effective |
| 67% | +6% | Q16d. Staff given feedback about changes made in response to reported errors/near misses/incidents |

| | | |
|-----|-----|---|
| 37% | +6% | Q4g. Enough staff at organisation to do my job properly |
|-----|-----|---|

Areas of Deterioration from Previous Year (CWP to CWP)

The following results are taken from our internal report comparing this year's results with the previous year.

| Least improved from last survey | | |
|---------------------------------|----------------|---|
| 2020 | +/- Since 2019 | Question |
| 59% | -3% | Q11c. In last 12 months, have not felt unwell due to work related stress |
| 91% | -3% | Q12d. Last experience of physical violence reported |
| 62% | -3% | Q4i. Team members often meet to discuss the team's effectiveness |
| 75% | -3% | Q11b. In last 12 months, have not experienced musculoskeletal (MSK) problems as a result of work activities |
| 75% | -3% | Q4j. I receive the respect I deserve from my colleagues at work |

Our Local Questions

For 2020, CWP's Organisational Development Team raised 7 additional local questions for staff to respond to. The questions were devised to specifically target key matters, identified throughout 2020, knowing that the answers would provide valuable local insights for the Trust to act upon. The questions and results are as follows:

| If you witnessed discrimination in any form, how would you respond? | |
|--|-------|
| a) I would feel comfortable to both challenge it appropriately and report it | 59.4% |
| b) I would report it | 29.8% |
| c) I would want to challenge/report it, but I'm not sure how | 7.0% |
| d) I would keep out of it | 0.9% |
| e) I'd rather not say | 2.8% |

| CWP defines person-centeredness as 'connecting with people as unique individuals with their own strengths, abilities, needs and goals in mind'. It is our aspiration to apply person-centred principles in everything we do. To what extent do you believe CWP works with a person-centred approach in everything we do? | |
|--|-------|
| I strongly agree there is a Person-centred approach in everything CWP does | 22.8% |
| I agree there is a Person-centred approach in most of what CWP does with room for improvement | 59.5% |
| I am not sure what Person-centeredness means and would like to know more | 2.6% |
| I disagree that CWP is Person-centred in everything it does, it doesn't apply to everything | 12.9% |
| I strongly disagree that CWP is Person-Centred | 2.1% |

| Based on your personal experience over the last 12 months, do you agree that CWP promotes a positive and supportive culture? | |
|---|-------|
| Strongly disagree | 4.0% |
| Disagree | 7.1% |
| Neither agree nor disagree | 27.2% |
| Agree | 49.2% |
| Strongly Agree | 12.6% |

| Are you aware that the Trust actively supports you to support your own health and wellbeing? | |
|---|-------|
| Yes | 91.0% |
| No | 9.0% |

| Which of the following services/offers have you accessed in the last 12 months? Please select all that apply. | |
|--|-------|
| CWP Coaching | 2.8% |
| Annual Health & Wellbeing Events such as Mental Health Week, Know your Numbers | 2.4% |
| Childcare voucher scheme | 5.1% |
| Occupational Health Pathway via Workforce Wellbeing Service | 14.7% |
| Fast track interim physiotherapy service via the MSK Pathway | 6.1% |
| Psychological Wellbeing Pathway via Workforce Wellbeing Service (was formerly known as Staff Support) | 11.5% |
| Freedom to Speak Up Guardians | 1.4% |
| Mediation | 1.1% |
| Healthy food provision | 0.3% |
| Reduced gym memberships for NHS staff | 7.7% |
| Free Flu Vaccination | 74.4% |
| CWP Mentoring | 3.1% |
| 'Working Longer Living Life to the Full' 2 day course | 4.2% |
| Cycle 2 Work Scheme | 3.3% |
| Eye test voucher scheme | 10.1% |
| Staff Health Checks | 5.2% |
| Display Screen Equipment Checks (Cardinus Assessments) | 7.7% |
| Workforce Wellbeing Intranet Pages | 14.4% |
| Resilience Workshops | 1.7% |
| On-site Gym | 3.0% |
| Recovery College Courses | 1.4% |

Last Year's Agreed Trust-wide Priorities

The findings from the Staff Survey 2019 highlighted a number of priority areas that were to be focused on by the Trust throughout 2020. These were:

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)

Action plans were developed at Care Group/Service Group level but progress on these was impacted by the Trust having to focus its resources on the COVID-19 pandemic.

The below table shows the Trust-wide Priorities with their respective 2019 and 2020 Staff Survey results and where an improvement or deterioration was observed. The average score from all the organisations Picker delivers the survey to have also been included to aid comparison.

NOTE: Questions 22b, 22c, 19b, 19c, 19d, 19e were removed from the NHS Staff Survey by NHSE/I and therefore, we were not able to draw comparison as planned.

| 2020 Trust-wide Priorities with attributing staff survey questions | 2019 | 2020 | CWP Variation +/- | 2020 Picker Average |
|--|------|----------------------------|-------------------|---------------------|
| Improve senior manager visibility and engagement of staff in decision making and shaping service plans | | | | |
| 9 b) Communication between senior management and staff is effective | 35% | 42% | +7 | 47% |
| 9 c) Senior Managers try to involve staff in important decisions | 31% | 34% | +3 | 41% |
| 9 d) Senior managers act on staff feedback | 30% | 33% | +3 | 39% |
| Improve team effectiveness with a focus on relationships | | | | |
| 6 c) Relationships at work are unstrained | 53% | 54% | +1 | 53% |
| Make better use of feedback from our people and those who use our services to inform decision making | | | | |
| 22 b) Receive regular updates on patient/service user feedback in my directorate/department | 54% | Question Withdrawn By NHSE | N/A | N/A |
| 22 c) Feedback from patients/service users is used to make informed decisions within directorate/department | 52% | Question Withdrawn By NHSE | N/A | N/A |
| Improve quality of appraisals and supervision | | | | |
| 19 b) Appraisals/review definitely helped me improve how I do my job | 20% | Question Withdrawn By NHSE | N/A | N/A |
| 19 c) Appraisals/performance review: Clear work objectives definitely agreed | 31% | Question Withdrawn By NHSE | N/A | N/A |
| 19 d) Appraisals/Performance review: Definitely left feeling work is valued | 31% | Question Withdrawn By NHSE | N/A | N/A |
| 19 e) Appraisals/Performance review: Organisational values definitely discussed | 35% | Question Withdrawn By NHSE | N/A | N/A |
| Support staff wellbeing, including capacity (time, energy and attention) and opportunities for flexible working | | | | |
| 4 g) Enough staff at organisation to do my job properly | 31% | 37% | +6 | 39% |
| 6 a) I have realistic time pressures | 24% | 28% | +4 | 25% |
| 10 c) Don't work any additional unpaid hours per week for this organisation, over and | 42% | 41% | -1 | 37% |

| | | | | |
|--|-----|-----|-----|-----|
| above contracted hours | | | | |
| 11 a) Organisation definitely takes positive action on health and Well-being | 35% | 39% | +4 | 37% |
| 11 g) Put myself under pressure to come to work when not feeling well enough | 5% | 6% | +1 | 6% |
| Build managerial capability (capacity, competence and confidence) | | | | |
| 8 c) Immediate manager gives clear feedback on my work | 67% | 68% | +1 | 70% |
| 8 d) Immediate manager asks for my opinion before making decisions that affect my work | 61% | 63% | +2% | 63% |

2021 Trust Priority Areas

The following areas have been identified as priority areas for improvement in 2021.

| Priority and Associated Staff Survey Questions | CWP 2020 Trust-wide Score % | Comparators Average % |
|---|-----------------------------|-----------------------|
| Be proactive and proud to continuously improve | | |
| 4 i) Team members often meet to discuss the team's effectiveness | 62% | 69% |
| 6 a) I have realistic time pressures | 28% | 25% |
| Being 'Satisfied' is the minimum standard for our colleagues' experience at CWP | | |
| 5 a) Satisfied with recognition for good work | 61% | 63% |
| 5 f) Satisfied with extent organisation values my work | 51% | 52% |
| 18 c) Would recommend organisation as place to work | 69% | 66% |
| 19 a) I don't often think about leaving this organisation | 52% | 49% |
| All our Managers are inclusive in how they engage with colleagues – Two-way communication is recognised as one of our essential standards | | |
| 8 d) Immediate manager asks for my opinion before making decisions that affect my work | 63% | 63% |
| 9 b) Communication between senior management and staff is effective | 42% | 47% |
| 9 c) Senior managers try to involve staff in important decisions | 34% | 40% |
| 9 d) Senior managers act on staff feedback | 33% | 38% |
| We recognise our Wellbeing as our most precious resource and our Trust proactively supports its maintenance and growth too | | |
| 11 a) Organisation definitely takes positive action on health and well-being | 39% | 36% |
| 11 c) In last 12 months, have not felt unwell due to work related stress | 59% | 56% |
| 11 d) In last 3 months, have not come to work when not feeling well enough to perform duties | 58% | 54% |
| We will continue to develop a Culture that supports the right behaviours and offers a safe space for colleagues to be their best. We will seek to understand our differences and learn from our mistakes. We will challenge bad behaviour and offer zero tolerance toward discrimination and/or abuse anywhere it is found | | |
| 13 d) Last experience of harassment/bullying/abuse reported | 62% | 59% |
| 16 a) Organisation treats staff involved in errors/near misses/incidents fairly | 60% | 59% |
| 17 c) Would feel confident that organisation would address concerns about unsafe clinical practice | 66% | 63% |

Monitoring arrangements

The Staff Survey 2020 results will initially be shared with Care Group and Clinical Support Services Associate Directors via focused Data Packs to enable local action plans to be developed based on the newly identified Trust-wide priorities. The survey findings, action plans and updates on the improvement actions will be reported to the Trust Operational Committee, Trust Board and Council of Governors and progress will be monitored via the People and OD Sub-Committee.

