



**Cheshire and Wirral
Partnership**
NHS Foundation Trust

Annual Report and Accounts 2018/19

1 April 2018 – 31 March 2019



Helping people to be
the best they can be



Cheshire and Wirral Partnership NHS Foundation Trust

Annual Report and Accounts 2018-19

1st April 2018 to 31st March 2019

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

Contents Page

Introduction by the Chairman and the Chief Executive Forward	6
Introduction by the Lead Governor.....	8
Key achievements and highlights of the year	9
Performance Report	13
1.1 Overview of Performance	
1.2 Performance Analysis	
Accountability Report	24
1.1 Directors' Report	
1.2 Remuneration Report	
1.3 Staff Report	
1.4 NHS Foundation Trust Code of Governance	
1.5 NHS Improvement Single Oversight Framework	
1.6 Statement of Accounting Officers Responsibilities	
1.7 Annual Governance Statement	
1.8 Auditors Opinion and Certificate	
Quality Account.....	86
Annual Accounts 2018/19	135

Introduction by the Chairman and the Chief Executive



Mike Maier – Chairman



Sheena Cumiskey – Chief Executive

Welcome to our Annual Report 2018/19. In this publication you can read all about our performance and achievements over the last year, as well as our aims and priorities for the year ahead.

In 2018 the NHS celebrated its 70th birthday. This was a wonderful opportunity for us to reflect on what makes the NHS so special, and shine a light on the people who do so much to support us all.

To coincide with these celebrations, we have enjoyed many fantastic successes and reached some key milestones over the last 12 months.

Following a recent Care Quality Commission (CQC) inspection of seven of our core services – including a review of the management and leadership of the trust, we are delighted to have retained our rating of Outstanding for Caring and Good overall.

This means we are the only trust in the local area – and mental health trust in the whole North West – rated as Outstanding for Caring. This really is a tremendous testimony to the hard work and dedication of all our staff and the person-centred values we share.

Earlier in 2018 we published our new strategy – the CWP Five Year Forward View. This sets out what we want to do and achieve by 2023, and can be read on our website www.cwp.nhs.uk.

To support this new strategy we have organised our work into four clinical care groups – each containing a range of services that we have brought together in a more joined-up way. This will help us meet the needs of people in our communities and ensure that our organisation continues to deliver the best services within the resources we have. Our care groups are:

- Neighbourhood Based Care
- Specialist Mental Health
- Children, Young People and Families
- Learning Disabilities, Neuro Developmental Disorders and Acquired Brain Injury

Following a public consultation led by clinical commissioning groups in Eastern Cheshire, South Cheshire and Vale Royal, plans to improve the care of more than 7,000 people who need support with serious, long-term mental health problems have been approved. The enhanced community services will include a new dementia outreach service and 24/7 crisis care, alongside modern inpatient facilities for those that require hospital care.

We opened a new integrated workspace for health and care services in Ellesmere Port. The Coronation Road hub brings together local community services provided by CWP and Cheshire West and Chester Council (CWaC). It is the first step towards developing a fully integrated health and care campus in Ellesmere Port, which will improve access to services in the area and support more seamless practice between teams.

In Wirral we launched the All Age Disability service, aiming to improve experiences for people in the area with a disability or mental health condition. The service brings together teams historically split between CWP and the local authority under one banner. Those who access the service will be supported to live as independently as possible and enjoy the best quality of life they can, with collaborative support from both social care and healthcare staff.

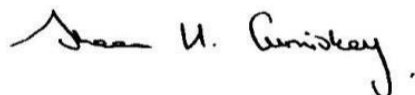
We have introduced our Centre for Autism, Neuro-Developmental Disorders and Intellectual Disability (CANDDID) – which brings together, education, training and research in the fields of neuro-developmental disorders and intellectual disabilities.

We'd like to reiterate our thanks to everyone at CWP – people who access our services, their carers and families, our staff, governors and volunteers – for your continued commitment to helping people be the best they can be.

Signed:



Mike Maier – Chairman



Sheena Cumiskey – Chief Executive

Introduction by the Lead Governor



Brian Crouch – Lead Governor

It's now just over a year since I had the privilege of becoming Lead Governor at CWP. Throughout that time it has been a huge honour supporting my fellow governors to represent the voice of our wider members and communities.

I'd like to offer my own congratulations to everyone at CWP for being recognised as Outstanding for Caring by the Care Quality Commission (CQC). I have the pleasure of regularly encountering people involved in all aspects of the Trust – our staff, people accessing our services, their carers and families, our volunteers, members and of course my governor colleagues. The shared commitment to providing the best possible care is something that runs throughout the whole CWP family, and it's no surprise that this has been highlighted by the CQC.

Over the last year we have bid farewell to a number of governors. I'd like to thank Stanley Mayne, Janie Shaw, Charlotte Arrowsmith, Gladys Archer and David Keight for their dedication and service during their time with us.

I am delighted to welcome Anne Farrell, Peter Ashley-Mudie and Phil Jarrold, who are the latest governors to join our fantastic team.

It is with sadness that we say goodbye to Non-Executive Director Ann Pennell.

Thank you to everyone who has supported me and our Council of Governors over the last year. We look forward to another exciting and fulfilling year ahead.

A handwritten signature in black ink, appearing to be 'BC' with a stylized flourish.

Brian Crouch – Lead Governor

Key Achievements and Highlights of the year

Key achievements and highlights of the year



We're outstanding for Caring

Following a Care Quality Commission (CQC) inspection of seven of our core services – including a review of the management and leadership of the trust, we have retained our rating of Outstanding for Caring and Good overall.

This means we are the only trust in the local area – and mental health trust in the whole North West – rated as Outstanding for Caring.

Green light for new mental health services

Following a public consultation in partnership with the clinical commissioning groups in Eastern Cheshire, South Cheshire and Vale Royal, a new and improved model of care is to be introduced in 2019 for adults and older people with specialist mental health needs.



The new model of care will involve significant investment in community-based services and crisis care, while high-quality inpatient care in Macclesfield will be available for people who need it. In addition, a dementia outreach service will be established.

Top results for local community mental health services

We have been recognised as a top performer nationally following the publication of results for the 2018 Community Mental Health Survey.



The survey, which is based on the views of local people accessing community mental health services and published by national healthcare regulators the Care Quality Commission (CQC), identifies CWP as performing “better than expected” when compared to other trusts nationally. This includes the Trust landing 9 percentage points above the national average for people who rated its services 9 or 10 out of 10.

CWP Five Year Forward View

We published our new strategy the CWP Five Year Forward View. This sets out what we want to do and achieve by 2023. To support this new strategy we have organised our work into four clinical care groups – each containing a range of services that we have brought together in a more joined-up way. This will help us meet the needs of people in our communities and ensure that our organisation continues to deliver the best services within the resources we have.





Sheena Cumiskey named in HSJ's Top 50

CWP Chief Executive Sheena Cumiskey has been recognised in the Health Service Journal's (HSJ) 2019 Top 50 Chief Executives. Sheena is one of just eleven leaders who have recorded five or more appearances in the annual list of top NHS leaders who "are engaging their people and providing inspiring, forward looking voices."

Staff survey success

We came out on top of the Health Service Journal (HSJ) North West mental health table relating to staff survey results for staff recommending us as a place to work or receive care for the past three years.



Graduation Joy for first Nursing Associates

The first ever cohort of new trainee Nursing Associates has graduated from the University of Chester.

The Cheshire and Wirral Training Nursing Associate Partnership (a group of local NHS trusts) worked with the University's Faculty of Health and Social Care to develop the Nursing Associate foundation degree. The 40 graduates completed a two-year work-based programme and are now Registered Nursing Associates.

Partnership Working at Coronation Road

Coronation Road workplace hub – a new integrated workspace for health and care services in Ellesmere Port – has been formally opened.

The hub brings together local community services provided by Cheshire and Wirral Partnership NHS Foundation Trust (CWP) and Cheshire West and Chester Council (CWaC). It is the first step towards developing a fully integrated health and care campus in Ellesmere Port, aiming to improve access to services in the area and support more seamless practice between teams.





Empowering our teams

Across our West Cheshire Care Communities we've made great strides in empowering our teams to work better together. This has involved the introduction of a new team model that encourages collective decision making and increased autonomy, rather than a traditional 'top-down' approach to management.

Now established in our Broxton team – and with our Chester East/South, Neston and Palliative Care teams well on the way - this model is putting humanity above bureaucracy and creating networks rather than hierarchies.

Most importantly, empowering our teams in this way is allowing us to respond directly to the needs of our local population with a person centred approach for staff and patients.

New Wirral All Age Disability Service

An All Age Disability service has been launched in Wirral, aiming to improve experiences for people in the area with a disability or mental health condition.

The service brings together teams historically split between CWP and Wirral Council, and supports local people to enjoy the best quality of life they can, with collaborative support from both social care and healthcare staff.



Mental Health First programme launches in South Cheshire GPs

A new initiative to provide people with mental health difficulties improved access to support has been launched in three GP practices in Cheshire.

The Mental Health First programme sees the introduction of mental health experts from CWP into local GP practices. This on-site presence allows patients with mental health difficulties such as depression and anxiety speak directly with a mental health practitioner upon first appointment.



CWP pioneering new mental health triage tool

We have become one of the first providers of mental health services nationally to launch the National Record Locator Service – a new tool to ensure a more joined-up health and care system.

The National Record Locator Service – led nationally by NHS Digital and now launched locally by Cheshire and Wirral Partnership NHS Foundation Trust (CWP) in partnership with North West Ambulance Service (NWAS) - gives ambulance personnel immediate access to the right mental health services in real-time when supporting a person suffering with a mental health crisis.

Big Book of Best Practice up for big healthcare award

Our Big Book of Best Practice - a communications tool aiming to share best practice across local NHS services and beyond - has been shortlisted in the Communications Initiative category of the Health Service Journal (HSJ) Value Awards.



Spotlight on showcase events

Over 450 people joined us at our two annual flagship events: our Best Practice showcase (which also saw the publication of our Big Book of Best Practice 2018/19) and our Recognition Awards 2019, where we paid tribute to those with 20, 30, 40 and, incredibly, 50 years of service to the NHS, as well as our annual Going the Extra Mile Award winners.

1. Performance Report

1.1 Overview of Performance

1.2 Performance Analysis

1.1 Overview of Performance

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

Chief Executive's statement

2018/19 has been a largely positive year for the Trust, and has seen the further development of our care groups to support the CWP Five Year Forward View. It aims to meet the needs of people the trust supports and ensure that we continue to deliver the best services within the available resources. In order to do this, as an organisation, we have worked (and will continue to work) to improve our understanding of the different needs of our communities. The trust will continue to strive to deliver services in a person-centred way. This means that we will work with people as unique individuals with their own strengths, abilities, needs and goals.

This year the trust participated in a routine inspection undertaken by the Care Quality Commission (CQC), that took place between 7 August to 20 September 2018. In line with the CQC inspection framework, this inspection also included assessment of the well-led key question for the trust overall. Results of the inspection were published on 4 December 2018; which awarded the trust a rating of "good" overall with "outstanding" for care.

Financially, the Trust has performed well. Although a technical deficit of £6.367m is reported, this position includes items totaling £9.741m (these items are detailed in a note to the Statement of Comprehensive Income) that are not part of the normal operations of CWP, and they are excluded from NHS Improvement's (NHSI) financial assessment of the Trust. After adjusting for these items, CWP's performance against our NHSI agreed control total is £3.374m surplus, the control total being £1.119m surplus.

CWP ended the financial year in 'Segment 1' and with a Use of Resources Risk Rating (UoR) of 1 as assessed by NHSI. Our financial performance in 2018/19 is described in further detail in the Performance Analysis section of this report.

The Trust has also achieved all of its regulatory targets for 2018/19, which is outlined further in the Performance Analysis of the report.

2019/20 and beyond are anticipated to be equally as challenging financially, however, in continuing to deploy our effective financial stewardship, we will seek to mitigate these risks in a range of ways. This will include working closely with partners in the local health economy to ensure the delivery of 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.

The Trust provides a range of services throughout Wirral and Cheshire, including mental health, learning disability, General Practice and community physical health services. These services are provided in partnership with commissioners, local authorities, voluntary and independent organisations, people who access our services, their carers and families. The Trust also provides specialist services within Liverpool, Sefton, Bolton, Warrington, Halton and Trafford and Tier 4 Child and Adolescent Mental Health Services across the Cheshire and Merseyside region. CWP also provides the only NHS inpatient eating disorder accommodation in the North West as well as offering Low secure inpatient units that deliver intensive, comprehensive, multidisciplinary treatment and care for patients across the North West.



CWP has over 14,500 members and employs more than 3,000 staff across 60 sites, serving a population of over a million people. We provide integrated care in the community and within inpatient settings based on best practice and outcomes, working closely with the people who access our services and their carers to provide person-centred care for all. Our services are developed and led by clinical staff and we strive for clinical excellence by ensuring there is a framework to deliver quality improvements, ensuring that safe and effective care results in quality outcomes for people who access our services.

In 2018/19, the Trust had an approximate annual turnover of £171.5m. Over 94.4% 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: Neighborhood & Communities, Specialist Mental Health, Children, Young People & Families and Learning Disabilities & Neuro Developmental services.

During 2019/20, care groups will continue their transformation work to respond to the changing needs of people who we support and as such have identified a number of priority areas for 2019/20 and beyond. A process of further refinement is now underway.

Trust key priority projects during 2019/20 will include the implementation of the recently approved redesign plans for mental health services within Central and Eastern Cheshire and deployment of our information technology strategy to support more efficient services to patients.

The strategy is underpinned by four key enablers – information technology, quality improvement, communications and engagement and people and organisational development.

Key issues and risks

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

Clinical and quality risks

The Trust's highest level clinical and quality risks (rated 15-25) at the end of 2018/19 were:

- Risk of reducing ability to sustain safe and effective services within Central and Eastern Cheshire.
- 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.

Further details on the plans to mitigate these risks are set out in the Annual Governance Statement.

Financial risks

Looking ahead, the Trust faces a number of financial risks in delivery of its 2019/20 plans. These include increasing ward staffing costs, potential for increased agency costs in relation to social care workers (following the in-year transfer of the All Age Disability Services), the potential under-recovery of income on income generating beds, non-achievement of the efficiency plan, continuation of contract pressures, medicines expenditures (due to price increases) and IT investment. All risks are mitigated as set out in our Operational Plan 2019/20.

Going concern

CWP continues to demonstrate a strong underlying financial position. Our Operational Plan is forecasting a surplus position of £0.687m for 2019/20, inclusive of non-recurrent Provider Sustainability Funding (PSF) and it is expected that this level of financial performance will be sustained in 2019/20. One of the main challenges in achieving this position will be the achievement of £4.4m efficiency savings in 2019/20.

The Trust has a forecast cash balance of £16.5m at 31 March 2020 and has no concerns regarding the ability to service payments as and when they fall during 2019/20.

The Directors' opinion, therefore, is that the Trust is a going concern and they make the following disclosure as recommended by the Accounting Standards Board: 'After making enquiries, the Directors have a reasonable expectation that the NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future' and for this reason they continue to adopt the going concern basis in preparing the accounts.

The accounts included in this report have been prepared under a direction issued by NHS Improvement (NHSI) under schedule 7 of the National Health Service Act 2006. Please refer to the statement of Accounting Officer's responsibilities.

In summary, CWP performance has been positive, particularly in light of the complex challenges the NHS faces at large. This is highlighted in particular by our Trust inspections, our financial management resulting in the Trust exceeding its control total for 2018/19, and our performance against our regulatory targets.

1.2 Performance Analysis

Key Performance Measures

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

A monthly performance dashboard, aligned to deliverables of the 2018/19 Operational Plan, provides the Board with oversight of the Trust's key priorities during the year. Detailed oversight of the targets is also conducted on a monthly basis by the Operational Committee, a sub-committee of the Board of Directors. Where the required performance of each priority is at risk, in-depth reviews are undertaken to ensure plans are put in place to return performance to the levels expected. This has worked well in ensuring that the Board has appropriate assurance on the delivery of the Operational Plan and the Trust's objectives. This dashboard has been subject to annual review to take into account the Operational Plan 2019/20, to ensure ongoing Board scrutiny of the relevant performance indicators.

NHSI Single Oversight Framework Targets 2018/19

Target	Performance required	18/19 Outturn performance
Care Programme Approach (CPA) follow up within 7 days of discharge	>95%	96.46
Minimising MH delayed transfers of care	< 7.5%	3.73%
Admissions to inpatient services had access to crisis resolution / home treatment teams	>95%	96.28%
Meeting commitment to serve new psychosis cases by early intervention teams – completed	>53%	68.72%
Improving Access to Psychological Therapies - Patients referred within 6 weeks	>75%	85.26%
Improving Access to Psychological Therapies - Patients referred within 18 weeks	>95%	99.51%
Children & Young People Eating Disorders – percentage access rate for routine referrals in 4 weeks	>95%	96.55%
Child Eating Disorders – percentage access rate for urgent referrals in 1 week	>95%	100%
Admissions to adult facilities of patients under 16 years old	0	0
Improving access to Psychological Therapies (IAPT) Proportion of people completing treatment who move to recovery (IAPT dataset)	50%	50%
Inappropriate out-of-area placements for adult mental health services NEW measure (Experimental data collection in 2017)	0	1 (<i>appropriate</i>)
NNHS Digital DQMI score for MHSDS	>95%	96.5%* (73.6% with additional items)
Ensure that cardio-metabolic assessment and treatment for people with Psychosis is delivered routinely in the following settings: a) Inpatient wards b) EIP services c) Community mental health services (people on CPA)	(a) 90% (b) 90% (c) 65%	(a) 90% (b) 96.5% (c) <i>data not available until June 2019</i>

The Trust has achieved all of its regulatory targets for 2018/19.

The Children and Young People Eating Disorders Indicator was the locally selected indicator for 18/19, the audit and outcome of which is reported within the Quality Account. The local indicator is selected by the Governor Scrutiny Sub-Committee, a sub-Committee of the Council of Governors. The full Council of Governors approves the selection on an annual basis. The indicator will remain a special interest item for 2019/20.

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 2019

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

In 2016/17, NHSI introduced individual control totals for all Foundation Trusts to achieve by year-end.

In 2018/19 CWP accepted a control total of £1.119m surplus. Financial performance was as planned, with the Trust overall achieving a surplus of £136k excluding core PSF. Nationally, additional income for 2018/19 was distributed to those trusts that achieved their control total. As a consequence, CWP received non-recurrent additional income for 2018/19, resulting in a surplus of £3.374m.

A key feature of our financial performance was the ability of the Trust's services to deliver a very challenging efficiency programme during 2018/19. Whilst this was not achieved in full, an appropriate level of contingency was factored into plans which provided the cover for the outstanding gaps. Efficiency savings are a fundamental part of NHS contracts going forward into 2019/20 and beyond. The Trust was also successful in managing the financial risks posed to ensure these did not have a detrimental effect on the overall financial performance.

The Trust was able to take advantage of £3m of CQUIN (Commissioning for Quality and Innovation) non-recurrent funding to invest in a wide range of service quality enhancements as outlined in the Quality Account.

Looking forward, there are no financial implications of any significant changes in the Trust's objectives and activities, or its investment strategy for 2019/20.

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

Use of Resources Risk Rating – Performance to 31 March 2019

(1 = lowest risk, 4 = highest risk).

Financial criteria	Metric	Performance	Rating
Capital Servicing Capacity	Capital Service Cover (times)	3.5 times	1
Liquidity	Liquidity Ratio (days)	9.3 days	1
Income and Expenditure Margin	Surplus as % of total operating and non-operating income (including severance costs)	2.0%	1
Income and Expenditure Margin Variance	Income and expenditure margin %variance against annual plan (including severance costs)	1.3%	1

Financial criteria	Metric	Performance	Rating
Agency Expenditure	Agency expenditure % variance against agency ceiling	(38.0)%	1
Overall Rating			1

Income

Overall income has increased in 2018/19 by 5.1% in comparison with 2017/18. This financial year has seen a national inflator of 0.1% applied and additional non-recurrent PSF and pay award income. There have also been contract income increases in year, the most significant being the in-year transfer of the All Age Disability service from Wirral Metropolitan Borough Council.

Running costs

The Trust's operating expenses have increased in comparison to 2017/18. Costs have increased in line with inflation and other NHS specific cost pressures (e.g. Agenda for Change pay award) and also the transfer of staff for the All Age Disability service referred to in the income section above. Another main area for the increase in year is in relation to the impairment of our non-current assets.

Fixed assets

The net book value of property, plant and equipment has increased by £4.5m during the year from £73.4m to £77.9m. There has been a £2.1m investment during the year offset by annual depreciation of £1.9m.

The Trust also commissioned a full revaluation of its Land and Buildings at 31 March 2019. This resulted in a net increase of £4.3m. A detailed analysis of this can be found in note 15 of the accounts.

Cash position

The Trust ended the year with cash, bank balances and investments of £18.3m. This represents a £5.4m 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 and 29 to the Accounts. Details of the remuneration and pension benefits of senior managers can be found in the Remuneration Report.

Significant events

There have been no significant events with material consequences for the Trust in 2018/19.

Overseas Operations

CWP had no overseas operations in 2018/19.

Care Quality Commission (CQC) inspection

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

The Trust has participated in one investigation or review by the Care Quality Commission during 2018/19, this was a routine inspection carried out between 7 August to 20 September 2018

As part of the CQC's continual checks on the safety and quality of services they inspected the following clinical services;

- Wards for older people with mental health problems
- Acute wards for adults of working age and psychiatric intensive care units
- Child and adolescent mental health wards
- Forensic inpatient/secure wards
- Community health services for children, young people and families
- GP out of hours service
- Primary medical services

In line with the CQC inspection framework, this inspection also included assessment of the well-led key question for the trust overall.

Results of the inspection were published on 4 December 2018; the Trust rating has not changed, remaining as "good" overall with "outstanding" for care.

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

The Trust has also maintained the rating of "good" for being well-led which was originally awarded following the Trust's comprehensive inspection in 2015. The CQC have identified areas of good practice for the Trust as well as some areas where improvements could be made.

The CQC issued three requirement notices to the trust, relating to five breaches of legal requirements in three core services and one at trust level. These specific areas include ensuring;

- effective systems and processes are in place to monitor and manage staff access to clinical supervision.
- patients' privacy, dignity and safety is not compromised as a result of breaches in relation to guidance on mixed sex accommodation.
- that each patient has a personal emergency evacuation plan in place.

- staff are compliant with all mandatory training.
- that physical health monitoring takes place and policy and national guidance followed after the administration of rapid tranquilisation to a patient in the service.
- staff record their responsibilities under the Mental Health Act Code of Practice relating to seclusion and reasons are given if staff need to depart from the code.
- staff consider and record discussions around the differing thresholds and responsibilities between seclusion and long-term segregation.
- audits are carried out relating to seclusion and rapid tranquilisation.

A quality improvement plan has been implemented and improvement actions are either already completed, or on track for completion by the end of May 2019.

Environmental Matters

In 2018/19 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 supported in 2018/19 by more staff engaging and actively separating their waste at work into general and recyclable items. This initiative is supported by Facilities Management who purchased and rolled out central recycling bins in many areas of the Trust in 2017/18 and this is further supported by contracted conditions within latest waste procurement exercise for the next 3 years.

- WARFit – CWP's online resource re-use portal for staff continues its successful internal recycling of furniture and other surplus items. WARFit has effectively helped many relocation projects over the year and has avoided 66 tonnes of waste throughout the Trust.
- Many teams have benefited from claiming items for their workspace saving on valuable budgets to be used in patient care. To date, WARFit has over 700 staff members and has now saved a significant amount in avoided costs of waste disposal and purchasing new furniture and effects.
- CWP also supports local charities on a regular basis by donating surplus items no longer required.
- CWP recycles empty and full printer cartridges through a company to ensure that they are not destined for general waste and causing pollution of the environment. Regulated battery disposal is a regular initiative throughout the Trust.

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

Sustainable Development Management Plan

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

The NHS targets require Trusts to achieve a 34% reduction in carbon emissions by 2020 from a 1990 set baseline. Within 2018/19 CWP carbon reduction initiatives achieved a reduction of 198 tonnes 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 2018/19 the Trust continued to progress towards achieving these ambitions and progress against the plan will be reported to the Operational Committee as part of the annual review of the Sustainable Development Management Plan.

Social, Community and Human Rights Issues

Equality, Diversity and Inclusion

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 the Mandatory Equalities Reporting Framework for the NHS, the Equality Delivery System 2 (EDS2). The trust achieves this in partnership with local stakeholders to review and improve performance for people from protected groups.

Workforce Race Equality Standard (WRES)

The 9 point WRES metric standards set by NHS England sets out how Trusts are expected to respond to race equality issues in a range of staffing areas including a specific metric to address low levels of Black, Asian and Minority Ethnic (BAME) representation across the country nationally. Whilst CWP score better than the national average for combined Mental Health and Learning Disability organisations, CWP recognises areas for improvement.

Accessible Information Standard (AIS)

CWP is currently working towards meeting the core requirements of the standard for everyone accessing our services and will continue to raise the profile of the AIS to staff and monitor developments and progress against the standard.

Gender Pay Gap Reporting

The gender pay gap is a measure of comparison between average hourly rates and bonuses as opposed to covering equal pay which looks at individual earnings of a female and a male doing equal work.

Data highlights that there is a gender pay gap with women across the average, median and bonus gap being paid less than males. Although CWP's hourly gender pay gap is less than the national gender pay gap in the public sector, there is still work to be done to reduce the gap further wherever this exists for each band and staff group. There is also a need to address the high gap in bonus payments.

Work Force Disability Equality Standard (WDES)

The WDES will form part of the NHS Standard Contract in 2019 and will cover staff information for the 2018/19 reporting year. It will be a set of specific measures to enable us to compare the experiences of disabled and non-disabled staff as research shows that a motivated, inclusive and valued workforce helps to deliver high quality patient care, increased patient satisfaction and improved patient safety. It will enable us to better understand the experiences of disabled staff and will support positive change for existing employees, enabling a more inclusive environment for disabled people working within our services. CWP is a Disability Confident Employer (see below) so this will provide a good foundation for this work stream.

Disability Confident Employer

CWP has been awarded Level 2 Disability Confident Employer, a scheme designed to help recruit and retain disabled people and people with health conditions for their skills and talent. The standard also helps customers and other businesses identify those employers who are committed to equality in the workplace. An action plan is in place to continue to meet the requirements of this standard.

Calendar of Events

We introduced an online calendar of events as a way of raising awareness of local and national initiatives in relation to protected characteristics covered by the Equality Act 2010. We are also working to ensure that equality, diversity and inclusion continues to be covered on the agenda of care group meetings and business & governance meetings within the Trust. We held a large autism conference in February 2019 and intend to hold similar events in the future to further support work with people covered by protected characteristics. Articles within the quarterly CWP Life magazine, the CWP staff facebook page and on the CWP Twitter account have further increased the profile of equality, diversity and inclusion in order to continue to make it part of everything we do.

Pride Events within Cheshire

During the summer of 2018, CWP supported Pride Events in Macclesfield and Chester. We plan to build on this work during the summer of 2019, involving people in the planning and implementation of our participation to make them really inclusive events. We have enhanced networking and collaboration with partner organisations in the local area on this and other pieces of work to share best practice.

Mindful Employer Charter

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

Human Rights Act

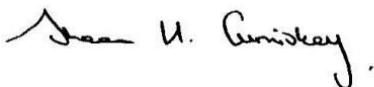
CWP have an Equality Diversity and Human Rights policy and follow the FREDA principles. In essence, the Human Rights based approach is the way in which Human Rights can be protected in clinical and organisational practice by adherence to the underlying core values of fairness, respect, equality, dignity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

NHS Constitution

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

CWP upholds the NHS Constitution and entirely supports its principles and values. We are already committed to treating people who access our services with dignity and respect, following the highest standards of care, all of which are included in the NHS Constitution. Moving forward, adherence to the values set out in the NHS Constitution will be monitored by the Patient and Carer Experience Sub Committee.

Signed



Sheena Cumiskey – Chief Executive
22 May 2019

2. Accountability Report

2.1 Directors' Report

2.2 Remuneration Report

2.3 Staff Report

2.4 NHS Foundation Trust Code of Governance

2.5 NHS Improvement Single Oversight Framework

2.6 Statement of Accounting Officer's Responsibilities

2.7 Annual Governance Statement

2.8 Auditors Opinion and Certificate

2.1 Directors' Report

Board Membership

The Board of Directors hold the collective responsibility for setting the strategic direction and organisational culture and for the effective stewardship of Trust business. As such it is responsible for determining the Trust's strategy and business plans, budgets, policy determination, audit and monitoring arrangements. It is also responsible for all regulatory and control arrangements, senior appointments and dismissal arrangements and approval of the annual report and accounts. It acts in accordance with the requirements and ensures compliance against the Foundation Trust Provider Licence. The Corporate Governance Manual sets out the schedule of matters reserved for Board.


During the year, the Board has been updated in public session on the national expectations on Trusts related to the United Kingdom leaving the European Union. The Trust has complied with all relevant national requirements. The Board has reviewed the potential risks, and has concluded that this is not a significant strategic risk for the organisation given the matters being dealt with directly by NHS central bodies and HM Government.


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 2018/2019 are set out below.