Trade Union Facility Time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 – Period April 2020 to March 2021.

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 |
|-----------|----------------------|
| 20 | 15.83 |

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% | 3 |
| 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 | £56,342 |
| Total pay bill | £ 165,516,000 |
| Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100 | 0.034% |

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 | 3.24% |
|--|-------|

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:

- i. Quality of care
- ii. Finance and use of resources
- iii. Operational performance
- iv. Strategic change
- v. 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

In 2020/21 the Use of Resources Risk Rating (UoR) was suspended and the future of this rating is being consulted upon by the regulator NHSI. Based on performance in 2020/21 the Trust would have again achieved 'Segment 1' status

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

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:

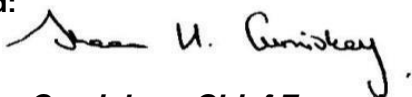
- observe the Accounts Direction issued by NHS Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the 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
25 June 2021

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 2021 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 board 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 board assurance framework. In addition, the Audit Committee receives the board 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 and meetings in the Trust, 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 2020/21, this has included development of a risk appetite framework by the Medical Director (Compliance, Quality & Regulation) and the Associate Director of Safe Services, with training in the same delivered to the Board and sub Board directors concerning the appetite associated with risks to achievement of the Trust's new strategic objectives that were approved in-year.

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 board 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 board assurance framework is aligned to a principal strategic objective and identifies risks which the organisation is tolerant of and engaging with at any one time, which contributes to the overall risk appetite statement. The Board of Directors, in accepting new potential and actual threats to the achievement of organisational strategic objectives, assesses, evaluates (through its receipt, review and approval of the board assurance framework) and determines its appetite for engaging with the impact of risks by reviewing 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 2021 and up to the date of approval of the annual report and accounts, the Trust is rated as "Good" for well-led, as well as "Good" overall and for whether services are safe, effective and responsive. The Trust is rated as "Outstanding" in the key question of whether services are caring. 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 within a five-year cycle, 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 scoped in line with the NHS Improvement guidance during 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. Aforementioned, in June 2020, the Trust was rated as "Good" for well-led following an inspection undertaken between 27 January and 11 March 2020. 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.

Collectively, these assurance mechanisms affirm that Cheshire and Wirral Partnership NHS Foundation Trust is fully compliant with the registration requirements of the Care Quality Commission.

For the year ended 31 March 2021 and up to the date of approval of the annual report and accounts, NHS Improvement would have placed the Trust in "Segment 1", meaning that it is has judged the Trust as having "maximum autonomy" and "no support needs identified" to maintain its CQC rating of at least "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 board 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 2021 is 10 (amber).

The Trust's major (including significant clinical) risks at the year ended 31 March 2021 (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 services provided by CWP, potentially resulting in a risk to the delivery of safe, effective care to the population of Cheshire and Wirral.*

The ongoing approach to response to this risk is treatment in real time, informed by regular updates from the Trust's emergency response governance structure (established to complement the Trust's substantive meeting structure) to the Board of Directors to ensure Board members remain fully informed of the current situation and the actions being taken by the Trust. Risk treatment is continually under review to support the delivery of safe and effective care and the well-being and safety of people who access and deliver the Trust's services. The Board of Directors also reviews the robustness of Trust's governance arrangements in line with guidance issued by NHS Improvement.

- *Risk of failure to achieve compliance levels of fire evacuation training competency for inpatient service, resulting in risks to patients and staff and failure to comply with Health & Safety regulations.*

Risk treatment is being monitored by Operational Committee. Predominantly, this involves ward managers delivering training in-situ to achieve 100% compliance during the second quarter of 2021/22.

- *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 and overseen by Operational Committee. The outputs of an internal audit will inform further risk treatment during the course of 2021/22. The risk will also be remodelled in light of transformation projects that are being delivered within Specialist Mental Health services.

- *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 Trust has continued to work with commissioners to consider future investment and intentions. Residual regulatory actions arising from the CQC inspection of this service in 2019/20 will be treated during the course of 2021/22 and overseen by Operational Committee and the Board of Directors.

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 board assurance framework and forward plans. At the end of this reporting period, one risk was being scoped as a potential future risk. This is the risk of failure to deliver full scale of transformation projects, resulting in reputational risks and risks to patient and staff experience and patient outcomes. This will be scoped in accordance with the Trust's integrated governance framework and if it is deemed to meet the threshold for being a risk to the Trust's strategic objectives, will be treated/ mitigated through the Trust's board 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.

The overall opinion of the Director of Internal Audit is that substantial assurance can be given 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 an annual 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 within a psychological safety framework, 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 an up-to-date register of interests for decision-making staff 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 is currently developing a new 'green plan' which will align with the latest guidance issued by the Sustainable Development Unit for the NHS in England. 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 Trust-wide 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 financial performance of the Trust is reviewed during the year by NHS England and NHS Improvement via monthly monitoring return submissions. 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

Compliance with information governance standards is subject to annual assessment through the completion of the Data Security & Protection Toolkit (DSPT) hosted by NHS Digital. The DSPT submission is scrutinised by the Trust's regulators. The Care Quality Commission review the DSPT as part of their regulatory framework; NHS England and NHS Improvement uses the content of the DSPT in assessing the Trust's governance risk rating. The Trust achieved compliance with the DSPT for the 2020/21 submission. There have been no serious incidents relating to information governance in 2020/21 that were reportable to the Information Commissioner's Office/ Department of Health & Social Care in the Data Security Incident Reporting Tool.

Data quality and governance

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

- Undertaking routine 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).

- Monthly Care Group led data quality validation and improvement exercise (focussing initially on ethnicity recording).

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 Trust wide 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 2020/21.

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, it is visibly used by the organisation, and it clearly reflects the risks discussed by the Board".

The review has given assurance that:

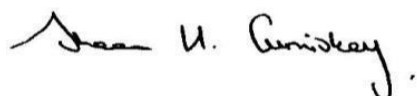
1. The structure of the Assurance Framework meets the NHS requirements.
2. There has been Board engagement in the review and use of the Assurance Framework throughout the financial year.
3. The quality of the content of the AF demonstrates clear connectivity with the Board agenda and external environment.

This review has been presented in a report to the Operational Committee and the Audit Committee. The review noted that Board minutes demonstrate discussion and update of the Assurance Framework, although this could be made more visible and apparent for some meetings/ discussions. This has been identified as an area for improvement for 2021/22.

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
25 June 2021

2.8 Independent Auditors Report

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 on financial statements

We have audited the financial statements of Cheshire and Wirral Partnership NHS Foundation Trust (the 'Trust') for the year ended 31 March 2021, 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 accounting standards in conformity with the requirements of the Accounts Directions issued under Schedule 7 of the National Health Service Act 2006, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2020 to 2021.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Trust as at 31 March 2021 and of its expenditure and income for the year then ended; and
- have been properly prepared in accordance with international accounting standards as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2020 to 2021; 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, as required by the Code of Audit Practice (2020) ("the Code of Audit Practice") approved by the Comptroller and Auditor General. 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.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the Accounting Officer's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Trust to cease to continue as a going concern.

In our evaluation of the Accounting Officer's conclusions, and in accordance with the expectation set out within the Department of Health and Social Care Group Accounting Manual 2020 to 2021 that the Trust's financial statements shall be prepared on a going concern basis, we considered the inherent risks associated with the continuation of services provided by the Trust. In doing so we had regard to the guidance provided in Practice Note 10 Audit of financial statements and regularity of public sector bodies in the United Kingdom (Revised 2020) on the application of ISA (UK) 570 Going Concern to public sector entities. We assessed the reasonableness of the basis of preparation used by the Trust and the Trust's disclosures over the going concern period.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

The responsibilities of the Accounting Officer with respect to going concern are described in the 'Responsibilities of the Accounting Officer and Those Charged with Governance for the financial statements' section of this report.

Other information

The Accounting Officer is responsible for the other information. The other information comprises the information included in the annual report², 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.

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 in April 2020 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 comply with the disclosure requirements set out in the NHS foundation trust annual reporting manual 2020/21 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.

Opinion on other matters required by the Code of Audit Practice

In our opinion, based on the work undertaken in the course of the audit:

- the parts of the Remuneration Report and the Staff Report to be audited have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Accounts Directions issued under Schedule 7 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, 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 an officer of the Trust, is about to make, or has made, a decision which involves or would involve the incurring of unlawful expenditure, 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, 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 2020/21, 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 its 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Trust and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks (international accounting standards and the National Health Service Act 2006, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2020 to 2021).
- We enquired of management and the Audit Committee, concerning the Trust's policies and procedures relating to:
 - the identification, evaluation and compliance with laws and regulations;
 - the detection and response to the risks of fraud; and
 - the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.
- We enquired of management and the Audit Committee whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- We assessed the susceptibility of the Trust's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls and revenue recognition. We determined that the principal risks were in relation to:
 - journal entries posted by senior officers; and
 - the significant accounting estimates in the financial statements, including those related to the valuation of property, plant and equipment and net pension fund liabilities.
- Our audit procedures involved:
 - evaluation of the design effectiveness of controls that management has in place to prevent and detect fraud;
 - journal entry testing, with a focus on large and unusual journals,
 - challenging assumptions and judgements made by management in its significant accounting estimates in respect of property, plant and equipment valuations and net pension fund liabilities,
 - assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. However, detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as those irregularities that result from fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.
- The team communications in respect of potential non-compliance with relevant laws and regulations, including the potential for fraud in revenue and/or expenditure recognition, and the significant accounting estimates related to property, plant and equipment valuations and pension liabilities.

- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's.
 - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
 - knowledge of the health sector and economy in which the Trust operates
 - understanding of the legal and regulatory requirements specific to the Trust including:
 - the provisions of the applicable legislation
 - NHS Improvement's rules and related guidance
 - the applicable statutory provisions.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
 - the Trust's operations, including the nature of its income and expenditure and its services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.
 - the Trust's control environment, including the policies and procedures implemented by the Trust to ensure compliance with the requirements of the financial reporting framework.