Mike Maier	Chair – appointed June 2016. Former Independent Non-Executive Director and Deputy Chair – appointed March 2011, re-appointed March 2014.	
<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>	


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


Andrea Campbell	Independent Non-Executive Director – appointed January 2017.
<p>Experience</p> <ul style="list-style-type: none"> Retired NHS Executive Director of Commissioning 25+years of experience at senior level in health and social care Management consultant 13+ years working on national policy development, strategic planning, policy implementation, third sector organisational support for service improvement Board of two third sector organisations supporting people with dementia and people with learning disabilities Previous NHS non-executive director experience <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> MA Social & Public Policy – Leeds University 	 <p>andrea.campbell2@nhs.net Tel: 01244 397371</p>

Dr James O'Connor	Deputy Chair – appointed June 2016. Independent Non-Executive Director – appointed May 2014, re-appointed April 2017.
<p>Experience</p> <ul style="list-style-type: none"> General Practitioner since 1978, retired in 2012 Medical Director of Community Services, intermediate care and PCT from 2000, retired in 2012 Numerous other roles including Clinical Assistant in Medicine for the Elderly and rehabilitation, local medical committee secretary and national representative of Clinical Leaders in the North West <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> MB ChB, DRCOG BMA Member 	 <p>james.oconnor1@nhs.net Tel: 01244 397371</p>


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


Lucy Crumplin	Independent Non-Executive Director – appointed August 2013, re-appointed July 2016.
<p>Experience</p> <ul style="list-style-type: none"> • Senior HR professional with >20 years' experience • Director, Tiger Bright Ltd – HR and management consultancy service • Former Chief HR Officer, Wrexham County Borough Council • Previous senior management consultancy roles: KPMG Remuneration Consulting, PA Consulting People and Organisational Change, Hedra HR Transformation Services • Experienced in providing strategic and pragmatic advice to drive progress with people, pay, and performance issues. <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> • English Literature and Psychology, BA Hons. • Human Resources Consulting, MSc. • Chartered Institute of Personnel and Development (CIPD) level 7 qualified. • PRINCE 2 (Project Management) Foundation and Practitioner levels. 	 <p>lucy.crumplin@nhs.net Tel: 01244 397371</p>


Ann Pennell	Independent Non-Executive Director – appointed January 2018. Resigned – December 2018
<p>Experience</p> <ul style="list-style-type: none"> • Over 30 years' experience in education and local Government, including Children's and Adult Social Care, Housing, and organisational improvement • A former Non-Executive Director in an acute NHS Trust • Former Assistant Chief Executive in the London Borough of Enfield and previous Director roles in Lancashire County Council • Significant experience of regulatory frameworks as a previous Ofsted and Audit Commission inspector <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> • BA Hons Social Science • PGCE (Qualified teacher) • MA • Institute of Leadership and Management Coaching and Mentoring 	 <p>ann.pennell@nhs.net Tel: 01244 397371</p>


Sheena Cumiskey	Chief Executive – appointed February 2010.
<p>Experience</p> <ul style="list-style-type: none"> • 36 years' experience in the NHS, 24 years at Chief Executive level • Former Chief Executive of both commissioning and provider organisations • Worked at strategic and operational levels within the NHS • Chair of North West Leadership Academy Board • Named as CEO of the Year at the 2015 Health Service Journal (HSJ) Awards • Member of the NHS Employers Policy Board • Supported Work on the Mental Health section of the NHS Long Term Plan <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>

Tim Welch	Director of Finance – appointed April 2013. Deputy Chief Executive
<p>Experience</p> <ul style="list-style-type: none"> • Over 20 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 397377</p>

Avril Devaney	Director of Nursing, Therapies and Patient Partnership – appointed January 2003.
<p>Experience</p> <ul style="list-style-type: none"> • 36 years' experience working in NHS • 17 years' experience at Board level • Received the Queen's Nursing Institute Award for Innovation in 1999 • Led the development of Patient and Public Involvement and CWP Challenging Stigma Campaign since 2004 • Received MBE in January 2016 for services to nursing of people with mental health problems <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> • Registered Nurse (Mental Health) • Diploma in Counselling • MSc in Health and Social Care (research subject: Nursing Leadership and Organisational Change) • Member of Local Safeguarding Children Boards • Chair of National Mental Health Nurse Directors Forum • Received Honorary MA from University of Chester in March 2014 for services to CWP and mental health care in Uganda • Trustee on The Jamie Devaney Memorial Fund – supporting mental health care in Uganda • Honorary Visiting Professor – University of Chester 	 <p>avril.devaney@nhs.net Tel: 01244 397374</p>

Dr. Faouzi Alam	Consultant Psychiatrist and Joint Medical Director (Effectiveness and Medical Workforce) – appointed October 2013.
<p>Experience</p> <ul style="list-style-type: none"> • 24 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>

Dr. Anushta Sivananthan	Consultant Psychiatrist and Joint Medical Director (Compliance, Quality & Assurance) – appointed August 2010.
<p>Experience</p> <ul style="list-style-type: none"> • Over 15 years as Consultant Old Age Psychiatrist • 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 – 2006 • Previously Programme Director, Old Age Psychiatrists at Mersey Deanery • Cochrane reviewer in collaboration with Evidence Based Practice Centre at CWP • QI Expert <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>

Andy Styring	Director of Operations – appointed May 2009.
<p>Experience</p> <ul style="list-style-type: none"> • Lifelong experience of living with and alongside people with learning disabilities • 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 at acting and substantive level in mental health and learning disability services • Former Healthcare Commission associate • Member of Executive Board, Cheshire & Merseyside Transforming Care for people with learning disabilities • Member of Shadow Prospect Board delivering new models of care for people with forensic needs • Board member Central Cheshire Integrated Care Partnership • Governor – Ancora School • Wide ranging expertise in strategic service development and change management • Former staff Governor <p>Qualifications & Memberships</p> <ul style="list-style-type: none"> • Registered nurse (learning disabilities) 	 <p>andy.styring@nhs.net Tel: 01244 397267</p>

David Harris	Director of People and Organisational Development – appointed September 2014. Appointed Executive Director September 2016.
<p>Experience</p> <ul style="list-style-type: none"> • 26 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 • Senior Associate Lecturer at Lancaster University • AQuA Fellow in Improvement Science • Advanced Diploma in Executive Coach Mentoring • Qualified Coach-Mentor Supervisor • Accredited Human Systems Dynamics Practitioner • Accredited Workplace Mediator • Member of Q Community 	 <p>david.harris@nhs.net Tel: 01244 393106</p>

Changes to the Board during 2018/2019

Non-Executive Director Ann Pennell stepped down from her position with the Trust with effect from 31 December 2018. The Nominations and Remuneration Committee of the Council of Governors is currently leading on the recruitment process to appoint to this position.

Balance, completeness and appropriateness of the Board

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

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

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

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

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

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

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

Board performance and significant commitments

A development plan is in place for the Board of Directors to ensure the Board continuously improves. This is designed focused on further developing technical knowledge and skills including risk management, systems governance and delivering system change while also aiming to review and improve the ways that Board members work together, through developing relationships and effective challenge. Using external internal inputs, the programme is designed to be flexible to reflect the development needs of the Board and changing environment.

All committees and sub committees of the Board undertake an annual review of effectiveness to review the adequacy of the corporate governance framework and committee structure. This informs any changes to the committee structure, corporate governance manual and integrated governance framework which are also reviewed annually.

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.

The significant commitments and interests of the Chair and the other Directors are detailed in the pen portraits shown earlier in this report and within the Board of Directors Register of Interests. Members of the public can gain access to the Board of Directors' and Council of Governors' Register of Interests at www.cwp.nhs.uk.

Board committees

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

Non- Executive Directors	Board of Directors	Audit Committee	Quality Committee
Non-Executive Directors			
Burke-Sharples, Rebecca	10/11	6/7	4/6
Campbell, Andrea	10/11	5/7	
Crumplin, Lucy	11/11		6/6
Jenner, Edward	9/11	7/7	
Maier, Mike (Chair)	11/11		
Pennell, Ann (Jan 2018 – Dec 2018)	6/8		
O'Connor, Dr James	9/11	5/7	4/6

Directors	Board of Directors	Audit Committee	Quality Committee	Operational Board
Executive Directors				
Alam, Dr Faouzi (Joint Medical Director)	7/11		4/6	8/10
Cumiskey, Sheena	11/11	1/1*	3/6	9/10
Devaney, Avril	8/11		3/6	7/10
Harris, David	8/11		2/6	5/10***
Sivananthan, Dr Anushta (Joint Medical Director)	10/11		5/6	0/10**
Styring, Andy	11/11		3/6	9/10
Welch, Tim	10/11	6/7	4/6	9/10

*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 Board.

***David Harris undertook a part time system-wide role during 18/19. The Deputy Director of People and OD, therefore, deputised for David Harris as required.

Nominations and Remuneration Committee of the Board of Directors

The Trust has two Nominations and Remuneration Committees. Both are chaired by the Trust's Chairman, Mike Maier. The Nominations and Remuneration Committee of the Board is comprised of all Non-Executive Directors and the Chief Executive (unless the position of Chief Executive is being appointed to). This Committee met twice in 2018/19.

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

Audit Committee

The overarching aim of the Audit Committee is to provide one of the key means by which the Board ensures effective internal control arrangements are in place. In addition, the Committee provides independent scrutiny upon the executive arm of the Board.

As defined within its terms of reference, the Committee is responsible for reviewing the adequacy of effectiveness of governance, risk management and internal control arrangements covering both clinical and non-clinical areas. The Audit Committee is also required to consider any significant issues in relation to the financial statements, operations and compliance and how these issues have been addressed.

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

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

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

The Committee considers that it has fully and effectively discharged its duties under the Terms of Reference extended to it by the Trust Board. The terms of reference are reviewed annually and were most recently reviewed in March 2019.

- Financial Reporting

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

The Trust is required under International Accounting Standard 1 to draw attention to key areas of the financial statements where the underlying estimates, judgements and assumptions used in exercising professional judgement may create a significant risk of causing material uncertainty at the end of the reporting period (31 March 2019).

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

As part of preparations for the annual audit, the Trust has identified a number of risks which generally concern the accounting treatment of property, plant and equipment and material provisions held within its financial statements and local government pension scheme liabilities arising from the transfer of local authority staff in 2018/19. The Committee discussed and received assurance on the satisfactory mitigation of these risk areas from Trust management.

Discharging its responsibilities to ensure appropriate oversight of risk management process, during the year the Audit Committee has continued to review the strategic risk register on a quarterly basis and has recommended areas for further scrutiny to the Quality Committee.

The Committee has maintained regular oversight of the Trust's financial position. The Committee has also monitored issues impacting on the Trust's cash position as the year has progressed. The Trust ended the year with cash, bank balances and investments of £12.9m representing a significantly improved position on that planned for the year.

The Committee reviewed a number of other matters during 2018/19 including the healthcare quality improvement programme, assurances from patient safety improvement reviews, assurances from the quality dashboard and cyber security risks.

- Internal Audit

The Trust's internal auditors for the reporting period were Mersey Internal Audit Agency (MIAA). MIAA is appointed to provide assurance to management that system controls exist and are performing well enough to identify, manage and mitigate any risk of error or fraud.

The Internal Audit Plan work programme is informed and development by a combination of intelligence gathering around both organisational and clinical risk issues as determined by the Trust's strategic risk register and Board Assurance Framework.

The Audit Committee reviews the progress of the internal audit plan at each meeting and having reviewed and approved the forward plan, is satisfied that the programme of reviews for 2019/20 adequately addresses the strategic priorities of the Trust, is driven by the Board Assurance Framework and reflects an appropriate balance between clinical and operational (including financial) risk factors.

In 2018/19, eight internal audits were undertaken resulting in an assurance opinion. One review attained high assurance, five attained substantial assurance and two attained moderate assurance opinions.

- External Audit

The Trust's external auditor for the period April 2018 to March 2019 has been KPMG. This is the fourth of a five year contract. In their engagement letter KPMG state that their liability and that of their members, partners and staff (whether in contract, negligence or otherwise) shall not exceed £2m in the aggregate.

It is the Trust's policy to ensure that the external auditor's independence has not been compromised where work outside of the audit code for NHS Foundation Trusts has been purchased from them. Any work of more than £5k falling into this category is approved by the Audit Committee.

The Trust's auditor has not provided any non-audit services to the Trust during 2018/19.

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

In 2018/19, the Council of Governors, supported by the Audit Committee undertook a process to appoint to the external auditor, due to the completion of the existing external auditors contract at the end of March 2019. As a result, Grant Thornton were appointed by the Council of Governors as the Trust's external auditor, with effect from 1 April 2019, for a three year contract, with an option for a further two year extension.

Board statement

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

Stakeholder relations and significant partnerships and alliances entered into by the Trust

The Trust continues to work in close partnership with a wide range of organisations across the NHS, local authorities and the third sector in terms of direct service delivery.

CWP is part of the Cheshire & Merseyside Healthcare Partnership, along with 19 other NHS Trusts, 9 Local Authorities and 12 Clinical Commissioning Groups. CWP's Chief Executive is the senior responsible owner for the mental health and learning disabilities Sustainability Programme.

CWP continues to be involved in the development of Integrated Care Partnerships across the footprint. This innovative approach to building Care Communities will involve other NHS trusts, Clinical Commissioning Groups, third sector organisations and local authorities in the area. ICP arrangements are at their most developed in west Cheshire, where an integration agreement setting out the working arrangements of the ICP was agreed by all partners in March 2019.

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

In 2018/19, the Trust's formal joint venture partnership with Ryhurst Limited, 'Villicare' became dormant.

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

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 – 2017/18).

Political donations

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

Better payment practice code

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

Item	Number 2018/19	£000's 2018/19	Number 2017/18	£000's 2017/18
Total non-NHS trade invoices paid in period	16,869	24,258	18,569	22,666
Total non-NHS trade invoices paid within target	14,734	22,724	14,915	20,329
Percentage of non-NHS trade invoices paid within target	87%	94%	80%	90%
Total NHS trade invoices paid in period	1,351	12,065	1,814	13,964
Total NHS trade invoices paid within target	1,288	11,785	1,705	13,244
Percentage of NHS trade invoice paid within target	95%	98%	94%	95%

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

Overall income has increased in 2018/19 by 5.1% in comparison with 2017/18. This financial year has seen a national inflator of 0.1% applied to the organisation's contracts, additional Provider Sustainability Transformation Funding (PSF) and additional Agenda for Change pay award funding .

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

Disclosure to the Auditors

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

- So far as the director is aware, there is no relevant audit information of which Cheshire and Wirral Partnership NHS Foundation Trust's external auditors are unaware; and

- That the director has taken all steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that Cheshire and Wirral Partnership NHS Foundation Trust's external auditors are aware of that information.

Council of Governors

The Council of Governors (CoG) has a number of statutory duties. These principally include holding the Non-Executive Directors to account, appointing, removing and deciding the term of office (including remuneration) of the Chair and Non-Executive Directors (NEDs), approving the appointment of the Chief Executive, appointing and removing the Trust's external auditors receiving the annual report and accounts and auditor's report, and expressing a view of the Board's forward plans.

The Governors are also responsible for communicating with members and ensuring that the interests of the community served by the Trust are appropriately represented.

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

Governors continue to enjoy good relationships with the Board of Directors. Council of Governors meetings are well attended by Board members and a new approach to utilising time at Council meetings has enabled more informal discussions and debates between Governors and Board members on a range of issues including 'Learning from Deaths' and the NHS Long Term Plan. Governors are also encouraged to attend seminar sessions on strategic planning to enable them to understand and positively influence and inform Trust planning.

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

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

Members can contact Governors via the Governor email account cwp_governor@nhs.net.

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

Composition of the Council of Governors

Following the Annual Members' Meeting held on 4 October 2018, the composition of the Council of Governors is:

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

The table below gives the names of those who occupied a position of Governor between 1 April 2018 and 31 March 2019 including how they were appointed or elected and the length of their appointment. It also states the number of Council of Governors' meetings that were held and individual attendance by Governors at those meetings.

The Council of Governors are required to meet at least three times per year in public. The significant commitments and interests of the Governors are detailed on the Council of Governors Register of Interests. This is available on the Trust website - www.cwp.nhs.uk.

Between April 2018 and March 2019 the Council of Governors met on five occasions and attendance is indicated on the table below.

Public Governors (elected)	Area	First appointed	Most recent / Current Tenure	Notes	Council of Governors meetings attended 2018/19
Agar, Richard	Wirral	September 2014	2017-2020		4/5
Mayne, Stanley	Wirral	November 2012	2015-2018	Term Ended Oct 2018	2/3
Walker, Robert	Cheshire East	June 2015	2017-2020		2/5
Bosomworth, Derek	Cheshire East	October 2017	2017-2020		3/5
Bott, Elizabeth	Cheshire West and Chester	October 2017	2017-2020		4/5
Nellist, Helen	Cheshire West and Chester	October 2017	2017-2020		0/5
Richardson, Nigel	Out of Area	October 2017	2017-2020		5/5
Farrell, Anne-Marie	Wirral	October 2018	2018-2021		1/2

Service user and carer Governors (elected)	First Appointed	Most Recent / Current Tenure	Notes	Council of Governors meetings attended 2018/19
Crouch, Brian David (Lead Governor wef October 2017)	December 2013	2016 - 2019		3/5
McQuarrie, Ferguson	October 2013	2016 - 2019		5/5
Arrowsmith, Charlotte	October 2015	2015 - 2018	Term Ended Oct 2018	0/3
King, Arlo	June 2016	2016 - 2019		1/5
Cairns, Gordon	June 2016	2017 - 2020		5/5
Bull, David	September 2016	2016 - 2019		4/5
Brassington, Michael	September 2016	2016 - 2019		3/5
Millar, Keith	September 2016	2016 - 2019		4/5
McGhee, Jacqueline	October 2017	2017 - 2020		2/5
Billington Phil	October 2017	2017 - 2020		4/5
Keight, David	October 2017	2017 - 2020	Stepped down June 2018	0/3
Ashley-Mudie, Peter	October 2018	2018-2021		2/2
Jarrold, Phil	October 2018	2018-2021		2/2

Staff Governors (elected)	Class	First Appointed	Most Recent / Current Tenure	Notes	Council of Governors meetings attended 2018/19
Doble, Jill	Therapies	October 2013	2016 - 2019		1/5
Mook, Phillip	Non-Clinical	September 2014	2017 - 2020		3/5
Shaw, Janie	Nursing	September 2014	2015 - 2018	Term Ended Oct 2018	0/3
Edwards, Ken	Nursing	September 2016	2016 - 2019		4/5
Agnihotri, Deepak	Therapies	May 2016	2016 - 2019		5/5

Partnership Governors (appointed)	Organisation	First Appointed	Most Recent / Current Tenure	Notes	Council of Governors meetings attended 2018/19
Gilchrist, Phil	Wirral Council	October 2010	2016-2019		4/5
Smith, Pam	West Cheshire CCG	March 2014	2016-2019		3/5
Stewart, Iain	Wirral CCG	December 2013	2016-2019		2/5
Boyle, Sean	Staff Side	January 2017	2017-2020		0/5
Pollard, Graham	Universities	April 2016	2016-2019		3/5
Gahan, Carol	Cheshire West and Chester Council	June 2015	2015-2018 / 2018 - 2021	Re-appointed 2018	3/5
Wardlaw, Liz	Cheshire East Council	Oct 2017	2016-2019		1/5

Members of the Board of Directors regularly attend meetings of the Council of Governors in order to understand Governors' views and to ensure continued development of the relationships between Board members and Governors. The Chief Executive has a standing invitation to attend all meetings of the Council. All Directors receive the Council's papers for review and are invited to attend to present reports on topical issues, however, Directors are not formal members of the Council of Governors.

Directors, in particular Non-Executives also come together regularly with Governors and Members at consultation, information and training events and seminars. Directors and Non-Executive Directors also regularly attend sub-committee meetings of the Council of Governors as well as attending other meetings such as locality forums.

Directors' attendance at meetings of the Council of Governors during 2018/19 is shown below.

Director	Council of Governors meetings attended 2018/19
Non-Executive Directors	
Burke-Sharples, Rebecca	4/5
Campbell, Andrea	4/5
Crumplin, Lucy	0/5
Maier, Mike	5/5
O'Connor, Dr James	3/5
Jenner, Edward	4/5
Pennell, Ann (Jan 2018 – Dec 2018)	3/4

Executive Directors	
Alam, Dr Faouzi/ Sivananthan Dr Anushta – joint Medical Directors*	2/5
Cumiskey, Sheena (Chief Executive)	5/5
Devaney, Avril	1/5
Harris, David	2/5
Styring, Andy	3/5
Welch, Tim	2/5

*Attendance combined for joint Medical Directors

Governors have not exercised their power under paragraph 10C of schedule 7 of the NHS Act 2006 to require one or more of the directors to attend a governors' meeting for the purpose of obtaining information about the foundation trust's performance of its functions or the directors' performance of their duties (and deciding whether to propose a vote on the foundation trust's or directors' performance) during the financial year.

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

Nominations and Remuneration Committee of the Council of Governors

This Committee is chaired by the Trust's Chair, Mike Maier. In 2018/19, the Committee met on two occasions and the Committee's members were as follows:

Governor	Constituency	Attendance
Maier, Mike	Chair	2/2
Crouch, Brian	Service User/Carer	2/2
Gilchrist, Phil	Partnership	2/2
Boyle, Sean	Partnership	1/2
Edwards, Ken	Staff	2/2
Agar, Richard	Public, Wirral	1/2

During 2018/19, a number of matters were considered at these meetings including approving the Trust's Fit and Proper Persons policy and ensuring compliance with this policy. The Committee also undertook a rigorous review of the Chair's term of office and following this, recommended the reappointment of the Chair for a second term of office to commence in the next financial year. The Committee also commenced the process for the recruitment of two Non-Executive Director, a process which will conclude in 2019/20. There were no decisions taken to uplift Non-Executive Director remuneration during 2018/19.

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.

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

Scrutiny sub-committee of the Council of Governors

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

Membership and Development sub-committee of the Council of Governors

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

Membership & Engagement

Membership numbers

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

- Service users and their carers
- Public
- Staff

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

People who access services and carers

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

Public

Staff from partner organisations, statutory, community or voluntary groups are welcome to join as individual members of the public. Within the public constituency, members join into a sub division, known as classes, which are based on the geographic boundaries of the three localities served by the Trust. There is also an 'out of area' class. Public members are assigned to one of the following classes dependent upon the area in which they live:

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

Staff

The Trust automatically places staff to become members as we would like staff to be as fully involved in the organisation as possible. However, staff are able to opt-out if they prefer. Whilst CWP's membership is broadly representative of the diverse communities it serves, there is a continued commitment to engage further with minority ethnic communities and other harder to reach groups including the gypsy/ traveller communities, lesbian, gay, bisexual and transgender (LGBT) communities and also those who have sensory difficulties.

Number breakdown

At the end of the financial year 2018/19 the Trust had **14506** members. Membership is broken down into the following constituencies and classes:

- **1783** service users and/or carers
- **9136** public members:
 - 2703 Wirral
 - 2941 Cheshire West
 - 2068 Cheshire East
 - 1424 Out of area
- **3587** staff members in the following constituencies:
 - 1632 nursing (registered and non-registered)
 - 1002 non-clinical (including volunteers)
 - 729 therapies
 - 116 clinical psychology
 - 108 medical

Membership development

The Council of Governors has a Membership and Development Sub Committee to oversee membership development and they review the membership profile annually and agree the target areas for recruitment and engagement. The Committee also receives regular reports from the Patient and Carer Experience team and information about various engagement activities, such as the annual members' meeting, CWP Life magazine and wider volunteering and involvement activities.

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

Activities have focused on co-production and on involving people in the developments of the care groups. Therefore, our initial plans were delayed on development of membership. We have planned to undertake more research into our membership which includes member preferences to past engagement efforts. We will develop a longer term strategy to enable us to better focus our goals, identify our call to arm, particularly our calls-to-action, including improvement programs, events, opportunities for co-production and improvements in person-centred planning and care and other engagement and volunteering opportunities.

Working with the communications team, we will ensure that we develop to engage members, and using varied communication sources including physical mail as channels as we know that nearly 50% of our members do not have a registered email address with us. Our plans will include how we can personalise both our communication and content based on our members and their needs.

The Membership and Development Sub Committee will oversee the longer term plan to determine which parts of our communication and engagement are most effective. We will know if our overall strategy is working when we see members with higher engagement levels over time. It is clear that our staff, along with volunteers and leaders, are also interacting with other members and volunteers on a daily basis, which means they have a lot to contribute towards our membership and engagement.

We will listen to their opinions. We will also develop the use of our membership management software which will provide us with the ability to do more with less. We will focus on both the present and the future.

Participation and Volunteering

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

This year has seen the development of paid roles for people with lived experience. We have recruited a number of people with lived experience onto the bank as lived experience co-trainers. They provide training to people on person-centred thinking and planning and on value based recruitment. We are in the process of recruiting people to undertake the induction programme in relation to experience.

Working co-productively leads to improved outcomes for people who use services and carers, as well as having a positive impact on the workforce. It is also about people with different views and ideas coming together to make things better for everyone.

A vital principle of the Involvement Programme is that it should be based upon the principles of volunteering, recovery and social inclusion; which facilitate us to operate in a manner that ensures fairness, consistency, transparency and development for all involvement representatives. Volunteers who get actively involved with the Involvement Programme – whether people who access CWP services, carers, staff or members of the public - will have the opportunity to access a range of learning and development opportunities including life skills development, further education, employability coaching, work experience placements and other volunteering opportunities.

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

The Patient and Carer Experience team and the locality Participation and Engagement Workers work with people to help them to identify their own personal needs and goals. We have over 203 active volunteers of whom 70% are people with lived experience. This year also sees the introduction of a volunteering in CWP survey to help us to understand how we can better support volunteers and also the managers to introduce new volunteer roles and enable us to support them in their work with volunteers.

2.2 Remuneration Report

Annual Chair's statement on remuneration

On 30 January 2019, the Remuneration and Nominations Committee reviewed Executive salaries. The Committee, advised by the Deputy Director of People and OD, analysed a range of benchmarking data and the NHSI guidance on Pay for VERY Senior Managers (VSM) in NHS Trusts and Foundation Trusts. The Committee agreed that in line with the award provided to all other NHS staff in 2018/19, that Executive Directors be awarded an uplift of 2.17%.

Senior manager remuneration policy

As above, the Remuneration and Nominations Committee determines the remuneration of all members of the Trust's Executive Management Team. The Committee ensures that levels of individual remuneration are sufficient to attract, retain and motivate directors of the quality required to run the Trust successfully, but without paying more than is necessary for that purpose. In particular, the Committee is committed to implementing NHSI guidance on Very Senior Manager pay. Executive pay is fixed at specified pay points: there is no pay band or incremental pay progression. The pay of Executive team members is not performance related.

During this reporting year the Remuneration and Nominations Committee did agree an uplift to Executives Remuneration as outlined above.

As at 31 March 2019, there is no obligation for the Trust regarding early termination of executive team members' contracts.

The Trust's normal practice is that all executive team members are employed on indefinite contracts with a notice period of three months (six months for the Chief Executive). The Trust has adopted the Agenda for Change pay structure and job evaluation processes 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 for the Chief Executive and each other 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.

There is no performance related pay or any other components included in any remuneration packages for Trust senior managers.

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.

Two meetings of the Nominations and Remuneration Committee of the Board were held during 2018/19, with attendance of committee members as follows:

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

2018/19 the Committee oversaw the process to appoint to the Director of Nursing, Therapies and Patient Partnership ahead of the planned retirement of Avril Devaney in September 2019. In a process agreed with the Committee, the two-day recruitment included an assessment day involving lived experience representatives, external stakeholders and governors. The formal panel interview comprised of Committee members and an independent Director of Nursing from a neighbouring trust. Following this, Gary Flockhart was proposed as the candidate recommended by the Nominations and Remuneration Committee for appointment to the Director of Nursing position. This was subsequently agreed by the Board of Directors in March 2019.

Fair Pay Disclosure

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 2018/19 was £180,075. This is 6.4 times the median remuneration of the workforce, which was £28,050.

In 2018/19 there were no employees who received remuneration in excess of the highest paid Director (0, 2017/18).

	31 March 2019	31 March 2018
Band of Highest Paid Directors Total Remuneration	180-185	175-180
Median Total Remuneration (£)	£28,050	£27,365
Ratio	6.4	6.5

There is one executive who was paid more than £150,000 in 2018/19. 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 one executive 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 2018/19. This was also a nil return in 2017/18.

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 2019, there were 2 early retirements (31 March 2018 – 7 early retirements) from the NHS Foundation Trust on the grounds of ill health. The additional pension liabilities of these ill health retirements will be £113,401 (year ended 31 March 2018 £521,861). The cost of these ill health retirements will be borne by the NHS Business Services Authority – Pensions Division.

Payment of Governor expenses

At 31 March 2019, 7 Governors received expenses totaling £2,600. This compares to 13 Governors receiving expenses totaling £4,600 in 2017/18.

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

Salaries and Allowances - Single Total Figure Table						
2018/2019						
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	145-150	0	0	0	0	145-150
T Welch - Director of Finance	125-130	0	0	0	22.5-25	150-155
A Devaney - Director of Nursing	105-110	10,600	0	0	0	115-120
A Styring - Director of Operations	100-105	0	0	0	0	100-105
A Sivananthan - Director Compliance, Quality & Assurance	145-150	0	0	0	0	145-150
A Sivananthan - Joint Medical Director	30-35	0	0	0	0	30-35
F Alam - Director Effectiveness, Medical Education & Medical Workforce	115-120	800	0	0	12.5-15	130-135
F Alam - Joint Medical Director	30-35	0	0	0	0	30-35
D Harris - Director of People & Org.Dev	95-100	0	0	0	16-18.5	110-115
E Jenner - Non Executive Director	15-20	0	0	0	0	15-20
J O'Connor - Non Executive Director	10-15	0	0	0	0	10-15
R Burke-Sharpley - Non Executive Director	10-15	0	0	0	0	10-15
L Crumplin - Non Executive Director	10-15	0	0	0	0	10-15
M Maier - Non Executive Director	40-45	0	0	0	0	40-45
A Campbell - Non Executive Director	10-15	0	0	0	0	10-15
A Pennell - Non Executive Director	10-15	0	0	0	0	10-15

Salaries and Allowances - Single Total Figure Table

2017/2018						
Name and title	Salary (bands of £5,000)	Expense Payments (taxable) (to the nearest £100)	Performance Pay and Bonuses (bands of £5,000)	Long Term Performance Pay and Bonuses (bands of £5,000)	All Pension Related Benefits (bands of £2,500)	Total (a to e) (bands of £5,000)
	(a)	(b)	(c)	(d)	(e)	(f)
S Cumiskey - Chief Executive	145-150	0	0	0	20-22.5	170-175
T Welch - Director of Finance	125-130	0	0	0	30-32.5	155-160
A Devaney - Director of Nursing	100-105	9,500	0	0	135-137.5	245-250
A Styring - Director of Operations	100-105	0	0	0	0	100-105
A Sivananthan - Medical Director	175-180	0	0	0	100-102.5	280-285
F Alam - Medical Director	145-150	800	0	0	30-32.5	175-180
D Harris - Director of People & Org. Dev.	90-95	0	0	0	90-92.5	185-190
E Jenner - Non Executive Director	15-20	0	0	0	0	15-20
J O'Connor - Non Executive Director	10-15	0	0	0	0	10-15
R Burke-Sharples - Non Executive Director	10-15	0	0	0	0	10-15
L Crumplin - Non Executive Director	10-15	100	0	0	0	10-15
M Maier - Non Executive Director	40-45	0	0	0	0	40-45
S McKenna - Non Executive Director	0-5	0	0	0	0	0-5
A Campbell - Non Executive Director	10-15	0	0	0	0	10-15
A Pennell - Non Executive Director	0-5	0	0	0	0	0-5

Note:

S McKenna left the Trust on 31st July 2017. Ann Pennell joined the Trust on 1st January 2018

Total Pension Entitlements Disclosure of Senior Managers

Pension Benefits Disclosure Table								
2018/2019	(a) Real increase in pension at pension age (bands of £2,500) £000	(b) Real Increase in pension lump sum at pension age (bands of £2,500) £000	(c) Total accrued pension at pension age at 31 March 2019 (bands of £5,000) £000	(d) Lump sum at pension age related to accrued pension at 31 March 2019 (bands of £5,000) £000	(e) Cash Equivalent Transfer Value at 1 April 2018 £000	(f) Real increase in Cash Equivalent Transfer Value £000	(g) Cash Equivalent Transfer Value at 31 March 2019 £000	(h) Employers Contribution to Stakeholder Pension £000
Name of Senior Manager and title								
S Cumiskey - Chief Executive	0-2.5	0-2.5	60-65	190-195	1,294	111	1,466	0
T Welch - Director of Finance	0-2.5	0-2.5	40-45	100-105	633	98	768	0
A Devaney - Director of Nursing	0-2.5	0-2.5	50-55	160-165	1,031	92	1,169	0
A Sivananthan - Medical Director	2.5-5	10-12.5	60-65	180-185	1,152	52	1,261	0
F Alam - Medical Director	0-2.5	0-2.5	25-30	50-55	337	49	416	0
D Harris - Director of People & Org.Dev	0-2.5	0-2.5	45-50	0-2.5	507	84	621	0

Pension Benefits Disclosure Table

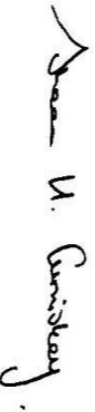
Name and title	2017/2018							
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	Real increase in pension at pension age	Real increase in pension lump sum at pension age	Total accrued pension at pension age at 31 March 2018	Lump sum at pension age related to accrued pension at 31 March 2018	Cash Equivalent Transfer Value at 1 April 2017	Real increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2018	Employers Contribution to Stakeholder Pension
S Cumiskey - Chief Executive	0-2.5	5-7.5	60-65	185-190	1,179	82	1,294	0
T Welch - Director of Finance	0-2.5	0-2.5	40-45	100-105	564	44	633	0
A Devaney - Director of Nursing	5-7.5	17.5-20	50-55	155-160	844	164	1,031	0
A Sivananthan - Medical Director	5-7.5	15-17.5	60-65	185-190	1,010	108	1,152	0
F Alam - Medical Director	2.5-5	0-2.5	20-25	50-55	302	13	337	0
D Harris - Director of People & Organisation and Development	5-7.5	0-2.5	40-45	0	416	74	507	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 2018 compared to the 31 March 2017 (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
22 May 2019

2.3 Staff Report

Trust Employees – staff numbers

Analysis of average staff numbers

The table below provides an overview of average staff numbers (WTE basis) for 2018/19 and for comparison, 2017/18.