Report on other legal and regulatory requirements – 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 – the 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 2021.

Our work on the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources is not yet complete. The outcome of our work will be reported in our commentary on the Trust's arrangements in our Auditor's Annual Report. If we identify any significant weaknesses in these arrangements, these will be reported by exception in our Audit Completion Certificate. We are satisfied that this work does not have a material effect on our opinion on the financial statements for the year ended 31 March 2021.

Responsibilities of the Accounting Officer

The Chief Executive, as 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. 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 undertake our review in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in April 2021. This guidance sets out the arrangements that fall within the scope of 'proper arrangements'. When reporting on these arrangements, the Code of Audit Practice requires auditors to structure their commentary on

arrangements under three specified reporting criteria:

- Financial sustainability: how the Trust plans and manages its resources to ensure it can continue to deliver its services;
- Governance: how the Trust ensures that it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness: how the Trust uses information about its costs and performance to improve the way it manages and delivers its services.

We document our understanding of the arrangements the Trust has in place for each of these three specified reporting criteria, gathering sufficient evidence to support our risk assessment and commentary in our Auditor's Annual Report. In undertaking our work, we consider whether there is evidence to suggest that there are significant weaknesses in arrangements.

Report on other legal and regulatory requirements – Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate for Cheshire and Wirral Partnership NHS Foundation Trust for the year ended 31 March 2021 in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Code of Audit Practice until we have completed our work on the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources.

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

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

Bristol
25 June 2021

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

In our auditor's report issued on 25 June 2021, we explained that we could not formally conclude the audit and issue an audit certificate for the Trust for the year ended 31 March 2021, in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Code of Audit Practice, until we had:

- Completed our work on the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources. We have now completed this work, and the results of our set out below.

Opinion on the financial statements

In our auditor's report for the year ended 31 March 2021 issued on 25 June 2021 we reported that, in our opinion the financial statements:

- give a true and fair view of the financial position of the Trust as at 31 March 2021 and of its expenditure and income for the year then ended;
- have been properly prepared in accordance with international accounting standards as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2020 to 2021; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006.

No matters have come to our attention since that date that would have a material impact on the financial which we gave this opinion.

Report on other legal and regulatory requirements - 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 – the 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 2021. We have nothing to report in respect of the above matter.

Responsibilities of the Accounting Officer

The Chief Executive, as 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. 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 issued by the Comptroller and Auditor General in April 2021. This guidance sets out the arrangements that fall within the scope of 'proper arrangements'. When reporting on these arrangements, the Code of Audit Practice requires auditors to structure their commentary on arrangements under three specified reporting criteria:

- Financial sustainability: how the Trust plans and manages its resources to ensure it can

- continue to deliver its services;
- Governance: how the Trust ensures that it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness: how the Trust uses information about its costs and performance to improve the way it manages and delivers its services.

We have documented our understanding of the arrangements the Trust has in place for each of these three specified reporting criteria, gathering sufficient evidence to support our risk assessment and commentary in our Auditor's Annual Report. In undertaking our work, we have considered whether there is evidence to suggest that there are significant weaknesses in arrangements.

Report on other legal and regulatory requirements – Audit certificate

We certify that we have completed the audit of Cheshire and Wirral Partnership NHS Foundation Trust for the year ended 31 March 2021 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

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

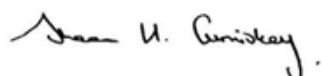
16 August 2021

3. Annual Accounts

Foreword to the accounts

Cheshire and Wirral Partnership NHS Foundation Trust

These accounts, for the year ended 31 March 2021, 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

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Name Sheena Cumiskey
Job title Chief Executive
Date 25 June 2021

Statement of Comprehensive Income

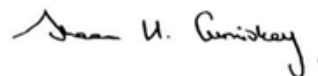
| | | 2020/21 | 2019/20 |
|--|------|-----------------------|-----------------------|
| | Note | £000 | £000 |
| Operating income from patient care activities | 3 | 191,832 | 179,325 |
| Other operating income | 4 | 12,134 | 8,763 |
| Operating expenses | 6 | <u>(207,606)</u> | <u>(186,663)</u> |
| Operating surplus/(deficit) from continuing operations | | <u>(3,640)</u> | <u>1,425</u> |
| Finance income | 11 | - | 159 |
| Finance expenses | 12 | (6) | (65) |
| PDC dividends payable | | <u>(1,006)</u> | <u>(1,722)</u> |
| Net finance costs | | <u>(1,012)</u> | <u>(1,628)</u> |
| Other gains/(losses) | 13 | - | (2) |
| (Deficit) for the year from continuing operations | | <u>(4,652)</u> | <u>(205)</u> |
| Other comprehensive income | | | |
| Will not be reclassified to income and expenditure: | | | |
| Impairments | 7 | (1,131) | - |
| Revaluations | 16 | 3,374 | - |
| Remeasurements of the net defined benefit pension scheme liability / asset | 29 | (3,504) | 2,766 |
| Other reserve movements | | <u>2</u> | <u>-</u> |
| Total comprehensive income / (expense) for the period | | <u>(5,911)</u> | <u>2,561</u> |
| Adjusted financial performance (control total basis): | | | |
| (Deficit) for the period | | (4,652) | (205) |
| Remove net impairments not scoring to the Departmental expenditure limit | | 5,512 | 2,341 |
| Remove non-cash element of on-SoFP pension costs | | 286 | 1,355 |
| Adjusted financial performance surplus | | <u>1,146</u> | <u>3,491</u> |

Statement of Financial Position

| | | 31 March 2021 | 31 March 2020 |
|--|------|------------------|------------------|
| | Note | £000 | £000 |
| Non-current assets | | | |
| Property, plant and equipment | 15 | 76,063 | 79,373 |
| Other investments / financial assets | 17 | 1 | 1 |
| Receivables | 19 | 43 | - |
| Total non-current assets | | 76,107 | 79,374 |
| Current assets | | | |
| Receivables | 19 | 5,539 | 5,727 |
| Cash and cash equivalents | 21 | 33,873 | 21,237 |
| Total current assets | | 39,412 | 26,964 |
| Current liabilities | | | |
| Trade and other payables | 22 | (24,616) | (17,062) |
| Borrowings | 24 | (82) | (80) |
| Provisions | 26 | (1,165) | (1,307) |
| Other liabilities | 23 | (7,538) | (3,759) |
| Total current liabilities | | (33,401) | (22,208) |
| Total assets less current liabilities | | 82,118 | 84,130 |
| Non-current liabilities | | | |
| Borrowings | 24 | (77) | (159) |
| Provisions | 26 | (593) | (602) |
| Other liabilities | 23 | (10,969) | (7,179) |
| Total non-current liabilities | | (11,639) | (7,940) |
| Total assets employed | | 70,479 | 76,190 |
| Financed by | | | |
| Public dividend capital | | 37,622 | 37,423 |
| Revaluation reserve | | 17,540 | 15,681 |
| Other reserves | | (10,969) | (7,179) |
| Income and expenditure reserve | | 26,286 | 30,265 |
| Total taxpayers' equity | | 70,479 | 76,190 |

The notes on pages 90 to 136 form part of these accounts.

Name Sheena Cumiskey
 Position Chief Executive
 Date 25 June 2021



Statement of Changes in Equity for the year ended 31 March 2021

| | Public dividend capital £000 | Revaluation reserve £000 | Other reserves £000 | Income and expenditure reserve £000 | Total £000 |
|--|---------------------------------|-----------------------------|------------------------|--|---------------|
| Taxpayers' and others' equity at 1 April 2020 - brought forward | 37,423 | 15,681 | (7,179) | 30,265 | 76,190 |
| Surplus/(deficit) for the year | - | - | - | (4,652) | (4,652) |
| Other transfers between reserves | - | (385) | (286) | 671 | - |
| Impairments | - | (1,131) | - | - | (1,131) |
| Revaluations | - | 3,374 | - | - | 3,374 |
| Remeasurements of the defined net benefit pension scheme liability/asset | - | - | (3,504) | - | (3,504) |
| Public dividend capital received | 200 | - | - | - | 200 |
| Other reserve movements | (1) | 1 | - | 2 | 2 |
| Taxpayers' and others' equity at 31 March 2021 | 37,622 | 17,540 | (10,969) | 26,286 | 70,479 |

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

| | Public dividend capital £000 | Revaluation reserve £000 | Other reserves £000 | Income and expenditure reserve £000 | Total £000 |
|---|---------------------------------|-----------------------------|------------------------|--|---------------|
| Taxpayers' and others' equity at 1 April 2019 - brought forward | 36,398 | 18,741 | (8,590) | 26,055 | 72,604 |
| Surplus/(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 |

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

| | 2020/21 | 2019/20 |
|---|-----------------------|----------------|
| Note | £000 | £000 |
| Cash flows from operating activities | | |
| Operating surplus / (deficit) | (3,640) | 1,425 |
| Non-cash income and expense: | | |
| Depreciation and amortisation | 6.1 2,731 | 2,250 |
| Net impairments | 7 5,512 | 2,341 |
| Non-cash movements in on-SoFP pension liability | 286 | 1,355 |
| Decrease in receivables and other assets | 374 | 2,727 |
| Increase in payables and other liabilities | 11,385 | 499 |
| (Decrease) in provisions | (151) | (455) |
| Other movements in operating cash flows | 2 | (8) |
| Net cash flows from operating activities | 16,499 | 10,134 |
| Cash flows from investing activities | | |
| Interest received | 5 | 166 |
| Purchase of intangible assets | (554) | - |
| Purchase of PPE and investment property | (2,127) | (7,726) |
| Sales of PPE and investment property | - | 1,192 |
| Net cash flows (used in) investing activities | (2,676) | (6,368) |
| Cash flows from financing activities | | |
| Public dividend capital received | 200 | 1,025 |
| Capital element of finance lease rental payments | (80) | (180) |
| Interest paid on finance lease liabilities | (6) | (65) |
| PDC dividend (paid) | (1,301) | (1,577) |
| Net cash flows (used in) financing activities | (1,187) | (797) |
| Increase in cash and cash equivalents | 12,636 | 2,969 |
| Cash and cash equivalents at 1 April - brought forward | 21,237 | 18,268 |
| Cash and cash equivalents at 31 March | 21.1 33,873 | 21,237 |

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 2020/21 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

The NHS foundation trusts annual report and accounts have been prepared on a going concern basis. Non-trading entities in the public sector are assumed to be going concerns where the continued provision of a service in the future is anticipated, as evidenced by the inclusion of financial provision for that service in published documents.

The Trust has a forecast cash balance of £24m at 31 March 2022 and has no concerns regarding the ability to service payments as and when they fall during 2021/22.

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. It is for this reason they continue to adopt the going concern basis in 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.

During the year, no critical judgements have been made in the process of applying the NHS foundation trusts accounting policies, other than those involving estimations, that have had a significant effect on the amounts recognised in the financial statements.

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 £73m as at 31st March 2021)

The Trust has obtained an independent desktop professional valuation report as at 31st March 2021 in accordance with International Financial Reporting Standards (IFRS) as interpreted and applied by the HM Treasury FREM compliant Department of Health Group Accounting Manual for Accounts and the Royal Institution of Chartered Surveyors (RICS) 'Red Book'.

The outbreak of COVID-19, declared by the World Health Organisation as a "Global Pandemic" on the 11th March 2020, has and continues to impact many aspects of daily life and the global economy – with some real estate markets having experienced lower levels of transactional activity and liquidity. Travel, movement and operational restrictions have been implemented by many countries. In some cases, "lockdowns" have been applied to varying degrees and to reflect further "waves" of COVID-19; although these may imply a new stage of the crisis, they are not unprecedented in the same way as the initial impact. The pandemic and the measures taken to tackle COVID-19 continue to affect economies and real estate markets globally. Nevertheless, as at the valuation date some property markets have started to function again, with transaction volumes and other relevant evidence returning to levels where an adequate quantum of market evidence exists upon which to base opinions of value. Accordingly, and for the avoidance of doubt, our valuation is not reported as being subject to 'material valuation uncertainty' as defined by VPS 3 and VPGA 10 of the RICS Valuation – Global Standards.

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 2021 and 31st March 2020 in measuring the present value of the defined benefit scheme liabilities are:

| | 31st March 2021 | 31st March 2020 |
|-----------------------|-----------------|-----------------|
| | %p.a. | %p.a. |
| Pension Increase Rate | 2.8 | 1.8 |
| Salary Increase Rate | 3.5 | 2.5 |
| Discount Rate | 2.1 | 2.3 |

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 2021 and 31st March 2020 in measuring the present value of the defined benefit scheme liabilities are:

| | 31st March 2021 | 31st March 2020 |
|-----------------------|-----------------|-----------------|
| | %p.a. | %p.a. |
| Pension Increase Rate | 2.8 | 2.2 |
| Salary Increase Rate | 4.2 | 3.6 |
| Discount Rate | 2.1 | 2.4 |

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.

Nevevia Ltd

The NHS foundation trust created a subsidiary company in 2016/17 of which it has 100% stake. Nevevia Ltd has been set up to provide innovative care solutions. At the 31st March 2021 the Trust has not consolidated any of the financial statements of Nevevia Ltd on the grounds of materiality. Disclosure note 33 records the summary transactions for 2020/21.

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 2020/21. 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 accounting policies for revenue recognition and the application of IFRS 15 are consistently applied. The contracting arrangements in the NHS changed between 2019/20 and 2020/21 affecting the application of the accounting policy under IFRS 15. This difference in application is explained below.

2020/21

The main source of income for the Trust is contracts with commissioners for health care services. In 2020/21, the majority of the trust's income from NHS commissioners was in the form of block contract arrangements. During the first half of the year the trust received block funding from its commissioners. For the second half of the year, block contract arrangements with commissioners continued in line with the first half of the year, and additional COVID and growth funding was allocated to the Cheshire and Merseyside Health Care Partnership who determined how this would be allocated across provider organisations. The related performance obligation is the delivery of healthcare and related services during the period, with the trust's entitlement to consideration not varying based on the levels of activity performed.

Comparative period (2019/20)

In the comparative period (2019/20), the trust's contracts with NHS commissioners included those where the trust's entitlement to income varied according to services delivered.

Note 1.7 Other forms of income

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 grant 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 desktop revaluation as at 31st March 2021) 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 the criteria in IFRS 5 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 | 20 | 80 |
| Plant & machinery | 3 | 15 |
| Transport equipment | 7 | 10 |
| Information technology | 4 | 9 |
| Furniture & fittings | 2 | 11 |

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 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.

In 2020/21, the Trust received inventories including personal protective equipment from the Department of Health and Social Care at nil cost. In line with the GAM and applying the principles of the IFRS Conceptual Framework, the Trust has accounted for the receipt of these inventories at a deemed cost (offset by notional income) reflecting the best available approximation of an imputed market value for the transaction based on the cost of acquisition by the Department.

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 as 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 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.

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.

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 26 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 NHS foundation 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, with certain additions and deductions as defined in the PDC dividend policy issued by the Department of Health and Social Care. The policy is available at <https://www.gov.uk/government/publications/guidance-on-financing-available-to-nhs-trusts-and-foundation-trusts>.

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.

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 2020/21.

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 2022. 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 2022, 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 rate is 0.91% but this 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 2022 for existing finance leases.

For leases commencing in 2022/23, 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.

The implementation date for IFRS 16 in the NHS was revised to 1 April 2022 in November 2020. Due to the need to reassess lease calculations, together with uncertainty on expected leasing activity from April 2022 and beyond, a quantification of the expected impact of applying the standard in 2022/23 is currently impracticable.

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 NHSEI (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.

| Note 3.1 Income from patient care activities (by nature) | 2020/21 | 2019/20 |
|---|----------------|----------------|
| | £000 | £000 |
| Mental health services | | |
| Block contract / system envelope income* | 138,769 | 128,270 |
| Clinical partnerships providing mandatory services (including S75 agreements) | 7,772 | 7,803 |
| Other clinical income from mandatory services | 5,812 | 4,421 |
| Community services | | |
| Block contract / system envelope income* | 22,985 | 24,092 |
| Income from other sources (e.g. local authorities) | 7,043 | 6,427 |
| All services | | |
| Additional pension contribution central funding** | 6,543 | 6,026 |
| Other clinical income | 2,908 | 2,286 |
| Total income from activities | 191,832 | 179,325 |

*As part of the coronavirus pandemic response, transaction flows were simplified in the NHS and providers and their commissioners moved onto block contract payments at the start of 2020/21. In the second half of the year, a revised financial framework built on these arrangements but with a greater focus on system partnership and providers derived most of their income from these system envelopes. Comparatives in this note are presented to be comparable with the current year activity. This does not reflect the contracting and payment mechanisms in place during the prior year.

**The employer contribution rate for NHS pensions increased from 14.3% to 20.6% (excluding administration charge) from 1 April 2019. Since 2019/20, NHS providers have 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)

| Note 3.2 Income from patient care activities (by source) | 2020/21 | 2019/20 |
|---|----------------|----------------|
| | £000 | £000 |
| Income from patient care activities received from: | | |
| NHS England | 23,281 | 21,897 |
| Clinical commissioning groups | 151,383 | 140,362 |
| Other NHS providers | 1,342 | 1,253 |
| Local authorities | 14,221 | 14,095 |
| Non NHS: other | 1,605 | 1,718 |
| Total income from activities | 191,832 | 179,325 |

Note 4 Other operating income

| | 2020/21 | | 2019/20 | | |
|---|-------------------------|--------------------------------|----------------------------|--------------------------------|---------------|
| | Contract income £000 | Non-contract income £000 | Contract income £000 | Non-contract income £000 | Total £000 |
| Research and development | 230 | - | 238 | - | 238 |
| Education and training | 4,234 | 333 | 3,739 | 327 | 4,066 |
| Non-patient care services to other bodies | 1,467 | - | 1,584 | - | 1,584 |
| Provider sustainability fund (2019/20 only) | - | - | 1,380 | - | 1,380 |
| Reimbursement and top up funding | 1,905 | - | - | - | - |
| Income in respect of employee benefits accounted on a gross basis | 934 | - | 985 | - | 985 |
| Contributions to expenditure - consumables donated from DHSC | - | 1,754 | - | - | - |
| Rental revenue from operating leases | - | 94 | - | 110 | 110 |
| Other income | 1,183 | - | 400 | - | 400 |
| Total other operating income | 9,953 | 2,181 | 8,326 | 437 | 8,763 |

Note 5.1 Transaction price allocated to remaining performance obligations

The Trust has no disclosures to record under this heading

Note 5.2 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:

| | 2020/21 | 2019/20 |
|--|-----------------------|-----------------------|
| | £000 | £000 |
| Income from services designated as commissioner requested services | 188,585 | 176,412 |
| Income from services not designated as commissioner requested services | 3,247 | 2,914 |
| Total | <u>191,832</u> | <u>179,326</u> |