Average number of employees (WTE basis)	Permanent Number	Other Number	2018/19 Total Number	2017/18 Total Number
Medical and dental	136	2	138	137
Administration and estates	662	30	692	686
Healthcare assistants and other support staff	232	13	245	243
Nursing, midwifery and health visiting staff	1,441	118	1,559	1,542
Scientific, therapeutic and technical staff	431	5	436	432
Healthcare science staff	66	0	66	65
Social care staff	69	2	69	5
Total average numbers	3,037	170	3,207	3,110
Of which:				
Number of employees (WTE) engaged on capital projects	0	0	0	0

The tables below set out a breakdown of the numbers of Trust staff by gender at the 2018/19 year end.

Staff Category	Female	Male	Grand Total
Executive Directors	3	4	7
Other Senior Managers	3	3	6
Other Employees	2862	704	3566
Grand Total	2868	711	3579

Staff Category	Female	Male
Executive Directors	42.86%	57.14%
Other Senior Managers	50.00%	50.00%
Other Employees	80.26%	19.74%
Grand Total	80.13%	19.87%

Sickness absence data

At 5.69% the Trust overall level of sickness absence for 2018/19 was slightly higher compared to the 2017/18 figure of 5.42%.

Staff costs

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

Staff costs	Permanent (£000)	Other (£000)	2018/19 Total	2017/18 Total
Salaries and wages	109,821	618	110,439	104,677
Social security costs	9,945	0	9,945	9,489
Apprenticeship Levy	530	0	530	504
Employer's contributions to NHS pensions	13,194	0	13,194	12,722
Pension cost - other	0	274	274	42
Termination benefits	(39)	0	(39)	568
Temporary staff	0	1,941	1,941	1,67
Total gross staff costs	133,451	2,833	136,284	129,169

Staff policies and actions

Widening Participation

The Trust seeks to be the employer of choice and represent the population we serve and as such has policies and processes in place to meet this aim to support applicants, new recruits and current employees.

The Trust seeks to support job applicants and staff who have a disability – our commitment is set out in our approach to recruitment and we are proud that the Trust has been assessed and awarded Level 2: Disability Confident Employer. This means we have signed up to interviewing all disabled applicants who meet the minimum criteria for a job vacancy and 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 Occupational Health and Staff Support teams (as part of our integrated Workforce Wellbeing Service) continue to support individuals and advise managers about how to make reasonable adjustments to keep people 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.

Workforce Wellbeing Service

The Workforce Wellbeing Service has four pathways:

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

The health and wellbeing of CWP staff remains of paramount importance to the Trust and the Workforce Wellbeing Strategy (2016-19) is due for review in June 2019. The Workforce Wellbeing Group will once again oversee this strategy and develop the delivery and implementation plan

which will be ratified by the Trust's People and Organisational Development Sub-committee.

As in previous years, a range of activities have been promoted in 2018/19 including 'Dry January', pedometer challenges, staff health checks, health promotion roadshows, resilience workshops, stress management workshops, "Know Your Numbers" events (raising the importance of knowing what your blood pressure is etc.) and the annual Flu Vaccination Campaign.

The Trust also continued to work with the Calouste Gulbenkian Foundation to deliver workshops specifically created for our staff to look at working longer and planning for their future, called 'Later Life Transitions – Working Longer and Living Life to the Full.' A formal evaluation of this project via Swansea University took place in 2018, with the final report due out in April 2019. The Workforce Wellbeing Service has been invited to attend the NHSI Masterclasses in June 2019, to present the findings of the evaluation and explain how these workshops can help retain staff in the future. Calouste Gulbenkian Foundation and the Centre for Ageing Better are keen for us to promote these workshops throughout the NHS, based on interim evaluation report findings, and the Service is currently in discussion with these organisations to plan how best we can do this.

Once again, during 2018/19 the Trust has continued to monitor sickness levels via the Workforce Wellbeing Group and target specific areas of concern and best practice to evaluate throughout this coming year.

Freedom to Speak-Up Guardian

The Trust is committed to create an open and honest learning culture that is responsive to feedback to continually improve. 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 have been reviewed; are up to date and in line with recommendations of the National Guardian's Office. 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 Director 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 and is able to robustly challenge Speak Up governance.

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

Information to and consultation with employees

Our partnership agreement with staff side colleagues remains strong and is valued by the Trust. Formal meetings with staff side colleagues take place at the regular Consultation and Negotiation Partnership and Joint Local Negotiating committees and these are supplemented with regular informal meetings. Staff side colleagues are represented at a range of Trust governance committees.

Recognition Awards

In June 2018, the Trust held its second 'Recognition Awards', which combines the Recognition of Service Awards, Annual Going the Extra Mile Awards and staff nominated and selected awards. The Recognition Awards were developed as part of the Big Conversation and to develop further opportunities for staff to meet, network and celebrate and to connect staff with senior leaders. The categories were:

- Excellence in patient care
- Excellence in supporting patient care
- Outstanding contribution to volunteering
- Outstanding contribution to our communities
- Outstanding contribution to research, development and innovation
- Outstanding contribution through leadership

This year, additional categories were included to recognise the organisation's commitment to learning and development, and celebrated:

- Apprentice of the Year
- Student of the Year
- Mentor of the Year

There were over 100 nominations from across the Trust profile and over 200 people attended. Follow up feedback indicated it was well received and it is being replicated again in 2019.

Staff Engagement

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

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

'Recognition Cards' have also been developed as part of ongoing reward and recognition activity, providing managers a set of postcards that can be used to say 'thank you', 'congratulation', 'you're a star' and 'good luck'. Again this was developed in response to feedback and to provide another way of celebrating the contribution of CWP staff.

Details of any consultations with staff

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

- Redesigning Adult and Older People's Mental Health Services in Central and Eastern Cheshire

Following closure of the public consultation in May 2018, consultation with staff on the proposed changes commenced in December 2018. The new service model will be implemented in three stages. The first stage involved the relocation of mental health rehabilitation services from Macclesfield to Chester which was completed in March 2019. The full change programme will be completed in September 2019.

- Transfer of All Age Disability Services from Wirral Borough Council to CWP

Effective from August 2018 100 plus staff from Community Mental Health Service (Adult), Integrated Disability Service (Adults) and Children with Disability Services transferred to CWP.

- Transfer of Cheshire East Substance Misuse Service to CGL

Effective from 1 November 2018 40 staff from this high achieving service transferred to CGL.

- Agenda for Change Framework Agreement – Closure of Band 1

Consultation has commenced to regrade our Band 1 staff to Band 2 effective from 1 April 2019. The staff affected by these changes are employed in our Estates and Facilities Services.

- Trustwide Clinical Management Structure Redesign

Following the redesign of Locality Services into Care Groups senior leadership was redesigned to support those changes. The changes came into effect from 1 April 2018.

Health and Safety

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

These include:

- Completion of 47 Health, Safety & Security (HSS) Assessments – there have been no major issues identified, some areas required a replacement Health and Safety Law poster. CWP now have 15 Sure Start Children's centres. Health, Safety and security assessments have been completed on all the centres.
- The Cardinus Workstation training and assessment programme continues, 1,810 members of staff have completed the training and completed their personal assessment, this equates to 82% of staff invited. Standard and specialised equipment is accessible to all staff and the catalogue of equipment is regularly reviewed and updated by the Senior Health and Safety Advisor.
- Individual workplace assessments and risk assessments for staff have been completed as required by the Senior Health and Safety Advisor.
- There has been a slight increase in RIDDOR incidents reported to Health and Safety. Executive (HSE) for the year 2018-2019. Fifteen reports were completed as opposed to eleven the previous year.
- The Central Alerting System (CAS) is a web based cascading system for Patient Safety Alerts, Medical Device Alerts, Estates and Facilities notifications and other safety information to healthcare providers– CWP received 82 alerts compared to 104 for the previous year. All alerts have been actioned as required.
- The service contract for maintenance and repair of medical devices was put out to tender by the senior health and safety advisor and the medical device and safety officer, with a new provider appointed for April 2018 onwards. The new provider offers better value for money and has reduced the contract costs. Sixteen replacement defibrillators have been purchased to replace older models whose consumables have now become obsolete. Some resource centres in the community will now have a defibrillator onsite.
- There are three local health and safety groups which meet frequently throughout the year and feed into the Trust Health and Safety Sub Committee.

Health and Safety issues in the Trust are monitored by the Health and Safety Sub Committee meeting which meets three times a year and work is also taken forward in localities in the intervening periods.

The meeting summary (Chairs Report) from the Health and Safety Subcommittee is submitted to the Operational Committee for information and noting.

Modern Slavery Act

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

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

Anti-Fraud

As described in the Audit Committee report, the Trust's anti-fraud services are provided by MIAA. The Accountable Officer for anti-fraud is the Director of Finance. There were a number of fraud referrals received within the 2018/19 financial year which were investigated in accordance with the Trust's anti-fraud, bribery and corruption policy.

The Trust's anti-fraud work plan for 2018/19 included work across four areas of anti-fraud activity as directed by the NHS Counter Fraud Authority (NHSCFA). The Trust actively encourages its staff to use the raising and escalating concerns policy where they have concerns.

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

Expenditure on consultancy

Consultancy costs for 2018/19 totaled £49,000. Costs in 2017/18 were £61,000.

Reporting high off- payroll engagements

Off-payroll arrangements are those where individuals, either self-employed or acting through a personal service company, are paid more than £245 per day and the engagement lasts longer than six months.

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

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

The Trust's disclosures in 2017/18 related specifically to General Practitioners (GPs) in the Trust's Out of Hours Service. All payments made to GPs are now made via Payroll.

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

- 1. For all (new and existing) off-payroll engagements as of 31 March 2019, for more than £245 per day and that last for longer than six months.**

There were no off-payroll engagements as at 31st March 2019, for more than £245 per day and that lasted longer than six months.

There were no new off-payroll engagements, or those that reached six-months in duration, between 1st April 2018 and 31st March 2019, for more than £245 per day and lasted longer than six months.

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

	Number of engagements
Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	0
Number of individuals that have been deemed "board members and/or senior officials with significant financial responsibility". This figure should include both off-payroll and on-payroll engagements.	14*

*Please note – Anne Pennell vacated the position of Non-Executive Director with effect from 31.12.2018. Medical Directors Dr Faouzi Alam and Dr Anushta Sivananthan undertake a job share.

Exit Packages

Reporting of compensation schemes – exit packages 2018/19

Within the period 1 April 2018 until 31 March 2019, 1 exit package totalling £40,000 was agreed. This departure was in relation to a mutually agreed resignation.

	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
Exit package cost band (including any special payment element)			
<£10,000	0	0	0
£10,001 - £25,000	0	0	0
£25,001 - 50,000	0	1	1
£50,001 - £100,000	0	0	0
£100,001 - £150,000	0	0	0
£150,001 - £200,000	0	0	0
Total number of exit packages by type	0	1	1
Total resource cost (£)	0	£40,000	£40,000

Exit packages: other (non-compulsory) departure payments

Within the period 1 April 2018 until 31 March 2019, 1 exit package totaling £40,000 was agreed. This payment related to a mutually agreed resignation.

	2018/19		2017/18	
	Payments agreed	Total value of agreement	Payments agreed	Total value of agreements
	Number	£000	Number	£000
Voluntary redundancies including early retirement contractual costs	0	0	0-	-0
Mutually agreed resignations (MARS) contractual costs	1	40	23	658
Total	1	40	23	658

NHS Staff Survey

Staff Engagement

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

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

This year's survey was accessible to all employees in the last quarter of 2018 and the results were collated by the approved external contractors at Picker. Picker collected and translated our questionnaire data into anonymised information ensuring its confidentiality and impartiality. This information has been made available in phases throughout January to March 2019.

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

The survey includes core questions set by the Care Quality Commission (CQC) on: your job, your managers, your health, well-being and safety at work, your personal development and your organisation. For Staff Survey 2018, additional local questions were commissioned asking about CWP's person-centred approach and workforce health and wellbeing.

The results show the Trustwide picture as well as providing insight about the Trust's Care Groups and Clinical Support Service portfolios. The results are cascaded through engagement with clinical leads, managers and frontline staff. There will be a number of opportunities for staff to participate in shaping plans for improvements based on the insight from the Staff Survey.

Later this year, the Staff Survey action plan and 'We said, we're doing' communications and engagement campaign will be launched in order to keep staff abreast of improvements made in response to feedback from Staff Survey data.

In this way, the Trust seeks to enable the workforce to be the best that they can be, to drive better two-way communication, to increase engagement and involvement, and to increase staff satisfaction and positive opinion.

Additionally, significant work is being delivered across the Trust as part of our People and Organisational Development Strategy that addresses many of the issues highlighted through the Staff Survey. The intention is to better triangulate Staff Survey insight with other workforce data which will also be reflected in strategy and plans.

NHS staff survey

The NHS staff survey is conducted annually. From 2018 onwards, the results from questions are grouped to give scores in ten indicators. The indicator scores are based on a score out of 10 for certain questions with the indicator score being the average of those. The response rate to the 2018 survey among trust staff was 48% (2017: 53%).

Scores for each indicator together with that of the survey benchmarking group, combined mental health/learning disability and community trusts are presented below.

	2018/19		2017/18		2016/17	
	Trust	Benchmarking Group	Trust	Benchmarking Group	Trust	Benchmarking Group
Equality, diversity and inclusion	9.4	9.2	9.4	9.2	9.5	9.2
Health and wellbeing	6.3	6.1	6.3	6.1	6.4	6.2
Immediate managers	7.2	7.2	7.3	7.1	7.4	7.1
Morale	6.4	6.2	N/A	N/A	N/A	N/A
Quality of appraisals	5.4	5.5	5.4	5.5	5.5	5.4
Quality of care	7.4	7.4	7.5	7.4	7.5	7.5
Safe environment – bullying and harassment	8.4	8.2	8.5	8.3	8.6	8.2
Safe environment – violence	9.5	9.5	9.4	9.5	9.4	9.5
Safety culture	6.8	6.8	6.9	6.7	7.0	6.7
Staff engagement	7.2	7.0	7.1	7.0	7.2	7.0

Response rate compared to prior year

The following results are taken from the national NHS Staff Survey Benchmark Report which compares data across our sector, comparing CWP with all other combined mental health, learning disability and community trusts across England. The response rates compared with 2017 are as below:

Response rate				
	2017	2018		Trust improvement/deterioration
	Trust	Trust	Benchmarking group (Combined MH/LD and community trusts) average*	
Response rate	53%	48%	45%	-5% deterioration

Staff engagement

Based on staff responses across a number of questions in the NHS staff survey, the overall measure of CWP staff engagement score of 7.2 out of 10 (the higher score the better), this was a slight improvement on 2017's score by +0.01. The overall staff engagement score is based upon the average of the scores for questions on advocacy, involvement and motivation.

The Trust's score remains above (better than) the national average when compared with trusts of a similar type.

Overall staff engagement				
	2017	2018		Trust improvement/deterioration
	Trust	Trust	Benchmarking group (Combined MH/LD and community trusts) average	
Staff engagement score	7.1	7.2	7.1	+0.01

Areas of change from previous year

The table below presents the results of significance testing conducted on this year's theme scores and those from last year. It details the organisation's theme scores for both years and whether the change is significant. Statistical significance is tested using a two-tailed t-test with a 95% level of confidence. Themes are always on a 0-10 point scale where 10 is the best score attainable.

Largest local changes since 2017				
	2017	2018	Trust improvement/deterioration	
	Trust	Trust		
Safe environment – Violence	9.4	9.5	+0.1 improvement Not significant	
Staff engagement	7.1	7.2	+0.1 improvement Not significant	

Immediate managers	7.3	7.2	-0.1 deterioration Not significant
Quality of care	7.5	7.4	-0.1 deterioration Not significant
Safe environment - Bullying & harassment	8.5	8.4	-0.1 deterioration Not significant
Safety culture	6.9	6.8	-0.1 deterioration Not significant

Areas of improvement from previous year

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

Significant improvements since 2017			
	2017	2018	Trust improvement/ deterioration
Satisfied with level of pay	43%	37%	+ 6% improvement

Areas of deterioration from previous year

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

Significantly worse results than 2017			
	2017	2018	Trust improvement/ deterioration
I know who senior managers are	85%	82%	- 3% deterioration
In last month, have not seen errors/near misses/incidents that could hurt patients	85%	82%	- 3% deterioration
Know how to report unsafe clinical practice	98%	97%	- 1% deterioration
Had appraisal/KSF review in last 12 months	94%	91%	- 3% deterioration
Receive regular updates on patient/service user feedback in my directorate/department	56%	48%	- 8% deterioration

Comparisons to benchmarking group

For each of the 10 key themes, the combined mental health, learning disability and community trusts in England were scored out of 10. CWP's five highest ranking scores are presented here, i.e. those for which the Trust's key theme score is ranked closest to 10.

Comparison to benchmarking group			
	2018		Comparison to benchmarking group
	Trust	Benchmarking group (Combined MH/LD and community trusts)	
Equality, diversity and inclusion	9.4	9.2	+0.2 above average
Quality of care	7.4	7.4	=
Safe environment – Bullying & harassment	8.4	8.2	+0.2 above average
Safe environment – Violence	9.5	9.5	=
Staff engagement	7.2	7.0	+0.2 above average

The scores below show where the Trust scored 'best' and above average in the benchmarking group.

Comparison to benchmarking group			
	2018		Comparison to benchmarking group
	Trust	Benchmarking group (Combined MH/LD and community trusts)	
Equality, diversity and inclusion	9.4	9.2	+0.2 above average

The scores below show where the Trust scored above average in the benchmarking group.

	2018		Comparison to benchmarking group
	Trust	Benchmarking Group	
Equality, diversity and inclusion	9.4	9.2	+0.2 above average
Health and wellbeing	6.3	6.1	+0.2 above average
Morale	6.4	6.2	+0.2 above average
Safe environment – bullying and harassment	8.4	8.2	+0.2 above average
Staff engagement	7.2	7.0	+0.2 above average

The scores below show where the Trust scored below average in the benchmarking group

	2018/19		Comparison to benchmarking group
	Trust	Benchmarking Group	
Quality of appraisals	5.4	5.5	-0.1 below average

Future priorities and targets

Statement of key priority areas

The findings from the Staff Survey 2018 highlight a number of themes to target this year's focus and action. Trustwide engagement and action planning will identify what specific improvements are required. The themes are:

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

Performance against priority areas (against targets set)

Last year the following were identified as Trustwide priorities for action:

- **Improvements in team effectiveness with a focus on quality and service improvement and access to resources, materials and support**

The Trust's Quality Improvement Strategy was launched last year and the Quality Improvement (QI) Hub is available as a one stop resource for all staff to access QI resources. Each clinical support service has signed up to a 'QI Charter' to outline how they will support a culture of QI and their service offer. The Trustwide Quality Improvement faculty comprises of key leads from Clinical Support Services to drive forward the agenda.

- **Senior manager visibility and communication between staff and senior managers**

CWP's staff engagement programme the 'Big Conversation' was launched in 2017 with regular, face to face opportunities to connect staff from across the organisation with their colleagues and senior leaders. In addition to a CEO programme of engagement, monthly 'Breakfast with Sheena' meetings, a senior leader shadowing programme has now also been launched. This provides teams across the Trust the opportunity to be 'matched' with a Director to share best practice as well as challenges providing operational services. Other activity included the second annual Recognition Awards which provided nearly 200 staff the opportunity to celebrate their colleagues' achievements and long service as well as the chance to hear from the Executive Board and Non-Executive Directors, which will be held again in June this year.

Progress against Trustwide priorities for 2017 informed ongoing communications activity across a range of channels including increased social media. This was also used to reinforce the importance of Staff Survey ahead of the 2018 campaign launch in September 2018. In addition a senior leader shadowing programme has been established that places members of the 'Extended Executive Team' (including deputy and associate directors) with teams and services for the day, giving services the chance to promote the work they do and connecting senior managers with frontline services.

- **Staff's ability to influence agenda and inform decision making**

Senior leaders from Care Groups have identified local priorities including how they're going to engage with staff to influence and shape the agenda. In addition, the CWP change approach is currently in development that will define how change is implemented including steps for engaging with staff throughout any change to ensure they have a voice.

- **Improvements in the quality of appraisals and access to quality non-mandatory training**

The Trust continues to work towards maximising the Apprenticeship levy and there are currently 70 members of staff on Apprenticeship programmes. The quality of non-mandatory training has been positively impacted by the design and development of Education CWP's Virtual Learning Academy. Three new leadership and management development programmes have been launched with the aim of developing the capability and confidence of our managers and leaders in supporting contribution, development and wellbeing. They now enable greater accessibility for staff across a range of levels and roles. A pilot manager awareness workshop has been delivered to provide support and signposting for CWP staff in new managerial roles. Additional programmes will be launched this year to support senior leaders and in-patient matrons and managers. The professional and personal development prospectus outlining training and development opportunities for all staff has been relaunched and promoted through targeted communications. Coaching and mentoring continue to be delivered in partnership with the Elizabeth Bryan Foundation and the NHS Leadership Academy and is available to all staff.

The appraisal paperwork including workbook and supporting resources have been updated and incorporated into training as part of the leadership and management programmes. Cyclical feedback from appraisal and supervision quality review is shared throughout the year with subject matter experts for action.

- **Greater opportunities for flexible working and supporting our diverse workforce**

Equality and Diversity networks have been set up to support those with protected characteristics including women, BME staff, LGBT staff and people with a disability. A group has also been established to review flexible working with identified Care Group representation. The WRES Action Plan also details activity to demonstrate its commitment to equality, diversity and inclusion.

Monitoring arrangements

Staff Survey 2018 results will be cascaded to CWP leads and to all staff via key leads and Community Conversation engagement events held across the Trust footprint. It is anticipated that through this collaborative approach a Trustwide action plan will be developed. This will be communicated via quarterly 'We said, we're doing' communications.

In addition, individual services will have responsibility for reviewing and addressing the findings. Once a Trustwide action plan has been developed it will be monitored as part of People and Organisational Development sub-committee with updates provided to Operational Committee; the findings will also be shared with Trust Board and Board of Governors.

Future priorities and how they will be measured

As above, it is proposed that there are a number of Trustwide priorities for this year's focus and action.

- Improvements in senior manager visibility and engagement
- Senior managers to engage staff in decision making and shaping service plans
- Teams to receive feedback from people who use our services to inform decision making
- Improvements in team effectiveness through quality improvement initiatives
- Improved access to resources and materials to support staff in undertaking work

- Increased awareness in reporting incidents for staff
- Improve appraisal take up and access to training for non-clinical staff
- Create more opportunities for flexible working

Improvements in these areas will be measured via the 2019 Staff Survey results.

Trade Union Facility Time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 – Period April 2018 to March 2019.

Table 1 – Relevant Union Officials

<i>Number of employees who were relevant union officials during the relevant period (18/19)</i>	<i>Full-time equivalent employee number</i>
29	25.43

Table 2- Percentage of time spent on Facility Time

<i>Percentage of time</i>	<i>Number of employees</i>
0%	16
1 – 50%	11
51% - 99%	
100%	2

Table 3 – Percentage of Pay Bill spent on Facility Time

<i>Category</i>	<i>Cost / Percentage</i>
Provide the total cost of facility time	£61,975.51
Provide the total pay bill	£136,284.38
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time/total pay bill) x 100	0.045%

Table 4 – Paid trade union activities

Time spent on 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 2018/19 /total paid facility time hours) x 100)	3.5%
--	------

2.4 NHS Foundation Trust Code of Governance

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

2.5 NHS Improvement's Single Oversight Framework

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

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

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

Segmentation

As at 31 March 2019, Cheshire and Wirral Partnership NHS Foundation Trust was classified within segment 1 (having maximum autonomy) by NHS Improvement.

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

Finance and use of resources

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

Area	Metric	2018/19 Scores				2017/18 Scores			
		Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Financial Sustainability	Capital Service Capacity	1	2	2	2	1	2	3	4
	Liquidity	1	1	1	1	1	2	3	3
Financial Efficiency	I&E Margin	1	2	2	2	1	2	3	3
Financial Controls	Distance From Financial Plan	1	1	1	1	1	1	1	1
	Agency Spend	1	1	1	1	1	1	1	1
Overall Trust Position		1	1	1	1	1	2	2	2

2.6 Statement of Accounting Officers Responsibilities

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

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

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

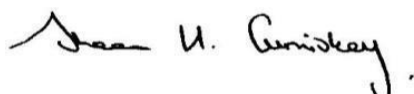
In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Department of Health and Social Care Group Accounting Manual and in particular to:

- 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.

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

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

Signed:



Sheena Cumiskey - Chief Executive
22 May 2019

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 2019 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Trust has an integrated governance framework in place, which incorporates the risk management process for the Trust. This document acts as guidance and as a framework for all staff to operate within by describing the management of risk appropriate to their authority and duties. At an executive leadership level, the Chief Executive has delegated the operational responsibility for oversight of the risk management process to the Medical Director (Compliance, Quality and Regulation), whilst each executive director is accountable for managing the strategic risks that are related to their portfolio. Executive directors, as strategic risk owners, can discharge responsibility to risk leads within their portfolio, for example associate directors or other senior managers. The process for the management of risk locally involves each 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 framework set out in the Trust's integrated governance framework. The Operational Committee receives an in-depth review of the local risk registers every two months as part of its business cycle.

The committees of the Board are responsible for overseeing strategic risks outlined within the strategic risk register and corporate assurance framework and therefore provide additional assurance on the risk management process. The Quality Committee has overarching responsibility for the risk management process and therefore reviews the strategic risk register at each meeting. The Quality Committee will refer any risks to the Operational Committee as appropriate, particularly those which are operational or financial in nature or where there are identified resource requirements to address the risk/s. The Audit Committee is responsible for oversight and internal scrutiny of the risk management process and discharges these functions through the use of internal and external auditors. The internal audit plan is developed in collaboration with the corporate assurance framework. In addition, the Audit Committee receives the corporate assurance framework four times per year, as well as having the capacity to undertake periodic reviews of risk treatment processes for individual risks, should this be indicated, on an escalation/ enquiry basis.

As well as guidance in the integrated governance framework, training is provided to staff to equip them with the skills to manage risk appropriate to their authority and duties, as identified in the Trust's training needs analysis. As part of leadership development, including through various

forums in the Trust (e.g. Board development sessions, the Clinical Engagement & Leadership Forum and Quality Committee) there are regular risk management topics that are discussed as part of learning and awareness for the Board of Directors and senior managers. Risk management and awareness training sessions to other staff are delivered as part of the Trust's essential learning programme or as identified through individual appraisals. For 2018/19, this has included training provided to operational services as part of the internal audit offer to the Trust

It is recognised that sound risk management requires the identification, celebration and building on evidence of success, therefore the Trust supports staff to learn from best practice. A learning from experience report is produced three times a year which reviews learning from incidents, complaints, concerns, claims, compliments and other sources of feedback. Additionally, a quality improvement report is produced three times a year which provides a highlight of what the Trust is doing to continuously improve the quality of care and treatment that its services provide to people who access its services. These reports are received at the Board of Directors meeting, the Quality Committee and local governance meetings.

The risk and control framework

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

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

The Care Quality Commission undertakes routine regulatory assessments of the so-called 'well-led question' as part of their overall regulatory and inspection regime. This involves targeted inspections focused on individual services offered by providers, as well as their leadership.

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

- The review of early warning frameworks by the Board of Directors to identify the potential for deteriorating standards in the quality of care and to give a detailed view of the Trust's overall performance. This includes assessment of the quality of performance information through the review of a monthly performance dashboard report detailing the Trust's quality and safety performance by reporting on compliance in achieving key local and national priorities.
- Assurance obtained on compliance with Care Quality Commission (CQC) registration requirements through monitoring, inspection and regulatory activity to judge the quality of care provided by the Trust. The Trust was rated as "Good" for well-led following a comprehensive inspection undertaken in 2018/19. 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. Non-executive directors seek primary governance and 'ward to Board' assurance through team-level visits, aligned to the Trust's safety management system. Collectively, these assurance mechanisms have confirmed that Cheshire and Wirral Partnership NHS Foundation Trust is fully compliant with the registration requirements of the Care Quality Commission and is currently rated as "Good" overall and "Outstanding" for caring.

For the year ended 31 March 2019 and up to the date of approval of the annual report and accounts, NHS Improvement has placed the Trust in “segment 1”, meaning that it is has judged the Trust as needing the least level of oversight to maintain its CQC rating of “Good”. This judgment is made quarterly based on the Trust’s performance in relation to five themes (quality of care, finance and use of resources, operational performance, strategic change and leadership and improvement capability).

Risks to data security are managed and controlled by the processes outlined within the Trust’s information governance policy, which is scrutinised annually via the Data Security and Protection Toolkit (which replaced the Information Governance Toolkit from May 2018) as a mandatory annual assessment of information governance performance. The ‘Information governance’ section of this statement provides further information. Additionally, risks to data security are being treated via the corporate assurance framework, through management of the risk of cyber-attack resulting in loss of access to key systems and/ or data files with possible impacts on healthcare delivery, financial penalties and reputational damage. This residual risk score at the year ended 31 March 2019 is 10 (amber).

The Trust’s major (including significant clinical) risks at the year ended 31 March 2019 (with a ‘red’ risk score of 15 – 25), how they are being managed and mitigated are:

- Risk of reducing ability to sustain safe and effective services within Central and Eastern Cheshire.
Local NHS partners’ proposals to redesign adult and older people’s specialist mental health services in East Cheshire, South Cheshire and Vale Royal was subject to a public consultation to gather feedback about the proposed redesign, which ran throughout the course of 2018/19, with a decision reached on which option to implement, approved by all stakeholders. An emergency planning framework has been and is being used to monitor the resilience of current services and to ensure service continuity during the change. The Trust has developed a governance framework for reporting on the management of the change during 2019/20, including the mitigation of risks.
- 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.
Acute care bed pressures are closely monitored by the Trust’s centralised bed management hub, overseen by the Operational Committee. Escalation processes are in place, supported by the business continuity team. A qualitative and quantitative review of bed usage was completed in 2018/19, to understand the reasons for increasing difficulty in community services being less able to cope without needing acute bed days. Learning and recommendations from this will be taken forward during 2019/20 to manage and mitigate the risk.

The organisation’s major risks and other risks detailed in the Trust’s strategic risk register at year-end also form the Trust’s future risks. How these will be managed and mitigated are detailed above and in the Trust’s corporate assurance framework and forward plans. At the end of this reporting period, four risks were being scoped as potential future risks. These were the risk that patients’ privacy, dignity and safety is compromised as a result of breaches in relation to the Department of Health guidance on mixed sex accommodation; the risk of not providing effective electronic transfer of inpatient discharge summaries within 24 hours and outpatient clinic letters within 7 days, potentially impacting on the quality of clinical information and potentially increasing the likelihood of contractual and regulatory breaches; and gaps in consultant staffing in both inpatient and the community setting resulting in a potential risk to patient safety, service continuity and increasing waiting times. These will be scoped in accordance with the Trust’s integrated governance framework and if they are deemed to meet the threshold for being a risk to the Trust’s strategic objectives, will be treated/ mitigated through the Trust’s corporate assurance framework process.

Outcomes against the management and mitigation of these risks are/ will be assessed by the Board by receipt of controls, assurances, and risk treatment plans to address gaps – to review the adequacy of assurances provided to mitigate the impact of the risks. The Quality Committee

undertakes individual in-depth reviews of selected strategic risks, the controls and assurances in place, mitigations identified, and the impact of these on the residual risk rating and outstanding controls and assurances ahead of reaching any identified target risk rating. The Audit Committee also contributes to assessment against the management and mitigation of risks by reviewing the effectiveness of the Trust's integrated governance arrangements and internal control across whole of the Trust (supported by periodic reviews of risk treatment processes for individual risks on an escalation/ enquiry basis, as described previously).

The overall opinion of the Director of Internal Audit is that substantial assurance can be given that 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, with conclusions ranging from high assurance and significant assurance to limited assurance. During the course of the year, internal audit has undertaken follow up reviews and has concluded that the organisation has made good progress with regards to the implementation of recommendations. Internal audit will track and follow up outstanding actions identified in management responses to internal audit review findings requiring enhancement.

The Board undertakes a twice yearly self-assessment of its compliance with NHS Improvement's (in exercise of the powers conferred on Monitor) provider licence conditions for foundation trusts. This includes the licence provision for NHS foundation trust governance arrangements (condition 4). This confirms compliance with this condition as at the date of this statement and it is anticipated that compliance with this condition will continue for the next financial year. The principal control measures in place are the effective operation of the Trust's integrated governance framework, the operation of which is assessed annually by the Trust's Quality Committee in reviewing its effectiveness over the previous year, and validation of the annual corporate governance statement, as required by NHS foundation trust condition 4(8)(b). These control measures ensure that the Trust is able to assure itself of compliance in relation to:

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

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

- The Trust's performance management framework is an integral component of the overarching integrated governance framework, which describes the accountability arrangements and the actions that will be taken should risk/ performance issues be judged as requiring escalation.
- Ongoing review and scrutiny of trustwide and local risk registers.
- Promotion of a just culture, with support for staff to report actual and potential incidents/ errors so that learning and improvement can take place, informed by appropriate investigation.
- Learning from incidents through aggregated analysis, regular feedback to staff and review of lessons learned. This is supported by the Trust's learning from experience report to monitor incident reporting and includes quantitative and qualitative analysis of numbers, types and severity of incidents reported per clinical speciality and location.
- Ensuring risk assessments are conducted consistently, as outlined in the integrated governance framework.
- Having a robust annual healthcare quality improvement programme informed by risk.
- Ensuring that person-centred and/or equality assessments are conducted on all new service developments and Trust policies.

The Trust's incident reporting and management policy describes how incident reporting is handled across the Trust, including how incident reporting is openly encouraged. The Trust has embedded the principles of 'Being Open' (National Patient Safety Agency, 2009) guidance into Trust practice and the contractual/ regulatory 'Duty of Candour' (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 ensures that its obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

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. The report for January 2019 was expanded to include community nursing, learning disabilities, IAPT services, and place based care for mental health. 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 performance dashboard that is reported to Trust's Operational Committee each month includes assurance around staffing levels. Other key workforce measures are considered at Care Group level and Trustwide at the People Planning Group.

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

The Board reviews the financial position of the Trust on a monthly basis. This includes the achievement of efficiency targets. The Trust has assessed its financial performance during the year against NHS Improvement key ratios such as the Use of Resources metric. There is a scheme of delegation in place and the key sub committees of the Board as part of the

governance structure. The Trust also utilises internal audit to review business critical systems over a rolling programme using a risk based approach.

Information governance

The Data Security & Protection Toolkit, which replaced the Information Governance toolkit in May 2018, is subject to annual internal audit. This was recently completed and a significant/substantial assurance opinion was issued for the seventh consecutive year.

There have been two serious incidents relating to information governance in 2018/19 that were reportable to the Information Commissioner's Office (ICO) as Level 2 incidents in the Information Governance Incident Reporting Tool. One incident was regarding a member of staff who experienced a delay in receiving payroll information. The other incident was in relation to 70 letters detailing child measurement information being sent to incorrect parents. The Trust took action to ensure the necessary improvements were made to contractual documentation, staff training and Trust policies. As a result of the actions taken by the Trust, the ICO did not take any action.

Annual Quality Report

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 (as amended) to prepare Quality Accounts for each financial year. NHS Improvement (in exercise of the powers conferred on Monitor) has issued guidance to NHS Foundation Trust Boards on the form and content of annual Quality Reports which incorporate the above legal requirements in the *NHS Foundation Trust Annual Reporting Manual*.

In order to assure the Board that the annual Quality Report (also known as the Quality Account) presents a balanced view and that there are appropriate controls in place to ensure the accuracy of data, the following steps have been put in place:

- Development of the quality improvement priorities contained within the annual Quality Report are based on feedback received throughout the year from people who access and deliver the Trust's services and the Trust's wider stakeholder groups. These priorities are integrated with the Trust's forward planning processes to allow consultation and effective communication across the Trust and wider stakeholder groups. It also ensures a robust audit trail to document the process of setting quality improvement priorities, including being able to evidence feedback and constructive challenge.
- The receipt of Quality Improvement Reports by the Board to evaluate progress towards delivery of the quality improvement priorities. Through the Trust's 2018/19 Care Quality Commission comprehensive inspection, the organisational commitment to quality improvement was recognised.
- Review, by the Board, of the corporate performance dashboard report and exception reporting from the Quality Committee of quality performance issues (aligned to the quality of care domains defined by the CQC) detailed in the Trust's quality assurance dashboard. The Quality Committee includes in its business cycle a review of the Quality Improvement Report and is the delegated committee that identifies any necessary action plans required to manage the risks associated with the delivery of the quality improvement priorities. The Quality Improvement Report is also shared widely with partner organisations, governors, members, local groups and organisations, as well as the public.
- The Chief Executive confirms that on behalf of the Board the information presented in the Quality Report is accurate.
- The Board ensures that the governance processes around the presentation and scrutiny of the Quality Report are robust and as per regulations, receiving independent/ external audit assurance of this. The Chairman and Chief Executive confirm, on behalf of the Board, that to the best of their knowledge and belief that the directors have complied with their responsibilities and requirements in preparing the Quality Report.
- The limited assurance report audit conducted by the independent auditors to the Council of Governors on the annual Quality Report includes a review and report against the Trust's policies and plans in ensuring quality of care provided, systems and processes, people and skills, and quality metrics focussing on data collection, use and reporting.

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

- Undertaking weekly 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 education team to improve clinical systems training and with the clinical systems development team to influence system upgrades/ design.

The risks to the quality and accuracy of this data are the potential for inaccurate data capture, which is being mitigated through the above mechanisms. Additionally, the Trust mitigates risks to Trustwide data quality (data capture, flow and production) through delivery of the strategic risk treatment plan identified in response to their 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 the content of the Quality Report attached to this Annual Report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee and the Quality Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

In-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 2018/19.

In accordance with Department of Health requirements, the Director of Internal Audit has provided me with an overall assessment of compliance with the Assurance Framework requirements. Based upon the review conducted, it is concluded that: "The organisation's Assurance Framework is structured to meet the NHS requirements, is visibly used by the Board and clearly reflects the risks discussed by the Board". The review has given assurance that:

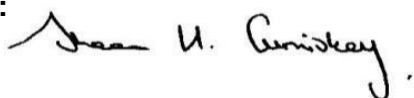
1. The structure of the Assurance Framework meets the requirements.
2. There is Board engagement in the review and use of the Assurance Framework.
3. The quality of the content of the Assurance Framework demonstrates clear connectivity with the Board agenda and external environment.

This review has been presented in a report to the Audit Committee and the Board. The review has rated all requirements as 'Green', with the exception of an 'Amber' rating for the requirement that the minutes of the Board clearly demonstrating discussion, review and update of the Assurance Framework. This has been identified as an area for improvement for 2019/20.

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
22 May 2019



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

1. Our opinion is unmodified

We have audited the financial statements of Cheshire and Wirral Partnership NHS Foundation Trust ("the Trust") for the year ended 31 March 2019 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Statement of Cash Flows, and the related notes, including the accounting policies in note 1.

In our opinion:

- the financial statements give a true and fair view of the state of the Trust's affairs as at 31 March 2019 and of its income and expenditure for the year then ended; and
- the Trust's financial statements have been properly prepared in accordance with the Accounts Direction issued under paragraphs 24 and 25 of Schedule 7 of the National Health Service Act 2006, the NHS Foundation Trust Annual Reporting Manual 2018/19 and the Department of Health and Social Care Group Accounting Manual 2018/19.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Trust in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Overview

Materiality: £3m (2017/18: £3m)
 financial statements as a whole 1.8% (2017/18: 2%) of total revenue

Risks of material misstatement vs 2017/18

Risk Category	Description	Change vs 2017/18
Recurring risk	Valuation of land and buildings	↔
New risks	New: Recognition of NHS and non-NHS revenue	▲
	New: Recognition of non-pay expenditure	▲
Event driven	New: Valuation of Net Pension Liability	▲

2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In arriving at our audit opinion above, the key audit matters, in decreasing order of audit significance, were as follows (unchanged from 2017/18):

	The risk	Our response
<p>Valuation of Land and Buildings</p> <p>2018/19: £74.3 million; 2017/18: £71.1 million (net book values)</p> <p><i>Refer to page 9 (Audit Committee Report), page 146 (accounting policy) and page 164 (financial disclosures)</i></p>	<p>Land and buildings are required to be maintained at up to date estimates of year-end market value in existing use (EUV) for non-specialised property assets in operational use, and, for specialised assets where no market value is readily ascertainable, the depreciated replacement cost (DRC) of a modern equivalent asset that has the same service potential as the existing property (MEA)</p> <p>The Trust's accounting policy requires an annual review for impairment, a periodic desk top valuation (usually every three years) and a full valuation (usually in five yearly intervals).</p> <p>When considering the cost to build a replacement asset the Trust may consider whether the asset would be built to the same specification or in the same location. Assumptions about changes to the asset must be realistic.</p> <p>The valuation is undertaken by an external expert engaged by the Trust, using construction indices and so accurate records of the current estate are required.</p> <p>Valuations are inherently judgmental. There is a risk that the methodology, assumptions and underlying data, are not appropriate or correctly applied.</p> <p>The Trust commissioned a full valuation at 31 March 2019 resulting in a £3 million increase in the value of the land and buildings.</p> <p>Accounting Treatment</p> <p>There is a risk that the valuation is not applied to the financial statement balances appropriately to recognise the valuation gains and impairment losses in line with the requirements of the Department of Health and Social Care (DHSC) Group Accounting Manual 2018/19.</p> <p>The effect of these matters is that, as part of our risk assessment, we determined that the valuation of land and buildings has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> — Assessing valuer's credentials: We assessed the competence, capability, objectivity and independence of the Trust's external valuer. — Test of detail: We critically assessed the Trust's formal consideration of indications of impairment and surplus assets within its estate, including the process undertaken. — Test of detail: We tested the accuracy of the estate base data provided to the valuer to complete the desktop valuation to ensure it accurately reflected the Trust's estate. — Methodology choice: We critically assessed the assumptions used in preparing the full revaluation of the Trust's land and buildings to ensure they were appropriate. — Accounting analysis: We undertook work to understand the basis upon which any movements in the valuation of land and buildings had been classified, treated and accounted for in the financial statements and determined whether they had complied with the requirements of the DHSC Group Accounting Manual 2018/19. — Methodology implementation and re-performance: we compared the asset value movements from the valuer's report to the entries in the fixed asset register This included a re-performance of the entries to confirm that any material movements in the value of land and building assets had been accounted for correctly. — Disclosure testing: We considered the adequacy of the disclosures about the key judgements and degree of estimation involved in concluding whether there has been any material movement in the value of land and buildings since 31 March 2018. We ensured that the disclosures made were in line with the requirements of the DHSC Group Accounting Manual 2018/19.

2. Key audit matters: our assessment of risks of material misstatement (continued)

	The risk	Our response
<p>New: Recognition of NHS and non-NHS revenue</p> <p>2018/19: £161.2 million; 2017/18: £153.7 million (income from activities)</p> <p><i>Refer to page 10 (Audit Committee Report), page 144 (accounting policy) and page 155 (financial disclosures)</i></p>	<p>Professional standards require us to make a rebuttable presumption that the fraud risk from revenue recognition is a significant risk.</p> <p>We have recognised that the incentives in the NHS differ significantly to those in the private sector which have driven the requirement to make a rebuttable presumption that this is a significant risk. These incentives in the NHS include the requirement to meet regulatory and financial covenants, rather than broader share based management concerns.</p> <p>We classified recognition of both NHS and non-NHS income as a significant audit risk for 2018/19.</p> <p>As the Trust received Provider Sustainability Funding (PSF) contingent upon delivery of a pre-agreed control total, there was a risk that the Trust may have recognised fraudulent revenue in order to achieve their target and receive the PSF funding to balance their financial performance at the year end.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> — Test of detail: We assessed the outcome of the agreement of balances exercise, for income and receivables, with other NHS bodies and compared the values reported to the value of revenue captured in the financial statements. We sought explanations for any variances over £300,000; — Test of detail: We performed sample testing of non-NHS income and ensured that amounts recognised in the financial statements were classified correctly as income and have been appropriately recognised in year; — Test of detail: We performed sample testing over the accrued and deferred income balances included in the financial statements and ensured that the amounts were recognised appropriately and correctly classified in the financial statements; — Test of detail: We inspected all material items of income in the March and April 2019 bank statements to identify if there were any income receipts that were incorrectly accounted for in the 2018/19 financial statements; — Test of detail: We searched for unusual journal account code combinations posted before and after the year end that could indicate possible manipulation of the year end position. No such journals were identified.

2. Key audit matters: our assessment of risks of material misstatement (continued)

	The risk	Our response
<p>New: Recognition of non-pay expenditure</p> <p>Operating expenditure: £171m (2017/18: £158m)</p> <p>Linked balances:</p> <p>Provisions: £2.3m (2017/18: £3.2m)</p> <p>Accruals: £7.7m (2017/18: 7.4m)</p> <p><i>Refer to page 11 (Audit Committee Report), page 145 (accounting policy) and page 158 (financial disclosures).</i></p>	<p>Effects of irregularities</p> <p>In the public sector, auditors also consider the risk that material misstatements due to fraudulent financial reporting may arise from the manipulation of expenditure recognition (for instance by deferring expenditure to a later period).</p> <p>This may arise due to the audited body manipulating expenditure to meet externally set targets. As most public bodies are net spending bodies, then the risk of material misstatement due to fraud related to expenditure recognition may in some cases be greater than the risk of material misstatements due to fraud related to revenue recognition. We have regard to this when planning and performing audit procedures.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> - Test of detail: We inspected all material items of expenditure in the April 2019 bank statements to identify if there were any unrecorded liabilities that should have been accounted for in the 2018/19 financial statements; - Test of detail: We vouched a sample of individual accruals to supporting documentation to confirm the method of calculation and to confirm inclusion in the correct period; - Test of detail: We considered the completeness of provisions based on our cumulative knowledge of the Trust, inquiries with Directors, and inspection of legal correspondence. We also considered the appropriateness of releases of provisions made in year by critically assessing the justification for the release against the relevant accounting standards. - Test of detail: We inspected confirmations of balances provided by the Department of Health as part of the Agreement of Balances (AoB) exercise and compared the relevant payables recorded in the Trust's financial statements to the receivables balances recorded within the accounts of other providers and other bodies within the AoB boundary. Where applicable we investigated variances and reviewed relevant correspondence to assess the reasonableness of the Trust's approach to recognising expenditure to other providers and other bodies within the AoB boundary. - Test of detail: we tested a sample of expenditure items from throughout the year to supporting documentation to confirm they existed and were accurately accounted for in the financial statements. - Test of detail: We tested that senior staff were not remunerated based upon financial results through inspection of payslips and the Remuneration Report testing.

2. Key audit matters: our assessment of risks of material misstatement (continued)

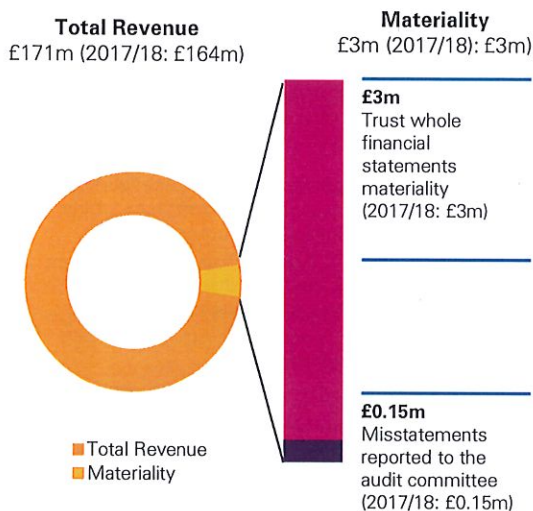
	The risk	Our response
<p>Valuation of net pension liability</p> <p>LGPS MPF Plan assets: 2018/19: £15.2 million 2017/18: £0 million</p> <p>LGPS MPF defined benefit obligation: 2018/19: £23.4 million 2017/18: £0 million</p> <p><i>Refer to page 12 (Audit Committee Report), page 145 (accounting policy) and page 174 (financial disclosures)</i></p>	<p>Subjective valuation</p> <p>Transfers of services to the Trust in the past two years has created a requirement to recognise Local Government Pension Scheme liabilities as the Trust is an admitted body of the Cheshire Pension Fund (CPF) and the Merseyside Pension Fund (MPF), which is a defined benefit scheme.</p> <p>We do not consider the valuation of the Cheshire Pension Fund net liability to be a significant risk as neither the gross liability nor gross asset associated with this fund are material to the financial statements.</p> <p>The pension liability is a significant estimate. The valuation of the Trust's share of the Merseyside Pension Fund (MPF) relies on a number of assumptions, most notably around the actuarial assumptions, and actuarial methodology which results in the Trust's overall valuation.</p> <p>Due to the level of judgement and expertise required to prepare the IAS19 valuation for the purposes of preparing the financial statements, the Trust relies on the LGPS scheme actuary who is appointed by MPF. The actuary relies on the information provided by the MPF on the employees, deferred members and pensioners of the Trust.</p> <p>There is a risk that the information, assumptions and methodology used in the valuation of the Trust's pension assets and liabilities are not reasonable. This could have a material impact on the net pension liabilities accounted for in the financial statements.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> — Assessing actuary's credentials; we critically assessed the competency, objectivity and independence of the Scheme's actuary. — Assessing valuation assumptions: we reviewed the appropriateness of the key assumptions included within the valuation of the assets and liabilities with the use of a KPMG actuary. Our actuary also reviewed the methodology applied in the valuation by the Scheme's actuary. — Test of detail: we used the IAS19 valuation provided by the Scheme Actuary for accounting purposes to ensure that this reconciled to the pension balances in the financial statements. — Test of detail: we performed substantive procedures to create an expectation of the estimated cashflows (interest income, employee and employer contributions, benefits paid) used to determine the movements in plan assets during the year and compare these to the figures reported in the financial statements. — Test of detail: For a sample of members in the MPF scheme we have corroborated that the individuals have been recorded in the correct membership category and that their membership data is accurate. — Test of detail: we agreed the pension figures disclosed in the Trust's financial statements to the IAS19 Actuarial valuation as at 31 March 2019 to ensure consistency. We also ensured that the disclosures were complete and in line with the DHSC Group Accounting Manual 2018/19. — Test of detail: We compared the Trust's split of the institution's plan assets per the actuary's IAS19 report to the Pension Schemes audited 2017/18 financial statements.

3. Our application of materiality

Materiality for the Trust financial statements as a whole was set at £3 million (2017/18: £3 million), determined with reference to a benchmark of total revenue (of which it represents approximately 1.8%). We consider total income to be more stable than a surplus- or deficit-related benchmark.

We agreed to report to the Audit Committee any corrected and uncorrected identified misstatements exceeding £0.15 million (2017/18: £0.15 million), in addition to other identified misstatements that warranted reporting on qualitative grounds.

Our audit of the Trust was undertaken to the materiality level specified above and was [all] performed at the Trust's headquarters near Chester.



4. We have nothing to report on going concern

The Accounting Officer has prepared the financial statements on the going concern basis as they have not 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. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

Our responsibility is to conclude on the appropriateness of the Accounting Officer's conclusions and, had there been a material uncertainty related to going concern, to make reference to that in this audit report. However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Trust will continue in operation.

In our evaluation of the Accounting Officer's conclusions, we considered the inherent risks to the Trust's business model, including the impact of Brexit, and analysed how those risks might affect the Trust's financial resources or ability to continue operations over the going concern period. We evaluated those risks and concluded that they were not significant enough to require us to perform additional audit procedures.

Based on this work, we are required to report to you if we have anything material to add or draw attention to in relation to the Accounting Officers statement in Note 1.1.2 to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Trust's use of that basis for a period of at least twelve months from the date of approval of the financial statements.

We have nothing to report in these respects, and we did not identify going concern as a key audit matter.

5. We have nothing to report on the other information in the Annual Report

The directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

In our opinion the other information included in the Annual Report for the financial year is consistent with the financial statements

Remuneration report

In our opinion the part of the remuneration report to be audited has been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2017/18.

Corporate governance disclosures

We are required to report to you if:

- we have identified material inconsistencies between the knowledge we acquired during our financial statements audit and the directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for stakeholders to assess the Trust's position and performance, business model and strategy; or
- the section of the annual report describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee; or
- the Annual Governance Statement does not reflect the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2018/19, is misleading or is not consistent with our knowledge of the Trust and other information of which we are aware from our audit of the financial statements.

We have nothing to report in these respects.

6. Respective responsibilities

Accounting Officer's responsibilities

As explained more fully in the statement set out on page 69, the Accounting Officer is responsible for: the preparation of financial statements that give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they have 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

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities

REPORT ON OTHER LEGAL AND REGULATORY MATTERS

We have nothing to report on the statutory reporting matters

We are required by Schedule 2 to the Code of Audit Practice issued by the Comptroller and Auditor General ('the Code of Audit Practice') to report to you if:

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

We have nothing to report in these respects.

We have nothing to report in respect of our work on the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources

Under the Code of Audit Practice we are required to report to you if the Trust has not made proper arrangement for securing economy, efficiency and effectiveness in the use of resources.

We have nothing to report in this respect.

Respective responsibilities in respect of our review of arrangements for securing economy, efficiency and effectiveness in the use of resources

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

Under Section 62(1) and Schedule 10 paragraph 1(d), of the National Health Service Act 2006 we have a duty to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in the 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 the use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the specified criterion issued by the Comptroller and Auditor General (C&AG) in November 2017, as to whether the Trust had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. We planned our work in accordance with the Code of Audit Practice and related guidance. Based on our risk assessment, we undertook such work as we considered necessary.

Report on our review of the adequacy of arrangements for securing economy, efficiency and effectiveness in the use of resources

We are required by guidance issued by the C&AG under Paragraph 9 of Schedule 6 to the Local Audit and Accountability Act 2014 to report on how our work addressed any identified significant risks to our conclusion on the adequacy of the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources. The 'risk' in this case is the risk that we could come to an incorrect conclusion in respect of the Trust's arrangements, rather than the risk of the arrangements themselves being inadequate.

We carry out a risk assessment to determine the nature and extent of further work that may be required. Our risk assessment includes consideration of the significance of business and operational risks facing the Trust, insofar as they relate to 'proper arrangements'. This includes sector and organisation level risks and draws on relevant cost and performance information as appropriate, as well as the results of reviews by inspectorates, review agencies and other relevant bodies.

The significant risk identified during our risk assessment is set out overleaf together with the findings from the work we carried out.

Significant Risk	Description	Work carried out and judgements
<p>Sustainable Resource Deployment: Achievement of Cost Improvement Programme</p>	<p>NHS Trusts and Foundation Trusts submitted financial plans for 2017/18 that in aggregate totalled a £580 million deficit. The achievement of financial balance whilst maintaining the quality of healthcare provision is therefore a key objective for all organisations.</p> <p>CWP agreed a control total of £1.119m surplus with NHS Improvement (NHSI) for 2018/19. Achievement of this total would trigger receipt of additional Provider sustainability Funding (PSF).</p>	<p>Our work included:</p> <ul style="list-style-type: none"> — Performing an analysis of the Trust's 2018/19 actual position against plan; — Considering the core assumptions in the Trust's 2019/20 Annual Plan submission; — Considering the extent to which recurrent cost improvement schemes were achieved in 2018/19 and identified for 2019/20; — Identifying the extent of non-recurrent savings identified in the cost improvement plan and assessing the impact of non-recurrent measures on the achievement of cost improvement plans in future years; — Critically assessing financial forecasts, including cashflows for 2019/20 — Considering the impact of new material contract entered into by the Trust and commitments and obligations that have arisen. <p>Our findings on this risk area:</p> <p>We did not find any indication that the Trust has not had regard to its responsibility to secure economy, efficiency and effectiveness in its use of resources.</p>

THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

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 and the terms of our engagement by the Trust. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust, as a body, those matters we are required to state to them in an auditor's report, and the further matters we are required to state to them in accordance with the terms agreed with the Trust, and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors of the Trust, as a body, for our audit work, for this report, or for the opinions we have formed.

CERTIFICATE OF COMPLETION OF THE AUDIT

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



Robert Jones
for and on behalf of KPMG LLP (Statutory Auditor)

Chartered Accountants
1 St Peter's Square, Manchester, M2 3AE
24 May 2019

3. Quality Account

Quality Account 2018/19



Quality at CWP
2018/19 in pictures

#cwpqi

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

Introduction

Our Quality Account is an annual report to the people we serve about the quality of services we provide. They offer an opportunity to understand what we are doing to improve the care and treatment we provide.

All Quality Accounts require providers of NHS services to describe quality in the following ways:

Patient safety

This means delivering care in a way which increases safety, by using effective approaches that reduce unnecessary risks.

Clinical effectiveness

This means delivering care that is based on evidence and people's needs and results in improved health outcomes.

Patient experience

This means delivering care which people can easily access and that takes into account their preferences and their needs.

At CWP, we also use international ways of defining quality to help us to better show where we are making real improvements, for example is the care that we deliver affordable, sustainable, acceptable and accessible. To help us deliver care which is more equitable and person-centred, we place an emphasis on co-production, which is about the people who deliver and support the delivery of our services, people who access our services, their families and the people we serve, playing more of an active role in planning, improving and delivering services.

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

To help meet this aim, we produce *Quality Improvement Reports* three times a year.

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

Part 1.

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



I am delighted to introduce this year's Quality Account, to look back with pride on another year of significant success and achievement, and to look ahead to developments at CWP in the coming year.

Following the Care Quality Commission (CQC) inspection of our services in August and September 2018, we were really pleased to have been rated as 'Outstanding' for Care, making us the only trust in the local area, and the only mental health trust in the north west, with this rating. We were rated as 'Good' overall. This is a tremendous testimony to the hard work and dedication of our staff and our commitment to the care that we provide. But we are not complacent and we are making continuous improvements, including in the areas identified by the CQC. As we look to build on our CQC rating, and to help us be the best we can be, we are looking forward to further embedding our Quality Improvement strategy into our work. Dr Sivananthan

goes on to talk more about this in her foreword on the following pages.

This year's Quality Account sets out some of our key achievements in improving the quality of our services. These include:

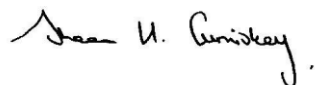
- Launch of a new advice line for young people, parents/ carers, and organisations across Cheshire and Wirral who may have concerns about a young person's mental health.
- Opening of the Coronation Road workplace hub, a new integrated workspace for health and care services in Ellesmere Port.
- 40 graduates from the University of Chester have completed a two-year work-based programme and are now Registered Nursing Associates.
- Launch of a brand new All Age Disability service in Wirral, aiming to improve experiences for people in the area with a disability or mental health condition.
- Being recognised as a top performer nationally in the 2018 Community Mental Health Survey, including being one of the top three trusts nationally for 'organising your care', 'NHS therapies' and 'your health and social care workers'.
- Being placed at the top of the North West mental health table, based on the last three years of national NHS Staff Survey results, for staff recommending CWP as a place to work or receive care.
- Collaborative working between the Neston and Willaston Community Care team and services provided by partner organisations to improve the well-being of people in these communities, including improving understanding of support available and offering self-care tips on issues like pressure ulcer care and preventing falls.
- Approval of plans to improve the model of care of more than 7,000 people in Eastern Cheshire, South Cheshire and Vale Royal, who need support every year with serious, long-term mental health problems. The enhanced community services will include a new dementia outreach service and 24/7 crisis care, alongside modern inpatient facilities for those that require hospital care.

In relation to the last development listed above, this is one example of the positive relationships we have with our partners and how we provide services alongside them. Our clinical services are building on this partnership working over the coming year, and we are looking forward to working together to further integrate our services. This will include co-producing and delivering models of care that reflect the needs of the people we serve. We are delighted that our local plans in this respect reflect the NHS [Long Term Plan](#) that was published this year. The NHS Long Term Plan was developed in partnership with those who know the NHS best – frontline health and care staff, patients and their families and other experts. It is a 10-year plan to make the NHS fit for the future for patients, their families and staff. Among the many opportunities that the Long Term Plan affords us, it also provides us with the opportunity to continue to build on our great working with valued partners and stakeholders across our footprint. A joined-up, safe, local healthcare system is vital for the NHS going forward, something that the Long Term Plan alludes to.

All things considered, this has been a successful year for CWP and there are interesting, as well as challenging times ahead. Ultimately, I am hopeful it will be another positive year for the Trust. I am also confident that we will meet any challenges head-on, as we at #TeamCWP continue our dedication to providing outstanding care.

On behalf of the Board, to the best of my knowledge, the information presented in this report is accurate. I hope you enjoy reading our Quality Account.

Sheena Cumiskey



Chief Executive
Cheshire and Wirral Partnership NHS Foundation Trust

Statement from the Medical Director – Executive lead for quality



At CWP, we continue to be committed to providing high quality care for the people we serve. Our Quality Improvement strategy was launched in 2018, setting out how we will build on this commitment and dedication to providing outstanding care. As Sheena mentioned in her foreword, this year I'd like to share with you what we have achieved over the past year, and what our plans are for further embedding our Quality Improvement strategy over the coming year.

Ultimately, Quality Improvement is about understanding the needs of the people we serve and using helpful techniques to provide safe, effective, person-centred care with great experience. We want to make it easier to provide the best care. Our Quality Improvement strategy is a way to help us do this. It is based on a principle of organisations, staff and people who access health and care services working together to improve care and outcomes for the population.

Quality improvement looks at what we currently do and the ways in which we can do things better. Lots of people in #TeamCWP have great ideas to improve care. The Quality Improvement strategy will support us in implementing good ideas and improvements – whether these are big or small, they will all make a difference. The quality improvement priorities we identified in last year's Quality Account are one example of this, which you can read more about in Part 2 of this report. Our Quality Committee has agreed that we continue to focus on these priorities this year, by refining them further with the aim of making further improvements and, just as importantly, demonstrating our commitment to continuous improvement. Our other achievements in implementing our Quality Improvement strategy this year include:

- Delivering a further 63 Quality Improvement projects, this is in addition to the 275 Quality Improvement projects we have delivered since 2014 when we launched our Zero Harm quality strategy.
- Development of a Quality Improvement 'hub' as an intranet resource for our staff to help them take forward their ideas for change and improvement.
- Establishment of our Quality Improvement twitter feed, entitled #cwpQI, to share our Quality Improvement successes. Already we currently have over 250 followers.
- Establishment of a Quality Improvement faculty to bring together the support for Quality Improvement. The faculty has helped to promote Quality Improvement and ensure that learning and good practice is shared.

To help us with our future plans, we've recently trained 15 Quality Improvement Experts. Our Experts are based across all clinical and clinical support services, and they will support people within their service areas to consider what may need to be improved/ changed, and to support this change using the new skills they have developed. Our Experts will use their knowledge and skills of Quality Improvement methodology to give all colleagues the confidence to drive forward the change they want to see.

Every year, I always like to give a mention to our [Big Book of Best Practice](#)! Our flagship publication contains all of the very best innovative work that has been taking place at CWP. The Big Book itself is a great example of our commitment to Quality Improvement, but it also supports learning and good practice being spread throughout our organisation. The Big Book for 2018/19, our sixth edition, was launched in October, the same day as our Annual Members Meeting. We invited all of our staff that had been selected to be a part of the Big Book to come along and showcase their work to members of the public, governors and our stakeholders including commissioners and other public service partners. Yet again, we were thrilled with the response from our staff, with a brilliant 40 stalls being established on the day to celebrate some outstanding work.

Our Big Book of Best Practice has also been getting some national attention this year. The Big Book is a way for us to share our successes, not just throughout our organisation, but also with colleagues across the wider NHS and beyond. At the start of this year, alongside a number of our other best practice examples, the Big Book was published in a new [NHS Improvement publication](#), which aims to help mental health trusts across the country improve services. CWP, alongside eight other mental health trusts, partnered with NHS Improvement to pull together learning and good practice in improvement. CWP shared a total of nine case studies – the most to appear in the document – and a number of resources and helpful quotes to support those looking to implement change. Then, at the end of this year, we were delighted to hear that the Big Book had been shortlisted for a prestigious national award. It has been nominated in the Communications Initiative category of the Health Service Journal (HSJ) Value Awards. The awards take place in May.