Note 5.3 Profits and losses on disposal of property, plant and equipment

There were no disposals of Property, Plant and Equipment during the year

Note 5.4 Fees and charges

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

Note 6.1 Operating expenses

| | 2020/21 | 2019/20 |
|---|----------------|----------------|
| | £000 | £000 |
| Purchase of healthcare from NHS and DHSC bodies | 1,400 | 813 |
| Purchase of healthcare from non-NHS and non-DHSC bodies | 2,268 | 1,709 |
| Staff and executive directors costs | 162,696 | 150,138 |
| Remuneration of non-executive directors | 151 | 135 |
| Supplies and services - clinical (excluding drugs costs) | 4,673 | 2,128 |
| Supplies and services - general | 1,416 | 1,394 |
| Drug costs (drugs inventory consumed and purchase of non-inventory drugs) | 1,967 | 1,872 |
| Consultancy costs | - | 32 |
| Establishment | 1,788 | 1,281 |
| Premises | 11,639 | 10,064 |
| Transport (including patient travel) | 1,062 | 2,037 |
| Depreciation on property, plant and equipment | 2,177 | 2,250 |
| Amortisation on intangible assets | 554 | - |
| Net impairments | 5,512 | 2,341 |
| Movement in credit loss allowance: contract receivables / contract assets | (13) | (6) |
| Movement in credit loss allowance: all other receivables and investments | 16 | 50 |
| Audit fees payable to the external auditor | | |
| audit services- statutory audit | 90 | 57 |
| other auditor remuneration (external auditor only) | - | 6 |
| Internal audit costs | 85 | 95 |
| Clinical negligence | 665 | 537 |
| Legal fees | 156 | 223 |
| Insurance | 350 | 337 |
| Research and development | 463 | 554 |
| Education and training | 3,064 | 2,817 |
| Rentals under operating leases | 2,248 | 2,719 |
| Redundancy | - | (246) |
| Hospitality | - | 3 |
| Losses, ex gratia & special payments | 109 | 115 |
| Other services, eg external payroll | 245 | 238 |
| Other | 2,825 | 2,970 |
| Total | 207,606 | 186,663 |

Note 6.2 Other auditor remuneration

| | 2020/21 | 2019/20 |
|---|----------|----------|
| | £000 | £000 |
| Other auditor remuneration paid to the external auditor: | | |
| 2. Audit-related assurance services | - | 6 |
| Total | <u>-</u> | <u>6</u> |

Note 6.3 Limitation on auditor's liability

The limitation on auditor's liability for external audit work is £2 million (2019/20: £2 million).

Note 7 Impairment of assets

| | 2020/21 | 2019/20 |
|---|--------------|--------------|
| | £000 | £000 |
| Net impairments charged to operating surplus / deficit resulting from: | | |
| Unforeseen obsolescence | 5,771 | 2,341 |
| Changes in market price | (259) | - |
| Total net impairments charged to operating surplus / deficit | <u>5,512</u> | <u>2,341</u> |
| Impairments charged to the revaluation reserve | 1,131 | - |
| Total net impairments | <u>6,643</u> | <u>2,341</u> |

The impairment shown in 2020/21 relates to the revaluation of the trust's land and buildings estate. The change in valuation was informed by the District Valuation Office. The impairment relates mainly to the following assets:

- Silk Ward £2.082M
- Bowmere Hospital £0.978M
- Mulberry Ward £2.036M
- Springview £0.436M

Note 8 Employee benefits

| | 2020/21 | 2019/20 |
|--|----------------|----------------|
| | Total | Total |
| | £000 | £000 |
| Salaries and wages | 128,121 | 116,308 |
| Social security costs | 11,592 | 10,518 |
| Apprenticeship levy | 602 | 559 |
| Employer's contributions to NHS pensions | 21,660 | 20,249 |
| Pension cost - other | 1,023 | 2,251 |
| Termination benefits | - | (246) |
| Temporary staff (including agency) | 2,518 | 2,597 |
| Total staff costs | 165,516 | 152,236 |
| Of which | | |
| Costs capitalised as part of assets | 496 | - |

Employee costs shown above are included within employee expenses and intangible assets for both executive directors and staff (£156.649m) plus a notional pension cost of 6.3% paid by NHSE on provider's behalf (£6.543m), research (£0.448m) and education & training (£1.876m). There were no termination benefits in 2020/21.

Note 8.1 Retirements due to ill-health

During 2020/21 there were no early retirements from the trust agreed on the grounds of ill-health (2 in the year ended 31 March 2020). The estimated additional pension liabilities of these ill-health retirements is 0k (£152k in 2019/20).

These estimated costs due to ill health 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 9 Pension costs

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 2021, is based on valuation data as 31 March 2020, updated to 31 March 2021 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% of pensionable pay. The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. In January 2019, the Government announced a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

The Government subsequently announced in July 2020 that the pause had been lifted, and so the cost control element of the 2016 valuations could be completed. The Government has set out that the costs of remedy of the discrimination will be included in this process. HMT valuation directions will set out the technical detail of how the costs of remedy will be included in the valuation process. The Government has also confirmed that the Government Actuary is reviewing the cost control mechanism (as was originally announced in 2018). The review will assess whether the cost control mechanism is working in line with original government objectives and reported to Government in April 2021. The findings of this review will not impact the 2016 valuations, with the aim for any changes to the cost cap mechanism to be made in time for the completion of the 2020 actuarial valuations.

National Employment Savings Pension Scheme (NEST)

Under the Pensions Act 2008 employers must offer a pension scheme to all its employees. Staff who are not eligible to join the NHS Pensions Scheme or LGPS are automatically enrolled into NEST. This scheme is a defined contribution pension scheme created as part of the government's workplace pensions reforms.

Accounting for defined contribution plans requires the Trust to report on the amounts contributed for that period. Consequently, no actuarial assumptions are required to measure the obligation for the expense and there is no possibility of any actuarial gain or loss. The Trust settles its obligations within the annual reporting period in which the employees render the related service.

Note 10 Operating leases

Note 10.1 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.

| | 2020/21 £000 | 2019/20 £000 |
|---|-----------------------------------|-----------------------------------|
| Operating lease revenue | | |
| Minimum lease receipts | 94 | 110 |
| Total | 94 | 110 |
| | 31 March 2021 £000 | 31 March 2020 £000 |
| Future minimum lease receipts due: | | |
| - not later than one year; | 94 | 110 |
| Total | 94 | 110 |

Note 10.2 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 6. No individual leases are considered significant for separate disclosure.

| | 2020/21 £000 | 2019/20 £000 |
|--|-----------------------------------|-----------------------------------|
| Operating lease expense | | |
| Minimum lease payments | 2,248 | 2,719 |
| Total | 2,248 | 2,719 |
| | 31 March 2021 £000 | 31 March 2020 £000 |
| Future minimum lease payments due: | | |
| - not later than one year; | 1,644 | 1,664 |
| - later than one year and not later than five years; | 1,185 | 1,650 |
| - later than five years. | 412 | 456 |
| Total | 3,241 | 3,770 |

Note 11 Finance income

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

| | 2020/21 | 2019/20 |
|-----------------------------|----------|------------|
| | £000 | £000 |
| Interest on bank accounts | - | 159 |
| Total finance income | - | 159 |

Note 12.1 Finance expenditure

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

| | 2020/21 | 2019/20 |
|-------------------------------|----------|-----------|
| | £000 | £000 |
| Interest expense: | | |
| Finance leases | 6 | 65 |
| Total interest expense | 6 | 65 |
| Total finance costs | 6 | 65 |

Note 12.2 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015

The Trust has no disclosures to record under this heading.

Note 13 Other gains / (losses)

| | 2020/21 | 2019/20 |
|---|----------|------------|
| | £000 | £000 |
| Gains on disposal of assets | - | 30 |
| Losses on disposal of assets | - | (32) |
| Total gains / (losses) on disposal of assets | - | (2) |

Note 14 Intangible assets - 2020/21

| | Development expenditure | Total |
|---|----------------------------|------------|
| | £000 | £000 |
| Valuation / gross cost at 1 April 2020 - brought forward | - | - |
| Additions | 554 | 554 |
| Valuation / gross cost at 31 March 2021 | 554 | 554 |
| Amortisation at 1 April 2020 - brought forward | - | - |
| Provided during the year | 554 | 554 |
| Amortisation at 31 March 2021 | 554 | 554 |
| Net book value at 31 March 2021 | - | - |
| Net book value at 1 April 2020 | - | - |

Note 14.1 Intangible assets - 2019/20

There were no intangible assets recorded in 2019/20.

Note 15.1 Property, plant and equipment - 2020/21

| | Land £000 | Buildings excluding dwellings £000 | Assets under construction £000 | Plant & machinery £000 | Transport equipment £000 | Information technology £000 | Furniture & fittings £000 | Total £000 |
|---|--------------|---|--------------------------------------|------------------------------|--------------------------------|-----------------------------------|---------------------------------|---------------|
| Valuation/gross cost at 1 April 2020 - brought forward | 7,271 | 71,429 | 1,075 | 1,033 | 176 | 3,302 | 793 | 85,079 |
| Additions | - | 470 | 982 | 628 | 47 | 9 | - | 2,136 |
| Impairments | (214) | (1,002) | - | - | - | - | - | (1,216) |
| Reversals of impairments | 5 | 80 | - | - | - | - | - | 85 |
| Revaluations | 416 | (5,977) | - | - | - | - | - | (5,561) |
| Reclassifications | - | 583 | (583) | - | - | - | - | - |
| Valuation/gross cost at 31 March 2021 | 7,478 | 65,583 | 1,474 | 1,661 | 223 | 3,311 | 793 | 80,523 |
| Accumulated depreciation at 1 April 2020 - brought forward | - | 1,656 | - | 921 | 152 | 2,417 | 560 | 5,706 |
| Provided during the year | - | 1,767 | - | 76 | 6 | 297 | 31 | 2,177 |
| Impairments | - | 5,771 | - | - | - | - | - | 5,771 |
| Reversals of impairments | - | (259) | - | - | - | - | - | (259) |
| Revaluations | - | (8,935) | - | - | - | - | - | (8,935) |
| Accumulated depreciation at 31 March 2021 | - | - | - | 997 | 158 | 2,714 | 591 | 4,460 |
| Net book value at 31 March 2021 | 7,478 | 65,583 | 1,474 | 664 | 65 | 597 | 202 | 76,063 |
| Net book value at 1 April 2020 | 7,271 | 69,773 | 1,075 | 112 | 24 | 885 | 233 | 79,373 |