I hope you enjoy reading our Quality Account.

Dr Anushta Sivananthan



**Medical Director & Consultant Psychiatrist
Cheshire and Wirral Partnership NHS Foundation Trust**

Part 2.

Priorities for improvement and statements of assurance from the board

Priorities for improvement

Quality improvement priorities from 2018/19

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

Below is a summary of our improvements, which are presented at the Trust's Board meetings and are available on the CWP website. Our *Quality Improvement Reports*, which are available on our website, have reported on progress throughout the year. Edition 3 of our *Quality Improvement Report* provides further detail on how we have made improvements in addition to the summary below.

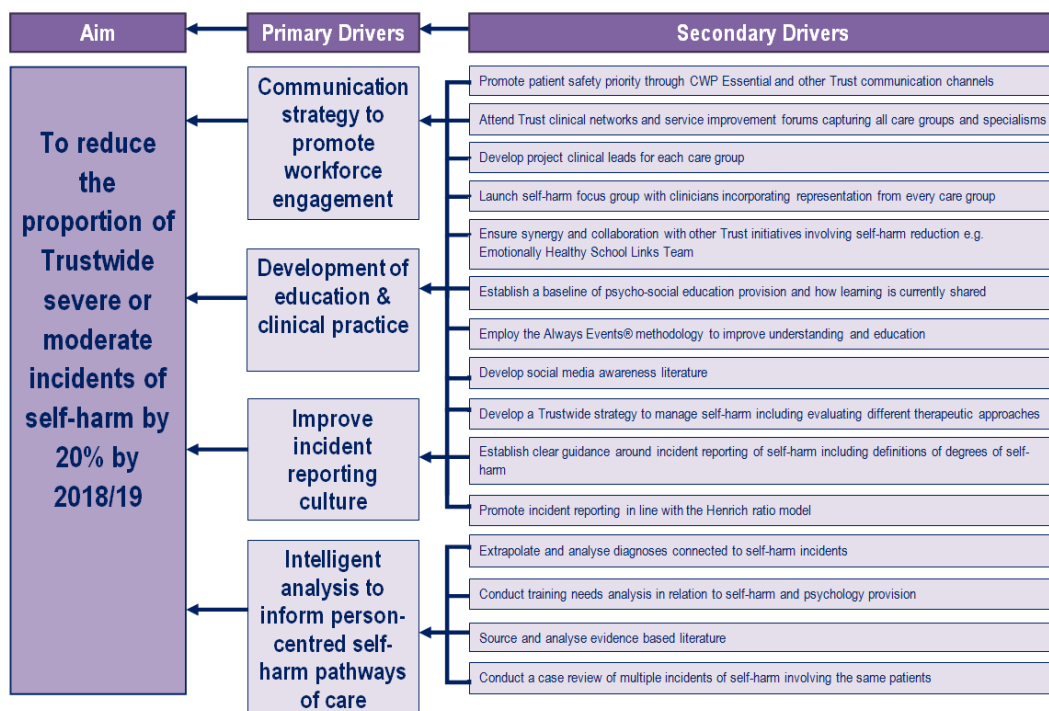
We have included a glossary of some of the terms used in the report. *Annex A* explains these terms.

Patient safety priority for 2018/19

We wanted to:

Demonstrate a reduction in the severity of the harm sustained by those people accessing CWP services that cause harm to themselves.

This is because the evidence shows us that self-harm is strongly linked to poor safety outcomes, such as death by suicide, depression and anxiety.



How we have delivered improvements:

- ✓ We established a group, including experts on this subject matter, to deliver improvements in this area using quality improvement approaches. This also included regular engagement with other related areas of work such as suicide prevention.
- ✓ Promotion of this quality improvement work at clinical networks and quality improvement events to gather feedback on this area.
- ✓ We produced a ‘share learning’ bulletin to clarify the definition of self-harm in line with best evidence and NICE guidance. Our ‘Safe Services’ team also made changes to the incident reporting process for self-harm incidents to improve the consistency with which we capture these incidents and to help improve feedback and learning following self-harm incidents when they are reported.
- ✓ In-depth analysis of self-harm data to identify themes and specific areas/ opportunities for improvement.

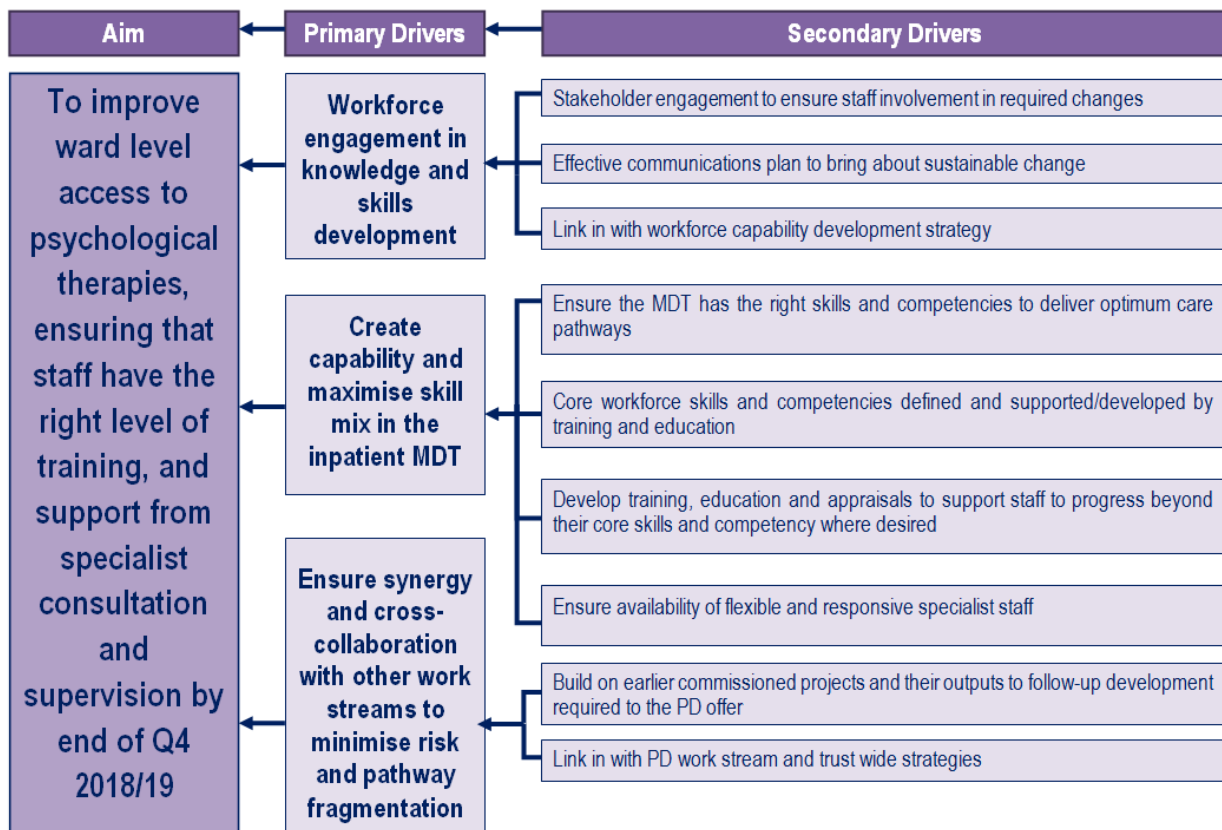
We have made significant progress in reducing moderate and severe incidents of self-harm, achieving a **12% reduction**.

Clinical effectiveness priority for 2018/19

We wanted to:

Improve access to psychological therapies in our inpatient units.

This is because clinically effective care includes access to a minimum psychological therapeutic service offer.



How we have delivered improvements:

- ✓ We established a multi-disciplinary group, including experts on this subject matter, to deliver improvements in this area using quality improvement approaches. This focused on the application of psychology skills on wards.
- ✓ We reviewed national standards for psychology and engaged with related areas of work, such as personality disorder, to develop Trustwide guidelines to support the capability of staff in this area.
- ✓ Promotion of this quality improvement work at clinical networks and quality improvement events to gather feedback on this area.

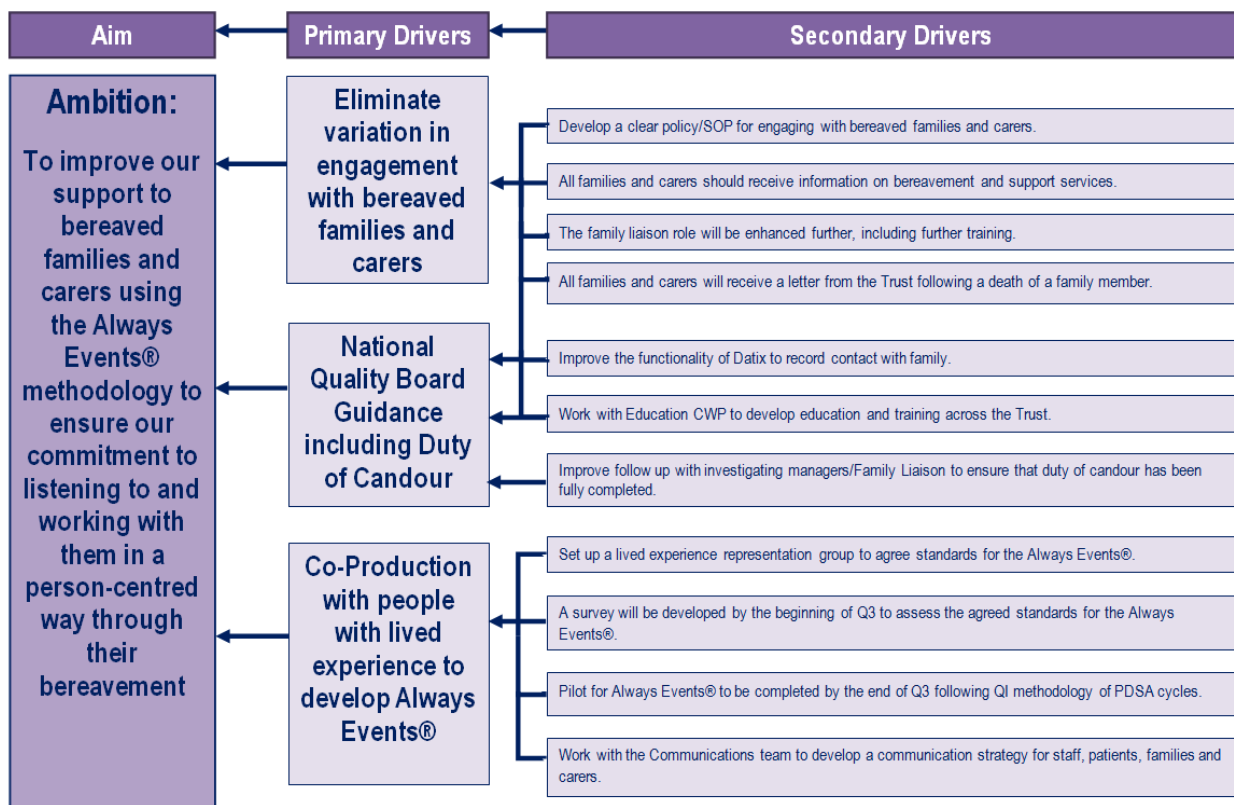
Having **demonstrated the scope for improvement that we can make to the access to psychological therapies for inpatients**, we are developing plans to help with delivering continuous improvements in this area.

Patient experience priority for 2018/19

We wanted to:

Improve engagement with bereaved families and carers.

This is because delivering a consistent level of timely, meaningful and compassionate support and engagement at every stage, from notification of the death to an investigation report and its lessons learned and actions taken, strengthens learning from deaths and improves the experience of bereaved families and carers.



How we have delivered improvements:

- ✓ We have developed a set of standards and principles, engaging with a lived experience representation group. This group has helped to agree fundamental principles, such as all families and carers receive information on bereavement and support services, and the development of person-centred communication. The group has also commenced work to co-produce a survey to seek views on the experience of bereaved families and carers.

✓ Further training has been provided to the Trust's family liaison officers to enhance the support provided to bereaved families and carers.

✓ Our 'Safe Services' team also made changes to the incident reporting process to help deliver the principles of the 'Duty of Candour', which includes the key aim of supporting bereaved families and carers.

We have **improved our offer to bereaved families and carers**, by now providing more information, that is as person-centred and as supportive as possible, ensuring they are able to provide feedback on their experiences so we can learn from what we do well and to improve where we have scope to do so.

Quality improvement priorities for 2019/20

Our Quality Committee oversees our Trustwide quality improvement priorities. It has agreed that we continue to focus on these priorities this year, by refining them further with the aim of making further improvements and, just as importantly, demonstrating our commitment to continuous improvement.

These priorities have been set out in our plans, including how they link to our organisational objectives. This allows them to be consistently consulted on and effectively communicated across the Trust and wider stakeholder groups.

Our Quality Improvement Reports, which are available on our website, will report on progress with our quality improvement priorities for 2019/20 throughout the year. This report is also presented at and monitored by our Quality Committee and our Board.

Our approach to Quality Improvement

Our Quality Improvement strategy builds on our successful Zero Harm quality strategy that we have reported on in previous Quality Accounts. It was launched in April 2018 and sets out an initial three year plan to help us deliver person-centred health care that responds to the needs and preference of people who access our services, with a compelling ambition to work in partnership to deliver the best outcomes nationally for the population we serve. In developing our Quality Improvement strategy and our ambition, we sought feedback from our Board, Quality Committee, Clinical Engagement and Leadership Forum, Governors, and via focus groups with partners and stakeholders.

Institute for Healthcare Improvement guidance has encouraged us to assess and monitor quality, using a broader definition than as defined in 2008 by the Department of Health. This will help us to better identify and prioritise areas for improvement. Together with World Health Organization definitions and our Person-centred Framework, we have defined quality as described in our Quality Framework:

QUALITY					
Patient safety	Clinical effectiveness			Patient experience	
Safe	Effective	Affordable	Sustainable	Acceptable	Accessible
Achieving Equity and Person-centred Care through CO-PRODUCTION, CO-DELIVERY, QUALITY IMPROVEMENT & WELL-LED SERVICES					
Delivering care in a way which increases safety by using effective approaches that mitigate unwarranted risks	Delivering care that follows an evidence base and results in improved health outcomes, based on people's needs	Delivering care in a way which maximises use of resources and minimises waste	Delivering care that can be supported within the limits of financial, social and environmental resources	Delivering care which takes into account the preferences and aspirations of people	Delivering care that is timely, geographically reasonable, and provided in a place where skills and resources are appropriate to meet people's needs

Our patient safety priority for 2019/20

Measure		Reduction in the number of incidents of people accessing CWP services that have caused harm to themselves	Specialist Mental Health services	✓
			Learning Disability, Neuro Developmental Disorders & Acquired Brain Injury services	✓
			Children, Young People & Families services	✓
			Neighbourhoods & integrated care services	✓
Rationale	Locally	We want to demonstrate continuous improvement in the number of reported incidents of self-harm, to complement the 12% decrease in incidents of moderate and severe self-harm that we have achieved during 2018/19 (Source: Trustwide 'Learning from Experience' reports, 2018/19)		
	Nationally	There is a wide variation between services in the frequency of self-harm (Source: Care Quality Commission 'State of Care' report 2016/17)		
Baseline		2018/19 National Reporting and Learning System data – CWP ranks 37th out of 50 (the lowest 25%) of other mental health trusts		
Improvement target		Trustwide incident reports of self-harm to be comparable with the middle 50% of peer reporters (other mental health trusts) to the National Learning and Reporting System		
Source		Incident reporting data as published by the National Reporting and Learning System and reported in the Trustwide 'Learning from Experience' report		



Our clinical effectiveness priority for 2019/20

Measure		Improvement in access to psychological therapies for people accessing acute care services (<i>this priority will also aim to improve access for people accessing community and primary care services</i>)	Specialist Mental Health services	✓
			Learning Disability, Neuro Developmental Disorders & Acquired Brain Injury services	✓
			Children, Young People & Families services	✓
			Neighbourhoods & integrated care services	✓
Rationale	Locally	Gaps and variation in the current psychological therapeutic offer to people accessing care across each inpatient unit (Source: Internal review commissioned by the Board, undertaken by the acute care nurse consultant)		
	Nationally	Health care organisations should be assured that they are providing effective care that includes psychological interventions (Source: Care Quality Commission 'State of Care' report 2016/17)		
Baseline		Access to psychological therapies = variable per ward		
Improvement target		Delivery of a minimum, consistent psychological therapeutic service offer to people accessing care across each inpatient unit by the end of 2019/20		
Source		Quality improvement project reporting		

Our patient and carer experience priority for 2019/20

Measure		Specialist Mental Health services	✓
		Learning Disability, Neuro Developmental Disorders & Acquired Brain Injury services	✓
		Children, Young People & Families services	✓
		Neighbourhoods & integrated care services	✓
Rationale	Locally	Variation in the delivery of consistent levels of support and engagement with bereaved families and carers (Source: Outputs of scoping work undertaken by a lived experience representation group 2018/19)	
	Nationally	Health care organisations should prioritise working more closely with bereaved families and carers and ensure that a consistent level of timely, meaningful and compassionate support and engagement is delivered and assured at every stage, from notification of the death to an investigation report and its lessons learned and actions taken (Source: National Quality Board 'National Guidance on Learning from Deaths' report 2017)	
Baseline	Baseline to be determined end of quarter 2 2019/20 following completion of engagement events to agree minimum bereavement support interventions (in addition to person-centred principles)		
Improvement target	By the end of 2019/20, delivery of agreed minimum support offer to people who have been bereaved 9families and carers of people who have accessed CWP's services)		
Source	Reporting data as published in the Trustwide 'Learning from Experience' report		

Statements of assurance from the board

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

Common content for all *Quality Accounts* nationally is contained in a shaded double line border like this. We are required to use certain wording.

Information on the review of services

We are commissioned to provide the following services:

- NHS Bolton CCG – Eating Disorder services.
- NHS England – CAMHS Tier 4, Specialised Eating Disorder, Low Secure, school age immunisations programmes, Child Health Information Systems, and Specialist Community Peri-natal Mental Health services.
- NHS Eastern Cheshire CCG – Mental Health, Learning Disability, CYP, and Eating Disorder services.
- NHS South Cheshire and Vale Royal CCGs – Mental Health (including IAPT services), Learning Disability, CYP, and Eating Disorder services.
- NHS South Sefton and NHS Southport and Formby CCGs – IAPT services.
- NHS Trafford CCG – Eating Disorder services and Learning Disability services.
- NHS Western Cheshire CCG – Mental Health (including IAPT services), Learning Disability, CYP, and Community services.
- NHS Wirral CCG (and co-commissioners) – Mental Health, Learning Disability, Eating Disorder, CYP, and ASD services.
- Betsi Cadwaladr University Health Board – Emergency Mental Health services.
- Wirral Metropolitan Borough Council – Nurse Practitioner for the Homeless, and All Age Disability services.

- Cheshire East Council – Substance Misuse services* (until 31 October 2018) and Emotionally Healthy Schools.
- Cheshire West and Chester Council – Starting Well (0-19 services), and Infection, Prevention and Control services.

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

During 2018/19 Cheshire and Wirral Partnership NHS Foundation Trust provided and/ or sub contracted 81 NHS services, as outlined within the Trust's contract with its commissioners. The income generated by the relevant health services reviewed in 2018/19 represents 94.4 per cent of the total income generated from the provision of relevant health services by Cheshire and Wirral Partnership NHS Foundation Trust for 2018/19.

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

Contract review and monitoring

We work together with our commissioners to review and update the quality requirements in our contracts to ensure that they reflect changes in best practice and emerging national or local good clinical or good healthcare practice. To support this work, a joint Cheshire and Wirral contract setting out quality requirements (a quality 'schedule') was developed during 2018/19, with reporting shared across our five main CCG commissioners.

Reviewing the results of surveys

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

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

Q13C – Percentage of staff who have not experienced harassment, bullying or abuse from other colleagues

White	86.7%
Black and minority ethnic	90.8%

Q14 – Percentage of staff believing that the trust provides equal opportunities for career progression or promotion

White	89%
Black and minority ethnic	81.8%

Further information can be found at:

http://www.nhsstaffsurveyresults.com/wp-content/uploads/2019/05/NHS_staff_survey_2018_RXA_full.pdf

The WRES detailing the NHS Staff Survey results for 2018 will be published on our website in July 2019.

Learning from experience – examples

Learning from a **complaint** has brought about improvement in the information we provide for those families who are supporting and caring for a loved one who is dying. This information includes the care and treatment that can be provided and the support that is available.

Learning from an **incident** has improved person-centred care, through collaborative working with people accessing our services and the multi-disciplinary team, in order to achieve timely interventions. This includes exploring new coping strategies using a 'traffic light' system to reduce or avoid further incidents and mitigate the risk of harm.

Learning from a **clinical claim**, where a person died by suicide, identified that a formal psychiatric assessment by a consultant psychiatrist should have taken place for this person. Clinical reflection at an individual and at multi-disciplinary team level has increased awareness of ensuring people are involved in the 'triangle of care', are more supported and are informed of care plans.

Learning from deaths monitoring

In March 2017, the *National Quality Board* published guidance on "Learning from Deaths" which requires all NHS trusts to increase the number of deaths they can learn lessons from by reviewing deaths that they were not previously required to review, such as expected deaths. Since this guidance, we have been increasing the reporting and review of deaths that do not meet the serious incident criteria set out by *NHS England* to help us identify more learning. This work is being reported in our Learning from Experience report and is being monitored by our Quality Committee.

The National Health Service (Quality Accounts) (Amendment) Regulations 2018/19 require all NHS trusts to report on the following information.

During 2018/19 959 of Cheshire and Wirral Partnership NHS Foundation Trust's patients died*. This comprised the following number of deaths which occurred in each quarter of that reporting period:

- 272 in the first quarter;
- 244 in the second quarter;
- 272 in the third quarter;
- 192 in the fourth quarter.

By March 2019, 568 case record reviews and 92 investigations have been carried out in relation to 980 of the deaths included above. In 92 cases a death was subjected to both a case record review and an investigation. The number of deaths in each quarter for which a case record review or an investigation was carried out was:

- 88 in the first quarter;
- 139 in the second quarter;
- 159 in the third quarter;
- 182 in the fourth quarter.

One (1) representing 0.2% of the patient deaths during the reporting period are judged to be more likely than not to have been due to problems in care provided to the patient. In relation to each quarter, this consisted of:

- One (1) representing 1.2% for the first quarter;
- Zero (0) representing 0% for the second quarter;
- Zero (0) representing 0% for the third quarter;
- Zero (0) representing 0% for the fourth quarter.

These numbers have been estimated using the multi-disciplinary team assessment of the case record reviews**.

Cheshire and Wirral Partnership NHS Foundation Trust has learnt the following from case record reviews in relation to the patient deaths during the reporting period (these have been reported to the Board). The actions taken and the impact of these are summarised below.

- Shortfalls identified in formulating plans of care and the quality of documentation has led improvements in this area.

Zero (0) case record reviews and zero (0) investigations were completed after April 2018 which related to deaths which took place before the start of the reporting period.

Zero (0) representing 0% of the patient deaths before the reporting period, are judged to be more likely than not to have been due to problems in care provided to the patient. This number has been estimated using the multi-disciplinary team assessment of the case record reviews.

Zero (0) representing 0% of the patient deaths during 2018/19 are judged to be more likely than not to have been due to problems in the care provided to the patient.

* includes deaths of people who were discharged from CWP's care within 6 months of their death

** For investigations into serious incidents, there is currently no nationally agreed or validated tool, for mental health or learning disability services, to determine whether deaths are due to problems in care provided. The Royal College of Psychiatrists is developing a tool which CWP will review as part of its commitment to implement the best evidence in conducting reviews of learning from deaths. The information above is from the bespoke tool that CWP has developed in 2018/19, using quality improvement approaches – this tool uses a multi-disciplinary team assessment of case records.

Speaking up

We are committed to creating an open and honest learning culture that is responsive to feedback so that we can continually improve. We meet the statutory requirement, set out by NHS England, of having Freedom to Speak Up Guardians available to support any staff member to raise a concern that they may have, including around quality of care, patient safety or bullying and harassment.

Our speaking up policy and processes have been reviewed and are up-to-date and in line with recommendations of the National Guardian's Office. This includes standards around promoting ways in which staff can speak up, how feedback is given to those who speak up, and ensuring that staff who do speak up do not suffer detriment. Our Freedom to Speak Up Guardians have a clear understanding of their roles and responsibilities and have the time and support needed to undertake them.

Our Director of Nursing, Therapies and Patient Partnership is the Executive Lead for speaking up. We also have a Non Executive Director Freedom to Speak Up Champion, who provides alternative support to the Freedom to Speak Up Guardians, scrutinises our approach, and is able to robustly challenge speak up governance.

The Board receives regular reports in relation to speak up that provides ongoing assurance that the Trust adheres to good practice and that appropriate speak up arrangements are in place.

Feedback from people who access the Trust's services

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

Our *Learning from Experience* report, which is produced three times a year, reviews learning from incidents, complaints, concerns, claims and compliments, including Patient Advice and Liaison Service (PALS) contacts. Reviewing them together, with the results of clinical audits, helps to identify trends and spot early warnings, so that actions can be taken to prevent potential shortfalls in care. Sharing learning is key to ensuring that safety is maintained and that action can be taken to prevent recurrence of similar issues. These *Learning from Experience* reports are shared with the public, via our Board meetings, our partner organisations and via our website.

Examples of feedback from people who access our services, their families and carers, includes:

“I always like hearing your calm and friendly voice when I ring and seeing your smiling face when I come to Rosemount! It makes a big difference!”

Learning Disability, Neuro-Developmental Disorder & Acquired Brain Injury services

“Excellent care of our mother – compassionate keeping her dignity, treating her with respect, and us her family, with understanding and care. We felt supported during a very difficult time.”

Joint Therapy services

“Thank you for being so kind and lovely to me. You really make me laugh. Thank you for all the support you have given me over the past month.”

Children, Young People & Families services

“I have felt so supported. It has been so helpful to be able to talk and rationalise my thoughts and feelings. I have been able to see my progress in a positive way and ask for help when needed.”

Specialist Mental Health – Place Based services

“Thanking staff nurse for support during admission. Staff nurse gave patient so much time and help, how she listened, held her hand, mopped up her tears. Gave support in darkest moments and made patient feel safe, understood and cared for. She can never thank staff member enough for her support and care”.

Specialist Mental Health – Bed Based services

“Thank you for all the help and support you provided for me and my husband in the last few days of his life. The CART team and all DNs have been amazing. Cannot fault the service.”

Neighbourhoods and Integrated Care services

“We would be lost without you and appreciate everything you do everyday to help me to get him to school. Though at times things are challenging you all smile and do such a wonderful job. You are all kind and patient and that means so much to us and although our son cannot express it, I'm sure if he could, he would say a massive thank you too!”

All Age Disability services

Duty of Candour

All health and care professionals have a duty of candour, which is professional responsibility to be honest with people who access health and care services, their advocates, carers and families when things go wrong. Providers of these services are regulated on how they deliver this responsibility. A key requirement is for individuals and organisations to learn from events to change and improve the safety and quality of care. We take a continuous improvement approach to being open and transparent, including reviewing the effectiveness of the role of our family liaison officers who support people affected by serious incidents. We aim to continually improve our communication and connection with people who access our services, their families and carers, ensuring that they are central to reviews of the care we have provided and that their feedback is acted upon and incorporated into our responses. Learning is reported through our Learning from Experience report, which is monitored by our Quality Committee.

Reviewing the results of clinical audit

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

Information on participation in clinical audits and national confidential enquiries

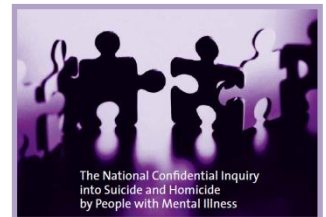
National clinical audits and national confidential enquiries

National clinical audits

We take part in national audits in order to compare findings with other NHS trusts to help us identify necessary improvements to the care we provide and deliver to people accessing our services.

National confidential enquiries

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



During 2018/19 nine national clinical audits covered relevant health services that Cheshire and Wirral Partnership NHS Foundation Trust provides. During 2018/19 the Trust participated in 82% of national clinical audits which it was eligible to participate in.

The national clinical audits and national confidential enquiries that the Trust was eligible to participate in during 2018/19 are as follows:

- National Prescribing Observatory for Mental Health: Topic 6d: Assessment of the Side Effects of Depot/ Long-Acting Injectable Antipsychotic Medication.
- National Prescribing Observatory for Mental Health: Topic 7f: Monitoring of patients prescribed lithium.
- National Prescribing Observatory for Mental Health: Topic 18a: The Use of Clozapine.
- NHS England/ Royal College of Psychiatrists: Early Intervention in Psychosis Self-Assessment Audit.
- NHS England/ Royal College of Psychiatrists: National Clinical Audit of Psychosis including National CQUIN: Physical health assessment of patients with severe mental illness; also Communication with General Practitioners.
- University of Bristol: Learning disability mortality review programme.
- National Clinical Audit of Anxiety and Depression.
- National Clinical Audit of Anxiety and Depression: Psychological Therapies Spotlight audit.

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

	Cases submitted (as a percentage of registered cases within CWP)	
National clinical audits		
National Prescribing Observatory for Mental Health: Topic 6d: Assessment of the Side Effects of Depot/ Long-Acting Injectable Antipsychotic Medication	181 (91%)	Data submitted; report awaiting publication. Action planning will then follow.
National Prescribing Observatory for Mental Health: Topic 7f: Monitoring of patients prescribed lithium	78 (58%)	Data submitted; report awaiting publication. Action planning will then follow.
National Prescribing Observatory for Mental Health: Topic 18a: The Use of Clozapine	129 (51%)	Data submitted; report awaiting publication. Action planning will then follow.

		Cases submitted (as a percentage of registered cases within CWP)	
National clinical audits			
National Clinical Audit of Anxiety and Depression (Core Audit)	90 (100%)	Data submitted; report awaiting publication. Action planning will then follow.	
National Clinical Audit of Anxiety and Depression: Psychological Therapies Spotlight audit	83 (70%)	Data submitted, report awaiting publication. Action planning will then follow.	
National Clinical Audit of Psychosis Mental Health CQUIN 3a for Community Patients and Inpatients	110 (99%)	Report to be published June 2019.	
Early Intervention in Psychosis Network/ Royal College of Psychiatrists: Early Intervention in Psychosis Self-Assessment Audits: Wirral, West, Central and East Cheshire	Central & East	77 (100%)	Reports to be published in June 2019. Action planning will then follow.
	West	55 (100%)	
	Wirral	120 (100%)	
NHS England: Physical health assessment of patients with severe mental illness: Communication with General Practitioners	Central & East	40 (100%)	Report provided to commissioners April 2019. An improvement plan has been developed, including standardising the use of the cardio-metabolic screening form to avoid duplication of recording.
	West	40 (100%)	
	Wirral	40 (100%)	
Learning disability mortality review programme (LeDeR)	49 (100%)	Ongoing data submission.	

		Percentage of cases submitted	
National Confidential Inquiry into Suicide and Homicide by People with Mental Illness			
Sudden unexplained death in psychiatric inpatients	No cases		
Suicide	100%		
Homicide	100%		
Victims of homicide	No cases		

Local CWP clinical audits

The reports of nine completed local clinical audits were reviewed in 2018/19 and Cheshire and Wirral Partnership NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided.

Title of local clinical audit	Good practice identified	Action/s taken
1. Compliance with Trust CPA policy documentation (perinatal services)	<ul style="list-style-type: none"> The audit demonstrated that all patients had care co-ordinator allocated within 4 weeks of initial contact. 	<ul style="list-style-type: none"> Development of the electronic clinical record to help practitioners better comply with CPA standards. Enhanced local training has been implemented around CPA documentation standards.
2. Structural neuroimaging in dementia	<ul style="list-style-type: none"> People in the memory clinic were assessed as per NICE dementia clinical guideline (CG42) for dementia. 	<ul style="list-style-type: none"> Identification of a re-audit to review practice in line with the new NICE clinical guideline (CG97).
3. Respiratory tract infections – Antibiotic	<ul style="list-style-type: none"> Re-audit demonstrated improvement in advice given to 	<ul style="list-style-type: none"> Promotional activities around patient information leaflets.

Title of local clinical audit	Good practice identified	Action/s taken
prescribing (re-audit)	people with regards to the antibiotic strategy.	
4. UTI in children (re-audit)	<ul style="list-style-type: none"> ▪ Re-audit has demonstrated almost full compliance with best practice guidance on standards for UTI in children. 	<ul style="list-style-type: none"> ▪ Promotional activities to help strengthen clinical documentation detailing the duration of antibiotic treatment.
5. Audit of junior doctor and nursing staff on-call duties within CWP – Venepuncture and electrocardiogram	<ul style="list-style-type: none"> ▪ 100% completion of routine venepuncture and ECG duties within 72 hours at Springview Hospital. 	<ul style="list-style-type: none"> ▪ Identification of a re-audit to assure full compliance is being sustained.
6. Patient step-down from PICU to general adult open wards	<ul style="list-style-type: none"> ▪ Compliance with standards demonstrating efficient and effective patient care, and continued progression towards recovery and discharge from inpatient stays. 	<ul style="list-style-type: none"> ▪ Service improvement meetings have been held to identify changes and improvements to facilitate more timely transfers from PICU to general adult open wards.
7. Feverish illness in children – Out of hours service) (re-audit)	<ul style="list-style-type: none"> ▪ Good compliance with NICE clinical guideline 160. ▪ Achievement of 100% in recognising sick children and transferring them urgently to secondary care/ specialist care. ▪ Achievement of 100% in treating feverish children appropriately and only prescribing antibiotics if indicated. 	<ul style="list-style-type: none"> ▪ Improvement to the design of the ‘child assessment’ template within the clinical record.
8. DNA rates at CMHT response team	<ul style="list-style-type: none"> ▪ There is a proactive overview of DNA rates by consultant and team manager. 	<ul style="list-style-type: none"> ▪ Implementation of a text reminder service.
9. Record keeping	<ul style="list-style-type: none"> ▪ The majority of the records audited were contemporaneous and whenever possible made immediately after contact with the patient. ▪ High compliance in relation to documented risk assessments. ▪ High compliance in relation to legible prescription sheets/ charts containing adequate details, i.e. patient identifier, dosage and signature. 	<ul style="list-style-type: none"> ▪ Conducted record keeping standards staff awareness campaign for ward based staff. ▪ Revision of audit tool for collection of results by care groups. ▪ Revision of audit tool to improve clarity of questions and remove questions which are no longer applicable.

National and local CWP clinical audits are reviewed as part of the annual healthcare quality improvement programme (which incorporates clinical audit), and are reported to our *Clinical Practice & Standards Sub Committee*, chaired by the Medical Director (Executive Lead for Quality).

We have an infection prevention and control (IPC) audit programme, to ensure cleanliness of the care environment, identify good IPC practice and areas for improvement. We also analyse patient safety standards, including use of the national safety thermometer tool, to monitor the degree to which we provide harm free care in relation to areas such as pressure ulcer care and falls through our Learning from Experience report, presented at our Quality Committee, which identifies areas for improvement.

Information on participation in clinical research

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

The number of patients that were recruited during that period to participate in research approved by a research ethics committee was **1066**.

Cheshire and Wirral Partnership NHS Foundation Trust was involved in conducting **24** clinical research studies in all of its clinical services during 2018/19.

There were **214** clinical staff participating in approved research during 2018/19. These staff participated in research covering **8** medical specialties.

The number of principal investigators in CWP has increased over the last year and more clinicians are actively involved in research. CWP has been associated with **19** research publications, the findings from which are used to improve patient outcomes and experience across the Trust and the wider NHS.

During 2018/19, CWP successfully recruited 3 participants to a Phase 3 study examining the efficacy and safety of a new drug for Alzheimer's Disease, and 106 patients and carers were recruited to a study investigating cognitive aids for those with mild to moderate dementia. CWP have also been participating in a study investigating the effect of Vitamin D in those diagnosed with First Episode Psychosis.

NICE guidance

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

Information on the use of the CQUIN framework

The *Commissioning for Quality and Innovation (CQUIN)* payment framework enables commissioners to reward excellence, by linking a proportion of our income to the achievement of local, regional, and national quality improvement goals. *CQUIN* goals are reviewed through the contract monitoring process.

A proportion of Cheshire and Wirral Partnership NHS Foundation Trust's income in 2018/19 was conditional on achieving quality improvement and innovation goals agreed between the Trust and any person or body they entered into a contract, agreement or arrangement with for the provision of relevant health services, through the Commissioning for Quality and Innovation payment framework. Further details of the agreed goals for 2019/20 available by request from the Trust's Effective Services Department: email lynndavison@nhs.net

The maximum income available in 2018/19 was £3,238,994, including a further £1,723,068 for meeting technical requirements stipulated by NHS Improvement and NHS England. Cheshire and Wirral Partnership NHS Foundation Trust received £2,913,166 for the *CQUIN* goals achieved (for 2017/18 this was £1,902,417). The total monies available in 2019/20, upon successful achievement of all the agreed *CQUIN* goals, is forecast to be £1,721,002, based on the NHS Improvement and NHS England new *CQUIN* payment framework.

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



Independent assessments of CWP and what people have said about the Trust can be found by accessing the Care Quality Commission's website. Here is the web address of CWP's page:
<http://www.cqc.org.uk/directory/rxa>

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

The Care Quality Commission has **not** taken enforcement action against the Trust during 2018/19.

Cheshire and Wirral Partnership NHS Foundation Trust has participated in **1** investigation or review by the Care Quality Commission during 2018/19, relating to the following:

A routine regulatory assessment of the 'well-led question', including targeted inspections focused on individual services and their leadership.

The individual services assessed were:

- Wards for older people with mental health problems
- Acute wards for adults of working age and psychiatric intensive care units
- Child and adolescent mental health wards
- Forensic inpatient/secure wards
- Community health services for children, young people and families
- GP out of hours service
- Primary medical services







Following this inspection, the Trust's rating has been sustained, remaining as "Good" overall with "Outstanding" for care.

The Trust intends to take the following action to address the conclusions or requirements reported by the Care Quality Commission:

- Update registration with the Care Quality Commission to enable the regulated activity of minor surgery to be carried out at Westminster Surgery.
- Establish effective systems and processes to ensure good governance in accordance with the fundamental standards of care at Westminster Surgery.
- Enhance systems to improve complaints management at Westminster Surgery.
- Ensuring effective systems and processes are in place to monitor and manage staff access to clinical supervision.
- Ensuring patients' privacy, dignity and safety is not compromised as a result of breaches in relation to guidance on mixed sex accommodation.
- Making sure that each patient who requires one has a personal emergency evacuation plan in place.
- Supporting staff to maintain compliance with mandatory training.
- Ensuring that physical health monitoring takes place and policy and national guidance followed after the administration of rapid tranquilisation to a patient in the service.
- Supporting staff to consistently record their responsibilities under the Mental Health Act Code of Practice relating to seclusion and reasons are given if staff need to depart from the code.
- Supporting staff to consider, and record discussions, around the differing thresholds and responsibilities between seclusion and long-term segregation.
- Carrying out audits relating to seclusion and rapid tranquilisation

The Trust has made the following progress by 31 March 2019 in taking such action:

- A quality improvement plan was developed in response to the conclusions and requirements identified by the Care Quality Commission. All of the identified improvement actions are either completed or are on track for completion by the end of May 2019. Cheshire and Wirral Partnership NHS Foundation Trust meets with the Care Quality Commission on a quarterly basis to provide updates on the progress made in taking the actions required.

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

Information on the quality of data

NHS number and general medical practice code validity

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

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

Cheshire and Wirral Partnership NHS Foundation Trust submitted records during 2018/19 to the Secondary Uses service for inclusion in the Hospital Episode Statistics which are included in the latest published data.

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

99.8% for admitted patient care;

100.0% for outpatient care.

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

100.0% for admitted patient care; and

100.0% for outpatient care.

Information Governance Toolkit attainment levels

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

The Data Security & Protection Toolkit, which replaced the Information Governance toolkit in May 2018, is subject to annual internal audit. This was recently completed and a significant/ substantial assurance opinion was issued for the seventh consecutive year.

Clinical coding error rate

Cheshire and Wirral Partnership NHS Foundation Trust was **not** subject to the *Payment by Results* clinical coding audit during 2018/19 by the *Audit Commission*.

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

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

Data quality

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

- Continue to implement the Trust's data quality improvement framework during 2019/20, this will involve improvements in the notification of data quality issues to our clinical teams.
- Implement the improvement actions identified in response to recommendations arising from the independent audit of the mandated and local indicators identified in Part 3.
- Delivery of the Trustwide data quality (data capture, flow and production) strategic risk treatment plan to progress mitigating actions identified.

Performance against key national quality indicator targets

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

We have successfully met all required organisational performance levels for the quality indicator targets detailed below. Performance against all targets from NHS Improvement's Single Oversight Framework 2018/19, including our local indicator chosen by the council of governors as described in Part 3, is detailed in our Annual Report 2018/19.

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

Performance against key* national quality indicator targets from NHS Improvement's Single Oversight Framework 2018/19

Indicator	Required Trustwide performance threshold	**Trustwide
Care Programme Approach (CPA) patients, comprising:		
▪ Receiving follow-up contact within seven days of discharge	95.0%	96.5%
▪ Having formal review within 12 months	95.0%	96.5%
Early intervention in psychosis (EIP): people experiencing a first episode of psychosis treated with a NICE-approved care package within two weeks of referral	50.0%	68.7%
Improving access to psychological therapies (IAPT):		
▪ Proportion of people completing treatment who move to recovery	50%	50.0%
▪ People with common mental health conditions referred to the IAPT programme will be treated within 6 weeks of referral	75%	85.2%
▪ People with common mental health conditions referred to the IAPT programme will be treated within 18 weeks of referral	95%	99.5%
Minimising mental health delayed transfers of care	≤7.5%	3.7%
Admissions to inpatient services that had access to crisis resolution/ home treatment teams	95.0%	96.3%

*Additional national quality indicator targets are detailed in Part 3 of this Quality Account – see section “An overview of the quality of care offered by CWP – performance in 2018/19”

**Trustwide includes all relevant services (see section above entitled “Information on the review of services”)

Performance against quality indicators: 2017/18 – 2018/19

Quality Accounts are required to report against a core set of quality indicators provided by NHS Digital. This allows readers to compare performance common across all Quality Accounts nationally. These are detailed in the following table.

Quality indicator	Related NHS Outcomes Framework domain	Reporting period					
		2018/19			2017/18		
		CWP performance	National average	National performance range	CWP performance	National average	National performance range
Care Programme Approach (CPA) patients receiving follow-up contact within seven days of discharge from psychiatric inpatient care	Preventing people from dying prematurely Enhancing quality of life for people with long-term conditions	Quarter 1 97.9%	Quarter 1 96.4%	Quarter 1 73.4% – 100%	Quarter 1 98.9%	Quarter 1 95.4%	Quarter 1 69.2% – 100%
		Quarter 2 95.3%	Quarter 2 95.7%	Quarter 2 83% – 100%	Quarter 2 98.1%	Quarter 2 96.7%	Quarter 2 87.5% – 100%
		Quarter 3 96.5%	Quarter 3 95.5%	Quarter 3 81.6% – 100%	Quarter 3 97.2%	Quarter 3 95.4%	Quarter 3 69.2% – 100%
		Not available until June 2019	Not available until June 2019	Not available until June 2019	Quarter 4 99.2%	Quarter 4 95.5%	Quarter 4 68.2% – 100%
Admissions to acute wards for which the crisis resolution home treatment team acted as a gatekeeper	Enhancing quality of life for people with long-term conditions	Quarter 1 96.6%	Quarter 1 98.1%	Quarter 1 85.1% – 100%	Quarter 1 98.1%	Quarter 1 98.5%	Quarter 1 91.4% – 100%
		Quarter 2 100%	Quarter 2 98.4%	Quarter 2 81.4% – 100%	Quarter 2 95.4%	Quarter 2 98.6%	Quarter 2 94.0% – 100%
		Quarter 3 97.4%	Quarter 3 97.8%	Quarter 3 78.8% – 100%	Quarter 3 97.8%	Quarter 3 98.7%	Quarter 3 88.9% – 100%
		Not available until	Not	Not available	Quarter 4	Quarter 4	Quarter 4
		Cheshire and Wirral Partnership NHS Foundation Trust considers that this data is as described because the Trust's data is checked internally for consistency and accuracy by the responsible staff in line with internal gatekeeping processes. The Trust's external auditors have verified the processes for production of this data. The Trust has achieved the performance target for this quality indicator, as required by the Department of Health and NHS Improvement (target for 2018/19 is achieving at least 95.0% rate of patients followed up after discharge, CWP performance for 2018/19 is 96.4%*). The Trust has taken the following action to improve this percentage, and so the quality of its services: targeting work with services and teams demonstrating areas of underperformance by offering support through dedicated analysts.					

		Reporting period					
		2018/19		2017/18			
Quality indicator	Related NHS Outcomes Framework domain	CWP performance	National average	National performance range	CWP performance	National average	National performance range
				June 2019	available until June 2019	until June 2019	97.7%
		Cheshire and Wirral Partnership NHS Foundation Trust considers that this data is as described because the Trust's data is checked internally for consistency and accuracy by the responsible staff in line with internal gatekeeping processes. The Trust's external auditors have verified the processes for production of this data. The Trust has achieved the performance target for this quality indicator, as required by the Department of Health and NHS Improvement (target for 2018/19 is achieving at least 95.0% of all admissions gate kept, CWP performance for 2018/19 is 96.3%*. The Trust has taken the following action to improve this percentage, and so the quality of its services: targeting work with services and teams demonstrating areas of underperformance by offering support through dedicated analysts.					
The percentage of patients aged (i) 0 to 14; and (ii) 15 or over, readmitted to a hospital which forms part of the Trust within 28 days of being discharged from a hospital which forms part of the Trust during the reporting period	Helping people to recover from episodes of ill health or following injury	(i) 0.0%	Not available via NHS Digital indicator portal*		(i) 0.0%	Not available via NHS Digital indicator portal*	
		(ii) 7.4%			(ii) 10.3%		
Cheshire and Wirral Partnership NHS Foundation Trust considers that this data is as described because using information that is held on internal information systems. Readmission rates help to monitor success in preventing or reducing unplanned readmissions to hospital following discharge. The Trust has taken the following action to improve this percentage, and so the quality of its services: targeting work with services and teams demonstrating areas of underperformance by offering support through dedicated analysts.							
Staff employed by, or under contract to the Trust who would recommend the Trust as a provider of care to their family or friends	Ensuring that people have a positive experience of care	72%	70%	36% – 95%	72%	70%	42% – 93%
		Cheshire and Wirral Partnership NHS Foundation Trust considers that this data is as described because it is administered and verified by the National NHS Staff Survey Co-ordination Centre. The Trust has taken the following action to improve this percentage, and so the quality of its services: developing an action plan to address areas of improvement identified in the survey.					
"Patient experience of community mental health services" indicator score with regard to a patient's experience of contact with	Enhancing quality of life for people with long-term conditions Ensuring that	75%	"About the same"	40% – 80%	80%	"About the same"	64% – 81%
		Cheshire and Wirral Partnership NHS Foundation Trust considers that this data is as described because the survey is administered and verified externally on behalf of the Care Quality Commission. The Trust has taken the following action to improve this percentage, and so the quality of its services, by sharing					

		Reporting period					
		2018/19		2017/18			
Quality indicator	Related NHS Outcomes Framework domain	CWP performance	National average	National performance range	CWP performance	National average	National performance range
a health or social care worker	people have a positive experience of care						
Incidents (i) The number and, where available, rate (per 1,000 bed days) of patient safety incidents reported within the Trust during the reporting period and the number and percentage of such patient safety incidents that resulted in (ii) severe harm or (iii) death	Treating and caring for people in a safe environment and protecting them from avoidable harm	** (i) 2859/ 53.6	** (i) 3381/ 55.4	** (i) 16 – 9204/ 24.9 – 114.3	*(i) 4330/ 41.2	*(i) 3153/ 51.4	*(i) 13 – 15518/ 14.9 – 126.5
		** (ii) 60/ 2.1	** (ii) 11/ 0.3	** (ii) 0 – 129/ 0 – 2.1	*(ii) 82/ 1.9	*(ii) 10/ 0.3	*(ii) 0 – 210/ 0 – 2.1
		** (iii) 47/ 1.6	** (iii) 26/ 0.9	** (iii) 0 – 110/ 0 – 2.3	*(iii) 86/ 2.0	*(iii) 24/ 0.9	*(iii) 1 – 221/ 0 – 3.9
		Cheshire and Wirral Partnership NHS Foundation Trust considers that this data is as described because the Trust's data is checked internally for consistency and accuracy by the responsible staff in line with internal gatekeeping processes. The data is analysed and published by NHS Improvement. The national data stated relates to mental health trusts only. The Trust has taken the following action to improve this number/ percentage, and so the quality of its services: encouraging the reporting of incidents through its "learning from experience" report produced for staff three times a year. The national average data includes all mental health trusts that have provided partial or full data.					
		*Represents full 2018/19 data hence the difference in reporting in the Quality Account 2017/18. **Represents data for 01/04/2018 to 30/09/2018, data for 01/10/2018 to 31/03/2019 will be available in April 2020.					

Performance for 2018/19 (and 2017/18 where applicable) is not available or is not available at the time of publication of the report from the data source prescribed in *The National Health Service (Quality Accounts) Amendments Regulations 2012*.
 The data source is NHS Digital.

The data source of the performance that is stated as Trust performance where *NHS Digital* data is not available is the Trust's information systems.

Part 3.

Other information

An overview of the quality of care offered by CWP – performance in 2018/19

Below is a summary of our Trustwide performance, during 2018/19, against previous years' quality improvement priority areas. The performance compares historical data where this is available. These priorities were selected because they are national quality indicator targets.

Quality improvement priority area	Year identified	CWP performance		
		2016/17	2017/18	2018/19
Patient safety				
1. Inappropriate out of area placements	2015/16	0	0	1*
2. Admissions to adult facilities of patients under 16	2015/16	0	1**	0
3. CPA follow up – proportion of discharges from hospital followed up within 7 days	2015/16	98.0%	97.3%	96.4%
Clinical effectiveness				
1. % of clients in employment	2015/16	11%	7.3%	7.7%
2. Ensure that cardio-metabolic assessment and treatment for people with psychosis is delivered routinely in the following service areas:	2015/16			
Inpatient wards		92%	92%	90%
Early intervention in psychosis services		99%	71%	97%
Community mental health services (people on care programme approach)		69%	60%	N/R
3. IAPT – proportion of people completing treatment who move to recovery	2016/17	53.7%	51.1%	50.0%
Patient experience				
1. Referral to treatment % of incomplete referrals waiting less than 18 weeks (1st DNA) 18 week - incomplete	2016/17	97.2%	87.6%	92.5%
2. People with a first episode of psychosis begin treatment with a NICE recommended care package within two weeks referral	2016/17	85.0%	79.8%	69.5%
3. IAPT waiting times to begin treatment	2016/17			
▪ 6 weeks		88.9%	89.8%	84.0%
▪ 18 weeks		98.4%	99.5%	99.5%

* This person was categorised as “away from home” therefore in line with national guidance, for CWP as the receiving organisation, this instance is defined as an “appropriate out of area placement”

** Admission in the person's best interests, agreed with commissioners

N/A = Not Available

N/R = Not Received (available June 2019)

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

Mandated indicators

- Early Intervention in Psychosis: people experiencing a first episode of psychosis treated with a NICE approved package within two weeks of referral.
- Improving Access to Psychological Therapies: waiting time to begin treatment.

Locally selected indicator

- Child Eating Disorders – patients commencing NICE-concordant treatment within 4 weeks (routine cases).
- Child Eating Disorders – patients commencing NICE-concordant treatment within 1 week (urgent cases).

Additional information on improving the quality of CWP's services in 2018/19

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

Improving patient safety



Non-medical prescribing (NMP) contributes to the delivery of high quality and person-centred services. It also supports the delivery of Care Quality Commission essential standards and enables organisations to achieve access targets. A member of the pharmacy team in Central & East Cheshire, was enrolled onto the NMP course and has now qualified; further members of the pharmacy team in other areas plan to also undertake the training.

The immediate results were that the NMP within the Central & East pharmacy team has been able to help with the writing of new prescriptions and clarifying unclear prescriptions by re-writing them in a timely manner when no medical staff were available. This has **reduced the risk of medication errors** that could have occurred while waiting for the availability of medical staff. The NMP has also been able to undertake patient reviews with the Home Treatment team and facilitate the issuing of prescriptions at the point of patient review rather than having to rely on duty doctors following it up at a later date, which delays the implementation of the necessary interventions.

Our Emotionally Healthy School (EHS) Links Team have been supporting schools with children and young people who harm themselves intentionally. It was identified that schools required a clear pathway for self-harm. The team, with primary mental health colleagues, met with school leads in Cheshire East to identify what information they would find useful to support their response to self-harm. The information was collated and a review of good practice was conducted to identify existing toolkits and pathways that could be adapted. The self-harm pathway has been rolled out to all schools and colleges via the EHS Links mental health awareness training, which is posted on the Trust's MyMind website and the EHS programme landing page on Middlewich High School's website. School staff have reported feeling **more confident and equipped to respond appropriately to children and young people who have harmed themselves** deliberately. School staff attending training have found the pathway informative and easy to use and have valued the scripted questions that can be found in the document to drive questions around an individual's risk to themselves. They report in feedback that the self-harm pathway component of the training is the one they value the most.



Safety huddles are brief and routine meetings for sharing information about potential or existing safety problems. We have identified wards with the highest numbers of increased therapeutic observations for the longest durations and introduced safety huddles.

Since the introduction of safety huddles, there has been a **significant reduction in level 3 and level 4 observations**, with only one person requiring this (before accessing ECT). Level 2 observations have been reviewed daily and there has also been a noticeable reduction in the number of people requiring 5 or 10 minute observations. Staff have engaged well with

the safety huddle and have noticed the benefit of this being a multi-disciplinary team approach and staff report that they feel supported in making decisions in relation to therapeutic observations.



As a specialist eating disorder unit, Oaktrees ward has seen an expansion of access to and the use of social media and the effect it has on people accessing the service. The ward decided to create a social media initiative; the aim was to find out more about what sites people were using and how this impacted on their mental health, helping them identify how the negative social media was empowering their eating disorder and to provide them with a space to discuss this with a lead nurse.

The ward has set up a self-help shelf in the communal area and provided self-help books for people who struggle to use social media sites. Also they have found some of the blogs and pages

identified on the ward's social media board **helpful in safety improving the management of their eating disorder**, people are also informing staff of sites they have found helpful to put on the board.

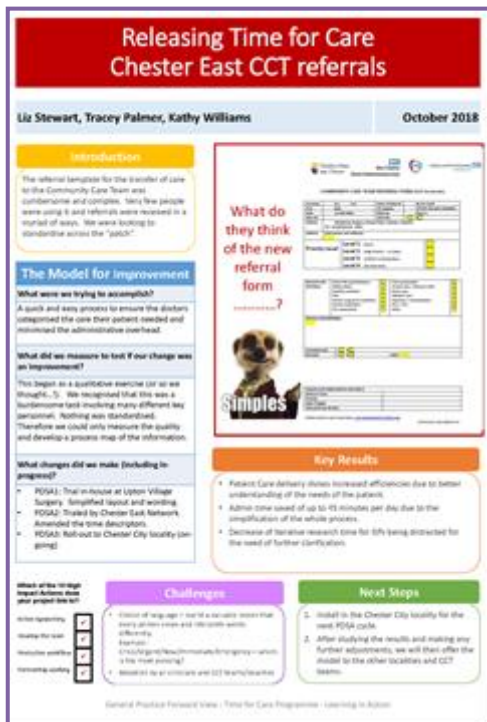
Improving clinical effectiveness

The Red2Green project has been running for over a year and the next stage is now focussed on the sustainability of the project and embedding it within the culture of the wards in CWP. Red2Green aims to **optimise patient flow through the**

Red2Green

identification of wasted time in a person's journey, and reduce internal and external delays. The emphasis is on people receiving active and timely care in the most appropriate setting and for no longer than required, so that people do not lose one more day of community living than is absolutely necessary. For inpatient settings, this is vital in improving quality of care and freeing up capacity within the system by reducing length of stay. A steering group for the future of the Red2Green project has been planned to support the continuous improvement of flow through inpatient services and ensure consistency in the approach across the Trust. Administration support has been identified as being vital and is being allocated to support 'board rounds' on the wards. The criteria was redeveloped to be applicable to an organic ward.

Red2Green has successfully spread to nine wards within CWP, including acute and organic wards and is being trialled within community intensive support services in Wirral. The engagement and motivation from staff in the project has maintained and been the driver for the continued success of the project. It has been particularly successful on Meadowbank, an organic ward, where the average length of stay has reduced from 73.6 to 47.3 days.



There are nine community care teams (CCTs) across the Trust, three of which are in Chester and includes East CCT. The team identified that there was insufficient information being received at the point of referral which was impacting on time, resource and person-centredness, as a referral can be made for a huge variety of reasons reflected by the multi-disciplinary nature of the team. The team developed a new referral form, ensuring that a triage system or priority assessment was included to ensure timely access to the service. The team were very keen to ensure that the form was piloted and undertook a PDSA cycle, collaborating with one of the GP cluster practices, gathering feedback on any areas on which to improve before spreading the initiative to the rest of the cluster.

The results have been very encouraging; everybody in the cluster feels **the form is more efficient, streamlined and effective and has impacted positively on the delivery of patient care.** There is a greater awareness and understanding of



the person's needs on referral, which precipitates an improved timeliness to a person's access to the appropriate service. Furthermore, through the PDSA cycle, the team have identified that the administration time within the GP practices and CCT has, on average, saved 45 minutes a day.



The Older People's Mental Health Service in Chester has been providing Cognitive Stimulation Therapy (CST) for several years and over that time have **developed the intervention in accordance with best practice.** The team wanted to build on the foundation of current CST sessions to spread the programme further, making it accessible to more people and gaining feedback from carers in order to evaluate the impact of the therapy.

Initially people attended seven weekly sessions; as the team's skills and confidence developed, they were extended to ten weekly sessions. The team are now in the position to deliver a programme of fourteen hourly sessions, held twice weekly for up to eight people at a time. Sessions, run by two staff members, are structured and always include discussion on current affairs and activity relating to a specific topic, for example childhood memories, creative activity, sounds or word games. The principles of reality orientation and reminiscence therapy are incorporated into the sessions in a helpful and sensitive way though the emphasis is on enabling people to give their opinions rather than having to give factual information which they may find difficult to recall.

Historically, there have been significant waiting lists for people accessing speech and language therapy in community learning disability services in West Cheshire; as a result the team have looked at innovative ways for those people referred to access support in a more timely way. The service wanted to provide person-centred training in relation to speech and language therapy using 'Total Communication' workshops in order to reduce waiting times for people who access services and their families. The team wanted to ensure that people received the right care, at the right place, at the right time.



A 'Total Communication' workshop was developed and delivered, which involved speech and language therapeutic training and support in a group setting. People, which included the patient, family and care team, were trained in how to use a Total Communication approach and how to create a person-centred plan to ensure the person receives good quality support.

The project has **significantly reduced waiting times for Speech and Language Therapy support** using a Total Communication approach. This support is now offered within two months of referral compared to a previous wait of approximately six months.

Improving patient experience



Cheshire and Wirral was one of the first 11 pilot sites across the country selected by Health Education England to pioneer nursing associate training in England.

Nursing associates are trained to work with people of all ages, in a variety of settings, and enable registered nurses to focus on more complex clinical duties by **helping meet the changing health and care needs of patients**. Nursing associates support, not substitute, registered nurses, creating better educated and skilled support staff that allow improved use of graduate registered nurse resources.

40 graduates have completed a two-year work-based programme in the beginning of 2019 and are now Registered Nursing Associates.

Recognising that carers can feel very isolated looking after a loved one with dementia, the staff at Bowmere Hospital have launched a Memory Café supported by the Alzheimer's Society.

Links were built with an Alzheimer's Society representative who supported the development of the Memory Café within the Oasis Café at Bowmere Hospital. The sessions include informal carer support and a supportive environment with social activities, including quizzes and reminiscence items available for carers to engage in with the person they care for or with other carers/ facilitators. **Carer support can be identified and addressed immediately** due to Alzheimer's Society representation. The session is open to all and the location was chosen to encourage and support attendance of those who have current or who have had previous involvement within the inpatient or community older adult services in Chester. This allows for graded involvement, with the hope of links being built, followed by continued support and attendance following discharge from these services.



The Trust's Millbrook Unit, based in Macclesfield, developed a well-being group facilitated by various staff, adopting a collaborative, multi-disciplinary approach to **aid recovery for people within their acute adult mental health and dementia wards**.

The well-being sessions were developed as a joint effort between members of the therapy team, once identified that Mindfulness and Tai Chi could have positive benefits. The mindfulness section of the session is facilitated by an art therapist and the Tai Chi exercises are facilitated by a physiotherapist. The Occupational Therapy staff

also support the session by helping to identify and encourage people who may benefit from attendance, and by helping to co-facilitate the session.

The therapeutic activity timetable has a better balance of activities and opportunities, encompassing daily living skills sessions, social groups, well-being sessions and gym. As the well-being session is available to people across three wards, it enables them to mix with different people and is an efficient use of workforce. Staff have also improved skills and awareness of Tai Chi and Mindfulness interventions.

A brand new All Age Disability service has been launched in Wirral, aiming to improve experiences for people in the area with a disability or mental health condition. The service, provided by CWP has brought together teams historically split between CWP and Wirral Council, under one banner, ensuring a **more streamlined and person-centred experience**. Those who access the service are supported to live as independently as possible and enjoy the best quality of life they can, with collaborative support from both social care and healthcare staff.

CWP has launched a new advice line for young people, parents/ carers and organisations across Cheshire and Wirral who may have concerns about a young person’s mental health. It **provides access to a mental health service for children and young people, their families and concerned professionals outside of usual hours**.



There is a high incidence of over 65 year old females living alone in the Neston area, and as part of compassionate communities, Neston and Willaston Community Care team have built collaborations with the third sector to improve wellbeing, especially for this demographic.



The team have engaged with Healthbox, who have started up initiatives in the Neston area such as introducing foodbanks and combatting social isolation. The team also engage with Live at Home which is an initiative

that arranges events for local people who may be socially isolated and aims to offer lunches, outings and guest speakers. The team met with representatives from both initiatives and arranged for their therapy assistant to attend a session and deliver a talk on falls prevention. In addition, one of the community nurses has been identified to deliver a talk on the importance of looking after your skin, especially in pressure areas.

The results so far are demonstrating cohesive and collaborative working with the third sector to **improve the patient experience within the local area**, with lots of positive feedback from many different stakeholders.



Annex A: Glossary

ASD

Autism Spectrum Disorder – a neurodevelopmental disorder that impairs a child's ability to communicate and interact with others.

All Age Disability

Working alongside people with disabilities of all ages.

Board

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

Care pathways

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

Care plan

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

Care Programme Approach – CPA

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

Care Quality Commission – CQC

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

Carer

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

Clinical audit

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

Clinical commissioning group – CCG

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

Clinician

A health professional. Clinicians come from a number of different healthcare professions, such as psychiatrists, psychologists, nurses, occupational therapists etc.

Commissioners

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

Commissioning for Quality and Innovation – CQUIN

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

Community physical health services

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

Crisis

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

CST

Cognitive Stimulation Therapy, an adaptable approach which can benefit people with a wide range of dementia.

Department of Health

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

Driver diagram

A visual display of what “drives” the achievement of a project aim.

Duty of Candour

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

ECT

Electroconvulsive Therapy, a procedure done under general anaesthesia in which small currents pass through the brain to treat certain mental health illnesses.

Electrocardiogram (ECG)

A test to check a heart rhythm.