Note 15.2 Property, plant and equipment - 2019/20

| | Land £000 | Buildings excluding dwellings £000 | Assets under construction £000 | Plant & machinery £000 | Transport equipment £000 | Information technology £000 | Furniture & fittings £000 | Total £000 |
|--|--------------|---|--------------------------------------|------------------------------|--------------------------------|-----------------------------------|---------------------------------|---------------|
| Valuation / gross cost at 1 April 2019 - as previously stated | 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 | - | - | - | - | - | (149) | - | (149) |
| Valuation/gross cost at 31 March 2020 | 7,271 | 71,429 | 1,075 | 1,033 | 176 | 3,302 | 793 | 85,079 |
| Accumulated depreciation at 1 April 2019 - as previously stated | - | - | - | 807 | 143 | 2,207 | 512 | 3,669 |
| Provided during the year | - | 1,744 | - | 114 | 9 | 335 | 48 | 2,250 |
| Revaluations | - | (88) | - | - | - | - | - | (88) |
| Disposals / derecognition | - | - | - | - | - | (125) | - | (125) |
| Accumulated depreciation at 31 March 2020 | - | 1,656 | - | 921 | 152 | 2,417 | 560 | 5,706 |
| 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 15.3 Property, plant and equipment financing - 2020/21

| | Land £000 | Buildings excluding dwellings £000 | Assets under construction £000 | Plant & machinery £000 | Transport equipment £000 | Information technology £000 | Furniture & fittings £000 | Total £000 |
|--|--------------|---|--------------------------------------|------------------------------|--------------------------------|-----------------------------------|---------------------------------|---------------|
| Net book value at 31 March 2021 | | | | | | | | |
| Owned - purchased | 7,478 | 65,583 | 1,474 | 664 | 65 | 437 | 202 | 75,903 |
| Finance leased | - | - | - | - | - | 160 | - | 160 |
| NBV total at 31 March 2021 | 7,478 | 65,583 | 1,474 | 664 | 65 | 597 | 202 | 76,063 |

Note 15.4 Property, plant and equipment financing - 2019/20

| | Land £000 | Buildings excluding dwellings £000 | Assets under construction £000 | Plant & machinery £000 | Transport equipment £000 | Information technology £000 | Furniture & fittings £000 | Total £000 |
|--|--------------|---|--------------------------------------|------------------------------|--------------------------------|-----------------------------------|---------------------------------|---------------|
| Net book value at 31 March 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 16 Revaluations of property, plant and equipment - Land and Buildings

The Trusts land and building valuation was conducted by an independent valuer and has an effective date of 31st March 2021. For each asset occupied and used by the Trust in the delivery of services for which it has a responsibility, the basis of valuation is Current Value in existing use, as defined in DoH GAM and reflecting the adaptation approved by FRAB to IAS 16. Current Value has regard to the service potential that an asset provides in support of the Trusts service delivery. The measurement approaches used to arrive at the Current Value of in-use assets are for non-specialised operational assets Existing Use Value (EUV) as defined at UK VPGA 6, and for specialised operational assets Depreciated Replacement Cost (DRC) in accordance with UK VPGA 1.5 and the RICS UK GN on DRC.

For those properties where there is market-based evidence to support the use of EUV to arrive at Current Value (e.g. a residence, office or industrial property) the comparative method of valuation has been adopted. Where a non-specialised property has been valued using the comparative method of valuation, the total value has been apportioned between its residual amount (the land) and depreciable amount (the remainder, effectively the building).

For those properties where there is no market-based evidence to support the use of EUV to arrive at Current Value, the Depreciated Replacement Cost (DRC) approach has been used. These are properties which are rarely sold in the market, except by way of a sale of the business or entity of which it is part, due to uniqueness arising from its specialised nature and design, its configuration, size, location or otherwise. For specialised properties, the land and building parts have been valued separately and when combined these figures give the asset's total value.

Where depreciated replacement cost (DRC) is used, the valuer has had regard to the RICS UK GN titled 'Depreciated Replacement Cost (DRC) Method of Valuation for Financial Reporting', as supplemented by Treasury guidance. The RICS UK GN defines DRC as: 'The current cost of replacing an asset with its modern equivalent asset less deductions for physical deterioration and all relevant forms of obsolescence and optimisation.' Where DRC is used, the modern equivalent asset (MEA) principle has been applied, being the underlying use for which the asset is being used that determines the valuation treatment.

For each specialised property, the Gross Replacement Cost (GRC) of providing a new modern equivalent asset has been assessed. This GRC has then been adjusted to reflect obsolescence to arrive at a Net Replacement Cost (also known as Depreciated Replacement Cost – DRC) which reflects the remaining service potential of the actual asset.

Land has been assessed to Current Value, interpreted as existing use value, having regard to the cost of purchasing a notional replacement site in the same locality, equally suitable for the existing use and of the same size, with normally the same physical and locational characteristics as the actual site, other than characteristics of the actual site that are irrelevant, or of no value, to the existing use. Where the use is too specialised to categorise in market terms, the land has been valued assuming the benefit of planning permission for development for a use, or a range of uses, prevailing in the vicinity of the actual site.

Note 17 Other investments / financial assets (non-current)

| | 2020/21 £000 | 2019/20 £000 |
|---|-----------------|-----------------|
| Carrying value at 1 April - brought forward | <u>1</u> | <u>1</u> |
| Carrying value at 31 March | <u><u>1</u></u> | <u><u>1</u></u> |

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 2020/21

| | 2020/21 Current Assets £'000 | 2020/21 Current Liabilities £'000 | 2020/21 Income £'000 | 2020/21 Expenditure £'000 |
|--|---------------------------------------|--|----------------------------|---------------------------------|
| Villicare LLP - Consisting of: | | | | |
| Cheshire and Wirral Partnership NHS FT | 2 | 1 | - | - |
| Ryhurst Ltd | <u>2</u> | <u>1</u> | <u>-</u> | <u>-</u> |
| Total * | <u><u>3</u></u> | <u><u>1</u></u> | <u><u>-</u></u> | <u><u>-</u></u> |

* Differences due to roundings

There has been no financial transactions or operational activity undertaken by the JV intended to further its primary purpose during the course of the financial year.

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 | - | - |
| Ryhurst Ltd | <u>2</u> | <u>1</u> | <u>-</u> | <u>-</u> |
| Total | <u><u>4</u></u> | <u><u>2</u></u> | <u><u>-</u></u> | <u><u>-</u></u> |

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 Inventories

In response to the COVID 19 pandemic, the Department of Health and Social Care centrally procured personal protective equipment and passed these to NHS providers free of charge. During 2020/21 the Trust received £1,754k of items purchased by DHSC.

These inventories were recognised as additions to inventory at deemed cost with the corresponding benefit recognised in income. The utilisation of these items is included in the expenses disclosed above.

Note 19.1 Receivables

| | 31 March 2021 £000 | 31 March 2020 £000 |
|--|--------------------------|--------------------------|
| Current | | |
| Contract receivables | 4,059 | 4,437 |
| Allowance for impaired contract receivables / assets | (20) | (33) |
| Allowance for other impaired receivables | (82) | (71) |
| Prepayments (non-PFI) | 1,039 | 1,152 |
| Interest receivable | - | 5 |
| PDC dividend receivable | 234 | - |
| VAT receivable | 195 | 138 |
| Other receivables | 114 | 99 |
| Total current receivables | 5,539 | 5,727 |
| Non-current | | |
| Other receivables | 43 | - |
| Total non-current receivables | 43 | - |
| Of which receivable from NHS and DHSC group bodies: | | |
| Current | 2,971 | 3,529 |
| Non-current | 43 | - |

Note 19.2 Allowances for credit losses

| | 2020/21 | | 2019/20 | |
|---|---|----------------------------------|---|----------------------------------|
| | Contract receivables and contract assets £000 | All other receivables £000 | Contract receivables and contract assets £000 | All other receivables £000 |
| Allowances as at 1 April - brought forward | 33 | 71 | 39 | 37 |
| New allowances arising | 4 | 91 | 8 | 113 |
| Reversals of allowances | (17) | (75) | (14) | (63) |
| Utilisation of allowances (write offs) | - | (5) | - | (16) |
| Allowances as at 31 Mar 2021 | 20 | 82 | 33 | 71 |

Note 20 Non-current assets held for sale and assets in disposal groups

| | 2020/21 | 2019/20 |
|---|-----------------|-----------------|
| | £000 | £000 |
| Assets classified as available for sale in the year | - | 1,162 |
| Assets sold in year | - | (1,162) |
| | <u>-</u> | <u>(1,162)</u> |
| NBV of non-current assets for sale and assets in disposal groups at 31 March | <u>-</u> | <u>-</u> |

Note 21.1 Cash and cash equivalents movements

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

| | 2020/21 | 2019/20 |
|---|----------------------|----------------------|
| | £000 | £000 |
| At 1 April | 21,237 | 18,268 |
| Net change in year | 12,636 | 2,969 |
| At 31 March | <u>33,873</u> | <u>21,237</u> |
| Broken down into: | | |
| Cash at commercial banks and in hand | 365 | 1,754 |
| Cash with the Government Banking Service | 33,508 | 19,483 |
| Total cash and cash equivalents as in SoFP | <u>33,873</u> | <u>21,237</u> |
| Total cash and cash equivalents as in SoCF | <u>33,873</u> | <u>21,237</u> |

Note 21.2 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 | 31 March |
|---------------------------------|------------------|------------------|
| | 2021 | 2020 |
| | £000 | £000 |
| Bank balances | 28 | 14 |
| Total third party assets | <u>28</u> | <u>14</u> |