Forensic

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

Foundation Trust

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

Health Act

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

Healthcare

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

Hospital Episode Statistics

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

Improving Access to Psychological Therapies – IAPT

A national programme to implement NICE guidelines for people suffering from depression and anxiety disorders.

Information Governance Toolkit

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

Mental Health Act 1983

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

Multi-disciplinary Team (MDT)

A group of professionals from diverse disciplines who come together to provide care, e.g. psychiatrists, psychologists, community psychiatric nurses, occupational therapists etc.

MyMind

An NHS website run by CWP for everyone interested in the mental health and well-being of children and young people across Cheshire and Wirral.

National Confidential Enquiry into Patient Outcome and Death – NCEPOD

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

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

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

National Institute for Health and Care Excellence – NICE

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

National prescribing observatory for mental health

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

National Staff Survey

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

NHS Commissioning Board Special Health Authority

Responsible for promoting patient safety wherever the NHS provides care.

NHS Constitution

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

NHS Improvement

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

Patient Advice and Liaison Services – PALS

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

PDSA

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

Perinatal

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

Person-centred care

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

Providers

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

Psychiatric Intensive Care Unit (PICU)

Takes care of patients who cannot be cared for on an open (unlocked) ward due to their needs.

Public health

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

Quarter

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

Registration

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

Regulations

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

Research

Clinical research and clinical trials are an everyday part of the NHS. The people who do research are mostly the same doctors and other health professionals who treat people. A clinical trial is a particular type of research that tests one treatment against another. It may involve either patients or people in good health, or both.

Secondary care

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

Secondary Uses Service – SUS

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

Serious untoward incident

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

Service users/ patients/ people who access services

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

Single Oversight Framework

An NHS Improvement framework for assessing the performance of NHS trusts.

Special review

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

Stakeholders

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

Strategy

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

The Health and Social Care Information Centre

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

Triangle of Care

A working collaboration, or "therapeutic alliance" between the person accessing health and care services, the professional and the person's family/ carer/ advocate that promotes safety, supports recovery and sustains well-being.

Urinary Tract Infection (UTI)

An infection of the urinary system, usually caused by bacteria.

Venepuncture

Process of obtaining the persons veins to access for blood sampling

Zero Harm

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

Annex B: Comments on CWP Quality Account 2018/19

Statement from Governors

A statement from the Lead Governor is in the foreword of the Annual Report. At the Council of Governors meeting held on 18 April 2019 it was agreed that the Child Eating Disorders – patients commencing NICE-concordant treatment within 4 weeks (routine cases) and the Child Eating Disorders patients commencing NICE-concordant treatment within 1 week (urgent cases) would be the locally selected indicator. Governors have continued to play a key role in influencing and informing Trust strategy and have been fully involved in the development of the Trust strategic plan and operational plan and fully support the Trust as it seeks to achieve its ambitions and objectives. Furthermore, the Governors agree to continue to focus on the same Quality Improvement priorities as last year. By refining the priorities further, this will help bring about further improvements. It was a pleasure to read the Quality Account and to confirm support the priorities that the Trust has identified for the next year. The theme running throughout is that of improved person-centred care and the quality improvement strategy and agenda. I am particularly impressed with the establishment of a Quality Improvement faculty to bring together the support for Quality Improvement. The faculty has helped to promote Quality Improvement and ensure that learning and good practice is shared.

Comments by CWP's commissioners

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

Feedback was requested on 15/05/2019, but has not been received

NHS West Cheshire Clinical Commissioning Group commentary

Feedback was requested on 15/05/2019, but has not been received

NHS Wirral Clinical Commissioning Group commentary

Feedback was requested on 15/05/2019, but has not been received

Statement from Scrutiny Committees

Statement from Wirral Metropolitan Borough Council

The Adult Care and Health Overview & Scrutiny Committee are responsible for the discharge of the health scrutiny function at Wirral Council. The Committee established a task and finish group in May 2019 in order to review the Quality Account of the Cheshire and Wirral Partnership NHS Foundation Trust for 2018/19 and were grateful for the opportunity to comment on the draft report.

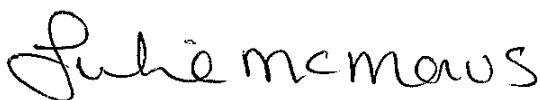
Within the three priority areas of patient safety, patient experience and clinical effectiveness, Members note that the Trust have gone some way to implementing quality improvement initiatives and have made progress. The Trust's aim to reduce the severity of harm by those that cause harm to themselves has seen significant development, with a 12% reduction reported for moderate and severe incidents of self-harm. Although this did not meet the Trust's target of 20%, Members expect that the continuous improvements in this area will have an impact, and welcome the steps taken; particularly the analysis of self-harm data and collaborative working with the Safe Services team. Members are also pleased to note the work undertaken towards improved engagement with bereaved families and carers, principally the enhancement of the family liaison role. As a national priority, the person-centred approach to bereavement is welcomed as a positive way to support those affected by loss, whilst learning from their experiences in order to provide better care.

It is noted that there have been a number of initiatives implemented to improve inpatient access to psychological therapies, with Members recognising that there have been achievements in response to this priority. There is, however, ongoing concern in relation to the current picture of Child and Adolescent Mental Health Services (CAMHS). It is understood that there has been an increase in demand for these services nationally, and that this trend is reflected in Wirral. However, Members are disheartened to learn that there are an estimated 7000+ children with diagnosable mental health conditions who are not supported by local services. Members appreciate that the Trust are part of a wider structure of mental health service provision and anticipate that the number of children and young people reached will improve over the coming year through partnership working with commissioners.

Members are pleased to learn that these priorities will be continued into 2019/20 so that the positive work started in 2018/19 can be developed and monitored over an extended period. It is expected that improvements and action plan sustainability in all priority areas will be evidenced over the forthcoming year.

Staff engagement is tremendously important in any organisation, and it is clear that there is some work to be done within the Trust in order to strengthen workforce participation and communication. The results of the NHS Staff Survey undertaken by the Trust show key areas of necessary improvement; notably, only 30% of staff feel senior managers try to involve them in decision making. In addition, only 37% of staff feel that communication between senior management and staff is effective – with both of these results falling below the national average. It is encouraging to hear that the Trust has already taken steps to address these areas. For example, through introduction of measures such as culture surveys to identify themes of staff disengagement and to look at ways to mitigate them.

The Adult Care and Health Overview & Scrutiny Committee look forward to continued partnership working with the Trust during the forthcoming year and note its priorities for 2019/20.



Councillor Julie McManus
Chair, Adult Care and Health Overview & Scrutiny Committee
Wirral Borough Council

Cheshire East Health and Adult Social Care Overview and Scrutiny Committee
Feedback was requested on 17/05/2019, but has not been received

Statement from Healthwatch organisations

Healthwatch Wirral

Feedback was requested on 16/05/2019, but has not been received

Healthwatch Cheshire

Feedback was requested on 16/05/2019, but has not been received

Annex C: Statement of Directors responsibilities in respect of the quality report

The directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010 as amended to prepare Quality Accounts for each financial year.

NHS Improvement has issued guidance to NHS Foundation Trust boards on the form and content of annual quality reports (which incorporate the above legal requirements) and on the arrangements that Foundation Trust boards should put in place to support the data quality for the preparation of the quality report.

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

- the Quality Report is prepared in all material respects in line with the criteria set out in the NHS Improvement publications the NHS Foundation Trust Annual Reporting Manual 2018/19 and Detailed requirements for quality reports for foundation trusts 2018/19;
- the Quality Report is consistent in all material respects with the sources specified in the NHS Improvement guidance.

The indicators in the Quality Report identified as having been the subject of limited assurance in the Quality Report are reasonably stated in all material respects in accordance with the NHS Improvement Detailed requirements for quality reports for foundation trusts 2018/19 and the six dimensions of data quality set out in the Detailed Requirements for external assurance for quality reports for foundation trusts 2018/19 (the Guidance'). The Quality Report presents a balanced picture of the NHS Foundation Trust's performance over the period covered.

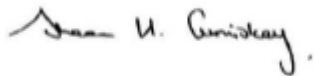
- the performance information reported in the Quality Report is reliable and accurate;
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice; these control measures include implementation of the improvement actions identified in response to recommendations arising from the independent audit of the mandated and local indicators identified in the independent auditor's report;
- the data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review; and the Quality Report has been prepared in accordance with NHS Improvements annual reporting guidance (which incorporates the Quality Accounts regulations) as well as the standards to support data quality for the preparation of the Quality Report.

The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the Quality Report. We will continue to strive to improve the quality of data the Trust collects.

By order of the Board at the meeting held on 22 May 2019.

A handwritten signature in black ink, appearing to be 'evan', written on a light-colored background.

22 May 2019 Chair of the meeting

A handwritten signature in black ink, appearing to be 'John H. Gristley', written on a light-colored background.

22 May 2019 Chief Executive

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

We have been engaged by the Council of Governors of Cheshire and Wirral Partnership NHS Foundation Trust to perform an independent assurance engagement in respect of Cheshire and Wirral Partnership NHS Foundation Trust's Quality Report for the year ended 31 March 2019 (the 'Quality Report') and certain performance indicators contained therein.

Scope and subject matter

The indicators for the year ended 31 March 2019 subject to limited assurance consist of the following two national priority indicators:

- early intervention in psychosis (EIP): people experiencing a first episode of psychosis treated with a National Institute for Health and Care Excellence (NICE)-approved care package within two weeks of referral
- improving access to psychological therapies (IAPT): waiting time to begin treatment (from IAPT minimum dataset): within six weeks of referral

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

Respective responsibilities of the directors and auditors

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

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

- the Quality Report is not prepared in all material respects in line with the criteria set out in the *NHS Foundation Trust Annual Reporting Manual* and supporting guidance;
- the Quality Report is not consistent in all material respects with the sources specified in the *Detailed requirements for quality reports for foundation trusts 2018/19* ('the Guidance'); and
- the indicators in the Quality Report identified as having been the subject of limited assurance in the Quality Report are not reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and the six dimensions of data quality set out in the Guidance.

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

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

- Board minutes and papers for the period April 2018 to May 2019;
- papers relating to quality reported to the board over the period April 2018 to May 2019;
- feedback from commissioners, requested 15 May 2019 but not received;
- feedback from governors, dated 15 May 2019;
- feedback from local Healthwatch organisations, requested 16 May 2019 but not received;
- feedback from Overview and Scrutiny Committee, dated 17 May 2019;
- the trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009;
- the national patient survey, dated August 2019;

- the latest national staff survey, dated February 2019;
- Care Quality Commission Inspection, dated December 2018;
- the 2018/19 Head of Internal Audit's annual opinion over the trust's control environment, dated 7th May 2019; and
- any other information included in our review.

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

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

This report, including the conclusion, has been prepared solely for the Council of Governors of Cheshire and Wirral Partnership NHS Foundation Trust as a body, to assist the Council of Governors in reporting the NHS Foundation Trust's quality agenda, performance and activities. We permit the disclosure of this report within the Annual Report for the year ended 31 March 2019, to enable the Council of Governors to demonstrate they have discharged their governance responsibilities by commissioning an independent assurance report in connection with the indicator. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors as a body and Cheshire and Wirral Partnership NHS Foundation Trust for our work or this report, except where terms are expressly agreed and with our prior consent in writing.

Assurance work performed

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

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

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

Limitations

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

The absence of a significant body of established practice on which to draw allows for the selection of different, but acceptable measurement techniques which can result in materially different measurements and can affect comparability. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision of these criteria, may change over time. It is important to read the quality report in the context of the criteria set out in the *NHS Foundation Trust Annual Reporting Manual* and supporting guidance.

The scope of our assurance work has not included governance over quality or the non-mandated indicator, which was determined locally by Cheshire and Wirral Partnership NHS Foundation Trust.

Basis for adverse conclusion on the early intervention in psychosis indicator

We recalculated the indicator based on the information available and tested a sample of 25 cases back to patient records. We identified 6 cases where the clock start/stop dates did not agree to the supporting documentation; 2 cases that were reported in the incorrect period and one case where the report didn't match system records. As a result of these issues, we have concluded that the early intervention in psychosis indicator for the year ended 31 March 2019 has not been reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and the six dimensions of data quality set out in the Guidance.

Conclusion

Based on the results of our procedures, except for the effects of the matters described in the 'Basis for adverse conclusion on the early intervention in psychosis indicator' section above, nothing has come to our attention that causes us to believe that, for the year ended 31 March 2019:

- the Quality Report is not prepared in all material respects in line with the criteria set out in the NHS Foundation Trust Annual Reporting Manual;
- the Quality Report is not consistent in all material respects with the sources specified in the Guidance; and
- the indicator in the Quality Report subject to limited assurance (the improving access to psychological therapies indicator) has not been reasonably stated in all material respects in accordance with the NHS Foundation Trust Annual Reporting Manual and the six dimensions of data quality set out in the Guidance.



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

24 May 2019

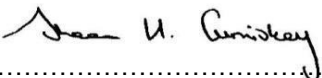
4. Annual Accounts 2018/19

Foreword to the accounts

Cheshire and Wirral Partnership NHS Foundation Trust

These accounts, for the year ended 31 March 2019, have been prepared by Cheshire and Wirral Partnership NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006.

Signed


.....

Name Sheena Cumiskey
Job title Chief Executive
Date 22 May 2019

Statement of Comprehensive Income

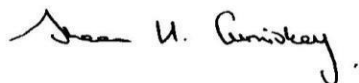
		2018/19	2017/18
	Note	£000	£000
Operating income from patient care activities	3	161,240	153,709
Other operating income	4	10,286	9,529
Operating expenses	7, 9	<u>(171,189)</u>	<u>(158,127)</u>
Operating surplus/(deficit) from continuing operations		<u>337</u>	<u>5,111</u>
Finance income	12	118	44
Finance expenses	13	(97)	(96)
PDC dividends payable		<u>(1,748)</u>	<u>(1,816)</u>
Net finance costs		<u>(1,727)</u>	<u>(1,868)</u>
Loss arising from transfers by absorption	14	<u>(4,977)</u>	<u>(311)</u>
Surplus / (deficit) for the year		<u>(6,367)</u>	<u>2,932</u>
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	8	(3,531)	(382)
Revaluations	16	12,353	3,452
Remeasurements of the net defined benefit pension scheme liability / asset	29	<u>(3,078)</u>	<u>57</u>
Total comprehensive income / (expense) for the period		<u>(623)</u>	<u>6,059</u>
Adjusted financial performance (control total basis):			
Surplus / (deficit) for the period		(6,367)	2,932
Remove net impairments not scoring to the Departmental expenditure limit		4,490	-
Remove losses on transfers by absorption		4,977	311
Remove non-cash element of on-SoFP pension costs		<u>274</u>	<u>7</u>
Adjusted financial performance surplus / (deficit)		<u>3,374</u>	<u>3,250</u>

Statement of Financial Position

		31 March 2019	31 March 2018
	Note	£000	£000
Non-current assets			
Property, plant and equipment	15	77,926	73,382
Other investments / financial assets	17	1	1
Total non-current assets		77,927	73,383
Current assets			
Receivables	19	8,545	8,565
Cash and cash equivalents	21	18,268	12,923
Total current assets		26,813	21,488
Current liabilities			
Trade and other payables	22	(18,326)	(15,298)
Borrowings	24	(133)	(103)
Provisions	26	(1,706)	(2,506)
Other liabilities	23	(2,437)	(2,563)
Total current liabilities		(22,602)	(20,470)
Total assets less current liabilities		82,138	74,401
Non-current liabilities			
Borrowings	24	(286)	(418)
Provisions	26	(658)	(712)
Other liabilities	23	(8,590)	(261)
Total non-current liabilities		(9,534)	(1,391)
Total assets employed		72,604	73,010
Financed by			
Public dividend capital		36,398	36,181
Revaluation reserve		18,741	10,160
Other reserves		(8,590)	(261)
Income and expenditure reserve		26,055	26,930
Total taxpayers' equity		72,604	73,010

The notes on pages 136 to 181 form part of these accounts.

Signed



Sheena Cumiskey
Chief Executive
22 May 2019

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

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

Statement of Changes in Equity for the year ended 31 March 2018

	Public dividend capital £000	Revaluation reserve £000	Other reserves £000	Income and expenditure reserve £000	Total £000
Taxpayers' equity at 1 April 2017 - brought forward	36,181	7,307	-	23,413	66,901
Prior period adjustment	-	50	-	-	50
Taxpayers' equity at 1 April 2017 - restated	36,181	7,357	-	23,413	66,951
Surplus for the year	-	-	-	2,932	2,932
Transfers by absorption: transfers between reserves	-	-	(311)	311	-
Other transfers between reserves	-	-	(7)	7	-
Impairments	-	(382)	-	-	(382)
Revaluations	-	3,452	-	-	3,452
Transfer to retained earnings on disposal of assets	-	(94)	-	94	-
Remeasurements of the defined net benefit pension scheme liability/asset	-	-	57	-	57
Other reserve movements	-	(173)	-	173	-
Taxpayers' equity at 31 March 2018	36,181	10,160	(261)	26,930	73,010

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

	2018/19	2017/18
Note	£000	£000
Cash flows from operating activities		
Operating surplus	337	5,111
Non-cash income and expense:		
Depreciation and amortisation	3.1 1,871	2,150
Net impairments	4 4,490	-
Non-cash movements in on-SoFP pension liability	274	7
(Increase) in receivables and other assets	(19)	(2,024)
Increase in payables and other liabilities	2,860	661
Increase / (decrease) in provisions	(856)	448
Other movements in operating cash flows	-	(3)
Net cash generated from operating activities	8,958	6,350
Cash flows from investing activities		
Interest received	112	38
Purchase of property, plant, equipment and investment property	(2,091)	(2,015)
Sales of property, plant, equipment and investment property	50	750
Net cash (used in) investing activities	(1,929)	(1,227)
Cash flows from financing activities		
Public dividend capital received	217	-
Capital element of finance lease rental payments	(102)	(19)
Interest paid on finance lease liabilities	(95)	(100)
PDC dividend (paid)	(1,704)	(1,565)
Net cash (used in) financing activities	(1,684)	(1,684)
Increase in cash and cash equivalents	5,345	3,439
Cash and cash equivalents at 1 April - brought forward	12,923	9,484
Cash and cash equivalents at 31 March	21.1 18,268	12,923

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 NHS foundation 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 2018/19 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 NHS foundation 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

Note 1.1.1 Accounting convention

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

Note 1.1.2 Going concern

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

Note 1.2 Critical judgements in applying accounting policies

In the application of the NHS foundation trusts accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Such estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. While estimates and underlying assumptions are continually reviewed, actual results may differ from such estimates. Revisions to accounting estimates are recognised in the year that such revisions occur. The following judgements, apart from those involving estimations (see below), are those that management has made in the process of applying the NHS foundation trust accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

- Determination of an appropriate carrying value for Property, Plant and Equipment. Detailed in note 15 is the basis that the NHS foundation trust has applied in valuing its Property, Plant and Equipment.
- Determination of an appropriate value for the NHS foundation trusts provisions. These are set out in note 26.
- Determination of an appropriate value for the NHS foundation trusts defined benefit pension obligation (asset and Liability). This is set out in note 29.

Note 1.2.1 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.

Modern Equivalent Asset Valuation

Independent valuers have provided valuations of the NHS foundation trusts land and building assets (estimated financial value and estimated remaining useful life), applying a Modern Equivalent Asset method of valuation. Future revaluations of the Trust's property may result in changes to the carrying value of land and buildings assets. On the basis of existing knowledge, outcomes within the next financial year that are different from the assumption around the valuation of our land, property, plant and equipment could require a material adjustment to the carrying amount of the asset recorded in note 15.

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 2016. 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 2019 and 31st March 2018 in measuring the present value of the defined benefit scheme liabilities are:

	31st March 2019	31st March 2018
	%p.a.	%p.a.
Pension Increase Rate	2.4%	2.3%
Salary Increase Rate	2.7%	2.6%
Discount Rate	2.5%	2.7%

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 2016. 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 2019 in measuring the present value of the defined benefit scheme liabilities are:

	31st March 2019	31st March 2018
	%p.a.	%p.a.
Pension Increase Rate	2.3%	N/A
Salary Increase Rate	3.7%	N/A
Discount Rate	2.5%	N/A

Note 1.3 Interests in other entities

Charitable Funds

Cheshire and Wirral Partnership NHS Foundation Trust Charitable Funds balances have not been consolidated into these financial statements even though the NHS foundation trust is a Corporate Trustee and the Charity represents a subsidiary as per IFRS 10. This is due to the immaterial effect of the transactions, assets and liabilities in the year on the primary statements of the Trust as a whole.

Nevexia Ltd

The NHS foundation trust created a subsidiary company in 2016/17 of which it has 100% stake. Nevexia Ltd has been set up to provide innovative care solutions. At the 31st March 2019 the Trust has not consolidated any of the financial statements of Nevexia Ltd on the grounds of materiality. Disclosure note 18 records the summary transactions for 2018/19.

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 2018/19. Joint operations are arrangements in which the trust has joint control with one or more other parties and has the rights to the assets, and obligations for the liabilities, relating to the arrangement. The trust includes within its financial statements its share of the assets, liabilities, income and expenses.

Note 1.4.1 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). As directed by the GAM, the transition to IFRS 15 in 2018/19 has been completed in accordance with paragraph C3 (b) of the Standard: applying the Standard retrospectively but recognising the cumulative effects at the date of initial application (1 April 2018).

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.

Revenue from NHS contracts

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

Note 1.4.2 Other income

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

Note 1.5 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 NHS Pension Scheme. Details of the benefits payable and rules of the scheme can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the direction of Secretary of State, 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 NHS foundation trust of participating in the scheme is taken as equal contributions payable to the scheme for the accounting period.

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

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

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 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 1.6 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 1.7 Property, plant and equipment

Note 1.7.1 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.

Note 1.7.2 Measurement

Valuation

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

All 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 to ensure that carrying values are not materially different from those that would be determined at the end of the reporting period. A full revaluation of Land and Buildings on a componentised 'Existing Use' basis was carried out by the District Valuation Office at 31st March 2019. 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.

Assets held at depreciated replacement cost have been valued on an alternative site basis where this would meet the location requirements of the services being provided.

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.

Subsequent expenditure

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

Depreciation

Items of property, plant and equipment are depreciated 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 income.

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

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

Impairments

In accordance with the 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.

Note 1.7.3 De-recognition

Assets intended for disposal are reclassified as 'held for sale' once all of the following criteria are met:

- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
- the sale must be highly probable ie:
 - management are committed to a plan to sell the asset
 - an active programme has begun to find a buyer and complete the sale
 - the asset is being actively marketed at a reasonable price
 - the sale is expected to be completed within 12 months of the date of classification as 'held for sale' and
 - the actions needed to complete the plan indicate it is unlikely that the plan will be abandoned or significant changes made to it.

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

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

Note 1.7.4 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	Max life
	Years	Years
Land	-	-
Buildings, excluding dwellings	1	90
Plant & machinery	1	15
Transport equipment	1	5
Information technology	1	5
Furniture & fittings	1	5

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

Note 1.8 Intangible assets**Note 1.8.1 Recognition**

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

Software

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

Note 1.8.2 Measurement

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

Note 1.9 Inventories

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

Note 1.10 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 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 1.11 Financial assets and financial liabilities

Note 1.11.1 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 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.

Note 1.11.2 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 measured at amortised cost.

Financial liabilities are classified as measured at amortised cost.

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 financing income or expense.

Impairment of financial assets

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

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as 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 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.

Note 1.11.3 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 1.12 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.

Note 1.12.1 The trust as 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 asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for an item of property plant and equipment.

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

Operating leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability 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.

Note 1.12.2 The trust as lessor

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 1.13 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. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the discount rates published and mandated by HM Treasury.

Clinical negligence costs

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 1.14 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 1.15 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.

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

A charge, reflecting the cost of capital utilised by the trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for (i) donated assets (including lottery funded assets), (ii) average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility, and (iii) any PDC dividend balance receivable or payable.

In accordance with the requirements laid down by the Department of Health 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 thus calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

Note 1.16 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 1.17 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 1.18 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 1.19 Third party assets

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

Note 1.20 Losses and special payments

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

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

Note 1.21 Transfers of functions from local government bodies

As per note 29, staff from Wirral Borough Council transferred to the NHS foundation trust on the 17th August 2018. The net defined benefit pension scheme liability relating to those staff is recognised in the accounts at the date of transfer as a transfer by absorption. The liability is not adjusted to fair value prior to recognition. The opening net liability is recognised within expenses, but not within operating activities.

Note 1.22 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2018/19.

Note 1.23 Standards, amendments and interpretations in issue but not yet effective or adopted

A list of recently issued IFRS Standards and amendments that have not yet been adopted within the *FReM*, and are therefore not applicable to DHSC group accounts in 2018-19 is shown below:

IFRS 14 Regulatory Deferral Accounts - This standard has not been endorsed by the EU. Applies to first time adopters of IFRS after 1 January 2016. This standard is not applicable to DHSC group bodies.

IFRS 16 Leases - Application required for accounting periods beginning on or after 1 January 2019. This standard has not yet been adopted by the *FReM*: early adoption is not therefore permitted. The NHS foundation trust is in the process of collating a database of all lease data, including term, value and interest rate implicit in the lease. When IFRS 16 is applicable, there will be a requirement for the Trust to recognise the underlying assets (represented by the present value of the lease payments) and corresponding liabilities inherent in all of its lease agreements (and contracts containing leases). In addition, the income statement will be charged with depreciation and interest instead of the lease payments, which is expected to 'front load' the expense to the earlier part of the agreement, but at this stage it is not expected that this will represent a material adjustment.

IFRS 17 Insurance Contracts - Application required for accounting periods beginning on or after 1 January 2021. This standard has not yet been adopted by the *FReM*: early adoption is not therefore permitted.

IFRIC 23 Uncertainty over Income Tax Treatments - Application required for accounting periods beginning on or after 1 January 2019.

Note 2 Operating Segments

All activity at Cheshire and Wirral Partnership NHS Foundation Trust is healthcare related and a large majority of the Trust's income is received from within UK Government departments. The main proportion of the operating expenses are payroll related and are for the staff directly involved in the provision of health care and the indirect and overhead costs associated with that provision. The Trust operates primarily in Cheshire and the Wirral with some services delivered across the North West of England. Therefore, it is deemed that the business activities which earn the revenues for the Trust and in turn incur the expenses are one provision, which it is deemed appropriate to identify as a single segment, namely 'health care'.

The Trust identifies the Trust Board (which includes all Executive and Non-Executive Directors) as the Chief Operating Decision Maker (CODM) as defined by IFRS 8. Monthly operating results are reported to the Trust Board. The financial position of the Trust in month and for the year to date are reported, along with projections for the future performance and position, as a position for the whole Trust rather than as component parts making up the whole. The Trust board does not have separate directors for particular service areas or divisions. The Trust's external reporting to NHSI (the regulator) is on a whole Trust basis, which also implies the Trust is a single segment.

All decisions affecting the Trust's future direction and viability are made based on the overall total presented to the Board; the Trust is satisfied that the single segment of healthcare is appropriate and consistent with the principles of IFRS 8.

Note 3 Operating income from patient care activities

All income from patient care activities relates to contract income recognised in line with accounting policy 1.

Note 3.1 Income from patient care activities (by nature)	2018/19	2017/18
	£000	£000
Mental health services		
Cost and volume contract income	4,708	4,851
Block contract income	113,889	112,056
Clinical partnerships providing mandatory services (including S75 agreements)	7,124	5,015
Other clinical income from mandatory services	3,906	3,861
Community services		
Community services income from CCGs and NHS England	22,221	21,705
Income from other sources (e.g. local authorities)	6,450	5,596
All services		
Agenda for Change pay award central funding	1,893	-
Other clinical income	1,049	625
Total income from activities	161,240	153,709

Note 3.2 Income from patient care activities (by source)

Income from patient care activities received from:	2018/19	2017/18
	£000	£000
NHS England	14,685	15,252
Clinical commissioning groups	129,870	126,180
Department of Health and Social Care	1,893	-
Other NHS providers	276	921
Local authorities	13,454	10,525
Non NHS: other	1,062	831
Total income from activities	161,240	153,709

Note 3.3 Overseas visitors (relating to patients charged directly by the provider)

The trust received no income in relation to overseas visitors during the financial year 2018/19,

Note 4 Other operating income

	2018/19	2017/18
	£000	£000
Other operating income from contracts with customers:		
Research and development (contract)	255	243
Education and training (excluding notional apprenticeship levy income)	2,994	3,040
Non-patient care services to other bodies	1,846	1,552
Provider sustainability / sustainability and transformation fund income (PSF / STF)	3,238	2,804
Income in respect of employee benefits accounted on a gross basis	896	928
Other income	812	788
Other non-contract operating income		
Education and training - notional income from apprenticeship fund	184	84
Rental revenue from operating leases	61	90
Total other operating income	10,286	9,529

Note 5.1 Additional information on revenue from contracts with customers recognised in the period

	2018/19
	£000
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	1,572
Revenue recognised from performance obligations satisfied (or partially satisfied) in previous periods	-

Note 5.2 Transaction price allocated to remaining performance obligations

The Trust has no disclosures to record under this heading

Note 5.3 Income from activities arising from commissioner requested services

Under the terms of its provider licence, the trust is required to analyse the level of income from activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider license and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

	2018/19	2017/18
	£000	£000
Income from services designated as commissioner requested services	158,526	150,370
Income from services not designated as commissioner requested services	2,714	3,339
Total	161,240	153,709

Note 6 Fees and charges

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

Note 7.1 Operating expenses

	2018/19	2017/18
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	965	1,058
Purchase of healthcare from non-NHS and non-DHSC bodies	1,488	1,676
Staff and executive directors costs	134,106	126,527
Remuneration of non-executive directors	125	123
Supplies and services - clinical (excluding drugs costs)	2,067	2,300
Supplies and services - general	1,821	1,664
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	2,189	2,121
Consultancy costs	49	61
Establishment	1,706	1,411
Premises	8,321	6,907
Transport (including patient travel)	2,367	2,201
Depreciation on property, plant and equipment	1,871	2,150
Net impairments	4,490	-
Movement in credit loss allowance: contract receivables / contract assets	(79)	
Movement in credit loss allowance: all other receivables and investments	46	(7)
Audit fees payable to the external auditor		
audit services- statutory audit	61	59
other auditor remuneration (external auditor only)	13	13
Internal audit costs	107	98
Clinical negligence	506	605
Legal fees	223	176
Insurance	332	318
Research and development	475	438
Education and training	2,372	2,343
Rentals under operating leases	2,508	2,545
Termination benefits	(39)	568
Hospitality	2	5
Losses, ex gratia & special payments	24	68
Other services, eg external payroll	256	256
Other	2,817	2,443
Total	171,189	158,127

Note 7.2 Other auditor remuneration

	2018/19	2017/18
	£000	£000
Other auditor remuneration paid to the external auditor:		
Audit-related assurance services	13	13
Total	<u>13</u>	<u>13</u>

Note 7.3 Limitation on auditor's liability

The limitation on auditor's liability for external audit work is £2m (2017/18: £2m).

Note 8 Impairment of assets

	2018/19	2017/18
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Unforeseen obsolescence	4,490	-
Total net impairments charged to operating surplus / deficit	<u>4,490</u>	<u>-</u>
Impairments charged to the revaluation reserve	3,531	382
Total net impairments	<u>8,021</u>	<u>382</u>

During 2018/19 the trust commissioned a full revaluation of all land and building assets at the 31st March. The net impairment loss recorded above includes the following material changes in value to the buildings listed below:

- New Alderly £1.361m
- Saddlebridge £1.152m
- Ancora House £1.701m
- Springview £1.957m

Note 9 Employee benefits

	2018/19	2017/18
	Total	Total
	£000	£000
Salaries and wages	110,439	104,677
Social security costs	9,945	9,489
Apprenticeship levy	530	504
Employer's contributions to NHS pensions	13,194	12,722
Pension cost - other	274	42
Termination benefits	(39)	568
Temporary staff (including agency)	1,941	1,167
Total staff costs	<u>136,284</u>	<u>129,169</u>

Employee costs shown above are included within employee expenses for both executive directors and staff (£134.106m), research (£0.445m), termination benefits (-£0.039m) and education & training (£1.772m)

Note 1 - This is a net reversal of a redundancy provision from 2017/18 (£0.081m) offset by a new cost in 2018/19 (£0.042m)

Note 9.1 Retirements due to ill-health

During 2018/19 there were 2 early retirements from the trust agreed on the grounds of ill-health (7 in the year ended 31 March 2018). The estimated additional pension liabilities of these ill-health retirements is £113k (£522k in 2017/18).

The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

Note 10 NHS 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 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 2019, is based on valuation data as 31 March 2018, updated to 31 March 2019 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 last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ending 31 March 2012. The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and employee and employer representatives as deemed appropriate.

c) Pension Liability

The published annual accounts of the NHS Pension Scheme in 2017/18 disclosed a liability for the whole scheme of £526.1bn, an increase of £16.7bn from the liabilities at 31 March 2017. As the scheme is unfunded this liability is underwritten by the Exchequer. Employer contribution rates remain at 14.3% of pensionable pay for 2018/19. However, the Department of Health announced in March 2017 the introduction of a 0.08% levy on employers to pay for the administration of the Scheme. In practical terms this means employers will pay 14.38% of pensionable pay.

Note 10.1 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 11 Operating leases

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

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

During 2018/19, the trust leased a number of building and land assets (2017/18 £0.09m)

	2018/19 £000	2017/18 £000
Operating lease revenue		
Minimum lease receipts	61	90
Total	<u>61</u>	<u>90</u>
	31 March 2019 £000	31 March 2018 £000
Future minimum lease receipts due:		
- not later than one year;	61	90
Total	<u>61</u>	<u>90</u>

Note 11.2 Cheshire and Wirral Partnership NHS Foundation Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where Cheshire and Wirral Partnership NHS Foundation Trust is the lessee.

These primarily comprise leases for office equipment, premises and transport which are charged to operating expenses in note 11.1 above. No individual leases are considered significant for separate disclosure.

	2018/19 £000	2017/18 £000
Operating lease expense		
Minimum lease payments	2,508	2,545
Total	<u>2,508</u>	<u>2,545</u>
	31 March 2019 £000	31 March 2018 £000
Future minimum lease payments due:		
- not later than one year;	2,197	2,215
- later than one year and not later than five years;	4,498	3,455
- later than five years.	6,286	6,761
Total	<u>12,981</u>	<u>12,431</u>
Future minimum sublease payments to be received	-	-

Note 1 - The restatement of the 2017/18 future minimum lease payments due for later than one year and not later than five years from a value of £1,879k to £3,455k, and later than five years from a value of £1,846k to £6,761k, relates to updated information concerning the lease length for two properties Princeway Health Centre and Fountains Health Centre.

Note 12 Finance income

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

	2018/19	2017/18
	£000	£000
Interest on bank accounts	118	44
Total finance income	118	44

Note 13.1 Finance expenditure

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

	2018/19	2017/18
	£000	£000
Interest expense:		
Finance leases	95	102
Total interest expense	95	102
Unwinding of discount on provisions	2	(6)
Total finance costs	97	96

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

The Trust has no disclosures to record under this heading.

Note 14 Transfers by absorption

On 17th August 2018, the trust formally became the recipient in a transfer of the all age disability service from Wirral Borough Council. As of that date, the assets and liabilities of the Merseyside Pension Fund in relation to those staff who transferred under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) were accounted for as a 'transfer by absorption' in line with the Department of Health Group Accounting Manual.

On the 17th August 2018, the trust recognised £4.977m as a 'loss from transfers by absorption' in the Statement of Comprehensive Income and a corresponding £4.977m in net defined benefit pension scheme liabilities within 'Other liabilities' on the Statement of Financial Position. This has since been adjusted to £8.220m following the independent actuarial valuation at 31st March 2019. A reconciliation of the movement can be found in note 29.1 on page 175.

Note 15.1 Property, plant and equipment - 2018/19

	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 2018 - brought forward	6,816	64,355	559	1,023	176	2,991	716	76,636
Additions	-	302	1,397	10	-	347	77	2,133
Impairments	(337)	(7,684)	-	-	-	-	-	(8,021)
Revaluations	1,044	9,853	-	-	-	-	-	10,897
Transfers to / from assets held for sale	(50)	-	-	-	-	-	-	(50)
Valuation/gross cost at 31 March 2019	7,473	66,826	1,956	1,033	176	3,338	793	81,595

	Land £000	Buildings excluding dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Accumulated depreciation at 1 April 2018 - brought forward	-	-	-	694	136	1,951	473	3,254
Provided during the year	-	1,456	-	113	7	256	39	1,871
Revaluations	-	(1,456)	-	-	-	-	-	(1,456)
Accumulated depreciation at 31 March 2019	-	-	-	807	143	2,207	512	3,669

Net book value at 31 March 2019	7,473	66,826	1,956	226	33	1,131	281	77,926
Net book value at 1 April 2018	6,816	64,355	559	329	40	1,040	243	73,382

Note 15.2 Property, plant and equipment - 2017/18

	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 2017 - as previously stated	6,354	61,741	82	961	176	2,319	665	72,298
Prior period adjustments	50	-	-	-	-	-	-	50

	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 2017 - restated	6,404	61,741	82	961	176	2,319	665	72,348
Additions	-	1,326	477	62	-	672	51	2,588
Impairments	(77)	(305)	-	-	-	-	-	(382)
Revaluations	489	1,593	-	-	-	-	-	2,082
Valuation/gross cost at 31 March 2018	6,816	64,355	559	1,023	176	2,991	716	76,636

	Land £000	Buildings excluding dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Accumulated depreciation at 1 April 2017 - as previously stated	-	-	-	547	127	1,416	384	2,474
Provided during the year	-	1,370	-	147	9	535	89	2,150
Revaluations	-	(1,370)	-	-	-	-	-	(1,370)
Accumulated depreciation at 31 March 2018	-	-	-	694	136	1,951	473	3,254

Net book value at 31 March 2018	6,816	64,355	559	329	40	1,040	243	73,382
Net book value at 1 April 2017	6,404	61,741	82	414	49	903	281	69,874

Note 1. The PPA relates to four parcels of land disposed of in 2018/19, that were not previously recorded on the Trusts Balance Sheet. The combined value of the land was £0.05m.

Note 15.3 Property, plant and equipment financing - 2018/19

	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 2019								
Owned - purchased	7,473	66,826	1,956	226	33	758	281	77,553
Finance leased	-	-	-	-	-	373	-	373
NBV total at 31 March 2019	7,473	66,826	1,956	226	33	1,131	281	77,926

Note 15.4 Property, plant and equipment financing - 2017/18

	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 2018								
Owned - purchased	6,816	64,355	559	329	40	557	243	72,899
Finance leased	-	-	-	-	-	483	-	483
NBV total at 31 March 2018	6,816	64,355	559	329	40	1,040	243	73,382

Note 16 Revaluations of property, plant and equipment

The Valuation Office Agency (RICS qualified) were instructed on 23rd November 2018 to carry out a full revaluation of Trust freehold land & buildings effective on 31st March 2019. The basis for valuing assets occupied & used in the delivery of services is Current Value in Existing Use (EUV). 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 UKVS 1.3.
- Specialised Operational Assets, Depreciated Replacement Cost (DRC) in accordance with UKVS 1.15 & UKGN 2

The overall net increase to the net book value resulting from the revaluation, has had the effect of both increasing and decreasing asset useful lives.

Note 17.1 Other investments

	2018/19 £000	2017/18 £000
Carrying value at 1 April	<u>1</u>	<u>1</u>
Carrying value at 31 March	<u>1</u>	<u>1</u>

Note 17.2 Joint Arrangements

Villicare LLP has been established as a Limited Liability Partnership (LLP) strategic estates partnership between Cheshire & Wirral Partnership NHS FT and Ryhurst Ltd. The partnerships primary purpose is to make available the estate needed to help CWP deliver efficient clinical services.

Villicare LLP's registered address and principal place of business is Rydon House, Station Road, Forest Row, East Sussex, RH18 5DW, England.

The partnership currently has 2 subsidiaries, Villicare (Nominee No.1) Ltd and Villicare (ProjectCo. No1) LLP. If new business opportunities arise, the potential for additional subsidiaries to be created will be considered by the Trust.

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 2018/19

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

* Differences due to roundings

Related Party Transactions 2017/18

	2017/18 Current Assets £'000	2017/18 Liabilities £'000	2017/18 Income £'000	2017/18 Expenditure £'000
Villicare LLP - Consisting of:				
Cheshire and Wirral Partnership NHS FT	4	(9)	394	(400)
Ryhurst Ltd	<u>4</u>	<u>(9)</u>	<u>394</u>	<u>(400)</u>
Total	<u>8</u>	<u>(18)</u>	<u>788</u>	<u>(800)</u>

Note 18 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 2019 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 19.1 Trade receivables and other receivables

	31 March 2019 £000	31 March 2018 £000
Current		
Contract receivables*	7,050	-
Trade receivables*	-	4,053
Accrued income*	-	3,083
Allowance for impaired contract receivables / assets*	(39)	-
Allowance for other impaired receivables	(37)	(118)
Prepayments (non-PFI)	1,238	1,144
Interest receivable	12	6
PDC dividend receivable	84	128
VAT receivable	96	52
Other receivables	141	217
Total current trade and other receivables	8,545	8,565

Of which receivables from NHS and DHSC group bodies:

Current	5,977	6,760
---------	-------	-------

*Following the application of IFRS 15 from 1 April 2018, the trust's entitlements to consideration for work performed under contracts with customers are shown separately as contract receivables and contract assets. This replaces the previous analysis into trade receivables and accrued income. IFRS 15 is applied without restatement therefore the comparative analysis of receivables has not been restated under IFRS 15.

There were no non-current trade and other receivables.

Note 19.2 Allowances for credit losses - 2018/19

	Contract receivables £000	Other receivables £000
Allowances as at 1 Apr 2018 - brought forward		118
Impact of implementing IFRS 9 (and IFRS 15) on 1 April 2018	118	(118)
Allowances at start of period for new FTs	-	-
New allowances arising	-	57
Reversals of allowances	(79)	(11)
Utilisation of allowances (write offs)	-	(9)
Transfer to FT upon authorisation	-	-
Allowances as at 31 Mar 2019	39	37

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

	2018/19 £000	2017/18 £000
NBV of non-current assets for sale and assets in disposal groups at 1 April	-	750
Assets classified as available for sale in the year	50	-
Assets sold in year	(50)	(750)
Transfer to FT upon authorisation	-	-
NBV of non-current assets for sale and assets in disposal groups at 31 March	-	-

In 2018/19 the trust successfully disposed of four parcels of land (£0.050m).

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.

	2018/19	2017/18
	£000	£000
At 1 April	12,923	9,484
Net change in year	5,345	3,439
At 31 March	18,268	12,923
Broken down into:		
Cash at commercial banks and in hand	206	272
Cash with the Government Banking Service	18,062	12,651
Total cash and cash equivalents as in SoFP	18,268	12,923
Total cash and cash equivalents as in SoCF	18,268	12,923

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 foundation trust on behalf of patients or other parties. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	31 March	31 March
	2019	2018
	£000	£000
Bank balances	19	38
Total third party assets	19	38

Note 22 Trade and other payables

	2019	2018
	£000	£000
Current		
Trade payables	5,781	3,473
Capital payables	742	700
Accruals	7,659	7,443
Social security costs	2,686	2,557
Other payables	1,458	1,125
Total current trade and other payables	18,326	15,298
Of which payables from NHS and DHSC group bodies:		
Current	3,239	1,852

There were no non current trade and other payables

Note 23 Other liabilities

	31 March 2019 £000	31 March 2018 £000
Current		
Deferred income: contract liabilities	2,437	2,563
Total other current liabilities	2,437	2,563
Non-current		
Net pension scheme liability	8,590	261
Total other non-current liabilities	8,590	261

The movement in non-current liabilities is due to an increase in the trusts LGPS liability. This relates to an increase in the CPF pension liability (£0.1m) and an additional pension liability in relation to MPF (£8.2m)

Note 24 Borrowings

	31 March 2019 £000	31 March 2018 £000
Current		
Obligations under finance leases	133	103
Total current borrowings	133	103
Non-current		
Obligations under finance leases	286	418
Total non-current borrowings	286	418

Note 24.1 Reconciliation of liabilities arising from financing activities

	Total £000	Finance leases £000
Carrying value at 1 April 2018	521	521
At start of period for new FTs	-	-
Cash movements:		
Financing cash flows - payments and receipts of principal	(102)	(102)
Financing cash flows - payments of interest	(95)	(95)
Non-cash movements:		
Application of effective interest rate	95	95
Transfer to FT upon authorisation	-	-
Carrying value at 31 March 2019	419	419

Note 25 Finance leases

Note 25.1 Cheshire and Wirral Partnership NHS Foundation Trust as a lessee

Obligations under finance leases where Cheshire and Wirral Partnership NHS Foundation Trust is the lessee.

	31 March 2019 £000	31 March 2018 £000
Gross lease liabilities	509	706
of which liabilities are due:		
- not later than one year;	198	198
- later than one year and not later than five years;	311	508
Finance charges allocated to future periods	(90)	(185)
Net lease liabilities	419	521
of which payable:		
- not later than one year;	133	103
- later than one year and not later than five years;	286	418

The lease obligations in respect of Phase one of the introduction of the provision of multifunctional devices will end in 2020/21. Phase two will end in 2021/22.

During 2017/18, the trust incurred new finance lease liabilities in respect of 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	Redundancy £000	Other £000	Total £000
At 1 April 2018						
Arising during the year	768	71	1,789	1	589	3,218
Utilised during the year	-	76	75	-	29	180
Reversed unused	(56)	(43)	(785)	-	(6)	(890)
Unwinding of discount	-	(16)	(129)	(1)	-	(146)
	2	-	-	-	-	2
At 31 March 2019	714	88	950	-	612	2,364
Expected timing of cash flows:						
- not later than one year;	56	88	950	-	612	1,706
- later than one year and not later than five years;	658	-	-	-	-	658
Total	714	88	950	-	612	2,364

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 the NHS Resolution (NHSR) and largely relates to excesses that are expected to be paid. Settlement of these claims is generally anticipated to be within one year.

Note 26.2 Clinical negligence liabilities

At 31 March 2019, £978k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Cheshire and Wirral Partnership NHS Foundation Trust (31 March 2018: £927k).

Note 27 Contingent assets and liabilities

	31 March 2019 £000	31 March 2018 £000
Value of contingent liabilities		
NHS Resolution legal claims	(70)	(40)
Gross value of contingent liabilities	<u>(70)</u>	<u>(40)</u>
Net value of contingent liabilities	<u><u>(70)</u></u>	<u><u>(40)</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 2019/20.

Note 28 Contractual capital commitments

	31 March 2019 £000	31 March 2018 £000
Property, plant and equipment	1,411	1,126
Total	<u><u>1,411</u></u>	<u><u>1,126</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), which is a member of the Local Government Pension Scheme (LGPS). Details of this scheme can be obtained from the CPF, Cheshire West and Chester Council, Council Offices, 4 Civic Way, Ellesmere Port, CH65 0BE. On the 17th August 2018, staff from Wirral Borough Council transferred to the trust as part of the All Age Disability Service. Those staff have remained members of the Merseyside Pension Fund (MPF), which is also a member of the Local Government Pension Scheme (LGPS). Details of this scheme can be obtained from MPF, Wirral Borough Council, Castle Chambers, Liverpool, Merseyside, L2 9SH.

Details of the Trust assets and liabilities as a member of the CPF and MPF scheme 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 2019. These reports set out member contribution rates up to and including 31 March 2019.

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 the year end, using the principal actuarial assumptions at that date. The full disclosure requirements of IAS19 Employee Benefits are given in note 29 on pages 175 and 176.

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 29.1 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:

Note 1: The Trust did not become an admitted member of the MPF until 17th August 2018.

	31st Mar 2019 %	31st Mar 2018 %
Cheshire Pension Fund		
Increase in pensions	2.4	2.3
Increase in salaries	2.7	2.6
Discount rate	2.5	2.7
Merseyside Pension Fund		
Increase in pensions	2.3	0
Increase in salaries	3.7	0
Discount rate	2.5	0

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

	31st Mar 2019 %	31st Mar 2018 %
Cheshire Pension Fund		
Non retired member - Male (aged 65 in 20 years time)	23.9	23.9
Non retired member - Female (aged 65 in 20 years time)	26.5	26.5
Retired member - Male	22.3	22.3
Retired member - Female	24.5	24.5
Merseyside Pension Fund		
Non retired member - Male (aged 65 in 20 years time)	25.2	0
Non retired member - Female (aged 65 in 20 years time)	27.9	0
Retired member - Male	22.2	0
Retired member - Female	25.0	0

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

	31st Mar 2019 %	31st Mar 2018 %
Cheshire Pension Fund		
Equities	45	42
Bonds	45	46
Property	8	8
Cash/Other	2	4
Total	100	100
Merseyside Pension Fund		
Equities	49	0
Bonds	16	0
Property	10	0
Cash/Other	25	0
Total	100	0

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

	31st Mar 2019 %	31st Mar 2019 £000	31st Mar 2018 %	31st Mar 2018 £000
Cheshire Pension Fund				
Increase in Real Discount Rate	0.5	306	0.5	261
Increase in Salary Increase Rate	0.5	62	0.5	56
Increase in Pension Increase Rate (CPI)	0.5	239	0.5	181
	31st Mar 2019 %	31st Mar 2019 £000	31st Mar 2018 %	31st Mar 2018 £000
Merseyside Pension Fund				
Increase in Real Discount Rate	0.1	(504)	0	0
Increase in Salary Increase Rate	0.1	142	0	0
Increase in Pension Increase Rate (CPI)	0.1	515	0	0

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

Note 29.2 Changes in the defined benefit obligation and fair value of plan assets during the year

	2018/19 £000	2017/18 £000
Present value of the defined benefit obligation at 1 April	(1,466)	-
Prior period adjustment	-	-
Present value of the defined benefit obligation at 1 April - restated	(1,466)	-
Transfers by absorption	(19,725)	(1,501)
Current service cost	(640)	(40)
Interest cost	(376)	(10)
Contribution by plan participants	(142)	(7)
Remeasurement of the net defined benefit (liability) / asset:		
- Actuarial (gains) / losses	(2,862)	92
Present value of the defined benefit obligation at 31 March	(25,211)	(1,466)
Plan assets at fair value at 1 April	1,205	-
Prior period adjustment	-	-
Plan assets at fair value at 1 April -restated	1,205	-
Transfers by normal absorption	14,748	1,190
Interest income	279	8
Remeasurement of the net defined benefit (liability) / asset:		
- Return on plan assets	67	(35)
- Actuarial gain / (losses)	(283)	-
Contributions by the employer	463	35
Contributions by the plan participants	142	7
Plan assets at fair value at 31 March	16,621	1,205
Plan surplus/(deficit) at 31 March	(8,590)	(261)

Note 29.3 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 2019 £000	31 March 2018 £000
Present value of the defined benefit obligation	(25,211)	(1,466)
Plan assets at fair value	16,621	1,205
Net defined benefit (obligation) / asset recognised in the SoFP	(8,590)	(261)
Fair value of any reimbursement right	-	-
Net (liability) / asset recognised in the SoFP	(8,590)	(261)

of which:

Cheshire Pension Fund	(1,833)	(1,466)
Merseyside Pension Fund	(23,378)	0
Present value of the defined benefit obligation at 31 March	(25,211)	(1,466)

Cheshire Pension Fund	1,463	1,205
Merseyside Pension Fund	15,158	0
Plan assets at fair value at 31 March	16,621	1,205

Note 29.4 Amounts recognised in the SoCI

	2018/19 £000	2017/18 £000
Current service cost	(640)	(40)
Interest expense / income	(97)	(2)
Total net (charge) / gain recognised in SOCI	(737)	(42)

Note 30 Financial instruments

Financial risk management

Note 30.1 Market Risk

Market risk is the possibility that financial loss might arise as a result of changes in such measures as interest rates and stock market movements. The only element of financial assets held that are subject to a variable rate are cash at bank and current investments. The NHS foundation trust is not therefore exposed to significant interest rate risk. In addition all of the NHS foundation trust's financial liabilities carry nil or fixed rates of interest. Changes in interest rates can impact discount rates and consequently affect the valuation of provisions and finance lease obligations. The NHS foundation trust's transactions are almost all undertaken in sterling and so it is not exposed to foreign exchange risk and as it holds no equity investments in companies or other investments linked to a price index no further exposure arises in this respect.

Note 30.2 Credit Risk

Credit risk is the possibility that other parties might fail to pay amounts due to the NHS foundation trust. Credit risk arises from deposits with banks as well as credit exposure to the NHS foundation trust's commissioners and other receivables. At the statement of financial position date the maximum exposure of the NHS foundation trust to credit risk was £25.575m. Surplus operating cash is invested to maximise interest return. Investments are only permitted with independently rated UK sovereign banks and there is a list of authorised deposit takers with whom surplus funds may be invested for appropriate periods up to a maximum of twelve months. The NHS foundation trust's banking services are provided by the Government Banking Service and Lloyds Public Banking Group. The NHS foundation trust's net operating expenses are incurred largely under annual service agreements with clinical commissioning groups and NHS England, which are financed from resources voted annually by Parliament. The NHS foundation trust receives cash each month based on agreed levels of contract activity. Excluding income from local councils, which is normally considered low risk, 1.14% of income is from non-NHS customers.

Note 30.3 Liquidity Risk

Liquidity risk is the possibility that the NHS foundation trust might not have funds available to meet its commitments to make payments. Prudent liquidity risk management includes maintaining sufficient cash and the availability of funding from an adequate amount of committed credit facilities. As stated above the majority of NHS foundation trust's net operating expenses are financed via NHS commissioners from resources voted annually by Parliament.

The NHS foundation trust presently finances its capital expenditure from internally generated funds or funds made available from Government, in the form of additional Public Dividend Capital. In addition, the NHS foundation trust can borrow, within parameters laid down by 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 30.4 Carrying values of financial assets

IFRS 9 Financial Instruments is applied retrospectively from 1 April 2018 without restatement of comparatives. As such, comparative disclosures have been prepared under IAS 39 and the measurement categories differ to those in the current year analyses.

	Held at fair			Total book value £000
	Held at amortised cost £000	value through I&E £000	Held at fair value through OCI £000	
Carrying values of financial assets as at 31 March 2019 under IFRS 9				
Trade and other receivables excluding non financial assets	7,126	-	-	7,126
Other investments / financial assets	1	-	-	1
Cash and cash equivalents at bank and in hand	18,268	-	-	18,268
Total at 31 March 2019	25,395	-	-	25,395

	Assets at fair value				Total book value £000
	Loans and receivables £000	through the I&E £000	Held to maturity £000	Available-for-sale £000	
Carrying values of financial assets as at 31 March 2018 under IAS 39					
Trade and other receivables excluding non financial assets	7,298	-	-	-	7,298
Other investments / financial assets	1	-	-	-	1
Cash and cash equivalents at bank and in hand	12,923	-	-	-	12,923
Total at 31 March 2018	20,222	-	-	-	20,222

Note 30.5 Carrying value of financial liabilities

IFRS 9 Financial Instruments is applied retrospectively from 1 April 2018 without restatement of comparatives. As such, comparative disclosures have been prepared under IAS 39 and the measurement categories differ to those in the current year analyses.

	Held at fair		
	Held at amortised cost £000	value through the I&E £000	Total book value £000
Carrying values of financial liabilities as at 31 March 2019 under IFRS 9			
Obligations under finance leases	419	-	419
Trade and other payables excluding non financial liabilities	15,506	-	15,506
Total at 31 March 2019	15,925	-	15,925

	Held at fair		
	Other financial liabilities £000	value through the I&E £000	Total book value £000
Carrying values of financial liabilities as at 31 March 2018 under IAS 39			
Obligations under finance leases	521	-	521
Trade and other payables excluding non financial liabilities	11,616	-	11,616
Total at 31 March 2018	12,137	-	12,137

Note 30.6 Fair values of financial assets and liabilities

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

Note 30.7 Maturity of financial liabilities

	31 March 2019 £000	31 March 2018 £000
In one year or less	15,765	11,719
In more than one year but not more than two years	160	258
In more than two years but not more than five years	-	160
Total	15,925	12,137

Note 31 Losses and special payments

	2018/19		2017/18	
	Total number of cases Number	Total value of cases £000	Total number of cases Number	Total value of cases £000
Losses				
Bad debts and claims abandoned	8	(156)	11	(10)
Stores losses and damage to property	141	23	145	16
Total losses	149	(133)	156	6
Special payments				
Ex-gratia payments	15	14	12	64
Total special payments	15	14	12	64
Total losses and special payments	164	(119)	168	70
Compensation payments received		-		-

NHS foundation trusts record on an accruals basis payments and other adjustments that arise as a result of losses and special payments. In the year to 31 March 2019 the NHS foundation trust had 164 (year ended 31 March 2018, 168) separate losses and special payments totalling -£0.119m (year ended 31 March 2018, £0.070m).

Note 32.1 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

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

During the year the NHS foundation trust has had transactions with the following related party organisations:

Year Ended 31 March 2019

Name of Related Party	Relationship / Reason for Disclosure	Income	Expenditure	Receivables	Payables
		£000	£000	£000	£000
Ancora House	Board of Directors	1	0	1	0
Board of the NHS NIW Leadership Academy	Board of Directors	31	0	0	0
Care Quality Commission	Member of Council of Governors	0	114	0	0
Cheshire East Unitary Authority	Member of Council of Governors	2020	75	50	16
Cheshire West and Chester Unitary Authority	Member of Council of Governors	6544	108	707	148
Comprehensive Local Research Network (CLRN)	Commissioner	255	0	0	0
Health Education England (North West Board)	Commissioner	2944	6	14	226
Liverpool John Moore's University	Member of Council of Governors	0	1	0	0
Mental Health and Learning Disabilities Nurse Directors and Leads Forum	Board of Directors	0	1	0	1
Neverxia Ltd	Board of Directors	0	0	40	0
NHS Bolton CCG	Commissioner	472	0	22	0
NHS East Lancashire CCG	Commissioner	3	0	1	0
NHS Eastern Cheshire CCG	Commissioner	15417	31	29	9
NHS England	Commissioner	18083	2	10	502
NHS Halton CCG	Commissioner	110	0	18	0
NHS Liverpool CCG	Commissioner	997	0	31	586
NHS North Staffordshire CCG	Commissioner	59	0	16	0
NHS South Cheshire CCG	Commissioner	14538	0	236	113
NHS South Sefton CCG	Commissioner	1505	0	2	0
NHS Southport and Formby CCG	Commissioner	1089	0	1	0
NHS Stockport CCG	Commissioner	344	0	2	0
NHS Trafford CCG	Commissioner	258	0	0	56
NHS Vale Royal CCG	Commissioner	8669	0	53	0
NHS Warrington CCG	Commissioner	443	0	50	0
NHS West Cheshire CCG	Member of Council of Governors	49375	157	1055	491
NHS Wirral CCG	Member of Council of Governors	34612	0	831	83
Royal College of Psychiatrists	Member of Council of Governors	0	48	0	4
The Walton Centre NHS Foundation Trust	Board of Directors	14	0	0	0
University of Chester	Member of Council of Governors	4	12	1	4
University of Liverpool	Member of Council of Governors	23	82	7	0
Villicare LLP	Board of Directors	0	10	0	0
Wirral Borough Council	Member of Council of Governors	3885	340	126	0

Note 1 - Payments made to the key decision makers within the organisation are disclosed in the Remuneration table which is shown on pages 49 to 52 of the Annual Report

Note 2 - The main entities within the public sector with which Cheshire & Wirral Partnership NHS Foundation Trust has had dealings are Countess of Chester NHS Foundation Trust, East Cheshire NHS Trust, HM Revenue and

Note 3 - DH group bodies must disclose the Department of Health and Social Care (DHSC) as the parent department. Cheshire & Wirral Partnership NHS Foundation received £1,913k from DHSC for the year ending 31st March

Note 4 - The Trust is the corporate trustee of CWP Charity (Registered Charity No. 1050046). The charitable fund accounts have not been consolidated into these accounts as the transactions are considered immaterial in the context of the Trust. The provisional turnover of the charity in 2018/19 was £40,683 and its net assets were £264,613. The Trust provides a financial administration service for the charity for which the charity paid £2,930 in 2018/19. An annual report and audited accounts of the Trust's charity (covering the period reported in these accounts) will be available from 31 January 2020 and may be accessed via the Charity Commission website at

www.charity-commission.gov.uk

32.2 Related Party Transactions

Ultimate Parent

Cheshire and Wirral Partnership NHS Foundation Trust is a public benefit corporation established under the NHS Act 2006. NHS Improvement, the Independent Regulator of NHS Foundation Trusts has the power to control the NHS foundation trust within the meaning of IAS 27 'Consolidated and Separate Financial Statements' and therefore can be considered as the NHS foundation trust's parent. NHS Improvement does not prepare group accounts but does prepare separate NHS Foundation Trust Consolidated Accounts which are then included within the Whole of Government Accounts. NHS Improvement is accountable to the Secretary of State for Health. The NHS foundation trust's ultimate parent is therefore HM Government.

Whole of Government Accounts (WGA) Bodies

All government bodies which fall within the whole of government accounts boundary are regarded as related parties because they are all under the common control of HM Government and Parliament. This includes, for example, all NHS bodies, all local authorities and central government bodies.

During the year the NHS foundation trust has had transactions with the following related party organisations:

Name of Related Party	Year Ended 31 March 2018				
	Relationship / Reason for Disclosure	Income £000	Expenditure £000	Receivables £000	Payables £000
Alzheimer's Society	Prior year comparative	4	2	0	0
Care Quality Commission	Member of Council of Governors	0	202	0	0
Cheshire East Unitary Authority	Member of Council of Governors	3,269	64	0	73
Cheshire West and Chester Unitary Authority	Member of Council of Governors	5,575	120	577	117
Comprehensive Local Research Network (CLRN)	Commissioner	243	0	0	0
Health Education England (North West Board)	Commissioner	3,037	12	8	154
Liverpool John Moore's University	Member of Council of Governors	6	2	0	0
NHS Bolton CCG	Commissioner	439	0	42	0
NHS Chorley and South Ribble CCG	Commissioner	34	0	0	0
NHS East Lancashire CCG	Commissioner	1	0	0	0
NHS Eastern Cheshire CCG	Commissioner	15,487	18	82	105
NHS England	Commissioner	18,324	204	2,321	814
NHS Halton CCG	Commissioner	127	0	13	0
NHS Liverpool CCG	Commissioner	912	0	151	521
NHS North Staffordshire CCG	Commissioner	95	0	15	0
NHS South Cheshire CCG	Commissioner	13,706	0	61	46
NHS South Sefton CCG	Commissioner	1,457	0	1	0
NHS Southport and Formby CCG	Commissioner	1,395	0	13	0
NHS Stockport CCG	Commissioner	278	0	6	0
NHS Trafford CCG	Commissioner	220	0	19	0
NHS Vale Royal CCG	Commissioner	8,248	0	53	23
NHS Warrington CCG	Commissioner	540	0	49	1
NHS West Cheshire CCG	Member of Council of Governors	47,096	0	603	332
NHS Wirral CCG	Member of Council of Governors	34,954	9	601	77
Royal College of Psychiatrists	Member of Council of Governors	33	31	0	0
The Walton Centre NHS Foundation Trust	Board of Directors	3	0	13	10
University of Chester	Member of Council of Governors	8	195	0	0
University of Lancaster	Board of Directors	0	2	0	0
University of Liverpool	Member of Council of Governors	24	109	3	0
Wirral Borough Council	Member of Council of Governors	508	0	192	190

The background is a solid teal color. A large white circle is positioned on the left side, partially cut off by the edge. This circle is surrounded by a thick orange border. A thin white line curves across the top and right side of the page, starting from the left edge and ending near the top right corner.

Cheshire and Wirral Partnership
NHS Foundation Trust
Trust Headquarters Redesmere
Countess of Chester Health Park
Liverpool Road
Chester, CH2 1BQ
Tel: 01244 397397
Fax: 01244 397398