Note 22 Trade and other payables

| | 31 March 2021 £000 | 31 March 2020 £000 |
|---|-----------------------------------|-----------------------------------|
| Current | | |
| Trade payables | 7,875 | 4,166 |
| Capital payables | 249 | 240 |
| Accruals | 12,082 | 8,465 |
| Social security costs | 3,165 | 2,817 |
| PDC dividend payable | - | 61 |
| Other payables | 1,245 | 1,313 |
| Total current trade and other payables | 24,616 | 17,062 |

Of which payables from NHS and DHSC group bodies:

| | | |
|---------|-------|-------|
| Current | 3,910 | 3,531 |
|---------|-------|-------|

There were no non current trade and other payables

Note 23 Other liabilities

| | 31 March 2021 £000 | 31 March 2020 £000 |
|--|-----------------------------------|-----------------------------------|
| Current | | |
| Deferred income: contract liabilities | 7,538 | 3,759 |
| Total other current liabilities | 7,538 | 3,759 |
| Non-current | | |
| Net pension scheme liability | 10,969 | 7,179 |
| Total other non-current liabilities | 10,969 | 7,179 |

Note 24.1 Borrowings

| | 31 March 2021 £000 | 31 March 2020 £000 |
|-------------------------------------|-----------------------------------|-----------------------------------|
| Current | | |
| Obligations under finance leases | 82 | 80 |
| Total current borrowings | 82 | 80 |
| Non-current | | |
| Obligations under finance leases | 77 | 159 |
| Total non-current borrowings | 77 | 159 |

Note 24.2 Reconciliation of liabilities arising from financing activities - 2020/21

| | Finance leases £000 | Total £000 |
|---|---------------------------|---------------|
| Carrying value at 1 April 2020 | 239 | 239 |
| Cash movements: | | |
| Financing cash flows - payments and receipts of principal | (80) | (80) |
| Financing cash flows - payments of interest | (6) | (6) |
| Non-cash movements: | | |
| Application of effective interest rate | 6 | 6 |
| Carrying value at 31 March 2021 | 159 | 159 |

Note 24.3 Reconciliation of liabilities arising from financing activities - 2019/20

| | Finance leases £000 | Total £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 25 Finance leases**Note 25.1 Cheshire and Wirral Partnership NHS Foundation Trust as a lessee**

Obligations under finance leases where the trust is the lessee.

| | 31 March 2021 £000 | 31 March 2020 £000 |
|--|--------------------------|--------------------------|
| Gross lease liabilities | 164 | 249 |
| of which liabilities are due: | | |
| - not later than one year; | 86 | 85 |
| - later than one year and not later than five years; | 78 | 164 |
| Finance charges allocated to future periods | (5) | (10) |
| Net lease liabilities | 159 | 239 |
| of which payable: | | |
| - not later than one year; | 82 | 80 |
| - later than one year and not later than five years; | 77 | 159 |

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

Note 26.1 Provisions for liabilities and charges analysis

| | Pensions: early departure costs £000 | Legal claims £000 | Re- structuring £000 | Other £000 | Total £000 |
|--|--|----------------------|----------------------------|---------------|---------------|
| At 1 April 2020 | 658 | 153 | 484 | 614 | 1,909 |
| Arising during the year | - | 156 | - | 339 | 495 |
| Utilised during the year | (52) | (87) | (90) | - | (229) |
| Reversed unused | - | (99) | (318) | - | (417) |
| At 31 March 2021 | 606 | 123 | 76 | 953 | 1,758 |
| Expected timing of cash flows: | | | | | |
| - not later than one year; | 56 | 123 | 76 | 910 | 1,165 |
| - later than one year and not later than five years; | 550 | - | - | 43 | 593 |
| Total | 606 | 123 | 76 | 953 | 1,758 |

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 trusts solicitors and 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 26.2 Clinical negligence liabilities

At 31 March 2021, £2,409k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Cheshire and Wirral Partnership NHS Foundation Trust (31 March 2020: £2,415k).

Note 27 Contingent assets and liabilities

| | 31 March 2021 £000 | 31 March 2020 £000 |
|--|--------------------------|--------------------------|
| Value of contingent liabilities | | |
| NHS Resolution legal claims | (56) | (98) |
| Gross value of contingent liabilities | <u>(56)</u> | <u>(98)</u> |
| Net value of contingent liabilities | <u><u>(56)</u></u> | <u><u>(98)</u></u> |

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 2021/22.

Note 28 Contractual capital commitments

| | 31 March 2021 £000 | 31 March 2020 £000 |
|-------------------------------|--------------------------|--------------------------|
| Property, plant and equipment | 960 | 217 |
| Total | <u><u>960</u></u> | <u><u>217</u></u> |

Note 29 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 2021.

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 30.1 to 30.4 on pages 130 and 131.

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 30.1 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 2021 % | 31st Mar 2020 % |
|--------------------------------|-----------------------|-----------------------|
| Cheshire Pension Fund | | |
| Increase in pensions | 2.80 | 1.80 |
| Increase in salaries | 3.50 | 2.50 |
| Discount rate | 2.05 | 2.30 |
| Merseyside Pension Fund | | |
| Increase in pensions | 2.8 | 2.2 |
| Increase in salaries | 4.2 | 3.6 |
| Discount rate | 2.1 | 2.4 |

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

| | 31st Mar 2021 % | 31st Mar 2020 % |
|--|-----------------------|-----------------------|
| Cheshire Pension Fund | | |
| Non retired member - Male (aged 65 in 20 years time) | 22.4 | 21.9 |
| Non retired member - Female (aged 65 in 20 years time) | 25.7 | 25.0 |
| Retired member - Male | 21.4 | 21.2 |
| Retired member - Female | 24.0 | 23.6 |
| Merseyside Pension Fund | | |
| Non retired member - Male (aged 65 in 20 years time) | 22.6 | 22.5 |
| Non retired member - Female (aged 65 in 20 years time) | 26.0 | 25.9 |
| Retired member - Male | 21.0 | 20.9 |
| Retired member - Female | 24.1 | 24.0 |

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

| | 31st Mar 2021 % | 31st Mar 2020 % |
|--------------------------------|-----------------------|-----------------------|
| Cheshire Pension Fund | | |
| Equities | 45 | 39 |
| Bonds | 41 | 49 |
| Property | 10 | 9 |
| Cash/Other | 4 | 3 |
| Total | 100 | 100 |
| Merseyside Pension Fund | | |
| Equities | 40 | 41 |
| Bonds | 29 | 29 |
| Property | 7 | 7 |
| Cash/Other | 24 | 22 |
| 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 2021 % | 31st Mar 2021 £000 | 31st Mar 2020 % | 31st Mar 2020 £000 |
|---|-----------------------|--------------------------|-----------------------|--------------------------|
| Cheshire Pension Fund | | | | |
| Decrease in Real Discount Rate | 0.5 | 447 | 0.5 | 269 |
| Increase in Salary Increase Rate | 0.5 | 60 | 0.5 | 44 |
| Increase in Pension Increase Rate (CPI) | 0.5 | 377 | 0.5 | 222 |
| Merseyside Pension Fund | | | | |
| Increase in Real Discount Rate | 0.1 | (568) | 0.1 | (443) |
| Increase in Salary Increase Rate | 0.1 | 163 | 0.1 | 132 |
| Increase in Pension Increase Rate (CPI) | 0.1 | 580 | 0.1 | 453 |

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

Note 30.2 Changes in the defined benefit obligation and fair value of plan assets during the year

| | 2020/21 | 2019/20 |
|--|------------------------|------------------------|
| | £000 | £000 |
| Present value of the defined benefit obligation at 1 April | (23,124) | (25,211) |
| Current service cost | (995) | (1,213) |
| Interest cost | (556) | (646) |
| Contribution by plan participants | (215) | (234) |
| Remeasurement of the net defined benefit (liability) / asset: | | |
| - Actuarial (gains) / losses | (5,415) | 4,557 |
| Benefits paid | 76 | 270 |
| Past service costs | - | (647) |
| Present value of the defined benefit obligation at 31 March | <u>(30,229)</u> | <u>(23,124)</u> |
| Plan assets at fair value at 1 April | 15,945 | 16,621 |
| Interest income | 393 | 424 |
| Remeasurement of the net defined benefit (liability) / asset: | | |
| - Actuarial gains / (losses) | 1,911 | (1,791) |
| Contributions by the employer | 872 | 727 |
| Contributions by the plan participants | 215 | 234 |
| Benefits paid | (76) | (270) |
| Plan assets at fair value at 31 March | <u>19,260</u> | <u>15,945</u> |
| Plan surplus/(deficit) at 31 March | <u>(10,969)</u> | <u>(7,179)</u> |

Note 30.3 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 | 31 March |
|--|------------------------|------------------------|
| | 2021 | 2020 |
| | £000 | £000 |
| Present value of the defined benefit obligation | (30,229) | (23,124) |
| Plan assets at fair value | 19,260 | 15,945 |
| Net defined benefit (obligation) recognised in the SoFP | <u>(10,969)</u> | <u>(7,179)</u> |
| Net (liability) after the impact of reimbursement rights | <u>(10,969)</u> | <u>(7,179)</u> |
| of which: | | |
| Cheshire Pension Fund | (2,652) | (1,613) |
| Merseyside Pension Fund | (27,577) | (21,511) |
| Present value of the defined benefit obligation at 31 March | <u>(30,229)</u> | <u>(23,124)</u> |
| Cheshire Pension Fund | 1,968 | 1,611 |
| Merseyside Pension Fund | 17,292 | 14,334 |
| Plan assets at fair value at 31 March | <u>19,260</u> | <u>15,945</u> |

Note 30.4 Amounts recognised in the SoCI

| | 2020/21 | 2019/20 |
|---|-----------------------|-----------------------|
| | £000 | £000 |
| Current service cost | (995) | (1,213) |
| Interest expense / income | (163) | (222) |
| Past service cost | - | (647) |
| Total net (charge) / gain recognised in SOCI | <u>(1,158)</u> | <u>(2,082)</u> |

Note 31 Financial instruments

Note 31.1 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 £38.139m. 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, 2.01% 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 31.2 Carrying values of financial assets

| | Held at amortised cost £000 |
|--|--|
| Carrying values of financial assets as at 31 March 2021 | |
| Trade and other receivables excluding non financial assets | 4,114 |
| Other investments / financial assets | 1 |
| Cash and cash equivalents | 33,873 |
| Total at 31 March 2021 | <u>37,988</u> |

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

Note 31.3 Carrying values of financial liabilities

| | Held at amortised cost £000 |
|---|--|
| Carrying values of financial liabilities as at 31 March 2021 | |
| Obligations under finance leases | 159 |
| Trade and other payables excluding non financial liabilities | 21,450 |
| Total at 31 March 2021 | <u>21,609</u> |

| | Held at amortised cost £000 |
|---|--|
| Carrying values of financial liabilities as at 31 March 2020 | |
| Obligations under finance leases | 239 |
| Trade and other payables excluding non financial liabilities | 14,174 |
| Total at 31 March 2020 | <u>14,413</u> |

Note 31.4 Maturity of financial liabilities

The following maturity profile of financial liabilities is based on the contractual undiscounted cash flows. This differs to the amounts recognised in the statement of financial position which are discounted to present value.

| | 31 March 2021 £000 | 31 March 2020 restated* £000 |
|--|-----------------------------------|---|
| In one year or less | 21,536 | 14,259 |
| In more than one year but not more than five years | 78 | 164 |
| Total | <u>21,614</u> | <u>14,423</u> |

* This disclosure has previously been prepared using discounted cash flows. The comparatives have therefore been restated on an undiscounted basis.

Note 32 Losses and special payments

| | 2020/21 | | 2019/20 | |
|--|---|--|---|--|
| | Total number of cases Number | Total value of cases £000 | Total number of cases Number | Total value of cases £000 |
| Losses | | | | |
| Cash losses | 12 | 4 | 13 | 5 |
| Bad debts and claims abandoned | 165 | 3 | 85 | 11 |
| Stores losses and damage to property | 191 | 30 | 44 | 7 |
| Total losses | <u>368</u> | <u>37</u> | <u>142</u> | <u>23</u> |
| Special payments | | | | |
| Ex-gratia payments | 16 | 60 | 15 | 96 |
| Total special payments | <u>16</u> | <u>60</u> | <u>15</u> | <u>96</u> |
| Total losses and special payments | <u>384</u> | <u>97</u> | <u>157</u> | <u>119</u> |

Note 33 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:

| Name of Related Party | Year Ended 31 March 2020 | | | | |
|---|--------------------------------------|-----------------|----------------------|----------------------|-------------------|
| | 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 | 2 | 104 | 542 |
| Liverpool John Moores 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 | 31 | 9 | 91 |
| Venova 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 52 to 55 of the Annual Report

Note 2 - The main entities within the public sector with which Cheshire & Wirral Partnership NHS Foundation Trust has had dealings 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. 10500046). 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 <https://register-of-charities.charitycommission.gov.uk/charity-search>

Note 33.1 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:

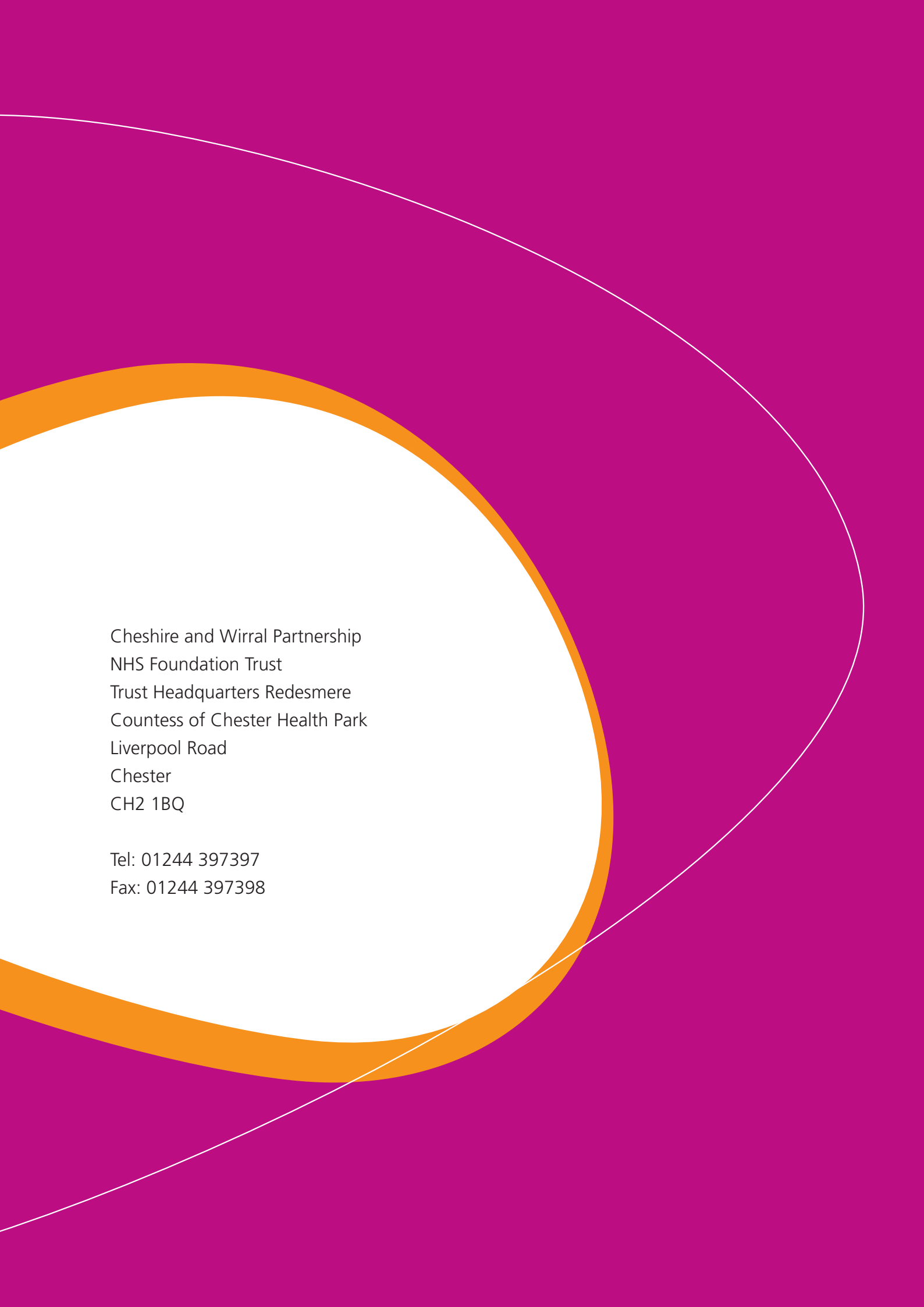
| Name of Related Party | Year Ended 31 March 2021 | | | |
|---|--------------------------|---------------------|---------------------|------------------|
| | Income £000 | Expenditure £000 | Receivables £000 | Payables £000 |
| Care Quality Commission | 0 | 124 | 0 | 0 |
| Cheshire East Unitary Authority | 847 | 17 | 0 | 7 |
| Cheshire West and Chester Unitary Authority | 6,360 | 571 | 517 | 41 |
| Comprehensive Local Research Network (CLRN) | 230 | 0 | 0 | 0 |
| Health Education England (North West Board) | 3,987 | 0 | 339 | 1,007 |
| Liverpool John Moores University | 34 | 1 | 21 | 0 |
| Mental Health and Learning Disabilities Nurse Directors and Leads Forum | 0 | 1 | 0 | 0 |
| Neveixa Ltd | 0 | 0 | 20 | 0 |
| NHS Bolton CCG | 205 | 0 | 0 | 205 |
| NHS Cheshire CCG | 97,425 | 41 | 178 | 161 |
| NHS England | 18,897 | 78 | 113 | 2,982 |
| NHS Halton CCG | 1 | 0 | 0 | 0 |
| NHS Liverpool CCG | 8,412 | 0 | 0 | 1,116 |
| NHS North Staffordshire CCG | 19 | 0 | 0 | 0 |
| NHS South Sefton CCG | 1,227 | 0 | 0 | 0 |
| NHS Southampton and Formby CCG | 885 | 0 | 0 | 0 |
| NHS Stockport CCG | 484 | 0 | 0 | 0 |
| NHS Trafford CCG | 144 | 0 | 0 | 0 |
| NHS Warrington CCG | 216 | 0 | 0 | 1 |
| NHS Wirral CCG | 41,498 | 3 | 79 | 1,165 |
| Royal College of Psychiatrists | 0 | 50 | 0 | 0 |
| University of Chester | 8 | 65 | 8 | 0 |
| University of Liverpool | 9 | 67 | 9 | 0 |
| University of Salford | 0 | 3 | 0 | 0 |
| Wirral Borough Council | 5,827 | 837 | 494 | 38 |

Note 1 - Payments made to the key decision makers within the organisation are disclosed in the Remuneration table which is shown on pages 52 to 55 of the Annual Report

Note 2 - The main entities within the public sector with which Cheshire & Wirral Partnership NHS Foundation Trust has had dealings 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 Caterbridge 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 £29,932 from NHS Digital via the DHSC for the year ending 31st March 2021.

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 2020/21 was £228,418 and its net assets were £314,471. The Trust provides a financial administration service for the charity for which the charity paid £7,459 in 2020/21. An annual report and audited accounts of the Trust's charity (covering the period reported in these accounts) will be available from 31 January 2022 and may be accessed via the Charity Commission website at <https://register-of-charities.charitycommission.gov.uk/charity-search>



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